



SOLARIS COPPER INC.

**Management's Discussion & Analysis
For the three months ended March 31, 2019 and 2018**



Management's Discussion and Analysis

March 31, 2019

This Management's Discussion and Analysis ("MD&A") of the financial position and results of operations of Solaris Copper Inc. ("Solaris", "Solaris Copper" or the "Company") should be read in conjunction with the unaudited condensed consolidated interim financial statements of Solaris for the three months ended March 31, 2019 and the related notes thereto, which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. Readers should also refer to the Solaris audited annual financial statements for the year ended December 31, 2018. For further information on the Company, reference should be made to its public filings on SEDAR at www.sedar.com.

This MD&A is prepared by management and approved for issuance on May 28, 2019. This discussion covers the three month period ended March 31, 2019 and the subsequent period up to the date of issuance of the MD&A. All dollar amounts are expressed in thousands of United States dollars, unless otherwise stated.

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"). On August 3, 2018, Equinox re-organized certain subsidiaries (the "Equinox Subsidiaries"), including Catalyst Copper Corp. ("Catalyst") and Ascenso Inversiones S.A. ("Ascenso"), under its wholly owned subsidiary Lowell Copper Holdings Inc. ("Lowell Copper"), transferred all of the issued and outstanding shares of Lowell Copper to Solaris and distributed 60% of the shares of Solaris to the shareholders of Equinox as a return of capital by way of a plan of arrangement (the "Arrangement"). References to the "Company" in this MD&A are to Solaris as a continuity of interests of Lowell Copper, its subsidiaries, and Catalyst and Ascenso and reflect the combined financial position and results of operations of the Equinox Subsidiaries from the date, as applicable, they were under the common control of Equinox.

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. This MD&A contains forward-looking statements. Readers are cautioned as to the risks related to the forward-looking statements and are directed to page 11 of the MD&A.

DESCRIPTION OF BUSINESS

Solaris Copper is a multi-asset exploration company with a portfolio of projects in the Americas. The Company, through its subsidiaries, is primarily focused on advancing its 100%-owned Warintza copper-molybdenum property in Ecuador. Solaris also holds a 100% interest in the Ricardo early-stage copper-molybdenum property in Chile, which is under option to a subsidiary of Freeport McMoRan ("Freeport"), a 60% interest in the La Verde advanced-stage copper-silver-gold property in Mexico with the remaining 40% held by a subsidiary of Teck Resources and has earn-in agreements for two early-stage base metals projects in Peru. Solaris Copper operates as a reporting issuer but is not currently listed on a designated stock exchange.

FINANCIAL HIGHLIGHTS AND MAJOR ACTIVITIES

- Net income of \$175 or \$0.00 per share attributable to Solaris shareholders for the three-month period ended March 31, 2019, including exploration expenditures of \$962 and a mark-to-market gain on derivatives of \$1,297;
- In March, the Company completed a non-brokered private placement of 15,736,000 common shares at a price of CAD\$0.25 per share for gross proceeds of CAD\$3,934.

REVIEW OF PROJECTS

Warintza

Warintza is a porphyry copper-molybdenum project located in south eastern Ecuador in the province of Morona Santiago, Canton Limon Indanza. It consists of eight mining concessions (the "Concessions") covering a total of 26,777 hectares. The Concessions expire between September 2031 and May 2032 and certain Concessions are subject to a 2% net smelter royalty held by Billiton Ecuador B.V. The Concessions can be renewed for an additional period of 25 years.

Warintza is located in a corridor of mineralization that is known to host numerous exploration and development-stage projects with copper, copper-gold, copper-molybdenum and high-grade gold mineralization including the Mirador Cu-Au development project currently under development by CRCC-Tongguan Investment (formerly owned by Corriente Resources).

The Company is currently in discussions 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

Resource	Tonnes	CuEq%	Cu%	Copper (tonnes)	Copper (M lbs)	Mo%	Mo (M lbs)	CuEq (M lbs)
Inferred	194,994,000	0.61	0.42	820,000	1,807	0.031	60,000	2,072

The Warintza Mineral Resource estimate was reported in the "Technical Report, Warintza Project, Ecuador" completed by Mine Development Associates with effective date of June 22, 2018. The Mineral Resource calculation was completed under the supervision of Peter Ronning, P.Eng. and Steven Ristorcelli, C.P.G., who are Qualified Persons as defined under NI 43-101. The reported resource is at a cut-off of 0.3 CuEq. The copper equivalent grade for copper plus molybdenum was calculated as $CuEq(\%) = Cu(\%) + (6 * Mo(ppm) / 10000)$. Copper-equivalent calculations reflect gross metal content and have not been adjusted for metallurgical recoveries or relative processing and smelting costs. The copper equivalent grades were used only for establishing cut-off grades for reporting. Step-out drilling at Warintza Central has the potential to extend the known mineralized zone and expand the existing copper resource.

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 held 60% by the Company and 40% by Teck Resources Ltd. with the Company acting as the operator of the project.

AMC Mining Consultants (Canada) Ltd. completed a Preliminary Economic Assessment ("PEA") for the La Verde Project in June 2018. Using metal prices of US\$2.7/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 a pre-tax Internal Rate of Return of 21.2% and a Net Present Value of \$617 million using an 8% discount rate.

La Verde Resource Estimate

Resource	Tonnes	Cu%	Ag (g/t)	Au (g/t)	Copper (M lbs)
Measured	57,527,000	0.45	2.94	0.05	571

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Indicated	350,442,000	0.40	2.33	0.03	3,098
Total M&I	407,969,000	0.41	2.42	0.03	3,669
Inferred	337,838,000	0.37	1.94	0.02	2,748

The La Verde Mineral Resource estimate was reported in the “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.

Ricardo

The Ricardo property consists of approximately 14,000 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 “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 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 will 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 will 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 Minera Ricardo \$1 million annually until Stage 3 is complete.

In December 2018, the Company received notice from Freeport that the relevant exploration permits had been received and the Effective Date had been set at December 4, 2018. During the first quarter of 2019, Freeport commenced exploration activities at Ricardo.



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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.

SELECTED FINANCIAL INFORMATION

The following table summarizes information regarding the Company's operations for the period ended March 31, 2019 and 2018:

<i>\$ in thousands, except per share amounts</i>	2019	2018
Exploration expenses	\$ 962	\$ 892
General and administrative expenses	172	68
Change in fair value of derivatives	1,297	-
Net (income) loss and comprehensive (income) loss	(154)	955
Net (income) loss and comprehensive (income) loss attributable to Solaris shareholders	(175)	944
Net loss per share attributable to Solaris shareholders	0.00	0.01
Total non-current liabilities	2,035	-
Total assets	\$ 26,161	\$ 20,393

Exploration expenses increased in 2019 primarily due to increased spending on permitting and community and social projects with respect to the Warintza property in Ecuador. General and administrative costs increased due to additional corporate costs as a result of operating Solaris as a standalone entity. The increase in costs was offset by a mark-to-market gain on the derivative related to the Company's obligation to issue shares on exercise of Equinox Warrants (see the "Share Capital" section of this MD&A for further information on the Equinox warrants). As the Equinox warrants are denominated in Canadian dollars and the functional currency of the Company is the US dollar, a variable amount of cash will be received when the Equinox warrants are exercised and a derivative exists. At March 31, 2019 the derivative was in an asset position with a \$2,970 derivative asset recorded (December 31, 2018 - \$1,673 derivative asset).

Total assets increased to \$26,161 compared to \$22,209 at December 31, 2018 primarily due to cash received from the private placement financing in March 2019 and the increase in the derivative asset on the warrants outstanding.

The following tables summarize exploration and evaluation expenditures by property for the period ended March 31, 2019:

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For the three months ended March 31, 2019:

	Warintza	La Verde	Ricardo	Other	Total
Personnel and travel	\$ 182	\$ -	\$ 20	\$ 85	\$ 287
Depreciation	1	-	-	-	1
Field and general	50	52	2	4	108
Community and permitting	302	-	-	-	302
Concession fees	264	-	-	-	264
Total	\$ 799	\$ 52	\$ 22	\$ 89	\$ 962

For the three months ended March 31, 2018:

	Warintza	La Verde	Ricardo	Other	Total
Personnel and travel	\$ 93	\$ 27	\$ 72	\$ -	\$ 192
Depreciation	1	-	-	-	1
Field and general	49	-	-	-	49
Community and permitting	274	-	-	-	274
Concession fees	258	-	118	-	376
Total	\$ 675	\$ 27	\$ 190	\$ -	\$ 892

The increase in exploration and evaluation expenditures for the period from \$892 in 2018 to \$962 in 2019 was primarily the result of increased permitting, community and social spending in Ecuador as the Company works towards permitting an exploration program at the property. The Company also had slightly higher concession fees for the Warintza project as well as increased salary, consulting and travel costs related to the Peru properties as these properties were not in the portfolio in 2018.

SUMMARY OF QUARTERLY RESULTS

The following table summarizes selected unaudited combined financial data for the last eight quarters which have been derived from the financial records of the Company and prepared based on IFRS applicable to interim financial reporting.



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	March 31, 2019	December 31, 2018	September 30, 2018	June 30, 2018
Exploration expenses	\$ 962	\$ 516	\$ 502	\$ 538
General and administration	172	326	97	59
Mark-to-market (gain) loss on derivative liability	(1,297)	(847)	(77)	-
Net (income) loss and comprehensive (income) loss	(154)	25	488	595
Net (income) loss attributable to Solaris Copper shareholders	(175)	26	460	590
Net (income) loss per share	\$ (0.00)	\$ 0.00	\$ 0.01	\$ 0.01

	March 31, 2018	December 31, 2017	September 30, 2017	June 30, 2017
Exploration expenses	\$ 892	\$ 626	\$ 304	\$ 367
General and administration	68	54	24	22
Mark-to-market (gain) loss on derivative liability	-	-	-	-
Net loss and comprehensive loss	955	664	345	386
Net loss attributable to Solaris Copper shareholders	944	664	345	386
Net loss per share	\$ 0.01	\$ 0.01	\$ 0.00	\$ 0.01

The increase in general and administrative costs in the quarter was due to increased costs of operating Solaris as a standalone entity as well as charges under the Management Services Agreement with Equinox.

DISCUSSION OF OPERATIONS

For the three months ended March 31, 2019 compared to 2018

The Company recorded net income of \$154 for the year three months ended March 31, 2019 compared to a net loss of \$955 in 2018. The 2019 income included a derivative gain of \$1,297 related to an obligation to issue shares on exercise of Equinox Warrants which did not exist in 2018. Excluding this gain, the net loss would have been \$1,143 compared to the \$955 in 2018. The increased loss related to spending on both permitting and community outreach and social responsibility activities at Warintza, slightly higher property and other costs for Ricardo and other properties, as well as increased general and administrative costs incurred subsequent to the Arrangement with Equinox.

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LIQUIDITY, CAPITAL RESOURCES AND GOING CONCERN

	March 31, 2019		December 31, 2018	
Cash	\$	2,949	\$	241
Other assets		18		70
Accounts payable and accrued liabilities		257		155
Payable to Equinox (long-term)		2,035		1,274
Total current assets		2,967		311
Total current liabilities	\$	267	\$	155

Cash used in operating activities during the period ended March 31, 2019 was \$945 (2018 - \$1,005). The net outflows during the period were primarily a result of the Company's permitting and community outreach and social responsibility activities at Warintz, as well as concession and maintenance fees for Warintza and general and administrative costs.

In March 2019, the Company closed a non-brokered private placement financing of 15,736,000 common shares at a price of CAD\$0.25 per share for gross proceeds of CAD\$3,934.

The Company received \$721 (2018 - \$1,048) in funding from Equinox during the period. At March 31, 2019, \$2,035 (December 31, 2018 - \$1,274) remains payable to Equinox. Subsequent to the closing of the private placement, no funds were received from Equinox.

The Company has incurred operating losses to date and does not generate cash from operations to support its activities. The Company is subject to risks and challenges affecting its operations including, but not limited to, the ability to secure adequate financing to meet expenditure requirements including maintenance costs on its exploration and evaluation assets, and to successfully satisfy its commitments and continue as a going concern. In addition to the funds raised in March 2019, further funding will be required for future obligations and exploration plans. The Company expects to continue to raise the necessary funds through the issuance of common shares, but 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 factors represent material uncertainties that cast substantial doubt on the ability of the Company to continue as a going concern. The consolidated financial statements do not include the adjustments to the amounts and classification of assets and liabilities that would be necessary should the Company be unable to continue as a going concern. These adjustments may be material.

COMMITMENTS AND CONTINGENCIES

At March 31, 2019, the Company has the following contractual obligations outstanding:

	Total		Within 1 year		1-2 years		2-3 years		3-4 years		Thereafter	
Accounts payable and accrued liabilities	\$	267	\$	267	\$	-	\$	-	\$	-	\$	-
Total	\$	267	\$	267	\$	-	\$	-	\$	-	\$	-

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The Company also has an obligation to repay Equinox \$2,035 which is repayable at the discretion of the Company.

SHARE CAPITAL

As of May 28, 2018, the Company had the following securities issued and outstanding:

- 90,309,200 common shares
- 1,334,556 shares issuable on exercise of stock options
- 739,455 shares issuable on vesting of Restricted Share Units
- 12,107,242 shares issuable on the exercise of Equinox Warrants

Under the Arrangement with Equinox, existing shareholders of Equinox received one-tenth of a Solaris common share for each Equinox common share held. A total of 44,663,102 Solaris common shares were distributed to Equinox shareholders. Equinox holds 29,775,513 shares of Solaris.

In addition, holders of options and Restricted Share Units ("RSUs") of Equinox received options and RSUs, respectively, of Solaris which were proportionate to, and reflective of the terms of, their existing options, warrants and RSUs of Equinox. On August 3, 2019, a total of 14,722,000 stock options were issued to acquire 1,472,220 common shares and 8,970,155 RSUs were issued to acquire 897,009 common shares in conjunction with the Arrangement.

Pursuant to the Arrangement, Equinox warrant holders will receive, upon exercise of any Equinox warrant, for the original exercise price, one-tenth of a Solaris share for each Equinox share also issuable upon exercise. Equinox shall, as agent for Solaris, collect and pay to Solaris an amount for each one-tenth of a Solaris share so issued that is equal to the exercise price under the Equinox warrant multiplied by one-tenth. A total of 123,587,166 Equinox warrants were outstanding at the time of the Arrangement which, if all exercised, would require Solaris to issue 12,358,717 Solaris shares for proceeds of CAD\$28,188.

On March 18, 2019, the Company closed a non-brokered private placement financing of 15,736,000 common shares at a price of CAD\$0.25 per share for gross proceeds of CAD\$3,934. There were no commissions or fees paid on the private placement. The proceeds from the private placement financing will be used to advance exploration permitting at Warintza and for general and working capital purposes.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

TRANSACTIONS WITH RELATED PARTIES

Equinox is an insider of Solaris and, accordingly, a related party of Solaris. For the period ended March 31, 2019, the Company received a total of \$721 in funding from Equinox. At March 31, 2019, \$2,035 is due and payable to Equinox.

Solaris has a management services agreement in place with Equinox under which \$40 was charged during the period. This amount is included in the payable to Equinox at March 31, 2019.

RISKS AND UNCERTAINTIES

The Company is exposed in varying degrees to a variety of financial instrument related risks outlined in the Company's 2018 annual MD&A dated April 29, 2019 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.

SIGNIFICANT ACCOUNTING POLICIES, JUDGEMENTS AND ESTIMATES

In preparing the Company's 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, 2018.

CHANGE IN ACCOUNTING STANDARDS INCLUDING INITIAL ADOPTIONIFRS 16: Leases ("IFRS 16")

On January 13, 2016, the IASB issued IFRS 16 - *Leases*. The standard is effective for annual periods beginning on or after January 1, 2019. The Company adopted IFRS 16 in its financial statements for the annual period beginning January 1, 2019. The standard introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of a low value. As the Company does not have any leases the adoption of this standard did not have an impact on the Company's reported financial results.

IFRIC 23, Uncertainty over Income Tax Treatments ("Interpretation 23")

On June 7, 2017, the IASB issued IFRIC Interpretation 23, *Uncertainty over Income Tax Treatments*. The Interpretation provides guidance on the accounting for current and deferred tax liabilities and assets in circumstances in which there is uncertainty over income tax treatments. Interpretation 23 is applicable for annual periods beginning on or after January 1, 2019. The adoption of this standard had no impact on the Company's reported financial results.

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

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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.

CAUTIONARY STATEMENT ON FORWARD-LOOKING INFORMATION

This MD&A contains forward-looking statements or forward-looking information within the meaning of applicable securities laws concerning the Company's beliefs and plans, 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; and other matters. These statements relate to analyses and other information that are based on forecasts of future results, estimates of amounts not yet determinable and assumptions of management.

Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, intentions or future events or performance are not statements of historical fact and may be "forward-looking statements".

Forward-looking statements are subject to a variety of known and unknown risks, uncertainties and other factors which could cause actual events or results to differ from those expressed or implied by the forward- looking statements, including but not limited to those included in this MD&A.

The Company's forward-looking statements are based on the beliefs, expectations and opinions of management on the date the statements are made and should not be relied on as representing the Company's views on any subsequent date. The Company specifically disclaims any intention or any obligation to update forward-looking statements if circumstances or management's beliefs, expectations or opinions should change, except as required by applicable law. For the reasons set forth above, investors should not place undue reliance on forward-looking statements.

TECHNICAL INFORMATION

Scott Heffernan, MSc, P.Geo., a Director of Solaris, is the Qualified Person under NI 43-101 for Solaris Copper and has reviewed, approved and verified the technical content of this document.