Solaris Resources Inc.

Management's Discussion and Analysis

For the Three Months Ended March 31, 2020 and 2019

INTRODUCTION

This management's discussion and analysis ("MD&A") of Solaris Resources Inc. (the "*Company*", "*Solaris*", "*we*", "*us*", or "*our*") covers the three months ended March 31, 2020. This MD&A takes into account information available up to and including May 27, 2020. This MD&A should be read in conjunction with the accompanying condensed consolidated interim financial statements and notes for the three months ended March 31, 2020, and for the year ended December 31, 2019, which are available on the Company's website www.solarisresources.com and on the SEDAR website 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. Equinox owned 30% of the Company at March 31, 2020.

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, potential mineralization, exploration results, the availability of financial resources, capital, operating and cash flow estimates, intentions for its Warintza Project in Ecuador and statements under 'Outlook' later in this MD&A. 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. 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; global economic conditions; negative operating cash flow; uncertainty of future revenues or of a return on investment; no defined 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 from international operations; risk associated with an emerging and developing market; relationships with, and claims by, local communities and indigenous groups; permitting risk; land title risk; fraud and corruption; ethics and business practices; 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; conflicts of interests; uninsurable risks; and information systems.

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 as a result of new information, future events or results or otherwise, except as required by applicable law.

Information on risks associated with investing in the Company's securities and technical and scientific information under National Instrument 43-101 concerning the Company's material properties, including information about mineral resources, are contained in the Company's most recently filed technical reports.

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 high-grade resource with expansion and discovery potential at its Warintza Project ("Warintza") in Ecuador; discovery potential on its grass-roots Tamarugo project ("Tamarugo") in Chile and Capricho and Paco Orco projects in Peru; exposure to $130M spending / 5-yrs through a farm-out agreement with Freeport-McMoRan on its Ricardo Project ("Ricardo") in Chile; and significant leverage to increasing copper prices through its 60%-interest in the development-stage La Verde joint-venture project ("La Verde") with Teck Resources in Mexico. Solaris operates as a reporting issuer but is not currently listed on a designated stock exchange.

HIGHLIGHTS AND ACTIVITIES

The Company proceeded to advance its Warintza Project in the first quarter of 2020, however, exploration activities were suspended in mid-March in response to the extensive global health risks resulting from the COVID-19 pandemic ("COVID-19"). The health and wellbeing of the Company's workforce and communities is top priority and, as a result, the Company introduced a number of measures to protect employees, their families and the local communities. Solaris introduced an extensive list of health and safety protocols including remote work wherever possible, medical screening, enhanced cleaning and hygiene practices, increased food safety, and social distancing of workers. The following activities and developments were achieved throughout the quarter and to the date of this MD&A:

- The Company enhanced the profile of its Board of Directors with the appointments of Mr. Richard Warke and Mr. Donald Taylor, respectively, as Executive Chairman and non-executive director of the Company and the appointment of Mr. Ron Walsh as independent director, following the resignations of Mr. Scott Heffernan, Mr. Marcel DeGroot and Mr. James Steels as directors. In addition, Solaris joined the Augusta Group of Companies ("Augusta Group") as described in "Related Party Transactions", which has a track record of value creation totaling over C$4.5B in exit transactions since 2011, and has strategic partnerships with leading entrepreneurs in the mining sector.

- The Company announced the completion of a pilot project on Warintza, which was facilitated by the government of Ecuador in advance of the establishment of a Prior Consultation norm for the country. The purpose of Prior Consultation is to create opportunities for transparent dialogue in order for Indigenous people to reach agreement and consensus regarding development in their communities and how it relates to national and regional development. The success of the pilot project highlighted the Company's innovative community social relations ("CSR") program and can form the design of a model Prior Consultation process for the rest of the country.

- The Company drilled two holes totalling 1,546 metres at Warintza before COVID-19-related precautions caused the Company to suspend operations in mid-March 2020. The core is in the process of being cut and logged but has not yet been assayed and the Company has no results to report at this time.

- The Company announced the completion of a consolidation of its common shares at a ratio of two pre-consolidation common shares for one post-consolidation common share. As a result of the consolidation, shares issuable pursuant to the Company's outstanding options, warrants, restricted share units and other convertible securities were proportionally adjusted on the same basis.

- In April and May 2020, the Company received $1,708 (CAD$2,388) from the exercise of Equinox Warrants.

- Solaris launched a revamped corporate website reflecting the prospective mineral exploration opportunities that the Company has to offer, in addition to, a new 'Responsible Mining' section showcasing a comprehensive overview of Solaris' innovative sustainability programs.

Subsequent to the quarter-end, the Company regretfully announced that J. David Lowell, a consultant and strategic partner of the Company, passed away at his home in Tucson, Arizona, in early May at the age of 92. Mr. Lowell was a legendary mine finder having discovered 17 major minerals deposits over a 50-year career. The Company's flagship project, Warintza, was a discovery Mr. Lowell made while exploring in southeast Ecuador in the early 2000s, and the pipeline of the Company's grassroots exploration projects were his targets for future discoveries. Once COVID-19 restrictions are lifted, it is the Company's intention to responsibly recommence exploration at Warintza and to test Mr. Lowell's targets for potential discoveries in Chile and, eventually, Peru. Solaris also intends to pursue the programs that Mr. Lowell designed for the Company to generate new targets in line with his vision for the future of discovery in the Americas. These efforts will be led by his protégé, Mr. Jorge Fierro, the Company's Vice President, Exploration.

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

Warintza

Warintza is a porphyry copper-molybdenum-gold project located in south eastern Ecuador in the province of Morona Santiago, Canton Limon Indanza. The property includes eight metallic mineral concessions covering 268 km^2. Three concessions with an area of 10 km^2 are permitted for exploration activities including drilling and path construction. There are four new concessions contiguous with the original concession and one concession to the northwest. Billiton Ecuador B.V. holds a 2% net smelter royalty on the original three 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 is located within a Jurassic-aged volcanic belt that hosts numerous exploration and development projects and two operating mines, including the San Carlos-Panantza copper project adjoining Warintza to the east, the Mirador copper-gold mine (owned by CRCC-Tongguan) and the Fruta del Norte gold mine (owned by Lundin Gold) to the south.

Warintza was discovered in 2000 by David Lowell, but sat largely dormant since 2001 due to a breakdown in social relations with local communities. After 12 months of dialogue, Solaris was able to resolve all underlying issues in mid-2019 and instituted a robust and innovative CSR program solidifying its strong relationship with local communities and restoring social acceptance of the project after nearly a two-decade hiatus. This precipitated a series of strategic corporate developments to support advancement of Warintza.

The current Mineral Resource estimate of 124 Million tonnes of Inferred Resources grading 0.56% Cu, 0.028% Mo and 0.06 g/t Au is entirely open at depth and laterally in every direction. This resource is set within a 5 km-long trend of mineralization, featuring outcropping +1% copper in numerous locations.

The Company commenced its initial exploration program in the first quarter, however in response to COVID-19 restrictions, exploration work has been suspended until it is deemed safe to resume. Once resumption occurs, Solaris will continue to work with the applicable regulatory officials in Ecuador and the Shuar Indigenous Community to proceed with further exploration and development of the project.

Warintza Resource Estimate

Classification	Zone	Cu Cut-off	Tonnage	Cu	Cu	Mo	Mo	Au	Au
		%	(T)	(%)	(Mlbs)	(%)	(Mlbs)	(g/t)	(oz)
Inferred	Leached - Open Pit	0.2	1,970,300	0.24	11	0.027	1.2	0.07	4,500
	Enriched - Open Pit	0.2	64,100,800	0.62	870	0.029	40.7	0.06	119,700
	Primary - Open pit	0.2	57,689,100	0.50	636	0.028	35.7	0.06	114,400
Inferred	Total - Open Pit	0.2	123,760,200	0.56	1,516	0.028	77.5	0.06	238,600

[1] *Mineral Resources are reported using a cut-off grade of 0.2% copper.*
[2] *The Open Pit Mineral Resource is constrained using an optimized pit that has been generated using Lerchs –Grossman pit optimisation algorithm with parameters. The resulting pit produces a strip ratio of 0.71 to 1.*
[3] *The Warintza Central Mineral Resource statement has been prepared by Trevor Rabb, PGeo who is a qualified person as defined by NI 43-101.*
[4] *Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. The Warintza Mineral Resource statement has been prepared in accordance with NI 43-101 Standards of Disclosure for Mineral Projects (May 2016) and the CIM Definition Standards for Mineral Resources and Mineral Reserves (May 2014).*

The Warintza Mineral Resource estimate was reported in the Technical Report entitled, "Resource Estimate of the Warintza Central Cu-Mo Porphyry Deposit" completed by Equity Exploration Consultants Ltd. with an effective date of December 13, 2019. The resource estimate work was completed by Trevor Rabb, PGeo (EGBC #39599), who meets the definition of "independent qualified person" as defined in National Instrument 43-101. The report is available on the Company's website at www.solarisresources.com and on the SEDAR website at www.sedar.com.

The Company cautions the reader that mineral resources are not minerals reserves and do not have demonstrated economic viability. There is no certainty that all or any part of the mineral resources will be converted into mineral reserves.

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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 Teck Resources Ltd. The joint venture agreement governing the operation and funding of La Verde was formalized effective February 28, 2015. The Agreement provides that Solaris be the operator of the project. The 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.

AMC Mining Consultants (Canada) Ltd. completed a Preliminary Economic Assessment ("PEA") for the La Verde Project in June 2018. Using metal prices of US$2.70/lb copper, US$1,200/oz gold and US$25/oz silver, the PEA contemplates a conventional truck and shovel open pit mine with a 19-year mine life producing 7.2 million tonnes of concentrate grading 26.7% copper with pre-tax Internal Rate of Return of 21.2% and pre-tax Net Present Value of $617 million using an 8% discount rate.

La Verde Resource Estimate

Resource	Tonnes	Cu%	Ag (g/t)	Au (g/t)	As (%)
Measured	57,527,000	0.45	2.94	0.05	0.03
Indicated	350,442,000	0.40	2.33	0.03	0.04
Total M&I	**407,969,000**	**0.41**	**2.42**	**0.03**	**0.04**
Inferred	337,838,000	0.37	1.94	0.02	0.03

[1]*The La Verde Mineral Resource estimate with an effective date of September 19, 2012, was reported in the amended "Technical Report, La Verde Copper Project, Michoacán State, Mexico" prepared by AMC Mining Consultants (Canada) Ltd. with an effective date of June 20, 2018 The resource is reported using a base-case cut-off grade of 0.2% copper. The cut-off grade of 0.2% copper is based on experience for similar open-pit projects and a mining conceptual study which used a metal price of $2.50/lb copper and copper metal recovery of 92%. This Resource estimate is not constrained by a pit shell. The report is available on the Company's website at www.solarisresources.com and on the SEDAR website at www.sedar.com.*

Ricardo

Ricardo consists of approximately 16,000 hectares strategically located along the West Fissure fault in Chile approximately 25 kilometres 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") 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.

A summary of the key terms of the Ricardo Option Agreement is as follows:

To earn an initial 60% interest in the Ricardo Property, Freeport must complete both Stage 1 and Stage 2:

- Stage 1: Upon receipt of the relevant exploration permits (the "Effective Date"), Freeport is required to spend $4.2 million in exploration expenditures over the two years following the Effective Date.

- Stage 2: Upon completion of Stage 1, Freeport can elect to spend $4.8 million in the third year following the Effective Date, $8.0 million in the fourth year following the Effective Date and $13.0 million in the fifth year following the Effective Date.

Upon completion of both Stage 1 and Stage 2, Freeport can elect to complete Stage 3 to earn an additional 20% interest in the Ricardo Property whereby Freeport is required to complete the first of (i) funding a feasibility study for a mine at Ricardo and (ii) spending an additional $100 million in exploration expenditures. Should Stage 3 not be completed within ten years, Freeport can maintain the option by paying to the Company $1 million annually until Stage 3 is complete.

In October 2019, the Ricardo Option Agreement was amended to extend the Stage 1 exploration expenditure period up to fifteen additional months in the case that Freeport determines the need for additional exploration permits. In addition, the Stage 2 third, fourth and fifth year exploration periods were amended to follow the end of the Stage 1.

Tamarugo

Tamarugo is a grass-roots copper porphyry target consisting of approximately 5,100 hectares 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 Tamarugo during the second quarter of 2019.

Pursuant to the Option Agreement, the Company can earn up to a 75% interest in Tamarugo for gross expenditures of $5.5 million plus the delivery of a pre-feasibility study for a mine at Tamarugo, subject to a back-in right in favour of Freeport.

A summary of the key terms is as follows:

- To earn an initial 51% interest in Tamarugo, the Company is required to spend $4.0 million in exploration expenditures over four years with $0.25 million to be spent in year one, $0.35 million in year two, $1.9 million in year three and $1.5 million in year four.
- Within 60 days of the Company earning the initial 51% interest in Tamarugo, Freeport may exercise a back-in right to reacquire 11% of Tamarugo by paying to the Company $12 million (the "Back-in Right"). Freeport will then be required to fund all exploration expenditures until either completing a pre-feasibility study for a mine at Tamarugo or spending a total of $50 million within 10 years of exercise of the Back-in Right. Should Freeport not complete either the pre-feasibility study or spend a total of $50 million within 10 years of exercise of the Back-in Right, Freeport can maintain its 11% interest by paying to the Company $1 million annually until it completes either one of these obligations.
- Should Freeport elect not to exercise the Back-in Right, the Company can elect to earn an additional 24% interest in Tamarugo by spending an additional $1.5 million in exploration expenditures in year five and delivering a pre-feasibility study for a mine at Tamarugo by the end of year seven.

The Company is obligated to issue 1,000,000 common shares to a consultant of the Company 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.

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 4,600-hectare property in Peru prospective for near-surface copper-molybdenum-gold mineralization. The Paco Orco project is a 4,400-hectare property in Peru prospective for lead, zinc and silver. 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.

CORPORATE ACTIVITIES

Board Appointments

On January 6, 2020, the Company announced the appointments of Mr. Richard Warke and Mr. Donald Taylor, respectively, as Executive Chairman and non-executive director of the Company.

Mr. Warke is a Canadian business executive with more than 35 years of experience in the mining sector. Mr. Warke has founded and led a number of successful precious and base metal exploration and development companies from the initial discovery through the exploration, permitting and feasibility stages to their ultimate acquisitions, totaling over C$4.5 billion in the last ten years.

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

Mr. Taylor is an American mining executive with more than 30 years of precious and base metal exploration and development experience on five continents. Among other accolades, he was most recently the recipient of the Prospectors and Developers Association of Canada's 2018 Thayer Lindsley Award for the 2014 discovery of the Taylor lead-zinc-silver deposit in Arizona.

On March 20, 2020, the Company announced the appointment of Mr. Ron Walsh FCPA, CPA as independent Director of the Company following the resignation of Mr. James Steels. Mr. Walsh, a Chartered Professional Accountant, is the founding partner of Walsh King LLP. He has many years' experience advising on corporate tax and business issues. Mr. Walsh has held a number of prestigious professional appointments throughout his career, including amongst others, Governor of the Canadian Tax Foundation, President of the Estate Planning Council of Vancouver, and Public Governor of the Vancouver Stock Exchange. In addition, he has frequently lectured on tax and related matters for professional organizations, and spoken at national and international conferences on tax and business advisory issues.

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.

	2020 Q1	2019 Q4	2019 Q3	2019 Q2
Exploration expenses	$ 2,397	$ 1,188	$ 914	$ 866
General and administration	626	612	324	394
Change in fair value of derivatives	616	(2,457)	(757)	(39)
Net loss (income)	3,642	(1,036)	534	1,131
Comprehensive loss (income)	4,464	(1,036)	534	1,131
Net loss (income) attributable to Solaris shareholders	3,637	(1,040)	510	1,126
Net loss (income) per share	$ 0.06	$ (0.02)	$ 0.01	$ 0.02

	2019 Q1	2018 Q4	2018 Q3	2018 Q2
Exploration expenses	$ 962	$ 516	$ 502	$ 538
General and administration	172	326	97	59
Change in fair value of derivatives	(750)	(847)	(77)	–
Net loss and comprehensive loss	374	25	488	595
Net loss attributable to Solaris shareholders	353	26	460	590
Net loss per share	$ 0.01	$ 0.00	$ 0.01	$ 0.02

The Company has not generated any income to date other than interest income and the gain on change in fair value of derivatives. The increase in exploration expenditures in the first quarter of 2020 was primarily due to drilling and drilling related costs with respect to the two holes drilled at Warintza. The increase in exploration expenditures in the last quarter of 2019 was primarily due to an increase in costs associated with the advancement of Warintza in preparation for drilling, as well as an increased focus on community social relations initiatives, notably the government pilot project. The increase in the general administrative costs in the last quarter of 2019 was due to the increased cost of operating Solaris as a standalone entity, and additions to the leadership team to support the Company's strategy to broaden exploration efforts. The Q1 2020 change in fair value of derivatives, a non-cash cost, was the mark-to-market loss on the derivative asset related to the Company's obligation to issue shares on exercise of Equinox Warrants. In Q4 2019 and preceding five quarters, the Company recognized a mark-to-market gain on the derivative asset. Comprehensive loss in Q1 2020 increased due to the translation of the parent company's Canadian dollar financial statements into US dollars for presentation purposes resulting in a foreign currency translation loss of $822. The loss primarily arises as a result of the impact of the weakening Canadian dollar since the last reporting period on the Company's net assets denominated in Canadian dollars.

(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 March 31, 2020:

		Ecuador		**Mexico**		**Chile**		**Other**		**Total**
Salaries, geological consulting and travel	$	486	$	–	$	33	$	59	$	578
Community relations, environmental and permitting		267		–		–		11		278
Concession fees		268		11		13		–		292
Field, site maintenance and general		390		–		40		44		474
Drilling and drilling related costs		764		–		–		–		764
Amortization		10		1		–		–		11
	$	2,185	$	12	$	86	$	114	$	2,397

For three months ended March 31, 2019:

		Ecuador		**Mexico**		**Chile**		**Other**		**Total**
Salaries, geological consulting and travel	$	153	$	–	$	20	$	85	$	258
Community relations, environmental and permitting		52		–		–		–		52
Concession fees		264		–		–		–		264
Field, site maintenance and general		329		52		2		4		387
Amortization		1		–		–		–		1
	$	799	$	52	$	22	$	89	$	962

The increase in exploration expenses to $2,397 for the three months ended March 31, 2020 from $962 for the three months ended March 31, 2019 was primarily related to activity in Ecuador at Warintza. The most significant increase was for the drilling and drilling related costs for 1,546 metres drilled at Warintza. Salaries, geological consulting and travel increased with the advancement of Warintza, and also reflects the payroll costs of local community members hired to support Warintza site activities. Community relations, environmental and permitting costs increased as the Company continued to focus on community social relations initiatives and incurred environmental and permitting costs related to drilling activities. The increase in exploration expenditures in Chile was due to preparatory work completed at Tamarugo, which was optioned in the second quarter of 2019.

LOSS FROM OPERATIONS

Quarter Ended March 31, 2020 Compared to the Quarter Ended March 31, 2019

The Company incurred exploration expense of $2,397 for the three months ended March 31, 2020 (March 31, 2019 – $962). The increase is mainly attributable to the Warintza drill program in the first quarter of 2020, previously discussed.

The Company incurred general and administration expenses of $626 for the three months ended March 31, 2020 (March 31, 2019 – $172). The increase is commensurate to the increase in overall activity of the Company in the three months ended March 31, 2020, as well as the additional costs in operating Solaris as a standalone entity and additions to the corporate team. Included in the general and administrative expenses is share-based compensation, a non-cash cost, of $168 for the three months ended March 31, 2020 (March 31, 2019 – $3). The increase reflects the stock option grants to new employees in Q4 2019 and the additional stock option grants to three directors that joined the Company during the first quarter of 2020.

The decrease of the fair value of derivatives by $616 for the three months ended March 31, 2020 compares to an increase by $750 for the three months ended March 31, 2019, a non-cash cost, due to the mark-to-market loss (March 31, 2019 – mark-to-market gain) on the derivative asset 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, CAPITAL RESOURCES AND GOING CONCERN

		March 31, 2020		December 31, 2019
Cash and cash equivalents	$	3,589	$	6,093
Prepaids and other		197		98
Accounts payable and accrued liabilities		846		379
Due to related parties		104		45
Lease liability		32		32
Total current assets		3,786		6,191
Total current liabilities	$	982	$	456

At March 31, 2020, the Company had cash and cash equivalent of $3,589 compared to $6,093 at December 31, 2019.

Cash used in operating activities during the three months ended March 31, 2020 was $2,399 (three months ended March 31, 2019 – $935). The increased use of cash during the three months ended March 31, 2020 compared to the three months ended March 31, 2019 is primarily attributable to the increase in exploration expenses and corporate activity, previously discussed. 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 which increased during the three months ended March 31, 2020 compared to the same period of 2019.

Cash inflow from financing activities of $310 for the three months ended March 31, 2020 (three months ended March 31, 2019 – $3,643) relates to the proceeds from exercise of Equinox Warrants and stock options. Cash inflows for three months ended March 31, 2019 primarily related to a non-brokered private placement financing of 7,868,000 common shares at a price of CAD$0.50 per share for gross proceeds of $2,950 (CAD$3,934). In addition, the Company received $721 in funding from Equinox in the three months ended March 31, 2019.

Cash outflow from investing activities of $19 in the three months ended March 31, 2020 relates to capital expenditures for the Warintza Project.

The Company has incurred operating losses to date and has no current sources of revenue or cash inflows from operations. The Company's ability to continue as a going concern is dependent upon successful execution of its business plan, raising additional capital or evaluating strategic alternatives for its mineral property interests. In April and May 2020, the Company received $1,708 (CAD$2,388) from the exercise of Equinox Warrants. Based on anticipated cash flows, further funds will be required to fund future obligations and exploration plans in the next year. The Company expects to continue to raise the necessary funds primarily through the issuance of common shares.

On March 11, 2020, COVID-19 was declared a pandemic by the World Health Organization. The situation is dynamic and the ultimate duration and magnitude of the impact on the economy and the Company's business are not known at this time. The Company's ability to obtain equity financing to fund ongoing exploration activities could be impacted, as well as the Company's ability to explore and conduct business. There can be no guarantees that future equity financing will be available in which case the Company will need to reduce its planned exploration activities. These conditions indicate the existence of a material uncertainty that may cast significant doubt on Company's ability to continue as a going concern.

The accompanied condensed consolidated interim financial statements do not reflect adjustments that would be necessary if the going concern assumption was not appropriate. If the going concern assumption was not appropriate for these condensed consolidated interim financial statements, adjustments would be necessary to the carrying amounts of the assets and liabilities and the statement of financial position classifications used. Such adjustments could be material.

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

COMMITMENTS AND CONTINGENCIES

At March 31, 2020, the Company had contractual cash flow commitments as follows (see "Related Party Transactions" for the Company's obligation for future rental payments subsequent to the period end):

	< 1 Year	1-3 Years	3-5 Years	> 5 Years	Total
Accounts payable and accrued liabilities	$ 846	$ –	$ –	$ –	$ 846
Due to related parties	104	–	–	–	104
Lease liabilities	32	57	–	–	89
Office lease obligations	177	186	–	–	363
	$ 1,159	$ 243	$ –	$ –	$ 1,402

SHARE CAPITAL INFORMATION

As at May 27, 2020, the Company had the following securities issued and outstanding:

- 61,856,001 common shares
- 3,493,315 shares issuable pursuant to exercise of stock options[1]
- 442,235 shares issuable pursuant to vesting of restricted share units[2,3]
- 4,594,736 shares issuable pursuant to exercise of Equinox Warrants
- 7,475,000 shares issuable pursuant to exercise of Solaris warrants

[1] There are 6,308,023 Arrangement options outstanding exercisable into 630,815 Solaris shares and 2,862,500 Solaris options outstanding exercisable into 2,862,500 Solaris shares

[2] The issuance of shares issuable on vesting of restricted share units ("RSUs") may increase by an additional 140,000 if certain performance criteria are met for the performance-based RSUs ("pRSUs").

[3] Of these, 330,393 have vested and issuance of the related Solaris Shares have been deferred by the holder.

OUTLOOK

The Company's suspended exploration activities and reduced operations as a result of COVID-19 will be in effect until the resumption of normal activities is deemed safe and appropriate. Non-essential related work will continue to be suspended in order to facilitate enhanced physical distancing to limit the potential spread of the COVID-19 virus.

As soon as it is deemed safe, exploration activities at Warintza are expected to resume and ramp-up over the course of the year. To date, only the Warintza Central discovery outcrop has been tested by drilling, with less than 7,000 metres of shallow drilling averaging less than 200m per hole. In the first quarter, the Company drilled two holes totalling 1,546 metres at Warintza. The core is in the process of being cut and logged but has not yet been assayed and the Company has no results to report at this time.

The current Mineral Resource estimate of 124 Million tonnes of Inferred Resources grading 0.56% Cu, 0.028% Mo and 0.06 g/t Au is entirely open at depth and laterally in every direction. This resource is set within a 5 km-long trend of mineralization, featuring outcropping +1% copper in numerous locations.

Once exploration resumes, the Company is in a position to quickly advance activities at Warintza. Step-out and deeper drilling at Warintza Central have the potential to rapidly expand the existing resource. In addition, the Company intends to test its priority targets along the Warintza trend that similarly feature outcropping, high-grade copper porphyry mineralization, as well as nearby large-scale gold targets.

In addition to Warintza, the Company has plans to continue exploration at Tamarugo, where it has an option to earn up to a 75% interest from Freeport-McMoran. Tamarugo is a 5,100-hectare porphyry copper prospect in northern Chile, strategically located in the same geological area that hosts Chile's largest porphyry copper deposits, including the Chuquicamata and La Escondida mines. Tamarugo is located approximately 85 km northeast of Copiapo and within the same geological and structural setting as Codelco's El Salvador Copper Mine.

Solaris' shares are not currently listed on a designated exchange but the Company is a "reporting issuer" under Canadian securities legislation and, as such, will comply with its continuous disclosure obligations including press releases and financial reporting. As of the date of this MD&A, the Company has begun the initial steps to completing a public listing on a designated Canadian stock exchange and has received conditional approval, however, the timing of when this process will be completed is unknown.

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

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 that the Company's obligation for future rental payments described in "Related Party Transactions".

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 President and Chief Executive Officer, Chief Financial Officer, Senior Vice President Corporate Affairs and Corporate Secretary and Directors.

Key management compensation for the three months ended March 31, 2020 and 2019 comprised:

For three months ended March 31,		2020		2019
Share-based compensation	$	107	$	–
Salaries and benefits		95		–
	$	202	$	–

Related party transactions

As at March 31, 2020, Equinox holds 30% (December 31, 2019 – 30%) of the outstanding shares of the Company. During the three months ended March 31, 2019, the Company received $721 in funding from Equinox.

As at March 31, 2020, $90 (December 31, 2019 – $45) of the balance due to related parties is payable to Equinox, which consists of $47 in salaries and benefits and $43 in expense reimbursements charged for the three months ended March 31, 2020. These amounts, which are non-interest bearing and unsecured, were paid subsequent to March 31, 2020.

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. 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 on March 31, 2020 was approximately $88, 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 months ended March 31, 2020.

For three months ended March 31,		2020
Salaries and benefits	$	147
Office and other		57
Marketing and travel		6
	$	210

At March 31, 2020, due to related parties includes $14 with respect to these arrangements.

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

SIGNIFICANT ACCOUNTING POLICIES, JUDGEMENTS 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, 2019.

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.

Foreign currency risk

The Company is exposed to currency risk on transactions and balances in currencies other than the functional currency. At March 31, 2020 and December 31, 2019, the Company had not entered into any contracts to manage foreign exchange risk.

Prior to January 1, 2020, the functional currency of the parent company was the US dollar; therefore, the Company was exposed to currency risk from financial assets and liabilities denominated in Canadian dollars. Effective January 1, 2020, management has determined that the functional currency of the parent company is Canadian dollars; therefore, the Company is exposed to currency risk from the asset 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 Sols, 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 net of cash and cash equivalents. Capital is summarized in the following table:

		March 31, 2020		December 31, 2019
Equity attributable to Shareholders of the Company	$	19,866	$	22,495
Cash and cash equivalents		(3,589)		(6,093)
	$	16,277	$	16,402

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 Company is exposed in varying degrees to a variety of financial instrument related risks outlined in the Company's 2019 annual MD&A dated April 24, 2020 which is available on SEDAR.

Solaris' business activities are subject to significant risks, including, but not limited to, those described in previous disclosure documents. Any of these risks could have a material adverse effect on Solaris, its business and prospects, and could cause actual events to differ materially from forward looking statements related to Solaris. These risks are discussed in technical reports and other documents filed by the Company on SEDAR.

LIMITATIONS OF CONTROLS AND PROCEDURES

Management has implemented disclosure control and procedures and internal controls over financial reporting intended to allow for the appropriate fair presentation of financial and other information that the Company is required to disclose. Any disclosure controls and procedures or internal controls over financial reporting, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, the Company's management cannot provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been prevented or detected. These inherent limitations include the realities that judgements in decision-making can be faulty and that breakdowns can occur because of a simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by unauthorized override of the control. The design of any control system is also based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Accordingly, because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected. The Company's officers are not required to certify the design and evaluation of the Company's disclosure controls and procedures and internal controls over financial reporting and have not completed such an evaluation. Inherent limitations on the ability of the certifying officers to design and implement on a cost-effective basis disclosure controls and procedures and internal controls over financial reporting for the Company may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

QUALIFIED PERSON

The 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" under NI 43-101.