

**SILVERCO MINING LTD.
(formerly Quetzal Copper Corp.)**

Management's Discussion and Analysis

For the year ended December 31, 2025 and for the period from April 18, 2024 to December 31, 2024

(Expressed in Canadian dollars)

OVERVIEW OF THE BUSINESS

Silverco Mining Ltd. (formerly, Quetzal Copper Corp.) ("Silverco Ltd" or the "Company") was incorporated on November 30, 2020 pursuant to the *Business Corporations Act* (British Columbia). The Company's name was changed from Quetzal Copper Corp. to Silverco Mining Ltd. effective on October 31, 2025. The Company is a Canadian-based mining company listed on the TSX Venture Exchange ("TSXV"), having the symbol "SICO" and on the OTCQB under the symbol "SICOF". The Company's corporate office is located at 770 – 505 Burrard Street, Vancouver, BC V7X 1M4.

The principal business of the Company is to acquire, explore and develop mineral properties. The business of mining and exploration involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The recoverability of exploration and evaluation expenditures is dependent upon several factors. These include the discovery of economically recoverable resources, the ability of the Company to obtain the necessary financing to complete the development of these properties, and future profitable production or proceeds from disposition of mineral properties. The Company holds mineral properties in Mexico through its ownership of the Cusi Mining Complex. On January 19, 2026, the Company entered into a binding letter of intent to acquire Nuevo Silver Inc. ("Nuevo"), which owns the La Negra Mine, a producing silver mine located in Querétaro, Mexico.

On October 17, 2025, the Company completed a reverse takeover transaction (the "RTO") pursuant to the amalgamation agreement dated August 13, 2025 (the "Amalgamation Agreement") between Silverco Ltd, 1552216 B.C. Ltd., a wholly-owned subsidiary of Silverco Ltd, and Silverco Mining Corp. ("Silverco Corp"). Pursuant to the Amalgamation Agreement, 1552216 B.C. Ltd. amalgamated with Silverco Corp (the "Amalgamation"), forming Silverco Mining (Subsidiary) Ltd., a wholly-owned subsidiary of the Company.

Immediately prior to completing the RTO, Silverco Ltd consolidated its issued and outstanding shares on a 100:1 basis. Pursuant to the Amalgamation, former shareholders of Silverco Corp received common shares of Silverco Ltd at an exchange ratio of 1.88 ("the Exchange Ratio") post-consolidation common shares of Silverco Ltd for each Silverco Corp common share held. Upon completion of the RTO, the shareholders of Silverco Corp controlled Silverco Ltd and accordingly, the transaction was accounted for as a reverse acquisition of Silverco Ltd by Silverco Corp and Silverco Corp was identified as the accounting acquirer. The historical operations, assets, and liabilities of Silverco Corp from its incorporation on April 18, 2024, to December 31, 2024, are included as comparative figures, as Silverco Corp is deemed to be the continuing entity for financial reporting purposes.

All transactions relating to periods prior to the completion of the RTO on October 17, 2025 reflect the common shares of Silverco Corp retroactively restated at the exchange ratio of 1.88 post-consolidation common shares of the Company for each Silverco Corp common share, which presents share information on a basis consistent with the post-RTO capital structure of the Company.

Pursuant to the Amalgamation Agreement, all of the Silverco Corp share purchase warrants, stock options and performance share units are adjusted by the Exchange Ratio and will entitle the holders thereof to receive, upon exercise or settlement, common shares of the Company, as adjusted by the Exchange Ratio.

HIGHLIGHTS

Key Highlights During 2025 and Subsequent

During the year ended December 31, 2025, and to the date of this MD&A, the Company

- Completed the reverse takeover transaction on October 17, 2025, with Silverco Corp. (the accounting acquirer) becoming a wholly-owned subsidiary of the Company, which began trading on the TSXV under the symbol "SICO" following the consolidation of its share capital on a 100:1 basis.
- The Company has constituted a new management team, board and advisor as set out below:

Current Management Team

- Mark Ayranto, President and Chief Executive Officer
- Sean Fallis, Chief Financial Officer and Corporate Secretary
- Tara Hassan, Executive Vice President, Corporate Development
- Victoria Avila, Senior Vice President, Corporate Affairs and Finance
- Nico Harvey, Vice President, Project Development

Current Directors and Advisor

- Mark Ayranto, Non-independent Director
 - Gary Brown, Independent Director
 - Tim Sorensen, Independent Director
 - Gregg Bush, Independent Director
 - George Paspalas, Advisor
- The Company completed its 2025 15,000-metre drill program at the Cusi Mining Complex on time and on budget and released the results of the initial NI 43-101 resource estimate in December 2025.
 - Raised aggregate gross proceeds of \$13.7 million through private placements during 2025 to fund exploration and corporate activities.
 - After year-end, on January 19, 2026, the Company entered into a binding letter of intent to acquire 100% of the issued and outstanding shares of Nuevo, which owns the La Negra Mine, a producing silver mine located in Querétaro, Mexico ("Nuevo Transactions"). The Company's acquisition of Nuevo remains subject to customary closing conditions, including the receipt of all required regulatory and stock exchange approvals and the execution of a definitive agreement.
 - After year-end, on February 19, 2026, closed a bought deal private placement for gross proceeds of \$62.5 million, comprising 4,000,000 common shares at \$12.50 per share and 1,000,000 units at \$12.50 per unit.
 - After year-end, on March 18, 2026, the Company's common shares commenced trading on the OTCQB marketplace in the United States under the symbol "SICOF."
 - After year-end, on April 13, 2026, announced the results of a Preliminary Economic Assessment ("PEA") for the Cusi Mining Complex, demonstrating robust project economics for the Cusi Mining Complex over an 8.3-year mine life with initial capital of US\$19.2 million. Under the Base Case (US\$44.58/oz Ag LOM average), the project yields an after-tax NPV 5% of US\$104.1 million, an after-tax IRR of 94.8%, and a payback period of 0.9 years. Under the Upside Case (US\$75.00/oz Ag fixed), the after-tax NPV 5% increases to US\$312.2 million with an after-tax IRR of 186.9% and a payback of 0.5 years.

OUTLOOK

The results of the PEA announced in April 2026 (see Preliminary Economic Assessment section of this MD&A) support the economic viability of a low-capital restart and provide a framework for the Company's development strategy.

In addition to the Cusi Mining Complex restart, the Company is pursuing a strategy of growth through the acquisition of complementary development and producing assets. Subject to customary closing conditions and execution of a definitive agreement, the proposed Nuevo Transaction (see "Highlights" section of this MD&A) would provide the Company with La Negra mine in Querétaro, Mexico, adding a producing silver mine to the Company's portfolio. The combination of the Cusi Mining Complex and the potential addition of La Negra is consistent with management's objective of building Silverco into a mid-tier silver producer by consolidating assets with existing infrastructure, thereby accelerating the path to multi-asset production without the extended development timelines typically associated with greenfield projects.

Management's near-term priorities are to:

- i. Complete the proposed Nuevo Transaction;
- ii. progress restart work at the Cusi mine and mill, including the selection of an underground mining contractor to support the targeted concentrate production restart in late 2026; and
- iii. advance the ongoing 2026 30,000-metre drill program at the Cusi Mining Complex, building on the positive 2025 15,000-metre drill program, with the objective of adding mineral resources and converting inferred mineral resources to higher-confidence categories to enhance the production profile and extend the mine life beyond the 8.3-year estimate contemplated in the PEA.

Management will continue to monitor commodity markets, macroeconomic conditions, and regulatory developments in both Canada and Mexico, all of which may influence the timing and sequencing of the Company's activities. The Company remains committed to creating long-term shareholder value through the disciplined advancement of the Cusi Mining Complex, the pursuit of accretive growth opportunities, and transparent disclosure to its shareholders.

BASIS OF PREPARATION OF THE MD&A

This Management's Discussion and Analysis ("MD&A") supplements but does not form part of the audited consolidated financial statements of the Company and the notes thereto for the year ended December 31, 2025 and for the period from April 18, 2024 to December 31, 2024 ("Financial Statements").

The following MD&A of the financial condition and results of operations of the Company has been prepared by management and should be read in conjunction with the Financial Statements.

The Financial Statements have been prepared by management in accordance with International Financial Reporting Standards ("IFRS Accounting Standards") as issued by the International Accounting Standards Board. Other information contained in this document has been prepared by management and is consistent with the data contained in the Financial Statements.

The Company's certifying officers are responsible for ensuring that the Financial Statements and MD&A do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made. The Company's certifying officers certify that the Financial Statements together with the other financial information included in the filings fairly present in all material respects the financial condition, financial performance and cash flows of the Company as of the date and for the periods presented in the filings.

In this MD&A, the "Company", or the words "we", "us", or "our", collectively refer to the Company and its subsidiary. The first, second, third and fourth quarters of the Company's fiscal years are referred to as "Q1", "Q2", "Q3" and "Q4", respectively.

This MD&A takes into account information available up to the approval of the Financial Statements and MD&A by the Board of Directors on April 24, 2026 ("MD&A Date").

Management is responsible for the preparation and integrity of the Company's Financial Statements, including the maintenance of appropriate information systems, procedures and internal controls. Management is responsible for ensuring that information disclosed externally, including the information contained within the Company's Financial Statements and MD&A, is complete and reliable.

For a complete understanding of the Company's business environment, risks and uncertainties and the effect of accounting estimates on its results of operations and financial condition, this MD&A should be read together with the Company's Financial Statements.

Certain statements made may constitute forward-looking statements. Such statements involve a number of known and unknown risks, uncertainties and other factors. Actual results, performance and achievements may be materially different from those expressed or implied by these forward-looking statements.

CORPORATE DEVELOPMENTS

Reverse Takeover Transaction

As outlined above, the RTO was completed on October 17, 2025. At the date of the RTO, Silverco Ltd did not meet the definition of a business as defined under IFRS 3, *Business Combinations*, as it lacked the requisite inputs, substantive processes, and outputs necessary to constitute a business. Consequently, the transaction is not a business combination and is within the scope of IFRS 2, Share-Based Payment, where Silverco Corp is deemed to have issued shares to the shareholders of Silverco Ltd in exchange for the net liabilities assumed and the listing services of Silverco Ltd.

The acquisition-date fair value of the consideration transferred by the accounting acquirer, Silverco Corp, for its interest in the Silverco Ltd of \$1,428,045 is determined based on the fair value of the equity interest Silverco Corp would have had to give to the owners of Silverco Ltd, before the reverse acquisition, to provide the same percentage equity interest in the combined entity that results from the reverse acquisition, and is recorded as an increase in common shares in the consolidated statement of financial position.

The identifiable net liabilities of Silverco Ltd assumed at the RTO completion date totaled \$1,364,220. The listing expense of \$2,792,265 recognized in the consolidated statement of loss and comprehensive loss represents the sum of the consideration transferred of \$1,428,045 and the net liabilities assumed of \$1,364,220, reflecting the total cost attributed to the acquisition of the public listing. The net liabilities assumed included accounts payable and accrued liabilities of \$1,278,935, which comprised obligations of Silverco Ltd, as well as a flow-through premium liability of \$176,734. No value was assigned to the Big Kidd mineral property and Silverco Ltd had written off its carrying value in full prior to the RTO based on its assessment that the property's carrying amount was not recoverable.

A summary of the Company's consideration and assumed net liabilities on the RTO date of October 17, 2025, is as follows:

	\$
Consideration	
Fair value of deemed (notional) issuance of 888,410 common shares to the Silverco Ltd shareholders	1,421,456
Fair value of Silverco Ltd options and warrants	6,589
	1,428,045
Net liabilities assumed	
Cash	4,743
GST receivable	66,683
Prepaid expenses	20,023
Accounts payable and accrued liabilities	(1,278,935)
Flow-through premium liability	(176,734)
	(1,364,220)
Listing Fees	2,792,265

The fair value of the consideration of \$1,428,045 transferred by Silverco Ltd was determined using an effective share price of \$1.60 per common share, reflecting the application of the Exchange Ratio of 1.88 to the most recent private placement price. This per-share price applied to 888,410 deemed shares resulted in share consideration of \$1,421,456, with the remaining \$6,589 attributable to the fair value of Silverco Ltd.'s 35,986 options and 120,615 warrants assumed, valued using the Black-Scholes option pricing model with the weighted average assumptions set out in the table below:

	Options	Warrants
Weighted average exercise price	\$8.53	\$27.53
Weighted average share price at valuation date	\$1.60	\$1.60
Average risk-free rate	2.67%	2.43%
Average expected dividend yield	0.00%	0.00%
Average expected stock price volatility	75%	75%
Average expected life of option (years)	1.24	0.77

In connection with the RTO, the Company incurred transaction costs of \$365,881 comprising professional fees, regulatory filing costs, and other directly attributable expenditures. These costs have been recognized in profit or loss for the year ended December 31, 2025.

ACQUISITION AND EXPLORATION ACTIVITIES

a) Acquisition of Minera San Bernabé

On May 22, 2024, the Company paid \$4,094 (MXN 50,000) and acquired all of the issued and outstanding shares of Minera San Bernabe.

The acquisition of Minera San Bernabe has been accounted for by the Company as an asset acquisition. The acquisition did not qualify as a business combination under IFRS 3 *Business Combinations*, as the significant inputs, processes, and outputs, that together constitute a business, did not exist.

A summary of the fair values of the consideration and the assets acquired as at the May 22, 2024, acquisition date is as follows

	\$
Consideration:	
Cash	4,094
	4,094
Assets acquired:	
Accounts receivable	4,094

b) Acquisition of Cusi Concession

The Company entered into an asset purchase agreement dated July 18, 2024 with Dias Bras Mexicana, S.A. De C.V. ("DBM") and the Company's wholly owned subsidiary, Minera San Bernabé, pursuant to which the Company agreed to acquire, through Minera San Bernabé, all of the Cusi Mining Complex's right, title and interest in and to the mineral concessions (the "Acquisition"). The Acquisition includes 75 claims located in Chihuahua State, Mexico.

On August 18, 2024, the Company acquired 100% interest and title of the Cusi Mining Complex from DBM in exchange for a cash payment of \$3,078,898 (US\$ 2,513,360). For accounting purposes, the acquisition was recorded as an exploration and evaluation asset, as defined in IFRS 6 *Exploration for and Evaluation of Mineral Resources*. The acquisition did not qualify as a business combination under IFRS 3 *Business Combinations*, as the significant inputs, processes, and outputs, that together constitute a business, did not exist in the Cusi Mining Complex at the time of acquisition.

c) Acquisition of San Miguel Property

The Company entered into an asset purchase agreement (the "APA") with Minera Silverstrike S.A. De C.V. ("Silverstrike") and the Company's wholly owned subsidiary, Minera San Bernabé, pursuant to which the Company agreed to acquire, through Minera San Bernabé, all of San Miguel Property's right, title and interest in and to the mineral concessions (the "San Miguel Acquisition"). The San Miguel Acquisition includes 20 claims located in Chihuahua State, Mexico (the "San Miguel Property").

On July 3, 2024, the Company acquired 100% interest and title of San Miguel Concession Mine from Silverstrike in exchange for a cash payment of \$637,563 (US\$ 500,000) and an issuance of the Company's common shares equivalent to \$675,000 (US\$500,000). For accounting purposes, the acquisition was recorded as an exploration and evaluation asset, as defined in IFRS 6 *Exploration for and Evaluation of Mineral Resources*. The acquisition did not qualify as a business combination under IFRS 3 *Business Combinations*, as the significant inputs, processes, and outputs, that together constitute a business, did not exist in San Miguel Property at the time of acquisition. Accordingly, no goodwill was recorded with respect to the acquisition.

The Company granted to Silverstrike or its nominee, as applicable a royalty equal to 1% of the Net Smelter Returns ("NSR") over the San Miguel Property.

Following completion, the San Miguel Property became part of the Company's Cusi Mining Complex.

SILVERCO MINING LTD. (formerly Quetzal Copper Corp.)**Management's Discussion & Analysis****For the year ended December 31, 2025 and for the period from April 18, 2024 to December 31, 2024**

A summary of the Company's Cusi Mining Complex exploration and evaluation assets is as follows:

	Cusi Mining Complex
	\$
Balance, April 18, 2024	-
Acquisition costs - Fair value of shares issued	675,000
Acquisition costs - Cash	3,716,461
Acquisition costs - Closing costs	2,102
Balance, December 31, 2024	4,393,563
Addition – Reclamation provision cost	2,416,639
Foreign exchange	745,490
Balance, December 31, 2025	7,555,692

The concessions within the Cusi Mining Complex are subject to NSR aggregate royalties totaling either 1%, 2%, 3% or 4%. The concessions with aggregate NSR royalties totaling 4% can be reduced to 2% with a payment of \$US 1,000,000. The concessions with aggregate NSR royalties totaling 3% and 2% can be reduced to 2% and 1% respectively with a payment of \$US 5,000,000. The concessions with a NSR royalty of 1% do not have a repurchase option.

d) Exploration and Evaluation Expenditures

A summary of the Company's exploration and evaluation expenses for the year ended December 31, 2025, is as follows:

	Cusi Mining Complex	Big Kidd	Total
	\$	\$	\$
Drilling	2,660,255	300,730	2,960,985
Rental equipment	1,455,352	-	1,455,352
Utilities and fuel	1,352,760	-	1,352,760
Technical services	1,008,867	248,000	1,256,867
Salary and wages	784,120	-	784,120
Professional services	389,622	-	389,622
Environmental studies	144,946	530,043	674,989
Permits and concession fees	620,032	-	620,032
Assays and analysis	245,607	-	245,607
Field consumables	223,318	486,004	709,322
Site and office services	594,687	-	594,687
Other	32,484	-	32,484
Total	9,512,050	1,564,777	11,076,827

SILVERCO MINING LTD. (formerly Quetzal Copper Corp.)**Management's Discussion & Analysis****For the year ended December 31, 2025 and for the period from April 18, 2024 to December 31, 2024**

A summary of the Company's exploration and evaluation expenses for the period from the date of incorporation on April 18, 2024 to December 31, 2024, is as follows:

	Cusi Mining Complex
	\$
Drilling	1,436,190
Rental equipment	24,198
Utilities and fuel	477,726
Technical services	173,272
Salary and wages	228,632
Professional services	239,501
Environmental studies	21,055
Permits and concession fees	396,115
Assays and analysis	76,109
Field consumables	176,724
Site and office services	178,509
Other	12,039
Total	3,440,070

RESULTS OF OPERATIONS

A summary of the Company's results of operations and selected information from the Financial Statements is as follows:

	Three months ended December 31, 2025	Three months ended December 31, 2024	Year ended December 31, 2025	For the period from April 18, 2024 to December 31, 2024
Operating expenses	\$	\$	\$	\$
Exploration and evaluation expenditures	5,453,629	2,890,043	11,076,827	3,440,070
Salaries, benefits and directors' fees	615,794	7,500	864,155	243,024
Professional fees	327,259	12,500	399,550	53,920
Office and administrative	153,075	29,090	219,176	29,148
Filing fees	-	1,620	4,386	2,800
Depreciation expense	29,055	68,035	223,747	68,035
Accretion on reclamation provision	205,414	-	205,414	-
Accretion and Interest expense	7,073	12,831	27,607	12,831
Marketing and investor relations	263,337	-	292,168	-
Share-based compensation	506,694	1,315,388	1,480,949	1,315,388
Total expenses	7,561,330	4,337,007	14,793,979	5,165,216
Other income (expenses)				
Recovery of flow-through premium liability	176,734	-	176,734	-
Foreign exchange (loss) income	(76,983)	99,134	(36,351)	99,134
Listing fees	(2,792,265)	-	(2,792,265)	-
RTO transaction costs	(365,881)	-	(365,881)	-
Interest income	-	-	13,767	-
Net loss for the year	10,619,725	4,237,873	17,797,975	5,066,082
Other comprehensive (income) loss				
Currency translation adjustment	(1,072,886)	562,148	(326,115)	349,093
Net loss and comprehensive loss	9,546,839	4,800,021	17,471,860	5,415,175
Net loss per share:				
Basic and diluted	0.33	0.26	0.63	0.22
Weighted average shares outstanding:				
Basic and diluted	32,452,102	16,419,649	28,408,601	23,102,000

SILVERCO MINING LTD. (formerly Quetzal Copper Corp.)**Management's Discussion & Analysis****For the year ended December 31, 2025 and for the period from April 18, 2024 to December 31, 2024****Year Ended December 31, 2025, compared to the Period Ended December 31, 2024**

Net loss and comprehensive loss increased to \$17.5 million for the year ended December 31, 2025, compared to \$5.4 million for the period from April 18, 2024 to December 31, 2024. This included a foreign currency translation gain of \$0.3 million, compared to a translation loss of \$0.3 million in the prior year period, reflecting the impact of Mexican peso fluctuations on the translation of Mexican subsidiary net assets to Canadian dollars.

Net loss of \$17.8 million for the year ended December 31, 2025, compared to \$5.1 million for the period from April 18, 2024 to December 31, 2024, an increase of \$12.7 million. The principal drivers of the year-over-year variances are discussed in the notes to the variance table below. The "Annual Variance" column in the table represents the year ended December 31, 2025 compared to the period from April 18, 2024 (date of incorporation) to December 31, 2024.

Q4 2025 Compared to Q4 2024

Net loss and comprehensive loss increased to \$9.5 million for the three months ended December 31, 2025, compared to \$4.8 million for the same period in 2024. This included a foreign currency translation gain of \$1.1 million (2024 - \$0.6 million loss), reflecting the impact of Mexican peso fluctuations on the translation of Mexican subsidiary net assets to Canadian dollars.

Net loss was \$10.6 million for the three months ended December 31, 2025, compared to \$4.2 million for the same period in 2024, an increase of \$6.4 million. The principal drivers of the quarterly variances are discussed in the notes to the variance table below. The "Q4 Variance" column in the table represents the Q4 2025 over Q4 2024 variance.

The following table summarizes the 2025 and 2024 variances in net loss:

	Q4 Variance	Annual Variance	Note
Operating expenses	\$	\$	
Increase/(Decrease) exploration and evaluation expenditures	2,563,586	7,636,757	1
Increase/(Decrease) salaries, benefits and directors' fees	608,294	621,131	2
Increase/(Decrease) professional fees	314,759	345,630	3
Increase/(Decrease) office and administrative	123,985	190,028	4
Increase/(Decrease) filing fees	(1,620)	1,586	
Increase/(Decrease) depreciation expense	(38,980)	155,712	5
Increase/(Decrease) accretion on reclamation provision	205,414	205,414	6
Increase/(Decrease) accretion and interest expense	(5,758)	14,776	
Increase/(Decrease) marketing and investor relations	263,337	292,168	7
Increase/(Decrease) share-based compensation	(808,694)	165,561	8
Total expenses	3,224,323	9,628,763	
Other income (expenses)			
Increase/(Decrease) recovery of flow-through premium liability	176,734	176,734	9
Increase/(Decrease) foreign exchange (loss) income	(176,117)	(135,485)	
Increase/(Decrease) listing fees	(2,792,265)	(2,792,265)	10
Increase/(Decrease) RTO transaction costs	(365,881)	(365,881)	11
Increase/(Decrease) interest income	-	13,767	
Increase in net loss	6,381,852	12,731,893	

1. Exploration and evaluation expenditures

The \$7.6 million annual increase reflects the scale-up of activities at Cusi Mining Complex, primarily driven by the 2025 15,000-metre drill program and technical services required for the publication of an updated NI 43-101 resource estimate, as well as operational support activities and costs for dewatering of the underground mine. Additionally, at the Big Kidd property, expenditures primarily comprised drilling activities and environmental studies. The Q4 variance of \$2.6 million is driven by the same factors.

2. Salaries, benefits and directors' fees

The \$0.6 million annual increase reflects the build-out of the Company's corporate management team and board to support expanded operations following the RTO, including the addition of finance and operations personnel. The prior year comparative relates largely to compensation of a small team of personnel during the stub period from incorporation. The Q4 2025 vs. Q4 2024 variance is of a similar magnitude and is driven by the same factors.

3. Professional fees

The \$0.3 million annual increase was primarily driven by higher audit, accounting, legal, and regulatory compliance costs associated with the Company's first full year as a reporting issuer on the TSXV following the RTO. The Q4 2025 vs. Q4 2024 variance is of a similar magnitude and is driven by the same factors.

4. Office and administrative expenses

The \$0.2 million annual increase reflects the costs of establishing corporate infrastructure following the RTO, including directors' and officers' insurance, office rent, recruitment costs, and other general administrative expenditures. The prior year comparative reflects minimal rent and overhead during the initial stub period from incorporation. The Q4 2025 vs. Q4 2024 variance of \$0.1 million is driven by the same factors.

5. Depreciation expense

The \$0.2 million annual increase reflects a full year of depreciation on property and equipment and right-of-use assets, primarily at the Cusi Mining Complex, compared to a partial period in the prior year. The Q4 2025 vs. Q4 2024 variance is driven by the same factors.

6. Accretion on reclamation provision

The expense represents the non-cash unwinding of the discount on the asset retirement obligation associated with the Cusi Mining Complex, which was recognized during 2025 in connection with the Cusi Mining Complex property. The Q4 2025 vs. Q4 2024 variance is of a similar magnitude and is driven by the same factors.

7. Marketing and investor relations

The \$0.3 million annual increase reflects expenditures incurred following the RTO in connection with building market awareness and investor engagement. Activities included attendance at industry conferences and trade shows, content creation, and related investor relations initiatives. The Q4 2025 vs. Q4 2024 variance is of a similar magnitude and is driven by the same factors.

8. Share-based compensation

The \$0.2 million annual increase reflects the addition of performance share unit ("PSU") expense of \$0.6 million, partially offset by lower stock option expense year-over-year. The 2025 expense comprises \$0.9 million of stock option expense and \$0.6 million of PSU expense (2024 – stock options only). The relatively modest overall increase reflects the fact that the prior year option grants vested immediately and were expensed during the stub period. The significantly lower Q4 2025 compared to Q4 2024 variance is due to the fact that the prior year option grants were immediately vested and expensed during that quarter.

9. Recovery of flow-through premium liability

The recovery represents the recognition of flow-through premium as qualifying Canadian exploration expenditures were incurred against the Company's flow-through share obligations through expenditures on the Big Kidd property. The Q4 2025 vs. Q4 2024 variance is of a similar magnitude and is driven by the same factors.

10. Listing expense

The non-cash charge was recognized on completion of the RTO on October 17, 2025, measured as the aggregate of the deemed consideration transferred by Silverco Corp and the net liabilities assumed from Silverco Ltd. The Q4 2025 vs. Q4 2024 variance is of a similar magnitude as there was not RTO activity in 2024.

11. Transaction costs

The charge represents the direct costs incurred in connection with the RTO, comprising professional fees, regulatory filing costs, and other directly attributable expenditures. The Q4 2025 vs. Q4 2024 variance is of a similar magnitude as there was no RTO activity in 2024.

MINERAL RESOURCE ESTIMATE

On December 9, 2025, the Company announced an updated Mineral Resource Estimate ("MRE") for the Cusi Mining Complex. The MRE was prepared by Ben Eggers, MAIG, P.Geol. and Allan Armitage, Ph.D., P.Geol. of SGS Geological Services ("SGS"), both independent Qualified Persons as defined by National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101"). The supporting NI 43-101 Technical Report, titled "Mineral Resource Estimate for the Cusi Ag-Au-Pb-Zn Project, Chihuahua State, Mexico," dated January 14, 2026 with an effective date of October 20, 2025, is available under the Company's profile on SEDAR+ at www.sedarplus.ca and on the Company's website at www.silvercomining.com. There are no material differences between the Technical Report and the Company's December 9, 2025 news release.

The MRE is based on a validated database comprising data from 2,052 surface and underground drillholes totalling 360,237 metres completed between 2006 and October 2025, and 21,522 underground channels totalling 48,786 metres completed between 2013 and 2023. The estimate encompasses 63 three-dimensional resource models representing epithermal veins across the Cusi vein systems and is exclusive of mined-out material.

Combined Measured and Indicated Mineral Resources are estimated at 4.89 million tonnes grading 206 g/t silver, 0.15 g/t gold, 0.73% lead, and 0.86% zinc (262 g/t AgEq), containing 41.2 million ounces AgEq. Inferred Mineral Resources are estimated at 4.07 million tonnes grading 172 g/t silver, 0.17 g/t gold, 0.89% lead, and 1.20% zinc (243 g/t AgEq), containing 31.8 million ounces AgEq.

Table: Cusi Project Underground Mineral Resource Estimate, October 20, 2025

Resource Class	Mass (Mt)	Ag (g/t)	Au (g/t)	Pb (%)	Zn (%)	AgEq (g/t)	Ag (koz)	Au (koz)	Pb (Mlbs)	Zn (Mlbs)	AgEq (koz)
Measured	0.69	277	0.08	0.37	0.42	305	6,114	1.8	5.6	6.3	6,725
Indicated	4.21	195	0.16	0.78	0.93	255	26,330	22.2	72.7	86.5	34,433
M+I	4.89	206	0.15	0.73	0.86	262	32,443	24.0	78.3	92.8	41,157
Inferred	4.07	172	0.17	0.89	1.20	243	22,479	22.2	79.5	107.5	31,753

Notes:

- (1) The mineral resource was estimated by Ben Eggers, MAIG, P.Geol. of SGS Geological Services, an independent Qualified Person as defined by NI 43-101. Mr. Eggers conducted a site visit to the Cusi Property on September 22–23, 2025. The mineral resource was peer reviewed by Allan Armitage, Ph.D., P.Geol. of SGS Geological Services, an independent Qualified Person as defined by NI 43-101.
- (2) The classification of the MRE is consistent with the 2014 CIM Definition Standards for Mineral Resources and Mineral Reserves. The effective date of the MRE is October 20, 2025.
- (3) All figures are rounded to reflect the relative accuracy of the estimate and numbers may not add due to rounding. All mineral resources are presented undiluted and in situ, constrained by continuous 3D wireframe models.
- (4) Mineral resources are reported at a base case underground cut-off grade of 120 g/t AgEq, which considers metal prices of US\$30/oz Ag, US\$2,400/oz Au, US\$1.00/lb Pb, and US\$1.35/lb Zn; metal recoveries of 90% for Ag, 50% for Au, 90% for Pb, and 60% for Zn; a mining cost of US\$60.00/t rock; and processing, treatment, and G&A costs of US\$35.00/t mineralized material.
- (5) An average density of 2.75 g/cm³ was assigned to all domains based on a database of 244 samples.

(6) Mineral resources are not mineral reserves. Mineral resources that are not mineral reserves do not have demonstrated economic viability. An Inferred Mineral Resource has a lower level of confidence than that applying to an Indicated or Measured Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated or Measured Mineral Resources with continued exploration.

(7) The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.

The MRE incorporates only a portion of the Company's 2025 drill results. All deposits remain open along strike and/or down dip, and the Company's ongoing 2026 30,000-metre drill program is expected to generate additional data to support future resource updates and potential resource growth. The MRE forms the basis for the PEA discussed below.

PRELIMINARY ECONOMIC ASSESSMENT

On April 13, 2026, the Company announced the results of the PEA for the Cusi Mining Complex, prepared by JDS Energy & Mining Inc. (“JDS”), Forte Dynamics (“Forte”), and SGS Geological Services (“SGS”) in accordance with the NI 43-101 technical report, the MRE report filed on SEDAR+ at www.sedarplus.ca on January 14, 2026. The PEA outlines a low-capital restart of the existing underground mine and 1,200 tonne-per-day processing facility, with concentrate production targeted to commence in late 2026 and full ramp-up by mid-2027.

Readers are cautioned that the PEA is preliminary in nature and includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the results of the PEA will be realized. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

PEA Economic Highlights

All dollar amounts in the following PEA discussion are expressed in US\$ unless otherwise noted.

The following table summarizes the key results of the PEA:

	Units	Base Case
Silver price assumption	US\$/oz	\$44.58 (LOM avg.)
Mine life	years	8.3
Throughput	tpd	1,200
Avg. annual AgEq production (2028–2033)	Moz	~2.5
After-tax NPV (5%)	US\$M	104.1
After-tax IRR	%	94.8
After-tax payback	years	0.9
Initial capital	US\$M	19.2
Sustaining capital (incl. closure)	US\$M	140.6
LOM All-In-Sustaining Costs (“AISC”)	US\$/AgEq oz	26.75
LOM Operating Cash Costs	US\$/AgEq oz	17.24

Note: Base case metal prices include gold at US\$3,000/oz, lead at US\$0.91/lb, and zinc at US\$1.29/lb for both scenarios. Initial capital is inclusive of all capital and owner’s costs through Q1 2027 and is net of revenue generated during the commissioning period from Q4 2026 to Q1 2027.

Upside Case

The PEA also evaluated an upside case utilizing a fixed silver price of US\$75.00 per ounce, with all other metal prices held constant at the base case assumptions. Under the upside case, the after-tax NPV (5%) increases to US\$312.2 million with an after-tax IRR of 186.9% and a payback period of 0.5 years.

Project Description and Mining Plan

The PEA contemplates an approximately nine-year mine life at a steady-state throughput of 1,200 tonnes per day, with mining activities focused on three primary zones: Promontorio, San Miguel, and Eduwiges. Initial production will prioritize the Promontorio zone to leverage existing underground infrastructure and advanced development. Development of the San Miguel zone is planned to proceed concurrently, targeting full ramp-up by the end of H1 2027. Mining will utilize conventional sublevel long-hole open stoping in a retreat configuration, performed by specialized contract miners.

Ore will be transported approximately 40 kilometres by highway truck to the Company's existing processing facility, which utilizes a conventional comminution and flotation circuit to produce a high-value bulk lead-silver concentrate. The project currently maintains constructed tailings storage capacity for the first twelve months of production, with permits already in place for additional capacity required by the end of 2027.

Production and Revenue Profile

Average annual silver equivalent production over the 2028 to 2033 period is estimated at approximately 2.5 million ounces, with peak annual production of approximately 2.8 million silver equivalent ounces. Life-of-mine recovered to concentrate silver totals 14.5 million ounces, with by-product metals comprising gold (13,400 ounces), lead (60.9 million pounds), and zinc (63.1 million pounds).

At base case, approximately 88% of projected life-of-mine net smelter return revenue is derived from silver, with the remainder attributable to lead (8%), gold (3%), and zinc (1%), providing the Company with significant leverage to silver prices.

Metal Price Assumptions

The base case utilizes a silver price curve starting at US\$65.00 per ounce in 2026, reflecting spot prices and consensus projections at the time of the PEA, tapering to a long-term price of US\$38.00 per ounce from 2030 onward. The life-of-mine average realized silver price is US\$44.58 per ounce, which represents an approximate 13% discount to the consensus pricing of 32 banks and financial institutions at the time of the study. Gold, lead, and zinc are held constant at US\$3,000 per ounce, US\$0.91 per pound, and US\$1.29 per pound, respectively. The upside case applies a fixed silver price of US\$75.00 per ounce, with all other metal price assumptions unchanged.

Capital and Operating Costs

Initial capital is estimated at US\$19.2 million, inclusive of all pre-production capital and owner's costs through Q1 2027 and net of commissioning-period revenue. The low initial capital requirement reflects the significant advantage of restarting an existing mine and processing facility versus a greenfield development, as evidenced by the 5.4 times after-tax NPV-to-initial-capital ratio at base case metal prices. Life-of-mine sustaining capital, including closure costs, is estimated at US\$140.6 million.

Unit operating costs are estimated at US\$40.27 per tonne mined, US\$23.23 per tonne processed, US\$9.03 per tonne for general and administrative costs, and US\$3.63 per tonne contingency. Life-of-mine all-in sustaining costs are estimated at US\$26.75 per payable silver equivalent ounce, with cash operating costs of US\$17.24 per payable silver equivalent ounce.

SILVERCO MINING LTD. (formerly Quetzal Copper Corp.)**Management's Discussion & Analysis****For the year ended December 31, 2025 and for the period from April 18, 2024 to December 31, 2024****SUMMARY OF QUARTERLY RESULTS**

	Q4 2025	Q3 2025	Q2 2025	Q1 2025
	\$	\$	\$	\$
Net loss and comprehensive loss	9,546,839	5,422,612	1,397,864	1,104,545
Basic and diluted loss per share	0.33	0.15	0.06	0.03

	Q4 2024	Q3 2024	Q2 2024	Q1 2024*
	\$	\$	\$	\$
Net loss and comprehensive loss	4,800,021	584,639	30,515	-
Basic and diluted loss per share	0.26	0.05	0.01	-

*Q1 2024 results are not presented as Silverco Corp. (the accounting acquirer) was incorporated on April 18, 2024, during the second quarter of 2024. Accordingly, no financial activity occurred in Q1 2024.

During the last seven quarters, the Company's net loss and comprehensive loss increased from \$30,515 in Q2 2024 to \$9,546,839 in Q4 2025. This increase was generally driven by increased activity at the Cusi Mining Complex and increased corporate costs in Q3 2025 and Q4 2025 related to the RTO. In addition, Q4 2025 was impacted by expenditures on the Big Kidd property and Q4 2024 was impacted by drilling at the Cusi Mining Complex and the grant of stock options discussed previously.

SOURCES AND USES OF CASH

A summary of the Company's cash sources and uses of cash is as follows:

	Year Ended December 31 2025	For the period from April 18 to December 31 2024
	\$	\$
Cash used in operating activities	(14,595,812)	(3,477,273)
Cash provided by (used in) investing activities	1,119,090	(4,968,563)
Cash provided by financing activities	12,583,500	10,796,979
Change in cash during the period	(893,222)	2,351,143
Effect of exchange rate fluctuations on cash held	16,127	(349,093)
Cash, beginning of the period	2,002,050	-
Cash, end of the period	1,124,955	2,002,050

The Company reported a decrease in cash of \$0.9 million during the year ended December 31, 2025, compared to an increase of \$2.4 million in the prior year. The full-year decrease reflects the significant expansion of exploration and corporate activities following the execution of extensive work at the Cusi Mining Complex and corporate RTO-related expenditures, partially offset by \$12.8 million in net financing proceeds.

Operating Activities

The Company has not generated revenue from mining operations. Cash used in operating activities totalled \$14.6 million for the year ended December 31, 2025, compared to \$3.5 million in the prior year, an increase of \$11.1 million. The increase was primarily driven by higher exploration and evaluation costs, RTO cost and increased corporate costs as discussed in the results of operations section of this MD&A.

Investing Activities

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Cash provided by investing activities was \$1.1 million for the year ended December 31, 2025, compared to cash used of \$5.0 million in the prior year — a \$6.1 million year-over-year change. The prior year outflow primarily related to mineral property acquisition costs of approximately \$3.7 million for the acquisition of the Cusi Mining Complex, together with loans advanced. During 2025, the Company collected \$1.2 million on loans receivable advanced in the prior year, partially offset by \$0.1 million in additions to property and equipment.

Financing Activities

Cash provided by financing activities was \$12.6 million for the year ended December 31, 2025, compared to \$10.8 million in the prior year. The 2025 amount comprises net proceeds of \$12.8 million from private placements and \$0.2 million in equipment lease payments. The 2024 amount comprised net proceeds of \$10.9 million in private placement.

LIQUIDITY, CAPITAL RESOURCES AND GOING CONCERN

As at December 31, 2025, the Company had working capital of \$0.7 million (December 31, 2024 - \$2.8 million) and cash of \$1.1 million (December 31, 2024 - \$2.0 million).

The Financial Statements have been prepared in accordance with IFRS Accounting Standards on a going concern basis, which presumes the realization of assets and discharge of liabilities in the normal course of business for the foreseeable future. The Company has not yet generated revenue from mining operations and its ability to continue as a going concern is dependent upon its ability to raise adequate funding through equity or debt financing to discharge its liabilities as they become due and to fund its planned exploration and development activities.

During the year ended December 31, 2025, the Company had the following share capital transactions:

- On May 7, 2025, the Company closed a private placement and issued 131,600 common shares at a price of \$0.80 per common share for gross proceeds of \$0.1 million.
- On May 16, May 29, and June 10, 2025, the Company closed a series of private placements, issuing a total of 8,494,255 common shares at a price of \$1.60 per share for aggregate gross proceeds of \$13.5 million. During the year ended December 31, 2025, the Company recorded \$1.4 million in share issuance costs.

Subsequent Financing and Forward Liquidity

Subsequent to December 31, 2025, the Company closed a bought deal private placement on February 19, 2026 raising gross proceeds of \$62.5 million consisting of (i) 4,000,000 common shares of the Company at a price of \$12.50 per share, for aggregate gross proceeds of \$50.0 million and (ii) 1,000,000 units at \$12.50 per unit, for aggregate gross proceeds \$12.5 million.

Each unit will consist of one common share of the Company and one-quarter of one warrant, with each whole warrant being exercisable for one common share of the Company at an exercise price of \$18.00 per share for a period of 18 months from the date of issuance.

Considering the current uncertainty as to the general market and competitive conditions, the Company continues to maintain its fiscally responsible approach to its mineral exploration activities. In particular, the Company continues to evaluate market conditions on an ongoing basis, with the goal of, among other things: (i) identifying the appropriate time to initiate certain business objectives, and (ii) exploring potential alternatives to further develop and expand the Company's business.

As such, the Company notes that there may be circumstances where, for sound business reasons, the Company may be required to reallocate funds, including due to demands for shifting focus or investment in mining exploration and/or development activities, requirements for accelerating, increasing, reducing, or eliminating initiatives in response to changes in market, regulations and/or developments in the mining sector generally and in the price of silver, unexpected setbacks, and strategic opportunities, such as partnerships, strategic partners, joint ventures, mergers, acquisitions, and other opportunities.

RELATED PARTY TRANSACTIONS

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Key management personnel include those persons having the authority and responsibility of planning, directing and executing the activities of the Company. The Company has determined that its key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

Unless otherwise noted, related party transactions were incurred in the normal course of operations and measured at the amount established and agreed upon by the related parties.

A summary of the Company's related party transactions is as follows:

	Year ended December 31, 2025	For the period from April 18, 2024 to December 31, 2024
	\$	\$
Salaries, benefits and directors' fees	692,255	17,500
Share-based compensation	1,448,058	170,093
	2,140,313	187,593

Inventa is a private company that previously provided shared office space, administrative services, and information technology support to the Company. Certain previous key management personnel of the Company were also key management personnel of Inventa. The related party transactions with Inventa for the year ended December 31, 2025 were \$40,000 (2024 – \$10,749).

OUTSTANDING SECURITY DATA

A summary of the number of the Company's issued and outstanding securities is as follows:

	December 31, 2025	MD&A Date
	#	#
Common shares	32,616,265	37,997,123
Options	3,852,386	3,516,750
Warrants	1,479,660	1,715,964
Performance share units	1,410,000	1,410,000
Restricted share units	-	285,000

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

As at December 31, 2025, financial instruments comprising cash, accounts payable and accrued liabilities are classified and measured at amortized cost. The carrying value of these financial instruments approximate the fair value due to the relatively short-term maturity of these instruments.

The Company is exposed in varying degrees to a variety of financial instrument related risks. The type of risk exposure and the way in which such exposure is managed is provided as follows:

a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to fulfill its contractual obligations. The Company's credit risk relates primarily to cash. The Company minimizes its credit risk related to cash by placing cash with major financial institutions.

b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities settled by delivering cash or other financial assets.

A summary of the Company's undiscounted financial liabilities as at December 31, 2025 is as follows:

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	Within 1 year	1-3 years	3+ years	Total
Accounts payable and accrued liabilities	3,034,814	-	-	3,034,814
Lease liabilities	203,553	77,993	-	281,546
Reclamation provision	-	-	4,376,054	4,376,054

c) Market risk

Market risk is the risk that the fair market value of the Company's financial instruments will significantly fluctuate due to changes in market prices. The value of the financial instruments can be affected by changes in interest rates, prices, and currency rates.

I. Interest rate risk:

The Company is not exposed to significant interest rate risk on the basis that its financial liabilities bear no interest or interest at fixed rates.

II. Price risk:

The Company is not exposed to significant other price risk as it does not hold any equity investments, commodity contracts, or other financial instruments whose value is subject to market price fluctuations.

III. Currency risk:

Certain of the Company's operational activities are conducted in the MXN; therefore, the Company is exposed to foreign exchange risk due to fluctuations in the MXN relative to the Canadian dollar. Foreign exchange risk arises from financial assets and liabilities that are denominated in MXN. The Company has not entered into any agreements or purchased any foreign currency hedging instruments to hedge possible currency risks at this time. Management believes the foreign exchange risk derived from currency conversions is not significant.

d) Foreign currency risk

The Company's operational activities are conducted in the MXN and is exposed to foreign exchange risk due to fluctuations in the MXN relative to the Canadian dollar. Foreign exchange risk arises from financial assets and liabilities that are denominated in MXN. The Company has not entered into any agreements or purchased any foreign currency hedging instruments to hedge possible currency risks at this time. Management believes the foreign exchange risk derived from currency conversions is not significant.

A summary of the Company's financial assets and liabilities held in MXN, expressed in Canadian dollars, is as follows:

	2025	2024
	\$	\$
Cash	59,772	123,910
Value added taxes and GST receivable	2,208,412	912,124
Accounts payable and accrued liabilities	(957,142)	(1,262,847)
Lease liabilities	(260,607)	(318,538)
Reclamation provision	(2,884,693)	-
Net financial liability	(1,834,258)	(545,351)

The effect on net loss and comprehensive loss for the year ended December 31, 2025, of a 5% change in Canadian dollar against the Mexican Pesos on the above-mentioned net financial liabilities of the Company is estimated to have an increase or decrease in foreign exchange gain or loss of \$91,712 (December 31, 2024 - \$27,268).

DISCLOSURE CONTROLS AND PROCEDURES AND INTERNAL CONTROL OVER FINANCIAL REPORTING

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 — *Certification of Disclosure in Issuers' Annual and Interim Filings* ("NI 52-109"), the Company utilizes the Venture Issuer Basic Certificate, which does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109.

RISKS AND UNCERTAINTIES

The operations of the Company are subject to significant uncertainty due to the high-risk nature of its business, which is the acquisition, exploration, discovery, development and production of silver from a portfolio of exploration and development stage assets. The following risk factors could materially affect the Company's financial condition and/or future operating results and could cause actual events to differ materially from those described in forward-looking statements relating to the Company. Additional risks and uncertainties, including those that the Company does not know about now or that it currently deems immaterial, may adversely affect the Company's business.

Speculative Nature of Mineral Exploration and Development

Resource exploration and development is a speculative business and involves a high degree of risk, including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but from finding mineral deposits which, though present, are insufficient in size to return a profit from production. The marketability of natural resources that may be acquired or discovered by the Company will be affected by numerous factors beyond the control of the Company. These factors include market fluctuations, the proximity and capacity of natural resource markets, government regulations, including regulations relating to prices, taxes, royalties, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital.

Substantial expenditures are required to establish ore reserves through drilling and metallurgical and other testing techniques, determine metal content and metallurgical recovery processes to extract metal from the ore, and construct, renovate or expand mining and processing facilities. No assurance can be given that any level of recovery of ore reserves will be realized or that any identified mineral deposit, even it is established to contain an estimated resource, will ever qualify as a commercial mineable ore body which can be legally and economically exploited. The great majority of exploration projects do not result in the discovery of commercially mineable deposits of ore.

Risks Associated with an Early-Stage Company

The Company has only recently commenced operations and has no operating earnings. The likelihood of success of the Company must be considered in light of the expenses and difficulties, complications and delays frequently encountered in connection with the establishment of any business. The Company has limited financial resources and there is no assurance that additional funding will be available to it for further exploration and development of its projects or to fulfil its obligations under applicable agreement. There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in delay or indefinite postponement of further exploration and development of the property interest of the Company with the possible dilution or loss of such interest. Further, revenues, financings and profits, if any, will depend upon various factors, including the success, if any, of exploration programs and general market conditions for natural resources. There is no assurance that the Company can operate profitably or that it will successfully implement its plans.

Competitive Pressures in the Mining Industry

The Company's business of the acquisition, exploration and development of mineral properties is intensely competitive. Increased competition could adversely affect the Company's ability to attract necessary capital funding or acquire suitable producing properties or prospects for mineral exploration in the future.

Acquisition of Additional Mineral Properties

There is no assurance that the Company will be able to acquire other mineral properties of merit, whether by way of option or otherwise, should the Company wish to acquire any additional properties.

Commodity Price Volatility

The mining industry is intensely competitive and there is no assurance that, even if commercial quantities of a mineral resource are discovered, a profitable market will exist for the sale of the same. There can be no assurance that metal prices will be such that the Company's properties can be mined at a profit. Factors beyond the control of the Company may affect the marketability of any minerals discovered. Metal prices are subject to volatile price changes from a variety of factors including international economic and political trends, expectations of inflation, global and regional demand, currency exchange fluctuations, interest rates and global or regional consumption patterns, speculative activities and increased production due to improved mining and production methods. There can be no assurance that the price of any commodities will be such that any of the properties in which the Company has, or has the right to acquire, an interest may be mined at a profit.

Significant Resource Demands of Exploration Activities

Mining exploration requires ready access to mining equipment such as drills, and crews to operate that equipment. There can be no assurance that such resources will be available to the Company on a timely basis or at a reasonable cost. Failure to obtain these resources when needed may result in delays in the Company's exploration programs.

No Assurance of Profitability

The Company operates at a loss and there is no assurance that the Company will ever be profitable. The Company had a negative operating cash flow since its founding and will continue to for the foreseeable future. The Company cannot predict when it will reach positive operating cash flow.

Uninsured or Uninsurable Risks

Exploration, development and mining operations involve various hazards, including environmental hazards, industrial accidents, metallurgical and other processing problems, unusual or unexpected rock formations, structural cave-ins or slides, flooding, fires, metal losses and periodic interruptions due to inclement or hazardous weather conditions. These risks could result in damage to or destruction of mineral properties, facilities or other property, personal injury, environmental damage, delays in operations, increased cost of operations, monetary losses and possible legal liability. The Company may not be able to obtain insurance to cover these risks at economically feasible premiums or at all. The Company may elect not to insure where premium costs are disproportionate to the Company's perception of the relevant risks. The payment of such insurance premiums and of such liabilities would reduce the funds available for exploration and production activities.

Financing Risks

Although the Company has been successful in the past in obtaining financing through the sale of equity securities, there can be no assurance that it will be able to obtain adequate financing in the future or that the terms of such financing will be favorable. Failure to obtain such additional financing could result in delay or indefinite postponement of further exploration and development of its projects with the possible loss of such properties.

Increased Costs

Management anticipates that costs at the Company's projects will frequently be subject to variation from one year to the next due to a number of factors, such as the results of ongoing exploration activities (positive or negative), changes in the nature of mineralization encountered, and revisions to exploration programs, if any, in response to the foregoing. Increases in the prices of such commodities or a scarcity of consultants or drilling contractors could render the costs of exploration programs to increase significantly over those budgeted. A material increase in costs for any significant exploration programs could have a significant effect on the Company's operating funds and ability to continue its planned exploration programs.

Trade War, Tariff and Geopolitical Economic Risk

Global trade tensions, including tariff disputes or trade wars between major economies, can affect the demand for metals as well as the pricing and availability of mining equipment and supplies. New tariffs, import or export restrictions, sanctions or retaliatory trade measures may increase the cost of equipment, fuel and other materials needed for exploration and development. These measures can also disrupt supply chains, delay the delivery of critical parts, and reduce global demand for certain metals, which may negatively affect commodity prices. Trade-related actions may contribute to currency volatility and instability in global financial markets, potentially limiting the Company's ability to secure financing. Because these risks are unpredictable, they may materially impact the Company's cost structure, exploration and development schedules, and overall ability to raise capital.

Permits and Licenses

The operations of the Company requires licenses and permits from various governmental authorities. There can be no assurance that the Company will be able to obtain all necessary licenses and permits that may be required to carry out exploration, development and mining operations at its projects, on reasonable terms or at all. Delays or a failure to obtain such licenses and permits or a failure to comply with the terms of any such licenses and permits that the Company does obtain, could have a material adverse effect on the Company.

Evolving regulatory standards and administrative delays in agencies such as SEMARNAT (environment), CONAGUA (water), and the Mining Secretariat in Mexico may result in prolonged approval timelines and may adversely impact the Company's exploration and development schedules.

Government Regulation

The mining, processing, development and mineral exploration activities of the Company are subject to various laws governing prospecting, development, production, taxes, labour standards and occupational health, mine safety, toxic substances, land use, water use, land claims of local people and other matters.

Although the Company's exploration and development activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail exploration, production or development. Amendments to current laws and regulations governing operations and activities of exploration, mining and milling or more stringent implementation thereof could have an adverse impact on the Company.

In particular, the Company's current and future activities, including any exploration and development activities and commencement of production on its properties, require permits from various governmental authorities and such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine, dam and radiation safety and other matters. Companies engaged in exploration activities and in the development and operation of mines and related facilities generally experience increased costs, and delays in production and other schedules as a result of the need to comply with applicable laws, regulations and permits. The Company provides no assurance that it will obtain, on reasonable terms or on a timely basis, any of the permits it requires for exploration, construction of mining facilities and conduct of mining operations, or that such laws and regulations would not have an adverse effect on any mining project that it may undertake.

The Company must comply with the applicable laws, regulations and policies of such country and may face additional risks related to changes in laws or policies, foreign taxation, delays or the inability to obtain necessary governmental permits and increased financing costs.

Existing and possible future environmental legislation, regulations and actions could cause additional expense, capital expenditures, restrictions and delays in the Company's activities, the extent of which cannot be predicted.

Failure to comply with applicable laws, regulations, and permits may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. The Company may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations and, in particular, environmental laws

Changes to Mining Laws and Regulations

On May 8, 2023, the Mexican Government enacted a decree amending several provisions of the Mining Law, the Law on National Waters, the Law on Ecological Equilibrium and Environmental Protection and the General Law for the Prevention and Integral Management of Waste (the "Decree"), which became effective on May 9, 2023. The Decree enacts various amendments to existing laws, including: (i) reductions in the duration of mining concession titles, (ii) revisions to the process to obtain new mining concessions (through a public tender), (iii) imposing additional conditions on water use and availability for mining concessions, (iv) the elimination of the "free land and first applicant" scheme, (v) imposing additional social and environmental requirements to obtain and keep mining concessions, (vi) requiring the authorization by the Ministry of Economy for the transfer of any mining concession, (vii) imposing additional penalties including cancellation of mining concessions due to non-compliance with

applicable laws, (viii) dismissing all outstanding applications for new concessions, and (viii) requiring new financial instruments or collateral to guarantee the preventive, mitigation and compensation plans resulting from the social impact assessments, among other amendments. These amendments are expected to have an impact on the Company's current and future exploration and development activities and operations in Mexico.

The Company's income and its mining, exploration and development projects, could be adversely affected by amendments to such laws and regulations, by future laws and regulations, by more stringent enforcement of current laws and regulations, by changes in applicable government policies affecting investment, mining and repatriation of financial assets, by shifts in political attitudes and by exchange controls. The effect, if any, of these factors cannot be accurately predicted. Further, there can be no assurance that the Company will be able to obtain or maintain all necessary licenses and permits that may be required to carry out current and future exploration, development and mining operations at the Company's operations and projects.

The costs of discovering, evaluating, planning, designing, developing, constructing, operating and closing the Company's mining, exploration and development activities and operations in compliance with such laws and regulations are significant. It is possible that the costs and delays associated with compliance with such laws and regulations, and new taxes, could become such that the Company would not proceed with mining, exploration and development at one or more of its properties. Moreover, it is possible that future regulatory developments, such as increasingly strict environmental protection laws, regulations and enforcement policies thereunder, and claims for damages to property and persons resulting from the Company's mining, exploration and development projects could result in substantial costs and liabilities for the Company, such that the Company would halt or not proceed with mining, exploration and development at one or more of its properties.

Foreign Countries and Political Risk

Any changes in regulations or shifts in political conditions are beyond the control of the Company and may adversely affect its business, or if significant enough, may make it impossible to continue to operate in the country. Operations may be affected in varying degrees by government regulations with respect to restrictions on production, price controls, foreign exchange restrictions, export controls, income taxes, expropriation of property, environmental legislation and mine safety.

Title Risks

Although the Company has taken steps to verify the title to the mineral properties in which it has or has a right to acquire an interest in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee title (whether of the Company or of any underlying vendor(s) from whom the Company may be acquiring its interest). Title to mineral properties may be subject to unregistered prior agreements or transfers and may be affected by undetected defects or the rights of indigenous peoples. The Company has investigated title to all of its mineral properties and, to the best of its knowledge, title to all of its properties for which titles have been issued are in good standing.

Surface Rights versus Concession Rights

Mining concessions provide subsurface mineral rights but do not grant surface access in Mexico. The Company must negotiate separate surface-rights agreements with landowners or communities for exploration and development activities. Failure to secure surface access on reasonable commercial terms or within required timelines may result in delays, increased costs, or the inability to conduct exploration activities on certain portions of its concessions.

Concession Compliance and Risk of Cancellation

Mining concession regime requires holders to comply with minimum work expenditure requirements, pay annual concession fees and maintain proper documentation. Failure to meet these obligations or changes in the government's interpretation of compliance standards may result in fines, penalties or, in severe cases, the reduction or cancellation of concessions. Any loss of concession rights could have a material adverse effect on the Company's operations and future prospects.

Anti-Corruption and Compliance Risks

The Company is subject to anti-corruption laws in the US, Canada and Mexico, including the Foreign Corrupt Practices Act (USA), Corruption of Foreign Public Officials Act (Canada) and National Anti-Corruption System (Mexico). Compliance challenges may arise from the use of third-party agents, contractors or service providers in the countries. Any violation or alleged violation of anti-corruption legislation could result in significant penalties, reputational damage, operational delays or loss of permits. The Company maintains internal controls; however, there can be no assurance that its compliance procedures will be fully effective in all circumstances.

Regulatory Requirements

The activities of the Company are subject to extensive regulations governing various matters, including environmental protection, management and use of toxic substances and explosives, management of natural resources, exploration, development of mines, production and post-closure reclamation, exports, price controls, taxation, regulations concerning business dealings with indigenous peoples, labour standards on occupational health and safety, including mine safety, and historic and cultural preservation. Failure to comply with applicable laws and regulations may result in civil or criminal fines or penalties, enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions, any of which could result in the Company incurring significant expenditures. The Company may be required to compensate those suffering loss or damage by reason of a breach of such laws, regulations or permitting requirements. It is possible that future laws and regulations, or more stringent enforcement of current laws and regulations by governmental authorities, could cause additional expense, capital expenditures, restrictions on or suspension of the Company's operations and delays in the exploration and development of the Company's properties.

Recent amendments to Mexico's Mining Law have introduced stricter requirements for concession terms, water rights, social consultation and environmental compliance. Future regulatory changes may further restrict exploration activities or increase compliance costs.

Exploration and Mining Risks

Fires, power outages, labour disruptions, flooding, explosions, cave-ins, landslides and the inability to obtain suitable or adequate machinery, equipment or labour are other risks involved in the operation of mines and the conduct of exploration programs. Substantial expenditures are required to establish reserves through drilling, to develop metallurgical processes, to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis. The economics of developing mineral properties is affected by many factors including the cost of operations, variations of the grade of ore mined, fluctuations in the price of silver or other minerals produced, costs of processing equipment and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection. In addition, the grade of mineralization ultimately mined may differ from that indicated by drilling results and such differences could be material. Short term factors, such as the need for orderly development of ore bodies or the processing of new or different grades, may have an adverse effect on mining operations and on the results of operations. There can be no assurance that minerals recovered in small scale laboratory tests will be duplicated in large scale tests under on-site conditions or in production scale operations. Material changes in geological resources, grades, stripping ratios or recovery rates may affect the economic viability of projects.

Environmental Restrictions

The activities of the Company are subject to environmental regulations promulgated by government agencies in different countries from time to time. Environmental legislation generally provides for restrictions and prohibitions on spills, releases or emissions into the air, discharges into water, management of waste, management of hazardous substances, protection of natural resources, antiquities and endangered/threatened species and reclamation of lands disturbed by mining operations. Certain types of operations require the submission and approval of environmental impact assessments. In addition, such laws and regulations can constrain or prohibit the exploration and development of new projects or the development or expansion of existing projects. Environmental legislation is evolving in a manner which means stricter standards, and enforcement, fines and penalties for non-compliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers and employees. The cost of compliance with changes in governmental regulations has a potential to reduce the profitability of operations.

Community Relations and Indigenous Land Access Restrictions

Community relations risks may arise when local stakeholders, including indigenous groups and landholding communities, oppose or place conditions on exploration activities. In Mexico, for example, a significant portion of rural land is held under *ejido* (communal) ownership, and the Company's ability to access surface areas depends on negotiating agreements with *ejidos* or private landowners. Community opposition, compensation demands, or disputes over land access may lead to delays, increased operating costs, or, in severe cases, loss of access to critical project areas. Failure to maintain constructive relationships and secure required surface-rights agreements could adversely affect the Company's operations.

Taxation, Repatriation of Profits and Transfer Pricing Risks

Taxation risks may arise in any jurisdiction where the Company operates, particularly where governments alter tax regimes, impose new levies, or intensify enforcement practices. In Mexico, for example, tax legislation is subject to frequent change, and future amendments could increase the Company's tax burden. The Company may also face withholding taxes on intercompany payments, restrictions on the repatriation of capital or profits, and heightened scrutiny through transfer pricing audits by Mexican tax authorities. Any disputes, reassessments or regulatory changes may materially and adversely affect the Company's financial condition and operating results.

Security and Safety Risks

Security risks may arise in jurisdictions where criminal activity, civil unrest or inadequate law-enforcement resources threaten the safety of personnel and assets. Certain regions where the company is or will be operating might experience heightened levels of criminal activity, including theft, extortion and violence. Such security conditions may disrupt field operations, restrict personnel movement, increase operating and protection costs, or require the temporary suspension of exploration activities.

Local Labour, Unionization and Workforce Availability

The Company relies on local labour and contractors to conduct its exploration and development activities. Labour shortages, skills gaps or limited availability of qualified personnel may hinder the Company's ability to execute its programs effectively. Unionization efforts, labour disruptions or work stoppages may increase labour costs or restrict operational flexibility. Changes in labour laws, employment regulations or mandatory benefits could impose additional obligations on the Company and increase operating expenses. Any labour disputes, strikes or regulatory changes affecting the workforce could negatively impact the Company's operations, timelines and overall project advancement.

Climate Change

Climate change may have an adverse effect on the Company's operations, infrastructure and availability of mineral resources. Climate change may, among other things cause or result in changes in rainfall levels, higher temperatures, reduced water availability, increase sea levels, increase extreme weather events and resource shortages. Extreme weather events such as flooding or inadequate water supplies could disrupt operations, create resource shortages, damage property and equipment and increase health and safety risks on site. Such events or conditions could have other adverse effects on the Company's workforce and the communities around the Company's projects, such as an increased risk of food insecurity, shortage of consumables, water scarcity and prevalence of disease.

Potential Conflicts of Interest

The directors and officers of the Company may serve as directors and/or officers for other public and private companies, including companies in which the Company has invested in, and may devote a portion of their time to manage other business interests. This may result in certain conflicts of interest. To the extent that such other companies may participate in ventures in which the Company is participating, and to the extent that such companies may receive funds from the Company, such directors and officers of the Company may have a conflict of interest in negotiating and reaching an agreement with respect to the extent of each company's participation. The Business Corporations Act (British Columbia), which governs the Company, requires the directors and officers to act honestly, in good faith, and in the best interests of the Company and its shareholders. However, in conflict of interest situations, directors and officers of the Company may owe the same duty to another company and will need to balance the competing obligations and liabilities of their actions. There is no assurance that the needs of the Company will receive priority in all cases. From time to time, several companies may participate together in the acquisition, exploration and development of natural resource properties, thereby allowing these companies to: (i) participate in larger programs; (ii) acquire an interest in a greater number of programs; and (iii) reduce their financial exposure to any one program. A particular company may assign, at its cost, all or a portion of its interests in a particular program to another affiliated company due to the financial position of the Company making the assignment. In determining whether or not the Company will participate in a particular program and the interest therein to be acquired by it, it is expected that the directors and officers of the Company will primarily consider the degree of risk to which the Company may be exposed and its financial position at that time.

Litigation

Defense and settlement costs of legal claims can be substantial, even with respect to claims that have no merit. Like most companies, the Company is subject to the threat of litigation and may be involved in disputes with other parties in the future which may result in litigation or other proceedings. The results of litigation or any other proceedings cannot be predicted with certainty. If the Company is unable to resolve these disputes favourably, it could have a material adverse effect on the Company's

business, financial condition and results of operations.

Key Executives and Outside Consultants

The Company is dependent upon the services of key executives, including the directors of the Company, and will be dependent on a small number of highly skilled and experienced executives and personnel if development plans progress. Due to the relatively small size of the Company, the loss of these persons or the inability of the Company to attract and retain additional highly skilled employees may adversely affect its business and future operations.

The Company has relied upon outside consultants, geologists, engineers and others and intends to rely on these parties for their exploration and development expertise. Substantial expenditures are required to construct mines, to establish mineral resources and reserves estimates through drilling, to carry out environmental and social impact assessments, to develop metallurgical processes and to develop the development, exploration and plant infrastructure at any particular site. If such parties' work is deficient or negligent or is not completed in a timely manner, it could have a material adverse effect on the Company's business, financial condition and results of operations.

Dividend Policy

The Company has not paid any dividends since incorporation and does not anticipate declaring any dividends on the Common Shares in the foreseeable future. The directors of the Company will determine if and when dividends should be declared and paid in the future based on the Company's financial position at the relevant time.

Flow-Through

Flow-through share financing requires the Company to incur qualifying Canadian Exploration Expenditures and such other expenditures within prescribed timeframes and renounce such expenditures to investors. The Company may be exposed to financial and compliance risk if it does not meet the required spending commitments, which could result in penalties or the need to compensate investors for lost tax benefits. Changes in tax regulations relating to flow-through shares may also affect the Company's ability to raise funds through this type of financing.

OFF-BALANCE SHEET ARRANGEMENTS

As at December 31, 2025 and the MD&A date, the Company does not have any off-balance sheet arrangements and does not contemplate having them in the foreseeable future.

PROPOSED TRANSACTIONS

Other than the proposed Nuevo Transaction described in the "Highlights" section of this MD&A, the Company has no proposed transactions as at December 31, 2025 or the date of this MD&A.

MATERIAL ACCOUNTING POLICIES, STANDARDS, AND JUDGMENTS

The preparation of the 2025 Financial Statements in accordance with IFRS requires management to make judgments, estimates, and assumptions that affect the reported amounts in the 2025 Financial Statements. These accounting estimates represent management estimates and judgments that are uncertain, and any changes in these could materially impact the Company's financial statements. Management continuously reviews its estimates, judgments and assumptions using the most current information available. The significant judgments and estimates in the application of accounting policies are described in Note 4 of the 2025 Financial Statements, respectively. Readers should also refer to Note 3 of the 2025 Financial Statements, for the Company's summary of material accounting policies.

Accounting Standards Issued but Not Yet Applied

IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 will replace IAS 1 Presentation of Financial Statements and applies for annual reporting periods beginning on or after January 1, 2027. The new standard introduces the following key new requirements:

- Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly defined operating profit subtotal. Entities' net profit will not change.
- Management-defined performance measures (MPMs) are disclosed in a single note in the financial statements.
- Enhanced guidance is provided on how to group information in the financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.

The Company is still in the process of assessing the impact of the new standard, particularly with respect to the structure of the Company's statement of profit or loss, the statement of cash flows and the additional disclosures required for MPMs. The Company is also assessing the impact on how information is grouped in the financial statements, including for items currently labelled as 'other'.

Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)

IFRS 9 and 7 have been amended to provide additional guidance regarding the recognition of a financial liability settled through electronic transfer, and for the classification of certain financial assets. Further, the amendments introduce new disclosure requirements related to investments in equity instruments designated at FVOCI. The amendments are effective for financial statements beginning on January 1, 2026. The implementation of this amendment is not expected to have a material impact on the Company.

TECHNICAL DISCLOSURE

The scientific and technical information in this section has been reviewed and approved by Nico Harvey, P.Eng., Vice President, Project Development of the Company, a Qualified Person as defined by NI 43-101. Mr. Harvey is not independent of the Company.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this document constitute "forward-looking statements". All statements other than statements of historical fact contained in this MD&A, including, without limitation, those regarding the Company's future financial position and results of operations, strategy, proposed acquisitions, plans, objectives, goals and targets, and any statements preceded by, followed by or that include the words "believe", "expect", "aim", "intend", "plan", "continue", "will", "may", "would", "anticipate", "estimate", "forecast", "predict", "project", "seek", "should" or similar expressions or the negative thereof, are forward-looking statements. Forward-looking statements include statements with respect to: the completion, the timing of completion and the expected benefits of the budgeted and/or proposed exploration activities and work programs for the Company's mineral properties, and other statements that may relate to future financial conditions, results of operations, plans, objectives, performance or business developments of the Company. These statements are not historical facts but instead represent only the Company's expectations, estimates and projections regarding future events. These statements are not guarantees of future performance and involve assumptions, risks and uncertainties that are difficult to predict. Therefore, actual results may differ materially from what is expressed, implied or forecasted in such forward-looking statements.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to risks associated with: the realization of benefits from the completion of the RTO; geological risks; limited operating history; inability to generate earnings or pay dividends for the foreseeable future; uncertain ability to raise additional funds when required; reliance on a small number of key managers; potential conflicts of interest among directors and officers of the Company; lack of liquidity for shareholders of the Company; ability to secure needed permits, ability to physically access and work the Company's property assets due to poor weather, a potential lack of key contract personnel and services providers needed to execute elements of the Company's exploration plans, market risk consisting of fluctuations in the Company's share price, metal prices, credit market conditions; investor appetite for early stage exploration companies; consents or authorizations required for mining activities, and material delays in obtaining them; the absence of adverse conditions at mineral properties; no unforeseen operational delays; the Company's ability to complete its planned exploration programs; the absence of adverse conditions at properties; no unforeseen operational delays; environmental regulations or hazards and compliance with complex regulations associated with mining activities; climate change and climate change regulations; fluctuations in exchange rates; the business objectives of the Company; whether economic mineralization can be defined and, if it can be permitted for development; the uncertainty that any mineralization encountered on adjacent properties continues on to any of the Company's properties; the uncertainty that geological and/or geophysical and/or any trends, interpretations, or conclusions related to adjacent properties have relevance to any of the Company's properties; changes in project parameters as plans to continue to be refined; the consequences and implications of the historical mining activities on the environment and whether such affects the potential exploration and/or development of any mining operation the Company's properties; labour disputes and other risks of the mining industry; the speculative nature of mineral exploration and development; title to properties, such further risks as disclosed in the Company's filings with Canadian securities regulators and management's ability to anticipate and manage the foregoing risks and uncertainties . See "Risks and Uncertainties".

Management provides forward-looking statements because they believe such statements deliver useful guidance and information to readers when considering their investment objectives. Though management believes such statements to be as accurate as possible in the context of the information available to management at the time in which they are made, management cautions readers that the guidance and information contained in such statements may rapidly be superseded by subsequent events. Consequently, all the forward-looking statements made in this MD&A are qualified by these cautionary statements and other cautionary statements or factors contained herein, and there can be no assurance that the actual results or developments suggested by such forward-looking statement will be realized or, even if substantially realized, that they will have the expected results, or effects upon, the Company. These forward-looking statements are made as of the date of this MD&A and the Company assumes no obligation to update or revise them to reflect subsequent information, events or circumstances or otherwise, except as required by law.

The Company provides no assurance that forward-looking statements and information will prove to be accurate, as the forward-looking statements in this MD&A are based on numerous assumptions regarding the Company's present and future business strategies and the environment in which the Company will operate in the future, including assumptions regarding business and operating strategies.