

TINKA RESOURCES LIMITED

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE THREE MONTHS ENDED DECEMBER 31, 2018

This discussion and analysis of financial position and results of operation is prepared as at February 28, 2019 and should be read in conjunction with the unaudited condensed consolidated interim financial statements and the accompanying notes for the three months ended December 31, 2018 of Tinka Resources Limited (the "Company" or "Tinka"). The following disclosure and associated financial statements are presented in accordance with International Financial Reporting Standards ("IFRS"). Except as otherwise disclosed, all dollar figures included therein and in the following management discussion and analysis ("MD&A") are quoted in Canadian dollars.

Forward-Looking Statements

Certain information in this MD&A may constitute forward-looking statements or forward-looking information within the meaning of applicable securities laws (collectively, "Forward-Looking Statements"). All statements, other than statements of historical fact that address activities, events or developments that the Company believes, expects or anticipates will or may occur in the future are Forward-Looking Statements. Forward-Looking Statements are often, but not always, identified by the use of words such as "seek," "anticipate," "believe," "plan," "estimate," "expect," and "intend" and statements that an event or result "may," "will," "can," "should," "could," or "might" occur or be achieved and other similar expressions. Forward-Looking Statements are based upon the opinions and expectations of the Company based on information currently available to the Company. Forward-Looking Statements are subject to a number of factors, risks and uncertainties that may cause the actual results of the Company to differ materially from those discussed in the Forward-Looking Statements including, among other things, the Company has yet to generate a profit from its activities; there can be no guarantee that the estimates of quantities or qualities of minerals disclosed in Tinka's public record will be economically recoverable; uncertainties relating to the availability and costs of financing needed in the future; successful completion of planned drill program; competition with other companies within the mining industry; the success of the Company is largely dependent upon the performance of its directors and officers and Tinka's ability to attract and train key personnel; changes in world metal markets and equity markets beyond Tinka's control; mineral reserves are, in the large part, estimates and no assurance can be given that the anticipated tonnages and grades will be achieved or that the indicated level of recovery will be realized; production rates and capital and other costs may vary significantly from estimates; unexpected geological conditions; delays in obtaining or failure to obtain necessary permits and approvals from government authorities; community relations; all phases of a mining business present environmental and safety risks and hazards and are subject to environmental and safety regulation, and rehabilitation and restitution costs; and management of Tinka have experience in mineral exploration but may lack all or some of the necessary technical training and experience to successfully develop and operate a mine. Although Tinka believes that the expectations reflected in the Forward-Looking Statements, and the assumptions on which such Forward-Looking Statements are made, are reasonable, there can be no assurance that such expectations will prove to be correct. Readers are cautioned not to place undue reliance on Forward-Looking Statements, as there can be no assurance that the plans, intentions or expectations upon which the Forward-Looking Statements are based will occur. Forward-Looking Statements herein are made as at the date hereof, and unless otherwise required by law, Tinka does not intend, or assume any obligation, to update these Forward-Looking Statements.

All of the Company's public disclosure filings, including its most recent annual information form, management information circular, material change reports, press releases and other information, may be accessed via www.sedar.com or the Company's website www.tinkaresources.com and readers are urged to review these materials, including the technical reports filed with respect to the Company's mineral properties.

Company Overview

The Company is a junior mineral exploration company currently engaged in the acquisition and exploration of base and precious metals mineral properties in Peru with the aim of developing them to a stage where they can be exploited at a profit or to arrange joint ventures whereby other companies provide funding for development and exploitation. The Company's activities have been focused on developing its 100% owned Ayawilca and Colquipucro Properties (collectively the "Ayawilca Project"), located 40 kilometres northwest of Cerro de Pasco, Central Peru. As of the date of this MD&A, the Company has not earned any production revenue, nor found any proven reserves on any of its

properties. The Company is a reporting issuer in British Columbia and Alberta and trades on the TSX Venture Exchange (“TSXV”) as a Tier 1 issuer, under the symbol “TK”, on the Lima Stock Exchange under the symbol “TK”, on the Frankfurt Exchange under the symbol “TLD”.

During fiscal 2018 the Company conducted equity financings to raise gross proceeds totalling \$16,239,496 and received an additional \$5,203,154 on the exercises of share options and warrants. During the three months ended December 31, 2018 a further \$393,567 was received on the exercise of warrants and share options. Proceeds from the equity financings and exercises are being used to fund ongoing exploration on the Ayawilca Project and for other corporate purposes and general working capital. See also “Results of Operations - Financings” and “Financial Condition/Capital Resources”.

Current Directors and Officers

As at the date of this MD&A, the Company’s Directors and Officers were as follows:

Graham Carman	- President, Chief Executive Officer (“CEO”) and director
Ben McKeown	- Non-executive Chairman, and director
Nick DeMare	- Chief Financial Officer (“CFO”) and director
Alvaro Fernandez-Baca	- Vice President Exploration
Mary Little	- Director
Pieter Britz	- Director
Mariana Bermudez	- Corporate Secretary

Exploration Projects, Peru

Introduction

As at the date of this MD&A, Tinka held 100% ownership of 59 granted mining concessions covering 16,917 hectares at the Company’s flagship Ayawilca Property in the Pasco region of Central Peru. The Ayawilca Property is located 250 kilometres northeast of Lima in the central Peru Andes at elevations of between 3,800 and 4,300 metres. The Property is 40 km northwest of the Cerro de Pasco zinc-lead-silver-copper mine, a large carbonate replacement deposit (“CRD”) that has been mined continuously for centuries.

The flagship asset is the Ayawilca Zinc Zone, a deposit discovered by Tinka during a scout drill program in 2011-2012. Tinka has drilled 68,173 metres at Ayawilca (mostly in 2017 and 2018) and identified a large, high-grade zinc resource which remains open at depth. In addition to the zinc, Ayawilca also hosts significant tin mineralization at the Tin Zone in a separate area from the Zinc Zone. A silver oxide deposit known as Colquipucro is located 2km north of the Ayawilca Zinc Zone, which was explored and defined to a resource stage by Tinka between 2009 and 2014.

The Ayawilca Zinc Zone is a “blind” deposit lying at depths of between 120 metres to 450 metres from surface. Zinc mineralization occurs in the form of flat-dipping sulphide “mantos” typically 5 to 30 metres thick, and up to 50 metres thick. Very high-grade zones grading >12% zinc can occur over vertical thicknesses of between 1 to 20 metres. At West and South Ayawilca, mantos are stacked on top of each other and can be mineralized almost continuously over vertical thicknesses of 100 to 150 metres. Mineralization is also known at Central and East Ayawilca. Zinc occurs in the sulphide form as high iron sphalerite (known as marmatite) together with lower iron sphalerite, accompanied by pyrite, pyrrhotite, and/or magnetite with minor galena, arsenopyrite, and chalcopyrite. Zinc is typically accompanied by indium (“In”), a high value specialty metal used in the hi-tech industry. There are strong similarities in style of mineralization between Ayawilca and the nearby Cerro de Pasco CRD deposit.

Zinc mineralization at Ayawilca is predominantly hosted by the Pucara Group limestone, a Triassic-Jurassic formation 150 to 200 metres thick, which in the area of the resource is flat to gently east dipping (and does not outcrop). The Pucara limestone is overlain by flat-dipping Goyllarisguizga (“Goyllar”) quartz sandstones of Cretaceous age, which form prominent flat-dipping outcrops. The Goyllar sandstones can be mineralized at or near the contact with limestone, and also host steeply dipping zinc-rich veins (which are not included in the resource). During formation of the zinc deposit, the Goyllar sandstone acted as an impermeable “seal” to the mineralization, the key reason as to why Ayawilca was not discovered until recent times. The mineralization is interpreted to be Miocene in age (10 to 15 million years ago), associated with an unidentified intrusion at depth.

Tin mineralization pre-dates the zinc, and is hosted by flat-lying pyrrhotite-rich sulphide mantos typically 10-15 metres thick and up to 50 metres thick near the base of the limestone in contact with underlying phyllite (Excelsior Formation). The Tin Zone resource does not overlap with the Zinc Zone, and is generally offset and beneath the zinc mineralization. The bulk of the Tin Zone resource is located at Central Ayawilca. Tin is hosted principally by the mineral cassiterite, accompanied by pyrrhotite, pyrite and minor chalcopyrite, stannite and arsenopyrite.

The Colquipucro silver zone lies two kilometres north of the Ayawilca resource. Silver mineralization at Colquipucro outcrops, and is hosted by fractured and oxidized Goyllar Group sandstone. The strongest grades are associated with fracture zones that are rich in iron oxides. Silver mineralization occurs from surface to a depth of about 80 metres. Tinka drilled 9,003 metres in 50 holes at Colquipucro between 1996 and 2014. No drilling has been carried out at the Colquipucro resource since 2014, although a few zinc exploration holes have been drilled outside of the silver resource area during the 2015-2018 period.

Recent Exploration Results

Tinka drilled 20,400 metres at Ayawilca during 2018, targeting additional zinc resources at the West, South, Central and East Ayawilca areas. Drilling was suspended in October 2018, to provide our technical team the opportunity to interpret and compile the new drill data. The Company has engaged John Wood Group plc (“Wood”) (formerly Amec Foster Wheeler plc) in Lima, Peru, as lead consultant to prepare a Preliminary Economic Assessment (“PEA”).

Several step-out holes were drilled at West, South, and Central Ayawilca during the September 2018 quarter, with all drill results released during September and October. Highlights from these holes are provided in the list below:

2018 Drill Hole Results

Hole A18-138 (Central Ayawilca):

- 1.5 metres at 19.3% zinc, 100 g/t silver & 138 g/t indium from 146.2 metres depth.

Hole A18-148 (Central Ayawilca):

- 5.5 metres at 9.8% zinc, 8 g/t silver & 42 g/t indium from 378.6 metres depth.

Hole A18-158 (Central Ayawilca):

- 1.5 metres at 9.6% zinc, 1.2% lead and 32g/t indium from 458.4 metres depth.

Hole A18-146 (South Ayawilca):

- 1.7 metres at 26.9% zinc, 0.9% lead & 1,526 g/t silver from 57.0 metres depth.

Hole A18-152 (South Ayawilca):

- 1.2 metres at 13.8% zinc, 0.8% lead, 817g/t silver and 64g/t indium from 156.3 metres depth.

Hole A18-150 (West Ayawilca):

- 9.6 metres at 6.3% zinc, 5 g/t silver & 77 g/t indium from 337.9 metres depth.

Seven (7) resource infill holes were drilled at West and South Ayawilca to improve the Company’s geological model and to target additional zinc mineralization. Highlights from the infill holes are provided in the list below:

2018 Infill Drill Hole Results

Hole A18-141 (West Ayawilca):

- 89.0 metres at 5.0% zinc, 11 g/t silver & 97 g/t indium from 288.0 metres depth, including 3.0 metres at 22.4% zinc, 30 g/t silver & 129 g/t indium from 374.0 metres depth.

Hole A18-143 (West Ayawilca):

- 14.0 metres at 9.1% zinc, 10 g/t silver & 15 g/t indium from 146.0 metres depth; and
- 5.5 metres at 15.1% zinc, 19 g/t silver & 196 g/t indium from 298.0 metres depth, including 2.9 metres at 24.8% zinc, 29 g/t silver & 298 g/t indium from 300.2 metres depth.

Hole A18-145 (West Ayawilca):

- 42.0 metres at 5.2% zinc, 12 g/t silver & 144 g/t indium from 302.0 metres depth.

Hole A18-137 (West Ayawilca):

- 12.7 metres at 10.3% zinc, 18 g/t silver & 306 g/t indium from 279.3 metres depth, including 3.2 metres at 25.7% zinc, 35 g/t silver & 638 g/t indium from 286.9 metres depth.

Hole A18-140 (West Ayawilca):

- 9.0 metres at 8.8% zinc, 10 g/t silver & 78 g/t indium from 283.6 metres depth;

Hole A18-139 (South Ayawilca):

- 20.5 metres at 5.6% zinc, 5 g/t silver & 63 g/t indium from 248.0 metres depth, including 2.4 metres at 18.1% zinc, 17 g/t silver & 162 g/t indium from 258.6 metres depth; and
- 2.9 metres at 15.7% zinc, 0.5% lead & 29 g/t silver from 313.1 metres depth.

Hole A18-142 (South Ayawilca):

- 19.1 metres at 8.5% zinc, 16 g/t silver & 105 g/t indium from 232.7 metres depth, including 2.1 metres at 38.4% zinc, 31 g/t silver & 525 g/t indium from 243.6 metres depth.

*Note: True thicknesses of the zinc intersections are estimated to be at least 85% of the downhole thicknesses, except for vein intercepts (marked *) where true thicknesses are unknown.*

Mineral Resources at the Ayawilca Project

On November 26, 2018, the Company announced an updated Mineral Resources estimate for its Ayawilca zinc and tin deposits. Part of the Zinc Zone Mineral Resource is now classified as Indicated, incorporating a higher-grade portion of the deposit. In addition, the updated Inferred Mineral Resource is of a similar size and grade to the previous Zinc Zone resource reported in November 2017. The updated Tin Zone Inferred Mineral Resource is also substantially larger. The Tin Zone and Zinc Zone resources do not overlap. The Mineral Resources are reported above an NSR cut-off value of US \$55/tonne, as estimated by Roscoe Postle Associates Inc. (“RPA”) of Toronto, Canada.

Table 1 - Ayawilca Deposit Indicated Mineral Resource - Zinc Zone as of November 26, 2018
Sensitivities at various cut-off grades

NSR \$/t Cut-off	Tonnage (Mt)	ZnEq (% grade)	Zinc (%)	Lead (%)	Indium (g/t)	Silver (g/t)
40	13.6	7.4	6.3	0.16	75	15
50	12.4	7.9	6.7	0.17	80	15
55	11.7	8.1	6.9	0.16	84	15
60	10.8	8.5	7.2	0.16	89	16
70	9.4	9.2	7.7	0.15	99	16
80	7.9	10.0	8.4	0.15	111	17

Notes:

1. Base case highlighted with **bold** text.
2. See Table 4 for notes.

Table 2 - Ayawilca Deposit Inferred Mineral Resources - Zinc Zone as of November 26, 2018
Sensitivities at various cut-off grades

NSR \$/t Cut-off	Tonnage (Mt)	ZnEq (% grade)	Zinc (%)	Lead (%)	Indium (g/t)	Silver (g/t)
40	52.7	6.2	5.2	0.24	60	17
50	48.1	6.5	5.4	0.24	64	17
55	45.0	6.7	5.6	0.23	67	17
60	41.5	7.0	5.8	0.23	70	18
70	33.9	7.6	6.4	0.22	78	18
80	26.9	8.3	6.9	0.22	86	20

Notes:

1. Base case highlighted with **bold** text.
2. See Table 4 for notes.

Table 3 - Ayawilca Deposit Inferred Mineral Resources - Tin Zone as of November 26, 2018
Sensitivities at various cut-off grades

NSR \$/t Cut-off	Tonnage (Mt)	SnEq (% grade)	Tin (%)	Copper (%)	Silver (g/t)
40	17.1	0.65	0.57	0.20	18
50	15.9	0.67	0.60	0.20	18
55	14.5	0.70	0.63	0.21	18
60	12.5	0.76	0.68	0.22	17
70	10.1	0.84	0.76	0.23	18
80	8.3	0.92	0.84	0.25	18

Notes:

1. Base case highlighted with **bold** text.
2. See Table 5 for notes.

Detail of Mineral Resource Estimates

RPA updated the Ayawilca Mineral Resource estimate using the drill results available to October 9, 2018 (Tables 4 and 5). Two types of mineralization occur at Ayawilca, zinc-indium-silver-lead mineralization (“Zinc Zone”) and tin-copper-silver mineralization (“Tin Zone”).

The Zinc Zone Mineral Resources are hosted by the 200 metre thick Triassic-Jurassic Pucará Group limestone and located beneath the Goyllarisguizga Group sandstone unit which outcrops, and hosts the Colquipucro silver oxide deposit located 1.5 km to the north. The Zinc Zone deposit is made up of multiple, gently dipping lenses or ‘mantos’ in the Central and East Ayawilca zones and as massive replacement bodies within structural zones in the West and South Ayawilca zones, all located above Paleozoic basement rocks. Most of the known polymetallic mineralization occurrences in central Peru are located in a similar geological environment. The Mineral Resources within the Zinc Zone are reported at a US\$55/t Net Smelter Return (NSR) cut-off value. Indicated Mineral Resources are estimated to total 11.7 million tonnes at average grades of 6.9% Zn, 84 g/t In, 15 g/t Ag, and 0.16% Pb. Inferred Mineral Resources are reported at 45.0 million tonnes at average grades of 5.6% Zn, 67 g/t In, 17 g/t Ag, and 0.23% Pb.

The increase in tonnage as compared to the [previous resource estimate](#), dated October 10, 2017, is due to an increase in volume of the interpreted mineralized zones defined by the additional drilling during the 2018 campaign.

Table 4 - Zinc Zone Mineral Resources at Ayawilca Deposit
As of November 26, 2018

Area	Tonnage (Mt)	ZnEq (%)	Zn (%)	Pb (%)	In (g/t)	Ag (g/t)	Zn (Mlb)	Pb (Mlb)	In (kg)	Ag (Moz)
Indicated										
West	7.8	7.7	6.5	0.20	72	15	1,126	35	561	3.9
South	3.9	9.1	7.6	0.09	108	16	652	8	422	2.0
Total Indicated	11.7	8.1	6.9	0.16	84	15	1,778	42	983	5.8
Inferred										
West	5.0	7.1	6.4	0.27	34	17	699	30	170	2.8
Central	18.6	5.6	4.6	0.23	62	12	1,884	95	1,153	7.5
East	11.3	5.9	5.0	0.18	56	14	1,238	44	633	5.0
South	10.2	9.6	7.9	0.27	103	30	1,764	61	1,047	9.9
Total Inferred	45.0	6.7	5.6	0.23	67	17	5,585	230	3,003	25.2

Notes:

1. CIM definitions were followed for Mineral Resources.
2. Mineral Resources are reported above a cut-off NSR value of US \$55 per tonne.
3. The NSR value was based on estimated metallurgical recoveries, assumed metal prices and smelter terms, which include payable factors, treatment charges, penalties, and refining charges. Metal price assumptions were: US \$1.15/lb Zn, US \$300/kg In, US \$15/oz Ag, and US\$1.00/lb Pb. Metal recovery assumptions were: 90% Zn, 75% In, 60% Ag, and 75% Pb. The NSR value for each block was calculated using the following NSR factors: US \$15.34 per % Zn, US\$ 4.70 per % Pb, US \$0.18 per gram In, and US \$0.22 per gram Ag.
4. The NSR value was calculated using the following formula:

$$\text{NSR} = \text{Zn}(\%) * \text{US } \$15.34 + \text{Pb}(\%) * \text{US } \$4.70 + \text{In}(\text{g/t}) * \text{US } \$0.18 + \text{Ag}(\text{g/t}) * \text{US } \$0.22$$
5. The ZnEq value was calculated using the following formula:

$$\text{ZnEq} = \text{NSR} / \text{US } \$15.34$$
6. Numbers may not add due to rounding.

The Tin Zone Mineral Resources are hosted as disseminated cassiterite and chalcopyrite in massive to semi-massive pyrrhotite lenses at the contact between the Pucará Group and underlying phyllite of the Devonian Excelsior Group. Parts of the Tin Zone mineralization can occur as quartz sulphide stockwork veinlets hosted by the phyllite. Inferred Mineral Resources within the Tin Zone, also reported at an NSR cut-off value of US \$55/t, are estimated to total 14.5 million tonnes at average grades of 0.63% Sn, 0.21% Cu and 18 g/t Ag. Similar to the Zinc Zone, the increase in tonnage is due to an increased volume of the interpreted zones due to additional drilling in 2018.

**Table 5 - Tin Zone Inferred Mineral Resources at Ayawilca Deposit
As of November 26, 2018**

	Tonnage (Mt)	SnEq (%f)	Sn (%)	Cu (%)	Ag (g/t)	Sn (Mlb)	Cu (Mlb)	Ag (Moz)
Tin Zones	14.5	0.70	0.63	0.21	18	201	67	8

Notes:

1. CIM definitions were followed for Mineral Resources.
2. Mineral Resources are reported above a cut-off grade of US \$55 per tonne NSR value.
3. The NSR grade was based on estimated metallurgical recoveries, assumed metal prices and smelter terms, which include payable factors, treatment charges, penalties, and refining charges. Metal price assumptions were: US \$9.00/lb Sn, US \$2.85/lb Cu, and US \$15/oz Ag. Metal recovery assumptions were: 86% Sn, 75% Cu, and 60% Ag. The NSR value for each block was calculated using the following NSR factors: US \$155.21 per % Sn, US \$37.59 per % Cu, and US \$0.22 per gram Ag.
4. The NSR value was calculated using the following formula: $US\$NSR = Sn(\%)*US \$155.21 + Cu(\%)*US \$37.59 + Ag(g/t)*US \0.22
5. The SnEq value was calculated using the following formula: $SnEq = NSR/US \$155.21$
6. Numbers may not add due to rounding.

The Ayawilca - Colquipucro drill database includes 71,200 m in 185 drill holes. The three-dimensional wireframe models were generated using an approximate NSR cut-off value of \$50/t for both Zinc and Tin Zones. Prior to compositing to two metre lengths, high Sn, In, and Ag values were cut to 4%, 350 g/t to 550 g/t, and 100 g/t to 170 g/t depending on area, respectively. Block model grades within the wireframe models were interpolated by inverse distance cubed.

Despite lead grades being low it is assumed that lead and silver will be recovered in a lead concentrate. Density was estimated to be between 3.5 t/m³ and 3.7 t/m³ for the Zinc Zones and 3.9 t/m³ for the Tin Zone based on density measurements from core samples. The Mineral Resources were assigned Indicated or Inferred category in the Zinc Zones and Inferred only in the Tin Zone due to the widely spaced drilling. The classification criteria used to define the Indicated Mineral Resources included spatial analysis, drill hole spacing, and the apparent continuity of the mineralization. The drill hole spacing within the area assigned as Indicated category commonly ranges from 40 m to 70 m. No Mineral Reserves have yet been estimated at Ayawilca.

The Mineral Resource estimate for the Colquipucro silver oxide deposit (Indicated Mineral Resource of 7.4 Mt at a grade of 60 g/t Ag for 14.3 Moz Ag and Inferred Mineral Resource of 8.5 Mt at a grade of 48 g/t Ag for 13.2 Moz Ag, using US \$15/t cut-off and a metal price of \$24/oz Ag) remains unchanged from the February 26, 2015 [news release](#).

A NI 43-101 technical report on the Mineral Resource Estimate for the Ayawilca Property was filed on SEDAR on [January 9, 2019](#).

Discussion and Analysis

The Zinc Zone Mineral Resources at Ayawilca have increased substantially since the initial resource estimate in 2015. Drilling in 2018 significantly expanded the Zinc Zone mineralization especially at West Ayawilca, and connected mineralization from zone to zone. Central Ayawilca is now connected through to West Ayawilca within the Zinc Zone. West Ayawilca connects with South Ayawilca at depth within the Zinc Zone. South and Central Ayawilca are connected within the Tin Zone. Both zinc and tin mineralization were also discovered at Zone 3 for the first time.

One of the most important aspects of the 2018 resource expansion was the additional discovery of high-grade, relatively shallow Zinc Zone mineralization at South and West Ayawilca, some of which has now been upgraded to the Indicated Mineral Resource category. These areas contain the thickest and highest-grade zones of zinc mineralization discovered to date. Zinc at West Ayawilca appears to be focussed around the hinge of an anticlinal fold. The zinc mineralization at Ayawilca is believed to be structurally controlled, fed by flat-dipping thrust faults and also steep feeder structures that penetrate to depth. In 2018, the drill program discovered repetitions of the prospective

limestone host rock underneath ledges of the phyllite bounded by low-angle faults, with the lower repeated limestone being mineralized with very high-grade zinc.

Planned Work Program

Based on the updated geological model following a detailed review of the results of the 2018 drill program, the Company believes that significant potential exists beneath the existing resources in repetitions of the favourable limestones and within 'feeder' zones. There is additional potential along strike of the resources, to the east and southwest. The Company has begun preparations for a fully-budgeted drill program of up to 10,000 metres to start in April 2019. At least six holes, each to an average depth of approximately 600 metres, are planned to test for deep limestone-hosted zinc mineralization beneath the current resources at West, South, Central and East Ayawilca. Some of these holes will serve as dual purpose holes and will infill the existing shallow resource on their way to depth. The drill program is not expected to have any impact on the timing of the PEA, which will be based on the mineral resources as at November 26, 2018.

The Company commenced a PEA in November 2018. The results of this study are expected to be released during the Q3 2019. The principal QP for the PEA is Wood. An initial field visit was conducted with Wood in early December 2018.

Metallurgical test work is continuing into 2019. The focus of this work has been to carry out variability tests across the Zinc Zone, focussing in particular on mineralization from the higher-grade West and South Ayawilca. Some of the zinc mineralization is pyrite rich, while other areas are pyrrhotite rich. The metallurgical work being conducted will enable a good understanding of the zinc metallurgical domains as the project advances. In addition, metallurgical work is currently being conducted on the pyrrhotite-rich tin mineralization from Central Ayawilca.

The Company continues to work constructively with three local communities who live in the vicinity of the project and who own the surface land. Community workers were employed during the drill program to construct access roads and platforms. The focus for the community workers currently is on the rehabilitation of drill sites and access tracks, under the supervision of the Company. The rehabilitation work is continuing at a slow pace into 2019 due to the wet weather conditions currently at site.

Mineral Resources

The Mineral Resources disclosed in this MD&A have been estimated by Ms. Dorota El Rassi, P.Eng., and Mr. David Ross, P.Geo., both employees of RPA and independent of Tinka. By virtue of their education and relevant experience, Ms. El Rassi and Mr. David Ross are "Qualified Persons" for the purpose of National Instrument 43-101. The Mineral Resources have been classified in accordance with CIM Definition Standards for Mineral Resources and Mineral Reserves (May, 2014).

Qualified Person

The qualified person for the Company's projects, Dr. Graham Carman, President and CEO of the Company and a Fellow of the Australasian Institute of Mining and Metallurgy ("FAUSIMM"), has reviewed and verified the technical information in this MD&A.

Selected Financial Data

The following selected financial information is derived from the unaudited condensed consolidated interim financial statements of the Company.

	Fiscal 2019	Fiscal 2018				Fiscal 2017		
	Dec. 31 2018 \$	Sept. 30 2018 \$	Jun. 30 2018 \$	Mar. 31 2018 \$	Dec. 31 2017 \$	Sept. 30 2017 \$	Jun. 30 2017 \$	Mar. 31 2017 \$
Operations:								
Revenues	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Expenses	(941,612)	(880,642)	(975,038)	(612,508)	(624,063)	(747,935)	(701,393)	(1,153,703)
Other items	316,742	(4,758)	129,343	48,553	102,748	(71,246)	(129,336)	28,642
Net loss and comprehensive loss	(624,870)	(885,400)	(845,695)	(563,955)	(521,315)	(819,181)	(830,729)	(1,125,061)
Loss per share								
-basic and diluted	(0.00)	(0.01)	(0.00)	(0.00)	(0.00)	(0.01)	(0.00)	(0.00)
Dividends per share	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Balance Sheet:								
Working capital	12,361,332	13,758,538	17,210,606	4,426,093	6,529,914	5,649,150	8,460,307	10,707,494
Total assets	53,709,448	53,647,845	53,562,408	37,909,918	38,192,196	35,055,174	34,618,538	33,834,964
Total long-term liabilities	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Results of Operations

Three Months Ended December 31, 2018 Compared to Three Months Ended September 30, 2018

During the three months ended December 31, 2018 (the “Q1/2019”) the Company reported a net loss of \$624,870 compared to a net loss of \$885,400 for the three months ended September 30, 2018 (the “Q4/2018”), a decrease in loss of \$260,530. The decrease in loss is mainly attributed to:

- (i) during Q1/2019 the Company recorded a foreign exchange gain of \$243,200, an increase of \$323,445 over the foreign exchange loss of \$80,245 recorded in Q4/2018;
- (ii) a \$106,712 decrease in share-based compensation expense during Q1/2019. During Q1/2019 share-based compensation of \$343,205 was recorded relating to share options granted in prior periods. During Q4/2018 share-based compensation of \$414,535 was recorded on share options granted in prior periods;
- (iii) a \$104,645 increase in general exploration, from a \$57,817 recovery during Q4/2018 to \$46,828 expense during Q1/2019. During Q4/2018 the recovery was primarily attributed to reclassification of concession fees to exploration and evaluation assets;
- (iv) a \$62,765 increase in salaries, wages and benefits, from \$55,894 during Q4/2018 to \$118,659 in Q1/2019. The increase is primarily attributed to statutory payments paid in December 2018 to staff in Peru;
- (v) regulatory fees decreased by \$45,381, from \$51,259 in Q4/2018 to \$5,877 in Q1/2019. During Q4/2018 the Company incurred \$45,096 relating to its listing of the Company’s common shares on the Lima Stock Exchange; and
- (vi) during Q1/2019 the Company incurred audit fees of \$42,000 for the audit of the Company’s annual financial statements. No audit services were incurred in Q4/2018.

Three Months Ended December 31, 2018 Compared to Three Months Ended December 31, 2017

During the three months ended December 31, 2018 (the “2018 period”), the Company reported a net loss of \$624,870 compared to a net loss of \$521,315 for the three months ended December 31, 2017 (the “2017 period”), an increase in loss of \$103,555. The increase in loss during the 2018 period is mainly attributed to the fluctuation in the following expenses:

- (i) during the 2018 period the Company recognized share-based compensation expense of \$343,305 relating to share options granted in previous periods. During the 2017 period no share-based compensation expense was recognized;
- (ii) during the 2018 period the Company recorded a foreign exchange gain of \$243,200 (2017 - \$81,530), an increase of \$161,670 compared to the 2017 period;

- (iii) professional fees increased by \$42,614 during the 2018 period to \$88,438 from \$45,824 during the 2017 period. The increase was primarily attributable to recruitment fees paid to identify a mining consultant and amounts charged by the consultant;
- (iv) legal fees decreased by \$36,993 in the 2018 period to \$25,159 (2017 - \$62,151). During the 2017 period fees were mainly related to the listing of the Company's common shares on the Lima Stock Exchange, whereas legal services provided in the 2018 period were primarily attributed to corporate general matters;
- (v) travel expenses of \$42,116 (2017 - \$ 74,080) were incurred by management to review exploration activities in Peru and in the 2017 period to meet with investors to raise capital and attend investment conferences to raise awareness of the Company's Peruvian exploration plans;
- (vi) a \$17,720 decrease in investment conferences, from \$51,889 during the 2017 period to \$34,168 during the 2018 period. The decrease is primarily attributed to the Company participating in more investment conferences in Europe and North America during the 2017 period;
- (vii) a \$17,064 increase in general exploration, from \$29,764 during the 2017 period to \$46,828 in during the 2018 period;
- (viii) incurred \$6,723 (2017 - \$14,792) for shareholder costs, a \$8,069 decrease mainly attributed to disseminating significantly less news related to exploration and financing activities during the 2018 period;
- (ix) rent expense increased by \$6,119 to \$12,874 in the 2018 period compared to \$6,755 in the 2017 period. The increase in attributed to the Company moving premises in Peru;
- (x) a \$5,772 decrease in corporate development, from \$11,278 in the 2017 period to \$5,506 in the 2018 period. The decrease is attributed to the Company conducting more activities in the 2017 period
- (xi) a \$5,369 increase in salaries, wages and benefits, from \$113,290 during the 2017 period to \$118,569 during the 2018 period.

The Company holds its cash in interest bearing accounts in major financial institutions. Interest income is generated from the deposits and fluctuates primarily with the levels of cash on deposit. During the 2018 period the Company recorded interest income of \$73,542 compared to \$21,218 during the 2017 period, an increase of \$52,234. The increase is due to the recent equity financings conducted and share options and warrants exercised. As a result, the Company held significantly higher levels of cash throughout the 2018 period compared to the 2017 period.

The carrying costs of the Company's exploration and evaluation assets are as follows:

	As at December 31, 2018			As at September 30, 2018		
	Acquisition Costs \$	Deferred Exploration Costs \$	Total \$	Acquisition Costs \$	Deferred Exploration Costs \$	Total \$
Colquipucro	381,318	8,540,618	8,921,936	381,318	8,333,515	8,714,833
Ayawilca	637,282	28,190,595	28,827,877	636,708	27,001,832	27,638,540
Other	-	3,034,425	3,034,425	-	2,919,465	2,919,465
	<u>1,018,600</u>	<u>39,765,638</u>	<u>40,784,238</u>	<u>1,018,026</u>	<u>38,254,812</u>	<u>39,272,838</u>

Exploration and evaluation activities incurred during the three months ended December 31, 2018 period and fiscal 2018 are as follows:

	Colquipucro \$	Ayawilca \$	Other \$	Total \$
Balance at September 30, 2017	<u>8,096,360</u>	<u>18,212,263</u>	<u>2,554,100</u>	<u>28,862,723</u>
Exploration costs				
Assays	-	10,717	-	10,717
Camp costs	-	1,109,691	-	1,109,691
Community relations	463,188	1,900,991	-	2,364,179
Consulting	70,217	100,340	-	170,557
Depreciation	-	5,323	-	5,323
Drilling	-	5,216,500	-	5,216,500
Environmental	33,891	292,498	-	326,389
Geological	-	445,818	-	445,818

	Colquipucro \$	Aywilca \$	Other \$	Total \$
Metallurgical	-	149,795		149,795
Software and database management	8,189	8,356		16,545
Topography	-	3,945	-	3,945
Travel		3,380		3,380
VAT incurred		-	1,252,605	1,252,605
VAT recovered	-	-	(887,240)	(887,240)
	<u>575,485</u>	<u>9,247,354</u>	<u>365,365</u>	<u>10,188,204</u>
Acquisition costs				
Concession payments	<u>42,988</u>	<u>178,923</u>	<u>-</u>	<u>221,911</u>
Balance at September 30, 2018	<u>8,714,833</u>	<u>27,638,540</u>	<u>2,919,465</u>	<u>39,272,838</u>
Exploration costs				
Camp costs	-	245,923	-	245,923
Community relations	172,278	477,365	-	649,643
Consulting	-	93,607	-	93,607
Depreciation	-	1,473	-	1,473
Drilling	-	80,570	-	80,570
Environmental	34,825	82,042	-	116,867
Geological	-	119,753	-	119,753
Metallurgical	-	80,937	-	80,937
Topography	-	1,574	-	1,574
Travel	-	5,519	-	5,519
VAT incurred	-	-	114,960	114,960
	<u>207,103</u>	<u>1,188,763</u>	<u>114,960</u>	<u>1,510,826</u>
Acquisition costs				
Concession payments	<u>-</u>	<u>574</u>	<u>-</u>	<u>574</u>
Balance at December 31, 2018	<u>8,921,936</u>	<u>28,827,877</u>	<u>3,034,425</u>	<u>40,784,238</u>

During the 2018 period the Company focused on continuing metallurgical test work, construction of access roads and platforms, rehabilitation of drill sites and access tracks with local communities and commencement of the PEA. The Company incurred a total of \$1,511,400 (2017 - \$2,357,398) for exploration expenditures and acquisition costs, comprising \$1,189,337 (2017 - \$1,942,485) on the Aywilca Project, \$207,103 (2017 - \$178,168) on the Colquipucro Project, and \$114,960 (2017 - \$236,745) for IVA tax in Peru. See also “Exploration Projects, Peru - Recent Exploration Results and Planned Work Program”.

Financings

During the 2018 period the Company issued 1,942,829 common shares for gross proceeds of \$393,567 on the exercise of share options and warrants. The proceeds are being used to help fund exploration expenditures at the Aywilca Project, preparation of the PEA, as well as general working capital. The Company did not complete any equity financings during the 2018 period.

During the 2017 period the Company issued 12,532,347 common shares for gross proceeds of \$3,757,704 on the exercise of share options and warrants. The proceeds were used to help fund the 2017 drilling program at the Aywilca Project, as well as for other exploration expenditures and general working capital. The Company did not complete any equity financings during the 2017 period.

Financial Condition / Capital Resources

The Company’s ability to continue as a going concern is dependent upon the ability of the Company to obtain the necessary financing to develop properties and to establish future profitable production. To date the Company has not earned significant revenues and is considered to be in the exploration stage. The Company’s operations are funded from equity financings which are dependent upon many external factors and may be difficult to impossible to secure or raise when required. As at December 31, 2018 the Company had working capital in the amount of \$12,361,332. Management considers that the Company has sufficient funds to maintain ongoing corporate overhead, field expenses, complete its current drill program and metallurgical tests on Aywilca, complete the PEA and continue ongoing

exploration activities on its existing mineral projects. Exploration activities may change as a result of ongoing results and recommendations or the Company may acquire additional properties which may entail significant exploration commitments. While the Company has been successful in securing financings in the past, there is material uncertainty it will be able to do so in the future.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Proposed Transactions

The Company has no proposed transactions.

Critical Accounting Estimates

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Examples of significant estimates made by management include estimating the fair values of financial instruments, valuation allowances for deferred income tax assets and assumptions used for share-based compensation. Actual results may differ from those estimates.

A detailed summary of all the Company's significant critical accounting estimates is included in Note 3 to the September 30, 2018 annual consolidated financial statements.

Changes in Accounting Policies

There are no changes in accounting policies other than the adoption of IFRS 9 - *Financial Instruments* ("IFRS 9").

IFRS 9

Effective October 1, 2018, the Company adopted IFRS 9 using the modified retrospective approach. IFRS 9 did not impact the Company's classification and measurement of financial assets and liabilities. The standard did not have an impact on the carrying amounts of the Company's financial instruments at the transition date. IFRS 9 uses a single approach to determine whether a financial asset is classified and measured at amortized cost or fair value. The classification and measurement of financial assets is based on the Company's business models for managing its financial assets and whether the contractual cash flows represent solely payments for principal and interest.

Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward in IFRS 9.

A detailed summary of all the Company's other significant accounting policies is included in Note 3 to the September 30, 2018 annual consolidated financial statements.

Transactions with Related Parties

A number of key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities. Certain of these entities transacted with the Company during the reporting period.

(a) *Transactions with Key Management Personnel*

During the 2018 and 2017 periods the following amounts were incurred with respect to the Company's CEO (Dr. Carman), the Company's CFO (Mr. Nick DeMare) and the Company's VP of Exploration (Mr. Alvaro Fernandez-Baca) as follows:

	2018 \$	2017 \$
Management fees - Dr. Carman	70,002	70,002
Professional fees - Mr. DeMare	7,500	7,500
Professional fees - Mr. Fernandez-Baca	65,030	46,323
Share-based compensation - Dr. Carman	69,030	-
Share-based compensation - Mr. DeMare	20,894	-
Share-based compensation - Mr. Fernandez-Baca	34,923	-
	<u>267,895</u>	<u>123,825</u>

During the 2018 period the Company expensed \$70,002 (2017 - \$70,002) to management fees, \$33,512 (2017 - \$26,204) to professional fees and \$125,363 (2017 - \$nil) for share-based compensation. In addition, the Company capitalized \$39,018 (2017 - \$27,619) of Mr. Fernandez-Baca's compensation to exploration and evaluation assets.

As at December 31, 2018, \$nil (September 30, 2018 - \$nil) remained unpaid.

(b) *Transactions with Other Related Parties*

(i) During the 2018 and 2017 periods the following amounts were incurred for professional services provided by non-management current and former directors of the Company (Mary Little, Ben McKeown, and David Henstridge) and the Corporate Secretary (Mariana Bermudez):

	2018 \$	2017 \$
Professional fees - Ms. Little (director)	6,000	6,000
Professional fees - Mr. McKeown (director) ⁽¹⁾	6,000	6,000
Professional fees - Mr. Henstridge (former director) ⁽²⁾	-	3,000
Professional fees - Ms. Bermudez ⁽³⁾	12,180	4,620
Share-based compensation - Ms. Little	22,501	-
Share-based compensation - Mr. McKeown	53,574	-
Share-based compensation - Ms. Bermudez	17,412	-
	<u>117,667</u>	<u>19,620</u>

(1) Appointed director on August 17, 2017 and appointed non-executive Chairman on February 14, 2018.

(2) Resigned on November 15, 2017.

(3) Ms. Bermudez compensation is billed by a private corporation owned by Ms. Bermudez.

As at December 31, 2018, \$4,620 (September 30, 2018 - \$10,000) remained unpaid.

(ii) During the 2018 period the Company incurred a total of \$24,500 (2017 - \$18,000) with Chase, a private corporation owned by Mr. DeMare, for accounting and administrative services provided by Chase personnel, excluding Mr. DeMare, and \$1,005 (2017 - \$1,005) for rent. As at December 31, 2018, \$19,670 (September 30, 2018 - \$7,000) remained unpaid.

Risks and Uncertainties

The Company competes with other mining companies, some of which have greater financial resources and technical facilities, for the acquisition of mineral concessions, claims and other interests, as well as for the recruitment and retention of qualified employees.

The Company is in compliance with all material regulations applicable to its exploration activities. Existing and possible future environmental legislation, regulations and actions could cause additional expense, capital expenditures, restrictions and delays in the activities of the Company, the extent of which cannot be predicted. Before production can commence on any properties, the Company must obtain regulatory and environmental approvals. There is no assurance that such approvals can be obtained on a timely basis or at all. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations.

The Company's mineral properties are located in Peru and consequently the Company is subject to certain risks, including currency fluctuations and possible political or economic instability which may result in the impairment or loss of mining title or other mineral rights, and mineral exploration and mining activities may be affected in varying degrees by political stability and governmental regulations relating to the mining industry.

Outstanding Share Data

The Company's authorized share capital is unlimited common shares with no par value. As at February 28, 2019, there were 264,609,029 issued common shares, 29,298,485 warrants outstanding exercisable at prices ranging from \$0.45 to \$0.75 per share and 11,462,000 share options outstanding, at exercise prices ranging from \$0.25 to \$0.50 per share.