



MANAGEMENT'S DISCUSSION AND ANALYSIS

Of Results of Operation and Financial Condition

For the three and nine months ended September 30, 2021

The following management discussion and analysis ("MD&A") of the consolidated operations and financial position of Collective Mining Ltd. (the company that resulted from a three-cornered amalgamation whereby a reverse take-over of POCML 5 Inc. ("POCML") by Collective Mining Inc. resulted) and its subsidiaries ("CML" or the "Company") for the three and nine months ended September 30, 2021 should be read in conjunction with the Company's unaudited interim consolidated financial statements and related notes for the three and nine months ended September 30, 2021, which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim consolidated financial statements, including International Accounting Standard ("IAS") 34, Interim Financial Reporting ("IAS 34"). Management is responsible for the preparation of the consolidated financial statements and other financial information relating to the Company included in this report. The information included in this MD&A is as of November 18th, 2021, the date when the Audit Committee, on behalf of the Board of Directors, approved the Company's unaudited interim consolidated financial statements for the three and nine months ended September 30, 2021. All monetary amounts included in this report are expressed in United States ("U.S.") dollars ("\$"), the Company's reporting and functional currency, unless otherwise noted. References to C\$ and COP are to Canadian dollars and Colombian pesos, respectively. This MD&A contains forward-looking information and should be read in conjunction with the risk factors described in the "Caution Regarding Forward-Looking Information" section.

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DESCRIPTION OF BUSINESS

Collective Mining Inc. ("CMI" or "Old Collective") was incorporated under the Business Corporations Act (Ontario) on February 11, 2020. On May 20, 2021, CMI and POCML 5 Inc. ("POCML"), a company listed on the Toronto Stock Venture Exchange (the "TSXV"), completed a three-cornered amalgamation resulting in a reverse take-over of POCML by CMI (the "RTO" or the "RTO Transaction") with the resulting issuer now operating as Collective Mining Ltd. ("CML").

On May 20, 2021, pursuant to the closing of the RTO, CML's issued and outstanding common shares (the "Common Shares") were accepted for listing and began trading on the TSXV under the symbol "CNL".

The registered office for CML is located at 82 Richmond St E 4th Floor Toronto, Ontario, Canada.

CML and its subsidiaries (collectively referred to as the "Company") is an early-stage exploration company and is principally engaged in the acquisition, exploration and development of mineral properties located in South America.

The Company currently holds mining applications and option agreements to explore and acquire two exploration projects in Colombia, South America, the San Antonio Project and the Guayabales Project.

Q3 2021 SUMMARY AND HIGHLIGHTS

Q3 Business Highlights

- As at August 9, 2021, the Company received total proceeds of \$10.8 million (C\$13.5 million) from the exercise of subscription warrants and finders' warrants as a result of the acceleration of the expiry date for such warrants. All remaining outstanding warrants have expired.
- On August 19, 2021, the Company announced the appointment of Ana Milena Vásquez as Executive Vice-President and Rodolfo Higuera as Vice-President of Sustainability.
- On September 7, 2021, the Company announced the appointment of Ashwath Mehra as Non-Executive Director.

Subsequent to quarter end:

- On October 12, 2021, the Company announced the appointment of Steven Gold as Vice President of Corporate Development and Investor Relations.
- On November 10, 2021, the Company filed the final short form base shelf prospectus, which will allow the Company to issue common shares, warrants, sus subscriptions receipts, units of debt securities among others for up to an aggregate total of C\$100,000,000 during the 25-months period that the base shelf prospectus remains effective until December 2023.

Q3 Exploration Highlights

- On July 12, 2021, the Company released initial channel sampling results at the Donut target ("Donut") within the Guayabales Project. Results returned high-grade gold and silver assay results from a shallow underground tunnel. Mapping of this tunnel has exposed a gold-copper porphyry stockwork of veinlets with overprinting polymetallic vein systems.
- On July 29, 2021, the Company released initial channel and rock sampling at a recently discovered target area called the Box within the Guayabales Project. Assays returned promising gold and silver assay results from both vein and porphyry mineralized systems.
- On August 4, 2021, the Company released results from shallow underground channel sampling at its Olympus target within the Guayabales Project. The Olympus target is a NW trending mineralized corridor located in a porphyry intrusive. Gold and silver mineralization is hosted within multiple styles that include high grade vein, porphyry veinlet, breccia and disseminated systems.
- On September 13, 2021, the Company announced the beginning of drilling at the Donut target at the Guayabales Project.
- On September 16, 2021, the Company announced the discovery of a large gold porphyry stockwork system at surface within the Victory target Area at the Guayabales Project.

- On September 24, 2021, the Company filed a National Instrument 43-101 (“NI 43-101”) Technical Report for its Guayabales Project, Colombia with an effective date of August 30, 2021.

Subsequent to quarter end:

- On October 5, 2021, the Company announced the initiation of drilling at the Box target, a large and mineralized outcropping gold-rich porphyry system.
- On October 18, 2021, the Company announced that it has made a significant discovery at the Donut target (“Donut”). Donut is the first of five outcropping and grassroot targets generated by the Company to be drilled at the Guayabales project.
- On October 27, 2021, the Company announced that it has made a significant grassroot discovery at the Pound target (“Pound”) within its San Antonio project, Colombia. Pound is one of three targets the Company has generated at the San Antonio project.

Q3 Operating and Financial Results

- Results for the three and nine months and nine months ended September 30, 2021 was net income of \$0.1 million and net loss of \$13.7 million, respectively (\$0.00 per share and \$0.42 per share, respectively).
- Exploration expense for the three and nine months ended September 30, 2021 was \$2.0 million and \$4.7 million, respectively, including \$0.3 million and \$1.9 million, respectively, relating to the San Antonio project and \$1.7 million and \$2.8 million, respectively, relating to the Guayabales project.
- Total RTO Transaction costs were \$1.5 million.
- Revaluation of warrants liability for the three and nine months ended September 30, 2021 was a gain of \$2.8 million and a loss of \$5.1 million, respectively.
- Operating cash outflow for the three and nine months ended September 30, 2021 was \$2.1 million and \$4.6 million, respectively.
- Net financing cash inflow for the three and nine months ended September 30, 2021 was \$10.0 million and \$23.1 million, respectively.
- A total of \$23.3 million (C\$28.6 million) was raised through equity financing and warrants and option exercises for the nine months ended September 30, 2021.
- Cash and cash equivalents at September 30, 2021 was \$19.7 million.

BUSINESS TRANSACTION

On May 20, 2021, Old Collective and POCML completed a business combination agreement whereby POCML acquired all the issued and outstanding shares of Old Collective through a three-cornered amalgamation and resulting in a reverse take-over of POCML by Old Collective (the “RTO” or the “RTO Transaction”) and constituted POCML’s qualifying transaction pursuant to TSXV Policy 2.4. The resulting issuer company was renamed to Collective Mining Ltd. (“CML” or the “Company”).

Upon closing of the RTO Transaction, the issued and outstanding shares of Old Collective prior to the RTO was exchanged on a one for one basis for the Company’s Common Shares while every four issued and outstanding shares of POCML prior to the RTO was exchanged for one Common Share of the Company. Management and directors of the Company were appointed by Old Collective.

As a result of the RTO Transaction, the Company recognized a total of \$nil and \$1.5 million, respectively, in the consolidated statement of operations and comprehensive loss for the three and nine months ended September 30, 2021 as public listing costs, representing the difference between the fair value of the shares issued to the original POCML shareholders and the fair value of POCML net assets acquired plus additional transaction costs incurred.

In connection with the RTO Transaction, the Company closed a non-brokered private placement for aggregate gross proceeds of C\$15 million in the form of subscription receipts at a price of C\$1.00 per subscription receipt (“Subscription Units”) (the “Offering”). Each Subscription Unit consisted of one common share of the Company (a “Subscription Share”) and a one-half share purchase warrant of the Company (each whole warrant, a “Subscription Warrant”). Each Subscription Warrant has an exercise

price of C\$2.00 per share with an expiry date of May 20, 2024, subject to an accelerated expiry option.

In connection with the Offering, eligible finders were issued 534,500 Subscription Units representing 5% of the number of Subscription Units placed by such eligible finders (the "Finders' Units"). The Finders' Units are considered a cost of the Offering.

Following the completion of the RTO Transaction and the Offering, 37,651,965 Common Shares are held by shareholders of Old Collective and purchasers in the Offering, representing approximately 55% and 38%, respectively, of the total Common Shares on May 20, 2021. Shareholders of POCML prior to the RTO Transaction held approximately 7% of the total Common Shares on May 20, 2021.

On June 25, 2021, the Company issued a notice exercising its right to accelerate the expiry date of Subscription Warrants and warrants issued in connection with the Finders' Units (the "Finders' Warrants") to August 9, 2021. As at August 9, 2021, total proceeds of C\$13.5 million was received in respect of 6,495,000 exercised Subscription Warrants and 267,250 exercised Finders' Warrants. All remaining unexercised warrants have expired.

EXPLORATION SUMMARY

The following is a summary of exploration expenditures incurred for the three and nine months ended September 30, 2021 and 2020:

For the three months ended September 30	2021				2020
	San Antonio	Guayabales	Corporate ¹	Total	Total
	\$	\$	\$	\$	\$
Option payments and fees	51,597	289,553	—	341,150	62,054
Drilling services	37,000	372,804	—	409,804	—
Salaries and benefits	11,252	213,169	—	224,421	—
Field costs, surveys and other	41,429	243,068	—	284,497	174,076
Consulting, professional fees and technical assistance	49,063	89,847	—	138,910	12,600
Assaying	66,690	128,659	—	195,349	—
Transportation and meals	7,383	104,305	—	111,688	8,727
Geophysics	—	172,217	—	172,217	—
Depreciation and amortization	14,455	18,009	—	32,464	—
Community expenses	5,620	21,781	—	27,401	—
Security	—	14,741	—	14,741	—
	284,489	1,668,153	—	1,952,642	257,457

¹ Corporate exploration relates to the evaluation of properties prior to the acquisition of the property or entering into an option agreement in respect of the property and general costs not directly attributable to a project.

For the nine months and period ended September 30	2021				2020 ²
	San Antonio	Guayabales	Corporate ¹	Total	Total
	\$	\$	\$	\$	\$
Option payments and fees	95,080	1,200,423	—	1,295,503	466,860
Drilling services	757,576	372,804	—	1,130,380	—
Salaries and benefits	270,205	292,472	—	562,677	—
Field costs, surveys and other	215,470	296,060	—	511,530	174,076
Consulting, professional fees and technical assistance	227,920	145,564	—	373,484	12,600
Assaying	113,432	136,155	—	249,587	—
Transportation and meals	89,466	125,359	5,400	220,225	8,727
Geophysics	—	172,217	—	172,217	—
Depreciation and amortization	50,705	27,071	—	77,776	—
Community expenses	36,738	29,560	—	66,298	—
Security	26,277	21,310	—	47,587	—
	1,882,869	2,818,995	5,400	4,707,264	662,263

1 Corporate exploration relates to the evaluation of properties prior to the acquisition of the property or entering into an option agreement in respect of the property and general costs not directly attributable to a project.

2 For the period from February 11, 2020

San Antonio Project

On July 9, 2020, the Company entered into an option agreement with a third party to acquire the San Antonio Project. The San Antonio Project is located approximately 80km south of Medellín and is situated in the Middle Cauca belt in the Department of Caldas, Colombia. The San Antonio Project is comprised of one exploration titles totaling 1,664 hectares and six applications totaling 2,893 hectares.

The option agreement provides the Company the right to explore, develop and acquire 100 percent of the property over a seven-year term, expiring on July 9, 2027, for total payments over the term of the agreement of \$2.5 million. The Company has the option to pay an additional \$2.5 million to the optionor upon reaching commercial production in exchange for the 1.5% NSR.

Option payments under the agreement are as follows:

	\$
August 8, 2020	30,000
July 9, 2021	50,000
July 9, 2022	100,000
July 9, 2023	150,000
July 9, 2024	250,000
July 9, 2025	420,000
July 9, 2026	750,000
July 9, 2027	750,000
	2,500,000
Upon reaching commercial production	2,500,000
	5,000,000

The Company may terminate the agreement at any time, upon notification to the optionor. In addition, the Company may acquire 100 percent of the property at any time prior to the expiration of the agreement by paying all remaining amounts under the agreement.

The exploration and development program, including the amount of expenditures, is at the sole discretion of the Company during the term of the agreement.

For the three and nine months ended September 30, 2021, the Company recognized a total of \$0.3 million and \$1.9 million, respectively (three months ended September 30, 2020 and period from February 11, 2020 to September 30, 2020 – \$0.1 million) as exploration and evaluation expense in the consolidated statement of operations and comprehensive loss in respect of the San Antonio Project.

Guayabales Project

The Company entered into two option agreements (the “First Guayabales Option” and the “Second Guayabales Option”) with third parties to explore, develop and acquire property within the Guayabales Project. The Guayabales Project is located in the Middle Cauca belt in the Department of Caldas, Colombia. The Guayabales Project is comprised of three exploration titles totaling 413 hectares and ten exploration applications totaling 2,990 hectares. Subsequent to quarter end, one exploration application totaling 1,710 hectares was converted to an exploration title.

For the three and nine months ended September 30, 2021, the Company recognized a total of \$1.7 million and \$2.8 million, respectively (three months ended September 30, 2020 and period from February 11, 2020 to September 30, 2020 – \$0.1 million and \$0.5 million, respectively) as exploration and evaluation expense in the consolidated statement of operations in respect of the Guayabales Project, including option payments of \$0.2 million and \$1.1 million, respectively (three months ended September 30, 2020 and period from February 11, 2020 to September 30, 2020 – \$nil and \$0.4 million, respectively). As at September 30, 2021, \$0.3 million was included in accounts payable and accrued liabilities, representing the unpaid portion of required minimum option payments.

Details of the two option agreements are as follows:

First Guayabales Option

On June 24, 2020, the Company entered into the First Guayabales Option to acquire 100 percent of the property covered within the agreement. The terms of the agreement are as follows:

Phase 1:

The Company must incur a minimum of \$3 million of exploration and evaluation expenditures in respect of property within the First Guayabales Option and make total option payments of \$2 million over a maximum four-year term ending on or before June 24, 2024 in order to proceed to Phase 2 of the agreement.

Phase 2:

To acquire a 90% interest in the property within the First Guayabales Option, the Company must incur a minimum of \$10 million of exploration and evaluation expenditures in respect of such property and make total option payments of \$2 million payable in equal instalments of \$0.2 million semi-annually over a maximum six-year term, commencing after the end of Phase 1.

Phase 3:

To acquire the remaining 10% interest in the property within the First Guayabales Option, the Company has the following options:

- acquire 0.625% annually to a total of 10% by paying \$0.25 million semi-annually, commencing at the end of Phase 2, to a total of \$8 million;
- make a one-time payment of \$8 million; or
- continually pay a 1% NSR commencing on the first calendar day of the month after 85% of the processing plant capacity has been achieved.

In addition, the Company is required to fund and complete all development and construction activities to bring the project to commercial production.

Summary:

The following is a summary of the option payments and exploration expenditures required to acquire 100% of the property under the First Guayabales Option:

		Option Payments	Exploration Expenditures	Total
		\$	\$	\$
Total Phase 1	June 24, 2020 – June 24, 2024	2,000,000	3,000,000	5,000,000
Total Phase 2	June 24, 2024 – June 24, 2030	2,000,000	10,000,000	12,000,000
Total Phase 3	To commercial production	8,000,000 ¹	–	8,000,000
		12,000,000	13,000,000	25,000,000

¹ Based on the assumption that the Company does not elect to pay the NSR.

The Company may terminate the agreement at any time, upon notification to the optionor.

For the three and nine months ended September 30, 2021, the Company recognized a total of \$1.3 million and \$1.7 million, respectively (three months ended September 30, 2020 and period from February 11, 2020 to September 30, 2020 – \$0.1 million and \$0.5 million, respectively) as exploration and evaluation expense in the consolidated statement of operations in respect of Phase I of the First Guayabales Option, including option payments of \$0.2 million and \$0.4 million, respectively (three months ended September 30, 2020 and period from February 11, 2020 to September 30, 2020 – \$nil and \$0.4 million, respectively).

As at September 30, 2021, the Company has recognized a total of \$1.8 million as exploration expenditures from inception of the agreement in respect of the minimum expenses required under the Phase I of the agreement.

Second Guayabales Option

On January 4, 2021, the Company entered into the Second Guayabales Option. The terms of the agreement are as follows:

Phase 1:

The option agreement provides the Company the right to explore the property within the Second Guayabales Option over a four-year term, expiring on January 2, 2025, for total payments over the term of the agreement of \$1.75 million, with minimum payments of \$0.7 million if the agreement is terminated on or before June 2, 2021 or \$1 million if the agreement is terminated on or before January 3, 2022.

Phase 2:

The option agreement provides the Company the right to explore the property within the Second Guayabales Option over a second four-year term between January 2, 2025 to January 2, 2029 for total payments over the term of \$1 million.

Phase 3:

Upon completion of Phase 2, the Company is required to pay a total of \$4.3 million over a two-year period ending on January 2, 2030 to acquire 100 percent of the property within the Second Guayabales Option.

The exploration and development program for the Second Guayabales Option, including the amount of expenditures, is at the sole discretion of the Company during the term of the agreement.

Summary:

The following is a summary of the option payments to acquire the property under the Second Guayabales Option:

	\$
Total Phase 1	1,750,000
Total Phase 2	1,000,000
Total Phase 3	4,300,000
	7,050,000

The Company may terminate the agreement at any time, upon notification to the optionor.

SELECTED CONSOLIDATED FINANCIAL INFORMATION

As at	September 30, 2021	December 31, 2020
	\$	\$
Consolidated Financial Position		
Cash and cash equivalents	19,715,392	1,717,385
Total assets	20,291,893	2,337,576
Working capital	18,670,623	1,817,977
Equity	19,039,937	1,893,041

	Three months ended September 30		Six months and period ended September 30	
	2021	2020	2021	2020 ¹
	\$	\$	\$	\$
Consolidated Operating Results				
Exploration and evaluation expense	(1,952,642)	(257,457)	(4,707,264)	(662,263)
Gain(loss) on revaluation of warrants liability	2,854,405	(60,234)	(5,087,559)	(192,353)
Net income (loss) and comprehensive income (loss)	133,788	(366,288)	(13,678,509)	(913,725)
Basic and diluted income (loss) per common share	0.003	(0.02)	(0.42)	(0.08)
Consolidated Cash Flow				
Operating cash (outflow) inflow	(2,103,114)	141,112	(4,575,883)	(428,740)
Financing cash inflow	10,003,959	450,302	23,063,099	1,046,596
Net cash inflow, including foreign exchange effect on cash balances	7,689,148	596,431	17,998,007	625,665

¹ For the period from February 11, 2020

OVERVIEW OF CONSOLIDATED FINANCIAL RESULTS

The Company's results for three and nine months ended September 30, 2021 was net income of \$0.1 million (\$0.003 per share) and net loss \$13.7 million (\$0.42 per share), respectively (three months ended September 30, 2020 and period from February 11, 2020 to September 30, 2020 – \$0.4 million (\$0.02 per share) and \$0.9 million (\$0.08 per share), respectively) is mainly a result of the following:

- Exploration expenditures for the three and nine months ended September 30, 2021 were \$2.0 million and \$4.7 million, respectively (three months ended September 30, 2020 and period from February 11, 2020 to September 30, 2020 – \$0.3 million and \$0.7 million, respectively), including option payments totaling \$0.3 million and \$1.2 million, respectively (three months ended September 30, 2020 and period from February 11, 2020 to September 30, 2020 – \$0.03 million and \$0.4 million, respectively).
- General and administration expense for the three and nine months ended September 30, 2021 was \$0.6 million and \$1.9 million, respectively (three months ended September 30, 2020 and

period from February 11, 2020 to September 30, 2020 – \$0.1 million and \$0.1 million, respectively), including:

- Compensation costs related to share-based payments for the three and nine months ended September 30, 2021 of \$0.2 million and \$0.6 million, respectively (three months ended September 30, 2020 and period from February 11, 2020 to September 30, 2020 – \$0.02 million).
- Share-based payments include 350,000 options and 940,000 options granted, respectively, during the three and nine months ended September 30, 2021 (three months ended September 30, 2020 and period from February 11, 2020 to September 30, 2020 – 1,300,000) with average grant date fair values of \$2.02 and \$1.00 per share, respectively (three months ended September 30, 2020 and period from February 11, 2020 to September 30, 2020 – \$0.23 per share).
- RTO Transaction and public listing expense of \$1.5 million.
- Revaluation of warrants liability for the three and nine months ended September 30, 2021 was a \$2.9 million gain and a \$5.1 million loss, respectively (three months ended September 30, 2020 and period from February 11, 2020 to September 30, 2020 – \$0.1 million and \$0.2 million, respectively).

SUMMARY OF CONSOLIDATED QUARTERLY RESULTS

The following table sets forth selected consolidated financial information, prepared in accordance with IFRS, for each of the Company’s eight most recently completed quarters. The presentation currency and functional currency are U.S. dollars:

	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020*	Q4 2019
	\$	\$	\$	\$	\$	\$	\$	\$
Net income (loss)	133,788	(11,719,806)	(2,092,492)	(786,745)	(366,288)	(547,437)	—	—
Basic and diluted income (loss) per share	0.003	(0.38)	(0.09)	(0.06)	(0.02)	(0.05)	—	—

* From February 11, 2020, date of incorporation of Old CMI.

As the Company is currently in the exploration stage, variations in the quarterly results are mainly due to the exploration activities, the impact of fluctuation of exchange rates on cash balances and the revaluation of derivative instruments.

LIQUIDITY AND MANAGEMENT OF CAPITAL RESOURCES

The Company has no operating cash flow from a producing mine and therefore must utilize its current cash reserves and funds obtained from equity financing transactions, including the Offering (see “Business Transaction” in this MD&A) to fund its operating and exploration activities, including payments subject to exploration option agreements (see “Exploration Summary” in this MD&A).

The Company’s objectives in managing capital are to ensure the entity continues as a going concern and to achieve optimal returns for its stakeholders. In addition, the Company will continue to assess new properties and seek to acquire an interest in additional properties if it believes there is sufficient potential, if they fit within the Company’s overall strategic plan and if the Company has sufficient financial resources to do so. Management considers future capital requirements to sustain the future operation of the business, including current and new exploration program requirements, and assesses market conditions to determine when adjustments to the capital structure is appropriate.

For the nine months ended September 30, 2021, the Company raised \$23.3 million (C\$28.6 million) from the closing of the Offering (See the “Business Transaction” section in this MD&A) and the exercise of warrants and options (period from February 11, 2020 to September 30, 2020 – \$0.9 million through private equity financing, including the exercise of warrants).

As at September 30, 2021, the Company’s cash and working capital position (current assets less current liabilities) was \$19.7 million and \$18.7 million, respectively. The Company will utilize its working capital towards general operating activities and the advancement of its exploration programs, including its

obligations under its exploration option agreements (see “Exploration Summary” in this MD&A).

Cash Flow Items

The following is a summary of the Company’s cash flows for the three and nine months ended September 30, 2021 and 2020¹:

	Three months ended September 30		Six months and period ended September 30	
	2021	2020	2021	2020 ¹
	\$	\$	\$	\$
Operating activities	(2,103,114)	141,112	(4,575,883)	(428,740)
Financing activities	10,003,959	450,302	23,063,099	1,046,596
Investing activities	(23,774)	(2,932)	(183,956)	(2,932)
	7,877,071	588,482	18,303,260	614,924
Foreign exchange on cash	(187,923)	7,949	(305,253)	10,741
Net change in cash balances	7,689,148	596,431	17,998,007	625,665

¹ For the period from February 11, 2020

Operating Activities

Operating cash outflow for the three and nine months ended September 30, 2021 was \$2.1 million and \$4.6 million, respectively, compared to the \$0.1 million inflow and \$0.4 million outflow, respectively, for the three months ended September 30, 2020 and period from February 11, 2020 to September 30, 2020. The change is mainly due to the increase of exploration activities in 2021.

Financing Activities

Net cash inflow from financing activities for the three and nine months ended September 30, 2021 was \$10 million and \$23.1 million, respectively, compared to \$0.5 million and \$1.0 million, respectively, for the three months ended September 30, 2020 and period from February 11, 2020 to September 30, 2020. The increase is due to the closing of the Offering in 2021 and the exercise of subscription warrants and finders’ warrants (See the “Business Transaction” section in this MD&A).

Investing Activities

Cash outflow for investing activities for the three and nine months ended September 30, 2021 was \$0.02 million and \$0.2 million, respectively, compared to \$0.003 million for the three months ended September 30, 2020 and period from February 11, 2020 to September 30, 2020 and relate to the acquisition of fixed assets.

EQUITY AND WARRANTS

Fully Diluted Shares

As at	September 30, 2021	December 31, 2020
Shares issued	47,236,715	21,617,465
Stock options outstanding	2,400,000	2,120,000
	49,636,715	23,737,465

Share Capital

As at September 30, 2021, the Company had a total of 47,236,715 Common Shares resulting from the issuance of shares resulting from the RTO Transaction, the Offering, private equity financing in 2020, including unit placements whereby both common shares and common share purchase warrants were issued, and the exercise of warrants and options.

Total proceeds raised for the nine months ended September 30, 2021 from the Offering was \$23.2 million (C\$28.5 million), including the exercise of warrants issued as part of the Offering. Proceeds from the Offering and unit placements in 2020 were allocated between shares and warrants issued on a pro-rata basis of their fair value within the unit using the Black-Scholes option pricing model to determine fair value for the warrants. See also the “Warrants” section of this MD&A.

Similarly, total financing costs of \$0.5 million for the Offering, including the value of the Finders’ Units of \$0.4 million, was allocated between the Subscription Shares and the Subscription Warrants, with \$0.4 million recognized as a reduction of share capital and \$0.1 million recognized as financing cost in the consolidated statement of operations and comprehensive loss for the nine months ended September 30, 2021.

Warrants

For the nine months ended September 30, 2021 and during 2020, the Company had warrants denominated in Canadian dollars. Proceeds from unit placements are allocated between shares and warrants issued on a pro-rata basis of their fair value within the unit. Fair value for the warrants is determined using the Black-Scholes option pricing model. See also the “Business Transaction” section of this MD&A.

Subscription Warrants were classified as derivative financial liabilities, presented as warrants liability on the consolidated statement of financial position and measured at fair value until the instruments were exercised or extinguished in the consolidated financial statements. Gains or losses arising from the revaluation of a Subscription Warrant on the date of exercise or on the financial reporting date was recognized in the consolidated statement of operations and comprehensive loss. Warrants issued and exercised in 2020 were accounted for in the same manner as Subscription Warrants.

The Finders’ Units are accounted for under IFRS 2 – Share-Based Payments (“IFRS 2”), as they were issued in exchange for services and therefore, the value allocated to the Finders’ Warrants are classified in warrants reserve, a component of contributed surplus, and are not subsequently revalued. The value of services received is determined to be the issue price of the Finders’ Units on the date of issue, May 20, 2021, and were allocated between Finders’ Shares and Finders’ Warrants on a pro-rata basis of their fair value within the unit. Fair value for the Finders’ Warrants was determined using the Black-Scholes option pricing model.

The issue date fair value on May 20, 2021 of the warrants liability in respect of the Subscription Warrants and the warrants reserve in respect of the Finders’ Warrants was \$2.9 million and \$0.1 million, respectively.

For the three and nine months ended September 30, 2021, 6,495,000 Subscription Warrants and 267,250 Finders’ Warrants were exercised, as a result of the Company exercising its right to accelerate the expiry date to August 9, 2021 and resulting in a total of \$10.8 million (C\$13.5 million) received by the Company. All remaining unexercised warrants expired. As at September 30, 2021, the balance of the warrants liability was \$nil. The fair value of the Subscription Warrants exercised was revalued to \$8.0 million and transferred to contributed surplus.

For the three and nine months ended September 30, 2021, the Company recognized a \$2.9 million derivative gain and a \$5.1 million derivative loss, respectively (three months ended September and period from February 11, 2020 to September 30, 2020 – derivative loss of \$0.1 million and \$0.2 million, respectively) in respect of the revaluation of warrants classified within warrants liability.

Options

As at September 30, 2021, 2,400,000 (December 31, 2020 – 2,120,000) stock options were outstanding at an average exercise price of C\$1.00 (December 31, 2020 – C\$0.37), of which 903,335 (December 31, 2020 – nil) were exercisable. The exercise in full of the outstanding stock options would raise a total of approximately C\$2.4 million. Options expire between 2022 and 2026. However, management does not know when and how much will be collected from the exercise of such securities as this is dependent on the determination of the option holders and the market price of the Common Shares.

Outstanding Equity and Warrants Data

As of November 18, 2021, the Company had 47,386,715 Common Shares and a total of 2,450,000 share options outstanding to purchase Common Shares. All Subscription Warrants and Finders' Warrants have been exercised.

TRENDS AND RISKS THAT AFFECT THE COMPANY'S FINANCIAL CONDITION

Please see the "Market Trends" and "Risks and Uncertainties" sections of this MD&A for information regarding known trends, demands, commitments, events or uncertainties that are reasonably likely to have an effect on the Company's business and industry and economic factors affecting the Company's performance.

CONTRACTUAL OBLIGATIONS, COMMITMENTS AND OPTION AGREEMENTS

Contractual Obligations and Commitments

As at September 30, 2021, the Company had the following contractual commitments and obligations:

	Total	Less than 1 Year	2 – 3 Years	4 – 5 Years	Greater than 5 Years
	\$	\$	\$	\$	\$
Other lease commitments	50,263	50,263	—	—	—
Social and governance commitments ¹	44,282	44,282	—	—	—
Service contracts ²	1,072,065	1,072,065	—	—	—
	1,166,610	1,166,610	—	—	—

¹ Represents the strategic alliance executed with the Coffee Growers Committee of Caldas and the Municipality of Supia.

² Represents drilling and induced polarization (IP) contracts.

Option Agreements

The Company has the option to terminate its option agreements at any time. Future expenditures are therefore dependent on the success of exploration and development programs and a decision by management to continue or exercise its option(s) for the relevant project and agreement.

As at September 30, 2021, the timing of expenditures, including option payments, under the Company's option agreements are as follows:

	Total	Less than 1 Year	2 – 3 Years	4 – 5 Years	Greater than 5 Years
	\$	\$	\$	\$	\$
San Antonio Option	4,920,000	100,000	400,000	1,170,000	3,250,000
First Guayabales Option ¹	22,454,638	490,928	1,963,710	3,999,997	16,000,003
Second Guayabales Option ²	6,350,000	300,000	500,000	500,000	5,050,000
	33,724,638	890,928	2,863,710	5,669,997	24,300,003

¹ Based on the assumption that the Company does not elect to pay the NSR. Timing of remaining required exploration expenditures are estimated by management.

² Excludes required minimum option payments as at September 30, 2021, disclosed under the Contractual Obligations and Commitments section of this MD&A.

RELATED PARTY TRANSACTIONS

As at September 30, 2021, \$nil million (December 31, 2020 – \$0.01 million) is payable to an employee in respect of expenses incurred on behalf of the Company in 2020.

FINANCIAL INSTRUMENTS AND RELATED RISKS

All financial instruments are required to be measured at fair value on initial recognition. The fair value is based on quoted market prices, unless the financial instruments are not traded in an active market. In this case, the fair value is determined by using valuation techniques like discounted cash flows, the Black-Scholes option pricing model or other valuation techniques. Measurement in subsequent periods depends

on the classification of the financial instrument. A description of financial instruments and their fair value is included in the unaudited interim consolidated financial statements for the three and nine months ended September 30, 2021,

OFF-BALANCE SHEET ARRANGEMENTS

As of the date of this MD&A, the Company does not have any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company, including, without limitation, such considerations as liquidity and capital resources.

MARKET TRENDS

Global Financial Market Conditions

Events and conditions in the global financial markets, particularly over the last two years, continue to impact gold prices, commodity prices, interest rates and currency rates. These conditions, as well as market volatility, may have a positive or negative impact on the Company's operating costs, project exploration expenditures and planning of the Company's projects.

Gold Market

The Company's economic assessment of its gold projects is impacted by the market-driven gold price. The gold market is affected by negative real interest rates over the near-to-medium term, continued sovereign debt risks, elevated geo-political risks, mine production and substantial above-ground reserves that can affect the price should a portion of these reserves be brought to market.

While many factors impact the valuation of gold, traditionally the key factors are actual and expected U.S. dollar value, global inflation rates, oil prices and interest rates.

The gold price has displayed considerable volatility in the last few years. Continued uncertainties in major markets, specifically in the U.S. and European countries, and increased trade tensions between the U.S. and China were the main driving forces in the demand volatility for gold. The daily closing spot gold price during 2021 was between \$1,684 and \$1,943 per ounce, for an average price in 2021 of \$1,800 per ounce.

Currency

The Company's functional and reporting currency is the U.S. dollar. The key currencies to which the Company is exposed are the Canadian dollar and the Colombian peso, which have experienced volatility relative to the U.S. dollar over the last several years. Fluctuation of the Canadian dollar against the U.S. dollar has a direct impact on the Company as proceeds from equity financing are in Canadian dollars. However, the Company has mitigated the majority of this impact by converting a significant portion of proceeds received from the Offering to U.S. dollars. Fluctuation of the Colombian peso has a direct impact on the Company's exploration and operating activities.

The Company expects to have significant U.S. dollar and Colombian peso requirements, mainly in relation to exploration activities, salaries and exploration option payments. As at September 30, 2021, the Company held \$18.4 million in U.S. dollars, the equivalent of \$1.1 million in Canadian dollars, and the equivalent of \$0.2 million in Colombian pesos. Purchases of Canadian dollars and Colombian pesos will be required to meet the Company's obligations in local jurisdictions.

As at November 18, 2021, the Company held approximately \$18.3 million in cash and cash equivalents, of which \$16.4 million was in U.S. dollars, the equivalent of \$1 million in Canadian dollars, and the equivalent of \$0.9 million in Colombian pesos, representing approximately 90%, 5%, and 5%, respectively of total cash balances.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The determination of estimates requires the exercise of judgement based on various assumptions and other factors such as historical experience and current and expected economic

conditions. Actual results could differ from those estimates.

Critical accounting estimates and assumptions as well as critical judgements in applying the Company's accounting policies are detailed in Notes 3 and 4 of the consolidated financial statements for the three and six months ended June 30, 2021, the first publicly available financial statements of the Company.

CHANGES IN ACCOUNTING POLICIES

Future Accounting Changes

The following revised standards and amendments, unless otherwise stated, are effective on or after January 1, 2022, with early adoption permitted, and have not been applied in preparing the consolidated financial statements. The Company does not plan to adopt any of these standards before they become effective.

IAS 1 – Presentation of Financial Statements

IAS 1, Presentation of Financial Statements ("IAS 1") was amended to clarify the classification of liabilities between current and noncurrent to be based on the rights that exist at the end of the reporting period and that such classification is unaffected by the expectations of the entity or events after the reporting date. The changes must be applied retrospectively in accordance with IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors ("IAS 8").

IAS 1 was also amended to help preparers in deciding which accounting policies to disclose in their financial statements.

These amendments are effective on or after January 1, 2023. The Company does not expect an impact to its consolidated financial statements on adoption.

IAS 16 – Property, Plant and Equipment

IAS 16, Property, Plant and Equipment ("IAS 16") was amended to prohibit the deduction of proceeds from the sale of items produced from an item of property, plant and equipment while the entity is preparing the asset for its intended use. IAS 16 further clarifies that the financial performance of the asset is not relevant in the assessment of the technical and physical performance of the asset. The changes are effective on or after January 1, 2022.

The Company does not expect an impact to its consolidated financial statements on adoption as the Company does not expect to be in the construction phase at the time of adoption.

INTERNAL CONTROL OVER FINANCIAL REPORTING AND DISCLOSURE CONTROLS AND PROCEDURES

The Company's Chief Executive Officer and Chief Financial Officer are responsible for establishing and maintaining disclosure controls and procedures ("DC&P") and internal controls over financial reporting, as those terms are defined in National Instrument 52-109 – *Certification of Disclosure in Issuer's Annual and Interim Filings* for the Company. The Company's controls are based on the Committee of Sponsoring Organizations of the Treadway Commission (2013) framework.

There were no significant changes in the Company's disclosure controls and procedures and internal control over financial reporting, or in other factors that could significantly affect those controls subsequent to the date the Chief Executive Officer and Chief Financial Officer completed their evaluation as of September 30, 2021, nor were there any significant deficiencies or material weaknesses in the Company's internal controls identified requiring corrective actions.

The Company's management, with the participation of its Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the Company's disclosure controls and procedures. Based on such evaluation, the Company's Chief Executive Officer and Chief Financial Officer have concluded that, as of September 30, 2021, the Company's disclosure controls and procedures were effective to provide reasonable assurance that the information required to be disclosed by the Company in reports it files is recorded, processed, summarized and reported, within the appropriate time periods.

The Company's management, including the Chief Executive Officer and the Chief Financial Officer, does not expect that its disclosure controls and internal controls over financial reporting will prevent or detect all errors and fraud. A cost-effective system of internal controls, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the internal controls over financial reporting are achieved.

EMERGING MARKET DISCLOSURE

Operations in an Emerging Market Jurisdiction

The Company's mineral properties and principal business operations are located in a foreign jurisdiction, namely the Caldas department of Colombia. Operating in Colombia exposes the Company to various degrees of political, economic and other risks and uncertainties.

Board and Management Experience and Oversight

Key members of the Company's management team and board of directors (the "Board") have extensive experience running business operations in Colombia. Mr. Ari Sussman, the Executive Chairman of the Company, was Chief Executive Officer and a director of Continental Gold Inc. ("Continental Gold"), and Paul Begin, the Chief Financial Officer and Corporate Secretary of the Company, was Chief Financial Officer of Continental Gold, which was the largest gold mining company in Colombia and the first to successfully permit and construct a modern large-scale underground gold mine in the country. Continental Gold was a former Toronto Stock Exchange-listed issuer, from March 2010 until it was acquired by Zijin Mining Group Co., Ltd. in March 2020 for over \$1.4 billion.

Mr. Ossma, the President and Chief Executive Officer of the Company, was the former Vice President, Legal of Continental Gold, and has over 20 years of legal experience in Colombian corporate, environmental, mining and energy law. As Vice President, Legal of Continental Gold, he oversaw the Colombian legal team and was responsible for all legal support efforts in the country.

Ms. García Botero, an independent director of the Company, is a resident of Colombia, and has worked in public finance, urban development, infrastructure, mining, energy, and public-private partnerships (PPPs) as an advisor or in various management positions at the National Planning Department, the Ministry of Finance, and the National Hydrocarbons Agency. From 2010 to 2012 she served as the Deputy Minister of Infrastructure at the Ministry of Transport (Colombia), and from 2012 to 2014 served as President of the National Mining Agency, Ministry of Mining and Energy (Colombia).

Ms. Ana Milena Vásquez, the Executive Vice-President of the Company, has extensive Colombian experience in mining, community and government affairs. Most recently, she held the position of Senior Vice-President of External Affairs and Sustainability at Continental Gold leading the environmental, sustainability, communications and international standards programs.

Each of Messrs. Ken Thomas and Paul Murphy, independent directors of the Company, were directors of Continental Gold until the sale of the company to Zijin Mining Group Co., Ltd. in 2020.

The Board, as well as management and consultants, are actively involved in technical activities, risk assessments and progress reports in connection with the Company's exploration activities. The Colombian resident Board and management members work directly with local contractors in an operational capacity, and are familiar with the laws, business culture and standard practices in Colombia, are fluent in Spanish, and are experienced in dealing with Colombian government authorities, including with respect to mineral exploration licensing, maintenance, and operations.

Communication

While the reporting language with the head office of the Company is English, the primary operating language in Colombia is Spanish. The senior management team in Colombia and Ms. García Botero, are bilingual in English and Spanish, and Mr. Sussman is fluent in English and conversationally fluent in Spanish. The Company maintains open communication with its Colombian operations through its partially bi-lingual Board, such that there are no language barriers between the Company's management and local operations.

The Company's management communicates with its in-country operations through phone and video calls and conferences, in-country work, meetings, e-mails and regular reporting procedures. In addition, Collective retained Lloreda Camacho & Co., a law firm based in Bogota, Colombia, as its legal advisors for all Colombian related matters. Professionals at Lloreda Camacho & Co. acting on behalf of Collective are bilingual in both English and Spanish.

Controls Relating to Corporate Structure Risk

The Company has implemented a system of corporate governance, internal controls over financial and disclosure controls and procedures that apply to the Company and its two in-direct Colombian subsidiaries, Minerales Provenza S.A.S. and Minerales Campana S.A.S (collectively, the "Colombian Subsidiaries"), which are overseen by the Board and implemented by senior management.

The relevant features of these systems include direct oversight over the Colombian Subsidiaries' operations, as the sole director of each of the Colombian Subsidiaries is Omar Ossma, who is also the President and Chief Executive Officer of the Company. Since the Company indirectly holds all of the issued and outstanding equity interests of the Colombian Subsidiaries, the Company exercises effective control over the board of each of the Colombian Subsidiaries, as well as its composition.

Executive management and the Board prepare and review the Colombian Subsidiaries' financial reporting as part of preparing its consolidated financial reporting, and the Company's independent auditors review the consolidated financial statements under the oversight of the Company's Audit Committee.

Local Records Management

The minute books and corporate records of each of the Colombian Subsidiaries are maintained and held by the Company at Carrera 15 No. 19 Sur 53, Medellin, Colombia. Senior management control these records and the Board and management team have full access.

Strategic Direction

While the mining operations of each of the Company's subsidiaries are managed locally, the Board is responsible for the overall stewardship of the Company and, as such, supervises the management of the business and affairs of the Company. More specifically, the Board is responsible for reviewing the strategic business plans and corporate objectives, and approving acquisitions, dispositions, investments, capital expenditures and other transactions and matters that are material to the Company including those of its material subsidiaries

Disclosure Controls and Procedures

The Company has a disclosure policy that establishes the protocol for the preparation, review and dissemination of information about the Company. This policy provides for multiple points of contact in the review of important disclosure matters, which includes input from Board members in Colombia.

CEO and CFO Certifications

In order for the Company's Chief Executive Officer and Chief Financial Officer to be in a position to attest to the matters addressed in the quarterly and annual certifications required by National Instrument 52-109 – Certification of Disclosure in Issuers' Annual and Interim Filings, the Company has developed internal procedures and responsibilities throughout the organization for its regular periodic and special situation reporting, in order to provide assurances that information that may constitute material information will reach the appropriate individuals who review public documents and statements relating to the Company and its subsidiaries containing material information, is prepared with input from the responsible officers and employees, and is available for review by the Chief Executive Officer and Chief Financial Officer of the Company in a timely manner.

Managing Cultural Differences

Differences in cultures and practices between Canada and Colombia are addressed by the engagement of Colombian resident Board and management members, and local advisors, who have deep operational experience with the mineral exploration industry in Colombia and are familiar with the local laws, business culture and standard practices, have local language proficiency, are experienced in working in Colombia and in dealing with the relevant government authorities and have experience and knowledge of the local banking systems and treasury requirements. In addition, all of the Company's Board and management team members that are non-resident Colombians have been involved in the Colombian mineral exploration and development industry for over 10 years through their involvement with Continental Gold (as further described above), developing an understanding of the relevant cultural differences and helping in mitigating potential risks from cultural differences.

Transactions with Related Parties

The Company is subject to applicable Canadian securities law and accounting rules with respect to approval and disclosure of potential related party transactions and has procurement and other policies in place which it follows to mitigate risks associated with potential related party transactions. The Company may in the future transact with related parties from time to time, in which case such related party transactions may require disclosure in the consolidated financial statements of the Company and in accordance with applicable Canadian securities laws.

Controls Relating to Verification of Property Interests

The Company engaged a local team with broad experience in mining exploration in Colombia, as well as in legal, social and environmental matters. The lead team in Colombia was previously successful in licensing, building and putting into operation other mining projects in Colombia. This contributed to obtaining an understanding of the framework surrounding the good standing of the Company's properties and assets, from a legal, social and environmental perspective.

The lead team was tasked with the negotiation and acquisition of properties that comprise the San Antonio and Guayabales projects. The current President and Chief Executive Officer of the Company, Mr. Omar Ossma, who lead the negotiations and acquisitions of the Company current projects, is a licensed lawyer in Colombia, with more than 20 years of professional experience in Colombian corporate, environmental, mining and energy law, 15 of which have been dedicated to the mining and energy sectors. His knowledge of the legal framework of mineral properties and assets assisted the Company in negotiating and entering into legally binding agreements under Colombian law, ensuring the good standing of the Company's rights over the acquired assets and properties.

The Company also retained an established and leading law firm based in Bogota, Colombia, as its legal advisors for all Colombian related matters, that is widely known for their mining practice. In addition to providing a wide array of legal services beginning from the date of incorporation of the Company's Colombian subsidiaries, the law firm also prepared and delivered title opinions with respect to the Company's current Colombian properties.

In addition, the Company retained two independent consulting firms specializing in the mining sector, with significant experience in social, engineering, environmental and other sustainability matters that prepared and delivered a due diligence report on the socio-economic and environmental conditions of the properties comprising the first and second Guayabales options, and a baseline study report on the performance of certain socio-economic, health and safety measures in the property area.

License, Permitting and other Regulatory Approvals

Based on consultations with its local advisors and government authorities, the Company satisfied itself that it has obtained all required permits, licenses and other regulatory approvals to carry out its business in Colombia. The table set out below details which material permits, business licenses and other regulatory approvals are required for the Company to carry out its business operations in Colombia.

Material permit, license and/or other regulatory approval required to conduct operations	Material permit, license and/or regulatory approval obtained by the Company
Operating as a company requires a Public commercial registry before the Chamber of Commerce. This registry also activates a Tax Registry.	Obtained.
Prospecting activities (all exploration excluding drilling) are free activities in Colombia, and require no permit, other than authorization for land access from private owner.	The Company generally negotiates land access permits in advance to its operations. Currently, the Company has all required land access permits for its current prospecting campaign.
Drilling activities require a valid mining right and/or mining title granted by the National Mining Authority;	The Company is conducting exploration activities on mining titles LH0071-17, 781-17, HI8-15231 and IIS-10401 which are validly granted mining titles.
Drilling activities will require authorization for land access from private owner.	The Company generally negotiates land access permits in advance to its operations. Currently, the Company has all required land access permits for its current drilling campaign.
Exploration activities are not subject to environmental license, however, if the activities require the use of natural renewable resources (such as water catchments, dumpings and timbering, amongst others) the Company will require a filing, and further permission, before the regional environmental corporation in the territory.	The Company has been granted water rights for the IIS-10401 mining title. The Company has filed for water rights for the 781-17 mining title, and is awaiting grant of such rights. The Company will also be filing for water rights for the HI8-15231 and LH0071-17 mining titles. Until the Company is granted water rights, it will continue to purchase water in bulk to perform its drilling campaign.
Construction of a mining project, and its operation requires an environmental license granted by an environmental authority.	The Company is not currently in a position to advance either of its properties to the development and construction phase of a mining project, therefore it does not require an environmental license at this time.
Construction of a mining project, and its operation requires a work plan approved by the applicable mining authority.	The Company is not currently in a position to advance either of its properties to the development and construction phase of a mining project, therefore it does not require a work plan at this time.

RISKS AND UNCERTAINTIES

The business of the Company is subject to a variety of risks and uncertainties. Investment in Common Shares should be considered highly speculative and involves a high degree of risk due to the nature of the Company's business and the present stage of development, production and exploration and the location of its properties in Colombia. Readers should carefully consider the risks disclosed in this MD&A, the MD&A for the three and six months ended June 30, 2021 and the unaudited interim consolidated financial statements for the three and nine months ended September 30, 2021. These risk factors are not a definitive list of all risk factors associated with an investment in the Company or relating to the Company's operations and any of these risk elements could have a material adverse effect on the business of the Company.

Foreign Country Risk

The Company's principal mineral properties are located in rural Colombia. Over the past 15 years the Government of Colombia has made strides in improving the social, political, economic, legal and fiscal regimes. However, operations in Colombia are still subject to risk due to the potential for social, political, economic, legal and fiscal instability. The government in Colombia faces ongoing problems including, but not limited to, unemployment and inequitable income distribution and unstable neighboring countries. The instability in neighboring countries could result in, but not limited to, an influx of immigrants which could

result in a humanitarian crisis and/or increased illegal activities. Colombia is also home to a number of insurgency groups and large swaths of the countryside are under guerrilla influence. In addition, Colombia experiences narcotics-related violence, a prevalence of kidnapping, extortion and thefts and civil unrest in certain areas of the country. Such instability may require the Company to suspend operations on its properties. It is common practice in Colombia to have business arrangements with the police and/or army in exchange for protective services. There is a risk that agreements with the police and/or army cannot be reached on time or on terms that are acceptable to the Company which could result in an increase in security threats or loss of control at the project site which could have a material adverse effect on the Company.

Although the Company is not presently aware of any circumstances or facts which may cause the following to occur, other risks may involve matters arising out of the evolving laws and policies in Colombia, any future imposition of special taxes or similar charges, as well as foreign exchange fluctuations and currency convertibility and controls, the unenforceability of contractual rights or the taking or nationalization of property without fair compensation, restrictions on the use of expatriates in the Company's operations, renegotiation or nullification of existing concessions, licenses, permits and contracts, illegal mining, changes in taxation policies, or other matters.

The Government of Colombia reached a peace accord in 2016 with the Revolutionary Armed Forces of Colombia (FARC-EP), the country's largest guerrilla group. The Government of Colombia also entered into and dissolved formal discussions with the country's second largest guerrilla group due to their unwillingness to cease criminal and violent crimes. There is no certainty that the agreements will be adhered to by all of the members of the guerrilla groups or that a peace agreement will be ultimately reached with the country's second largest guerrilla group. There is a risk that any peace agreement might contain new laws or change existing laws that could have a material adverse effect on the Company and its business and operations. Furthermore, the achievement of peace with the country's guerrilla groups could create additional social or political instability in the immediate aftermath, which could have a material adverse effect on the Company.

Colombia's legal and regulatory requirements in connection with companies conducting mineral exploration and mining activities, banking system and controls as well as local business culture and practices are different from those in Canada. The officers and directors of the Company rely, to a great extent, on the Company's Colombian legal counsel and local consultants retained by the Company in order to keep abreast of material legal, regulatory and governmental developments as they pertain to and affect the Company's business operations, and to assist the Company with its governmental relations. The Company must rely, to some extent, on the members of management and the Board who have previous experience working and conducting business in Colombia to enhance its understanding of and appreciation for the local business culture and practices in Colombia. The Company also relies on the advice of local experts and professionals in connection with current and new regulations that develop in respect of banking, financing and tax matters in Colombia. Any developments or changes in such legal, regulatory or governmental requirements or in local business practices in Colombia are beyond the control of the Company and may adversely affect its business.

The Company also bears the risk that changes can occur to the Government of Colombia and a new government may void or change the laws and regulations that the Company is relying upon. Currently, there are no restrictions on the repatriation from Colombia of earnings to foreign entities and Colombia has never imposed such restrictions. However, there can be no assurance that restrictions on repatriation of earnings from Colombia will not be imposed in the future. Exchange control regulations require that any proceeds in foreign currency originated on exports of goods from Colombia (including minerals) be repatriated to Colombia. However, purchase of foreign currency is allowed through any Colombian authorized financial entities for purposes of payments to foreign suppliers, repayment of foreign debt, payment of dividends to foreign stockholders and other foreign expenses.

Due to its location in Colombia, the Company's projects depend in part upon the performance of the Colombian economy. As a result, the Company's business, financial position and results of operations may be affected by the general conditions of the Colombian economy, price instabilities, currency fluctuations, inflation, interest rates, regulatory changes, taxation changes, social instabilities, political unrest and other developments in or affecting Corporation over which the Company does not have control. Because international investors' reactions to the events occurring in one emerging market country sometimes appear to demonstrate a "contagion" effect in which an entire region or class of investment is

disfavoured by international investors, Colombia could also be adversely affected by negative economic or financial developments in other emerging market countries.

Investors' Ability to Exercise Statutory Rights and Remedies under Canadian Securities Laws

The Company is incorporated under the laws of the Province of Ontario. However, the subsidiaries of the Company are organized under the laws of jurisdictions outside of Canada, in particular Bermuda and Colombia, and certain of the officers and directors of the Company reside outside of Canada. This may limit an investor's ability to exercise statutory rights and remedies under Canadian laws. In particular, a Canadian court may determine that it does not have jurisdiction over a claim by an investor against one of the Company's subsidiaries and/or its officers and directors, or that another international jurisdiction is the more convenient forum to adjudicate the claim.

Difficulty in Enforcement of Judgments

The Company has subsidiaries incorporated in Bermuda and Colombia. Certain directors and officers of the Company reside outside of Canada and substantially all of the assets of these persons are located outside of Canada. It may not be possible for shareholders to effect service of process against the Company's directors and officers who are not resident in Canada. In the event a judgment is obtained in Canada against one or more of the directors or officers of the Company for violations of Canadian securities laws or otherwise, it may not be possible to enforce such judgment against those directors and officers not resident in Canada. Additionally, it may be difficult for an investor, or any other person or entity, to assert Canadian securities law claims or otherwise in original actions instituted in Bermuda or Colombia. Courts in these jurisdictions may refuse to hear a claim based on a violation of Canadian securities laws or otherwise on the grounds that such jurisdiction is not the most appropriate forum to bring such a claim. Even if a court in an international jurisdiction agrees to hear a claim, it may determine that the local law, and not Canadian law, is applicable to the claim. If Canadian law is found to be applicable, the content of applicable Canadian law must be proven as a fact, which can be a time-consuming and costly process. Certain matters of procedure will also be governed by the law in the relevant international jurisdiction.

CAUTION REGARDING FORWARD-LOOKING INFORMATION

Except for statements of historical fact relating to the Company, certain information contained in this MD&A constitutes "forward-looking information" within the meaning of applicable Canadian securities legislation and "forward-looking statements within the meaning of applicable U.S. securities laws. Forward-looking information includes, but is not limited to: statements with respect to the potential of the Company's properties or projects; exploration results; potential mineralization; exploration plans; obtaining necessary permits; the estimation of mineral resources and mineral reserves; the acquisition of additional projects; the future price of gold and other mineral commodities; the realization of mineral resource and mineral reserve estimates; success of exploration activities; cost and timing of future exploration and development; the development and advancement of a Corporate Social Responsibility ("CSR") program; conclusion of economic evaluations; requirements for additional capital; statements regarding the Company's steps to address its liquidity risk; other statements relating to the financial and business prospects of the Company; and other future events and information as to the Company's strategy, plans or future financial or operating performance. In addition, statements (including data in tables) relating to mineral reserves and resources and gold equivalent ounces are forward-looking statements, as they involve implied assessment, based on certain estimates and assumptions, and no assurance can be given that the estimates will be realized.

Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by use of forward-looking terminology such as "expects", "plans", "anticipates", "believes", "intends", "estimates", "projects", "targets", "potential", "scheduled", "budgeted", "forecasted" and similar expressions or variations (including negative variations), or that events or conditions "will", "would", "may", "might", "could", "should", "will be taken", "occur" or "be achieved".

Forward-looking information is based on the reasonable assumptions, estimates, analysis and opinions of management considered reasonable at the date the statements are made in light of management's experience and its perception of historical trends, current conditions and expected future developments, as well as other factors that it believes to be relevant and reasonable in the circumstances at the date

that such statements are made. Forward-looking information is inherently subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including but not limited to risks related to: uncertainties associated with negotiations, misjudgments in the course of preparing forward-looking information; the actual results of exploration activities; the inherent risks involved in the exploration and development of mineral properties; liquidity risk; the presence of artisanal miners and the effect of mineral extraction by third parties without title; unreliable historical data for projects; cybersecurity risks; risks regarding community relations; security risks; ability to maintain obligations; uncertainties inherent in conducting operations in a foreign country; uncertainties related to the availability and costs of financing needed in the future; reliance on outside contractors in certain exploration operations; risks arising from labour and employment matters; health and safety risks; risks related to use of explosives; reliance on adequate infrastructure for exploration activities; unexpected adverse changes that may result in failure to comply with environmental and other regulatory requirements; environmentally-protected areas/forest reserves risks; dependence on key management employees; title risks related to the ownership of the Company's projects; the Company's limited operating history; risks relating to retaining employees and consultants with special skills and knowledge; fluctuations in mineral prices; uninsurable risks related to exploration; risks relating to shareholder(s) exercising significant control over the Company; delays in obtaining government approvals; uncertainties inherent in conducting operations in a foreign country; title risks related to the ownership of the Company's projects and the related surface rights and to the boundaries of the Company's projects; risks relating to the Company's pending concession applications; uncertainties related to the availability and costs of financing needed in the future; differing interpretations of tax regimes in foreign jurisdictions; the loss of Canadian tax resident status; recovery of value added taxes; compliance with government regulation, anti-corruption laws and ESTMA; uncertainties inherent in competition with other exploration companies; non-governmental organization intervention and the creation of adverse sentiment among the inhabitants of areas of mineral development; uncertainties related to conflicts of interest of directors and officers of the Company; social media influence and reputation; the ability to fund operations through foreign subsidiaries; the residency of directors, officers and others; uncertainties related to holding minority interests in other companies; foreign currency fluctuations; global economic conditions; the market price of shares of the Company; the payment of future dividends; future sales of shares of the Company by existing shareholders; seizure or expropriation of assets; accounting policies and internal controls; passive foreign investment corporation; litigation risks; indigenous peoples; impairment of mineral properties; and Bermuda legal matters. See "Risks and Uncertainties" in this MD&A for further discussion regarding risk factors.

Material Forward-Looking Information

The unaudited interim consolidated financial statements of the Company for the three and nine months ended September 30, 2021 were prepared on a going concern basis. The going concern basis assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. The assumption is based on the anticipation of obtaining additional sources of financing to fund its exploration and operating activities for the foreseeable future. There is no assurance that the Company will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company.

CORPORATE INFORMATION

Corporate Office

82 Richmond Street East
Toronto, Ontario - M5C 1P1

Directors & Officers

Ari Sussman, Executive Chairman
Maria Constanza Garcia, Director
Kenneth Thomas, Director
Paul Murphy, Director
Aswath Mehra, Director
Omar Ossma, President and Chief Executive Officer
Paul Begin, Chief Financial Officer

Auditors

PricewaterhouseCoopers LLP, Chartered Professional Accountants
PWC Tower
18 York Street, Suite 2600
Toronto, Ontario - M5J 0B2

Stock Information

Collective Mining Ltd. common shares are traded on the TSX Venture Exchange under the symbol "CNL"

Investor Relations

Shareholder requests may be directed to Investor Relations via e-mail at info@collectivemining.com or via telephone at 416-648-4065