MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2022

(Containing information through November 4, 2022, unless otherwise noted)

COVID-19

Belo Sun Mining Corp. ("we", "our", "us", "Belo Sun" or the "Company") continues to closely monitor developments around the COVID-19 pandemic. The Company follows the measures recommended by applicable public health and government authorities. Belo Sun will continue to monitor the situation with our priority being the health and safety of our employees, our surrounding communities and other stakeholders.

The COVID-19 situation in Brazil continues to improve as the uptake and distribution of vaccines continue. The State of Pará is currently showing declining cases and is currently completely in the Green Zone classification. Currently, restrictions in the State of Pará have been lifted with the entire state in the Green Zone classification. It is expected that restrictions will continue to be lifted. Currently, access restrictions continue within Indigenous land and are being governed by FUNAI (Fundação Nacional do Indio or Federal Agency of Indigenous Affairs), SESAI (Secretaria Especial de Saude Indigena - Secretary for Indigenous Health) and DSEI (Distrito Sanitário Indigena Altamira - Altamira District for Indigenous Health).

Belo Sun follows all applicable governmental and municipal COVID-19 restrictions and policies.

BACKGROUND

This Management's Discussion and Analysis ("MD&A") has been prepared based on information available to Belo Sun Mining Corp. as of November 4, 2022, unless otherwise noted. The MD&A provides a detailed analysis of the Company's operations and compares its financial results with those of the previous periods and is intended to supplement and should be read in conjunction with the unaudited condensed consolidated interim financial statements of Belo Sun as at and for the three and nine months ended September 30, 2022 (the "Interim Financial Statements"), as well as our audited annual consolidated financial statements (the "Annual Financial Statements") and MD&A each for the year ended December 31, 2021. The Interim Financial

Statements and related notes of Belo Sun have been prepared in accordance with IAS 34, "Interim Financial Reporting", as issued by the International Accounting Standards Board ("IASB"). The Interim Financial Statements and the Annual Financial Statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the IASB and do not reflect the adjustments that would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and liquidate its liabilities and commitments in other than the normal course of business and at amounts different from those in the accompanying financial statements. Certain notes to the Interim Financial Statements and the Annual Financial Statements are specifically referred to in this MD&A. Please refer to the notes of the Annual Financial Statements for disclosure of the Company's significant accounting policies.

Unless otherwise noted, all references to currency in this MD&A refer to Canadian dollars. References to US$ refer to the United States dollar, and R$ refer to the Brazilian Real.

ADDITIONAL INFORMATION

Additional information about the Company, including the Company's annual information form dated March 18, 2022 (the "AIF"), is available on SEDAR at www.sedar.com. Additional information relating to the Company can be found on the Belo Sun website at www.belosun.com.

Peter Tagliamonte, P.Eng, (B. Eng; MBA), President and Chief Executive Officer of the Company, is the in-house Qualified Person under National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* ("NI 43-101") for all technical materials. Stéphane Amireault, P.Eng (B.Eng; MScA), Vice-President of Exploration for Belo Sun, is the in-house Qualified Person under NI 43-101 for geology. Mr. Tagliamonte and Mr. Amireault have reviewed and approved the scientific and technical information in this MD&A.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

Except for statements of historical fact relating to Belo Sun, certain statements contained in this MD&A constitute ''forward-looking statements'' under the provisions of Canadian provincial securities laws and are referred to herein as ''forward-looking statements''. When used in this MD&A, the words ''anticipate'', ''could'', ''estimate'', ''expect'', "indicate", "intend", "scheduled", "guidance", "opportunity", ''forecast'', ''future'', ''plan'', "projected", ''possible'', ''potential'', ''will'', "study" (including, without limitation, as may be qualified by "feasibility" and "pre-feasibility"), "targets", "models", or ''believes'' and similar expressions are intended to identify forward-looking statements. Such statements include, without limitation:

- Statements regarding the Company's plans to start construction, ramp up and optimize operations considering the impact of and delays related to the COVID-19 pandemic, including the timing thereof and impacts on anticipated start of activities and results of permitting meetings;
- Statements regarding the anticipated impact of the COVID-19 pandemic and measures taken to reduce the effect of COVID-19 on the Company's operations in Brazil and overall business;

- The Company’s forward-looking production outlook, including estimated ore grades, recovery rates, project timelines, drilling results, metal production, life of mine estimates, total cash costs per ounce, all-in sustaining costs per ounce, mine site costs per tonne, other expenses, and cash flows;
- The estimated timing and conclusions of permitting activities, ECI reports and technical studies;
- Statements concerning the Company’s Volta Grande Gold Project including the timing, funding, completion and commissioning thereof;
- The methods by which ore will be extracted or processed;
- Statements regarding timing and amounts of capital expenditures, other expenditures and other cash needs, financing costs and expectations as to the funding or reductions thereof;
- Estimates of future mineral reserves, mineral resources, the effect of drill results on future mineral reserves and mineral resources;
- The projected development of certain ore deposits, including estimates of exploration, development and production and other capital costs and estimates of the timing of such, development and production or decisions with respect to exploration, development and production;
- Statements regarding the Company’s ability to obtain the necessary permits and authorizations in connection with its proposed development and mining operations and the anticipated timing thereof;
- Statements regarding the future price of gold or other minerals or mineral resources;
- Statements regarding anticipated future exploration;
- The anticipated timing of events with respect to the Company’s Volta Grande Gold Project;
- Statements regarding the sufficiency of the Company’s cash resources;
- Statements regarding the Company’s future effective tax rate, and the influences on such tax rate;
- Statements regarding anticipated trends with respect to the Company’s operations, exploration and the funding thereof; and

- Statements regarding the anticipated timing and outcome of various legal proceedings related to the development of the Volte Grande Gold Project, including the injunction related to the Company's construction licence (also referred to herein as a "suspension"). Please refer to the section titled "Permitting, Licensing and Legal History" and "Risks and Uncertainties" for additional risks related to legal proceedings involving the Volte Grande Gold Project.

Such statements reflect the Company's views as at the date of this MD&A and are subject to certain risks, uncertainties and assumptions, and undue reliance should not be placed on such statements. Forward-looking statements are necessarily based upon a number of factors and assumptions that, while considered reasonable by Belo Sun as of the date of this MD&A, are inherently subject to significant business, economic and competitive uncertainties and contingencies. The material factors and assumptions used in the preparation of the forward-looking statements contained herein, which may prove to be incorrect, include, but are not limited to, the assumptions set forth herein and, in the Company's AIF filed with Canadian securities regulators. Economic analyses (including mineral reserve and mineral resource estimates) in technical reports are based on commodity prices, costs, sales, revenue and other assumptions and projections that can change significantly over short periods of time. As a result, economic information in a technical report can quickly become outdated.

Many factors, known and unknown, could cause the actual results to be materially different from those expressed or implied by such forward-looking statements. Such risks include, but are not limited to: the extent and manner to which COVID-19 and measures taken by governments, the Company or others to attempt to reduce the spread of COVID-19, may affect the Company, including whether this effect is directly on the Company or through effects on employee health, workforce productivity and availability; uncertainties with respect to the effect on the global economy associated with the COVID-19 pandemic and measures taken to reduce the spread of COVID-19, any of which could continue to negatively impact financial markets, including the trading price of the Company's shares and the price of gold, and could adversely affect the Company's ability to raise capital; uncertainty of future production, project development, capital expenditures and other costs; foreign exchange rate fluctuations; financing of additional capital requirements; community actions, lawsuits, protests or statements made, including by Indigenous communities, non-governmental organizations ("NGOs") and other groups; risks associated with foreign operations; risks associated with licensing and permitting of the Volta Grande Gold Project; governmental and environmental regulation; revocation of government approvals, authorizations and licences; foreign operations in Brazil; compliance with environmental legislation; environmental licensing; liquidity concerns; the highly speculative nature of mineral exploration; variations in mineral grade and recovery rates; uncertainties inherent in estimating mineral resources and mineral reserves; lack of revenues; commodity prices; title to properties; uninsured risks; competition; dependence on outside parties; dependence on key personnel; litigation; corruption; uncertainty with court systems and the rule of law in foreign jurisdictions where the Company operates; availability of reasonably priced raw materials and mining equipment; conflicts of interest; foreign mining tax regimes; ability to finalize required agreements for operations; actual results of current exploration activities; changes in project parameters as plans continue to be refined; future mineral prices; failure of equipment or processes to operate as anticipated; accidents, labour or community disputes; and the volatility of the Company's stock price. All of the forward-looking statements made in this MD&A are qualified by these cautionary statements.

For a more detailed discussion of such risks and other factors that may affect the Company's ability to achieve the expectations set forth in the forward-looking statements contained in this MD&A, please see the risk factors identified in the section titled "Risks and Uncertainties" and elsewhere in this MD&A as well as the Company's AIF and other filings with the Canadian securities regulators. Belo Sun disclaims any intention or obligation to update or revise any forward-looking information or to explain any material difference between subsequent events and such forward-looking information, except to the extent required by applicable law and regulations. When used in this MD&A the terms ''including'' and ''such as'' mean including and such as, without limitation.

USE OF NON-IFRS FINANCIAL PERFORMANCE MEASURES

We use working capital, a non-IFRS financial performance measure, in our MD&A. For a detailed description of this non-IFRS financial performance measure used in this MD&A and a detailed reconciliation to the most directly comparable measure under IFRS please refer to the section titled "Non-IFRS Financial Performance Measures" in this MD&A. The non-IFRS financial performance measures set out in this MD&A are intended to provide additional information to investors and do not have any standardized meaning under IFRS, and therefore may not be comparable to other issuers, and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

NOTE TO U.S. INVESTORS CONCERNING ESTIMATES OF INDICATED AND INFERRED RESOURCES

Disclosure regarding mineral reserve and mineral resource estimates included in this MD&A was prepared in accordance with NI 43-101. NI 43-101 is a rule developed by the Canadian Securities Administrators that establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. NI 43-101 differs significantly from the disclosure requirements of the United States Securities and Exchange Commission ("SEC") generally applicable to U.S. companies. For example, the terms "mineral reserve", "proven mineral reserve", "probable mineral reserve", "mineral resource", "measured mineral resource", "indicated mineral resource" and "inferred mineral resource" are defined in NI 43-101. These definitions differ from the definitions in the disclosure requirements promulgated by the SEC. Accordingly, information contained in this MD&A will not be comparable to similar information made public by U.S. companies reporting pursuant to SEC disclosure requirements.

ABBREVIATIONS AND TERMS

The following abbreviations and terms are used throughout this MD&A:

ANM: National Mining Agency

CPRM: Companhia de Pesquisa de Recoursos Minerais

DPE: Defensoria Pública do Estado do Pará (Pará State Public Defender's Office)

DPU: Defensoria Pública da União (Federal Public Defender's Office)

DSEI: Distrito Sanitário Indigena- Altamira (Altamira District for Indigenous Health)

ECI: Estudo do Componente Indígena (Indigenous Study)

EIA: Environmental Impact Assessment

ESG: Environment / Social / Corporate Governance

Feasibility Study: the technical report entitled "Feasibility Study on the Volta Grande Project, Pará, Brazil, NI 43-101 Technical Report" dated May 8, 2015, with an effective date of March 30, 2015, and authorized by Mr. Stefan Gueorguiev, P. Eng. Ontario, Vice President Projects, Lycopodium Minerals Canada Ltd. ("Lycopodium"), Mr. Aron Cleugh, P. Eng. Ontario, Lead Process Engineer, Lycopodium, Dr. Oy Leuangthong, PhD., P.Eng. Ontario, Principal Consultant (Geostatistics), SRK Consulting (Canada) Inc. ("SRK"), Dr. Jean-François Couture, PhD, P.Geo, Corporate Consultant, SRK, Dr. Lars Weiershäuser, PhD, P.Geo, Senior Consultant (Geology), SRK, George H. Wahl, P. Geo., British Columbia, Principal Consultant, G H Wahl & Associates Geological Services, Mr. Gordon Zurowski, P.Eng. Ontario, Principal Mining Engineer, AGP Mining Consultants Inc. ("AGP"), Mr. Alexandre Luz, AusIMM, Senior Partner, L&M Assessoria Empresarial ("L&M Advisory"), Mr. Paulo Franca, Principal Consultant, AusIMM, VOGBR Recursos Hídricos & Geotecnia Ltda ("VOGBR"), Mr. Derek Chubb, P. Eng. Ontario, Senior Partner, Environmental Resources Management Inc. ("ERM")

FUNAI: Fundação Nacional do Indio (Brazilian Federal Agency of Indigenous Affairs)

IBAMA: Insituto Brasileiro Do Meio Ambiente E Dos Recoursos Naturais Renovaveis (Brazilian Institue of Environment)

INCRA: Instituto Nacional de Colonização e Reforma Agrária (Brazilian National Institute of Colonization and Agrarian Reform)

JGP: Juan Gottardo Piazza Anthropology Consulting Firm

LI: Licença de Instalação in Brazil (Construction Licence)

LO: Licença de Operação in Brazil (Operation Licence)

LP: Licença Prévia in Brazil (Preliminary Licence)

MME: Ministry of Mining and Energy

MPE: Ministério Público Estadual do Estado do Pará (Pará State Prosecutor's Office)

MPF: Ministério Público Federal (Brazil Federal Prosecutor's Office)

PBA: Plano Básico Ambiental (Basic Environmental Plan)

PPM: Política de Apoio ao Licenciamento Ambiental de Projetos de Investimentos para a Produção de Minerais Estratégicos - Pró-Minerais Estratégicos (Pro-Minerals Policy for the Environmental Licensing of Projects for the Production of Strategic Minerals)

SEMAS: Secretaria de Estado de Meio Ambiente e Sustentabilidade (Secretariat of Environment and Sustainability of the State of Pará, Brazil)

SESAI: Secretaria Especial de Saude Indígena (Federal Secretary for Indigenous Health)

TRF1 Court: Tribunal Regional Federal da *1ª* Região

OVERVIEW OF THE COMPANY

Belo Sun is a Toronto Stock Exchange ("TSX") listed and OTCQX Best Market ("OTCQX") traded development and mineral exploration mining company focused on the development of gold projects. Belo Sun's common shares (the "Common Shares") trade on the TSX under the ticker symbol "BSX" and on the OTCQX under the ticker symbol "BSXGF". Belo Sun's principal asset is the Volta Grande Gold Project ("PVG" or "Volta Grande Gold Project") located in Brazil in the State of Pará near the City of Altamira. The PVG is an open pit mining project with a large mineral resource estimated in the Feasibility Study containing 4.95 million ounces in the measured and indicated classification and 1.15 million ounces in the inferred classification. The PVG Feasibility Study shows positive economics and an estimated mineral reserve of 3.79 million ounces. Belo Sun is progressing the PVG towards construction and has successfully completed its EIA, its LP, its LI (currently subject to a suspension order), conducted basic engineering, and recently completed its required ECI (Indigenous Study).

Highlights for the nine months ended September 30, 2022 and subsequent events include:

- Belo Sun continues to closely monitor developments around the COVID-19 pandemic. The Company follows all measures recommended by public health and government authorities. Belo Sun will continue to monitor the situation with our priority being the health and safety of our employees and our surrounding communities. Currently, restrictions in the State of Pará have been lifted with the entire state in the Green Zone classification. It is expected that restrictions will continue to be lifted. Brazil has been adversely affected by the COVID-19 virus, but recently, cases have been dropping and conditions improving as the distribution of vaccines continues.

- Subsequent to September 30, 2022, Peter Tagliamonte's loan repayment date was extended to October 23, 2023 with the same terms and the loan principal of $460,622 remained payable.

- On July 20, 2022, the Company announced that the Supreme Court of Para State had overturned the preliminary suspension order issued by the Agrarian Court of Altamira (as announced by the Company on May 24, 2022), on the grounds that there was no evidence of damage or harm to the riverside people and that they were properly consulted as part of the environmental studies conducted by the Company. The Volta Grande Gold Project continues to remain subject to the suspension order issued in connection with the FUNAI Litigation. For further details, please see the section titled "*Permitting, Licensing and Legal History*".

- On May 24, 2022, the Company announced that an interim suspension order had been issued by judge of the Agrarian Court of Altamira further to a request by the DPE made in August 2020 in connection with the potential impact to the people living along the Xingu river.

- On April 25, 2022, the Court of Appeals of the Federal Justice in Brasília (the "TRF1 Court") verbally advised the Company of the rulings for two cases before the TRF1 Court related to the Volta Grande Gold Project, being in respect of (i) the determination of the relevant authority for permitting (SEMAS or IBAMA), and (ii) the lifting of the suspension order against the Volta Grande Gold Project LI (LI suspension). In respect of the first matter, the TRF1 Court requested additional information prior to ruling on the issue of the competent authority for permitting. On the second matter, the TRF1 Court ruled not to lift the suspension order against the LI and instead determined that SEMAS was to analyze whether the indigenous studies' conditions had been met after which it ruled that the Federal Court in Altamira will review and verify whether the Company has complied with all the conditions set out in the Court's ruling issued in December 2017. For further details, please see the section titled "*Permitting, Licensing and Legal History*".

- Belo Sun has initiated discussions and interviews with PBA consulting firms to establish mitigation and compensation to address possible impacts from the Volta Grande Gold Project that were identified in the Indigenous Study. The Company is also considering and investigating the possibility of establishing a benefit fund for the Indigenous and local communities. The fund would be financed from net profits from the Volta Grande Gold Project and would provide financial resources to assist in local community and Indigenous community projects.

OUTLOOK

For 2022, the Company continues to focus on the advancement of the Volta Grande Gold Project with the following main objectives:

- Belo Sun will continue to monitor the COVID-19 situation with our priority being the health and safety of our employees and our surrounding communities and following best practices.

- With respect to the LI suspension, the Company will continue its discussions with SEMAS and the State of Pará in order to determine whether ECI's conditions have been met, as directed by the TRF1 Court.

- With respect to the TRF1 Court's ruling on the competent authority for the environmental permitting of the Volta Grade Gold Project, the Company will present additional information to the TRF1 Court, as requested by the court. As part of this process, the Company will review all technical data and studies to demonstrate that there would be no significant adverse impact resulting from the proximity of the Volta Grande Gold Project and the Norte Energia Belo Monte Project.

- The Company will be working with various advisors to assist the Company with presenting to the various Ministries and Governmental agencies the values and benefits of the Volta Grande Gold Project to the surrounding region.

- The Company will continue to work with INCRA pursuant to the land concession agreement (the “INCRA Land Agreement”) entered into between the Company and INCRA, whereby INCRA has provided the Company with access to certain INCRA designated lands for mining activities for a period of 20 years from its execution date (November 26, 2021), with the ability to further extend the term.

- The Company completed an internal update of operating costs and had a third party review the capital costs at the beginning of 2020. The Company continued to follow and discuss with its major equipment and product suppliers and will continue to monitor and evaluate price inflation and any impacts it might have on the Volta Grande Gold Project in 2022.

- The Company continues to advance and undertake engineering and technical work to meet the conditions set out in the LI, specifically related to the environment, community, operating standards and regulations and documentation.

- The Company continues to advance technical work related to the Volta Grande Gold Project with the objective to reduce its carbon emissions footprint, minimize noise and dust emissions, and reduce operating costs. Belo Sun has been evaluating near-pit crushing and conveyor transport of mine waste to reduce truck requirements, reduce costs and minimize carbon footprint. For mine truck haulage, the Company is evaluating the use of alternative fuels to reduce the carbon footprint and lower operating costs. The incorporation of high-pressure grinding rolls and secondary crushing rather than semi-autogenous grinding (“SAG”) milling is being considered to lower power consumption, reduce operating costs and the Company’s carbon footprint.

- Belo Sun established an Independent Tailings Review Board in 2013 to review the development of the tailings facility through its various stages of engineering, construction and operations. In order to maintain this technical overview, the Company strengthened the board with two new members in 2021. These individuals are renowned for their expertise in design engineering, construction and operation of tailings facilities globally.

- The Company continues to advance technical work related to the Volta Grande Gold Project to ensure optimization with engineering and operating opportunities such as enhanced environmental opportunities to potentially improve productivity and reduce emissions, geochemical characterization studies, construction planning optimization and capital and operational cost reviews.

- The Company is evaluating and discussing financing opportunities with various mining companies regarding a joint venture structure as well as evaluating debt and equity providers to advance the Volta Grande Gold Project if and when the suspension order related to the LI is lifted.

- The Company continues basic near project and regional exploration activities and during the quarter acquired two additional exploration licences. An internal review this year of in-pit mineral resource conversion to reserves potential has indicated opportunities to potentially increase the in-pit mining reserves. Condemnation evaluation of areas in which to locate the Volta Grande Gold Project's main infrastructure is ongoing in preparation of the restart of activities following the lifting of the suspension order.

- The Company will continue to follow the process of selecting consulting firms for the PBA work program and consultation.

- The Company continues to monitor artisanal mining activities. With the dryer weather and current economics, local villagers have been scavenging surface material for gold. The Company will notify police if any mechanized equipment appears but it does not interfere with local people doing small scale subsistence artisanal mining.

- The Company will be evaluating ESG programs and compliance standards.

- The Company continues to monitor court cases involving the Volta Grande Gold Project. Following the completion and approval of the ECI by FUNAI and the Indigenous communities and as Belo Sun moves to advance and develop the Volta Grande Gold Project, the Company anticipates additional legal claims and actions may be brought in Brazilian courts to attempt to delay the development of the Volta Grande Gold Project.

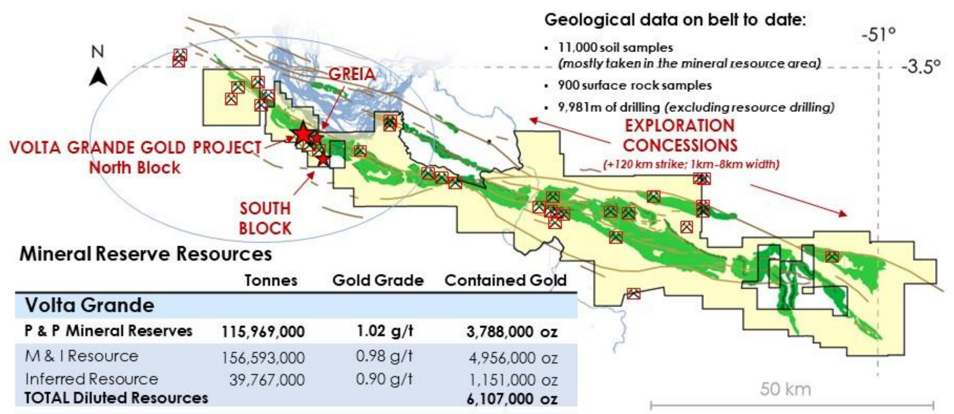
- With progress and completion of the ECI and the FUNAI documentation submission to the Court and SEMAS, Belo Sun expects and has seen reaction from various groups opposed to the Volta Grande Gold Project, as described above and below. Despite this, the Company is committed to advancing the Volta Grande Gold Project as a responsible and accountable mining project which will be environmentally sensitive with the goal to create broad economic and social benefits, making it a project worthy of support from all groups. See additional risk factors related to litigation in the section titled "Risks and Uncertainties".

OVERVIEW OF THE VOLTA GRANDE GOLD PROJECT

The Volta Grande Gold Project (100% owned by Belo Sun) is located approximately 49 kilometers southeast of the town of Altamira (est. pop. 150,000) in the northern region of Pará State. Altamira is a prosperous regional center with excellent infrastructure. The development of the Volta Grande Gold Project is the Company's primary focus. The Volta Grande Gold Project is an advanced-stage development project with a completed NI 43-101 Feasibility Study showing very robust economic, long mine life and gold mineral reserves currently estimated at 3.79 million ounces.

Gold mineralization in the Volta Grande Gold Project area was identified at numerous sites in the 1990s by past operators TVX Gold Inc. (now part of Kinross Gold Corporation) and Battle Mountain Exploration (now part of Newmont Mining Corporation). Historical drilling by these companies included more than 27,000 meters of combined core, auger, and reverse circulation drilling and several thousand channel and soil samples. Preliminary metallurgical work indicated that Volta Grande Gold Project mineralization is amenable to conventional milling and cyanidation process methods, with gold recoveries of up to 95% in bottle roll tests.

The shear-hosted main mineral resources are currently contained in the area of the Volta Grande Gold Project called the North Block. The North Block is a string of connected deposits, comprised of Ouro Verde and Grota Seca. The Volta Grande Gold Project Feasibility Study only considered the extraction of mineral resources from the North Block. Belo Sun also has a small mineral resource in an area called Greia which is approximately 1 km from the Volta Grande Gold Project and another mineral resource called the South Block which is approximately 6km from the Volta Grande Gold Project. These mineral resources were not included in the Feasibility Study. Belo Sun also holds exploration concessions that covers most of the 120 km greenstone belt hosting the mineral reserve and resources.



Mineral Reserve Resources

	Tonnes	Gold Grade	Contained Gold
Volta Grande			
P & P Mineral Reserves	**115,969,000**	**1.02 g/t**	**3,788,000 oz**
M & I Resource	156,593,000	0.98 g/t	4,956,000 oz
Inferred Resource	39,767,000	0.90 g/t	1,151,000 oz
TOTAL Diluted Resources			**6,107,000 oz**
South Block			
M&I Resource	2,503,000	3.06 g/t	246,000 oz
Inferred Resource	2,921,000	3.94 g/t	370,000 oz
Greia			
Inferred Resource	2,020,000	1.79 g/t	115,000 oz

(1) The reserves for the Volta Grande Project are based on the conversion of M&I resources within the current Feasibility Study mine plan. Measured mineral resources are converted directly to Proven mineral reserves and Indicated mineral resources to Probable reserves.
(2) Mineral resources are not mineral reserves and have not demonstrated economic viability. All figures have been rounded to reflect the relative accuracy of the estimates. Open pit mineral resources are reported at a cut-off grade of 0.4 g/t Au (based on a gold price of $1,400/oz).
*See notes on slide 2, in particular for identity of qualified persons who prepared these estimates.

Most of the mineralized areas are characterized by a large alteration envelope having numerous narrow zones of high-grade gold mineralization and have had Garimpeiros (term used for informal miners in Brazil) workings. There is geological potential at the Volta Grande Gold Project for expansion and the discovery of additional mineralized zones within the large alteration envelope in the host intrusive rocks, which have been traced for more than seven kilometers along strike in the North Block. Two types of gold mineralization are present: primary gold in intrusive rocks and secondary gold in the saprolitic zone overlying the primary mineralization.

In 2005, the Company signed an agreement to acquire 100 percent interest in the PVG and the exploration concessions along the Tres Palmeiras Green Stone Belt. The transaction was completed in 2006 with full payment to the vendor.

Starting in 2010, Belo Sun has carried out a large drill exploration program that consisted of over 700 drill holes for a total of over 180,000 meters drilled (mostly by diamond drilling) at Ouro Verde, Grota Seca, Greia (mostly reverse circulation drilling) and South Block. The results at the North Block outlined the initial size of the mineralized system with a pit-constrained Mineral Resource extending over 4km on strike and over 500 meters deep for Ouro Verde, Central and Grota Seca and was the mineral resources used in the development of the Volta Grande Gold Project Feasibility Study.

FEASIBILITY STUDY

In March 2015, the Company completed the Feasibility Study on its Volta Grande Gold Project. The Feasibility Study was prepared by Lycopodium Minerals Canada Ltd, VOGBR Recursos Hidricos e Geotencia Ltda, SRK Consulting (Canada) Inc., Environmental Resources Management Inc., AGP Mining Consultants Inc., W.H. Wahl & Associates Consulting and L&M Assessoria Empresarial. The Feasibility Study was prepared in accordance with NI 43-101 that has been implemented by the Canadian securities regulators. Projected economics include:

- Using a gold price of US$1,200/oz and an exchange rate of 3.1:1 (Brazil R$3.1: US$1), the project delivered solid production profile and strong economics:
- Post-tax Internal Rate of Return of 26%.
- Post-tax Net Present Value of US$665 million at a 5% discount rate.
- Annual gold production of 268,000 oz averaged over the first 10 years of the mine life.
- Initial capital costs of US$298 million, including pre-production costs and taxes.
- Average cash operating costs of US$618/oz and all-in sustaining costs of US$779/oz.
- Proven and Probable Mineral reserves of 3.8 million ounces of gold (see table below).

See the section titled “Cautionary Statement Regarding Forward-Looking Information” for certain cautionary statements relating to forward-looking production outlook, estimates of future mineral reserves and mineral resources, and other items identified in this section.

Summary of Volta Grande Economic Results by Gold Price			
	High Case	Base Case	Low Case
Gold Price (US$ per oz)	$1,300	$1,200	$1,100
Pre-Tax NPV (5%)	$1,171 million	$941 million	$712 million
Pre-Tax IRR	43%	36%	29%
Post-Tax NPV (5%)	$855 million	$665 million	$472 million
Post-Tax IRR	32%	26%	20%

Volta Grande Project Capital Expenditures Estimate Breakdown (Post-tax)

Initial Capital	
Process & Infrastructure	$244 million
Mining	$20 million
Pre-Production Costs - Process	$3 million
Pre-Production Costs - Mining	$32 million
Total -- Initial Capital	$298 million
Total -- Expansion Capital	$63 million
Average Sustaining Capital over life of mine	$7.3 million / year

Notes:
(1) Values have been rounded to the nearest million.

The Feasibility Study capital and operating cost estimates for the Volta Grande Gold Project are summarized below.

Summary of Volta Grande Project Operating Cost Estimates Average Life-of-Mine Operating Cost

Area	**$ / tonne milled**
Mining	$10.62
Processing	$7.26
G&A	$0.84
Total Operating Cost	$18.72
Cash Operating Cost	$618/oz
All in Sustaining Cost	$779/oz

Volta Grande Gold Project Mineral Reserves

The mineral reserves for the Volta Grande Gold Project are fully diluted and are based on the conversion of measured and indicated mineral resources within the current Feasibility Study mine plan. A portion of the measured mineral resources are converted directly to proven mineral reserves and a portion of the indicated mineral resources to probable mineral reserves.

The fully diluted mineral reserves (the mining dilution has been included and considered in the grade and tonnes) for the Volta Grande Gold Project are shown below.

Classification	Reserves Kt	Grade g/t Au	Contained Gold Koz
Proven	41,757	1.07	1,442
Probable	74,212	0.98	2,346
Proven + Probable	115,969	1.02	3,788

**This mineral reserve estimate is as of March 25, 2015 and is based on the new mineral resource estimate dated March 2015. The mineral reserve calculation was completed under the supervision of Gordon Zurowski, P.Eng of AGP Mining Consultants Inc, who is a Qualified Person as defined under NI 43-101. Mineral reserves are stated within the final design pit based on a US$1,020 per ounce gold price pit shell with a US$1,200 per ounce gold price for revenue. The cutoff grade was 0.37 g/t for Ouro Verde and 0.40 g/t for Grota Seca. The mining cost averaged US$10.90/tonne milled, processing was US$7.25/tonne milled and general and administrative costs were US$0.84/tonne milled. The process recovery averaged 93%. The exchange rate assumption applied was R$3.10 equal to US$1.00 The Feasibility Study only considers the Volta Grande open pit Mineralized zones. The Feasibility Study does not include any mineral resources from the South Block, or mineral resources from the Greia Zone (as herein defined). Mineral resources that were part of the March 2015 total mineral resource associated with South Block and underground mineral resources were not included in the scope of the Feasibility Study.*

Mining

The Feasibility Study optimizes the mine plan for the first ten years with an average delivered head grade of 1.38 g/t. The mine has been designed to deliver an initial 3.5 million tonnes per year (10,000 tonnes per day) of mill feed and to expand to 7 million tonnes per year (20,000 tonnes per day) reaching full production in the third year. Material from the last three months of pre-production stripping will be used to commission the process plant. The Feasibility Study considers open pit mining using a 100% owner operated equipment fleet including trucks, loaders and drills.

The average strip ratio for the life of the mine is estimated at 4.3:1. Open pit bench heights of 10 meters will be mined and ore hauled with 136-tonne haul trucks and matching loading equipment. Best practice grade control drilling will be done with reverse circulation drilling and rock sampling on mine benches prior to blasting. This is intended to provide flexibility for grade control during operations while maintaining reasonable mine operating costs and production capability.

Metallurgy

Extensive feasibility level test work was completed by SGS Canada Inc., using representative run-of-mine composites, that confirmed the material from the Volta Grande Gold Project mineral deposit is amenable to a conventional crush, grind, gravity concentration, cyanide leach and carbon-in-pulp flow sheet with overall life of mine gold recovery of 93%.

Infrastructure

The Volta Grande Gold Project is located in Pará State, approximately 49 kilometers south-east of the city of Altamira. The Volta Grande Gold Project is accessible from both road and river. Altamira is a major regional center with a population of 150,000 and is serviced by a local airport and the Trans-Amazonian Highway. Altamira acts as the service center for many large industrial projects in the region.

The climate in the area of the Volta Grande Gold Project is tropical with a rainy season from January to April and a dry season from May to December. The mean temperature is constant throughout the year (25°C to 30°C) and the relative humidity ranges from 65% to 85%.

Access to the mine site from the city of Altamira can be done by road and river. Road access to the PVG site is a distance of approximately 60 km with approximately 30km of road nearest to the city of Altamira being paved, the remaining 30km of access road is gravel and is planned to be upgraded and paved during the mine operation.

Power for the PVG will be from line power coming from the nearby electrical infrastructure and will be brought to the mine project by a 230-kV power line.

Water requirements for the Volta Grande Gold Project were designed to not require the extraction of any water from the Xingu River. Water requirements will be provided by capturing precipitation and surface run-off. The water collected in storage ponds and augmented by reclaimed water from the tailings management facility will meet the operating requirements.

The scientific and technical information contained in the Feasibility Study pertaining to the Volta Grande Gold Project has been reviewed and approved by the following Qualified Persons: Mr. Stefan Gueorguiev, P. Eng. Ontario, Vice President Projects, Lycopodium Minerals Canada Ltd. (“Lycopodium”), Mr. Aron Cleugh, P. Eng. Ontario, Lead Process Engineer, Lycopodium, Dr. Oy Leuangthong, PhD., P.Eng. Ontario, Principal Consultant (Geostatistics), SRK Consulting (Canada) Inc. (“SRK”), Dr. Jean-François Couture, PhD, P.Geo, Corporate Consultant, SRK, Dr. Lars Weiershäuser, PhD, P.Geo, Senior Consultant (Geology), SRK, George H. Wahl, P. Geo., British Columbia, Principal Consultant, G H Wahl & Associates Geological Services, Mr. Gordon Zurowski, P.Eng. Ontario, Principal Mining Engineer, AGP Mining Consultants Inc. (“AGP”), Mr. Alexandre Luz, AusIMM, Senior Partner, L&M Assessoria Empresarial (“L&M Advisory”), Mr. Paulo Franca, Principal Consultant, AusIMM, VOGBR Recursos Hídricos & Geotecnia Ltda (“VOGBR”), Mr. Derek Chubb, P. Eng. Ontario, Senior Partner, Environmental Resources Management Inc. (“ERM”), each of whom are independent of Belo Sun.

The fully diluted mineral resource (the mining dilution has been included and considered in the grade and tonnes) estimate for the North Block of the Volta Grande Gold Project is outlined in the table below with an effective date of March 16, 2015.

Deposit	Category	Quantity Mt	Gold Grade g/t Au	Contained Gold KOz
Ouro Verde Open Pit				
Saprolite	Measured	750	0.96	23
	Indicated	709	0.78	18
	Inferred	216	0.67	5
Unweathered	Measured	18,532	1.16	693

	Indicated	52,647	1.06	1,796
	Inferred	22,576	0.89	643
Grota Seca Open Pit				
Saprolite	Measured	249	0.96	8
	Indicated	1,386	0.74	33
	Inferred	832	0.61	16
Unweathered	Measured	24,270	1.00	782
	Indicated	54,611	0.87	1,519
	Inferred	12,557	0.82	332
Junction Open Pit				
Saprolite	Measured	2	1.53	0
	Indicated	215	0.78	5
	Inferred	82	0.66	2
Unweathered	Measured	271	0.71	6
	Indicated	2,950	0.77	73
	Inferred	1,491	0.75	36
Greia Open Pit				
Saprolite	Inferred	512	1.06	17
Unweathered	Inferred	1,503	2.04	98
Total Open Pit				
	Measured	44,075	1.07	1,512
	Indicated	112,518	0.95	3,444
	Measured + Indicated	156,593	0.98	4,956
	Inferred	39,767	0.90	1,151

*Mineral resources are not mineral reserves and have not demonstrated economic viability. All figures have been rounded to reflect the relative accuracy of the estimates. Open pit mineral resources are reported at a cut-off grade of 0.4 g/t Au. The cut-off grades are based on a gold price of US $1,400 per troy ounce and metallurgical recoveries of 94% for saprolite and 94% for unweathered material.

Notes:

(1) The 0.4 g/t Au open pit cut-off grade underlying the mineral resource estimates is based on a number of parameters and assumptions including gold price of US$1,400 per troy ounce, pit angles set at 31 degrees for saprolite and 53 degrees for hard rock, and metallurgical gold recovery of 94% for unweathered and weathered rock. Assumed costs for the mineral resource modeling are as follow: open pit mining costs of US$2.05/tonne of ore, process costs of US$8.12/ tonne general and administrative costs of US$0.99/tonne, and royalty of 1%.

(2) The quantity and grade of reported inferred mineral resources in this estimation are uncertain in nature and there has been insufficient exploration to define the inferred mineral resources as Indicated or measured mineral resources and it is uncertain if further exploration will result in upgrading them to indicated or measured mineral resource categories.

(3) The mineral resources have been classified according to the Canadian Institute of Mining, Metallurgy and Petroleum Standards for mineral resources and reserves (November 2010). The effective date of the report containing the mineral resource estimate is March 30, 2015.

(4) The mineral resource estimate was authored Dr. Oy Leuangthong, P.Eng, a Qualified Person as defined by National Instrument 43-101 and is independent of Belo Sun.

Below is a summary of the mineral resource estimation parameters pertinent to the current mineral resource estimate.

The mineral resource and reserve estimate for the Volta Grande Gold Project was prepared considering only the gold deposits located in the North Block. The North Block is a string of connected deposits that has been defined as the Ouro Verde and Grota Seca deposits.

The mineral resources for Volta Grande consist of four zones. Ouro Verde and Grota Seca (collectively the “North Block”), Greia (the “Greia Zone”) and the South Block. The Greia Zone was separated from Grota Seca and consists of a near-pit target to the north of the Grota Seca deposit. The junction zone is the connection between Ouro Verde and Grota Seca. It highlights some exploration potential along strike length between the two deposits.

The database consists of a total of 33,191 meters of drilling obtained from previously reported drilling and from 180,650 meters of drilling completed and assayed by Belo Sun since April 2010, for the Ouro Verde and Grota Seca deposits.

The mineralized zones at the Ouro Verde deposit extend for about 2,200 m along strike whereas the Grota Seca extends for 2,900m along strike.

For each deposit, very low, low, medium and high-grade gold domains were modelled in hard rock as well as in saprolite. The gold mineralization thickness ranges from 2 to 70 meters.

The composite length selected was 2.0 m. Residual composite lengths of 0.5 m and longer were included in the mineral resource estimation.

Capping analysis was performed on composites for all grade domains. All domains were capped except high grade saprolite.

All estimations are based on a fully diluted block model with unitary dimension of 5 m E, 5 m N and 5 m elevation rotated -17° clockwise.

Three estimation passes with progressively relaxed parameters were used for each grade domain. The grade estimation was done using ordinary kriging interpolation. Additional restrictions were set to constrain the grade and radius of influence for the high-grade part of the mid-grade domain.

Classification was performed using the density of the informing composites. Measured blocks are informed by composites at average distances of 25m (maximum distance is 40m). Indicated blocks are informed by composites at average distances of 50m (maximum distance of 80m).

Tonnage estimates are based on rock specific gravity of 2.75 tonnes per cubic meter for the Grota Seca and Ouro Verde deposits, and 1.36 tonnes per cubic meter for saprolite.

Community Relations

The Company operates two information offices to improve communication between the Company and the local communities. The first is in the city of Senador José Porfírio, the municipality that hosts the Volta Grande Gold Project. The office is located in the downtown core, near the City Hall where City Council and other public institutions are located. The second office is located in the Resaca Village near the Volta Grande Gold Project.

Belo Sun is also contributing to the improved accessibility of public services such as health care and education to the local population near the Volta Grande Gold Project by assisting with the transport of doctors, nurses, dentists and teachers to the area. Among other things, these efforts promote the eradication of malaria in the Volta Grande area. Most recently, Belo Sun has been supplying basic personal protective equipment (including face masks) to the local communities.

PERMITTING, LICENSING AND LEGAL HISTORY

Subsequent to receiving approval of the PVG LI, the TRF1 granted an interim suspension order to suspend the PVG LI, primarily because the ECI had not been presented with primary data.

The following are the primary outstanding proceedings that relate to the PVG and its permitting:

1) FUNAI litigation: on the basis that the ECI had allegedly not been completed in accordance with the FUNAI protocol requirements and ILO Convention 169;

2) SEMAS and IBAMA litigation: on the basis that IBAMA should be considered the permitting authority rather than SEMAS; and

3) INCRA negotiations and litigation, litigation related to the Xingu River communities and land incursions.

These proceedings are all described in greater detail below.

FUNAI Litigation

The approval of the EIA and receipt of the LP were key milestones in the advancement of the PVG towards the construction phase. The Company received its LP in February 2014.

According to Brazilian legislation, mining companies are required to consult with Indigenous communities within a designated distance from a proposed mining site. In the case of the PVG, there were no Indigenous communities within the prescribed area. Nonetheless, the Company and SEMAS agreed to undertake the ECI to consider Indigenous groups outside of the designated range and SEMAS included this consultation as a condition in the LP. In light of this undertaking, the TRF1 ruled that the commitment to consult with Indigenous groups was enforceable.

In 2016, the Company completed its original ECI, covering the three nearest Indigenous communities, located 12.6 km and 16 km away from the PVG. This original ECI was submitted along with the LI application to SEMAS.

In January 2017, the ECI was accepted by SEMAS, however, the Company did not receive approval for the ECI from FUNAI, primarily because the ECI did not include primary data. The ECI did not include primary data as a result of FUNAI not granting the Company access to Indigenous land during the period of the study. SEMAS advised the Company to continue with the ECI and to submit it with secondary data.

In February 2017, the Company received the approval of the LI for the PVG and approval of the ECI from SEMAS. The LI is the final governmental approval that is required to authorize the Company to proceed with construction and development of the PVG.

In April 2017, the Company received an interim suspension order related to the LI by the TRF1. According to the order, the LI would be suspended until the ECI was completed by the Company with primary data and approved by FUNAI and under ILO Convention 169 terms .

In December 2017, the TRF1 upheld the suspension of the LI until the Company fulfilled the requirements of completing the ECI in accordance with the FUNAI protocols and requirements and ILO Convention 169. Following the decision, the Company commenced working closely with FUNAI and anthropology consulting firms to complete the ECI in compliance with FUNAI's protocols and the TRF1 ruling.

In late 2020, FUNAI approved the updated ECI as accepted for final presentation to the Indigenous communities.

In October 2021, the Company completed the presentation of the ECI to the various Indigenous communities and received approvals from both the Juruna Indigenous Community and the Arara da Volta Grande do Xingu Indigenous Community in order to complete the FUNAI protocol requirements for the ECI and ILO Convention 169 consultation. Subsequently, FUNAI issued the final documentation advising that the ECI has been completed, and this documentation has been submitted to the TRF1.

On April 25, 2022, the TRF1 issued a ruling related to the lifting of the injunction related to the LI following the completion and acceptance by FUNAI of the updated ECI in October 2021. Instead of lifting the injunction, the TRF1 provided procedural guidance on the steps required to be taken to have the injunction removed. In effect, the TRF1 ruling decided that the matter is to be sent to SEMAS for review and confirmation that the ECI conditions have been met. If SEMAS determines that the ECI conditions have been met, then the matter is to be returned to the Federal Court in Altamira, which will then review and confirm whether the Company has fulfilled the conditions required in the TRF1 ruling issued in December 2017. If the Federal Court in Altamira agrees that all conditions have been met, it will determine what, if any, additional steps may be required to lift the suspension order. The Company also understands that any decision by the Federal Court in Altamira may be subject to a right of appeal.

While the Company was disappointed that the TRF1 ruling did not immediately lift the suspension order against the LI, the TRF1 ruling does provide needed procedural guidance on the steps required to accomplish this, which, in the Company's view, is a positive development. The Company continues to remain positive that the injunction will eventually be lifted.

It is important to note that, even if the TRF1 had ruled that the conditions had been complied with, given that the LI for the Volta Grande Gold Project was granted by SEMAS in 2017, the Company would still need to go to SEMAS with the ruling and discuss with SEMAS the process and requirements for the Company to move forward with the LI and what would be required to start the construction of the PVG. Given regulatory and other changes since the grant of the LI in 2017, if the injunction is lifted, the Company anticipates that it may be possible that new requirements could be added to the 79 initial conditions that were attached on the original grant of the LI in 2017. There can be no assurance that the ECI will be validated by SEMAS and the Federal Court in Altamira or that the injunction related to the LI will be lifted. See the section titled "Risks and Uncertainties" below for more information regarding the risks related to litigation and the permitting process.

SEMAS and IBAMA Litigation

In July 2019, the Company received a favorable provisional ruling by a three judge panel from the TRF1 (for the Tutela Antecipada Antecedente), determining that SEMAS remains the competent authority for the environmental permitting of the PVG,

The PVG is permitted by the Pará State permitting authority called SEMAS. Prior to starting the permitting process, the Company contacted both SEMAS and IBAMA and requested a ruling on which agency had the permitting authority for the PVG. IBAMA advised that the PVG did not have any of the parameters for Federal permitting. SEMAS confirmed that they were the correct permitting authority. However, the local MPF filed an injunction before the Federal Court in Altamira requesting that the permitting authority be changed from SEMAS to IBAMA. The history of the SEMAS and IBAMA litigation is described below.

In September 2018, the Federal Court in Altamira ruled that the past permitting for the LP and LI under SEMAS was valid, but subject to review from IBAMA. It also ruled that the permitting authority going forward for the PVG would be IBAMA (Federal Environmental Agency) rather than SEMAS (State Agency).

In November 2018, the TRF1 rendered an intermediate ruling that suspended the decision of the Federal Court in Altamira and confirmed that SEMAS remained the competent permitting authority until such time as a final decision in the matter is rendered.

On April 25, 2022, the TRF1 issued a ruling that postponed the decision on determining the competent Brazilian permitting authority for environmental permitting at the PVG. Shortly before the trial, the prosecutors had argued that Norte Energia (responsible for the Belo Monte hydroelectric plant – the "**Belo Monte Project**") was concerned about possible adverse impacts resulting from the combined impact of their project and the PVG. IBAMA requested the postponement of the ruling, so as to present information regarding these concerns. As a result, in the ruling, the TRF1 provided that all parties would be notified as to further requirements for additional evidence in respect of (i) the combined impact on the region of the Volta Grande Gold Project and the Norte Energia Belo Monte Project, and (ii) any other issues raised by the letter from North Energia. The Company has presented additional evidence to the TRF1 and is waiting for the TRF1 to set a date for a ruling.

As previously disclosed, the Company would be pleased to work with either or both of IBAMA and SEMAS in its permitting process and the Company looks forward to a final decision in this matter so that the Company can continue to advance the permitting process.

Until the TRF1 issues a ruling, SEMAS will continue to act as the competent authority for the environmental permitting of the PVG.

INCRA negotiations and litigation, litigation related to the Xingu river communities and land incursion

INCRA Negotiations and Litigation

The PVG exploration concessions were granted in 1974. In 1999, INCRA designated certain land areas for rural development, and a small portion of such designated rural development area overlapped with certain of the Company's mining concessions. The area that overlapped the PVG footprint covers some of the planned facilities, a small portion of the end of the Grota Seca pit and one of the proposed waste pile deposits.

The Company's LI included and approved a relocation plan. It allowed families in the directly impacted area the option to: a) relocate at any time during the life of the project and at any time of the families' choosing with relocation expenses covered by the Company; or b) stay where they currently live; or c) leave and receive financial compensation for their property.

The overlap issue gave rise to administrative and judicial proceedings.

In the administrative sphere, negotiations between the Company and INCRA regarding the overlap commenced in 2016. However, various changes in the INCRA administration and the Federal Government, as well as the COVID-19 pandemic, caused delays in the negotiations.

In the judicial proceedings, an order from the judge of the Agrarian Court of Altamira issued a temporary 180-day injunction halting certain work related to the LI. The purpose of the injunction was to provide time for the relocation of certain families living near the PVG site and to finalize the agreement with INCRA involving the overlap of a small portion of INCRA urban development project area within the Company's mining concessions.

The Agrarian Court of Altamira lifted this injunction in June 2017.

On August 23, 2019, the MPE filed an injunction request lawsuit in the Pará State Court in the City of Senador Jose Porfirio against the State of Pará and Belo Sun Mineração. In this lawsuit the MPE requested the cancelation of the environmental licenses granted to the Company for the construction of the PVG and requested the grant of an injunction, on an expedited basis to suspend all permitting processes involving the PVG. The MPE requested that all of the licenses granted to the PVG be declared null. The main allegations asserted by the MPE were largely similar to those asserted in previously filed lawsuits discussed above, namely that the ECI required approval by FUNAI, that IBAMA should be the permitting authority and that there was an overlap of INCRA land and the Company ‘s mining concession.

On September 30, 2019, the State of Pará presented its response which requested the full rejection of the MPE’s lawsuit. On October 3, 2019, the Company presented its initial response challenging the allegations presented by the MPE.

In November 2019, the Agrarian State Judge of the Court of Altamira ruled that the Company’s LI will remain suspended until the following two conditions were fulfilled: 1) a periodic update to SEMAS on the status of the relocation of certain families living in the area directly affected by the PVG; and 2) an update to SEMAS on the negotiations with INCRA involving the overlapping portion of the INCRA urban development project area within the PVG.

In a separate ruling in November 2019, the State Court of Belem ruled to uphold the Company’s LI under the condition that the Company complies with the relocation plan terms as submitted by the Company to SEMAS for its LI.

In January 2020, the State Court of Appeal of Pará State overturned the November 2019 court ruling by the Agrarian State Judge of the Court of Altamira.

The Company and INCRA eventually entered into the INCRA Land Agreement on November 26, 2021. The INCRA Land Agreement resolves a land overlap between a small portion of INCRA-designated land and an area of land covered by the Company’s mining concessions that will be affected by the mining operations of the PVG. Under the INCRA Land Agreement, once all the conditions have been satisfied, INCRA will provide the Company access to the INCRA-designated land for mining activities for 20 years counting from the execution date, with the ability to further extend the term. The use of the area by the Company is subject to the granting of the mining concessions by the Ministry of Mines and Energy.

Under the INCRA Land Agreement, the Company will provide ongoing program support during the operation of the mine, including, among other commitments: assisting small local landholders with the proper registration of their land; assisting the municipality with road and bridge maintenance; a transfer of land outside of the project area to INCRA; and the purchase of certain equipment to assist the local INCRA office in its activities. The Company shall also pay royalties to INCRA on the revenues arising from its activities at the PVG.

The INCRA Land Agreement was officially published in the Brazil Federal Gazette - Diário Oficial da União on November 29, 2021, and was ratified by INCRA’s Board on December 16, 2021. The INCRA Board’s decision that ratified the INCRA Land Agreement conditioned the commencement of the Company’s activities in the area to a meeting between the Company, INCRA, MPF and the people living in INCRA’s area to discuss the PVG, which took place May 3, 2022.

The INCRA Land Agreement has been challenged by at least two lawsuits brought by DPU and DPE. The Company has filed motions in response to such lawsuits to have their preliminary injunctions dismissed.

Litigation related to Xingu River Communities

On August 2020, the DPE filed a request for a preliminary injunction with a local Altamira Judge (Agrarian Court – State Circuit) against the State of Pará and the Company to suspend the LI based on a report submitted by a Latin America based NGO (Association Interamericana for Environmental Development ("**AIDA**")) which criticized the licensing process on the grounds that people living along the Xingu river, as traditional, were not consulted in accordance of ILO Convention 169 in the PVG LI that was issued by SEMAS. The Company responded to this request with full documentation that all communities in the area of influence of the PVG were fully considered in the impact assessment and in the LI application. The State of Pará also contested the injunction, consistent with the defense presented by the Company. The State of Pará and the Company presented technical and legal evidence that the allegations that were made by AIDA are false.

On May 24, 2022, an interim suspension order was issued in this matter by a judge of the Agrarian Court of Altamira against the LI and LP further to a request made by the DPE in August 2020 based on the alleged potential impact to the people living along the Xingu river.

On July 20, 2022 the Supreme Court of Pará State overturned the suspension order issued on May 24, 2022 on the grounds that there was no evidence of damage or harm to the riverside people and that they were properly consulted as part of the environmental studies conducted by the Company. The Supreme Court of Pará State also ruled that the decision of the Agrarian Court caused damage to the Company and stated that there should be no obstacles for the Company to continue with the environmental licensing process while complying with the legal requirements determined by the applicable environmental and judicial authorities. The initial suspension order under the FUNAI Litigation (discussed above) remains in effect.

Land Incursion

The Volta Grande Gold Project was impacted by a land occupation on June 5, 2022 by a group of people protesting the INCRA Land Agreement with the Company. The occupation continues with the people encamped at the PVG's site. On June 9, 2022, the Company filed a removal order with the court in Senador. On June 14, 2022, the Senador court ruled that it did not have the jurisdiction and referred the request to the Agrarian court. The Company appealed this decision to the superior court in Belem.

On July 15, 2022, the State Supreme Court ruled that the Senador court is the one legally competent for the case. As the Court's decision has become final, the agrarian judge of Altamira must now refer the case to the Senador court, complying with the decision of the State Supreme Court. The Company completed its submission to the Senador court in September 2022 with respect to the land occupation.

On September 26, 2022, the Company presented a motion ratifying the removal request regarding the land occupation at the PVG.

The Company has increased its security at the project site and is monitoring the situation. The occupation has been peaceful and has not caused any interruptions to the Company's business and operations.

As the Company moves to advance and develop the PVG, the Company anticipates that ongoing and additional legal claims and actions will be brought in Brazilian courts in order to attempt to delay or stop the PVG. Please refer to the section titled "Risks and Uncertainties" for additional disclosure of risk factors related to litigation and permitting.

ANNUAL FINANCIAL RESULTS

	2021	2020	2019
Net loss	$ (6,204,077)	($5,488,926)	($7,983,962)
Net loss per share	$ (0.01)	($0.01)	($0.02)
Working Capital*	$26,361,525	$26,580,618	$33,822,001
Total Assets	$48,403,525	$54,467,673	$59,113,233
Total Non-current Liabilities	$ 7,922	$24,933	$51,629

SUMMARY OF QUARTERLY RESULTS

The following is a summary of the Company's financial results for the eight most recently completed quarters:

	Q3-2022 30-Sep-22	Q2-2022 30-Jun-22	Q1-2022 31-Mar-22	Q4-2021 31-Dec-21
Net loss	$ (8,227,914)	($1,746,313)	($1,681,858)	$ 40,198
Net loss per share	$ (0.02)	($0.00)	($0.00)	$0.00
Working Capital*	$ 17,835,328	$23,492,772	$24,923,618	$ 26,361,525
Total Assets	$ 38,369,952	$45,956,944	$47,008,677	$48,403,525
Total Non-current Liabilities	$ 604	$1,453	$4,570	$ 7,922
	Q3-2021 30-Sep-21	**Q2-2021 30-Jun-21**	**Q1-2021 31-Mar-21**	**Q4-2020 31-Dec-20**
Net loss	$ (1,964,900)	$ (2,495,249)	$ (1,784,126)	($1,964,547)
Net loss per share	($0.00)	($0.01)	($0.00)	($0.00)
Working Capital*	$ 25,848,856	$ 23,512,738	$ 25,414,715	$26,580,618
Total Assets	$49,875,794	$50,926,143	$52,724,579	$54,487,873
Total Non-current Liabilities	$ 12,548	$ 16,936	$ 19,017	$24,933

*Working capital is defined as current assets minus current liabilities. Working capital is a non-IFRS figure with no standardized meaning under IFRS, and therefore may not be comparable to similar measures presented by other issuers. For further information and detailed reconciliations to the most comparable IFRS measures, see the section titled "Non-IFRS Measures" in this MD&A.

Factors Affecting Comparability of Quarters

Results of operations can vary significantly as a result of a number of factors. The Company's level of activity and expenditures during a specific quarter are influenced by a number of factors, including the level of working capital, the availability of external financing, the time required to gather, analyze and report on geological data related to its properties and the nature of activity, and the number of personnel required to advance each individual project.

In addition, the granting of stock options and deferred share units ("DSUs") in a particular quarter gives rise to share-based compensation expense. Share-based compensation expense is dependent on vesting terms, and front-loaded accrual methods, and the value of the Company's share price which fluctuates.

During the first quarter of 2017, the Company began capitalizing development expenditures, including engineering expenses. As a result of the suspension of the LI, certain expenditures not related to development such as permitting and legal costs were expensed.

Also contributing to fluctuating quarterly net losses are changes in foreign exchange rates. The Company holds a portion of its monetary assets and liabilities in Brazil and therefore changes in the rate of exchange between the Brazilian Real, United States dollar and the Canadian dollar result in reported gains and losses on foreign currency fluctuations.

RESULTS OF OPERATIONS – FINANCIAL

The following is a discussion of the results of operations of the Company for the three and nine months ended September 30, 2022. This discussion should be read in conjunction with the Company's Interim Financial Statements for the three and nine months ended September 30, 2022 and related notes.

	Three months ended September 30,	
	2022	2021
Net loss	$ (8,227,914)	$ (1,964,900)
Interest income	(193,168)	(59,638)
Salaries, wages and consulting fees	564,416	573,565
Accounting, audit and tax fees	31,176	25,623
Legal fees	745,652	134,134
General and administration	239,590	159,363
Depreciation	8,870	9,105
Share-based payments	268,457	452,864
Exploration and evaluation expenses	369,839	658,683
Permitting costs	4,869,773	84,613
Loss on foreign exchange	1,323,014	(73,968)
Interest expense	295	556

For the three months ended September 30, 2022, the Company recorded a net loss of $8,227,914 ($0.02 per share) compared to a net loss of $1,964,900 ($0.00 per share) for the three months ended September 30, 2021.

Interest income increased by $133,530 in Q3-2022 compared to Q3-2021 due to increased interest rates charged on promissory notes receivable and interest earned on the Company's bank deposits in 2022.

Legal fees increased by $611,518 in Q3-2022 compared to Q3-2021 due to additional legal fees incurred related to the Company's license suspension.

General and administration fees increased by $80,227 in Q3-2022 compared to Q3-2021 due to increased shareholder communications and travel costs in 2022.

The Company recorded $268,457 in share-based payments during the three months ended September 30, 2022 with $43,528 related to the value of vesting DSUs and $224,929 related to the vesting of options granted in 2020 and 2021 (three months ended September 30, 2021: $24,652 and $428,212, respectively).

Permitting costs increased by $4,785,160 in Q3-2022 compared to Q3-2021 primarily due to the purchase of land transferred to INCRA as compensation for a small portion of the Company's mining concessions that overlap INCRA land designated for rural development.

The Company also recognized a foreign exchange loss of $1,323,014 during Q3-2022 (Q3-2021: gain of $73,968) a result of the effect of fluctuations in the exchange rates between the Brazilian Real and the U.S. dollar.

During the three months ended September 30, 2022, the Company spent $6,911,735 on operations (Q3-2021: $3,242,917). Investing activity provided $3,545,053 from principal payments on the promissory notes receivable, partially offset by equipment purchases (Q3-2021: $(11,236)). Financing activity used $9,217 for lease liability payments (Q3-2021: $8,542).

	Nine months ended September 30, 2022	2021
Net loss	$ (11,656,085)	$ (6,244,275)
Interest income	(482,596)	(161,560)
Salaries, wages and consulting fees	2,082,847	2,423,351
Accounting, audit and tax fees	103,413	79,811
Legal fees	919,177	284,183
General and administration	747,364	603,931
Depreciation	35,733	47,893
Share-based payments	847,810	1,577,879
Exploration and evaluation expenses	895,752	1,243,100
Permitting costs	5,117,489	117,858
Loss on foreign exchange	1,387,976	25,961
Interest expense	1,120	1,868

For the nine months ended September 30, 2022, the Company recorded a net loss of $11,656,085 ($0.03 per share) compared to a net loss of $6,244,275 ($0.01 per share) for the nine months ended September 30, 2021.

Interest income increased by $321,036 in nine months ended September 30, 2022 compared to the nine months ended September 30, 2021 due to increased interest rates charged on promissory notes receivable and interest earned on the Company's bank deposits in 2022.

Salaries, wages and consulting fees decreased by $340,504 in the nine months ended September 30, 2022 compared to the nine months ended September 30, 2021 due to larger bonuses paid in the nine months ended September 30, 2021 compared to the nine months ended September 30, 2022.

General and administration fees increased by $143,433 in the nine months ended September 30, 2022 compared to the nine months ended September 30, 2021 due to increased shareholder communications and travel costs in 2022.

The Company recorded $847,810 in share-based payments during the nine months ended September 30, 2022 with $64,937 related to the value of vesting DSUs and $782,873 related to the vesting of options granted in 2020 and 2021 (nine months ended September 30, 2021: $94,119 and $1,483,760, respectively).

Permitting costs increased by $4,999,631 in the nine months ended September 30, 2022 compared to the nine months ended September 30, 2021 primarily due to the purchase of land transferred to INCRA as compensation for a small portion of the Company's mining concessions that overlap INCRA land designated for rural development.

The Company also recognized a foreign exchange loss of $1,387,976 during the nine months September 30, 2022 (nine months ended September 30, 2021: $25,961) a result of the effect of fluctuations in the exchange rates between the Brazilian Real and the U.S. dollar.

During the nine months ended September 30, 2022, the Company spent $8,342,591 on operations (nine months ended September 30, 2021: $4,535,453). Investing activity provided $3,529,762 from principal and interest payments on the promissory notes receivable, partially offset by equipment purchases (nine months ended September 30, 2021: $11,008). Financing activity used $13,582 for lease liability payments (nine months ended September 30, 2021: $12,708).

LIQUIDITY AND CAPITAL RESOURCES

Given the nature of the Company's business is to develop, construct and operate gold mining operations, the most relevant financial information relates primarily to current liquidity, solvency and planned expenditures.

The Company's financial success will be dependent upon the development of the Volta Grande Gold Project or other gold properties that lead to the production and sale of gold. Such development may take years to complete and although the Company expects to be successful and the resulting income will be positive, it is difficult to determine. Being financially successful in these objectives depends on many factors including the development of the mineral exploration properties and the extent to which it can establish economic mineral reserves and operations based on metal prices and operating costs.

The Company currently has a negative operating cash flow and finances its development and Mineral exploration activities through equity financings.

The Company had working capital (see "Non-IFRS Financial Performance Measures" below) of $17,835,328 as at September 30, 2022 (December 31, 2021 - $26,361,525) including cash and cash equivalents of $18,700,907 (December 31, 2021 - $23,964,791). None of the cash equivalents are invested in asset-backed securities.

As at September 30, 2022, the Company had a promissory note receivable totaling $511,004 outstanding. The promissory note receivable, owed by Peter Tagliamonte, was due on October 23, 2022. Subsequent to September 30, 2022, Peter Tagliamonte's loan repayment date was extended to October 23, 2023 with the same terms and the loan principal of $460,622 remained payable.

The Company has a letter of credit with a vender, FLSmidth, from a deposit on a SAG mill that is classified as a long-term deposit as a result of a renegotiation of the agreement.

Term Investment

The Company is carrying a term deposit with Banco do Brasil to fund potential amounts owing to CPRM. As at September 30, 2022, the balance of this deposit was R$2,062,576 ($523,688) (December 31, 2021: R$1,909,125 ($434,326)).

NON-IFRS FINANCIAL PERFORMANCE MEASURES

The Company has referred to working capital throughout this MD&A. Working capital is a Non-IFRS performance measure. In the gold mining industry, it is a common Non-IFRS performance measure but does not have a standardized meaning. The Company believes that, in addition to conventional measures prepared in accordance with IFRS, we and certain investors use this information to evaluate the Company's performance and ability to generate cash, profits and meet financial commitments. This Non-IFRS measure is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. The following table provides a reconciliation of working capital to the Interim Financial Statements as at September 30, 2022 and the Annual Financial Statements as at December 31, 2021.

	September 30, 2022	December 31, 2021
Current assets		
Cash and cash equivalents	$ 18,700,907	$ 23,964,791
Prepaid expenses and sundry receivables	612,248	309,438
Promissory notes receivable	-	3,932,695
	19,313,155	28,206,924
Current liabilities		
Accounts payable and accrued liabilities	1,465,240	1,830,236
Current portion of lease liabilities	12,587	15,163
	1,477,827	1,845,399
Working Capital: current assets less current liabilities	$ 17,835,328	$ 26,361,525

CAPITAL RISK MANAGEMENT

The Company includes equity, comprised of issued share capital, shares held in trust for the settlement of share-based payments, share-based payment reserve and deficit, in the definition of capital. The Company's objective when managing capital is to maintain its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders.

The Company manages its capital structure and makes adjustments to it based on the funds available to the Company in order to support the acquisition, development and exploration of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management but rather relies on the expertise of the Company's management and consultants to sustain future development of the business.

The Company's properties are in the development stage and, accordingly, the Company is dependent upon external financings to fund activities. To carry out planned engineering, test work, advancement and development of the mining projects, and pay for administrative costs, the Company will spend working capital and expects to raise additional funds from time to time as required.

Management reviews its capital management approach on an ongoing basis and believes that this approach is reasonable given the relative size of the Company. There were no changes in the Company's approach to capital management during the nine months ended September 30, 2022. The Company is not subject to externally imposed capital requirements.

COMMITMENTS AND CONTINGENCIES

Management contract commitments

The Company is party to certain management contracts. Minimum commitments remaining under these contracts were approximately $3,890,000 to be made if they are terminated without cause. These contracts require payments of up to $11,600,000 be made upon the occurrence of certain events such as a change of control of the Company. The change of control commitment includes a component based on the Company's current share price. As a result of this inclusion, the change of control commitment reported increases or decreases in relation to the change in share price during the period.

Legal contingencies

The Company is, from time to time, involved in various claims and legal proceedings (see, for example, the claims and legal proceedings described in the sections titled "Permitting, Licensing and Legal History" and "Risks and Uncertainties"). The Company cannot reasonably predict the likelihood or outcome of these activities. As at September 30, 2022 and December 31, 2021, no amounts have been accrued related to such matters.

Environmental commitments

The Company's mining, development and exploration activities are subject to various federal, state and international laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company conducts its operations so as to be respectful of the culture, the local communities, protect public health and the environment and believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

Other commitments

The Federal Constitution of Brazil has established that the states, municipalities, federal district and certain agencies of the federal administration are entitled to receive royalties for the exploitation of mineral resources by holders of mining concessions (including extraction permits). The royalty rate for gold is currently 1.5% Federal law 13,540/17) arising from the sale of the mineral product, less the sales taxes of the mineral product. No royalties are currently due.

The Volta Grande Gold Project does not have any other royalties attached to the project beyond the aforementioned 1.5% royalty to the Brazilian government.

There is a debt obligation due to CPRM as a result of a risk loan agreement, (the "CPRM Agreement"). The Company maintains a high interest saving account that covers the full amount of the debt payment. As at September 30, 2022, no payments have been paid pursuant to the CPRM Agreement.

Under a renegotiated agreement with CPRM in March 2008, the Company maintains an interest-bearing term deposit to cover the future debt obligation plus applicable interest. As at September 30, 2022, no payments have been paid. In July 2021, the Company again renegotiated its agreement with CPRM. As a result of this renegotiation, it was agreed that the Company would pay CPRM R$6,871,711 ($1,695,251) upon the issuance of its mining license.

OFF BALANCE SHEET ARRANGEMENTS

The Company is not party to any off-balance sheet arrangements.

RELATED PARTY TRANSACTIONS

During the three and nine months ended September 30, 2022 and 2021, the Company entered into the following transactions in the ordinary course of business with related parties that are not subsidiaries of the Company.

	Purchases of goods/services			
	Three months ended September 30,		Nine months ended September 30,	
	2022	2021	2022	2021
2227929 Ontario Inc.	$ 15,000	$ 90,000	$ 45,000	$ 270,000
Directors' promissory notes interest	23,215	2,296	123,419	5,973

The Company shares office space with other companies who may have common officers and directors. The costs associated with the use of this space, including the provision of office equipment and supplies, are administered by 2227929 Ontario Inc. to whom the Company pays a monthly fee of $5,000.

The following balances included in the Company’s accounts were outstanding at the end of the reporting period:

	Amounts owed by related parties		Amounts owed to related parties	
	30-Sep-22	31-Dec-21	30-Sep-22	31-Dec-21
Directors and officers of the Company	$ 511,004	$ 3,932,695	$ 61,049	$ 35,959

Amounts owed by related parties reflect the promissory notes entered into with directors of the Company in April 2018 plus accrued interest.

The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received. No expense has been recognized in the current or prior periods for bad or doubtful debts in respect of the amounts owed by related parties.

Compensation of key management personnel of the Company

The remuneration of directors and other members of key management personnel during the period were as follows:

	Three months ended September 30, 2022	Three months ended September 30, 2021	Nine months ended September 30, 2022	Nine months ended September 30, 2021
Short-term benefits	$ 385,350	$ 395,350	$1,556,050	$ 1,820,050
Share-based payments	212,044	394,185	717,313	1,541,145
DSU expense	38,699	24,652	60,108	94,119
	$ 636,093	$ 814,187	$2,333,471	$ 3,455,314

In accordance with IAS 24 Related Party Disclosures, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any directors (executive and non-executive) of the Company.

The remuneration of directors and key executives is determined by the compensation committee having regard to the performance of individuals and market trends.

More detailed information regarding the compensation of officers and directors of the Company is disclosed in the management information circular. The most recent management information circular is available under profile of the Company on SEDAR at www.sedar.com.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

The carrying value of cash and cash equivalents, prepaid expenses, sundry receivable and accounts payable approximate their fair values due to the short maturity of those instruments.

The Company's risk exposures and their impacts on the Company's financial instruments are summarized below. There have been no significant changes in the risks, objectives, policies and procedures for managing risk during the nine months ended September 30, 2022.

Credit risk

Credit risk arises from the non-performance by counterparties of contractual financial obligations. The Company’s primary counterparties related to its cash and cash equivalents and term investment carry an investment grade rating as assessed by external rating agencies. The Company maintains all of its cash and cash equivalents and term investment with major Canadian and Brazilian financial institutions. Deposits held with these institutions may exceed the amount of insurance provided on such deposits. The Company’s promissory note is held by a director of the Company. Management has assessed the credit risk associated with these promissory notes and based on the credit-worthiness of the parties involved, the Company has assessed the chance of loss as remote.

The Company’s maximum exposure to credit risk at the statement of financial position date is the carrying value of cash and cash equivalents, promissory notes receivable and term deposits.

Liquidity risk

The Company manages liquidity risk by maintaining adequate cash and cash equivalent balances. The Company continuously monitors and reviews both actual and forecasted cash flows, and also matches the maturity profile of financial assets and liabilities.

As at September 30, 2022, the Company had current assets of $19,313,155 to settle current liabilities of $1,477,827. Approximately $598,000 of the Company's financial liabilities as at September 30, 2022 have contractual maturities of less than 30 days and are subject to normal trade terms. Of these current liabilities, approximately $1,034,000 has been payable for over 180 days.

Market risk

(a) Interest rate risk

The Company’s cash and cash equivalents are subject to interest rate cash flow risk as they carry variable rates of interest. The Company’s interest rate risk management policy is to purchase highly liquid investments with a term to maturity of one year or less on the date of purchase.

Based on cash and cash equivalents, term deposit and promissory note balances on hand at September 30, 2022, a 0.1% change in interest rates could result in a corresponding change in net loss of approximately $18,700 (September 30, 2021 - $25,400).

(b) Currency risk

Foreign exchange risk exposures arise from transactions and balances denominated in foreign currencies. The Company’s currency risk arises primarily with respect to the United States dollar and Brazilian Real. Fluctuations in the exchange rates between these currencies and the Canadian dollar could materially affect the Company’s business, financial condition, and results of operations. The Company does not mitigate this risk with hedging activity.

A strengthening of $0.01 in the United States dollar against the Brazilian Real would have increased net loss by approximately $15,200 for the nine months ended September 30, 2022 (nine months ended September 30, 2021 - $17,000). A strengthening of $0.01 in the Canadian dollar against the United States dollar would have decreased other comprehensive income by approximately $2,800 for the nine months ended September 30, 2022 (nine months ended September 30, 2021 - $3,200).

As at September 30, 2022 the monetary balances in non-Canadian dollar currencies are as follows:

		Brazilian Reais		United States Dollar
Cash	R$	8,982,085		69
Accounts receivable and prepaid expenses		2,054,590		-
Long term investment		2,062,576		-
Accounts payable		(4,650,222)		(178)
Leases		(51,953)		-
	R$	8,397,076	$	(110)

OUTSTANDING SHARE DATA

Authorized unlimited Common Shares without par value – 455,055,248 are issued and outstanding as at November 4, 2022.

Authorized unlimited special shares – zero outstanding.

Stock options outstanding as at November 4, 2022 are as follows:

Number of stock options outstanding		Exercise price	Expiry date
200,000	$	0.23	15-Jun-23
4,850,000	$	0.80	27-Jul-25
2,500,000	$	0.97	4-Jan-26
7,550,000	$	0.84	

As at November 4, 2022, there were 16,739,750 DSU's outstanding, of which 16,573,083 have vested at November 4, 2022.

RISKS AND UNCERTAINTIES

The operations of the Company are speculative due to the high-risk nature of its business, which are the acquisition, financing, development and exploration of mining properties. These risk factors could materially affect the Company's future operating results and could cause actual events to differ materially from those described in forward–looking information relating to the Company. Please refer to the Company's AIF filed on SEDAR for a full description of the Company's risks in addition to those highlighted below.

<u>Coronavirus (COVID-19)</u>

On January 30, 2020, the World Health Organization declared the coronavirus outbreak (COVID-19) a "Public Health Emergency of International Concern" and on March 11, 2020, declared COVID-19 a pandemic. The current COVID-19 pandemic is significantly impacting the global economy and commodity and financial markets. The full extent and impact of the COVID-19 pandemic is unknown and to date has included extreme volatility in financial markets, a slowdown in economic activity, extreme volatility in commodity prices and has raised the prospect of an extended global recession. As well, as efforts are undertaken to slow the spread of the COVID-19 pandemic, the operation and development of projects may be impacted as governments have declared a state of emergency or taken other actions. If the operation or development of one or more of the operations or projects of the Company is suspended, it may have a material adverse impact on the Company's profitability, results of operations, and financial condition. The broader impact of the COVID-19 pandemic on investors, businesses, the global economy or financial and commodity markets may also have a material adverse impact on the Company's profitability, results of operations and financial conditions. On March 20, 2020, Brazil declared a state of emergency, freeing up funds for the federal government to fight the coronavirus. The extent to which the coronavirus impacts the Company's results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and actions taken to contain the coronavirus or its impact, among others.

Nature of Mining, Mineral Exploration and Development Projects

Development projects have no operating history upon which to base estimates of future capital and operating costs. For development projects, mineral resource estimates and estimates of operating costs are, to a large extent, based upon the interpretation of geologic data obtained from drill holes and other sampling techniques, and feasibility studies, which derive estimates of capital and operating costs based upon anticipated tonnage and grades of ore to be mined and processed, ground conditions, the configuration of the mineral deposit, expected recovery rates of minerals from ore, estimated operating costs, and other factors. As a result, actual production, cash operating costs and economic returns could differ significantly from those estimated. It is not unusual for new mining operations to experience problems during the start-up phase, and delays in the commencement of production often can occur.

Mineral exploration is highly speculative in nature. There is no assurance that exploration efforts will be successful. Even when mineralization is discovered, it may take several years until production is possible, during which time the economic feasibility of production may change. Substantial expenditures are required to establish measured, indicated and inferred mineral resources through drilling. Upon completion of a feasibility study, with an accompanying economic analysis, proven and probable mineral reserves may be estimated. Because of these uncertainties, no assurance can be given that exploration programs will result in the expansion of mineral resources or the establishment of mineral reserves. There is no certainty that the expenditures made towards the search and evaluation of mineral deposits will result in discoveries or development of commercial quantities of ore.

Mine development capital cost estimates are vulnerable to market forces, cost escalations and reductions, exchange rate fluctuations and supplier price changes. These factors can affect capital cost estimates.

A change in metal prices to a lower value could have a significant negative impact on the value of the securities of the Company.

A change to any of the Brazilian Federal / State / Municipal governments and administrations could have a significant impact on Brazilian governmental policies and regulations. Federal and State elections are planned for October 2022. Investors should be aware that the bureaucratic processes may slow down before the elections and possibly after a change in government and a change in government could have a positive or negative impact on the development of mining projects, including PVG, and/or impact the value of the securities of the Company. For additional risks relating to Belo Sun's mining, mineral exploration and development projects, see below.

Licences and Permits, Laws and Regulations

Belo Sun is currently a company with its main value arising from a single asset referred to as the Volta Grande Gold Project. The Volta Grande Gold Project has been the focus of opposition from various NGO's and other government organizations opposed to the development of the project. The Volta Grande Gold Project has been the focus of legal proceedings from several parties, including the DPU, DPE, MPE and MPF, which has resulted in three injunctions against the Company's Volta Grande Gold Project (including its Construction Licence). See section titled "Permitting , Licensing and Legal History".

The Volta Grande Gold Project has also been highlighted in the media in a negative manner, and has been the subject of complaints by various NGOs (including to the Ontario Securities Commission concerning disclosure-related issues). Investors should also be aware and cautious as negative media could have a significant negative impact on the value of the Company's securities and future operations.

New injunctions, legal actions and/or compliance (including regulatory compliance) filed against Belo Sun and the Volta Grande Gold Project represent a significant and real risk. Investors should be aware and cautious as new legal challenges and proceedings (including civil and regulatory proceeding) could have a significant negative impact on the value of the Company's share price and future operations.

The Company's development and exploration activities, including mine, mill and infrastructure facilities, require permits and approvals from various government authorities, and are subject to extensive federal, state and local laws and regulations governing prospecting, development, production, transportation, exports, taxes, labour standards, occupational health and safety, mine safety and other matters. Such laws and regulations are subject to change, can become more stringent and compliance can therefore become more time consuming and costly. Indigenous land demarcation can change and expand. New protected land can be established and expanded. In addition, the Company may be required to compensate those suffering loss or damage by reason of its activities. There can be no assurance that the Company will be able to secure or maintain or obtain all necessary licences, permits and approvals that may be required to explore and develop its properties, commence construction or to operate its mining facilities.

The costs and potential delays associated with obtaining or maintaining the necessary authorizations and licences and complying with these authorizations, licences and applicable laws and regulations could stop or materially delay or restrict the Company from proceeding with the development of the Volta Grande Gold Project. The recent litigation process with the Agrarian Court of Altamira, and other claims and injunctions brought against the Company are examples of legal claims that affect, and may continue to affect, the Volta Grande Gold Project. Any failure to comply with applicable laws, regulations, authorizations or licences, even if inadvertent, could result in interruption or termination of exploration, development or mining operations or logistics operations, or material fines, penalties or other liabilities that could have a material adverse effect on the Company's business, reputation, properties, results of operations, financial condition, prospects or community relations. Claims, lawsuits and injunctions may be brought by parties looking to prevent the Company from advancing its projects. The Company can make no assurance that it will be able to maintain or obtain all of the required Mineral licences and authorizations on a timely basis, if at all. There is no assurance that it will obtain the corresponding mining concessions, or that if they are granted, that the process will not be heavily contested and thus costly and time consuming to the Company. In addition, it may not obtain one or more licences. Any such failure may have a material adverse effect on the Company's business, results of operations and financial condition.

The Volta Grande LI outlined a timeframe to complete construction of the PVG within a three-year period. As a result of the delays arising from the court ruling requiring Belo Sun to undertake a new Indigenous Study, the Company engaged SEMAS in discussions regarding this issue. SEMAS has confirmed with the Company that the time schedule of the LI was suspended with the judicial court ruling received on April 2017 and that once the LI is re-instated the time for completion of the LI will commence.

Political elections are scheduled for October 2022 in Brazil and changes in Government, Ministries, and administrations can result in changes to policies, regulations and permitting requirements. These could have an adverse and negative impact on the Company and its development projects and a negative impact on the value of the securities of the Company.

<u>Mineral Resource and Mineral Reserve Estimates May be Inaccurate</u>

There are numerous uncertainties inherent in estimating mineral resources and reserves, including many factors beyond the control of the Company. Such estimates are a subjective process, and the accuracy of any mineral resource or reserve estimate is a function of the quantity and quality of available data and of the assumptions made and judgments used in geological interpretation. These amounts are estimates only and the actual level of recovery of minerals from such deposits may be different. Differences between management's assumptions, including economic assumptions such as metal prices, market conditions and actual events could have a material adverse effect on the Company's mineral resource and reserve estimates, financial position and results of operations.

<u>Uncertainty Relating to Mineral resources</u>

Mineral resources that are not mineral reserves do not have demonstrated economic viability. Due to the uncertainty that may attach to mineral resources, there is no assurance that mineral resources will be upgraded to mineral reserves.

Foreign Operations

At present, the mineral properties of Belo Sun are located in Brazil. As a result, the operations of the Company are exposed to various levels of political, economic and other risks and uncertainties associated with operating in a foreign jurisdiction. These risks and uncertainties include, but are not limited to, currency exchange rates; price controls; import or export controls; currency remittance; high rates of inflation; labour unrest; renegotiation or nullification of existing permits, applications and contracts; tax disputes; changes in tax policies; restrictions on foreign exchange; changing political conditions; community relations; Indigenous relations; NGO activity; currency controls; and governmental regulations and legislation that may require the awarding of contracts of local contractors or require foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction. Changes, if any, in mining or investment policies or shifts in political attitudes in Brazil or other countries in which Belo Sun may conduct business, may adversely affect the operations of the Company. The Company may become subject to local political unrest or poor community relations that could have a debilitating impact on operations and, at its extreme, could result in damage and injury to personnel and site infrastructure.

Failure to comply with applicable laws and regulations may result in enforcement actions and include corrective measures requiring capital expenditures, installing of additional equipment or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Environmental

The Company's activities are subject to extensive federal, state and local laws and regulations governing environmental protection and employee health and safety. Environmental legislation is evolving in a manner that is creating stricter standards, while enforcement, fines and penalties for non-compliance are more stringent. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations. Furthermore, any failure to comply fully with all applicable laws and regulations could have significant adverse effects on the Company, including the suspension or cessation of operations.

The current and future operations of the Company, including development and mining activities, are subject to extensive federal, state and local laws and regulations governing environmental protection, including protection and remediation of the environment and other matters. Activities at the Company's properties may give rise to environmental damage and create liability for the Company for any such damage or any violation of applicable environmental laws. To the extent the Company is subject to environmental liabilities, the payment of such liabilities or the costs that the Company may incur to remedy environmental pollution would reduce otherwise available funds and could have a material adverse effect on the Company. If the Company is unable to fully remedy an environmental problem, it might be required to suspend operations or enter into interim compliance measures pending completion of the required remedy. The potential exposure may be significant and could have a material adverse effect. The Company intends to minimize risks by taking steps to ensure compliance with environmental, health and safety laws and regulations and operating to applicable environmental standards.

Many of the local, state and federal environmental laws and regulations require the Company to obtain licences for its activities. The Company must update and review its licences from time to time, and is subject to environmental impact analyses and public review processes prior to approval of new activities. In particular, the Company's mineral project is located in the Volta Grande do Xingu region, in the area proximal to the Belo Monte hydroelectric plant, on the Xingu River, which is one of the Amazon's most important rivers. Due to the existence of communities of Indigenous peoples and the region's biodiversity, the environmental licensing process of the Belo Monte dam has attracted a great deal of attention from the local communities, NGOs, the Federal Public Prosecutor Office, the Brazilian Institute of Environment and Renewable Natural Resources, and other Brazilian and foreign institutions. Therefore, environmental licensing of the Volta Grande Gold Project and relations with local communities and local Indigenous communities may be more challenging and time consuming and subject to greater scrutiny as compared to the environmental licensing process and community and social relations for other mineral projects conducted in Brazil. Belo Sun can make no assurance that it will be able to maintain or obtain all of the required environmental and social licences on a timely basis, if at all.

In addition, it is possible that future changes in applicable laws, regulations and authorizations or changes in enforcement or regulatory interpretation could have a significant impact on the Company's activities. Those risks include, but are not limited to, the risk that regulatory authorities may increase bonding requirements beyond the Company's or its subsidiaries' financial capabilities. Developments elsewhere in the Brazilian mining industry or in relation to Brazilian mining legislation may add to regulatory processes and requirements, including additional scrutiny of all current permitting applications.

Liquidity Concerns and Future Financings

The Company will require significant capital and operating expenditures in connection with the development of the Volta Grande Gold Project. There can be no assurance that the Company will be successful in obtaining the required financing as and when needed. Volatile markets may make it difficult or impossible for the Company to obtain debt or equity financing on favourable terms, if at all. Failure to obtain additional financing on a timely basis may cause the Company to postpone or slow down its development plans, forfeit rights in some or all of the Company's properties or reduce or terminate some or all of its activities. In the event that the Company completes an equity financing, such financing could be extremely dilutive to current shareholders who invested in the Company at higher share prices and dilutive as compared to the Company's estimated net asset value per share and mineral resource or reserve ounces per share.

Title to Properties

The acquisition of title to mineral resource properties is a very detailed and time-consuming process. The Company holds its interest in its properties indirectly through mining concession rights, exploration permits and exploration applications. Title to, and the area of, the permits may be disputed, or applications may lapse. There may be area overlaps as in the case with INCRA. There is no guarantee that such title will not be challenged or impaired. There may be challenges to the title of the properties in which the Company may have an interest, which, if successful, could result in the loss or reduction of the Company's interest in the properties. There are garimpeiros (informal miners) operating from time to time within the Company's property, and there may be issues and difficulties that could arise, including title disputes and the risk of the garimpeiros encroaching onto active areas of the Volta Grande Gold Project. The Company always advises the proper authorities of any illegal garimpeiro mining activity on its properties.

The Corporation may need to acquire title to additional surface rights and property interests to further development and exploration activities. There can be no assurances that the Corporation will be able to acquire such additional surface rights. To the extent additional surface rights are available, they may only be acquired at significantly increased prices, potentially adversely affecting financial performance of the Corporation.

Project Development Costs

The Company plans to and expects to successfully develop its Volta Grande Gold Project within the current budget expectations. There can be however no assurance that this project will be fully developed in accordance with the Company's current plans or completed on time or to budget, or at all.

Other Potential Litigation

In addition to the litigation described above, Belo Sun has entered into legal binding agreements with various third parties on a consulting and partnership basis. The rights and obligations that arise from such agreements are open to interpretation and Belo Sun may disagree with the position taken by the various other parties resulting in a dispute that could potentially initiate litigation and cause Belo Sun to incur legal costs in the future. Given the speculative and unpredictable nature of litigation, the outcome of any current or future disputes could have a material adverse effect on Belo Sun.

Dependence on Key Personnel

The success of the Company is dependent upon the efforts and abilities of its senior management and Board of Directors. The loss of any member of the management team or Board of Directors should not but could have a material adverse effect upon the business and prospects of the Company. In such event, the Company will seek satisfactory replacements but there can be no guarantee that appropriate personnel will be found.

Conflicts of Interest

Certain of the directors and officers of the Company may serve from time to time as directors, officers, promoters and members of management of other companies involved in mining or natural Resource development and exploration and therefore it is possible that a conflict may arise between their duties as a director or officers of the Company and their duties as a director, officer, promoter or member of management of such other companies.

The directors and officers of the Company are aware of the existence of laws governing accountability of directors and officers for corporate opportunity and requiring disclosures by directors of conflicts of interest and the Company will rely upon such laws in respect of any directors' and officers' conflicts of interest or in respect of any breaches of duty by any of its directors or officers. All such conflicts will be disclosed by such directors or officers in accordance with applicable laws and the directors and officers will govern themselves in respect thereof to the best of their ability in accordance with the obligations imposed upon them by law.

DISCLOSURE CONTROLS AND PROCEDURES

Management of the Company is responsible for establishing and maintaining disclosure controls and procedures. Management has designed such disclosure controls and procedures, or caused them to be designed under its supervision, to provide reasonable assurance that material information relating to the Company, including its consolidated subsidiaries, is made known to the Chief Executive Officer and the Chief Financial Officer by others within those entities.

The Chief Executive Officer and Chief Financial Officer of the Company have evaluated (or caused to be evaluated under their supervision) the effectiveness of the Company's disclosure controls and procedures as at September 30, 2022. Based upon the results of that evaluation, the Chief Executive Officer and Chief Financial Officer of the Company have concluded that as at September 30, 2022, the Company's disclosure controls and procedures were effective.

Internal Control Over Financial Reporting

Management, including the Chief Executive Officer and Chief Financial Officer of the Company, is responsible for establishing and maintaining adequate internal control over financial reporting. Under their supervision, the Company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. The Company's internal control over financial reporting includes policies and procedures that:

▪ pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions, acquisitions and dispositions of the assets of the Company;

▪ provide reasonable assurance regarding the prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the annual or interim financial statements.

Management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission on Internal Control (COSO - 1992) Framework to design the Company's internal control over financial reporting.

The Chief Executive Officer and Chief Financial Officer of the Company have evaluated (or caused to be evaluated under their supervision) the Company's internal control over financial reporting as at September 30, 2022. Based on this assessment, the Chief Executive Officer and Chief Financial Officer of the Company have concluded that the Company's internal control over financial reporting was effective as at September 30, 2022.

There has been no change in the Company's internal control over financial reporting during the nine months ended September 30, 2022 that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

Limitations of Controls and Procedures

The Company's management, including the Chief Executive Officer and Chief Financial Officer, believe that disclosure controls and procedures and internal control over financial reporting, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, they 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 judgments in decision-making can be faulty, and that breakdowns can occur because of 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 controls. The design of any control system also is 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.

SIGNIFICANT ACCOUNTING POLICIES

The Company's significant accounting policies can be found in Note 2 of its Annual Financial Statements for the year ended December 31, 2021.

New and Future Accounting Pronouncements

Certain pronouncements were issued by the IASB or the International Financial Reporting Interpretations Committee that are mandatory for accounting periods on or after January 1, 2023 or later periods. Many are not applicable or do not have a significant impact to the Company and have been excluded. The following amendments were adopted by the Company on January 1, 2022. The adoption of these amendments had no significant impact on the Company's financial statements.

IAS 16, Property, Plant and Equipment

The IASB issued an amendment to IAS 16, Property, Plant and Equipment to prohibit the deducting from property, plant and equipment amounts received from selling items produced while preparing an asset for its intended use. Instead, sales proceeds and its related costs must be recognized in profit or loss. The amendment will require companies to distinguish between costs associated with producing and selling items before the item of property, plant and equipment is available for use and costs associated with making the item of property, plant and equipment available for its intended use.

IFRS 9 – Financial Instruments

The IASB has issued an amendment to IFRS 9 Financial Instruments clarifying which fees to include in the test in assessing whether to derecognize a financial liability. Only those fees paid or received between the borrower and the lender, including fees paid or received by either the entity or the lender on the other's behalf are included.

New accounting standards issued but not effective:

IAS 1 – Presentation of Financial Statements

The IASB has issued an amendment to IAS 1 Presentation of Financial Statements providing a more general approach to the classification of liabilities. The amendment clarifies that the classification of liabilities as current or non-current depends on the rights existing at the end of the reporting period as opposed to the expectations of exercising the right for settlement of the liability. The amendments further clarify that settlement refers to the transfer of cash, equity instruments, other assets, or services to the counterparty.

Critical Accounting Estimates

The preparation of the Company's Interim Financial Statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the Interim Financial Statements and reported amounts of revenues and expenses during the reported period. Such estimates and assumptions affect the carrying value of assets, impact decisions as to when development and exploration costs should be capitalized or expensed, and impact estimates for asset retirement obligations and reclamation costs. Other significant estimates made by the Company include factors affecting valuations of stock-based compensation and the valuation of income tax accounts. The Company regularly reviews its estimates and assumptions; however, actual results could differ from these estimates and these differences could be material. See Note 2 (e) of the Interim Financial Statements for more details.