CHAKANA COPPER CORP.

MANAGEMENT DISCUSSION & ANALYSIS

FOR THE THREE AND NINE MONTHS ENDED FEBRUARY 28, 2021

(EXPRESSED IN CANADIAN DOLLARS)

GENERAL

This Management Discussion and Analysis ("MD&A") of Chakana Copper Corp. (the "Company" or "Chakana") dated April 28, 2021, provides an analysis of the Company's financial results for the nine months ended February 28, 2021. The following information should be read in conjunction with the accompanying unaudited condensed interim consolidated financial statements for the nine months ended February 28, 2021 with accompanying notes, which have been prepared in accordance with International Financial Reporting Standards ("IFRS") and International Accounting Standard 34 *Interim Financial Reporting*, as issued by the International Accounting Standards Board.

All dollar figures are expressed in Canadian dollars, unless otherwise stated. The Company's condensed interim consolidated financial statements and MD&A are available on www.sedar.com.

COMPANY OVERVIEW

Chakana Copper Corp. was incorporated on May 2, 2011, under the laws of the province of British Columbia, Canada, and changed its name from Hadrian Resources Inc. on August 4, 2011 to Chakana Copper Corp. on January 30, 2018. The Company is a mineral exploration company listed on the TSX Venture Exchange ("TSX-V") under the symbol "PERU". The Company is currently engaged in the exploration and development of mineral properties, with prospects for copper, gold and silver in Peru.

The head office and principal address is 800 West Pender Street, Suite 1430, Vancouver, British Columbia, V6C 2V6, Canada. The records office of the Company is located at 1055 West Pender Street, Suite 1500, Vancouver, British Columbia, V6E 4V7, Canada.

The Company is currently advancing the Soledad Project near Aija, in the Ancash region of the highly prolific Miocene mineral belt of Peru. The Company's goal is to find and advance mineral projects to an economic resource within a single commodity cycle for further development by mid-tier and/or major mining companies. The Company looks for de-risked projects that have the characteristics of large above average grade mineral systems with significant upside potential. The Company employs the latest technological innovations to test the upside potential of projects with aggressively funded exploration programs.

GENERAL OVERVIEW OF MARKET CONDITIONS

During the period May 31, 2019 through to the date of this MD&A, gold and silver prices started to appreciate, with gold trading between US $1,275 per ounce and US $2,075 per ounce, closing at US $1,732 per ounce at February 28, 2021, and silver trading between US $11 per ounce and US $29 per ounce, closing at US $26.64 per ounce at February 28, 2021. During the same period, copper prices have fluctuated between a low of US $2.10 per pound and a high of US $4.30 per pound closing at US $4.08 per pound on February 28, 2021. Since February 28, 2021 to the date of this report, gold and silver prices have come down from their highs while copper has been fluctuating around the US$4.00 per pound price range.

Since the second half of 2019, base metal prices have increased significantly. These factors have created a positive environment for the resource and exploration sectors focused on these metals, and as a result, share prices of many junior/exploration stage companies have increased in value, allowing for new financing over this period. However, as a result of the global pandemic caused by COVID-19 many governments have mandated lockdowns affecting the ability of companies to continue with normal operations. As a result of the increase in precious metal prices, market capitalization of the Company has increased. Also, certain re-sell restrictions on the Company's common shares expired resulting in an over-hang of stock held by previous private placement subscribers. As described above, the global pandemic has created significant volatility in gold and silver prices since February 2020. If gold, silver and copper prices stay high once the pandemic settles, this may provide better opportunities for additional funding and more activity in the precious metals or base metals exploration sector.

The current outbreak of COVID-19 and any future emergence and spread of similar pathogens could have an adverse impact on global economic conditions, which may adversely impact the Company's operations, and the operations of its suppliers, contractors and service providers, the ability to obtain financing and maintain necessary liquidity, and the ability to explore the Company's properties. The outbreak of COVID-19 and political upheavals in various countries have caused significant volatility in commodity prices. While these effects are expected to be temporary, the duration of the business disruptions internationally and related financial impact cannot be reasonably estimated at this time. Similarly, the Company cannot estimate whether or to what extent this outbreak and the potential financial impact may extend to countries outside of those currently impacted. Travel bans and other government restrictions may also adversely impact the Company's operations and the ability of the Company to advance its projects. In particular, if any employees or consultants of the Company become infected with coronavirus or similar pathogens and/or the Company is unable to source necessary consumables or supplies, due to government restrictions or otherwise, it could have a material negative impact on the Company's operations and prospects, including the complete shutdown of one or more of its exploration programs. The situation is dynamic and changing day-to-day. As a result of these uncertainties, the Company has implemented new work protocols for its employees and contractors incorporating Covid-19 prevention measures such as installation of a stand-alone camp on the project, individual dormitory accommodations, improved hygiene measures, use of masks and gloves, and mandatory social distancing.

HIGHLIGHTS

Exploration developments

- In June 2020, the Company was granted final Peruvian Government approval on the initiation of activities for the Semi-detailed Environmental Impact Assessment covering the central part of the expanded Soledad Project. This permit allows the Company to expand and accelerate its exploration program into some of the highest priority areas that have demonstrated significant surface and geophysical anomalies that have not been previously drilled.

- On August 15, 2020, the Company recommenced its fully funded Phase 3b drill program to test multiple high-grade gold-enriched breccia pipe targets in the central part of the Soledad Project. These outcropping targets are in part defined by high-grade gold rock sample results. The targeted pipes demonstrate a number of surface characteristics consistent with previous results from other drilled breccia pipes at Soledad.

- On September 17, 2020, the Company provided drill results from the first three drill holes completed at the Paloma East target within the expanded Soledad Project in Ancash. Significant zones of mineralization were encountered in all three holes. Gold enrichment was noted in the top of two holes with intercepts with gold and silver and intercepts of gold and copper in the third hole.

- On October 8, 2020, the Company provided Surface Channel Sampling Results for two previously drilled tourmaline breccia pipes, H 1 and H 6, at its expanded Soledad Project in Ancash All H 1 channel samples average 5.61 g/t gold and 62.2 g/t silver with maximum grades of 28.0 g/t gold and 1,230 g/t silver. All H 6 channel samples average 0.19 g/t gold and 34.6 g/t silver with maximum grades of 0.57 g/t gold and 132 g/t silver.

- On October 28, 2020, the Company reported drill results from four additional holes completed 226 metres of 0.34 g/t gold, 0.36% copper, and 16.9 g/t silver (1.11 g/t Au-Eq) from 3 metres at Paloma East - Soledad Project, including 15 m of 2.26 g/t gold and 16.6 g/t silver (2.48 Au-Eq) from 21 m.

- On November 10, 2020, the Company announced new high-grade copper-gold-silver discovery at Paloma West - Soledad Project. The first three holes in Paloma West demonstrate very significant grades for copper and precious metals. Significant intervals of mineralization were encountered in all three holes, including 22.65 m of 2.81 g/t gold, 3.80% copper and 56.2 g/t silver (9.36 g/t Au-Eq) from 48 m.

- On December 3, 2020, the Company reported results of four additional holes at its Paloma West discovery, it reported it found additional intersections of 10.7 metres of 7.25 g/t Au, 10.2%Cu and 163.5 g/t Ag (24.99 g/t Au-Eq) from 32.4 metres at Paloma West - Soledad Project.

- On December 18, 2020, the Company reported results of four additional holes at its Paloma West discovery, it reported it found additional intersects 101.5 metres of 0.61 g/t Au, 0.91%Cu and 19.8 g/t Ag (2.26 g/t Au-Eq) from 32 metres at Paloma West - Soledad Project.

- On January 12, 2021, the Company reported intersects 126.2 metres of 0.31 g/t Au, 0.53% Cu and 34.6 g/t Ag (1.03% Cu-Eq; 1.57 g/t Au-Eq) from 92.8 metres at Huancarama - Soledad Project.

  By the end of 2020, field crews had completed 34 drill holes for 6,634 metres at three high priority targets, Paloma East, Paloma West and the Huancarama Breccia Complex as part of the Company's original 15,000-metre drill program.

- On January 25, 2021, the Company reported results for two additional drill holes from the recently-announced discovery at the Huancarama Breccia Complex, within the Soledad Project, it reported it found an intersect of 120.4 metres of 0.51 g/t Au, 0.83% Cu and 34.6 g/t Ag (1.46% Cu-Eq; 2.23 g/t Au-Eq) from 101.3 metres at Huancarama - Soledad Project.

- On February 9, 2021, the Company reported results for two additional drill holes with the highest-grade intercepts reported to date from the Huancarama Breccia Complex. These holes complement the initial ten holes previously published on January 12, 2021, and January 25, 2021. It reported it intersected the highest grade interval to date: 11 metres of 2.79 g/t Au, 4.04% Cu and 330.8 g/t Ag (13.30 g/t Au-Eq) at Huancarama - Soledad Project, within 93 metres of 1.63 g/t Au, 0.95% Cu and 129.2 g/t Ag (4.77 g/t Au-Eq) from 117 metres.

- On February 18, 2021, the Company reported it added a second drill rig to its Soledad Project located in Ancash, in order to accelerate both the exploration and resource drilling programs. It also expanded its drill program to 26,000 metres for the 2021 calendar year, with 16,000 metres of resource drilling for inclusion in the Company's Soledad maiden resource estimate expected later this year. Resource drilling will focus on recent discoveries at Paloma East, Paloma West and Huancarama.

- On March 3, 2021, the Company extended Huancarama mineralization 290 metres Below Surface - Soledad Project.

- On March 24, 2021, the Company reported a discovery of a second high-grade breccia pipe within Huancarama - Soledad Project. This new high-grade breccia pipe (Huancarama West) is located approximately 75m west of the previously announced Huancarama East discovery with intersects of 11 metres of 6.29 g/t Au and 92.8 g/t Ag (7.66 g/t Au-Eq) 14 metres below surface.

- On April 28, 2021 the Company reported drill results from eight exploration holes from Huancarama totalling 1,522.1 metres and five resource drill holes from Paloma East totaling 1,455.15 metres. The Company reported high-grade intersects of 125.0 metres of 0.63 g/t Au, 0.54% Cu, and 55.7 g/t Ag (1.43% Cu-eq) Including 15.0m of 2.29 g/t Au, 1.27% Cu, and 248.6 g/t Ag (4.89% Cu-eq) at Huancarama.

Please refer to news releases on www.sedar.com and the Company's website at www.chakanacopper.com. For the Company's drilling results details.

Financing

- On February 10, 2021, the Company closed its first tranche of a non-brokered private placement of 14,186,000 common shares at a price of $0.50 per share for gross proceeds of $7,093,000.

- On March 11, 2021, the Company closed its second tranche of the non-brokered private placement of 3,874,516 common shares at a price of $0.50 for gross proceeds of $1,937,258. The Company intends to use the net proceeds of the private placement for the accelerated exploration and development of the Company's high-grade copper-gold-silver Soledad Project located in the Ancash region of Peru and for general working capital and administrative purposes.

Corporate matters

- On April 22, 2021 Douglas Silver joined Chakana as Chairman and Director of the Company replacing Mr. Doug Kirwin who stepped down from the Board of Directors.

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- On July 10, 2020, the Company granted stock options to certain of its directors, officers and consultants to purchase up to 2,050,000 common shares. Each option is exercisable to acquire one common share at a price of $0.40 until July 10, 2025.

- On April 22, 2021, the Company granted 3,600,000 incentive stock options to directors, officers and consultants. Each option may be exercised on or before April 22, 2026 at a price of $0.50.

EXPLORATION AND EVALUATION EXPENDITURES

The Company is engaged in investigation, evaluation, exploration and development of mineralized precious and base metal properties and related activities in Peru. The Company's wholly owned indirect subsidiary, Chakana Resources S.A.C., holds: (i) the option to acquire a 100% ownership interest in the Soledad Project ("Condor Option") and owns an net smelter return royalty ("NSR") on the Soledad Project; (ii) holds an option to acquire a 100% ownership interest in the adjacent Aija Project ("Aija Project"); and (iii) holds an option to acquire up to a 100% ownership in other adjacent mineral concessions owned by Minera Barrick Misquichilca S.A. ("Barrick") (the "Barrick Option"). All three options are collectively referred as the "Soledad Project". The Company is the operator of all related mineral exploration activities on these projects.

RESULTS OF OPERATIONS

Acquisition costs of the Soledad Project are as follows:

	Condor Option	Aija Project	Total
Balance – May 31, 2019	$ 1,880,111	$ 282,941	$ 2,163,052
Acquisition costs	212,072	180,698	392,770
Foreign exchange on translation	3,680	3,135	6,815
Balance – May 31, 2020	2,095,863	466,774	2,562,637
Acquisition costs	322,172	101,509	423,681
Foreign exchange on translation	(154,458)	(70,817)	(225,275)
Balance – February 28, 2021	$ 2,263,577	$ 497,466	$ 2,761,043

During the three and nine months ended February 28, 2021 and February 29, 2020, the Company incurred exploration and evaluation expenditures as follows:

	Three Months Ended February 28, 2021	Three Months Ended February 29, 2020	Nine Months Ended February 28, 2021	Nine Months Ended February 29, 2020
Drilling	$ 579,024	$ -	$ 1,292,895	$ 749,465
Exploration support and administration	318,141	264,971	902,405	892,399
Field operations and consumables	213,111	76,578	489,867	645,864
Geological consultants	51,319	67,631	140,326	173,804
Sampling and geological costs	120,456	2,030	244,814	170,590
Transportation	101,623	27,817	170,845	174,355
	$ 1,383,674	$ 439,027	$ 3,241,152	$ 2,806,477

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SUMMARY OF QUARTERLY RESULTS

Key financial information for the three months ended February 28, 2021, as well as the most recently preceding seven quarters is summarized as follows:

		February 28, 2021		November 30, 2020		August 31, 2020		May 31, 2020
Current Assets	$	9,642,901	$	4,474,496	$	6,420,439	$	6,815,408
Current Liabilities	$	790,059	$	605,452	$	272,452	$	339,068
Total Assets	$	13,559,092	$	8,340,893	$	9,822,906	$	10,794,843
Total Liabilities	$	790,059	$	605,452	$	272,452	$	339,068
Operating Expenses	$	(2,016,903)	$	(2,029,145)	$	(1,409,750)	$	(829,646)
Net Loss	$	(2,074,339)	$	(2,000,965)	$	(1,275,370)	$	(796,550)
Loss per Share	$	(0.02)	$	(0.02)	$	(0.01)	$	(0.01)

		February 29, 2020		November 30, 2019		August 31, 2019		May 31, 2019
Current Assets	$	7,612,318	$	8,736,439	$	10,785,640	$	12,526,764
Current Liabilities	$	353,615	$	410,263	$	1,019,449	$	526,094
Total Assets	$	11,484,646	$	12,433,122	$	14,413,372	$	16,004,287
Total Liabilities	$	353,615	$	410,263	$	1,019,449	$	526,094
Operating Expenses	$	(952,239)	$	(1,477,790)	$	(1,976,957)	$	(1,800,891)
Net Loss	$	(1,198,970)	$	(1,453,327)	$	(2,164,498)	$	(2,400,226)
Loss per Share	$	(0.01)	$	(0.02)	$	(0.02)	$	(0.02)

RESULTS OF OPERATIONS FOR THE THREE MONTHS ENDED FEBRUARY 28, 2021

Total operating expenses for three months ended February 28, 2021 were $2,074,339 (2020 - $1,198,970). The significant expenditures for the current quarter were as follows:

- Exploration and evaluation expenditures were $1,383,674 during the three months ended February 28, 2021 (2020 - $439,027), inclusive of drilling expenses of $579,024 (2020 - $nil). Increase in drilling expenses were a result of the Company recommencing its drill program, as it obtained the required drill permits. Exploration support and administration were $318,141 (2020 - $264,971) and field expenses were $213,111 (2020 - $76,578). Sampling and geological costs of $115,601 (2020 - $2,030) increased, as the Company increased its drilling activity. Transportation expenses of $101,623 (2020 - $27,817) increased as a result of increased drilling activities. Geological consulting fees $51,319 (2020 - $67,631) remained consistent with the prior period.

- Consulting expenses were $71,926 and salaries and wage expenses were $71,233 during the three months ended February 28, 2021, compared to $92,299 consulting expenses and $95,785 salaries and wages for the three months ended February 29, 2020. The reduction in salary and wages is due to a reduction of employee count in the current period compared to the prior period.

- General and administrative expenses were $112,615 during the three months ended February 28, 2021, compared to $125,019 during the three months ended February 29, 2020. The decrease in general and administrative expenses was primarily due to the write-off of valued-added tax receivables during the three months ended February 28, 2021 that had been applied to general and administrative expenses. Travelling expenses were $nil during the three months ended February 28, 2021 (2020 - $45,653). The decrease in travel expenses was related to COVID-19 restrictions during the current period.

- During the three months ended February 28, 2021, the Company incurred $29,715 (2020 - $31,415) of legal and professional fees. These expenses remained consistent year to year.

- Stock-based compensation and investor relations expenses were $212,389 and $111,235, respectively, during the three months ended February 28, 2021 (2020 - $58,547 and $39,096, respectively). Stock-based compensation expense realized during the three months ended February 28, 2021 is the result of amortization of share-based expense from stock options granted during the current and prior periods. Investor relations expense increased during the three months ended February 28, 2021 due to ongoing marketing and promotions campaigns.

As a result of the foregoing, the Company recorded a net loss of $2,074,339 during the three months ended February 28, 2021 (2020 - $1,198,970).

RESULTS OF OPERATIONS FOR THE NINE MONTHS ENDED FEBRUARY 28, 2021

Total operating expenses for the nine months ended February 28, 2021 were $5,455,798 (2020 - $4,469,101). The significant expenditures for the current quarter were as follows:

- Exploration and evaluation expenditures were $3,241,152 during the nine months ended February 28, 2021 (2020 - $2,806,477), inclusive of drilling expenses of $1,292,895 (2020 - $749,465). Drilling expenses increased, as the Company received the required permits and commenced its drilling program, while in the comparative period saw a reduction as it was awaiting such permits. Exploration support and administration were $902,405 (2020 - $892,399), field expenses were $489,867 (2020 - $645,864) and transportation expenses were $170,845 (2020 - $174,355). Geological consulting fees $140,326 (2020 - $173,804), and sampling and geological costs of $239,959 (2020 - $170,590) were increased compared to the prior period, as the Company has revamped operations as it has received the required permits.

- Consulting expenses were $186,709 and salaries and wage expenses were $222,943 during the nine months ended February 28, 2021, compared to $204,748 consulting expenses and $337,488 salaries and wages for the nine months ended February 29, 2020. The reduction in salaries and wages is due to a reduction of employee count in the current period compared to the prior period.

- General and administrative expenses were $282,663 during the nine months ended February 28, 2021, compared to $574,123 during the nine months ended February 29, 2020. The decrease in general and administrative expenses was primarily due to the write-off of value-added tax receivables during the nine months ended February 28, 2021 that had been applied to general and administrative expenses. Travelling expenses were $1,649 during the nine months ended February 28, 2021 (2020 - $110,408). The decrease in travel expenses was related to COVID-19 restrictions during the current period.

- During the nine months ended February 28, 2021, the Company incurred $129,843 (2020 - $125,669) of legal and professional fees. During the current period, these amounts related to obtaining various permits needed to continue drilling.

- Stock-based compensation and investor relations expenses were $1,022,364 and $294,838, respectively, during the nine months ended February 28, 2021 (2020 - $75,157 and $159,159, respectively). Stock-based compensation expense realized during the nine months ended February 28, 2021 is the result of amortization of share-based expense from stock options granted during the prior year. Investor relations expense increased during the nine months ended February 28, 2021 due to ongoing marketing and promotions campaigns.

As a result of the foregoing, the Company recorded a net loss of $5,350,674 during the nine months ended February 28, 2021 (2020 - $4,798,267).

SUMMARY OF MINERAL PROPERTIES

(i) Soledad Project, Peru (the "Condor Option")

On April 17, 2017, the Company entered into a Mining Assignment and Option Agreement (the Condor Option) with Minera Vertiente del Sol S.A.C., a Peruvian subsidiary of TSX-V-listed Condor Resources Inc. ("Condor"), pursuant to which the Company has the sole and exclusive option to acquire 100% of the rights and interests in the Soledad Project, subject to a 2% NSR.

The Company's option to acquire 100% of the rights and interests in the Soledad Project is exercisable by issuing 500,000 common shares by June 23, 2018 (issued), making aggregate cash payments of US $5,375,000 and incurring work expenditures on the Soledad Project (which have been met). During the nine months ended February 28, 2021, the Company renegotiated the payment schedule

The Condor Option exercise cash payments schedule is as follows:

Installment	Date		Amount (in US $)
1	February 2017 (paid)	$	10,000
2	Upon signing the Agreement on April 17, 2017 (paid)		15,000
3	December 23, 2017 (paid)		25,000
4	June 23, 2018 (paid)		50,000
5	December 23, 2018 (paid)		50,000
6	June 23, 2019 (paid)		75,000
7	December 23, 2019 (paid)		75,000
8	June 23, 2020 (paid)		100,000
9	December 23, 2020 (paid)		150,000
10	June 23, 2021		200,000
11	December 23, 2021		200,000
12	April 23, 2022		4,425,000
	Total	$	5,375,000

As at February 28, 2021, the Company has paid instalments 1 to 9, totalling US $550,000. The June 23, 2018 instalment was accompanied with the issuance of 500,000 shares of the Company valued at $330,000.

On March 18, 2019, the Company purchased a 1% NSR on the Soledad Project for $369,902 (US $275,000) and 900,000 common shares valued at $378,000. As a result of the Company purchasing the NSR, the Condor Option was amended to reflect a reduction of the NSR from 2% to 1%, with the Company having the right to repurchase 50% of the NSR (or 0.5% NSR) for US $1,000,000 subsequent to exercising the Condor Option. If the Company does not exercise the Condor Option, Condor has the right to purchase 50% of the NSR (or 0.5% NSR) for US $1,000,000. The amendment to the Condor Option also eliminated Chakana's pre-production royalty payment obligations.

Pursuant to the Condor Option, the Company must complete 12,500 metres of exploration drilling at the Soledad Project. As at February 28, 2021, the Company has drilled over 12,500 metres on the Soledad Project, therefore meeting all of its drilling commitments under the Condor Option.

The Soledad project is located in Ancash province of central Peru, approximately 260 kilometres north-northwest of Lima and 35 kilometres south of Barrick's Pierina mine. The project is part of the Ticapampa-Aija Mining District in the Cordillera Negra, a region with a long history of exploration and mining.

Previous exploration identified numerous high-grade quartz-tourmaline-sulfide breccia pipes that crop out at surface. Whereas the mineralization hosted in the breccia pipes is impressive in terms of grade and vertical extent, previous explorers were focused on a blind mineralized porphyry target inferred to be the source of the breccia mineralization. Chakana is focused on testing the breccia pipes to determine if they host economic mineralization.

The breccia pipes are principally hosted in the Calipuy group volcanic rocks, consisting of andesite flows, tuff and rhyolite with a composite thickness of over 2,000 m. A secondary host is granodiorite that intrudes the volcanic rocks. A 16,000 metres drill program was initiated on August 16, 2016, designed to determine the geometry of several previously drilled pipes, determine the true grade profile by drilling across the pipes, define an initial inferred resource on two of the pipes and test a number of targets across the property.

- **Geophysics:** Both down-hole and surface electromagnetic surveys and a ground magnetics survey were completed within the portions of the Soledad Project where breccia pipes were known or expected based upon soil sampling and geological modeling. This work identified conductive features, some of which yielded additional sulfide mineralization while others remain untested.

- **Geological Modeling:** The Company utilizes specialized consultants and exploration software in order to track results and then model results daily in 3-D. This permits a tighter control on drill hole directions while permitting real-time discussions between Peru-based staff and officers or consultants based around the world.

- **Soil Geochemical and Outcropping Rock Sampling** has been completed over the most prospective portions of the Soledad Project. Results have been integrated into our modeling and have yielded both new targets and extensions to known zones.

Please refer to news releases on www.sedar.com and the Company's website at www.chakanacopper.com for the Company's drilling results details.

(ii) Aija Project, Peru

On March 20, 2018, the Company entered into an Option Agreement (the "Aija Option") with an arm's length third-party, pursuant to which the Company has the option to acquire 100% of the rights and interest in the Aija Project subject to a 2% NSR. During the nine months ended February 28, 2021, the Company renegotiated the payment schedule. The Aija Project includes 3 principal concessions and 7 smaller parcels within one of the principal concessions, totalling in aggregate 574.71 hectares. These concessions are contiguous with the southern boundary of the Soledad Project.

The Company's option to acquire 100% of the rights and interests in the Aija Project is exercisable by making aggregate cash payments of US $2,300,000 as follows:

Installment	Date		Amount (in US $)
1	Upon execution of Letter of Intent on October 3, 2017 (paid)	$	75,000
2	Upon close of Definitive Agreement on August 1, 2018 (paid)		75,000
3	February 1, 2019 (paid)		50,000
4	August 1, 2019 (paid)		50,000
5	February 1, 2020 (paid)		75,000
6	November 1, 2020 (paid)		75,000
7	May 1, 2021		100,000
8	November 1, 2021		100,000
9	May 1, 2022		100,000
10	November 1, 2022		100,000
11	May 1, 2023		1,500,000
	Total	$	2,300,000

As at February 28, 2021, the Company has paid instalments 1 to 6, totalling US $400,000.

Under the terms of the Aija Option, the vendor is entitled to a 2% NSR. The Company may repurchase the 2% NSR at any time for US $2,000,000. There are no drilling or work expenditure commitments under the Aija Option.

The Company has completed detailed soil and rock sampling, geological mapping, surface electromagnetic surveys and ground magnetics surveys within the portions of the Aija Project where breccia pipes were known or expected based upon soil sampling and geological modeling. Results are encouraging with the identification of nine confirmed breccia pipes within the option. The next steps will be core drilling. The Company met with numerous delays in acquiring permits to do this work, largely as a result of inconsistent records at different government ministries.

Please refer to news releases on www.sedar.com and the Company's website at www.chakanacopper.com for the Company's drilling results details.

(iii) Barrick Option Agreement

On July 11, 2018, Barrick granted the Company an option (the Barrick Option) to acquire a 100% interest in three concessions adjoining the southern extent of the Aija Project. Under terms of the Barrick Option, the Company has five years to complete a minimum of 2,000 metres of exploration drilling and produce a Preliminary Economic Assessment report compliant with National Instrument 43-101 *Standards of Disclosure for Mineral Projects*. Upon exercise of the Barrick Option, Barrick will retain a 2% NSR subject to the Company's right to purchase 50% of the NSR (1%) for US $2,000,000.

Barrick will have a one-time right to reacquire a 70% interest in the concessions within 120 days of exercising the option (the "Back-In Closing Date") by paying the Company three times the aggregate amount of exploration expenditures incurred since the execution date and cancelling the 2% NSR. If a production decision is not made within seven years of the Back-in Closing Date, Barrick will make pre-royalty payments of US $75,000 per year until a production decision is made for a maximum of five years (US $375,000). If the Company does not contribute its share of project costs their interest will be diluted to 10%, upon which their interest will be converted to a 2% NSR with Barrick's right to purchase 50% of the royalty for US $2,000,000.

The Company has completed detailed soil and rock sampling, geological mapping, surface electromagnetic surveys and ground magnetics surveys within the portions of the Barrick Option concessions where breccia pipes were known or expected based upon soil sampling and geological modeling. Results are encouraging with the identification of seven confirmed breccia pipes within the Barrick Option concessions. The Company is working on surface access and modifying the EIAsd permit to allow drilling in this area. The Company has met with numerous delays due to COVID-19 in acquiring surface access and permits to do this work.

CAPITAL STRUCTURE

As of the date of this MD&A, the Company has 111,410,363 (February 28, 2021 - 107,535,847) common shares, nil common share purchase warrants and 6,410,000 (February 28, 2021 - 6,410,000) stock options issued and outstanding.

Issued Capital

During the nine months ended February 28, 2021, the Company completed the first tranche of a non-brokered private placement of 14,186,000 common shares at a price of $0.50 per common share for gross proceeds of $7,093,000.

On March 11, 2021, the Company completed the second and final tranche of its non-brokered private placement issuing an additional 3,874,516 common shares at a price of $0.50 per common share for gross proceeds of $1,937,258.

During the nine months ended February 28, 2021, the Company issued 150,000 common shares on exercise of options at an exercise price of $0.20 per share for total proceeds of $30,000.

During the year ended May 31, 2020, all warrants expired unexercised. No new warrants were issued during the year ended May 31, 2020 or the nine months ended February 28, 2021.

(EXPRESSED IN CANADIAN DOLLARS)

The following incentive stock options were outstanding at February 28, 2021:

Expiry Date	Exercise Price	February 28, 2020	May 31, 2020
September 14, 2022	$0.40	2,235,000	2,235,000
February 5, 2023	$0.20	700,000	700,000
March 29, 2023	$0.94	200,000	300,000
December 12, 2024	$0.20	1,225,000	1,425,000
July 10, 2025	$0.40	2,050,000	-
Total outstanding options	$0.36	6,410,000	4,660,000
Total exercisable options	$0.39	5,153,750	3,203,750

On July 10, 2020, the Company granted 2,050,000 incentive stock options to directors, officers and consultants. Each option may be exercised on or before July 10, 2025 at a price of $0.40.

On April 22, 2021, the Company granted 3,600,000 incentive stock options to directors, officers and consultants. Each option may be exercised on or before April 22, 2026 at a price of $0.50

Capital Resources

The Company defines its capital as consisting of shareholders' equity and cash. The Company manages its capital structure to maximize its financial flexibility by making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. The Company does not presently utilize any quantitative measures to monitor its capital, but rather relies on the expertise of the Company's management to sustain the future development of the business. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

As at February 28, 2021, the Company is not subject to any externally imposed capital requirements or debt covenants. There was no change to the Company's approach to capital management during the nine months ended February 28, 2021.

Liquidity

The Company's objective in managing liquidity risk is to maintain sufficient liquidity in order to meet operational and investing requirements at any point in time. The Company has historically financed its operations primarily through the sale of share capital by way of private placements.

As at February 28, 2021, the Company had cash and cash equivalents of $9,194,606 and working capital of $8,852,842.

Cash used in operating activities was $4,060,325 during the nine months ended February 28, 2021. The cash used in operating activities is primarily related to exploration and evaluation expenditures, as well as general corporate expenditures.

Cash used in investing activities was $246,130 during the nine months ended February 28, 2021, and was primarily related to purchases of equipment and option payments related to its exploration and evaluation assets.

Cash from financing activities was $6,925,542 during the nine months ended February 28, 2021, as a result of the exercise of options.

The development of the Company in the future will depend on the Company's ability to obtain additional financings. In the past, the Company has relied on the sale of equity securities to meet its cash requirements. Future developments, in excess of funds on hand, will depend on the Company's ability to obtain financing through joint venturing of projects, debt financing, equity financing or other means. There can be no assurances that the Company will be successful in obtaining any such financing or in joint venturing its property; failure to obtain such additional financing could result in the delay or indefinite postponement of further exploration and development of the Company's properties.

OUTLOOK

The Company plans to conduct further exploration and resource drilling on its Soledad Project. Further exploration and corporate costs are expected to be funded through future equity financing. As of the date of this MD&A, the Company has approximately $9.2 million in cash and cash equivalents. Exploration will continue to focus on mineralization hosted in tourmaline breccia pipes. Surface exploration over the northern half of the property has largely been completed and drill targets have been defined. On July 9, 2020, the Company was granted the necessary permits and restarted its Phase 3b drilling program on August 15, 2020. The goal of this drilling, combined with previous drilling, is to produce the first mineral resource estimate for the project in 2021. Metallurgical studies will be completed to complement the resource estimate. Additional surface exploration work will continue on the south half of the Soledad Project to define additional drill targets, which will be tested once permits for this area are obtained. Based on the level of exploration activity, the Company will continue its community relations and development program in the areas close to the Soledad Project.

RELATED PARTY TRANSACTIONS

The Company's related parties include officers and directors and companies related by way of directors or shareholders in common.

During the nine months ended February 28, 2021 and February 29, 2020, the Company paid and/or accrued the following fees to key management personnel:

- During the nine months ended February 28, 2021, the Company incurred $196,741 (2020 - $198,216) of consulting fees from David Kelley, the Company's Chief Executive Officer. As of February 28, 2021, the amount of $nil (May 31, 2020 - $14,502) was owing to David Kelley.

- During the nine months ended February 28, 2021, the Company incurred $nil (2020 - $69,300) of consulting fees from Skanderbeg Financial Advisors Inc., a company controlled by Kevin Ma, the former Chief Financial Officer of the Company. These services were terminated on January 31, 2020.

- The Company is party to a consulting agreement with a firm for which Xavier Wenzel works to provide services as the Company's Chief Financial Officer, as well as financial consulting services, accounting and bookkeeping services to the Company for $8,500 per month. For the year ended February 28, 2021, the total fees incurred under this agreement are $76,500 (2020 - $nil).

- During the nine months ended February 28, 2021, the Company incurred $9,000 (2020 - $6,000) of consulting expense from John Black, a director of the Company. As of February 28, 2021, the amount of $29,000 (May 31, 2020 - $23,000) was owing to John Black, which is included in accounts payable and accrued liabilities. The amount owing is non-interest-bearing, unsecured and due on demand.

- During the nine months ended February 28, 2021, the Company incurred $45,000 (2020 - $35,000) of consulting expense from Chelmer Consulting Corp., a company controlled by Darren Devine, a director of the Company. As of February 28, 2021, the amount of $5,250 (May 31, 2020 - $5,250) was owing to Chelmer Consulting Corp., which is included in accounts payable and accrued liabilities. The amount owing is non-interest-bearing, unsecured and due on demand.

- During the nine months ended February 28, 2021, the Company incurred $45,430 (2020 - $59,474) of consulting expense from Douglas Kirwin, a director of the Company. As of February 28, 2021, the amount of $6,482 (May 31, 2020 - $2,093) was owing to Douglas Kirwin, which is included in accounts payable and accrued liabilities. The amount owing is non-interest-bearing, unsecured and due on demand.
- During the nine months ended February 28, 2021, the Company incurred $9,000 (2020 - $22,000) of consulting expense from Tom Wharton, a director of the Company. As of February 28, 2021, the amount of $8,000 (May 31, 2020 - $2,000) was owing to Tom Wharton, which is included in accounts payable and accrued liabilities. The amount owing is non-interest-bearing, unsecured and due on demand.

Off-balance Sheet Arrangements

The Company currently has no off-balance sheet arrangements.

Financial Instruments and Risk Management

Financial assets and liabilities are classified in the fair value hierarchy according to the lowest level of input that is significant to the fair value measurement. Assessment of the significance of a particular input to the fair value measurement requires judgment and may affect placement within the fair value hierarchy levels.

The hierarchy is as follows:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 fair value measurements are those derived from inputs that are unobservable inputs for the asset or liability.

The fair value of cash under the fair value hierarchy is measured using Level 1 inputs. The Company considers that the carrying amount of all its financial assets and financial liabilities recognized at amortized cost in the condensed interim consolidated financial statements approximate their fair values due to the demand nature or short-term maturity of these instruments.

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

Financial Risk Factors

The Company's risk exposure and the impact on the Company's financial instruments are summarized below:

Credit Risk

Credit risk is the risk of potential loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets, including cash and receivables. The Company limits exposure to credit risk on liquid financial assets through maintaining its cash with a high credit quality financial institution.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company currently settles its financial obligations with cash. The ability to do this relies on the Company raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs. The Company is exposed to liquidity risk.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company has no interest-bearing debt. The Company's sensitivity to interest rates is minimal.

Foreign Currency Risk

Foreign currency risk is the risk on fluctuation of currency related to monetary items with a settlement currency other than the Canadian dollar. The functional currency of Chakana is the Canadian dollar and the functional currency of the subsidiary is the US dollar. The Company is exposed to foreign currency risk on fluctuations related to cash, receivables, prepayments and accrued liabilities that are denominated in Peruvian soles, US dollars and Canadian dollars. The Company has not used derivative instruments to reduce its exposure to foreign currency risk nor has it entered into foreign exchange contracts to hedge against gains or losses from foreign exchange fluctuations.

BUSINESS RISKS AND UNCERTAINTIES

Additional information on risks and uncertainties relating to Chakana's business is provided in Remo Resources Inc.'s Filing Statement dated December 4, 2017 under the heading **Risk Factors**. This Filing Statement is accessible under the Company's profile at www.sedar.com.

CONTRACTUAL OBLIGATIONS

The Company leases various premises under operating leases that expire from January 31, 2021 to July 31, 2021. The Company is obligated to make $75,244 in minimum lease payments under the premise leases in the fiscal year to end May 31, 2021.

CRITICAL ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of the Company's condensed interim consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the condensed interim consolidated financial statements and reported amounts of income and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes may differ significantly from these estimates.

Areas requiring a significant degree of judgment relate to the recoverability and measurement of deferred tax assets and liabilities, the ability to continue as a going concern and the capitalization of development costs. Actual results may differ from those estimates and judgments. Areas requiring a significant degree of estimation include allowances for doubtful accounts.

Judgments that have the most significant effect on the amounts recognized in the Company's condensed interim consolidated financial statements are as follows:

- *Exploration and Evaluation Assets*

  The net carrying value of each mineral property is reviewed regularly for conditions that suggest potential indications of impairment. This review requires significant judgment. Factors considered in the assessment of asset impairment include, but are not limited to, whether there has been a significant adverse change in the legal, regulatory, accessibility, title, environmental or political factors that could affect the property's value; whether there has been an accumulation of costs significantly in excess of the amounts originally expected for the property's acquisition, development or cost of holding; and whether exploration activities produced results that are not promising, such that no more work is being planned in the foreseeable future.

- *Going Concern*

  The assessment of the Company's ability to continue as a going concern involves critical judgment based on historical experience and expectations of the Company's ability to generate adequate financing. Significant judgment is used in the Company's assessment of its ability to continue as a going concern.

- *Value-added Tax Receivable*

  The Company has a signed agreement with the Peruvian Ministry of Energy and Mines to receive a refund on value-added taxes for certain exploration related expenditures incurred by the Company in Peru, prior to the Company generating sales. These value-added tax receivables are subject to review by the Peruvian tax authorities. Management is required to assess the likelihood of approval for the expenditures filed for refund and collectability of the value-added tax receivables from the Peruvian Ministry of Energy and Mines.

- *Income Taxes*

  Deferred tax assets and liabilities are determined based on differences between the financial statement carrying values of assets and liabilities and their respective income tax bases (temporary differences), and losses carried forward.

  The determination of the ability of the Company to utilize tax loss carry-forwards to offset deferred tax liabilities requires management to exercise judgment and make certain assumptions about the future performance of the Company. Management is required to assess whether it is probable that the Company will benefit from these prior losses and other deferred tax assets. Change in economic conditions, metal prices and other factors could result in revision to the estimates of the benefits to be realized or the timing of utilizing the losses.

- *Functional Currency*

  The functional currency for the Company's subsidiary is the Peruvian sol – the currency of the primary economic environment in which the entity operates. Determination of functional currency may involve certain judgments to determine the primary economic environment and the Company reconsiders the functional currency of its entities if there is a change in events and conditions that determined the primary economic environment.

SIGNIFICANT ACCOUNTING POLICIES

The Company's significant accounting policies are summarized in Note 3 to the audited consolidated financial statements for the year ended May 31, 2020.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This MD&A contains certain statements that may be deemed "forward-looking statements", including statements regarding developments in the Company's operations in future periods, adequacy of financial resources, and future plans and objectives of the Company. All statements in this document, other than statements of historical fact, which address events or developments that the Company expects to occur, are forward-looking statements. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects", "plans", "anticipates", "believes", "intends", "estimates", "projects", "potential", "interprets" and similar expressions, or events or conditions that "will", "would", "may", "could" or "should" occur. Forward-looking statements in this document include statements regarding future exploration programs, liquidity and effects of accounting policy changes.

Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance, and actual results may differ materially from those in forward-looking statements. Factors that could cause the actual results to differ materially from those in forward-looking statements include market prices, exploration success, continued availability of capital and financing, inability to obtain required regulatory or governmental approvals, and general economic, market or business conditions, including, but not limited to, the impact of the COVID-19 pandemic, see **General Overview of Market Conditions** on page 1 of this MD&A. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements. Readers are cautioned not to place undue reliance on this forward-looking information.

Forward-looking statements are based on the beliefs, estimates and opinions of the Company's management on the date the statements are made. The Company undertakes no obligation to update these forward-looking statements in the event that management's beliefs, estimates, opinions or other factors should change, except as required by law.

These statements are based on a number of assumptions, including, among others, assumptions regarding general business and economic conditions, the timing of the receipt of regulatory and governmental approvals for the transactions described herein, the ability of the Company and other relevant parties to satisfy stock exchange and other regulatory requirements in a timely manner, the availability of financing for the Company's transactions and exploration and development programs on reasonable terms, and the ability of third-party service providers to deliver services in a timely manner. The foregoing list of assumptions is not exhaustive. Events or circumstances could cause results to differ materially.