SOLARIS
RESOURCES

Solaris Resources Inc.

Management's Discussion and Analysis

For the Three and Nine Months Ended September 30, 2022 and 2021

INTRODUCTION

This management's discussion and analysis ("MD&A") of Solaris Resources Inc. (the "Company", "Solaris", "we", "us", or "our") covers the three and nine months ended September 30, 2022. This MD&A is dated November 8, 2022 and takes into account information available up to and including that date. This MD&A should be read in conjunction with the accompanying condensed consolidated interim financial statements and notes for the three and nine months ended September 30, 2022, and the annual consolidated financial statements for the year ended December 31, 2021, which are available on the Company's website www.solarisresources.com and on SEDAR at www.sedar.com.

The Company has prepared the condensed consolidated interim financial statements in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim financial statements, including IAS 34, *Interim Financial Reporting*.

All dollar amounts reported herein are expressed in thousands of US dollars unless indicated otherwise.

Solaris was incorporated under the Business Corporations Act of British Columbia on June 18, 2018 as a wholly owned subsidiary of Equinox Gold Corp. ("Equinox"). Equinox subsequently distributed 60% of the outstanding shares of the Company to its shareholders pursuant to a plan of arrangement (the "Arrangement"). Solaris' common shares are listed on the Toronto Stock Exchange and trade under the symbol "SLS" as well as on the OTCQB Venture Market under the symbol "SLSSF".

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

Certain information contained in this document constitutes forward-looking statements. All statements, other than statements of historical facts, are forward looking statements, including but not limited to statements with respect to future plans and objectives of Solaris; Solaris' exploration plans, including that follow-up holes are also planned to expand drill coverage of the pre-resource Warintza West target and that the Company plans to continue to advance its regional exploration program which has recently identified a number of new porphyry, skarn and high sulphidation targets for further exploration in support of drilling; that the IPA will be ratified by the Government for execution; future execution of the IPA; the proposed spin-out of Solaris Exploration Inc.; that further funds may be required to fund future obligations and exploration plans; potential mineralization; exploration results; the availability of financial resources; capital, operating and cash flow estimates; and intentions for its Warintza Project in Ecuador. Forward-looking statements are often, but not always, identified by the use of words such as may, will, seek, anticipate, believe, plan, estimate, budget, schedule, forecast, project, expect, intend, or similar expressions.

The forward-looking statements are based on a number of assumptions which, while considered reasonable by the Company, are subject to risks and uncertainties, including assumptions made about the Company's ability to advance exploration and development efforts at its projects; the results of such exploration and development efforts; copper, gold and other base and precious metal prices; cut-off grades; accuracy of mineral resource estimates and resource modeling; timing and reliability of sampling and assay data; representativeness of mineralization; timing and accuracy of metallurgical test work; anticipated political and social conditions; expected government policy, including reforms; ability to successfully raise additional capital; and other assumptions used as a basis for preparation of the Company's current technical reports. The Company cautions readers that forward-looking statements involve and are subject to known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements to differ materially from those expressed in or implied by such forward-looking statements and forward-looking statements are not guarantees of future results, performance or achievement. These risks, uncertainties and factors include the ability to raise funding to continue exploration, development and mining activities; share price fluctuation; global economic conditions; limited supplies, supply chain disruptions, and inflation; negative operating cash flow; uncertainty of future revenues or of a return on investment; no defined mineral reserves with no mineral properties in production or under development; speculative nature of mineral exploration and development; risk of global outbreaks and contagious diseases; risks that the proposed spin-out does not occur in a timely fashion (if at all); risks of global outbreaks and contagious diseases; risks from international operations; risk associated with an emerging and developing market; relationships with, and claims by, local communities and indigenous groups; geopolitical risk; permitting risk; failure to comply strictly with applicable laws, regulations and local practices may have a material adverse impact on the Company's operations or business; the Company's concessions are subject to pressure from artisanal and illegal miners; the inherent operational risks associated with mining, exploration and development, many of which are beyond the Company's control; land title risk; surface rights and access risk; fraud and corruption; ethics and business practices; risks related to the tax regime in Ecuador; Solaris may in the future become subject to legal proceedings; Solaris' mineral assets are located outside Canada and are held indirectly through foreign affiliates; commodity price risk; exchange rate fluctuations; joint ventures; property commitments; infrastructure; properties located in remote areas; lack of availability of resources; key management; dependence on highly skilled personnel; competition; significant shareholders; reputational risk; conflicts of interests; uninsurable risks; information systems; public company obligations; internal controls provide no absolute assurances as to reliability of financial reporting and financial statement preparation, and ongoing evaluation may identify areas in need of improvement; the Company's foreign subsidiary operations may impact its ability to fund operations efficiently, as well as the Company's valuation and stock price; the value of the Company's common shares, as well as its ability to raise equity capital, may be impacted by future issuances of shares; future sales of common shares by existing shareholders; costs of land reclamation; measures to protect endangered species may adversely affect the Company's operations; environmental risks and hazards; and changes in climate conditions.

Although the Company has attempted to identify important risks, uncertainties and other factors that could cause actual performance, achievements, actions, events, results or conditions to differ materially from those expressed in or implied by the forward-looking information, there may be other risks, uncertainties and other factors that cause performance, achievements, actions, events, results or conditions to differ from those anticipated, estimated or intended. Unless otherwise indicated, forward-looking statements contained herein are as of the date hereof and the Company disclaims any obligation to update any forward-looking statements, whether due to new information, future events or results or otherwise, except as required by applicable law.

DESCRIPTION OF BUSINESS

Solaris is a multi-asset exploration company, advancing a portfolio of copper and gold assets in the Americas, which includes: its primary focus, a world class large-scale resource with expansion and discovery potential at the Warintza Project ("Warintza" or the "Project") in Ecuador; discovery potential at its Ricardo Project ("Ricardo") and the grass-roots Tamarugo Project ("Tamarugo") in Chile; discovery potential at its Capricho and Paco Orco projects in Peru; and significant leverage to increasing copper prices through its 60% interest in the La Verde joint-venture ("La Verde") with a subsidiary of Teck Resources in Mexico.

HIGHLIGHTS AND ACTIVITIES

The following activities and developments were achieved during the quarter:

- The Company provided an update on activities at Warintza including its regional exploration program which has identified a number of new targets for further exploration in support of drilling and the progress on the proposed spin-out to create Solaris Exploration Inc. Exploration activities continued with seven drill rigs targeting high value growth of the mineral resource estimate ("MRE" or "Resource") recently reported in April, with drilling at Warintza Central targeting extensions to near surface, high-grade mineralization, and major growth targeted from the expansion of drill coverage at Warintza East within a largely undrilled footprint. Solaris has identified additional porphyry targets, potentially expanding the footprint of the Warintza cluster to the northeast, and possibly a new area of porphyry emplacement to the west, approximately halfway to the adjacent San Carlos copper porphyry deposit. In addition, this work has established a series of skarn targets, as well as a large high sulphidation epithermal target adjacent to the Warintza porphyry cluster where overlapping mineralized porphyries have intruded a layered sequence of carbonate and volcanic rocks that have provided a fertile setting to develop these styles of mineralization.[1]
- The Company reported assay results from a series of holes aimed at growing the Northeast Extension of the 'Indicative Starter Pit' within the MRE at its Warintza Project. Results included 168m of 0.68% CuEq[2] from 102m depth within a broader interval of 900m of 0.45% CuEq[2] from surface, expanding on prior drilling further to the east; and 230m of 1.02% CuEq[2] from 118m depth within a broader interval of 472m of 0.76% CuEq[2] from surface.[3]
- The Company reported additional assay results from a series of holes aimed at further growing the Northeast Extension of the 'Indicative Starter Pit' within the MRE at its Warintza Project. Results included 124m of 0.82% CuEq[2] within a broader interval of 622m of 0.42% CuEq[2] starting from the surface; and 110m of 0.54% CuEq[2] from near surface within a broader interval of 440m of 0.48% CuEq[2], extending and broadening the zone to the north in this area.[4]

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[1] Additional detail is set out in the Company's news release titled, "Solaris Identifies New Porphyry, Skarn and Epithermal Targets and Provides Update on Proposed Spin-Out of Solaris Exploration", dated July 7, 2022.

[2] Copper-equivalence is calculated as: CuEq (%) = Cu (%) + 4.0476 × Mo (%) + 0.487 × Au (g/t), utilizing metal prices of US$3.50/lb Cu, US$15.00/lb Mo, and US$1,500/oz Au and assumes recoveries of 90% Cu, 85% Mo, and 70% Au based on preliminary metallurgical testwork.

[3] Additional detail is set out in the Company's news release titled, "Solaris Reports 230m of 1.02% CuEq, within 472m of 0.76% CuEq from Surface, Expanding Northeast Extension of 'Indicative Starter Pit'", dated July 20, 2022.

[4] Additional detail is set out in the Company's news release titled, "Solaris Reports 124m of 0.82% CuEq within Broader Interval, Expanding Northeast Extension of 'Indicative Starter Pit'", dated September 7, 2022.

Subsequent to quarter-end:

- On October 13, 2022, the Company reported assay results from the first series of holes following up on the discovery of Warintza West, which is one of four discoveries made to date within the Warintza porphyry cluster and is located 1km west of the Warintza Central MRE. The discovery was reported with the results of SLSW-01 (see press release dated February 16, 2021) and these follow-up holes fan out in all directions, outlining a broad porphyry deposit of at least 900m x 600m and still open and lies adjacent to and not included within the MRE. Results of the follow-up holes included 686m of 0.46% CuEq[2] within a broader interval of 912m of 0.41% CuEq[2] from near surface; 246m of 0.47% CuEq[2] from near surface; 202m of 0.45% CuEq[2] within a broader interval of 444m of 0.36% CuEq[2] from near surface; 78m of 0.56% CuEq[2] within a broader interval of 812m of 0.32% CuEq[2] from near surface; 264m of 0.44% CuEq[2] from near surface; 220m of 0.41% CuEq[2] from near surface; 102m of 0.39% CuEq[2] within a broader interval of 911m of 0.24% CuEq[2] from near surface; 272m of 0.38% CuEq[2] within a broader interval of 570m of 0.30% CuEq[2] from near surface; and 732m of 0.32% CuEq[2] from near surface.[5]
- On October 31, 2022, the Company announced that it has received exercises of common share purchase warrants totaling C$18.7 million since the last quarterly results dated August 9, 2022, including a significant exercise by Executive Chairman, Mr. Richard Warke, at a 37% premium to market.[6]

OUTLOOK

Exploration activities at the Warintza Project continue with eight drill rigs targeting high-value growth of the recently reported MRE, specifically the open extensions of near surface, high-grade mineralization at Warintza Central and a major expansion of the drill coverage of Warintza East, which remains open. Follow-up holes are also planned to expand drill coverage of the pre-resource Warintza West deposit.

The Company plans to continue to advance its regional exploration program which has recently identified a number of new porphyry, skarn and high sulphidation targets for further exploration in support of drilling.

In June 2022 the Company entered an agreement with the Government of Ecuador to collaborate in the execution of an Investment Protection Agreement ("IPA") for its Warintza Project. The IPA provides a foundation of certainty with respect to the legal framework governing the Project, including stable mining regulations, security of title and investment for the term of the agreement, as well as significant new tax incentives to accelerate development. The Government of Ecuador is proceeding to prepare the legal form of the IPA, which is in final stages of being formally ratified for execution.

Warintza

Warintza is a world class large-scale porphyry copper-molybdenum-gold project located in southeastern Ecuador in the province of Morona Santiago, Canton Limon Indanza north of the Mirador copper-gold mine (owned by CRCC-Tongguan) and the Fruta del Norte gold mine (owned by Lundin Gold) and adjacent to the San Carlos-Panantza copper project (owned by CRCC-Tongguan). The property includes nine metallic mineral concessions covering 268 km^2. Four concessions with an area of 100 km^2 are permitted for exploration activities including drilling and path construction. South32 Royalty Investments Pty Ltd holds a 2% net smelter royalty on the original four concessions. Concessions have a term of 25 years and can be renewed for additional periods of 25 years if applications for renewal are submitted before the expiration of the concessions.

Warintza enjoys the support of its local Shuar Nationalities of Warints and Yawi with whom the Company shares an Impacts and Benefits Agreement ("IBA"), which was first signed in September 2020 and renewed in March 2022. The IBA provides certainty of community support for the responsible advancement of the Project from exploration and development through to production and is a major milestone in the Company's innovative corporate social responsibility ("CSR") program. This was the first IBA established in Ecuador and set the precedent for industry best practice for inclusive and mutually beneficial resource development in partnership with Indigenous Peoples. The IBA formalizes commitments toward supporting partner communities in their social and cultural practices. It also provides for eliminating or mitigating adverse impacts, employment, contracting and business opportunities supported by a robust program of education, skills and training together with community infrastructure

[5] Additional detail is set out in the Company's news release titled, "Solaris Outlines Broad Porphyry Deposit in First Follow-Up Holes at Warintza West Discovery", dated October 13, 2022.
[6] Additional detail is set out in the Company's news release titled, "Solaris Received Warrant Exercises of C$18.7 Million, Including Significant Exercise by Richard Warke at Premium to Market", dated October 31, 2022.

development and financial benefits to maximize community participation and positive outcomes for Indigenous Peoples.

In April 2022, the Company reported the results of the updated MRE for the Warintza Central deposit, with in-pit Indicated mineral resources of 579 Mt at 0.59% CuEq[2] and Inferred mineral resources of 887 Mt at 0.47% CuEq[2] including an 'Indicative Starter Pit' comprised of Indicated mineral resources of 180 Mt at 0.82% CuEq[7] and Inferred mineral resources of 107 Mt at 0.73% CuEq[7].[8]

To-date, the Company has incurred $107 million in exploration expenses at Warintza.

Warintza Drill Program

Warintza Central drilling has returned long intervals of high-grade copper mineralization, with the highest-grade intervals within each hole starting at or near surface, extending to 1km+ depths with grades up to 1.64% CuEq[9], significantly extending mineralization beyond the limits of historical drilling, which can be evidenced from the results of the updated MRE published in April 2022.

The Warintza Central resource is set within a 7km x 5km cluster of copper porphyries where additional discoveries have been made at Warintza West (February 2021), Warintza East (July 2021) and Warintza South (January 2022), each with a similar or larger footprint to Warintza Central.

At Warintza West, the first drill hole resulted in a significant new discovery returning 798m of 0.31% CuEq[8], with geophysics revealing this interval lies within a high-conductivity anomaly encompassing Warintza Central, East and West. See the Company's news release dated February 16, 2021.

In mid-2021, the Company announced its third major copper discovery at Warintza East, located approximately 1km east of Warintza Central, where the first two holes returned long intervals of mineralization with the highest grades starting at or near surface reflecting the vertical zonation in the system. The Warintza Central MRE pit shell includes the overlapping portion of Warintza East with East remaining entirely open and undrilled to the north, south and east for future potential growth within a shared pit. See the Company's news releases dated July 20, 2021, September 27, 2021, October 25, 2021 and April 11, 2022.

In January 2022, first-ever drilling at Warintza South resulted in the fourth major copper discovery within the 7km x 5km Warintza porphyry cluster, which is an entirely separate porphyry deposit, located approximately 3kms south of the Warintza Central zone, returning 606m of 0.41% CuEq[8] of continuous porphyry copper mineralization from near surface. See Company's news release dated January 18, 2022.

During the first half of 2022, drilling successfully expanded the Northeast Extension zone of the 'Indicative Starter Pit' recently estimated at 180 Mt at 0.82% CuEq[7] (Indicated) and 107 Mt at 0.73% CuEq[7] (Inferred) within the MRE and upgraded and converted targeted volumes at Warintza Central within the MRE envelope, as well as expanded the Warintza East discovery. In the last few months, drilling was aimed to target further resource growth, with an emphasis on the open extensions of near surface, high-grade mineralization at Warintza Central to the northeast and southeast and continuing to expand Warintza East to include it within a shared pit, while testing the further potential within the Warintza cluster. As well, the Company drilled a series of followed-up holes in Warintza West that fan out in all directions, outlining a broad porphyry deposit of at least 900m x 600m, still open, and lies adjacent to and not included within the MRE. The Company continued with a limited program of follow-up drilling at Warintza Central within the MRE envelope aimed at upgrading targeted volumes that the geological model predicts hold potential for higher grades than the MRE reflects, as well as increasing the confidence of mineral resources in the Inferred category. The Company will continue to advance its regional exploration program testing newly identified porphyry, skarn and

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7 No economic analysis has been completed by the Company and there is no guarantee an 'Indicative Starter Pit' will be realized or prove to be economic. The 'Indicative Starter Pit' is based on the same assumptions as the Resource except utilized metal prices of US$1.00/lb Cu, US$7.50/lb Mo, and US$750/oz Au.

8 The corresponding Technical Report disclosing the MRE in accordance with National Instrument 43-101 – Standards of Disclosure for Mineral Projects has been prepared by Mr. Rossi titled "NI 43-101 Technical Report for the Warintza Project, Ecuador" with an effective date of April 1, 2022, and is available on the Company's website at www.solarisresrouces.com and on SEDAR under the Company's profile at www.sedar.com.

9 Prior to the MRE, Solaris defined copper equivalent calculation for reporting purposes only. Copper-equivalence is calculated as: CuEq (%) = Cu (%) + 3.33 × Mo (%) + 0.73 × Au (g/t), utilizing metal prices of US$3.00/lb Cu, US$10.00/lb Mo, and US$1,500/oz Au. No adjustments were made for recovery as the Project is an early-stage exploration project and metallurgical data to allow for estimation of recoveries was not yet available.

high sulphidation targets in support of drilling. See Company's news releases dated April 4, 2022, April 11, 2022, May 26, 2022, July 7, 2022, July 20, 2022, September 7, 2022 and October 13, 2022.

Summarized drilling results from Warintza Central, Warintza West, Warintza East and Warintza South are listed on the Company's website. The Company continues to reorient its drilling fleet to pursue a resource growth strategy via step-out and extensional drilling in 2022.

La Verde

La Verde is situated in the Sierra Madre del Sur west of Mexico City in Michoacán State, Mexico and consists of the Unificación Santa Maria claim. The project is accessible year-round by paved roads and is strategically located next to key infrastructure with easy access to water, power and rail. The project is held 60% by the Company and 40% by a subsidiary of Teck Resources Ltd. The joint venture agreement governing the operation and funding of La Verde was formalized effective February 28, 2015 (the "La Verde Agreement"). The La Verde Agreement provides that Solaris be the operator of the project. The La Verde Agreement further provides for dilution of either parties' ownership should funding not be provided in accordance with their respective participating interests. La Verde is subject to a 0.5% net smelter royalty held by Minera CIMA, S.A. de C.V.

Ricardo

Ricardo consists of approximately 16,000 hectares strategically located along the West Fissure fault in Chile approximately 25km south of Codelco's Chuquicamata Mine, one of the largest copper mines in the world. The West Fissure is highly prospective and hosts numerous other large porphyry copper deposits.

In October 2018, the Company entered into a definitive earn-in option agreement (the "Ricardo Option Agreement"), amended in October 2019 and in February 2022, with Freeport with respect to the Ricardo Property whereby Freeport can earn up to an 80% interest in the Ricardo Property for gross expenditures of $130 million or $30 million plus the delivery of a feasibility study for a mine at Ricardo.

On July 27, 2022, the Company received a letter of notification from Freeport that it wished to cease the earn-in of the Ricardo property. The termination date of the Ricardo Option Agreement was effective on August 26, 2022.

Tamarugo

Tamarugo is a grass-roots copper porphyry target strategically located in northern Chile approximately 85 kilometres northeast of Copiapo and approximately 65 kilometres southwest of Codelco's El Salvador Copper Mine. The Company entered into a definitive earn-in option agreement with Freeport with respect to 5,100 hectares owned by Freeport and approximately 5,000 hectares 100% owned by the Company in June 2019, amended in November 2020 (the "Tamarugo Option Agreement").

Pursuant to the Tamarugo Option Agreement, the Company can earn up to a 75% interest in Tamarugo upon making staged exploration expenditures totaling $5.5 million and delivering a pre-feasibility study for a mine at Tamarugo by the end of year seven, subject to Freeport's back-in right to maintain Freeport's ownership at 60% upon satisfying certain conditions.

A finder's fee in the amount of 500,000 common shares of the Company are issuable upon discovery of potentially economic mineralization at Tamarugo. No amount has been recognized for these common shares as there is currently insufficient evidence that this non-market performance condition will be met.

Tamarugo also includes a 100% owned claim block that covers approximately 7,300 hectares, which is not part of the Tamarugo Option Agreement with Freeport as discussed above.

Other projects

Solaris has earn-in agreements on certain other projects including the Capricho and Paco Orco projects in Peru. The Capricho project is a 4,200-hectare copper-molybdenum-gold property. The Paco Orco project is a 4,400-hectare lead, zinc and silver property. Solaris is focused on obtaining surface access agreements with local landholders and communities for the purposes of permitting exploration programs at both Capricho and Paco Orco.

(Expressed in thousands of United States dollars, unless otherwise noted)

Exploration expenses

The following tables summarize exploration expenses by activity and jurisdiction.

For three months ended September 30, 2022:

	Ecuador	Mexico	Chile	Peru and other	Total
Salaries, geological consultants and support, and travel	$ 3,765	$ -	$ -	$ 172	$ 3,937
Site preparation, supplies, field and general	2,264	18	109	50	2,441
Drilling and drilling related costs	3,016	-	-	-	3,016
Assay and analysis	714	-	-	-	714
Community relations, environmental and permitting	1,457	-	-	63	1,520
Concession fees	-	23	12	1	36
Studies	297	-	-	-	297
Reclamation provision	(13)	-	-	-	(13)
Amortization	202	-	-	2	204
	$ 11,702	$ 41	$ 121	$ 288	$ 12,152

For three months ended September 30, 2021:

	Ecuador	Mexico	Chile	Peru and other	Total
Salaries, geological consultants and support, and travel	$ 3,412	$ –	$ 53	$ 170	$ 3,635
Site preparation, supplies, field and general	1,826	21	104	43	1,994
Drilling and drilling related costs	5,662	–	22	–	5,684
Assay and analysis	1,023	–	13	–	1,036
Community relations, environmental and permitting	1,469	–	–	76	1,545
Concession fees	–	22	–	–	22
Studies	20	–	–	3	23
Reclamation provision	53	–	–	–	53
Amortization	126	–	1	1	128
	$ 13,591	$ 43	$ 193	$ 293	$ 14,120

For nine months ended September 30, 2022:

	Ecuador	Mexico	Chile	Peru and other	Total
Salaries, geological consultants and support, and travel	$ 12,160	–	16	539	12,715
Site preparation, supplies, field and general	7,400	$ 61	$ 221	$ 139	$ 7,821
Drilling and drilling related costs	11,444	–	–	–	11,444
Assay and analysis	2,445	$ –	$ –	$ –	$ 2,445
Community relations, environmental and permitting	3,665	–	–	148	3,813
Concession fees	293	$ 47	$ 69	$ 39	$ 448
Studies	637	–	–	–	637
Reclamation provision	403	$ –	$ –	$ –	$ 403
Amortization	560	2	–	7	569
	$ 39,007	$ 110	$ 306	$ 872	$ 40,295

(Expressed in thousands of United States dollars, unless otherwise noted)

For nine months ended September 30, 2021:

	Ecuador	Mexico	Chile	Peru and other	Total
Salaries, geological consultants and support, and travel	$ 7,633	$ –	$ 133	$ 408	$ 8,174
Site preparation, supplies, field and general	4,450	59	282	101	4,892
Drilling and drilling related costs	13,128	–	611	–	13,739
Assay and analysis	1,957	–	21	–	1,978
Community relations, environmental and permitting	3,315	–	–	144	3,459
Concession fees	268	44	69	37	418
Studies	193	–	–	117	310
Reclamation provision	472	–	–	–	472
Amortization	259	2	1	4	266
	$ 31,675	$ 105	$ 1,117	$ 811	$ 33,708

The decrease in exploration expenses to $12,152 for the three months ended September 30, 2022, from $14,120 for the three months ended September 30, 2021, was primarily related to the decrease in the drilling activities at Warintza in Ecuador, as the volume of drilling activities decreased with the conclusion of the MRE which was reported in April 2022.

The increase in exploration expenses to $40,295 for the nine months ended September 30, 2022, from $33,708 for the nine months ended September 30, 2021, was primarily related to the continued advancement of the overall exploration program at Warintza as well as the regional exploration program which has recently identified a number of new porphyry, skarn and high sulphidation targets in Ecuador.

Salaries, geological consulting and support, and travel costs were higher in Ecuador for the three and nine months ended September 30, 2022, compared to the same periods in 2021, mainly due to the increase in geological consultants' costs as well as the mobilization of supplies, materials and personnel to and within the site in order to support a greater footprint of exploration targets in 2022.

Drilling and drilling related costs at Warintza decreased in the three and nine months ended September 30, 2022 compared to the same periods in 2021, as the Company conducted higher volume of drilling activities starting in the third quarter of 2021 and extended to the first quarter of 2022 to provide for the update of the MRE at Warintza Central, which concluded in April 2022.

The increase in site preparation, supplies, field and general costs is commensurate with the increase in exploration footprint, drilling activity with additional drilling platforms, civil works and site infrastructure, as well as an increase in supplies and materials at the Warintza Project and the regional exploration targets in Ecuador.

Community relations, environmental and permitting costs increased primarily due to advancements in permitting activities and an increase in environmental costs related to drilling and exploration footprint, and an increase in community support, including infrastructure donations. Community relations costs also increased with the renewal of the IBA for Warintza in March 2022 between Solaris and the Shuar Nationalities of Warints and Yawi, reflecting increased community support for the responsible advancement of Warintza.

Reclamation provision represents the estimated costs for restoration and rehabilitation for environmental disturbances at Warintza. The cost of reclamation provision decreased in the three and nine months ended September 2022 compared to the same periods in 2021 mainly due to the increase in the discount rate in the current quarter which was applied to determine the net present value of the reclamation provision.

LOSS FROM OPERATIONS

Three Months Ended September 30, 2022, Compared to the Three Months Ended September 30, 2021

The Company incurred exploration expenses of $12,152 for the three months ended September 30, 2022 (September 30, 2021 – $14,120). The decrease is mainly attributable to decreased drilling activity at Warintza in the third quarter of 2022.

(Expressed in thousands of United States dollars, unless otherwise noted)

The Company incurred general and administrative expenses of $2,048 for the three months ended September 30, 2022 (September 30, 2021 – $2,125). The decrease is mainly due to share-based compensation, a non-cash cost, of $910 for the three months ended September 30, 2022 (September 30, 2021 – $1,235), as fewer new options have been granted in 2022.

The change in fair value of derivative resulted in a gain of $212 for the three months ended September 30, 2022 compared to a gain $3,381 for the three months ended September 30, 2021, a non-cash cost, due to the mark-to-market adjustment on the derivative instrument related to the Company's obligation to issue shares on exercise of Equinox Warrants. The decrease in the fair value gain in the three months ended September 30, 2022 compared to the same period in 2021 is primarily due to the imminent expiry of the largest tranche of the outstanding Equinox Warrants at September 30, 2021, which expired unexercised on October 6, 2021, causing a significant decrease in the balance of the derivative liability at September 30, 2021.

Nine Months Ended September 30, 2022 Compared to the Nine Months Ended September 30, 2021

The Company incurred exploration expenses of $40,295 for the nine months ended September 30, 2022 (September 30, 2021 – $33,708). The increase is mainly attributable to the continued advancement of the overall exploration program at Warintza as well as the regional exploration program which has recently identified a number of new porphyry, skarn and high sulphidation targets in Ecuador.

The Company incurred general and administration expenses of $6,236 for the nine months ended September 30, 2022 (September 30, 2021 – $6,442). The decrease is mainly due to share-based compensation, a non-cash cost, of $2,854 for the nine months ended September 30, 2022 (September 30, 2021 – $3,660), as fewer new options have been granted in 2022.

The change in fair value of derivative resulted in a gain of $1,400 for the nine months ended September 30, 2022 compared to a gain of $2,260 for the nine months ended September 30, 2021, a non-cash cost, due to the mark-to-market adjustment on the derivative instrument related to the Company's obligation to issue shares on exercise of Equinox Warrants. The decrease in the fair value gain in the nine months ended September 30, 2022 compared to the same period in 2021 is primarily due to the imminent expiry of the largest tranche of the outstanding Equinox Warrants at September 30, 2021, which expired unexercised on October 6, 2021, causing a significant decrease in the balance of the derivative liability at September 30, 2021.

SUMMARY OF QUARTERLY FINANCIAL INFORMATION

The Company's quarterly financial statements are reported under IFRS issued by the IASB, as applicable to interim financial reporting. The following table provides highlights from the Company's financial statements of quarterly results for the past eight quarters.

	2022 Q3	2022 Q2	2022 Q1	2021 Q4
Exploration expenses	$ 12,152	$ 13,838	$ 14,305	$ 16,142
General and administration	2,048	1,919	2,269	3,058
Change in fair value of derivatives – loss (gain)	(212)	(634)	(554)	730
Net loss	13,889	15,191	16,002	19,275
Comprehensive loss	14,688	15,442	15,796	18,966
Net loss attributable to Solaris shareholders	13,871	15,178	15,986	19,261
Net loss per share – basic and diluted	$ 0.12	$ 0.14	$ 0.15	0.18

	2021 Q3	2021 Q2	2021 Q1	2020 Q4
Exploration expenses	$ 14,120	$ 11,237	$ 8,351	$ 7,602
General and administration	2,125	2,331	1,986	1,711
Change in fair value of derivatives – loss (gain)	(3,381)	(1,724)	2,845	3,298
Net loss	12,789	11,718	13,075	12,599
Comprehensive loss	14,131	10,731	12,328	11,861
Net loss attributable to Solaris shareholders	12,768	11,709	13,058	12,567
Net loss per share – basic and diluted	$ 0.12	$ 0.11	$ 0.12	0.07

The Company has not generated any income to date other than interest income and the gain on change in fair value of derivatives. Exploration expenditures have steadily increased from the fourth quarter of 2020 to the fourth quarter of 2021 to support the continuing growth and advancement of the Warintza Project. Exploration expenses decreased from the first quarter of 2022 over the preceding quarter, given the completion of the mineral resource growth drilling with the reporting of the MRE in April 2022. The increase in the general and administrative costs in the fourth quarter of 2021 primarily reflects an increase in share-based compensation, a non-cash cost for stock options granted to employees and directors as well as an increase in salaries and benefits expense as the Company added expanded leadership roles to support the Company's overall corporate strategy to advance the Warintza Project. The gain or loss recognized from the change in fair value of derivatives, a non-cash cost, was attributed to the mark-to-market adjustments on the derivative instrument related to the Company's obligation to issue shares on exercise of Equinox Warrants.

(Expressed in thousands of United States dollars, unless otherwise noted)

LIQUIDITY AND CAPITAL RESOURCES

		September 30, 2022		December 31, 2021
Cash and cash equivalents	$	11,495	$	33,897
Prepaids and other		651		957
Accounts payable and accrued liabilities		8,562		10,750
Lease liability – current		134		136
Total current assets		12,146		34,854
Total current liabilities	$	9,041	$	12,669

Cash used in operating activities during the three and nine months ended September 30, 2022 was $12,098 and $44,746, respectively (September 30, 2021 – $12,384 and $32,302, respectively). The increased use of cash during the nine months ended September 30, 2022, compared to the same period in 2021, is primarily attributable to the increase in exploration expenses and corporate activity. Cash used in operating activities was also impacted by the timing of receipts and payments from non-cash working capital items, primarily accounts payable and accrued liabilities.

Cash inflow from financing activities during the three and nine months ended September 30, 2022 was $442 and $24,186, respectively (September 30, 2021 – $811 and $6,076, respectively). Cash inflow from financing activities for the three and nine months ended September 30, 2022 relates primarily to the proceeds from the exercise of warrants and stock options of $354 and $24,039, respectively. The cash inflow for financing activities during the three and nine months ended September 30, 2021 relates primarily to the proceeds from the exercise of Equinox Warrants, warrants and stock options of $761 and $5,802, respectively.

Cash outflow from investing activities during the three and nine months ended September 30, 2022 was $22 and $1,013, respectively (September 30, 2021 – $424 and $1,125, respectively) and relates primarily to the purchase of equipment and infrastructure at Warintza.

The Company has incurred operating losses to date and has no current sources of revenue or significant cash inflows from operations. The Company has, to date, relied on cash received from share issuances in order to fund its exploration and other business objectives. As at September 30, 2022, the Company has cash and cash equivalents of $11,495. Subsequent to September 30, 2022, 6.8 million share purchase warrants were exercised for cash proceeds of C$20,979 ($15,395). Theses balances, together with the expected cash inflows from the exercise of additional warrants that are currently in-the-money, would be sufficient to fund the Company's committed exploration expenses and general and administrative costs for the next twelve months. However, if the Company continues its current level of exploration activities throughout the next twelve months, the expected cash balances may not be sufficient to fund these expenditures. Management is committed to diligently managing its liquidity and capital resources, including prioritizing spending in the areas of the business with the highest impact, such as advancing the development of the Company's Warintza Project. Should it be necessary, Management has the ability to relatively quickly curtail cash outflows, including exploration expenditures, to prudently manage the Company's liquidity position and conserve cash resources. In the longer term, the Company's ability to continue as a going concern is dependent upon the successful execution of its business plan, raising additional capital and/or evaluating strategic alternatives for its mineral property interests. The Company expects to continue to raise the necessary funds primarily through the issuance of common shares in support of its business activities. There can be no guarantees that future equity financing or strategic alternatives will be available on acceptable terms to the Company or at all, in which case the Company may need to reduce its exploration plans or other business activities.

On March 11, 2020, the novel coronavirus outbreak ("COVID-19") was declared a pandemic by the World Health Organization. The Company has resumed its normal operations including personnel's travel and work locations. While the Company has not been significantly impacted by COVID-19 to date, any future disruptions resulting from COVID-19 and its variants at any of the Company's projects or in the jurisdictions in which the Company operates could have a significant negative effect on the Company. In particular, unwarranted disruptions may prevent Company personnel from working because of quarantine or other restrictions imposed by local health authorities, as well as cause the Company to delay planned business activities, including permitting and exploration activities, and increase fiscal losses. Responses to COVID-19, including government and local restrictions on the mobilization of people and goods, may cause visits, fieldwork and analysis performed by the Company and its contractors to slow or even cease. In addition, the outbreak of COVID-19 as well as other emerging risks have caused and may continue to cause considerable disruption to the world economy and financial and metals markets, which could have a significant negative effect on the ability of the Company to obtain equity financing to fund additional exploration activities.

(Expressed in thousands of United States dollars, unless otherwise noted)

In late February 2022, Russia launched a large-scale military attack on Ukraine, which amplified global geopolitical tensions. In response to the military action by Russia, various countries, including Canada, issued broad-ranging economic sanctions against Russia. Such sanctions and any future sanctions against Russia may adversely impact, among other things, the Russian economy, which directly and indirectly affect various sectors of the economy, disrupt the global supply chain, and increase inflationary pressures. Accordingly, the actions discussed above and the potential for a wider conflict could increase financial market volatility and cause severe negative effects on regional and global economic markets, and therefore have a significant negative effect on the ability of the Company to obtain equity financing to fund additional exploration activities.

COMMITMENTS AND CONTINGENCIES

At September 30, 2022, the Company had contractual cash flow commitments as follows:

	< 1 Year	1-3 Years	3-5 Years	> 5 Years	Total
Accounts payable and accrued liabilities	$ 8,562	$ –	$ –	$ –	$ 8,562
Lease liabilities	134	123	–	–	257
Other long-term liability	–	–	–	121	121
Office rent obligations	327	676	26	–	1,029
Exploration expenses and other	320	30	–	–	350
	$ 9,343	$ 829	$ 26	$ 121	$ 10,319

SHARE CAPITAL INFORMATION

As at November 8, 2022, the Company had the following securities issued and outstanding:

- 121,408,735 common shares
- 8,147,892 shares issuable pursuant to exercise of stock options[1]
- 26,085 shares issuable pursuant to redemption of restricted share units[2]
- 153,529 shares issuable pursuant to exercise of Equinox Warrants
- 26,320,000 shares issuable pursuant to exercise of Solaris warrants

[1]There are 838,914 Arrangement options outstanding exercisable into 83,894 Solaris shares and 8,063,998 Solaris options outstanding exercisable into 8,063,998 Solaris shares.

[2]These restricted share units have vested and issuance of the related Solaris shares has been deferred by the holders of the restricted share units.

PROPOSED TRANSACTIONS

There are no undisclosed proposed transactions that will materially affect the performance of the Company.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any material off-balance sheet arrangements, other than the Company's obligation for future rental payments described in "Related Party Transactions".

(Expressed in thousands of United States dollars, unless otherwise noted)

RELATED PARTY TRANSACTIONS

Compensation of key management personnel

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company, and comprises the Company's Executive Chairman, President and Chief Executive Officer, Chief Financial Officer, Senior Vice President Corporate Affairs and Corporate Secretary and Directors.

Key management compensation for the three and nine months ended September 30, 2022 and 2021 is comprised of the following:

	Three months ended September 30,		Nine months ended September 30,	
	2022	2021	2022	2021
Share-based compensation	$ 711	$ 1,002	$ 2,274	$ 3,023
Salaries and benefits	180	154	520	429
Professional fees	97	70	245	211
	$ 988	$ 1,226	$ 3,039	$ 3,663

Related party transactions

On January 2, 2020, the Company entered into an arrangement to share office space, equipment, personnel, consultants and various administrative services with other companies related by virtue of certain directors and management in common. These services have been provided through a management company equally owned by each company party to the arrangement. Costs incurred by the management company are allocated and funded by the shareholders of the management company based on time incurred and use of services. All of the parties have jointly entered into a rental agreement for office space. If the Company's participation in the arrangement is terminated, the Company will be obligated to pay its share of the rent payments for the remaining term of the office space rental agreement. The Company's obligation for future rental payments if the Company's participation in the arrangement was terminated on September 30, 2022 was approximately $1,502 (December 31, 2021 – $603), determined based on the Company's average share of rent paid in the immediately preceding 12 months.

The Company was charged for the following with respect to these arrangements in the three and nine months ended September 30, 2022 and 2021.

	Three months ended September 30,		Nine months ended September 30,	
	2022	2021	2022	2021
Salaries and benefits	$ 408	$ 318	$ 1,261	$ 898
Office and other	92	104	315	257
Filing and regulatory fees	–	–	79	52
Marketing and travel	5	5	15	15
	$ 505	$ 427	$ 1,670	$ 1,222

At September 30, 2022, amounts in prepaids and other include $88 due from a related party (December 31, 2021 – $67) with respect to this arrangement.

SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES

In preparing the accompanied condensed consolidated interim financial statements in conformity with IFRS, management has made judgements, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ. All estimates and underlying assumptions are reviewed on an ongoing basis. Revisions are recognized in the period in which the estimates are revised and in any future periods affected. Information about critical judgements and estimates in applying accounting policies that have the most significant effect on amounts recognized in the consolidated financial statements are the same as those described in the consolidated annual financial statements for the year ended December 31, 2021.

(Expressed in thousands of United States dollars, unless otherwise noted)

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB or IFRIC ("International Financial Reporting Interpretations Committee"). However, these updates either are not applicable to the Company or are not material to the consolidated financial statements.

FINANCIAL INSTRUMENT RISK EXPOSURE AND RISK MANAGEMENT

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management process.

a) Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's financial assets.

The Company is primarily exposed to credit risk on its cash and cash equivalents and amounts receivable. Credit risk exposure is limited through maintaining its cash with high-credit quality financial institutions. The carrying value of these financial assets of $11,732 represents the maximum exposure to credit risk.

b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company ensures that there is sufficient capital in order to meet short term business requirements after taking into account the Company's holdings of cash.

c) Foreign currency risk

The Company is exposed to currency risk on transactions and balances in currencies other than the functional currency. At September 30, 2022, the Company had not entered into any contracts to manage foreign exchange risk.

The functional currency of the parent company is Canadian dollars. Therefore, the Company is exposed to currency risk from the assets and liabilities denominated in US dollars. However, the impact on such exposure is not currently material.

The Company is also exposed to currency risk on financial assets and liabilities denominated in Peruvian Soles, Chilean pesos, Mexican pesos and Guatemalan quetzals. However, the impact on such exposure is not currently material.

Capital management

The Company's primary objective when managing capital is to ensure that it will be able to continue as a going concern and that it has the ability to satisfy its capital obligations and ongoing operational expenses, as well as having sufficient liquidity to fund suitable business opportunities as they arise.

The capital of the Company includes the components of equity attributable to shareholders of the Company, net of cash and cash equivalents. Capital is summarized in the following table:

	September 30, 2022	December 31, 2021
Equity	$ 16,222	$ 35,208
Cash and cash equivalents	(11,495)	(33,897)
	$ 4,727	$ 1,311

The Company manages its capital structure and makes adjustments to it as necessary in light of economic conditions. In order to maintain the capital structure, the Company may, from time to time, issue or buy back equity, repay debt, or sell assets. The Company, upon approval from its Board of Directors, intends to balance its overall capital structure through new share issues or by undertaking other activities as deemed appropriate under the specific circumstances.

RISKS AND UNCERTAINTIES

The risks related to Solaris' business and those that are reasonable likely to affect the Company's financial statements in the future, are described in the Company's December 31, 2021 annual MD&A dated March 24, 2022, which is filed on SEDAR at www.sedar.com.

DISCLOSURE CONTROLS AND PROCEDURES AND INTERNAL CONTROL OVER FINANCIAL REPORTING

The Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") have designed or caused to be designed under their supervision the Company's disclosure controls and procedures ("DC&P") to provide reasonable assurance that material information regarding the Company is accumulated and communicated to the Company's management, including its CEO and CFO, in a timely manner. In addition, the CEO and CFO have designed or caused to be designed under their supervision internal controls over financial reporting ("ICFR") to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements, as well as an evaluation on whether there were changes to its ICFR during most recent fiscal quarter that have materially affected, or are reasonably likely to materially affect, the Company's ICFR. The control framework used to design the Company's ICFR is based on the 2013 control framework developed by the Committee of Sponsoring Organizations of the Treadway Commission.

For the three months ended September 30, 2022, the DC&P have been designed effectively to provide reasonable assurance that material information relating to the Company is made known to the CEO and CFO, particularly during the period in which the relevant interim filings are prepared and the information required to be disclosed by the Company in its filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified.

In addition, the ICFR has also been designed effectively to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements.

A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that its objectives are met. Due to inherent limitations in all such systems, no evaluations of controls can provide absolute assurance that all control issues, if any, within a company are detected on a timely basis. Accordingly, our DC&P and our ICFR are effective in providing reasonable, not absolute, assurance that the objectives of our control systems have been met.

CHANGES IN INTERNAL CONTROL OVER FINANCIAL REPORTING

National Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings* requires Canadian public companies to disclose any changes in ICFR during the most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, ICFR. No material changes were made to internal controls in the three months ended September 30, 2022.

QUALIFIED PERSON

The technical information contained in this document related to the MRE was based upon the technical report titled "NI 43-101 Technical Report for the Warintza Project, Ecuador" with an effective date of April 1, 2022, prepared by Mario E. Rossi, FAusIMM,RM-SME, Principal Geostatistician of Geosystems International Inc., who is a "Qualified Person" as defined in National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*. The remaining technical information contained in this document has been reviewed and approved by Jorge Fierro, M.Sc., DIC, PG, Vice President Exploration of Solaris who is a "Qualified Person" as defined in National Instrument 43-101 - *Standards of Disclosure for Mineral Projects*. Jorge Fierro is a Registered Professional Geologist through the SME (registered member #4279075).