ATICO MINING CORPORATION

MANAGEMENT'S DISCUSSION & ANALYSIS

SEPTEMBER 30, 2013

GENERAL

This Management's Discussion and Analysis ("MD&A") for Atico Mining Corporation (the "Company" or "Atico") has been prepared based on information known to management as of November 22, 2013.

This MD&A is intended to help the reader understand the condensed consolidated interim financial statements and should be read in conjunction with the interim financial statements of the Company for the nine months ended September 30, 2013 prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). All dollar amounts included in the following MD&A are in Canadian dollars except where noted. These documents and other information relevant to the Company's activities are available for viewing on SEDAR at www.sedar.com.

FORWARD LOOKING INFORMATION

This MD&A may contain "forward looking statements" that reflect the Company's current expectations and projections about its future results. When used in this MD&A, words such as "estimate", "intend", "expect", "anticipate" and similar expressions are intended to identify forward-looking statements, which, by their very nature, are not guarantees of the Company's future operational or financial performance, and are subject to risks and uncertainties and other factors that could cause Atico's actual results, performance, prospects or opportunities to differ materially from those expressed in, or implied by, these forward-looking statements.

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this MD&A or as of the date otherwise specifically indicated herein. Due to risks and uncertainties, including the risks and uncertainties identified above and elsewhere in this MD&A, actual events may differ materially from current expectations. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by securities law.

COMPANY OVERVIEW

The Company was incorporated under the laws of the Yukon Territory on April 15, 2010, continued pursuant to the laws of British Columbia effective October 4, 2011, and its fiscal year end is December 31. The Company is headquartered at Suite 501 - 543 Granville Street, Vancouver, British Columbia, Canada.

The Company is engaged in the acquisition, exploration and development of copper and gold projects in Latin America. The Company completed its initial public offering ("IPO") in March 2012. In conjunction with the IPO, Atico began trading on the TSX Venture Exchange ("TSX-V") under the symbol "ATY".

On November 22, 2013, the Company completed the exercise of its purchase option, acquiring 90% of the shares of Minera El Roble S.A. ("MINER"), the owner of the El Roble Property and taking full control of the producing El Roble Mine and 6,679 hectares of surrounding claims.

COMPANY MILESTONE

Since the completion of its IPO, the Company's objective has been to discover additional mineralization on the El Roble Property that would justify the exercise of its option under the Option Agreement. On August 15, 2013, based on positive results of its drilling and exploration programs, Atico announced its intent to exercise the option and to raise up to $20,000,000 to facilitate the acquisition of MINER and scale-up operations at the El Roble Mine. The Company closed brokered and non-brokered equity financings and secured a debt facility on September 19, 2013 and exercised its option on September 23, 2013. On November 22, 2013, the Company made the final option payment of US$14,000,000 and acquired 90% of MINER.

These transactions mark the transition of Atico to a producing mining company, a key milestone in the Company's strategic vision to become a leading mid-tier copper-gold producer in Latin America. Management believes that this achievement positions the Company to fulfill its mission of creating sustainable value for its shareholders, employees and the communities where we operate by developing profitable mining operations and by maintaining its commitment to safety, social and environmental responsibility.

EL ROBLE PROPERTY

Option Agreement

The Company completed the option to acquire 90% of the issued and outstanding shares of MINER, pursuant to the terms of the option agreement dated January 28, 2011. The El Roble Property, located in the Choco Department of Colombia, comprises of 6,679 hectares and includes an operating underground copper-gold-silver mine. The Company's objective is to discover additional mineralization on the El Roble Property to justify upgrading the milling facility and ensure continuing production.

The Company made the required staged payments of totaling US$2,250,000 during 2011 and 2012. On January 23, 2013 the Company paid US$1,200,000 to extend the option agreement term for one year to January 28, 2014. The final lump sum payment of US$14,000,000 was made on November 22, 2013, the closing date for the exercise of the Option Agreement on the El Roble Property.

El Roble Mine

MINER's principal asset is the operating El Roble underground copper-gold-silver mine, with a nominal capacity of 400 tonnes per day. Over the past twenty-two years, the El Roble Mine has processed 1,500,000 tonnes of ore at an average head grade of 2.6% copper ("Cu") and an estimated gold ("Au") grade of 2.5 grams per tonne ("g/t"). Copper and gold mineralization at the El Roble Property occurs in volcanogenic massive sulfide ("VMS") lenses. Exploration over the past two years has defined a productive contact and an enclosing package of host rocks extending for a distance of 10 km across the El Roble Property. This entire 10 km strike length is marked by VMS mineral occurrences.

Since entering into the option agreement in January 2011, the Company has discovered significant massive sulfide mineralization below the current working levels of the mine. A National Instrument 43-101 compliant resource estimate has established an inferred mineral resource of 1,580,000 tonnes at 4.45% Cu, 3.17g/t Au and 11.3g/t Silver ("Ag"), at a cut-off grade of 0.72% Cu equivalent. The economic potential of this mineralization is such that the Company has exercised the option to acquire the El Roble Property, including the operating mine.

During the option term, the Company was not responsible for mining or for resource development, and gained no income from mine operations. The Company aims to increase production and resources. In addition to the developing the economic potential in the immediate mine vicinity, the Company also plans to explore for new VMS deposits elsewhere on the El Roble Property.

Results Overview

Exploration Program

During the three months ending September 30, 2013, the Company completed 774 meters of drilling in three underground drill holes from the 2000 level (ATDHR42 through ATDHR44). This drilling concentrated on the south of the known mineralized strike length to explore for additional massive sulfide bodies. Although drilling did not intercept massive sulfide mineralization, it provided valuable geological information on the lithology that hosts mineralization at the El Roble Mine. The exploration team is incorporating this information into the deposit's geological model and re-assessing new drill targets in the area.

Since the Company announced its intent to exercise the option agreement in mid-August, the objective of the exploration program at the El Roble Mine temporarily shifted to providing information to the Company's operations team. Drilling is focused on defining massive sulfide bodies located between the 1975 and 2150 levels. This drilling is also providing information necessary to further define mineralization and guide mining in the upper levels of the El Roble Mine. Drilling also targeted the newly discovered resource to intercept the massive sulfide bodies perpendicular to their strike direction. These results will be used for detailed mine planning and have the potential to increase the certainty of the resource.

On the larger land package, the Company continued its work in the San Lorenzo area to delineate drill hole locations. The Company expects drilling in the Santa Anita and San Lorenzo areas will begin during the second quarter of 2014, after optimization and scale up of the El Roble Mine.

El Roble Mine

During the three months ended September 30, 2013, the Company accelerated its preparation to take over the El Roble Mine by completing a comprehensive assessment of the operation and recruiting the necessary staff to complement the capabilities of the current operator.

The Company also completed a plan to optimize and scale up the operation in collaboration with the current operator. This included key actions of finalizing the design of a new tailings dam and initiating access to new resources through the new adit at the 1880 level.

A transition and integration plan was jointly prepared by staff of Atico and MINER and implemented on September 23, 2013, when the Company elected to exercise the option agreement. The Company has successfully advanced the transition phase with the current owners and operators of the mine to close the transaction on November 22, 2013. In preparation of assuming control and operation of the mine, Atico has developed an integration plan in conjunction with the current operators and has incorporated staff at the project to support the optimization and scale up plans. Atico will retain all of the current employees, while adding experienced staff to advance its mining plans and improve mine safety and environmental standards.

Outlook

Exploration Program

The goal of the underground drilling planned for the last quarter of 2013 is to confirm and expand resources identified by the current operator between the 1975 and 2150 levels. While in-fill drilling of the newly discovered massive sulphide bodies below the 2000 level will be conducted from the new 1880 adit, the Company anticipates the in-fill drilling will begin in the first quarter of 2014.

Surface soil sampling, rock geochemistry and geology work will continue in the San Lorenzo area and other target areas to better prioritize drilling targets for the upcoming surface drill program.

El Roble Mine

The Company will take control of the El Roble Mine as of November 22, 2013 and immediately begin executing its plan to optimize and scale up the mining operation. The Company anticipates the mill will continue producing at the current rate during completion of the 1880 level adit and development of new resources.

The Company expects to complete upgrades to the mill and tailings dam prior to mining of the new resources, which is projected for the third quarter of 2014. The Company anticipates the mill will be producing at full capacity by the fourth quarter of 2014.

Demetrius Pohl, Ph.D. AIPG Certified Geologist, is a Qualified Person as defined by National Instrument 43-101 Standards of Disclosure for Mineral Projects, and is responsible for the preparation and verification of the technical information in the MD&A.

RESULTS OF OPERATIONS

For the Three Months Ended September 30, 2013

The net loss for the current quarter was $872,682 compared to a net loss of $263,085 for the prior year's comparative quarter ("prior quarter"). Some of the factors of note when comparing the current quarter to the prior quarter are as follows:

- Office and administrative costs increased from $84,603 to $133,391 due to increased activities and the addition of a management office in Latin America.

- Interest income decreased from $17,832 to $1,459 in the current period due to less cash available for investment in the three months ended September 30, 2013.

- Investor relations expenses increased from $16,964 to $83,815 as a result of an active shareholder communications program beginning after the Company became a reporting issuer.

- Share-based payments in the current quarter were $310,605 and related to stock options that were granted in the first quarter of 2013 while the prior quarter had no stock option expense.

- Professional fees increased by $110,644 to $143,902 because of certain legal and other professional costs associated with the closing of the acquisition of MINER and the subsequently filed civil claim against the Company.

For the Nine Months Ended September 30, 2013

The net loss for the current period was $2,190,055 compared to a net loss of $854,933 for the prior year's comparative period ("prior period"). Some of the factors of note when comparing the current period to the prior period are as follows:

- Office and administrative costs increased from $210,431 to $392,724. In the prior period, the Company was not operating at full capacity and was in the process of establishing its corporate office in Peru.

- Share-based payments increased from $152,216 to $803,658, as there were 1,710,000 stock options granted in the prior period and 2,160,000 stock options granted in the current period at higher prices, thereby increasing the per option fair value in the current period.

- Management fees increased from $219,082 to $319,905 as the Company hired additional senior management.

- Investor relations expenses increased from $27,984 to $168,965, as a result of an active shareholder communications program beginning after the Company became a reporting issuer.

- Property investigation costs increased from $7,009 to $123,585, as the Company undertook due diligence on prospective acquisition opportunities.

- Professional fees increased from $89,871 to $200,126 for the same reasons described above for the current quarter.

SUMMARY OF QUARTERLY RESULTS

The following table provides selected financial information for the quarters up to September 30, 2013, and should be read in conjunction with the Company's consolidated financial statements for the years ended December 31, 2012 and 2011.

Quarter ended	September 30 2013	June 30 2013	March 31 2013	December 31 2012
Share-based payments	310,605	307,229	185,824	Nil
Loss for the period	(872,682)	(645,142)	(672,231)	(331,031)
Loss per share - basic and diluted	$ (0.02)	$ (0.01)	$ (0.01)	$ (0.01)
Weighted average shares outstanding	57,316,731	52,107,305	49,915,226	39,763,883

Quarter ended	September 30 2012	June 30 2012	March 31 2012	December 31 2011
Share-based payments	Nil	152,216	Nil	Nil
Loss for the period	(263,085)	(346,525)	(245,323)	(150,772)
Loss per share - basic and diluted	$ (0.01)	$ (0.01)	$ (0.01)	$ (0.01)
Weighted average shares outstanding	39,761,111	39,761,111	20,816,056	15,400,000

LIQUIDITY AND CAPITAL RESOURCES

Atico's working capital position at September 30, 2013 was $16,689,429 (December 31, 2012 - $2,835,515). In January 2013, the Company completed a non-brokered private placement financing, raising $8,000,001 by the issuance of 12,307,694 units at $0.65 per unit. In September 2013, the Company completed a brokered private placement for aggregate gross proceeds of $14,085,000 and a non-brokered private placement for aggregate gross proceeds of $5,341,385. The Company has secured an US$8,000,000 senior secured repayable debt facility. The Company will have sufficient resources to fund its exploration programs and administrative expenditures for the ensuing year.

Operating Activities

Cash used in operations was $977,911 for the nine months ended September 30, 2013 (2012 - $1,263,021) and represents expenditures primarily on general and administrative expense and increases to prepaid expenses and deposits.

Financing Activities

The Company received net cash from financing activities of $25,939,589 for the nine months ended September 30, 2013 (2012 - $10,198,870). The Company received $27,426,386 from the issuance of common shares pursuant to its private placements, offset by share issue costs of $1,493,297. A further $6,500 was received on exercise of share purchase warrants.

Investing Activities

During the nine months ended September 30, 2013, net cash used in investing activities was $9,895,748 (2012 - $4,042,249). The cash used in investing activities was comprised of $346,322 in acquisition of equipment, $1,463,910 advanced to suppliers, $1,383,070 on property acquisition costs, and $6,724,241 in exploration expenditures consisting primarily of drilling, assays, geological consulting fees, field costs and logistical support, exploration personnel and office and administration of the Colombian office, offset by $21,795 of interest income.

Requirement of Additional Equity Financing

The Company has relied entirely on equity financings and loans for all funds raised to date for its operations. Capital markets may not be receptive to offerings of new equity from treasury or debt, whether by way of private placements or public offerings. The Company's growth and success may be dependent on external sources of financing which may not be available on acceptable terms.

TRANSACTIONS WITH RELATED PARTIES

The aggregate value of transactions and outstanding balances relating to key management personnel were as follows:

Nine months ended September 30, 2013		Salary or Fees		Share-based Payments		**Total**
Management	$	319,905	$	381,706	$	701,611
Outside directors		-		261,235		261,235
Seabord Services Corp.		138,600		-		138,600
	$	458,505	$	642,941	$	1,101,446

Nine months ended September 30, 2012		Salary or Fees		Share-based Payments		**Total**
Management	$	219,082	$	102,760	$	321,842
Outside directors		-		-		-
Seabord Services Corp.		132,300		-		132,300
	$	351,382	$	102,760	$	454,142

Related party liabilities	Items or Services		September 30 2013		December 31 2012
Accounts payable and accrued liabilities:					
Seabord Services Corp.	Expense recovery	$	-	$	199
Chief Executive Officer	Management fees		15,260		-
President	Management fees		12,050		-

Seabord Services Corp., ("Seabord") is a management services company controlled by a director. Seabord provides a chief financial officer, a corporate secretary, accounting staff, administration staff and office space to the Company. The Chief Financial Officer and Corporate Secretary are employees of Seabord and are not paid directly by the Company.

The above transactions are measured at the exchange amounts (the amounts established and agreed to by the related parties) which approximate the arm's length equivalent value. All balances due to related parties are included in accounts payable and accrued liabilities.

OFF-BALANCE SHEET ARRANGEMENTS

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

PROPOSED TRANSACTIONS

There are no proposed transactions of a material nature being considered by the Company at the current time.

NEW ACCOUNTING PRONOUNCEMENTS

The Company has adopted the following new and revised standards, along with any consequential amendments, effective January 1, 2013. These changes were made in accordance with the applicable transitional provisions.

IFRS 10 Consolidated Financial Statements ("IFRS 10") replaces the guidance on control and consolidation in IAS 27 Consolidated and Separate Financial Statements, and SIC-12, Consolidation - Special Purpose Entities. IFRS 10 requires consolidation of an investee only if the investor possesses power over the investee, has exposure to variable returns from its involvement with the investee and has the ability to use its power over the investee to affect its returns. Detailed guidance is provided on applying the definition of control. The accounting requirements for consolidation have remained largely consistent with IAS 27. The Company assessed its consolidation conclusions on January 1, 2013 and determined that the adoption of IFRS 10 did not result in any change in the consolidation status of any of its subsidiaries and investees.

IFRS 11 Joint Arrangements ("IFRS 11") supersedes IAS 31 Interests in Joint Ventures and requires joint arrangements to be classified either as joint operations or joint ventures depending on the contractual rights and obligations of each investor that jointly controls the arrangement. For joint operations, a company recognizes its share of assets, liabilities, revenues and expenses of the joint operation. An investment in a joint venture is accounted for using the equity method as set out in IAS 28 Investments in Associates and Joint Ventures (amended in 2011) ("IAS 28"). The other amendments to IAS 28 did not affect the Company. The Company has not entered into any joint arrangements and concluded that the adoption of IFRS 11 did not have any effect on the Company's financial statements.

IFRS 12 Disclosure of Interests in Other Entities ("IFRS 12") contains the disclosure requirements for entities that have interests in in subsidiaries, joint arrangements (i.e. joint operations or joint ventures), associates and/or unconsolidated structure entities. Interests are widely defined as contractual and non-contractual involvement that exposes an entity variability of returns from the performance of the other entity. The required disclosures aim to provide information I order to enable users to evaluate that nature, and the risks associated with, an entity's interest in other entities, and the effects of those interests on the entity's financial position, financial performance and cash flows. Given the nature of the Company's interest in other entities, the amendments did not have an impact on the Company's financial position or performance.

IFRS 13 Fair Value Measurement ("IFRS 13") provides a single framework for measuring fair value. The measurement of the fair value of an asset or liability is based on assumptions that market participants would use when pricing the asset or liability under current market conditions, including assumptions about risk. The Company adopted IFRS 13 on January 1, 2013 on a prospective basis. The adoption of IFRS 13 did not require any adjustments to the valuation techniques used by the Company to measure fair value and did not result in any measurement adjustments as at January 1, 2013.

The Company has adopted the amendments to IAS 1 Presentation of Financial Statements ("IAS 1"). These amendments required the Company to group other comprehensive income items by those that will be reclassified subsequently to profit or loss and those that will not be reclassified. These changes did not result in any adjustments to other comprehensive income or comprehensive income.

The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective. The Company has not early adopted any of these standards and is currently evaluating the impact, if any, that these standards might have on its consolidated financial statements.

Accounting Standards Issued and Effective January 1, 2015

IFRS 9 Financial Instruments replaces the current standard IAS 39 Financial Instruments: Recognition and Measurement, replacing the current classification and measurement criteria for financial assets and liabilities with only two classification categories: amortized cost and fair value.

FINANCIAL INSTRUMENTS

Fair Value Hierarchy

Financial instruments recorded at fair value on the statement of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

a) Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities;
b) Level 2 - Inputs other than quoted prices that are observable for assets or liabilities, either directly or indirectly; and
c) Level 3 - Inputs for assets and liabilities that are not based on observable market data.

The fair value hierarchy requires the use of observable market inputs whenever such inputs exist. A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value.

The carrying value of receivables and accounts payable and accrued liabilities approximated their fair value because of the short-term nature of these instruments.

As at September 30, 2013, the Company's financial instruments measured at fair value are as follows:

Financial Assets	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	$ 17,864,944	$ -	$ -	$ 17,864,944

Financial Instrument Risk Exposure and Risk Management

The Company's activities expose it to a variety of financial risks; market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance of the Company.

Credit Risk

Credit risk arises from cash and deposits with banks, as well as credit exposure to customers, including outstanding receivables and committed transactions.

There is no significant concentration of credit risk other than cash deposits. The Company's cash deposits are primarily held with a Canadian chartered bank. The Company has minimal accounts receivable exposure.

Interest Rate Risk

As the Company does not have significant interest-bearing assets, the Company's income and operating cash flows are not significantly affected by changes in market interest rates. As at September 30, 2013, the Company did not have any interest-bearing loans.

Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and availability of funding through an adequate amount of committed credit facilities and the ability to pay obligations as they fall due. Financial liabilities, as at September 30, 2013, included $1,310,029 of accounts payable and accrued liabilities that have expected maturity dates of less than one year. Balances due within 12 months equal their carrying balance as the impact of discounting is not significant.

With the funds raised from the recent equity financing and with the completion of the debt financing, the Company has sufficient capital resources to carry outs its operating plan.

Foreign Currency Risks

The Company is exposed to the financial risk related to the fluctuation of foreign exchange rates. The Company primarily operates in Canada and Colombia and incurs expenditures in currencies other than Canadian dollars. Therefore, the Company is exposed to foreign exchange risk. The Company has not hedged its exposure to currency fluctuations.

At September 30, 2013, the Company is exposed to currency risk through the following assets and liabilities:

	US dollars	Colombian pesos	**Total**
Cash and cash equivalents	$ 3,251,312	$ 967,791,990	
Receivables	-	77,037,066	
Accounts payable and accrued liabilities	(25,237)	(1,806,665,232)	
Net exposure	3,226,075	(761,836,176)	
Canadian dollar equivalent	$ 3,326,536	$ (411,301)	$ 2,915,236

Based on the above net exposure as at September 30, 2013, and assuming that all other variables remain constant, a 10% depreciation or appreciation of the Canadian dollar against the US dollar and Colombian peso would result in an increase/decrease of approximately $291,524 in the Company's pre-tax profit or loss.

RISKS AND UNCERTAINTIES

In addition to the usual risks associated with an investment in a business at an early stage of development, management and the directors of the Company believe that, in particular, the following risk factors should be considered. It should be noted that the list is not exhaustive and that other risk factors may apply. An investment in the Company may not be suitable for all investors.

No Assurance of Titles or Borders

The acquisition of the right to exploit mineral properties is a very detailed and time consuming process. There can be no guarantee that the Company has acquired title to any such surface or mineral rights or that such rights will be obtained in the future. To the extent they are obtained, titles to the Company's surface or mineral properties may be challenged or impugned and title insurance is generally not available.

The Company's surface mining rights or mineral properties may be subject to prior unregistered agreements, transfers or claims and title may be affected by, among other things, undetected defects. Such third party claims could have a material adverse impact on the Company's operations.

Mineral Property Exploration and Mining Risks

The business of mineral deposit exploration and extraction involves a high degree of risk. Few properties that are explored ultimately become producing mines. Recently, the Company completed the acquisition of a mineral property. The Company also considers other property acquisition opportunities. The main operating risks include: ensuring ownership of and access to mineral properties by confirmation that option agreements, claims and leases are in good standing and obtaining permits for drilling and other exploration activities.

The market prices for copper, gold and other metals can be volatile and there is no assurance that a profitable market will exist for a production decision to be made or for the ultimate sale of the metals even if commercial quantities of precious and other metals are discovered.

Financing and Share Price Fluctuation Risks

The Company has limited financial resources, has no source of operating cash flow and has no assurance that additional funding will be available to it for further exploration and development of its projects. Further exploration and development of one or more of the Company's projects may be dependent upon the Company's ability to obtain financing through equity or debt financing or other means. Failure to obtain this financing could result in delay or indefinite postponement of further exploration and development of its projects which could result in the loss of one or more of its properties.

The securities markets can experience a high degree of price and volume volatility, and the market price of securities of many companies, particularly those considered to be development stage companies such as the Company, may experience wide fluctuations in share prices which will not necessarily be related to their operating performance, underlying asset values or prospects. There can be no assurance that these kinds of share price fluctuations will not occur in the future, and if they do occur, how severe the impact may be on the Company's ability to raise additional funds through equity issues.

Foreign Country and Political Risks

The Company is operating in Colombia that currently has varied political and economic environments. As such, the Company is subject to certain risks, including currency fluctuations and possible political or economic instability which may result in the impairment or loss of mineral concessions or other mineral rights, opposition from environmental or other non-governmental organizations, and mineral exploration and mining activities may be affected in varying degrees by political stability and government regulations relating to the mining industry. Any changes in regulations or shifts in political attitudes are beyond the control of the Company and may adversely affect its business. Exploration and development may be affected in varying degrees by government regulations with respect to restrictions on future exploitation and production, price controls, export controls, foreign exchange controls, income taxes, expropriation of property, environmental legislation and mine and/or site safety.

Notwithstanding any progress in restructuring political institutions or economic conditions, the present administration, or successor governments may not be able to sustain any progress. If any negative changes occur in the political or economic environment of Colombia, it may have an adverse effect on the Company's operations. The Company does not carry political risk insurance.

Currency Risks

The Company's equity financings are sourced in Canadian dollars but for the most part it primarily incurs its expenditures in Colombian pesos or in US dollars. At this time, there are no currency hedges in place. Therefore, a weakening of the Canadian dollar against local currencies or the US dollar could have an adverse impact on the amount of exploration conducted.

Insured and Uninsured Risks

In the course of exploration, development and production of mineral properties, the Company is subject to a number of risks and hazards in general, including adverse environmental conditions, operational accidents, labor disputes, unusual or unexpected geological conditions, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods, and earthquakes. Such occurrences could result in the damage to the Company's property or facilities and equipment, personal injury or death, environmental damage to properties of the Company or others, delays, monetary losses and possible legal liability.

Although the Company may maintain insurance to protect against certain risks in such amounts as it considers reasonable, its insurance may not cover all the potential risks associated with its operations. The Company may also be unable to maintain insurance to cover these risks at economically feasible premiums or for other reasons. Should such liabilities arise, they could reduce or eliminate future profitability and result in increased costs, have a material adverse effect on the Company's results and a decline in the value of the securities of the Company.

Some work is carried out through independent consultants and the Company requires that all consultants carry their own insurance to cover any potential liabilities as a result of their work on a project.

Environmental Risks and Hazards

The activities of the Company are subject to environmental regulations issued and enforced by government agencies. Environmental legislation is evolving in a manner that will require stricter standards and enforcement and involve increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects, and a heightened degree of responsibility for companies and their officers, directors and employees. There can be no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations. Environmental hazards may exist on properties in which the Company holds interests which are unknown to the Company at present.

Conflicts of Interest

The Company's directors and officers may serve as directors or officers of other companies or have significant shareholdings in other resource companies and, to the extent that such other companies may participate in ventures in which the Company may participate, the directors of the Company may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that such a conflict of interest arises at a meeting of the Company's directors, a director who has such a conflict will abstain from voting for or against the approval of such participation or such terms. In accordance with the laws of British Columbia, the directors of the Company are required to act honestly, in good faith and in the best interests of the Company. In determining whether or not the Company will participate in a particular program and the interest therein to be acquired by it, the directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at that time.

Competition

The Company will compete with many companies and individuals that have substantially greater financial and technical resources than the Company for the acquisition and development of its projects as well as for the recruitment and retention of qualified employees.

EVENTS AFTER REPORTING DATE

Subsequent to September 30, 2013, the Company:

- made its final option payment of US$14,000,000 and completed the exercise of its purchase option, acquiring 90% of the shares of MINER and taking full control of the producing El Roble Mine and 6,679 hectares of surrounding claims.

- closed a senior secured repayable debt facility of US$8,000,000 (the "Debt Financing") with Trafigura Pte. Ltd. ("Trafigura"). Once an initial advance is made under the Debt Financing, the funds will have a repayment term of 48 months, with annual carried interest of LIBOR plus 9%, payable quarterly, subject to a 12 month grace period (with the first repayment date being 15 months from the date of the first advance).

- advised that a notice of civil claim has been filed with the British Columbia Supreme Court by Carl Nelson and Recursos del Caribe S.A., the company through which Carl Nelson conducts his geological consulting business (collectively, “Mr. Nelson”). The allegations of Mr. Nelson have not been proven. The Company disputes Mr. Nelson’s claims and will defend itself in this matter.

OUTSTANDING SHARE DATA

As at November 22, 2013, the Company had 95,676,849 common shares issued and outstanding. There were also stock options to purchase 4,395,000 shares outstanding with expiry dates ranging from June 30, 2016 to March 1, 2018, and 29,740,219 warrants with expiry dates ranging from March 12, 2014 to September 19, 2015.