AVRUPA MINERALS LTD.
(An Exploration Stage Company)

MANAGEMENT'S DISCUSSION AND ANALYSIS – QUARTERLY HIGHLIGHTS
FOR THE THREE MONTHS ENDED MARCH 31, 2021

OVERVIEW AND INTRODUCTORY COMMENT

Avrupa Minerals Ltd. ("Avrupa" or the "Company") is a growth-oriented junior exploration and development company listed on the TSX Venture Exchange under the trading symbol "AVU". The Company is currently focusing on discovering economic mineral deposits, using a hybrid prospect generator model (getting other partners to fund our properties to minimize dilution as well as funding our own exploration programs on our top projects), in politically stable and prospective regions of Europe, including Portugal and Kosovo.

Over the course of 10 years, Avrupa has brought in partners on its exploration projects that have invested approximately $24 million in exploration in addition to funds spent by Avrupa. That exploration has led to two discoveries – one gold deposit in Kosovo and one area of VMS mineralization in the prolific Iberian Pyrite Belt famous for large copper-zinc deposits in southern Portugal.

While Avrupa has been focused on advancing its exploration projects with funds from partners who can earn an interest in its projects by spending exploration funds thereby reducing dilution for shareholders, the Company completed its own exploration program at the Alvalade property. This resulted in the Company entering into an Earn-in Joint Venture Agreement for the Alvalade project with Minas de Aguas Teñidas, S.A. ("MATSA") and its wholly-owned subsidiary Emisurmin Unipessoal Lda. ("EUL") in November 2019.

Avrupa continues to upgrade its precious and base metal targets to JV-ready status in a variety of districts, with the idea of attracting potential partners to project-specific and/or regional exploration programs, and to look for new projects in certain mineral belts in Europe, or nearby.

This MD&A is dated May 26, 2021 and discloses specified information up to that date. Unless otherwise noted, all currency amounts are expressed in Canadian dollars. The following information should be read in conjunction with the unaudited condensed consolidated interim financial statements and the related notes for the three months ended March 31, 2021 and the Company's audited consolidated financial statements for the year ended December 31, 2020 and the related notes thereto.

Additional information relevant to the Company and the Company's activities can be found on SEDAR at www.sedar.com, and/or on the Company's website at www.avrupaminerals.com.

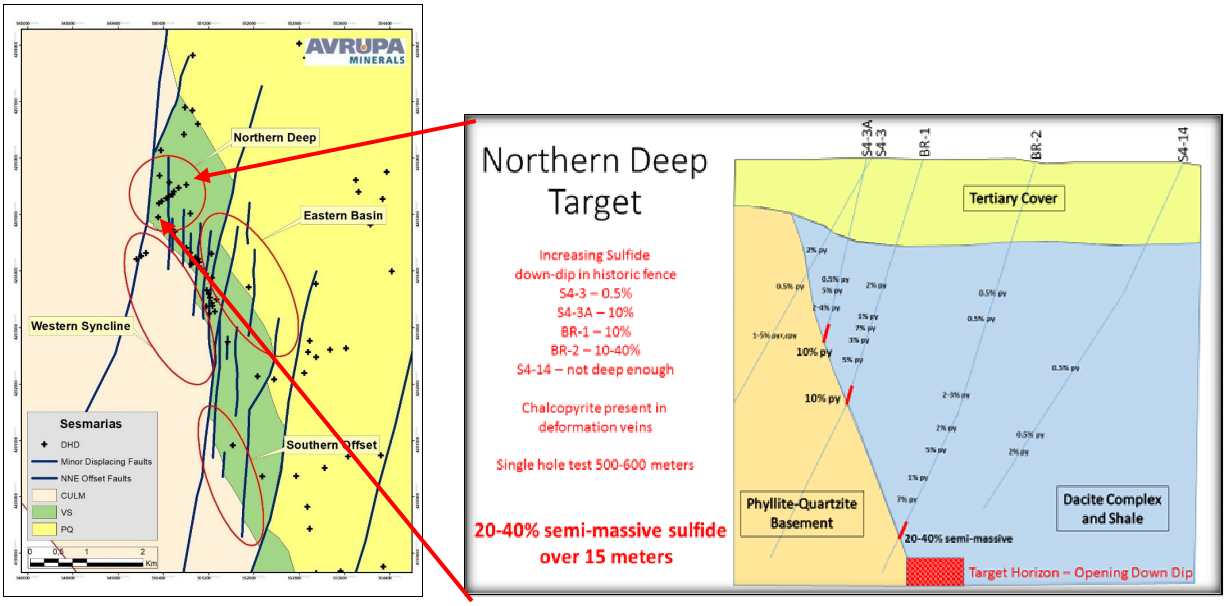
MAJOR QUARTERLY OPERATING MILESTONES

Alvalade Project (Portugal):

On February 24, 2021, the Company presented the initial progress report covering drilling at the Sesmarias Prospect in the Alvalade Project announcing that the Company completed two

diamond drill holes, totaling 874 meters, and started a third hole testing northern extensions of the Sesmarias copper-zinc-iron sulfide mineralization.

Avrupa discovered massive sulfide mineralization at Sesmarias in 2014, and intermittent drilling since then increased the known strike length of the massive lenses to 1.6 kilometers. The present work is the initial attempt to expand the mineralization to the north from SES008 to the Brejo area (in previous releases, designated as Sesmarias North or Northern Deep target). Wide-spaced, historic drilling suggests strong possibility of massive sulfide mineralization in the Brejo target area.



Figures 1 and 2. Location of Northern Deep (Brejo area) and original targeting idea. Review and re-interpretation of historic work and new drilling have demonstrated significant new potential in the area between SES008 and the "Northern Deep" (Brejo) target shown above.

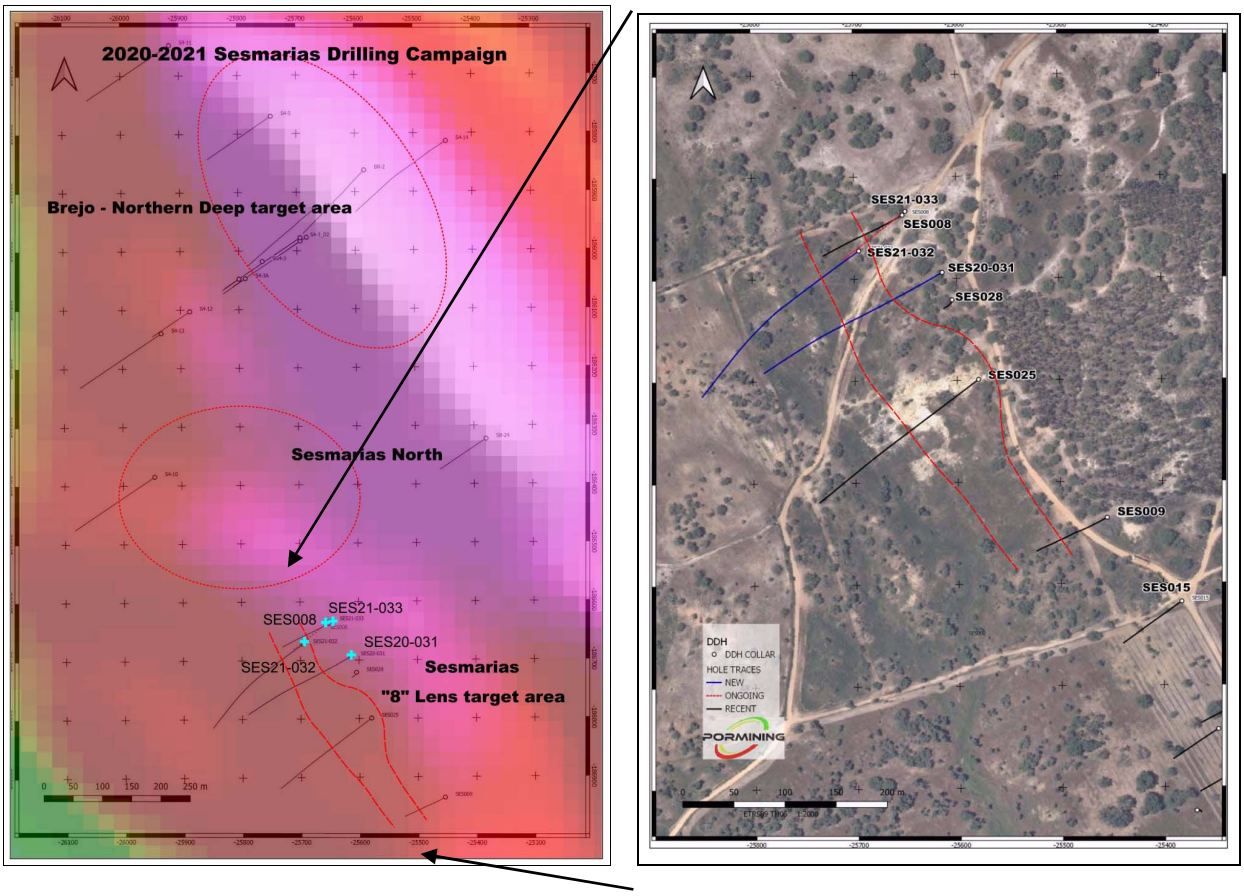
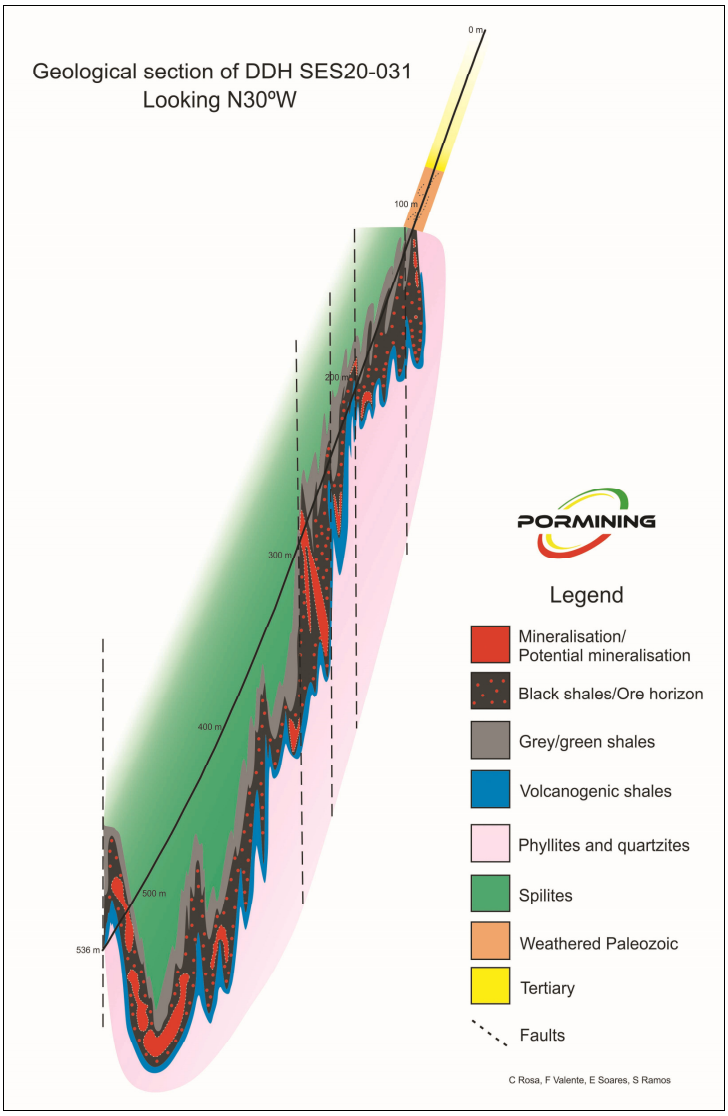


Figure 3. Plan view map of the present drilling area and targets, overlain on top of gravity geophysical information. Sesmarias mineralization is located on the southwest flank of a gravity anomaly only recently explored by Avrupa Minerals and partners. The next obvious target is the strong gravity anomaly in the upper half of the figure. The Brejo (Northern Deep) anomaly is illustrated in Figure 2. We plan to test this target in the near future.

Figure 4. Google Earth enlargement of the Sesmarias "8" Lens target area (outlined in red dashed lines, open to NW/SE and downdip at depth).

SES20-031 targeted potential massive sulfide mineralization related to the SES008 intercept (https://avrupaminerals.com/project/alvalade/). The hole continued to 536 meters depth, in several places intersecting the specific black shale unit that hosts massive sulfide mineralization at Sesmarias and at the Lousal Mine, located six kilometers to the north. Detailed review of the core showed that for its entire length, the drill hole passed through intensely folded rock units of the Volcano-Sedimentary Formation, the general host of mineralization throughout the Iberian Pyrite Belt. Overall, however, the drillhole roughly paralleled the major trend of bedding, allowing only for narrow true widths of mineralized intercepts.



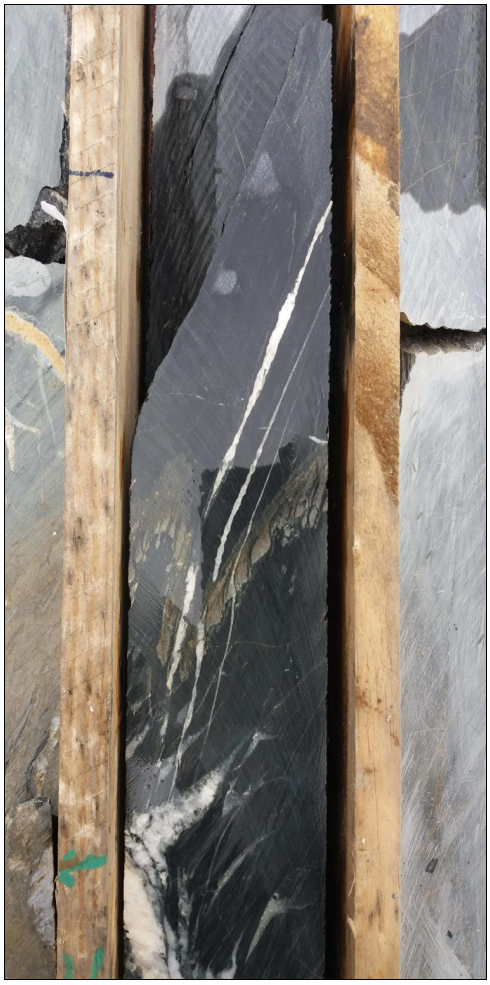


Figure 5. Geological section of SES20-031. Target rocks are noted in red (massive sulfide mineralization) and black (mineral host black shale unit). Previous work by Avrupa suggested that individual massive sulfide lenses were oriented ± vertically, but often dipping steeply to the NE. However, detailed re-logging of Sesmarias area core and subsequent first-logging of SES20-031 lead to the conclusion that intense folding of the limb of a much larger, overall *westerly-dipping* fold system is a realistic reason as to why drilling has not yet cut significant thicknesses of massive sulfide – i.e., the drilling roughly *parallels* the target host unit and never really crosses mineralization at a favorable angle.

Figure 6 is a photograph of a piece of core from SES20-031 (about 20 cm in length). This shows, in miniature, how intensely folded the rocks are in the Sesmarias District, as it directly mimics the larger-scale folding seen in the Sesmarias drill holes. We now see this pattern throughout the entire length of the known mineralization. Design of subsequent follow-up drilling will attempt to take into account the better understanding of the structural complexity of the massive sulfide target.

Figure 5 demonstrates the partial success of the drilling, but also shows that the drillhole skirted or skimmed the main target zone, for the length of the hole. The thickest intercept occurs at 277.70 to 288.45 meters, where drilling skimmed the top of a possible folded/faulted massive sulfide lens. Rocks in the intercept zone are dominantly silica, containing disseminated sulfides,

zones of banded sulfide mineralization, sulfide breccias, and one interval of approximately 0.5 meters of massive sulfide material. The intercept includes a 3.8-meter thick, weakly mineralized fault zone. The following table shows the metals' values of the intercept.

From	To	Total	Copper	Lead
277.70	288.45	10.75	0.19%	0.74%
including				
279.20	281.45	2.25	0.35%	1.73%
281.45	285.25	3.80	*Fault zone*	
285.25	288.45	3.20	0.33%	1.12%

Following the completion of SES20-031, we performed a downhole electromagnetic (DEM) survey which produced a strong conductive response in the rocks located above the path of the drill hole. Using this information, we targeted the second hole in the "8" Lens zone directly at the conductor. **SES21-032** continued to a depth of 338 meters. At 201 to 211 meters, the drill hole passed through the Sesmarias mineral horizon, a zone of weakly pyritic, quartz vein-rich, broken, graphitic gray and black shales which we interpret to be the DEM conductor, and likely to represent a distal zone of potential massive sulfide mineralization in the "8" Lens area. We are now detail-logging the drill hole and sampling the shale zone. The pattern of intense folding and faulting continues in this hole, but it appears that we intersected shale units originally located further away from the main part of the target unit shown in Fig. 5.

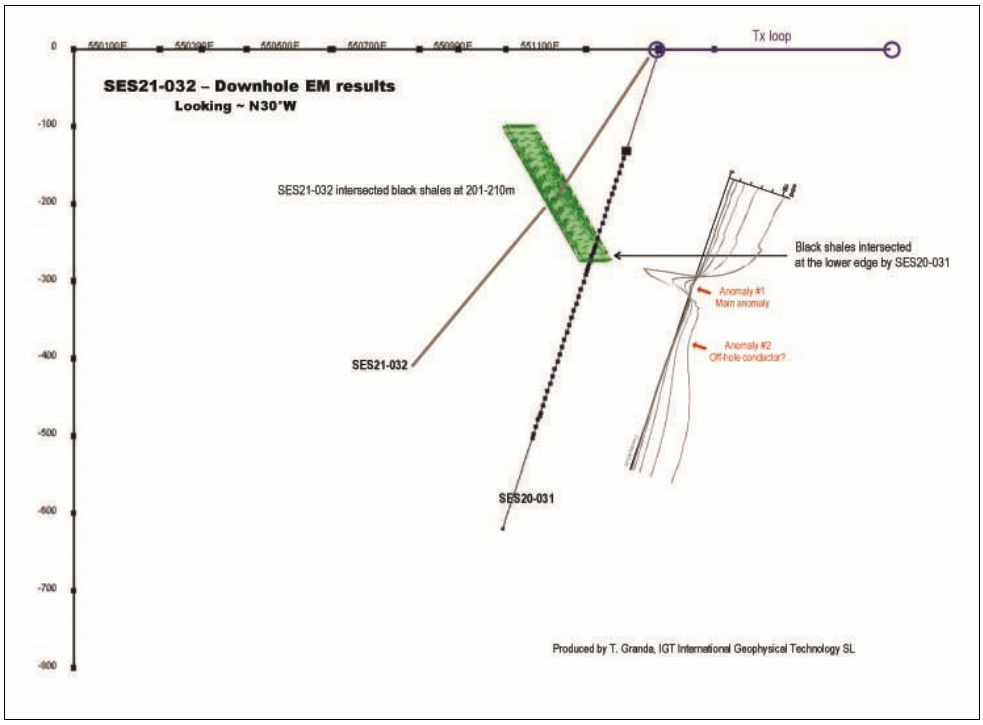


Figure 7. Schematic interpretation of geophysical information obtained in SES20-031 DEM survey. Target, in green, tested by SES21-032, represents the Sesmarias mineral horizon in this sketch. Geological information suggests that mineralization may lie below the trace of SES20-031. The current drill hole, SES21-033, is testing this target below the previously reported massive sulfide mineralization in SES008.

SES21-033 is designed to target potential downdip massive sulfide mineralization beneath SES008 and SES20-031. Further information concerning this hole will be provided upon completion, presently planned for 500 to 600 meters depth.

Following the completion of SES21-033, the Company moved to the northwest of SES008 to potentially increase the strike length of the 8 Lens. At the same time, the geological team continues to assess the historical core in the Brejo area, and has started to map geological structures visible in the old Lousal Mine workings. Initial work there clearly shows similarity of ore control characteristics to what we now know about the Sesmarias massive sulfide mineralization. Historical documents and academic studies (non- compliant to NI 43-101 standards) indicate a universal metal resource at the old mine of over 50 million tonnes of massive sulfide material. Review of original mine records by Avrupa demonstrates that less than 20 million tonnes of ore were actually extracted from Lousal.

Corporate

On March 11, 2021, the Company incorporated a wholly-owned subsidiary AVU Kosova LLC.

QUARTERLY FINANCIAL CONDITION

Capital Resources

The Company is aware of the current conditions in the financial markets and has planned accordingly. The Company's current treasury and the future cash flows from warrants and options, along with the planned developments within the Company as well as with its JV partner might not be sufficient to carry out its activities throughout 2021. The Company might have to raise additional financing under difficult financial conditions. If the market conditions prevail or improve, the Company will make adjustment to budgets accordingly.

Liquidity

As at March 31, 2021, the Company had a deficit working capital of $711,050 (December 31, 2020 – $614,342). With respect to working capital, $166,739 was held in cash (December 31, 2020 - $205,238). The decrease in cash was mainly due to the general administrative expenses and exploration work expenses totaling $34,867; (b) purchase of equipment of $1,827; and (c) share issue costs of $1,805.

Operations

Excluding the non-cash depreciation of $2,022 (2020 - $3,325), the Company's first quarter general and administrative expenses amounted to $127,501 (2020 - $105,076), an increase of $22,425 mainly due to investor relations of $50,540 (2020 - $14,406) because the Company was actively promoting to its shareholders and potential investors regarding the Company's operating activities as well as its exploration program on its property.

During the three months ended March 31, 2021, the Company incurred exploration costs of $6,126 on Alvalade in Portugal. During the three months ended March 31, 2020, the Company

expensed exploration costs totaling $15,069 including $14,933 on Alvalade in Portugal and $136 on other projects in Kosovo.

During the three months ended March 31, 2021, the Company reported a loss of $91,968 (2020 – $123,452), a decrease of $31,484. This is a result of the reimbursements from optionee of $43,649 (2020 - $Nil).

SIGNIFICANT RELATED PARTY TRANSACTIONS

During the quarter, there was no significant transaction between related parties.

COMMITMENTS, EXPECTED OR UNEXPECTED, OR UNCERTAINTIES

As of the date of the MD&A, the Company entered into a long-term loan to purchase a used vehicle. The long-term loan is repayable in monthly payments totaling $8,575 (€5,810), including interest calculated at 5.635%, and maturing on April 5, 2022.

Property deposits:

As of March 31, 2021, the Company had a total of $1,476 (€1,000) (December 31, 2020: $1,561 (€1,000)) of cash pledged for its exploration licenses in Portugal. The advances to the Portuguese regulatory authorities are refundable to the Company, subject to completion of the work obligations described in the exploration license applications.

Tax deposits:

In November 2018, MAEPA paid €56,505 ($88,201) in lieu of bank guarantees of €77,918 ($121,625) to the Directora de Finanças de Braga in Portugal. This amount was comprised of €51,920 ($81,044) in respect of stamp tax and €4,585 ($7,157) in respect of VAT. The stamp tax portion relates to the interpretation that intercompany advances received by MAEPA are financing loans and, accordingly, are subject to stamp tax. The VAT portion relates to certain invoices for vehicle usage and construction services. As of December 31, 2019, the Company estimated that the judicial review process would take approximately one year for the VAT claim and three to five years for the stamp tax claim and that the likelihood of success for each was 50%. As a result, tax deposits were written down by $41,200 (€28,252) during the year ended December 31, 2019. During 2020, the judicial review ruled that approximately €1,971 VAT remained to be paid while the rest were annulled. The Company accepted this ruling. The Company is still waiting for a trial date regarding the stamp tax and it is estimated that the process can take another three to four years.

Other than disclosed in this MD&A – Quarterly Highlights, the Company does not have any commitments, expected or unexpected, or uncertainties.

RISK FACTORS

In our MD&A filed on SEDAR April 28, 2021 in connection with our annual financial statements (the "Annual MD&A"), we have set out our discussion of the risk factors *Exploration risks, Market risks* and *Financing risk* which we believe are the most significant risks faced by Avrupa.

An adverse development in any one risk factor or any combination of risk factors could result in material adverse outcomes to the Company's undertakings and to the interests of stakeholders in the Company including its investors. Readers are cautioned to take into account the risk factors to which the Company and its operations are exposed. To the date of this document, there have been no significant changes to the risk factors set out in our Annual MD&A.

DISCLOSURE OF OUTSTANDING SHARE DATA

The authorized share capital of the Company consists of an unlimited number of common shares without par value. The following is a summary of the Company's outstanding share data as at March 31, 2021:

	Issued and Outstanding	
	March 31, 2021	May 26, 2021
Common shares outstanding	32,738,087	32,738,087
Stock options	1,227,000	1,227,000
Warrants	8,834,641	8,834,641
Fully diluted common shares outstanding	42,799,728	42,799,728

Cautionary Statements

This document contains "forward-looking statements" within the meaning of applicable Canadian securities regulations. All statements other than statements of historical fact herein, including, without limitation, statements regarding exploration results and plans, and our other future plans and objectives, are forward-looking statements that involve various risks and uncertainties. Such forward-looking statements include, without limitation, our estimates of exploration investment, the scope of our exploration programs, and our expectations of ongoing administrative costs. There can be no assurance that such statements will prove to be accurate, and future events and actual results could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from our expectations are disclosed in the Company's documents filed from time to time via SEDAR with the Canadian regulatory agencies to whose policies we are bound. Forward-looking statements are based on the estimates and opinions of management on the date the statements are made, and we do not undertake any obligation to update forward-looking statements should conditions or our estimates or opinions change, except as required by law. Forward-looking statements are subject to risks, uncertainties and other factors, including risks associated with mineral exploration, price volatility in the mineral commodities we seek, and operational and political risks. Readers are cautioned not to place undue reliance on forward-looking statements.