OROSUR MINING INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

THREE AND NINE MONTHS ENDED FEBRUARY 28, 2019

EXPRESSED IN THOUSANDS OF UNITED STATES DOLLARS

(except where indicated)

Introduction

The following management's discussion and analysis ("MD&A") of the financial condition and results of the operations of Orosur Mining Inc. ("Orosur", "OMI" or the "Company") constitutes management's review of the factors that affected the Company's financial and operating performance for the three and nine months ended February 28, 2019. This MD&A was written to comply with the requirements of National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the audited annual consolidated financial statements of the Company for the year ended May 31, 2018 and May 31, 2017, together with the notes thereto, and the condensed interim consolidated financial statements of the Company for the three and nine months ended February 28, 2019, together with the notes thereto. Results are reported in thousands of United States Dollars (US$), unless otherwise noted. In the opinion of management, all adjustments (which consist only of normal recurring adjustments) considered necessary for a fair presentation have been included. The results for the three and nine months ended February 28, 2019, are not necessarily indicative of the results that may be expected for any future period. Information contained herein is presented as of April 12, 2019, unless otherwise indicated.

The Company's consolidated financial statements and the financial information contained in this MD&A are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee ("IFRIC").

For the purposes of preparing this MD&A, management, in conjunction with the Board of Directors, (the "Board") considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of Orosur common shares; (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

Further information about the Company and its operations is available on Orosur's website at **www.orosur.ca** or on the System for Electronic Documents Analysis and Retrieval (SEDAR) at **www.sedar.com**.

Caution Regarding Forward-looking Statements

All statements, other than statements of historical fact, contained in this news release constitute "forward looking statements" within the meaning of applicable securities laws, including but not limited to the "safe harbour" provisions of the United States Private Securities Litigation Reform Act of 1995 and are based on expectations estimates and projections as of the date of this news release. **Forward-looking statements include, without limitation, the exploration plans in Colombia, the ability to continue operations in Uruguay, and the approval by the Court of the Agreement in Uruguay, expectations that the Agreement will become legally binding on all creditors of Loryser and successful emergence from creditor protection proceedings and Intervenor control.** There can be no assurance that such statements will prove to be accurate. Actual results and future events could differ materially from those anticipated in such forward looking statements. Such statements are subject to significant risks and uncertainties including the outcome of current discussions and negotiations with respect to the Company's assets in Uruguay, the results of future exploration in Colombia, and other risks and uncertainties which are described below in the Management's Discussion and Analysis for the three and nine months ended February 28, 2019, and for the year ended May 31, 2018. The Company's continuance as a going concern is dependent upon its ability to obtain adequate financing and to reach profitable levels of operations. These material uncertainties may cast significant doubt upon the Company's ability to realize its assets and discharge its liabilities in the normal course of business and accordingly the appropriateness of the use of accounting principles applicable to a going concern. Although the Company has been successful in the past in obtaining financing there is no assurance that it will be able to obtain adequate financing in future or that such financing will be on terms advantageous to the Company. The Company disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events and such forward-looking statements, except to the extent required by applicable law.

Inherent in forward-looking statements are risks, uncertainties and other factors beyond Orosur's ability to predict or control. Please refer to those risk factors included in the "Risk Factors" section below. Readers are cautioned that the above chart does not contain an exhaustive list of the factors or assumptions that may affect the forward-looking statements, and that the assumptions underlying such statements may prove to be incorrect. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this MD&A.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause Orosur's actual results, performance or achievements to be materially different from any of its future results, performance or achievements expressed or implied by forward-looking statements. All forward-looking statements herein are qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

Description of Business

Orosur Mining Inc. ("Orosur", "OMI" or the "Company") is a gold development and exploration company incorporated in Canada and operating in Colombia and Uruguay. The Company's common shares are listed on the Toronto Stock Exchange (symbol OMI) and the London Alternative Investment Market (symbol OMI).

In Colombia, the Company has an exploration program in its wholly owned Anzá gold project located in the Middle Cauca Belt in Antioquia, Colombia which hosts such projects as Buriticá, Titiribí, Marmato and La Colosa. Recent activities include the drilling of over 9,000m of diamond core, generating a geological model, carrying out initial metallurgical tests and taking over operatorship of the two underground gypsum mines in the Anzá concession, each of which have environmental and mining permits in place. On September 10, 2018, the Company completed a non-brokered private placement of $2 million with Newmont Mining Corporation and an exploration agreement with a venture option with Newmont Colombia S.A.S., a wholly-owned subsidiary of Newmont, for the Anzá exploration property.

In Uruguay, the Company has historically operated the San Gregorio gold mining complex, the only producing gold operation in the country, in the northern Department of Rivera. Orosur has been exploring in Uruguay since 1996 and acquired the San Gregorio operation in October 2003. On June 14, 2018 the Company applied for Reorganization Proceedings and creditor protection over Loryser S.A. ("Loryser"), the Company's primary operating subsidiary, in the best interests of Loryser, the Company and their stakeholders. Creditor protection was applied for due to financial liquidity constraints caused by the scarcity of alternative sources of ore at SGW UG. In August 2018, production ceased and the mine was placed on care and maintenance. In December 2018, Loryser reached an agreement with the majority of its creditors reaching a support from approximately 72% of creditors by value, comprising 67 different creditors.

Operational Highlights

Corporate

Financial and operational highlights for the three ("Q3 2019") and nine months ended February 28, 2019 include:

- In August 2018, the Company placed its San Gregorio mining operations under care and maintenance. The Company's ability to resume operating in Uruguay is dependent upon its ability to obtain adequate financing. The reorganization process has been ongoing since June 2018. Under the Loryser Reorganisation Proceedings, the term for credit verification ended on September 3, 2018, and a court appointed Controller has validated all the credits and has filed a report on the assets and debts of the Company on October 3, 2018.

- On September 10, 2018, the Company completed the following agreements with Newmont for the Anzá exploration property in Colombia:

  - a non-brokered private placement of $2 million
  - an exploration agreement with venture option. The Exploration and Option Agreement includes a three-phase earn-in structure allowing Newmont to earn up to a 75% ownership interest in the Anzá Project by making cash payments to Orosur equaling a total of $4 million over Phases 1 and 2, spending a minimum of $30 million in qualifying expenditures over twelve years, and in addition completing a NI 43-101 (as defined below) compliant pre-feasibility and feasibility studies.

- In December 2018. the Company's wholly-owned Uruguayan subsidiary, Loryser has reached a payment plan agreement with creditors in Uruguay (the "Agreement"). The Agreement contemplates that net proceeds from the sale of Loryser's assets in Uruguay together with the issuance of 10 million common shares of Orosur shall fully satisfy all amounts owing to Loryser's creditors as well as provide funds for Loryser to conduct this process and close operation responsibly. As contemplated by the Agreement, Loryser would manage the process, to be completed within two years. The issuance of common shares of Orosur is subject to approval of the Toronto Stock Exchange.

- January 10, 2019. the Company filed a technical report prepared by Andes GMS SPA in accordance with National Instrument 43- 101 Standards for Mineral Projects ("NI 43-101") on the Anzá gold exploration project ("Anzá") in Colombia (the "Report"). Anzá is an advanced exploration project and the Report includes a review of the regional geology, local geology, types and degree of the mineralization, exploration history, metallurgical testing and drilling results and represents an update from the technical report prepared in May 2010 by Bargmann & Platten of Snowden Mining Industry Consultants. To view the full report, please visit **http://www.orosur.ca/operations/technical-reports**.

- In February 2019, Orosur received the first of four semi-annual $500 cash payments from Newmont Mining as part of the previously announced Exploration Agreement with Venture Option for the Anzá project.

- In March 2019, Minera Anzá (a Colombian subsidiary of Orosur), received $240 from Newmont to fund the property maintenance costs in Colombia during exploration period October 2018 to March 2019.

- During Q3 2019, Loryser has started part of the work included in the Agreement, specifically advancing the remediation of the tailings dam and dewatering approximately 700,000 cubic metres, equivalent to 26 hectares of the total 40 hectares covered by the dam. In parallel, Loryser is starting to cover with gravel the dry area of the tailings dam with gravel. Loryser has been running a process during the quarter to recover the scavenger gold from the San Gregorio CIL plant in cooperation with Goldplat Recovery Ghana Ltd/Goldplat Plc and about 160 Au oz of gold have been recovered so far.

- In March 2019, Loryser signed a brokerage agreement with Savona Equipment Ltd to assist with the sale in the international markets of the specialized mining equipment from Loryser's San Gregorio mine.

- In Chile, following the relinquishment by Fortune Valley Resources Chile S.A. ("FVRC") (an indirect, wholly-owned subsidiary of Orosur) of the Pantanillo project located in Chile, Anglo American Inversiones SA ("Anglo"), sought the payment of minimum royalties totalling US$3 million and requested arbitration in September 2017. On March 28, 2019, the Arbitral Tribunal rendered its decision, ruling that FVRC is required to pay Anglo approximately US$1.6 million plus interests at Chile´s current interest rate calculated from December 2015 until its effective payment. The Tribunal´s decision is exclusively against FVRC. Orosur was not named in the decision from the Tribunal. An amount of $1,796 has been recorded as a liability at February 28, 2019.

- During the three and nine months ended February 28, 2019, the Company incurred a net loss of $2,026 and $10,287, respectively (three and nine months ended February 28, 2018 - $1,977 and $2,518, respectively), which included care and maintenance costs of $571 and $1,184, respectively, on the San Gregorio mine, restructuring costs of $81 and $4,048, respectively, relating to the termination of employees at San Gregorio, and corporate expenses of $528 and $1,569, respectively (three and nine months ended February 28, 2018 - $382 and $1,776, respectively).

  Exploration expenses for the three and nine month ended February 28, 2019 of $1,850 include $1,796 provision for minimum royalties due to Anglo. As the Pantanillo project was an exploration stage project, this amount has been recorded as exploration expense in the consolidated statement of loss.

  Gold production and revenues ceased in August 2018.

Outlook and Strategy

During the year ended May 31, 2018, the Board adopted an aggressive strategic plan to restructure its businesses, recapitalize and transform the Company by advancing Colombia (now with Newmont as partner), as well as finding a fair solution in Uruguay for all stakeholders and reducing its activities in Chile. The strategy remains unchanged.

In Colombia, Newmont is performing a strategic review of the Anzá project to define an exploration program in the area in cooperation with Orosur.

In Uruguay, the reorganisation process and the Agreement are subject to consideration by the Court and the Intervenor, and the normal formal procedures for approval. As part of the reorganisation process, the Intervenor has been reviewing the legitimacy of the creditors´ debt claim in order to prepare the final list of creditors. Out of more than 150 creditors, only a small minority is still under discussion and review due to minor formalities. The process will continue by the Court confirming formally that the majorities required for the Agreement were effectively obtained, which will be followed by public notice of the Agreement to all interested parties. Provided there is no valid opposition, the Court will proceed to ratify the Agreement and the ratification process is expected to conclude during the first half of 2019. Once approved by the Court, the Agreement will be legally binding on all the creditors and Loryser's creditor protection status will cease together with Intervenor's control over Loryser.

In Chile, FV (Orosur´s Chilean subsidiary) is evaluating its options with its Chilean lawyers to the decision of the Arbitral tribunal.

Trends

Current global economic conditions and financial markets are volatile and are likely to be so for the foreseeable future, reflecting ongoing concerns about the global economy. This affects the mining industry, and, as it relates to the Company, affects the availability of equity financing for the purposes of mineral exploration and development. As a result, the Company may have difficulties raising equity financing for the purposes of mineral exploration, development and property acquisitions, particularly without excessively diluting the interests of its current shareholders. With continued market volatility expected, the Company's current strategy is to continue exploring its Anzá gold project and to seek out other prospective project opportunities. The Company believes this focused strategy will enable it to meet the near-term challenges presented by the capital markets while maintaining momentum on key initiatives. The Company regularly monitors economic conditions and estimates their impact on the Company's operations and incorporates these estimates in short-term operating and longer-term strategic decisions

Forward looking statements are subject to significant risks and uncertainties including the outcome of current reorganization process in Uruguay, the results of future exploration in Colombia, the continuation of Newmont in the option agreement in Anzá and other risks and uncertainties which are described in Section "Risks factors" of this document. The Company's continuance as a going concern is dependent upon its ability to obtain adequate financing. These material uncertainties may cast significant doubt upon the Company's ability to realize its assets and discharge its liabilities in the normal course of business and accordingly the appropriateness of the use of accounting principles applicable to a going concern. Although the Company has been successful in the past in obtaining financing there is no assurance that it will be able to obtain adequate financing in future or that such financing will be on terms advantageous to the Company. The Company disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events and such forward-looking statements, except to the extent required by applicable law.

Off-Balance-Sheet Arrangements

As of the date of this filing, 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 financial performance or financial condition of the Company, including, and without limitation, such considerations as liquidity and capital resources.

Proposed Transactions

The Company routinely evaluates various business development opportunities which could entail optioning properties, direct acquisitions, trades and/or divestitures. In this regard, the Company is currently in discussions with various parties, but no definitive agreements with respect to any proposed transactions have been entered into as of the date of this MD&A. There can be no assurances that any such transactions will be concluded in the future.

Overview of Financial Results

Quarterly Information

A summary of selected financial information of Orosur for each of the eight most recent completed quarters is as follows:

Three Months Ended	Total Revenue ($)	Loss Total ($)	Loss Per Share ($)	Total Assets ($)
February 28, 2019	Nil	2,026	0.01	20,369
November 30, 2018	Nil	1,874	0.01	20,233
August 31, 2018	3,296	6,118	0.06	20,859
May 31, 2018	5,816	27,862	0.00	25,767
February 28, 2018	6,597	1,976	0.00	59,584
November 30, 2017	6,903	250	0.01	58,960
August 31, 2017	9,411	290	0.03	57,423
May 31, 2017	9,515	1,479	0.01	55,764

Discussion of Operations

During the three and nine months ended February 28, 2019, the Company incurred a net loss of $2,026 and $10,287, respectively (three and nine months ended February 28, 2018 - $1,977 and $2,518, respectively), which included care and maintenance costs of $571 and $1,184, respectively, on the San Gregorio mine, restructuring costs of $81 and $4,048, respectively, relating to the termination of employees at San Gregorio, and corporate expenses of $528 and $1,569, respectively (three and nine months ended February 28, 2018 - $382 and $1,776, respectively).

Gold production and revenues at San Gregorio ceased in August 2018.

Exploration expenses for the three and nine month ended February 28, 2019 include $1,796 provision for minimum royalties due to Anglo as per Arbitral Tribunal decision, ruling that FVRC (an indirect, wholly-owned subsidiary of Orosur) is required to pay Anglo approximately $1.6 million plus interests at Chile´s current interest rate calculated from December 2015 until its effective payment. As the Pantanillo project was an exploration stage project, this amount has been recorded as an exploration expense in the consolidated statement of loss.

Profit and loss for the three and nine months ended February 28, 2019 and February 28, 2018

	Three Months Ended February 28, 2019	Three Months Ended February 28, 2018	Nine Months Ended February 28, 2019	Nine Months Ended February 28, 2018
Gross profit (loss)				
Sales	$ -	$ 8,555	$ 4,202	$ 29,534
Cost of sales	-	(9,234)	(7,119)	(28,714)
Gross profit (loss)	-	(679)	(2,917)	820
Operating expenses				
Corporate and administrative expenses	(528)	(382)	(1,569)	(1,776)
Restructuring costs	(81)	(597)	(4,048)	(1,407)
Exploration written off	(28)	(6)	(121)	(32)
Exploration expenses	(1,850)	(417)	(2,012)	(417)
Obsolescence provision	-	10	(5)	(35)
Other income	1,236	92	1,535	222
Net finance cost	(17)	(63)	(87)	(209)
Care and maintenance	(571)	-	(1,184)	-
Loss on fair value of financial instrument	(320)	-	(341)	(10)
Net foreign exchange gain/(loss)	133	65	462	328
	(2,026)	(1,298)	(7,370)	(3,336)
Loss before income taxes	(2,026)	(1,977)	(10,287)	(2,516)
Income tax recovery	-	-	-	(2)
Net loss for the period	$ (2,026)	$ (1,977)	$ (10,287)	$ (2,518)
Other comprehensive income (loss)				
Items that will be reclassified subsequently to income				
Cumulative translation adjustment	$ 624	$ 70	$ (125)	$ (66)
Other comprehensive income (loss) for the period	624	70	(125)	(66)
Total comprehensive loss for the period	$ (1,402)	$ (1,907)	$ (10,412)	$ (2,584)
Basic and diluted net loss per share	$ (0.01)	$ (0.02)	$ (0.08)	$ (0.02)
Weighted average number of common shares outstanding	150,278	117,587	136,774	113,867

Assets and liabilities

The financial results were prepared on a going concern basis under the historical cost method and include the assets of Loryser S.A., the Company's key Uruguayan subsidiary. These assets were previously impaired and have not since been restated to a net realizable value. The Company expects that Loryser S.A. will sell the assets in the near future with proceeds used to settle the outstanding debts owed to the creditors of Loryser S.A in accordance with the agreement reached with creditors in December 2018. Whether such proceeds will be sufficient to settle the debts in entirety is unknown at this time. Therefore, the Company will recognize the net realizable value of these assets when the proceeds will be realized.

The following is selected financial data of the Company as at February 28, 2019, May 31, 2018, and May 31, 2017:

	As at February 28, 2019	As at May 31, 2018	As at May 31, 2017
Total current assets	$7,262	$9,160	$18,033
Total non-current assets	$13,369	$16,607	$37,731
Total assets	$20,369	$25,767	$55,764
Total current liabilities	$22,759	$19,782	$14,963
Total non-current liabilities	$5,459	$5,494	$5,606
Total liabilities	$28,218	$25,276	$20,569
Total shareholders' (deficit) equity	**($7,849)**	**$491**	**$250**

Sales

Sales include gold and silver sales as below. Total sales of gold for the quarter were $nil as the Company ceased gold production in August 2018.

Sales	$'000	Ounces	$ per oz
Q3 2019			
Gold	Nil	Nil	Nil
Silver	Nil	Nil	Nil
Total sales	**Nil**		
Q3-2018			
Gold	8,495	6,597	1,288
Silver	60	3,623	17
Total sales	**8,555**		
YTD 2019			
Gold	4,155	3,296	1,261
Silver	47	3,011	16
Total sales	**4,202**		
YTD-2018			
Gold	29,320	22,909	1,280
Silver	214	12,226	18
Total sales	**29,534**		

Production statistics

In the Quarter there were no ounces produced or extracted from the stock of ore in process as a result of putting the mining operations under care and maintenance in August 2018. Key production statistics are shown below:

Production statistics	Three Months Ended February 28, 2019	Three Months Ended February 28, 2018	Nine Months Ended February 28, 2019 (1)	Nine Months Ended February 28, 2018
Waste - tons ('000's)	Nil	720	76	2,354
Ore - tons ('000's)	Nil	229	62	605
Total mined - tons ('000's)	**Nil**	**949**	**138**	**3,184**
Grade mined - grams / tons Au	Nil	0.94	1.34	1.11
Strip ratio - waste/ore	Nil	3.14	1.22	3.89
Ore processed - tons ('000's)	Nil	240	65	714
Grade processed - tons ('000's)	Nil	0.93	1.28	1.00
Recovery - %	Nil	94.43	93.01	95.15
Total gold produced - Ounces	**Nil**	**6,859**	**3,029**	**22,536**

(1) As the mine was placed in care and maintenance in August 2018, the production data shown was for the three months ended August 31, 2018.

All ore sources have different structural characteristics and grades resulting in variability of production quarter on quarter. The Company put its mining operations at San Gregorio on care and maintenance in August 2018. Quarterly production statistics are provided below:

Quarterly production statistics	Ore processed (tonnes)	Grade processed (g/t Au)	Recovery (%)	Gold produced (ounces)
February 28, 2019	Nil	Nil	Nil	Nil
November 30, 2018	Nil	Nil	Nil	Nil
August 31, 2018	65,163	1.28	93.01	3,029
May 31, 2018	161,729	1.03	94.25	5,049
February 28, 2018	240,432	0.93	94.43	6,859
November 30, 2017	204,315	1.14	94.49	7.052
August 31, 2017	268,964	0.96	93.64	8,626
May 31, 2017	312,495	1.15	93.27	10,718

Production costs

There were no operating costs associated with gold production in the three months ended February 28, 2019 due to the mine being placed in care and maintenance in August 2018.

Below is the reconciliation of cost of sales as stated in the Company's financial statements to all in sustaining cost per ounce. This is a non-GAAP measure which is explained in "Non-GAAP Measures" below

Reconciliation of operating costs to cash cost per ounce	Three Months Ended February 28, 2019 ($)	Three Months Ended February 28, 2018 ($)	Nine Months Ended February 28, 2019 ($)[1]	Nine Months Ended February 28, 2018 ($)
Cost of sales per financial statements	Nil	9,234	7,119	28,714
Depreciation	Nil	(1,847)	(2,635)	(5,911)
Operating expenses excluding depreciation	Nil	7,387	4,484	22,803
Movement in non-ore inventories	Nil	275	(1,062)	(894)
Silver credit	Nil	(97)	(103)	(349)
Mining royalties and other production taxes [2]	Nil	(257)	(169)	(299)
Total cash costs before taxes (A)	Nil	**7,308**	**3,150**	**21,261**
Mining royalties and other production taxes	Nil	192	169	234
Total cash costs after taxes (B)	Nil	**7,500**	**3,319**	**21,495**
Operating costs	Nil	54	359	1,084
Reclamation and remediation	Nil	79	59	237
Brownfield exploration	Nil	200	65	1,441
Capital expenditure	Nil	1,737	263	7,666
All in sustaining costs (C)	Nil	**9,570**	**4,065**	**31,923**
Gold production ounces (D)	Nil	**6,859**	**3,029**	**22,536**
Cash operating cost per ounce (A)/(D)	Nil	1,065	1,040	943
Total cash cost per ounce (B)/(D)	Nil	1,094	1,096	954
All in sustaining cost (C)/(D)	Nil	**1,395**	**1,342**	**1,416**

(1) Costs were all incurred in the three months ended August 31, 2018 as the mine was placed in care and maintenance in August 2018.
(2) On December 28, 2017, the President of Uruguay granted Orosur an exemption on the royalty payment to the Government (3% of sales). It covers the period April 2017 to March 2018

Depreciation

Depreciation includes straight line depreciation of fixed assets for the mine site, exploration and corporate segments of operation, depreciation of tangible development, depreciation of exploration and evaluation costs associated to pits under commercial production based on contained ounces of gold in ore mined, and the depreciation of the environmental costs for rehabilitation that are recognized over the life of the mine. Mine site depreciation of fixed assets includes the depreciation of heavy equipment and major spare parts, plant facilities, tailings dam facilities and other mining site infrastructure. Tangible development depreciation includes depreciation of pre-stripping activities realized to access ore bodies and depreciation of the ramp and access to the reserves of the underground operation. Exploration and evaluation depreciation include the depreciation of previously capitalized expenditure incurred to discover and outline pit reserves and resources.

Depreciation composition	**Three Months Ended February 28, 2019 ($)**	**Three Months Ended February 28, 2018 ($)**	**Nine Months Ended February 28, 2019 ($)[1]**	**Nine Months Ended February 28, 2018 ($)**
Tangible fixed assets	Nil	730	717	2,239
Tangible underground development costs	Nil	900	2,194	2,142
Environmental rehabilitation provision	Nil	60	520	180
Other exploration and evaluation costs (1)	Nil	157	102	493
Total depreciation	Nil	**1,847**	**3,533**	**5,911**

(1) Other exploration and evaluation costs relate to capitalized costs associated with the discovery and resource definition of satellite projects in production during the period. For these assets, depreciation is calculated using the units of production method based on the estimated proven and probable reserve of each pit. As a consequence, depreciation may vary significantly from quarter to quarter, and with respect to the previous year, according to which pit is under production in such period and how much gold is produced.

Corporate expenses and other gains and expenses

Corporate expenses and other gains and expenses include corporate overhead costs, stock-based compensation expense, net finance costs, foreign exchange gains and losses, sales from asset disposition and other miscellaneous items.

Corporate expenses and other gains and composition	**Three Months Ended February 28, 2019 ($)**	**Three Months Ended February 28, 2018 ($)**	**Nine Months Ended February 28, 2019 ($)**	**Nine Months Ended February 28, 2018 ($)**
Directors' fee and executive remuneration and benefits	190	195	566	782
Investor relations	22	77	160	363
Listing, legal and regulatory expenses	134	60	371	278
Audit fees	62	63	112	182
Exploration site general and administrative	84	(19)	288	121
Management stock-based compensation	36	6	72	50
Total corporate expenses	**528**	**382**	**1,569**	**1,776**
Foreign exchange (gain) loss	(133)	(67)	(462)	(329)
Net finance cost	17	63	87	219
Care and maintenance expenses	571	Nil	1,184	Nil
Restructuring cost	81	597	4,048	1,407
Other (gains)	(1,236)	(92)	(1,535)	(222)
Total other net losses (gain)	**(700)**	**501**	**3,322**	**1,075**

Corporate overheads include corporate administration expenses in Uruguay, Colombia and Canada, holding structure costs, listing and regulatory expenses, directors' fees, executive remuneration, shareholder communications and associated costs related to corporate work to maintain and develop the business. Executive salaries and benefits related to site work are shown under cost of sales.

Restructuring costs were recognized as a provision for layoffs representing a substantial reduction in staff since May 2018 and assuming the redundancy cost of the rest of the Loryser staff in line with the plan agreed with creditors in December 2018.

Other gains comprised mainly of the sale of crushed rock, income from the San Gregorio laboratory which performed work for other third-party companies, income from leasing the exploration camp in Colombia and the sale of some heavy equipment. It also includes the first of four semi-annual $500 cash payments from Newmont as part of the previously announced Exploration Agreement with Venture Option for the Anzá project

Liquidity and Capital Resources

The Company had cash of $1,033 at February 28, 2019 (May 31, 2018 - $1,390). The decrease in cash of $357 during the nine months ended February 28, 2019 was primarily in the use of operating activities of $2,606. This was offset by cash provided by financing activities of $2,253. The cash balance included cash of $156 held by Loryser which is not accessible to the Company as a result of the declaration of the creditor protection process.

Cash used in operating activities was $2,698 for the nine months ended February 28, 2019. Operating activities were affected by the net increase in non-cash working capital balances because of decreases in amounts receivables and other assets of $622 and inventories of $794, and an increase in accounts payable and accrued liabilities of $2,655. The Company also recorded depreciation of property, plant and equipment of $3,533, gain on sale of property, plant and equipment of $902, fair value adjustment on financial instrument of $321 and exploration and evaluation expense write down of $121.

Cash provided by investing activities includes $510 spend on exploration and $340 on property, plant and equipment in Uruguay. The Company received $938 in proceeds from the sale of heavy equipment.

Cash provided by financing activities was $2,253, for the nine months ended February 28, 2019, primarily because of net proceeds of $2,000 received from the private placement by issuing 29,213,186 common shares at a price of Cdn$0.091 per share.

The Company has no operating revenues since August 2018, and therefore must utilize its current cash reserves, funds obtained from the exercise of warrants and stock options and other financing transactions to maintain its capacity to meet ongoing operating activities. As of February 28, 2019, the Company had 150,277,672 common shares issued and outstanding, 8,510,759 options that would raise approximately $959,000 if exercised and vested in full, and 8,370,251 warrants outstanding that would raise approximately $2,142,000, if exercised in full. This is not anticipated until the market price of the Company's traded common shares increases.

At February 28, 2019, the Company had a net working capital deficiency of $15,497 (May 31, 2018 – $10,622). Working capital deficiency at February 28, 2019, included cash of $156 held by Loryser S.A. which is not accessible to Orosur.

- Minera Anzá (Colombian subsidiary of Orosur), has received from Newmont $240 in March 2019 (after Q3 closing, so it is not reflected in the Q3 balance sheet) to fund the property maintenance costs in Colombia during the period from October 2018 to March 2019.

The Company is not generating cash from operations but relies on the cash payments from Newmont and the funding of commitments in Colombia to cover its financial needs outside Uruguay. The reorganisation in Uruguay is, as per the December 2018 Agreement, financing itself by the sale of Loryser's assets proceeds of which are intended to cover its outstanding and ongoing liabilities. The Company may in the future consider raising equity capital in amounts sufficient to fund both exploration work and working capital requirements. Additional measures have been undertaken or are under consideration to further reduce cash expenditures.

See "Risk Factors" below.

Outstanding Share Data

As at the date of this MD&A, the Company had the following number of common shares and issuable shares outstanding:

Securities	
Common shares	150,277,672
Issuable under options	8,510,759
Issuable under warrants	8,370,251
Total Securities	**167,158,682**

Disclosure Controls and Procedures and Internal Controls over Financial Reporting

Management is responsible for establishing and maintaining adequate disclosure controls and procedures ("DCP") as well as internal controls over financial reporting ("ICFR") as described the Company's 2018 annual MD&A.

The Company's Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), with the participation of management last completed an evaluation of the design and operating effectiveness of the Company's DCP's and ICFR's as at May 31, 2018. Based on that assessment, management concluded that the Company's ICFR were operating effectively at May 31, 2018, pursuant to the requirements of Multilateral Instrument 52-109. Management follows the Integrated Framework published by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO Model").

During the nine months ended February 28, 2019, the CEO and CFO have evaluated whether there were changes to the ICFR that have materially affected, or are reasonably likely to materially affect, the ICFR. No such significant changes were identified through their evaluation which was based on the COSO Model.

Limitations of controls and procedures

The Company's management, including the CEO and CFO, believe that any internal controls over financial reporting and disclosure controls and procedures, no matter how well designed, can have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance that the objectives of the control system are met.

Critical Accounting Judgements, Estimates and Assumptions

The preparation of the Company's financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. By definition, estimates and assumptions seldom equal actual results and have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities, and to the amounts of revenues and expenses presented in these financial statements. The areas which require management to make significant judgments, estimates and assumptions are discussed below:

Economic lives of mining assets and recoverable value – Reserves

The economic lives of the Company's mining operation and development assets are based upon the individual mine's mineral reserves. The Company's resources and reserves are calculated in accordance with mining standards and in compliance with National Instrument 43-101 Standards of disclosure for Mineral projects ("NI 43-101"). The information relating to the geological data on the size, depth and shape of the ore body requires complex geological judgments to interpret the data. The Company reviews and re-evaluates the estimated future discounted net cash flows of its mines and development properties on a regular basis, to ensure that they exceed the carrying value for each property. These calculations rely on the estimated reserves and/or resources, estimated future commodity price and production cost.

Inventory

Expenditure incurred and depreciation of assets as a result of mining and processing activities is deferred and accumulated as the cost of ore in stockpiles, gold in circuit and finished metals inventories, on units based on estimated volumes and grades as a result of assays and other sampling tests. These deferred amounts are carried at the lower of average cost or net realizable value. Write downs of such inventories are reported as a component of current period costs and are influenced by the prevailing and long-term metal prices, prevailing costs for production inputs, realized ore grades and production schedules.

Environmental rehabilitation provisions

The fair value of the liability is determined based on the net present value of estimated future costs estimated by management based on feasibility and engineering studies on a site by site basis. While care was taken to estimate the retirement obligations, these amounts are estimates of expenditures that are not due until future years; The Company assesses its provision on an annual basis or when new material information becomes available.

Share based compensation

The Company uses the fair value method to account for stock-based employee compensation plans. The calculation of this benefit relies on estimates of the anticipated life of the option and the volatility of the Company's share price;

Deferred income tax assets and liabilities

Significant judgment is required in determining the worldwide provision for income taxes. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences may impact the carrying amount of deferred income taxes;

Exploration and evaluation expenditure

The recoverability of amounts shown for capitalized exploration and evaluation costs is dependent upon the discovery of economically recoverable reserves

Capital Management

Our capital management objectives are to safeguard the Company's ability to support our operating requirements on an ongoing basis, continue the development and exploration of the Company's mineral properties and support expansionary plans while attempting to maximize the return to shareholders through enhancing the share value. The Company defines capital that it manages as net worth, which is comprised of total shareholders' equity and debt obligations (net of cash and cash equivalents).

The Company monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and industry in general. The Company may manage its capital structure by, upon approval of its Board of Directors, issuing new shares, adjusting capital spending, drawing on existing credit facilities, disposing of assets or undertaking other activities as deemed appropriate under the specific circumstances. The Company can also control, upon approval of the Board of Directors, how much capital is returned to shareholders through dividends and share repurchase. The Board of Directors reviews and approves any material transactions out of the ordinary course of business, including proposals on acquisitions or other major investments or divestitures, as well as capital and operating budgets.

The Company does not have a numeric target for its capital structure. The capital structure is reviewed by management and the Board of Directors on an ongoing basis. The Company manages capital through its financial and operational forecasting processes. The Company reviews its working capital and forecasts its future cash flows based on operating expenditures and other investing and financing activities. Selected information is frequently provided to the Board of Directors of the Company.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the nine months ended February 28, 2019.

New Standard Adopted

IFRS 9 Financial Instruments ("IFRS 9")

On July 24, 2014, the IASB issued the completed IFRS 9, Financial Instruments, (IFRS 9 (2014) to come into effect on January 1, 2018 with early adoption permitted.

IFRS 9 (2014) includes finalized guidance on the classification and measurement of financial assets. Under IFRS 9, financial assets are classified and measured either at amortized cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL") based on the business model in which they are held and the characteristics of their contractual cash flows. IFRS 9 largely retains the existing requirements in IAS 39 Financial Instruments: recognition and measurement, for the classification and measurement of financial liabilities.

The Company adopted IFRS 9 in its consolidated financial statements on June 1, 2018. Due to the nature of its financial instruments, the adoption of IFRS 9 had no impact on the opening accumulated deficit balance on June 1, 2018. The impact on the classification and measurement of its financial instruments is set out below.

All financial assets not classified at amortized cost or FVOCI are measured at FVTPL. On initial recognition, the Company can irrevocably designate a financial asset at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated at FVTPL:

- It is held within a business model whose objective is to hold the financial asset to collect the contractual cash flows associated with the financial asset instead of selling the financial asset for a profit or loss;
- Its contractual terms give rise to cash flows that are solely payments of principal and interest.

All financial instruments are initially recognized at fair value on the consolidated statement of financial position. Subsequent measurement of financial instruments is based on their classification. Financial assets and liabilities classified at FVTPL are measured at fair value with changes in those fair values recognized in the consolidated statement of loss and comprehensive loss for the year. Financial assets classified at amortized cost and financial liabilities are measured at amortized cost using the effective interest method.

The following table summarizes the classification and measurement changes under IFRS 9 for each financial instrument:

Classification	IAS 39	IFRS 9
Cash and cash equivalents	Loans and receivables (amortized cost)	Amortized cost
Amounts receivable	Loans and receivables (amortized cost)	Amortized cost
Marketable securities	Fair value through profit and loss ("FVTPL")	FVTPL
Restricted cash	Loans and receivables (amortized cost)	Amortized cost
Amounts payable and accrued liabilities	Other financial liabilities (amortized cost)	Amortized cost
Promissory note payable	Other financial liabilities (amortized cost)	Amortized cost
Long-term debt	Other financial liabilities (amortized cost)	Amortized cost

New Standards not yet Adopted

IFRS 16 - Leases ("IFRS 16") was issued on January 13, 2016. The new standard brings most leases onto the balance sheet for lessees under a single model, eliminating the distinction between operating and finance leases. Lessor accounting however remains largely unchanged and the distinction between operating and finance leases is retained. IFRS 16 is effective for annual periods beginning on or after January 1, 2019. The Company is currently evaluating the impact of IFRS 16 on its consolidated financial statements.

Related Party Balances and Transactions

The Company owns 100% of all of its subsidiaries, with the exception of Anillo SPA. Figures contained in this MD&A document include the accounts of Orosur and its subsidiaries and all inter-company transactions have been eliminated on consolidations. Note 17 of the unaudited interim consolidated financial statements for the period ended February 28, 2019 discloses the Company's list of subsidiaries.

Risk Factors

The Company's net earnings in the near-term are affected principally by its mining operations and, in the longer term, will be affected primarily by the success or failure of its exploration and development activities and the selling price of gold. The Board recognizes that the exploration and development of natural resources is a speculative activity that involves a large number of uncertainties, and a degree of financial risk. Accordingly, the Board considers the risks to which the Company is exposed as part of its regular operations and keeps these under review.

The principal risks are considered to be those set out below.

Sensitivity to commodity prices and foreign exchange rates

The Company's revenues, net earnings and cash flow from operations are affected materially by changes in the price of gold. Gold has historically been subject to large price fluctuations, and is affected by factors which are unpredictable, including international economic and political conditions, speculative activities, the relative exchange rate of the US dollar with other currencies, inflation, global and regional levels of supply and demand and the gold inventory levels maintained by producers and others. The gold price has experienced a significant period of decline and the consensus outlook remains generally negative.

The Company's gold sales are priced in US dollars while its operating, exploration and administrative costs are predominantly incurred in US dollars, Canadian dollars, and Chilean, Colombian and Uruguayan pesos. The Company has financial exposure to foreign exchange fluctuations in the Uruguayan, Chilean and Colombian peso and the Canadian dollar relative to the US dollar.

Key Personnel Risks

Recruiting and retaining qualified personnel is critical to the Company's success. Although the Company believes that it will be successful in attracting and retaining qualified personnel, there can be no assurance of such success.

Exploration, Mining and Operational Risks

The Company's longer-term strategy depends to a certain extent on its ability to find commercial quantities of minerals, and to obtain and retain appropriate access to these minerals. The Board cannot guarantee that it will be able to identify appropriate properties, or negotiate acquisitions, on favourable terms.

The Company currently has one producing asset, the San Gregorio mine. As more of its projects mature, the Board expects that more projects will develop into producing assets. In common with all mining operations, there is uncertainty, and therefore risk, associated with operating parameters and costs. Whilst costs can be budgeted with a reasonable degree of confidence, operating parameters can be difficult to predict and are often affected by factors outside the Company control. In addition, other risks, including cuts in electricity supply, fuel supply shortages, industrial accidents, technical failures, labour disputes and environmental hazards are also beyond the Company's control.

The nature of resource and reserve quantification studies means that there can be no guarantee that estimates of quantities and grades of minerals will be available to extract. The figures for reserves and resources estimates are determined in accordance with National Instrument 43-101, issued by the Canadian Securities Administrators. This National Instrument lays out the standards of disclosure for mineral projects including rules relating to the determination of mineral reserves and resources.

The exploration for and development of mineral deposits involves significant risks that even a combination of careful evaluation, experience and knowledge may not eliminate or adequately mitigate. While the discovery of an ore body may result in substantial rewards, few properties that are explored are ultimately developed into producing mines. There is no assurance that commercial quantities of ore will be discovered on any of Orosur's exploration properties. There is no assurance that, even if commercial quantities of ore are discovered, a mineral property will be brought into commercial production. In addition, assuming discovery of a commercial ore-body, depending on the type of mining operation involved, several years can elapse from the initial phase of drilling until commercial operations are commenced.

The Company's business activities are also affected to varying degrees by government regulations respecting, among other things, tax, royalties, utilities service supply, mining legislation and environmental legislation changes.

Title Risks and control

Individual titles expire from time to time and the Company manages the process of retaining its rights by re-application or conversion to other forms of title relevant to each stage of development. The process of re-application involves some risk however, as released titles must fall open before they can be re-applied for.

There can be no guarantee that the State in the jurisdictions in which the Company operates will continue to grant or respect mining titles, and that the titles of the properties will not be challenged or negated for political or legal reasons.

Liquidity Risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company regularly evaluates its cash position to ensure preservation and security of capital as well as maintenance of liquidity. The Company manages liquidity risk by proactively forecasting its liquidity requirements with available funds and anticipated cash flows, by maintaining adequate reserves and banking facilities and by matching the maturity profiles of financial assets and liabilities.

The Company is not currently generating cash from operations but rely on the cash payments from Newmont and their funding of commitments in Colombia to cover its financial needs outside Uruguay. The business in Uruguay is, as per the December 2018 agreement, financing itself selling its assets while covering its liabilities. There can be no assurance that this funding will be available to the Company or, if available, that it will be sufficient to cover all its needs in the future. The company may in the future consider to raise equity capital in amounts sufficient to fund both exploration work and working capital requirements.

There can be no assurance that additional funding will be available to the Company or, if available, that this funding will be on acceptable terms. Additional measures have been undertaken or are under consideration to further reduce cash expenditures.

Forward-looking statements include, without limitation, the exploration plans in Colombia and the funding from Newmont of those plans, Newmont´s decision to continue with the option agreement, the ability to continue operations in Uruguay, and the approval by the Court of the Agreement in Uruguay, expectations that the Agreement will become legally binding on all creditors of Loryser and successful emergence from creditor protection proceedings and Intervenor control, and the outcome of the arbitration process in Chile against FV and any effects of that arbitration´s decision to the Company. There can be no assurance that such statements will prove to be accurate. Actual results and future events could differ materially from those anticipated in such forward looking statements.

Political and Economic Risks

Political conditions in the countries where the Company operates are stable. Changes may however occur in political, fiscal and legal system that might affect the ownership or operation of the Company's interests, including inter alia, changes in exchange control regulations, expropriation of mining rights, changes of government and in legislative and regulatory regimes.

Non GAAP Measures

The Company is of the opinion that conventional measures of performance prepared in accordance with IFRS do not meaningfully demonstrate the Company's financial performance and the ability of its operations to generate cash flow. Therefore, the Company has included certain non-IFRS measures in this MD&A to supplement its financial statements which are prepared in accordance with IFRS.

Contribution margin, gross profit or loss, cash flow from operations, cash costs per ounce and AISC are not measures that have any standardized meaning prescribed by IFRS and are considered non IFRS measures, therefore, these measures may not be comparable to similar measures presented by other issuers. Contribution margin has been calculated by deducting operating expenses from sales. Operating expenses include movements in inventories but exclude operating amortization and depletion. Gross profit or loss is calculated by deducting depreciation from contribution margin. Cash costs per ounce are determined according to the Gold Institute Standard and consist of site costs for all mining, processing, administration, royalties, refining charges, silver credits and inventory adjustments relating to metal production. Cash costs per ounce are total cash costs divided by gold ounces produced. AISC add corporate costs, reclamation and remediation, brownfield exploration and capital expenditure to total cash cost, sustaining for the operation. AISC per ounce are all-in-sustaining costs divided by gold ounces produced.

Subsequent event

- John Walmsley, Chairman of the Board of Directors, passed away in March 2019 after an illness. Mr. Walmsley joined the Board of Directors as Chairman in 2013 and has served in that capacity since that time. Mr. Robert Schafer has been appointed Chairman of the Board

- In Chile, following the relinquishment by Fortune Valley Resources Chile S.A. ("FVRC") (an indirect, wholly-owned subsidiary of Orosur) of the Pantanillo project located in Chile, Anglo American Inversiones SA ("Anglo"), sought the payment of minimum royalties totalling US$3 million and requested arbitration in September 2017. On March 28, 2019, the Arbitral Tribunal rendered its decision, ruling that FVRC is required to pay Anglo approximately US$1.6 million plus interest at Chile´s current interest rate calculated from December 2015 until its effective payment. The Tribunal´s decision is exclusively against FVRC. Orosur was not named in the decision from the Tribunal. An amount of $1,796 has been recorded as a liability at February 28, 2019.