Solaris Resources Inc.

Management's Discussion and Analysis

For the three and nine months ended September 30, 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 and nine months ended September 30, 2020. This MD&A takes into account information available up to and including November 25, 2020. 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, 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 29% of the Company at September 30, 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; information systems; share price fluctuation; and public company obligations.

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 $130 million spending 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 La Verde joint-venture project ("La Verde") with Teck Resources in Mexico.

Solaris's common shares are listed on the TSX Venture Exchange and trade under the symbol "TSXV: SLS" as well as on the OTCQB Venture Market under the symbol "SLSSF".

HIGHLIGHTS AND ACTIVITIES

The following activities and developments were achieved throughout the quarter and subsequent to the quarter-end:

- The Company's common shares commenced trading on the TSX Venture Exchange under the symbol "TSXV: SLS".
- Solaris resumed its 40,000 metre (m) diamond drill program at Warintza which is the first drill program made possible in nearly 20 years at Warintza and aims to expand the lateral footprint and depth extent of the high-grade Warintza Central zone, discovered by the late David Lowell in 2000.
- Solaris reported assay results for the first hole at Warintza which returned a consistent, high grade interval starting from surface of 567m of 1.00% CuEq[1] (0.80% Cu, 0.04% Mo, and 0.1 g/t Au), which greatly extended mineralization to depth and improves upon the grade of Warintza Central.
- Solaris announced a ramp up in exploration activities including the arrival of additional drill rigs at Warintza and the commencement of an advanced airborne geophysical survey covering the Company's entire Warintza and area land package totaling 268 square kilometres (km^2). The survey is expected to aid in targeting at Warintza's 5-km long trend as well as refine the series of multi-km gold anomalies located northeast of Warintza.
- Solaris and the local Shuar communities of Warints and Yawi announced the signing of an Impacts and Benefits Agreement ("IBA") for Warintza, which provides certainty of community support for the responsible advancement of the project from exploration and development through production.
- The Company completed a U.S. listing and its common shares commenced trading on the QTCQB Venture Market under the symbol "SLSSF".
- Solaris reported assay results for the second and third drill holes at Warintza which both returned high grade intervals starting from surface of 1,010m of 0.71% CuEq[1] (0.59% Cu, 0.02% Mo, and 0.1 g/t Au) and 660m of 0.97% CuEq[1] (0.79% Cu, 0.03% Mo, and 0.1 g/t Au), further confirming the significant extension of mineralization relative to historical drilling.
- Solaris announced the appointment of Mr. Chad Wolahan as Vice President, Projects. Mr. Wolahan will lead the technical studies required to deliver an industry-leading engineering and economic assessment for Warintza.
- Solaris reported assay results for the third, fourth and fifth drill holes at Warintza which returned high grade intervals starting from surface of 1,004m of 0.71% CuEq[1] (0.59% Cu, 0.03% Mo, and 0.05 g/t Au), 918m of 0.50% CuEq[1] (0.43% Cu, 0.01% Mo, and 0.04 g/t Au) and 884m of 0.62% CuEq[1] (0.50% Cu, 0.03% Mo, and 0.04 g/t Au)), further confirming the significant extension of mineralization relative to historical drilling.

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

Outlook

Drilling at Warintza is expected to continue to ramp-up over the course of the year. This is the first drill program made possible in nearly 20 years at Warintza and aims to expand the lateral footprint and depth extent of the high-grade Warintza Central zone, discovered by the late David Lowell in 2000. Historically, only the Warintza Central discovery outcrop has been tested by drilling, with less than 7,000m of shallow drilling averaging less than 200m per hole. Results from initial drilling thus far have returned consistent, high grade intervals starting from surface which greatly extend the depth extent of known mineralization. Geological interpretation places these intervals in the 'outer halo' of the porphyry system, with the higher-grade core still to be found and vectored toward with additional drilling. Further exploration results will be reported as assays become available. Step-out and deeper drilling at Warintza Central have the potential to rapidly expand the existing resource.

In addition, Solaris completed its first detailed advanced airborne geophysical survey covering the Company's entire 268 km^2 land package which aims to refine targeting within the 5 km-long Warintza porphyry trend, including the interpreted high-grade core at Warintza Central, as well as, a series of multi-km gold-in-soil anomalies generated by sampling northeast of Warintza. The survey employed the latest technology specifically designed to map large porphyry-hosted and structurally-controlled targets to theoretical depths exceeding 2,000m. The Company is currently analyzing the findings with results from initial analysis of data expected within the fourth quarter of 2020. There has been no drilling completed outside of the Warintza Central area to date. It is expected that survey results will identify additional drill targets within the 5-km long trend of porphyry mineralization comprised of Warintza West, Warintza Central, Warintza East, and Warintza South zones. Warintza South is a separate porphyry occurrence approximately 4 km to the south of Warintza Central. Numerous areas feature +1% Cu in rock samples, and a channel sample at Warintza West returned 81m of 1.1% Cu in late 2019. In addition, stream sediment and soil sampling completed in late 2019 also identified a series of three multi-km gold anomalies in a covered area at low elevation to the northeast of the Warintza Trend. The largest of these anomalies is known as Caya and measures approximately 4.5 km east-west by 4 km north-south in soils. The northern anomalies are known as Maiki 1 and Maiki 2. It is expected that the survey results will further refine drilling targets within these areas.

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.

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 as well as a lack of foreign mining investment in the country of Ecuador. Solaris was able to resolve all underlying issues in mid-2019 and instituted a robust and innovative Community Social Relations ("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.

During the third quarter of 2020, Solaris and the local Shuar communities of Warints and Yawi announced the signing of an Impacts and Benefits Agreement for Warintza. 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 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 communities. 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 development and financial benefits to maximize community participation and positive outcomes for Indigenous partners.

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

Solaris continues to work with the applicable regulatory officials in Ecuador and the Shuar Indigenous Community to proceed with further exploration and development of the project, while working to ensure the health and safety of employees, contractors and the community. The Company has recently completed an advanced airborne geophysical survey covering the Company's entire Warintza and area land package totaling 268 km² aimed at refining targets within the 5 km-long Warintza porphyry trend, including the interpreted high-grade core at Warintza Central and additional porphyry centers (see section entitled *Warintza Drilling*).

The current Mineral Resource estimate of 124 Million tonnes of Inferred Resources grading 0.56% Cu, 0.03% Mo and 0.1 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 is embarking on a 40,000m diamond drill program which aims to expand the lateral footprint and depth extent of the Mineral Resource, discovered by the late David Lowell in 2000.

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.

Warintza Drilling

The Company is embarking upon a 40,000m diamond drill program which aims to expand the lateral footprint and depth extent of the high-grade Warintza Central Mineral Resource, discovered by the late David Lowell in 2000 which was based on less than 7,000m of historical, shallow drilling averaging less than 200m per hole.

Highlights from recent drilling are listed below and summarized in Tables 1 and 2. All drilling completed thus far has returned long intervals of high-grade mineralization from surface, significantly extending beyond the 200m average depth-extent of historical drilling that the Warintza Central resource estimate is based upon (see Images 1-3).

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

Highlights

- The first hole, SLS-01, returned a consistent, high grade interval starting from surface of 567m of 1.00% CuEq[2] (0.80% Cu, 0.04% Mo, and 0.1 g/t Au) and terminated in a barren dyke. SLS-01 greatly extended mineralization to depth and improved upon the grade of Warintza Central in which historical drilling averaged less than 200m depth

- SLS-02 returned a consistent, high grade interval from surface of 660m of 0.97% CuEq[2] (0.79% Cu, 0.03% Mo, and 0.1 g/t Au), confirming the significant extension of mineralization relative to SLS-01

- SLS-03 was collared approximately 426m east of the first two holes and greatly improved upon the depth extent of known mineralization, with historical drilling averaging less than 200m in depth

- SLS-04 returned 1,004m of 0.71% CuEq[2] (0.59% Cu, 0.03% Mo, and 0.05 g/t Au) from surface, far beyond the 138m length of the corresponding historical hole, and bottoming in mineralization at the depth-capacity of the rig

- SLS-05 returned 918m of 0.50% CuEq[2] (0.43% Cu, 0.01% Mo, and 0.04 g/t Au), extending mineralization to the southwest at depth where it entered a zone of stronger mineralization at the bottom of the hole

- SLS-06 returned 884m of 0.62% CuEq[2] (0.50% Cu, 0.03% Mo, and 0.04 g/t Au), significantly extending mineralization to depth

- Geological interpretation suggests that the mineralization encountered to date is representative of the 'outer halo' of the porphyry system, with the higher-grade core to be vectored toward with future drilling locations

Table 1

Drill Hole	From (m)	To (m)	Interval (m)	Cu (%)	Mo (%)	Au (g/t)	CuEq([1]) (%)
SLS-01	1	568	567	0.80	0.04	0.1	1.00
Including	48	492	446	0.88	0.04	0.1	1.09
SLS-02	0	660	660	0.79	0.03	0.1	0.97
Including	48	656	608	0.83	0.03	0.1	1.01
SLS-03	4	1014	1010	0.59	0.02	0.1	0.71
Including	4	892	888	0.61	0.02	0.1	0.73
Including	176	892	716	0.63	0.02	0.1	0.75
SLS-04	0	1004	1004	0.59	0.03	0.05	0.71
Including	0	824	824	0.64	0.03	0.05	0.77
SLS-05	18	936	918	0.43	0.01	0.04	0.50
Including	18	324	306	0.52	0.02	0.04	0.62
SLS-06	8	892	884	0.50	0.03	0.04	0.62
Grades are uncut and true widths have not been determined.							

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

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

Table 2

Drill Hole	Datum	Easting	Northing	Elevation (m)	Depth (m)	Azimuth (degrees)	Dip (degrees)
SLS-01	WGS84 17S	799765	9648033	1571	805	351	-80
SLS-02	WGS84 17S	799765	9648033	1571	744	0	-90
SLS-03	WGS84 17S	800191	9648059	1570	1090	289	-79
SLS-04	WGS84 17S	800191	9648059	1580	1150	0	-88
SLS-05	WGS84 17S	800124	9648035	1580	1063	265	-81
SLS-06	WGS84 17S	800124	9648035	1580	1069	45	-79

Image 1 – Cross-Section Looking East

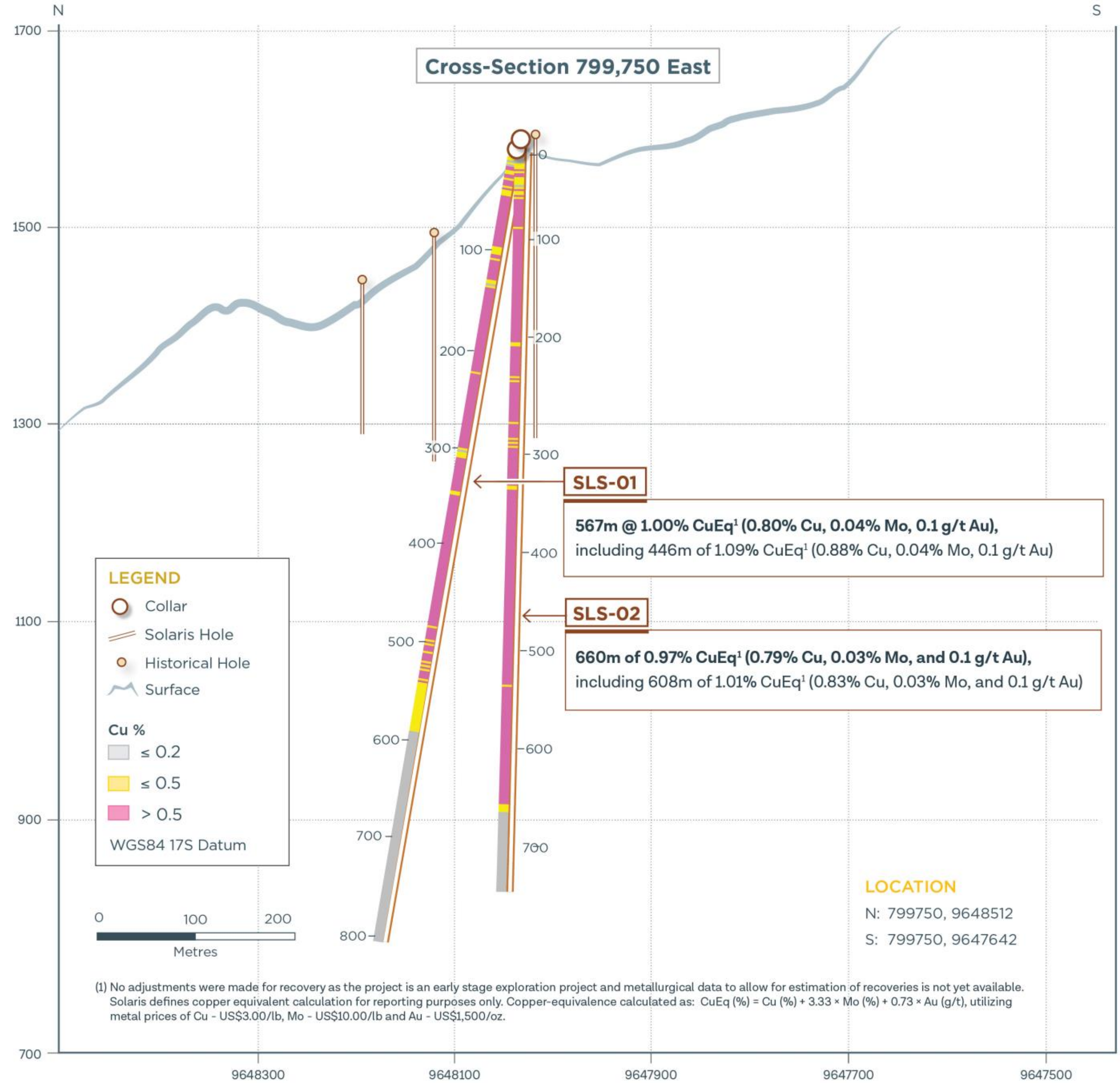


Image 2 – Section Looking Northeast

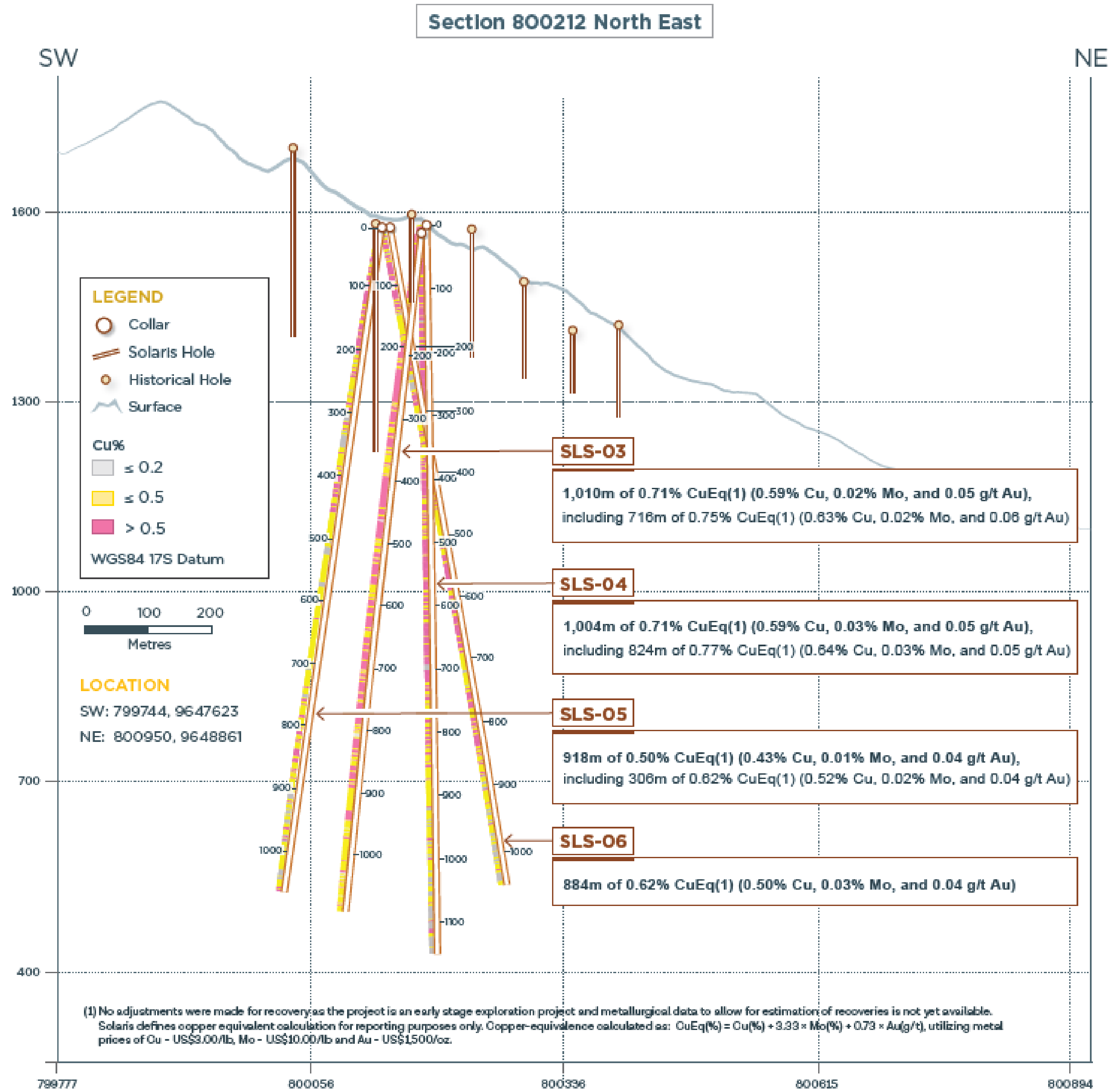


Image 3 – 3D View – Looking Southeast

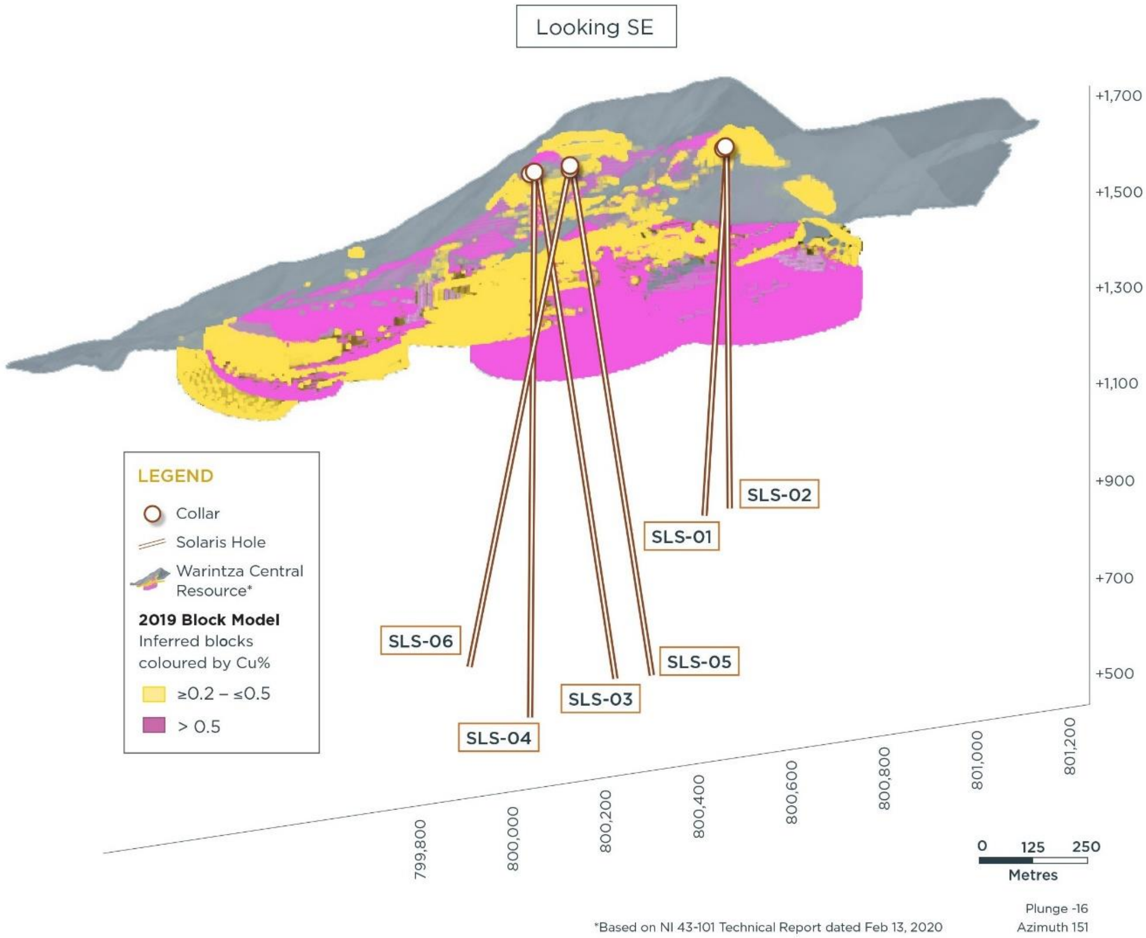
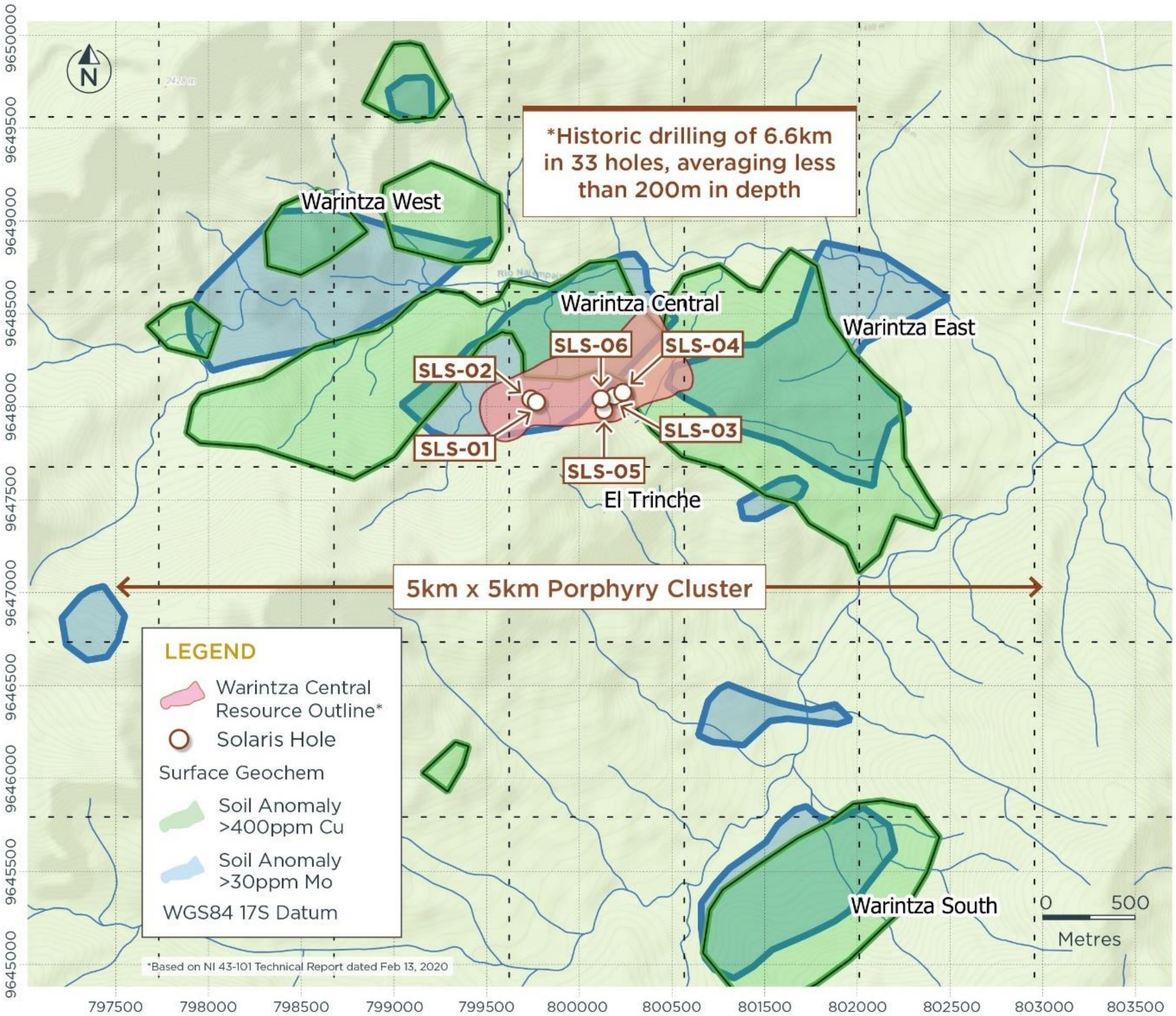


Image 4 – Plan View



Subsequent to quarter end, the Company completed an advanced airborne geophysical survey covering the Company's entire Warintza and area land package totaling 268 km². Solaris is currently interpretating the findings of the survey with results from initial analysis of data expected within the fourth quarter of 2020.

Highlights

- The geophysical survey aims to refine targeting within the 5 km-long Warintza porphyry trend, including the interpreted high-grade core at Warintza Central and additional porphyry centers
- A secondary objective of the geophysical survey is to define targets within a series of three multi-km gold-in-soil anomalies generated by sampling northeast of Warintza in late 2019
- This is the first detailed geophysical survey conducted in the history of the property, with results expected to be released in the fourth quarter of 2020

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

Solaris contracted Geotech Ltd. to complete the advanced ZTEM survey, which is designed to provide precise electromagnetic measurements to great depths. The survey employs the latest technology specifically designed to map large porphyry hosted and structurally controlled targets to theoretical depths exceeding 2,000m.

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 in December 2018 (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 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 commencing in December 2019 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 500,000 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 4,200-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

Management Appointments

On November 20, 2020, the Company announced the appointment of Mr. Chad Wolahan as Vice President, Projects. Mr. Wolahan is a Mining Engineer with nearly 20 years of experience leading the planning, design and execution of engineering and economic studies for mining projects globally. Prior to joining Solaris, Mr. Wolahan worked with Ivanhoe Mines for the past seven years in various senior capacities and was responsible for project planning and management of technical programs supporting the advancement of the Tier 1 Kakula project in the Democratic Republic of the Congo from Preliminary Economic Assessment through Feasibility. Prior to Ivanhoe Mines, Mr. Wolahan worked at Stantec Consulting leading a team to produce the mining design, schedule and cost estimations for various projects. Mr. Wolahan holds a Bachelor's degree in Mine Engineering from Montana Tech University.

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

Mr. Tom Ladner joined Solaris Resources in November 2020 as Vice President Legal. Prior to joining the Augusta Group, Mr. Ladner practiced law for over six years in the Securities and Capital Markets group of a major Canadian law firm. In that role, Mr. Ladner worked on multiple M&A transactions valued in excess of $1 billion and more than 25 public market financings raising in aggregate more than $650 million. Mr. Ladner has his Honors in Business Administration (with distinction) from the Richard Ivey School of Business and his Juris Doctor from Western University.

Option Grants

On November 20, 2020, the Company announced that the Board of Directors have authorized and approved a grant of incentive stock options for the purchase of an aggregate of 2.3 million common shares to employees and directors, pursuant to the terms of the Company's Stock Option Plan. The options are exercisable at C$4.90 per share, expire five years from the date of grant, and vest periodically over a course of three years.

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 Q3	**2020 Q2**[1]	**2020 Q1**[1]	**2019 Q4**[1]
Exploration expenses	$ 4,519	$ 1,002	$ 2,397	$ 1,188
General and administration	764	718	626	612
Change in fair value of derivatives	6,453	(3,506)	468	(720)
Net loss (income)	11,706	(1,808)	3,494	731
Comprehensive loss (income)	11,163	(2,232)	4,180	731
Net loss (income) attributable to Solaris shareholders	11,683	(1,820)	3,489	727
Net loss (income) per share – basic and diluted	$ 0.13	$ (0.03)	$ 0.06	$ 0.01

	2019 Q3	**2019 Q2**	**2019 Q1**	**2018 Q4**
Exploration expenses	$ 914	$ 866	$ 962	$ 516
General and administration	324	394	172	326
Change in fair value of derivatives	(757)	(39)	(750)	(847)
Net loss	535	1,131	372	25
Comprehensive loss	535	1,131	372	25
Net loss attributable to Solaris shareholders	511	1,126	351	26
Net loss per share – basic and diluted	$ 0.01	$ 0.02	$ 0.01	$ 0.00

1 The quarterly results have been adjusted to reflect a restatement of the derivative asset as at December 31, 2019 and the resulting impact on the change in the value of the derivative asset, net loss and comprehensive loss for Q4 2019, Q1 2020 and Q2 2020 are disclosed in note 4 of the condensed consolidated unaudited interim financial statements for the three and nine months ended September 30, 2020.

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 and third quarter of 2020 was primarily due to drilling and drilling related costs, as well as an increase in the other site activities and personnel in support of drilling at Warintza. The Q3 2020 increase in exploration expenses was also attributable to the commencement of an advanced airborne geophysical survey 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 and Q3 2020 change in fair value of derivatives, a non-cash cost, was the mark-to-market loss on the derivative instrument related to the Company's obligation to issue shares on exercise of Equinox Warrants. In Q2 2020 and Q4 2019, as well as the preceding five quarters, the Company recognized a mark-to-market gain on the derivative asset.

(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, 2020:

	Ecuador	Mexico	Chile	Other	Total
Salaries, geological consultants and support, and travel	$ 745	$ –	$ 44	$ 66	$ 855
Site preparation and maintenance, field and general	851	38	58	16	963
Drilling and drilling related costs	1,491	–	–	–	1,491
Assay and analysis	82	–	–	–	82
Community relations, environmental and permitting	229	–	–	6	235
Concession fees	–	20	–	21	41
Geotechnical analysis	674	–	–	–	674
Reclamation provision	160	–	–	–	160
Amortization	17	–	1	–	18
	$ 4,249	$ 58	$ 103	$ 109	$ 4,519

For three months ended September 30, 2019:

	Ecuador	Mexico	Chile	Other	Total
Salaries, geological consultants and support, and travel	$ 329	$ –	$ 24	$ 78	$ 431
Site preparation and maintenance, field and general	165	50	125	12	352
Community relations, environmental and permitting	109	–	–	5	114
Concession fees	6	–	10	–	16
Amortization	1	–	–	–	1
	$ 610	$ 50	$ 159	$ 95	$ 914

The increase in exploration expenses to $4,519 for the three months ended September 30, 2020 from $914 for the three months ended September 30, 2019 was primarily related to exploration activity in Ecuador at Warintza. The most significant increase was for the drilling and drilling related costs for 4,817m drilled at Warintza. Site preparation and maintenance, field and general costs incurred during the third quarter of 2020 include the cost of civil engineering services and contractors in preparation of drilling platforms and an increase in supplies and materials. Salaries, geological consulting and support, and travel costs also increased in support of drilling, including the payroll costs of additional local community members hired to support Warintza site activities. Geotechnical analysis represents the costs related to the commencement of an advanced airborne geophysical survey covering the Company's entire Warintza and area land package.

For nine months ended September 30, 2020:

	Ecuador	Mexico	Chile	Other	Total
Salaries, geological consultants and support, and travel	$ 1,629	$ –	$ 112	$ 212	$ 1,953
Site preparation and maintenance, field and general	1,567	58	129	40	1,794
Drilling and drilling related costs	2,191	–	–	–	2,191
Assay and analysis	82	–	–	–	82
Community relations, environmental and permitting	640	–	–	24	664
Concession fees	268	40	31	21	360
Geotechnical analysis	674	–	–	–	674
Reclamation provision	160	–	–	–	160
Amortization	37	2	1	–	40
	$ 7,248	$ 100	$ 273	$ 297	$ 7,918

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

For nine months ended September 30, 2019:

	Ecuador	Mexico	Chile	Other	Total
Salaries, geological consultants and support, and travel	$ 704	$ –	$ 54	$ 240	$ 998
Site preparation and maintenance, field and general	932	115	140	52	1,239
Community relations, environmental and permitting	216	–	–	5	221
Concession fees	270	–	10	–	280
Amortization	2	–	–	2	4
	$ 2,124	$ 115	$ 204	$ 299	$ 2,742

The increase in exploration expenses to $7,918 for the nine months ended September 30, 2020 from $2,742 for the nine months ended September 30, 2019 was primarily related to exploration activity in Ecuador at Warintza. The most significant increase was for the drilling and drilling related costs for 6,379m drilled at Warintza. Salaries, geological consulting and support, and travel costs also increased in support of drilling, mostly due to an increase in geological consultants, and the payroll costs of additional local community members hired to support Warintza site activities. Site preparation and maintenance, field and general costs incurred during the third quarter of 2020 include the cost of civil engineering services and contractors in preparation of drilling platforms and an increase in supplies and materials. Community relations, environmental and permitting costs increased with the signing of the IBA for Warintza between Solaris and the Shuar communities of Warints and Yawi, reflecting increased community support for the responsible advancement of Warintza. Geotechnical analysis represents the costs related to the commencement of an advanced airborne geophysical survey in third quarter of 2020 covering the Company's entire Warintza and area land package.

LOSS FROM OPERATIONS

Quarter Ended September 30, 2020 Compared to the Quarter Ended September 30, 2019

The Company incurred exploration expense of $4,519 for the three months ended September 30, 2020 (September 30, 2019 – $914). The increase is mainly attributable to the resumption of drilling in the third quarter of 2020.

The Company incurred general and administration expenses of $764 for the three months ended September 30, 2020 (September 30, 2019 – $324). The increase in salaries and benefits expense is commensurate to the increase in operating and corporate activities of the Company in the three months ended September 30, 2020. Included in the general and administrative expenses is share-based compensation, a non-cash cost, of $323 for the three months ended September 30, 2020 (September 30, 2019 – $36). The increase reflects the stock option grants in Q2 2020 and in Q4 2019.

The change in fair value of derivatives resulted a loss of $6,453 for the three months ended September 30, 2020 compared to a gain of $757 for the three months ended September 30, 2019, 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.

Nine Months Ended September 30, 2020 Compared to the Nine Months Ended September 30, 2019

The Company incurred exploration expense of $7,918 for the nine months ended September 30, 2020 (September 30, 2019 – $2,742). The most significant increase was for the drilling and drilling related costs at Warintza incurred in the first and third quarters of 2020.

The Company incurred general and administration expenses of $2,108 for the nine months ended September 30, 2020 (September 30, 2019 – $890). The increase in salaries and benefits is commensurate to the increase in operating and corporate activities of the Company in the nine months ended September 30, 2020. Included in the general and administrative expenses is share-based compensation, a non-cash cost, of $764 for the nine months ended September 30, 2020 (September 30, 2019 – $41). The increase reflects the stock options granted to employees and directors during the nine months ended September 30, 2020, as well as the stock options granted to employees in Q4 2019.

The change in fair value of derivatives resulted a loss of $3,415 for the nine months ended September 30, 2020 compared to a gain of $1,546 for the nine months ended September 30, 2019, 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.

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

LIQUIDITY, CAPITAL RESOURCES AND GOING CONCERN

		September 30, 2020		December 31, 2019
Cash and cash equivalents	$	17,381	$	6,093
Prepaids and other		322		98
Accounts payable and accrued liabilities		2,702		379
Due to related parties		57		45
Lease liability		54		32
Total current assets		17,703		6,191
Total current liabilities	$	3,141	$	456

At September 30, 2020, the Company had cash and cash equivalent of $17,381 compared to $6,093 at December 31, 2019.

Cash used in operating activities during the three and nine months ended September 30, 2020 was $2,563 and $6,812, respectively (September 30, 2019 – $1,058 and $3,213, respectively). The increased use of cash during the three and nine months ended September 30, 2020 compared to the three and nine months ended September 30, 2019 is primarily attributable to the increase in exploration expenses incurred at Warintza and general and administrative expenses, 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.

Cash inflow from financing activities during the three and nine months ended September 30, 2020 was $642 and $18,119, respectively (September 30, 2019 – $nil and $4,102, respectively). During the nine months ended September 30, 2020, the Company completed a non-brokered private placement financing of 26,500,000 units at a price of C$0.80 per unit for proceeds of $15,427 (C$21,200). In addition, during the three and nine months ended September 30, 2020, the Company received $652 and $2,720, respectively from the exercise of Equinox Warrants, warrants and stock options. During the nine months ended September 30, 2019, the Company completed non-brokered private placement financings of 9,094,000 common shares at a price of C$0.50 per share for proceeds of $3,409 (C$4,547) and received $720 in funding from Equinox.

Cash outflow from investing activities during the three and nine months ended September 30, 2020 relate to the purchase of property, plant and equipment at Warintza.

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. Based on anticipated cash flows, further funds may be required to fund future obligations and exploration plans. 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. These impacts could include an impact on the Company's ability to obtain equity financing to fund additional exploration activities 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 the 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 September 30, 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	$ 2,702	$ –	$ –	$ –	$ 2,702
Due to related parties	57	–	–	–	57
Lease liabilities	54	94	–	–	148
Office lease obligations	233	141	–	–	374
	$ 3,046	$ 235	$ –	$ –	$ 3,281

SHARE CAPITAL INFORMATION

As at November 25, 2020, the Company had the following securities issued and outstanding:

- 89,171,166 common shares
- 8,255,807 shares issuable pursuant to exercise of stock options[1]
- 517,873 shares issuable pursuant to vesting of restricted share units[2]
- 4,446,444 shares issuable pursuant to exercise of Equinox Warrants
- 33,661,500 shares issuable pursuant to exercise of Solaris warrants

[1] There are 4,937,965 Arrangement options outstanding exercisable into 493,807 Solaris shares and 7,762,000 Solaris options outstanding exercisable into 7,762,000 Solaris shares
[2] These have vested and issuance of the related Solaris Shares have been deferred by the holder.

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 and nine months ended September 30, 2020 and 2019 comprised:

	Three months ended September 30,		Nine months ended September 30,	
	2020	2019	2020	2019
Share-based compensation	$ 258	$ 21	$ 527	$ 21
Salaries and benefits	94	–	281	–
Salaries and benefits included in management fees charged by Equinox Gold Corp.	–	49	–	104
	$ 352	$ 70	$ 808	$ 125

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

Related party transactions

As at September 30, 2020, Equinox holds 29% (December 31, 2019 – 30%) of the outstanding shares of the Company. During the nine months ended September 30, 2019, the Company received $720 in funding from Equinox.

Equinox charged the Company $nil and $99 for the three and nine months ended September 30, 2020 (September 30, 2019 – $110 and $308) for salaries and management fees.

As at September 30, 2020, $54 (December 31, 2019 – $45) of the balance due to related parties is payable to Equinox for salaries and benefits expenses. These amounts are non-interest bearing and unsecured.

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 September 30, 2020 was approximately $239, 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 this arrangement in the three and nine months ended September 30, 2020.

	Three months ended September 30, 2020	Nine months ended September 30, 2020
Salaries and benefits	$ 185	$ 492
Office and other	67	187
Marketing and travel	6	16
	$ 258	$ 695

At September 30, 2020, due to related parties includes $3 (December 31, 2019 – $nil) with respect to this arrangement.

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 except as noted below.

During the three months ended September 30, 2020, the Company has recognized a reclamation provision of $160 associated with its drilling activities at Warintza. Accordingly, the Company adopted a new accounting policy related to reclamation provisions. A reclamation provision is recognized at the time the legal or constructive obligation first arises which is generally the time that the environmental disturbance occurs. Provisions are determined by discounting the expected future cash flows at a rate that reflects current market assessments of the time value of money and the risks specific to the liability. Upon initial recognition reclamation costs related to exploration and evaluation activities are included in exploration expenses in net loss. Following the initial recognition of the provision, the carrying amount of the provision is increased for unwinding of the discount and for changes to the discount rate and the amount or timing of cash flows needed to settle the obligation. The unwinding of the discount is recognized as finance expense in net loss while the effect of the changes to the discount rate and the amount or timing of cash flows are recognized in exploration expenses.

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

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 September 30, 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 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 net of cash and cash equivalents. Capital is summarized in the following table:

		September 30, 2020		December 31, 2019
Equity attributable to Shareholders of the Company	$	26,888	$	20,729
Cash and cash equivalents		(17,381)		(6,093)
	$	9,507	$	14,636

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.

In addition to the risks outlined in the Company's 2019 annual MD&A, the Company is exposed to the following risks.

Share price fluctuation

Securities markets have experienced a high degree of price and volume volatility, and the market price of securities of many companies have experienced wide fluctuations which have not necessarily been related to their operating performance, underlying asset values or prospects. Additionally, companies like Solaris often experience periods where their shares are thinly traded. There can be no assurance that these kinds of share price fluctuations or lack of liquidity will not occur in the future, and if they do occur, Solaris does not know how severe the impact may be on its ability to raise additional funds through equity issues. If Solaris is unable to obtain such additional financing, any investment in Solaris may be materially diminished in value or lost.

Public company obligations

Solaris is subject to evolving corporate governance and public disclosure regulations that have increased both Solaris' compliance costs and the risk of non-compliance, which could adversely impact Solaris' share price.

Solaris is subject to changing rules and regulations promulgated by a number of governmental and self-regulated organizations, including the Canadian Securities Administrators, the TSX-V, and the International Accounting Standards Board. These rules and regulations continue to evolve in scope and complexity creating many new requirements. For example, the Canadian government proclaimed into force the Extractive Sector Transparency Measures Act on June 1, 2015, which mandates the public disclosure of payments made by mining companies to all levels of domestic and foreign governments starting in 2017 for the year ended December 31, 2016. Solaris' efforts to comply with such legislation could result in increased general and administration expenses and a diversion of management time and attention from operating activities to compliance activities.

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.

ASSAYS AND QUALITY ASSURANCE/QUALITY CONTROL

Sample assay results have been independently monitored through a quality control/quality assurance ("QA/QC") program that includes the insertion of blind certified reference materials (standards), blanks and field duplicate samples. Logging and sampling are completed at a secured Company facility located in Quito, Ecuador. Drill core is cut in half on site and samples are securely transported to ALS Labs in Quito. Sample pulps are sent to ALS Labs in Lima, Peru and Vancouver, Canada for analysis. Total copper and molybdenum contents are determined by four-acid digestion with AAS finish. Gold is determined by fire assay of a 30-gram charge. ALS Labs is independent from Solaris. In addition, selected pulp check samples are sent to Bureau Veritas lab in Lima, Peru. Solaris is not aware of any drilling, sampling, recovery or other factors that could materially affect the accuracy or reliability of the data referred to herein.

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" as defined in National Instrument 43-101 Standards of Disclosure for Mineral Projects.