PANORO MINERALS LTD.

Condensed Consolidated Interim Financial Statements

For the three months ended March 31, 2021 and 2020

(Expressed in Canadian dollars, unless otherwise stated)

Unaudited – prepared by management)

MANAGEMENT’S RESPONSIBILITY FOR FINANCIAL REPORTING

The unaudited condensed consolidated interim financial statements of Panoro Minerals Ltd. (“the Company”) are the responsibility of the Company’s management. The unaudited condensed interim consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and reflect management’s best estimates and judgments based on information currently available.

Management has developed and maintains a system of internal controls to ensure that the Company’s assets are safeguarded, transactions are authorized and properly recorded, and financial information is reliable.

The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal controls through its Audit Committee, which is comprised of non-management directors. The Audit Committee reviews the unaudited condensed interim consolidated financial statements prior to their submission to the Board of Directors for approval.

These unaudited condensed interim consolidated financial statements have not been reviewed by the Company’s auditors.

“Luquman A. Shaheen”
Luquman A. Shaheen
President and Chief Executive Officer
Vancouver, British Columbia

“Shannon M. Ross”
Shannon M. Ross
Chief Financial Officer
Vancouver, British Columbia

PANORO MINERALS LTD.

Condensed Consolidated Statement of Financial Position - unaudited
Expressed in Canadian Dollars, unless otherwise stated

	Note	March 31, 2021	December 31, 2020
Assets			
Current assets			
Cash and cash equivalents		$ 1,091.597	$ 752,453
Marketable securities		800	933
Accounts and advances receivable		100,416	93,927
Agreement receivable, current	5	1,276,457	1,273,200
Prepaid expenses		26,638	22,161
Total current assets		2,495,908	2,142,674
Non-current assets			
Agreement receivable, non-current	5	1,067,397	1,064,674
Exploration and evaluation assets	6	75,020,852	74,653,664
Property and equipment		21,828	29,566
Total assets		$ 78,605,985	$ 77,890,578
Liabilities and Shareholders' Equity			
Current liabilities			
Accounts payable and accrued liabilities		$ 1,547,363	$ 1,438,605
Current portion of lease liabilities		9,386	17,950
Liabilities under Early Deposit Precious Metals Agreement	7	11,003,125	10,185,600
		12,559,874	11,642,155
Deferred income tax liability		851,648	851,648
Liabilities under Early Deposit Precious Metals Agreement	7	2,515,000	2,546,400
Total liabilities		15,926,522	15,040,203
Shareholders' equity			
Share capital	8	94,058,458	94,035,125
Share-based expense reserve	8	12,180,753	12,180,753
Accumulated other comprehensive loss		(9,200)	(9,067)
Deficit		(43,550,548)	(43,356,436)
Total shareholders' equity		62,679,463	62,850,375
Total liabilities and shareholders' equity		$ 78,605,985	$ 77,890,578

Going concern (Note 3)
Commitments (Note 10)

The accompanying notes are an integral part of these unaudited condensed interim consolidated financial statements.

Approved on behalf of the Board:

"Luquman A. Shaheen" "William J. Boden"

PANORO MINERALS LTD.

Condensed Consolidated Interim Statements of Comprehensive Loss - unaudited
Expressed in Canadian Dollars, unless otherwise stated

	Three months ended March 31, 2021	2020
Expenses		
Amortization	$ 7,587	$ 29,192
Audit and tax	19,800	15,000
Communications	13,542	17,476
Conferences	5,067	12,718
Consulting	6,252	8,000
Corporate development and shareholder relations	23,256	1,706
Directors' fees	22,083	34,731
Legal	29,646	11,170
Office	4,965	8,414
Professional dues and training	2,347	620
Regulatory and transfer agent	39,338	14,557
Rent and insurance	41,574	15,428
Salaries and benefits	174,501	237,396
Travel expenses	2,686	11,122
	392,644	417,530
Proceeds on disposal of vehicles	-	(16,070)
Interest expense	447	1,930
Change in fair value of Early Deposit Precious Metals Agreement financial liability	(161,200)	1,019,150
Interest recorded on agreement receivable (Note 5)	(38,972)	-
Foreign exchange loss	1,193	229,810
Loss for the period	194,112	1,652,350
Total other comprehensive loss	133	167
Comprehensive loss for the period	$ 194,245	$ 1,652,517
Loss per share, basic and fully diluted	$ 0.00	$ 0.01
Weighted average number of common shares outstanding	264,303,268	263,837,522

The accompanying notes are an integral part of these unaudited condensed interim consolidated financial statements.

PANORO MINERALS LTD.

Condensed Consolidated Interim Statements of Cash Flows - unaudited
Expressed in Canadian dollars, unless otherwise stated

	Three months ended March 31, 2021	2020
Cash provided by (used for):		
Operating activities:		
Loss for the period	$ (194,112)	$ (1,652,350)
Items not involving the use of cash:		
Amortization	7,587	29,192
Change in fair value of Early Deposit Precious Metals Agreement	(161,200)	1,019,150
Foreign exchange loss	1,193	229,810
Share-based salary	(23,333)	-
Gain on sale of vehicles	-	16,070
Interest expense on lease liabilities	447	1,930
Interest recorded on note receivable (Note 5)	(38,972)	-
	(408,390)	(356,198)
Changes in non-cash operating working capital:		
Accounts and advances receivable	6,489	82,438
Prepaid expenses	4,477	(100)
Accounts payable	(31,507)	(968)
Lease liabilities	8,564	-
Cash used in operating activities	(420,367)	(274,828)
Investing activities:		
Exploration and evaluation expenditures	(688,395)	(816,383)
Funds received on JOGMEC earn-in agreement	321,360	412,323
Proceeds on sale of vehicles		16,070
Agreement receivable	5,980	-
Equipment purchases	-	(9,922)
Accounts payable and accrued liabilities	140,265	743,198
Cash used in investing activities	(220,790)	345,286
Financing activities:		
Early Deposit Precious Metals Purchase Agreement	947,325	1,064,025
Interest payment on lease liabilities	(447)	(1,930)
Repayment of lease liabilities	(8,564)	(33,997)
Cash provided by financing activities	938,314	1,028,098
Effect of exchange rate changes on cash held	41,987	(262,117)
Increase in cash and cash equivalents	339,144	836,439
Cash and cash equivalents, beginning of period	752,453	470,085
Cash and cash equivalents, end of period	$ 1,091,597	$ 1,306,524

The accompanying notes are an integral part of these unaudited condensed interim consolidated financial statements.

PANORO MINERALS LTD.

Condensed Interim Consolidated Statements of Changes in Shareholders' Equity - unaudited
For the three months ended March 31, 2021 and 2020
Expressed in Canadian Dollars, unless otherwise stated

	Number of Shares	Capital Stock	Share-Based Expense Reserve	Accumulated Comprehensive Loss	Deficit	Total
Balance, December 31, 2019	263,837,522	$ 94,000,125	$ 12,180,753	$ (9,700)	$(42,273,311)	$ 63,897,867
Loss for the period	-	-	-	(167)	(1,652,350)	(1,652,517)
Balance, March 31, 2020	263,837,522	$ 94,000,125	$ 12,180,753	$ (9,867)	$(43,925,661)	$ 62,245,350
Balance, December 31, 2020	264,188,405	$ 94,035,125	$ 12,180,753	$ (9,067)	$(43,356,436)	$ 62,850,375
Loss for the period				(133)	(194,112)	(194,245)
Shares issued in lieu of cash compensation (note 8)	186,653	23,333	-	-	-	23,333
Balance, March 31, 2021	264,375,058	$ 94,058,458	$ 12,180,753	$ (9,200)	$(43,550,548)	$ 62,679,463

The accompanying notes are an integral part of these unaudited condensed interim consolidated financial statements.

1. Nature of operations

Panoro Minerals Ltd. is incorporated under the *Business Corporations Act* in the Province of British Columbia. The Company's principal place of business is located at Suite 1610 – 700 West Pender Street, Vancouver, BC, Canada V6C 1G8.

Panoro Minerals Ltd. and its subsidiaries are referred to as "Panoro" or the "Company."

The Company is an exploration-stage company engaged principally in the acquisition, exploration and development of mineral properties in Perú and trades on the TSX Venture Exchange (the "Exchange") as a Tier 2 mining issuer under the trading symbol "PML". The Company also trades on the Bolsa de Valores de Lima under the same trading symbol.

The Company's investment in its exploration and evaluation assets comprises a significant portion of the Company's assets. Recovery of the carrying value of the investment in these assets and the Company's ability to continue operations are dependent upon the existence of economically recoverable reserves, confirming and maintaining legal ownership of the resource properties, the ability of the Company to obtain necessary financing to complete the exploration and development, and the attainment of future profitable production or the disposition of these assets for proceeds in excess of their carrying values.

2. Basis of presentation

These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standards ("IAS") 34 "Interim Financial Reporting" ("IAS 34") using accounting policies consistent with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

These condensed consolidated interim financial statements were approved and authorized for issue by the Board of Directors on May 28, 2021.

3. Going concern

These condensed consolidated interim financial statements have been prepared on a going concern basis which contemplates that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge is liabilities in the normal course of business.

The Company has no operating revenue and incurred a loss of $194,122 for the three months ended March 31, 2021 (2020 – loss of $1,652,350). As at March 31, 2021, the Company has an accumulated deficit of $43,550,548 (December 31, 2020 - $43,356,436), and a working capital deficiency of $10,063,966 (December 31, 2020 – working capital deficiency of $9,499,481), with the inclusion of the current portion of the Wheaton Metals Agreement. Although the Company presently has sufficient financial resources to cover its existing obligations and operating costs and undertake its currently planned programs for the next year, the Company expects to require further funding in the longer term to fund ongoing exploration and evaluation activities and ultimately develop its properties.

3. Going concern (continued)

While 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 the future or that such financing will be on terms that are acceptable to the Company. These conditions create a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern.

At March 31, 2021, the Company has received US$10,750,000 pursuant to the Agreement, and will receive US$750,000 on a semi-annual basis if it meets the terms under which the funds will be advanced.

The ability of the Company to carry out its planned business objectives is dependent on its ability to raise adequate financing from lenders, shareholders and other investors and/or achieve operating profitability and generate positive cash flows. The Company is in the business of exploring and developing mineral property interests, and as such, must continually seek sources of financing to further develop and explore its mineral exploration and evaluation assets and to support general and administrative expenses.

The recoverability of amounts shown for exploration and evaluation assets and property and equipment is dependent upon, among other things, the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary mining and environmental permits, and future profitable production or proceeds from the disposition of the exploration and evaluation assets.

The Company will continue to seek additional financing through the sale of mineral property interests, debt financing, and equity financing, and optioning its other mineral property interests. However, it is not certain that such financing will be available. The Company may be adversely impacted by a lack of normal available financing, inability to maintain mining licenses, and continued uncertainty in the exchange and commodity markets.

These financial statements do not reflect material adjustments to the carrying values of its assets and liabilities, which may be required should the Company be unable to continue as a going concern. These adjustments could be material.

In March 2020, the World Health Organization declared coronavirus COVID-19 ("COVID-19") a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, leading to an economic downturn in many areas of the world. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business; however, the impact of the pandemic could continue to impact our ability to obtain financing to fund exploration activities as well as the ability to conduct our exploration programs as efficiently as prior to the pandemic, due to delays in transportation, COVID-19 protocols, and other unanticipated delays.

Expressed in Canadian dollars, unless otherwise stated

4. Significant accounting policies

The preparation of condensed interim consolidated financial statements in accordance and compliance with IAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a basis consistent with those followed for the Company's most recent annual consolidated financial statements for the year ended December 31, 2020. In the opinion of management, all adjustments considered necessary for fair presentation of the Company's financial position, results of operations and cash flows have been included. Actual results may differ from these estimates.

The functional and reporting currency of the Company and its subsidiaries is the Canadian dollar.

There are no new IFRS standards issued, but not yet effective, that will affect the financial statements of the Company.

5. Agreement receivable

During the year ended December 31, 2020, the Company entered into an agreement for sale of the Cochasayhuas Gold Project to Mintania S.A.C. ("Mintania") of Perú for a total of US$2.45 million to be paid in installments, plus a 5% NSR for 15 years from the commencement of commercial production.

The cash installments will be paid by Mintania to the Company according to the following schedule:

- US$450,000 in 2020 (received);
- US$1,000,000 in 2021;
- US$ 750,000 in 2022; and
- US$ 250,000 in 2023

On June 10, 2020, the Company entered into an agreement for sale on the Cochasayhuas property in Perú for an initial balance of US$2,450,000 payable in installments through 2023. A discount rate of 7.0% has been applied in determining the fair value of the proceeds receivable at the inception of the transaction.

Fair value of proceeds receivable from sale of Cochasayhuas on June 10, 2020	$	3,018,460
Payment received		(611,595)
Foreign exchange loss		(185,114)
Interest recorded on agreement receivable		122,103
Agreement receivable, March 31, 2021	$	2,343,854
Current portion of agreement receivable	$	1,276,457
Non-current portion of agreement receivable	$	1,067,397

Expressed in Canadian dollars, unless otherwise stated

6. Exploration and evaluation assets

The investment in and expenditures on mineral interests comprise a significant portion of the Company's assets. Realization of the Company's investment in these assets is dependent upon the confirmation of legal ownership of the properties, the attainment of successful production from the properties or from the proceeds of their disposal. These procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements or transfers and title may be affected by undetected defects.

Exploration and evaluation expenditures during the periods presented are as follows:

	Antilla	Cotabambas	Other	Total
Acquisition costs:				
Balance, March 31, 2021 and December 31, 2020	$ 7,319,722	$ 4,925,035	$ 865,169	$13,109,926
Exploration and evaluation expenditures incurred in period:				
Amortization	-	151	-	151
Assays and sampling	-	-	638	638
Camp and site	-	24,053	130,196	154,249
Community relations	-	37,273	47,564	84,837
Environmental	-	381	9,962	10,343
Geology	-	7,296	73,477	80,773
Geophysics	-	-	19,627	19,627
Legal	1,915	-	4,852	6,767
Recording and concession fees	65,820	107,570	146,760	320,150
Transportation	-	202	10,811	11,013
Incurred during the period	67,735	176,926	443,887	688,548
Funds received on JOGMEC earn-in agreement	-	-	(321,360)	(321,360)
Capitalized exploration and evaluation expenditures at December 31, 2020	10,447,246	46,967,380	4,129,112	61,543,738
Capitalized exploration and evaluation expenditures at March 31, 2020	10,514,981	47,144,306	4,251,639	61,910,926
Total exploration and evaluation assets at March 31, 2020	**$17,834,703**	**$52,069,341**	**$5,116,808**	**$75,020,852**

Salaries and benefits allocation:				
Camp and site	$ -	$ 8,602	$ 113,148	$ 121,750
Community relations	-	35,154	28,147	63,301
Geology	-	7,296	73,477	80,773
	$ -	$ 51,052	$ 214,772	$ 265,824

Expressed in Canadian dollars, unless otherwise stated

7. Early Deposit Precious Metals Agreement

Liabilities under Precious Metals Purchase Agreement	Fair value balance, December 31, 2020	2021 Cash flows	Foreign exchange	Fair value balance, March 31, 2020
Current liabilities	$ 10,185,600	$ 947,325	$ (129,800)	$ 11,003,125
Long-term liabilities	2,546,400	-	(31,400)	2,515,000
	$ 12,732,000	$947,325	$ (161,200)	$ 13,518,125

On March 21, 2016, the Company entered into a precious metals purchase agreement (the “PMPA” or the “Agreement”) with Wheaton Precious Metals International Ltd. (“Wheaton Metals”), (formerly Silver Wheaton (Caymans) Ltd.), in respect of the Cotabambas project located in Perú. The term of the Agreement continues in effect for 20 years and automatically renews for successive ten-year periods until Wheaton Metals terminates the Agreement.

The principal terms of the Agreement are such that Wheaton Metals will pay the Company upfront cash payments totaling US$140.0 million (the “Deposit”) for 25% of the payable gold production and 100% of the payable silver production (decreasing to 16.67% of the payable gold production and 66.67% of the payable silver production after a certain production volume has been delivered to Wheaton Metals from the Company’s Cotabambas Project in Perú. In addition, Wheaton Metals will make production payments to the Company of the lesser of the market price and US$450 per payable ounce of gold and US$5.90 per payable ounce of silver delivered to Wheaton Metals, increasing annually by 1%, four years after commencement of commercial production, over the life of the Company’s Cotabambas Project. Any excess of the market price and the fixed payments will be credited against the Deposit until the Deposit is nil. If by the expiry of the term of the Agreement the Company has not delivered enough production to reduce the Deposit to nil, the uncredited balance will be repaid to Wheaton Metals.

The Agreement provides for the Company to receive US$14.0 million of the Deposit (the “Early Deposit”) prior to the Company completing a feasibility study on the Cotabambas project. Payments under the Early Deposit total US$2.0 million in the first year and instalments of US$750,000 semi-annually thereafter until the full US$14.0 million has been advanced. The Early Deposit also included provisions to accelerate a portion of the remaining payments, whereby Wheaton Metals will accelerate payment of an amount equal to the amount of funds raised in any offering of equity securities for the purpose of exploration of the Cotabambas project during the period January 27, 2016, to March 21, 2018, up to a maximum of US$3.5 million for all such offerings. The Company received US$2.0 million under the accelerated program.

Under the Early Deposit provisions the Company must meet certain minimum working capital requirements. The balance of US$126.0 million is payable in instalments during construction of the Cotabambas Project, should Wheaton Metals elect to proceed with the Agreement.

7. Early Deposit Precious Metals Agreement (continued)

Wheaton Metals may terminate the Agreement at any point up to 90 days following delivery of a feasibility study on the Cotabambas project upon giving the Company three months' notice, in which case all Early Deposit amounts advanced less US$2.0 million will become repayable. Wheaton Metals can elect to be repaid in cash or shares, with the deferral of cash payments under certain conditions for up to two years. If Wheaton Metals elects to terminate the Agreement and be repaid with cash, interest will accrue at prime plus 8% per annum if repayment has not been made within two years of notice of termination. Wheaton Metals may also terminate the Agreement at different points during the term of the Agreement if certain production delays occur, in which case the uncredited deposit will be repayable to Wheaton Metals.

Following a change of control, subject to certain conditions, the Company has a one-time option to repurchase 50% of the precious metals stream with a payout based on the greater of: (i) a minimum fixed return (ii) a return based on appreciation of precious metals prices over the term of the Agreement and (iii) a return based on appreciation of the share price of the Company over the term of the agreement.

At March 31, 2021, the Company had received a total of US$10.75 million under the Early Deposit, including four scheduled payments and an accelerated payment of US$2.0 million after the successful completion of a private placement in August 2016.

8. Share capital

(a) Authorized – unlimited common shares without par value.

Issued and outstanding:

264,375,058 common shares (December 31, 2020 – 264,188,405 common shares)

During the period, 186,653 common shares were issued for payment of $23,333 in salary earned in the year ended December 31, 2020, but not issued from the treasury until fiscal 2021.

(b) Stock options

Stock options to purchase common shares have been granted to directors, employees, contractors and consultants at exercise prices determined by reference to the market value on the date of the grant. The number of shares available for options to be granted under the Company's rolling stock option plan is 10% of the number of shares outstanding (the "Plan") as amended, at the Annual General Meeting held on June 20, 2020. Options granted under the Plan vest immediately, or over a period of time, at the discretion of the Board of Directors.

Expressed in Canadian dollars, unless otherwise stated

8. Share capital (continued)

(b) Stock options (continued)

A summary of the status of the Company's stock options as at December 31, 2020, and for the three months ended March 31, 2021, are as follows:

	Number of Options	Weighted average exercise price
Balance, March 31, 2021 and December 31, 2020	20,097,800	$ 0.24

The following summarizes information about stock options outstanding and exercisable at March 31, 2021:

Year of expiry	Number of options	Weighted average exercise price
2021	8,847,800	$0.20
2022	600,000	$0.20
2023	6,650,000	$0.34
2024	4000,000	$0.15
	20,097,800	$0.24

The weighted average life of exercisable options outstanding as of March 31, 2021, is 1.6 years (December 31, 2020 – 1.9 years).

(c) Share purchase warrants

At March 31, 2021, there were no share purchase warrants exercisable.

9. Related party transactions

The Company had no transactions between directors and officers and/or companies controlled by directors or officers in common with the Company. At March 31, 2021, there was $1,168 payable to an officer of the Company for expenses incurred on behalf of the Company and $7,250 payable to two directors of the Company for directors' fees (December 31, 2020: $23,333).

Expressed in Canadian dollars, unless otherwise stated

10. Commitments

The Company has the following commitments and payments due as of March 31, 2021:

	2021	2022	2023	2024	2025	Total
Office lease (Vancouver)	$ 22,572	$ -	$ -	$ -	$ -	$ 22,572
Accrued vigencias	1,296,543	-	-	-	-	1,296,543
Accounts payable	128,043	-	-	-	-	128,043
Accrued liabilities	122,777	-	-	-	-	122,777

Vigencias (or recording fees) of US$3 per hectare are not commitments, but rather the annual payments required to maintain mineral concessions in good standing with the Perúvian government. The ultimate amount to be paid is based on a formula relating to exploration costs incurred, offset against the basic fee and penalty. After the 6th year, an annual penalty must be paid per hectare, starting at US$6 per hectare, until after 12 years, the additional fee increases to US$20 per hectare. The penalties are reduced, based on exploration activity on the concessions, and the reduction is determined each year by the Perúvian government. The Company estimates the annual costs to be approximately $1,036,228 for the 2020 year and is payable by June 2021.

11. Financial instruments and capital management

The Company manages its credit risk through its counterparty ratings and credit limits. The Company is mainly exposed to credit risk on its bank accounts, short-term investments, and accounts and advances receivable, and agreements receivable. Bank accounts and short-term investments are primarily with Canadian Schedule 1 banks and Banco de Credito in Perú. The Company has accounts and advances receivable primarily related to IGV receivable from the Perúvian government. The Company's agreement receivable related to its sale of the Cochasayhuas project is secured by the project in the event of default. The total of cash and cash equivalents, short-term investments, agreement receivable and accounts and advances receivable of $3,536,667 (2020 - $3,184,254) represents the maximum credit exposure

Fair value of financial instruments

Liquidity risk

The Company manages its liquidity risk by ensuring that there is sufficient liquidity in order to meet short-term business requirements, after taking into account the Company's holdings of cash. The Company's cash and cash equivalents are primarily invested in bank accounts, bankers' acceptances, and Guaranteed Investment Certificates ("GIC"). The Company's cash is not invested in any asset backed commercial paper. At March 31, 2021, the Company had no redeemable GICs and short-term investments, with initial terms over 90 days.

Accounts payable and accrued liabilities require payment within one year.

Market risk

The significant market risks to which the Company is exposed are foreign currency risk and interest rate risk.

Foreign currency risk

The Company maintains its financial statements in Canadian dollars. The Company is exposed to foreign currency fluctuations to the extent mineral interests, exploration expenditures and operating expenses incurred by the Company are not denominated in Canadian dollars.

The Company does not use derivatives or other instruments to manage the foreign currency risk. The Company's operations in Perú make it subject to foreign currency fluctuations and such fluctuations may materially affect the Company's financial position and results. The Company's operating results and cash flows are affected to varying degrees by changes in the Canadian dollar exchange rate vis-a-vis the Perúvian Nuevo Sol and the US Dollar. The Company purchases foreign currencies as the need arises in order to fund its exploration activities. Corporate expenditures are primarily incurred in Canadian and US dollars.

Expressed in Canadian dollars, unless otherwise stated

11. Financial Instruments and capital management (continued)

Foreign currency risk (continued)

As at March 31, 2021, the Company's significant exposures to foreign currency risk, based on the statement of financial position carrying values, were to the Perúvian Nuevo Sol and the US Dollar, as follows:

	March 31, 2021		December 31, 2020	
	PEN	US$	PEN	US$
Cash	S/. 16,515	US$850,438	S/. 43,754	US$562,634
Accounts and advances receivable	230,661	1,863,900	221,318	1,832,908
Accounts payable and accrued liabilities	(2,882,051)	(369,027)	(2,832,461)	(275,406)
Precious Metals Purchase Agreement	-	(10,750,000)	-	(10,000,000)
Leases	-	-	-	-
Net exposure	S/.(2,634,875)	US$(8,404,689)	S/.(2,567,389)	US$(7,879,864)
Canadian dollars	$(881,893)	$(10,568,897)	$(902,694)	$(10,032,643)

The following sensitivity analysis assumes all other variables remain constant and are based on the above net exposures. A 10% appreciation or depreciation of the Perúvian Nuevo Sol vis-a-vis the Canadian Dollar would result in an $88,189 (December 31, 2020 - $93,518) increase or decrease, respectively, in net loss and shareholders' equity. A 10% appreciation or depreciation of the US Dollar vis-a-vis the Canadian Dollar would result in a $1,056,890 (December 31, 2020 - $1,003,264) increase or decrease, respectively, in net loss and shareholders' equity.

Interest rate risk

The Company's cash and cash equivalents and short-term investments earn interest income at variable rates. The fair value of its portfolio is relatively unaffected by changes in short-term interest rates. The Company's future interest income is exposed to changes in short-term rates.

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern such that it can continue to provide returns for shareholders and benefits for other stakeholders. The Company considers the items included in shareholders' equity as capital. The Company manages the capital structure and makes adjustment to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust its capital structure, the Company may issue new shares, sell assets to settle liabilities or return capital to its shareholders. The Company is not subject to any externally imposed capital requirements.

Expressed in Canadian dollars, unless otherwise stated

12. Key management personnel compensation

Key management personnel are those persons that have the authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management includes the Company's directors and members of the senior management group.

Key management personnel compensation for the three months ended March 31, 2021 totalled $283,871 (2020 - $310,675).

13. Supplementary cash flow information

	2021	2020
Non-cash activities:		
Amortization capitalized to exploration and evaluation assets	$ 151	$ 303
Shares issued for salary	23,333	35,000

14. Basic and diluted loss per share

The calculation of basic and diluted loss per share for the three months ended March 31, 2021 2021, was based on the loss attributable to common shareholders of $194,112 (March 31, 2020 - $1,652,350) and the weighted average number of common shares outstanding of 264,303,268 (2020 – 263,837,522) respectively. For the periods ended March 31, 2021 and 2020, diluted loss per share is the same as basic loss per share, as the effect of outstanding share options (see Note 8(b)) on loss per share would be anti-dilutive. Anti-dilutive instruments have not been included in the determination of fully-diluted loss per share.

	2021	2020
Issued common shares, beginning of year	264,188,405	263,837,522
Effect of shares issued for services rendered	156,313	-
Weighted average number of common shares, end of period	264,303,268	263,837,522

15. Comparative figures

Where necessary, the Company has adjusted comparative figures to conform to the current period's presentation.