



1100 – 1199 West Hastings Street,
Vancouver, BC, V6E 3T5
Tel: 604-806-0626
www.southernsilverexploration.com

**Management's Discussion and Analysis
For the Year Ended April 30, 2024
Dated: August 23, 2024**

A	Introduction	2
B	Qualified Person	2
C	Foreign Exchange Information and Conversion Tables	2
D	Summary of Mineral Properties	3
E	Results of Operations	8
F	Summary of Quarterly Results	9
G	Fourth Quarter	10
H	Summary of Annual Information	10
I	Related Party Balances and Transactions	10
J	Financial Condition, Liquidity and Capital Resources	11
K	Outstanding Equity and Convertible Securities	12
L	Financial Instruments	12
M	Events After the Reporting Period and Outlook	12
N	Off-balance Sheet Arrangements	12
O	Disclosure Controls and Procedures	12
P	Risks and Uncertainties	13
Q	Proposed Transactions	15
R	Forward-Looking Statements	15

Southern Silver Exploration Corp.
(An Exploration Stage Company)
Management's Discussion and Analysis
For the Year Ended April 30, 2024

A. Introduction

The following Management's Discussion and Analysis ("MD&A") of the consolidated operating results and financial condition of Southern Silver Exploration Corp. (the "Company") is for the year ended April 30, 2024 and is dated August 23, 2024. This MD&A was prepared to conform to National Instrument ("NI") 51-102F1 and was approved by the Board of Directors prior to its release and should be read in conjunction with the Company's audited consolidated financial statements for the year ended April 30, 2024, and the accompanying notes, which have been prepared in accordance with International Accounting Standards ("IFRS"). The Company's functional and reporting currency is the Canadian dollar and all dollar amounts included herein are in Canadian dollars, unless otherwise indicated.

The Company's shares trade on the TSX Venture Exchange ("SSV"), the OTCQX Best Market ("SSVFF") and the Santiago Stock Exchange, Venture ("SSVCL"). Additional information relating to the Company is available at www.southernsilverexploration.com and on SEDAR+ at <https://www.sedarplus.ca/>.

B. Qualified Person

Robert W. J. Macdonald, P. Geo., is the qualified person as defined by National Instrument 43-101 responsible for the technical information included in this MD&A and the supervision of work done in association with the exploration and development programs. Mr. Macdonald graduated with a B.Sc. degree from Memorial University of Newfoundland and a M.Sc. from the University of British Columbia. His work has focused on vein and intrusive-related gold systems and massive sulphide deposits.

C. Foreign Exchange Information and Conversion Tables

For ease of reference, the following information is provided:

Canadian Dollars per US Dollar			Conversion Table	
	Year Ended April 30		Imperial	Metric
	2024	2023		
Rate at end of period	1.3776	1.3653	1 acre	= 0.404686 hectares
Average rate for period	1.3506	1.3304	1 foot	= 0.304800 meters
			1 mile	= 1.609344 kilometres
			1 ton	= 0.907185 tonnes
			1 Ounce (troy)/ton	= 34.285700 g/t

Precious metal units and conversion factors

ppb	- Part per billion	1 ppb	=	0.0010 ppm	=	0.000030 oz/t
ppm	- Part per million	100 ppb	=	0.1000 ppm	=	0.002920 oz/t
oz	- Ounce (troy)	10,000 ppb	=	10.0000 ppm	=	0.291670 oz/t
oz/t	- Ounce per ton (avdp.)	1 ppm	=	1.0000 ug/g	=	1.000000 g/t
g	- Gram					
g/t	- gram per metric ton	1 oz/t	=	34.2857 ppm		
mg	- milligram	1 Carat	=	41.6660 mg/g		
kg	- kilogram	1 ton (avdp.)	=	907.1848 kg		
ug	- microgram	1 oz (troy)	=	31.1035 g		

D. Summary of Mineral Properties

The Company's principal business activities include the acquisition, exploration, and development of natural resource properties for enhancement of value and disposition pursuant to sales agreements or development by way of third-party option and/or joint venture agreements.

The Company is continuing to advance its core asset - Cerro Las Minitas - a silver-lead-zinc property located in Durango State, Mexico. The property is a large land position and lies within the prolific Faja de Plata (Belt of Silver) of north central Mexico.

The Company also continues to advance (i) Oro, a gold-silver-copper-lead-zinc property located in New Mexico, USA, that features a classic porphyry zonation within the highly prospective Laramide Porphyry belt of the southern USA; (ii) Hermanas, located approximately 40km east of Oro which covers an area of epithermal quartz veining approximately 4km by 3km; and (iii) the El Sol silver-lead-zinc claim which covers the northwest projection of the Blind and El Sol zones at the Cerro Las Minitas project.

Cerro Las Minitas - Durango, Mexico

The property is located about 70 kilometres to the northeast of the city of Durango in Durango State, Mexico, and is accessed easily by road. The property comprises twenty-five concessions totaling approximately 27,451 hectares in one of the most significant silver-producing regions in the world.

Seven separate mineral deposits have been identified. The Blind, the El Sol and the Las Victorias deposits form sets of sub-parallel, northwest-trending and steeply dipping mineralized zones on the west side of the intrusion, which are traced for over 1,300 metres along strike and up to 600 metres in depth. A fourth deposit known as the Skarn Front, forms beneath the Blind, El Sol and Las Victorias deposits and is localized on the outer edge of the skarn alteration zone surrounding a Central Monzonite Intrusion and has been drilled along an approximate 1,100 metre strike length and to depths of up to 1,000 metres.

Similarly, the South Skarn Deposit is localized on the outer edge of the skarn alteration zone surrounding the Central Monzonite Intrusion, but on the eastern side. The deposit forms a tabular, steeply east-dipping body that has a strike length of approximately 350m and has been drilled to a depth of 500m.

The Bocona Deposit is located 100 metres to the north of the South Skarn Deposit and consists of several separate sub-zones – the Bocona Skarn Zone, the Muralla Zone and related hanging wall panels. The Bocona Skarn Zone is also localized on the outer edge of the skarn alteration zone surrounding the Central Monzonite Intrusion, wrapping around its Northeastern margin where it transitions into the North Felsite Deposit.

Mineralization occurs as massive-sulphide pipes, veins and replacements in sub-vertical structures that demonstrate good continuity between drill holes. Mineralization is open on-strike and at depth in a similar geological environment to that of major Mexican Carbonate Replacement Deposits (CRDs) such as Santa Eulalia (45Mt of 310g/t Ag, 7.1% Zn and 8.2% Pb) and Skarn deposits such as San Martin (60Mt of 118g/t Ag, 0.9% Pb and 3.9% Zn).

As of March 20, 2024, an updated NI 43-101 mineral resource estimate for the sulphide resources on the project, at a US\$60/t NSR cut-off, features:

- **Indicated Mineral Resources** of 116 million ounces silver equivalent which includes 13.3 million tonnes averaging 102g/t Silver, 0.07g/t Gold, 0.17% Copper, 1.3% Lead and 3.1% Zinc (272g/t AgEq) equaling a US\$132/t NSR value and containing: 43.4 million ounces of silver; 32 thousand ounces of gold; 49 million pounds of copper, 374 million pounds of lead; and 921 million pounds of zinc.

D. Summary of Mineral Properties, continued

Cerro Las Minitas - Durango, Mexico, continued

- **Inferred Mineral Resources** of 186 million ounces silver equivalent which includes 23.4 million tonnes averaging 111g/t Silver, 0.14g/t Gold, 0.21% Copper, 1.1% Lead and 2.1% Zinc (247g/t AgEq; 7.6% ZnEq) equaling a US\$124/t NSR value and containing 83.3 million ounces of silver; 104 thousand ounces of gold; 111 million pounds of copper, 582 million pounds of lead; and 1,106 million pounds of zinc.

- 1) *The current Resource Estimate was prepared by Garth Kirkham, P.Geo., of Kirkham Geosystems Ltd.*
- 2) *All mineral resources have been estimated in accordance with Canadian Institute of Mining and Metallurgy and Petroleum ("CIM") definitions, as required under National Instrument 43-101 ("NI43-101").*
- 3) *Mineral resources were constrained using continuous mining units demonstrating reasonable prospects of eventual economic extraction.*
- 4) *Silver Equivalents were calculated from the interpolated block values using relative recoveries and prices between the component metals and silver to determine a final AgEq value. Metal recoveries: 95% silver, 75% gold, 70% copper, 87% lead and 93.2% zinc.*
- 5) *Silver Equivalents and NSR\$/t values were calculated using average long-term prices of \$22.5/oz. silver, \$1,850/oz. gold, \$3.78/lb. copper, \$0.94/lb. lead, and \$1.25/lb. zinc. All prices are stated in US\$.*
- 6) *The formula used for NSR\$/t calculations was as follows - $NSR = (Ag\ g/t \times 0.55) + (Au\ g/t \times 34.45) + (Cu\ \% \times 48.68) + (Pb\ \% \times 13.41) + (Zn\ \% \times 15.59)$*
- 7) *Mineral resources are not mineral reserves until they have demonstrated economic viability. Mineral resource estimates do not account for a resource's mineability, selectivity, mining loss, or dilution.*
- 8) *An Inferred Mineral Resource has a lower level of confidence than that applying to an Indicated 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 Mineral Resources with continued exploration.*

This restatement of the Mineral Resource Estimate incorporates the standardization of metallurgical recoveries across each of the deposits and updated metal pricing. The estimate increases the size of the resource by roughly 10% on a tonnage basis and also increases the contained metal in each of the commodities making it one of the largest and higher-grade undeveloped primary-silver deposits in the world. Significantly, the property is not burdened with royalties, presenting potential financing opportunities for additional work on the property.

Since starting exploration on the project in 2011, the Company has completed 209 drill holes totaling over 92,950 metres. Mineralization remains open at depth, particularly on the northern and eastern sides of the Cerro which with further exploration can continue to add high margin mineralization early in the production scenario.

On June 10, 2024 the Company reported on results from its **Preliminary Economic Assessment** ("PEA"). The PEA is based on the March 20, 2024 Mineral Resource Estimate on the project and did not consider the oxide resource.

Highlights include:

- **Robust Project Economics – Base Case¹:** after-tax NPV5% of **US\$501M** (\$682M) and IRR of **21.2%** with a **48-month** payback;
- **Excellent Silver and Zinc Price Leverage - Base-case + 20% Metal Prices²:** after-tax NPV5% of **US\$876M** (\$1,193M) and IRR of **30.1%** with a **37-month** payback;
- **A Large-Scale Underground Mining Operation** with a **17-year mine life** and an annual average plant feed of **14.3 Mozs AgEq³** (inc. 5.8 Mozs Ag) and life-of-mine (LOM) feed totalling **243.2 Mozs AgEq³**; (inc. 98.6 Mozs Ag). LOM product sales total **194.3 Mozs AgEq³** at an **AISC of US\$13.23/oz AgEq³ sold**; and

D. Summary of Mineral Properties, continued

Cerro Las Minitas - Durango, Mexico, continued

- **A High-Revenue Project** with gross revenues totalling **US\$4.47B** with silver and gold representing 45% of revenues, and zinc representing 35% of projected revenues. The project has an **Initial CapEx of US\$388M**, an **NPV5%-to-CapEx** ratio of **1.3X** and a paydown of 48 months on a post-tax basis.
1. Base Case Metal Prices: Ag- \$23.00/oz, Au - \$1850/oz, Cu – \$4.00/lb, Pb – \$1.00/lb and Zn - \$1.25/lb (all prices are stated in US\$)
 2. Base Case +20% metal prices: Ag- \$27.60/oz, Au - \$2220/oz, Cu – \$4.80/lb, Pb – \$1.20/lb and Zn - \$1.50/lb (all prices are stated in US\$)
 3. AgEq is calculated on a (contained metal x metal price)/ Ag price basis

The PEA is preliminary in nature, it may include 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 PEA will be realized. Mineral resources that are not mineral reserves have not demonstrated economic viability. The mineral resources may be affected by subsequent assessment of mining, environmental, processing, permitting, taxation, socio-economic, and other factors.

In comparison to the earlier 2022 economic model, the updated PEA now:

- Increases the Life of Mine (LOM) production by 5Mt, representing an approximate 20% increase;
- Increases daily mine production capacity to 5300 tonnes per day ("tpd"), representing an approximate 18% increase;
- Extends the mine life by 2.6yrs;
- Increases the LOM Revenue by US\$765M, representing an approximate 17% increase in revenues; and
- Increases the after-tax NPV5% by 45% to US\$501M.

The project is expected to produce four saleable concentrates of sufficient quality to be marketable to a variety of global smelters. Approximately 93% of Ag is recovered with 77% reporting to the Pb concentrate, 6% to the Cu concentrate, 7% to the Zn concentrate and 3% to the leach circuit.

A high Ag grade in the Pb concentrate makes it attractive to smelters and could result in more favorable treatment terms. Penalty elements are low.

This latest economic update of Cerro Las Minitas represents a new milestone in the ongoing evolution and development of the project which is the culmination of a number of smaller technical improvements, developed over the last 18 months, which together result in a significant increase in the value of the Cerro Las Minitas asset. This includes the addition of new mineral resources from the North Felsite zone as first reported in March 2023; the standardization of the metallurgical recoveries and charges across each of the deposits, including the addition of gold revenues into the project cash-flow; improvements in the mine scheduling and optimization both the Operating and Capital costs of the project.

Several opportunities remain that could further enhance the viability of Cerro Las Minitas, these include:

Mine life extension: Mineralization on the eastern and northern sides of the Cerro remains relatively under-drilled and several gaps occur in the current resource model both at relatively shallow depths and down dip of several of the main higher-grade zones. Identification of further mineralization at relatively shallow depths would potentially add more value in the earliest parts of the mine schedule.

D. Summary of Mineral Properties, continued

Cerro Las Minitas - Durango, Mexico, continued

Infill Drilling: Infill drilling, specifically on the portions of the deposit that fall within the Inferred category of classification will increase confidence in the Mineral Resource estimate, will further de-risk the project and potentially increase the value of the project.

Metallurgical Upside: XRT-based preconcentration test work showed excellent discrimination between sulphide and oxide material enabling a 3-4x upgrade of run-of-mine rock crushed to 80% passing 75mm with the sub-15 mm fines removed. Pay metal retention in the sulphidic fraction exceeded 98%. This option provides an excellent opportunity for further reductions in project Capex and Opex should the need arise.

EI Sol - Durango, Mexico

The EI Sol concession is a single 63 hectare claim strategically located on the northwestern boundary of the Bocona block of claims and is adjacent to the Area of the Cerro which hosts the seven mineral deposits currently identified within the Cerro Las Minitas claim package. It covers the northwest projection of the Blind-EI Sol deposits and potentially at least one additional mineralized structure.

The EI Sol claim is largely gravel covered with previous work including airborne magnetic geophysics; surface soil and acacia sampling; limited dump sampling of historic artisanal workings and a single core hole in the southeastern end of the property.

Select dump sampling of artisanal workings located to the northeast of the Blind Zone structure returned anomalous values from several strongly oxidized and silicified rocks. Five core holes were completed in late 2021 and a further three holes in 2022 to test a series of targets defined by earlier surface mapping, rock and soil sampling and proximity to artisanal workings. A single hole was drilled in 2013 to test the extension of the Blind - EI Sol zone. Southern Silver's drilling totals 3,151 metres on the property. Mineralization was intersected in several holes, but has not been traced laterally or to depth at this time.

The EI Sol claim has currently been identified as the location of the dry stack tailings facility in the newly updated Preliminary Economic Assessment for the Cerro Las Minitas project.

Oro - New Mexico, USA

The Oro property consists of a contiguous block of federal, state, and private land in the historic Eureka mining district in Grant County, New Mexico and is located approximately 80 kilometres southwest of the Silver City porphyry copper district. The claims surround a highly prospective zone of quartz-sericite-pyrite alteration, interpreted to overlie a series of unexposed porphyry centres. Classic porphyry system zonation is indicated by surface gold and copper mineralization associated with Laramide-age intrusions in this core area, flanked by lead-zinc skarn mineralization and distal sediment-hosted gold occurrences.

In addition to bulk-tonnage porphyry copper-molybdenum-gold potential, the property also includes sediment-hosted gold mineralization at the Stockpond target located 3 kilometres to the northeast of the porphyry system and a potentially similar target identified by soil sampling beneath shallow gravel cover to the south of Stockpond.

The Company previously completed a 300 line-kilometre airborne Z-TEM survey over the entire property at 200-metre line spacing and several potential high-quality Cu-Au porphyry and skarn targets were identified, and a 4,050-metre core hole program was conducted on the property during 2022. Three of the holes focused on a porphyry target and intersected copper porphyry-style alteration and metal zoning, but with sub-economic concentrations of copper.

D. Summary of Mineral Properties, continued

Oro, New Mexico, USA, continued

However, one hole, OR22-012, tested a separate target identified by a strong ZTEM geophysical anomaly in an area believed to be relatively high in the metal system, and where Cretaceous-age carbonate host rocks were expected to lie at relatively shallow depths beneath Laramide-age andesite volcanic rocks. The hole intersected veins with strongly anomalous gold (12.4 g/t Au over 0.8 metres at 495.7 metres depth) in a banded anhydrite+pyrite+calcite breccia vein and, deeper in the hole, intersected anomalous silver and lead (908 g/t Ag and 10.4% Pb over 0.2 metres at 594.6 metres depth) in a barite+galena vein, consistent with expected metal zoning. Favourable carbonate host rocks were intersected with abundant sulfide minerals below a 6-metre-thick massive anhydrite vein at roughly 590-metres depth. The 427.2-metres interval from 578.6 to 1,005.8 metres averages 0.15% CuEq (0.08% Cu, 0.01% Mo, and 1.4g/t Ag), with variable mineralization continuing to the end of the hole at 1,006 metres depth. The strongest mineralization is 9.1 metres of 0.59% Cu, 0.01% Mo, 0.3 g/t Au, and 2.3g/t Ag (0.92% CuEq) from 834.5 to 843.7 metres in a carbonate replacement zone with abundant magnetite, specular hematite, and epidote with minor pyrite, calcite, and anhydrite. Dikes ranging from unaltered to strongly altered are common throughout the hole.

Hole OR22-012 only tested a portion of the target leaving a significant strike-length and width for further drill testing. Additional federal lode claims were staked to cover the possible extensions of the copper-rich skarn/CRD mineralization intersected in OR22-012 as well as other newly identified targets.

In November 2023, the Company verified strong Rare Earth Element ("REE") enrichment in reconnaissance hole OR22-012. Thirty-nine pulps were selected from three enriched Light Rare Earth Element ("LREE") zones for re-analyses by a more robust analytical method of fusion/ICPMS to confirm the initial test results and returned:

- **0.104% TREO* (1,045 ppm) over 10.9m starting at 613.9m,**
- **0.091% TREO* (913 ppm) over 33.8m starting at 647.4m, and**
- **0.128% TREO* (1,285 ppm) over 24.4m starting at 794.0m.**

** Total Rare Earth Oxides*

The three zones occur within the 427.7 metre Cu-enriched zone. These results are encouraging, and further geological and metallurgical work is required to establish if there is potential for byproduct REEs at the property.

A permit has been submitted to drill test the target initially tested by OR22-012 along strike, as well as other targets identified on the Property.

Hermanas - New Mexico, USA

The Hermanas project consists of 83 lode claims on federal land. The claims are located approximately 40km east of the Oro property.

The vendors collected 151 surface samples, with seven samples containing +4ppm Au (maximum 30.1ppm Au) and 22 samples containing +30ppm Ag (maximum 4,790ppm Ag). Verification sampling by the Company contain anomalous gold and silver in seven of nine samples collected, including a sample from a small historic mine dump that assayed 6.7ppm Au & 150ppm Ag and a sample of outcropping banded quartz + carbonate vein that assayed 4.6ppm Au & 56ppm Ag. Detailed geologic mapping and additional sampling were conducted. In addition, historic drilling data and airborne geophysical data were identified and acquired.

Drill targets have been identified and permitting has been accepted for a planned drill program, subject to posting of a reclamation bond.

Southern Silver Exploration Corp.
(An Exploration Stage Company)
Management's Discussion and Analysis
For the Year Ended April 30, 2024

D. Summary of Mineral Properties, continued

Acquisition Costs

	Cerro Las Minitas	El Sol	Oro	Hermanas	Total
	\$	\$	\$	\$	\$
Balance, April 30, 2022	32,974,699	384,610	551,740	58,342	33,969,391
Additions	47,104	-	166,007	38,072	251,183
Balance, April 30, 2023	33,021,803	384,610	717,747	96,414	34,220,574
Additions	53,850	-	207,429	45,765	307,044
Balance, April 30, 2024	33,075,653	384,610	925,176	142,179	34,527,618

Exploration and Evaluation Expenditures

Exploration and evaluation expenditures for the years ended April 30, 2024, and 2023 were:

	Cerro Las Minitas		El Sol		Oro		Hermanas		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Assays and analysis	99,064	202,575	-	-	28,422	161,094	14,053	23	141,539	363,692
Camp and supplies	261,163	202,228	2,201	-	8,012	18,273	1,042	-	272,418	220,501
Claim taxes	233,548	181,344	-	1,655	-	-	-	-	233,548	182,999
Drilling	-	427,618	-	-	-	1,999,348	-	-	-	2,426,966
Geological services	1,056,288	502,529	1,656	-	73,802	246,443	-	9,856	1,131,746	758,828
Project supervision	557,089	509,243	2,035	1,184	27,257	30,081	-	-	586,381	540,508
Travel	2,316	4,234	-	-	15,467	132,280	2,655	313	20,438	136,827
IVA	89,913	144,450	265	-	-	-	-	-	90,178	144,450
Other	-	-	-	-	2,252	3,476	2,214	-	4,466	3,476
	2,299,381	2,174,221	6,157	2,839	155,212	2,590,995	19,964	10,192	2,480,714	4,778,247
General									14,276	9,361
									2,494,990	4,787,608

E. Results of Operations

The Company incurred a net loss for the year ended April 30, 2024 of \$3,705,698 (2023 – \$6,326,230).

As per its mandate to acquire, explore, and develop mineral resource properties, the Company completed an updated PEA on Cerro Las Minitas and continued preparations for further drilling at Oro and Hermanas (*D - Summary of Mineral Properties*).

Administration costs increased because of a credit received in the prior period. Consulting costs decreased because of certain contracts expiring. Investor relations were higher in the comparative period as a result of increased promotional and related initiatives in Europe. Professional fees in the prior period included an amount for an investment banking fee not repeated in the current period and increased legal costs incurred in the current period relative to appeals in place with respect to changes in mining laws in Mexico. Other overhead costs fluctuate as relevant activities are undertaken.

Southern Silver Exploration Corp.
(An Exploration Stage Company)
Management's Discussion and Analysis
For the Year Ended April 30, 2024

E. Results of Operations, continued

Non-cash share-based payments expense fluctuates as stock options are granted and vest. A number of stock options were granted in the current and prior periods. Foreign exchange gains and losses fluctuate based on the US and Canadian dollar exchange rate and the extent of transactions and balances denominated in US dollars. Other income recognized mainly relates to interest income earned on cash reserves.

A summary of variances is as follows:

	2024 \$	2023 \$
Expenses		
Administration	60,000	50,000
Consulting	263,653	342,067
Exploration and evaluation	2,494,990	4,787,608
Investor relations and corporate development	438,432	617,235
Office and general	68,931	77,622
Professional fees	318,977	348,761
Regulatory fees and taxes	79,815	68,513
Share-based payments	12,526	98,730
Shareholders' communication	12,292	18,086
Transfer agent	40,531	29,167
Foreign exchange	30,337	55,777
Other income	(114,786)	(167,336)
Net loss and total comprehensive loss for the year	3,705,698	6,326,230

F. Summary of Quarterly Results

The following financial data was derived from the Company's consolidated financial statements for the eight previous quarters:

Three months ended	Jul 31, 2022	Oct 31, 2022	Jan 31, 2023	Apr 30, 2023	Jul 31, 2023	Oct 31, 2023	Jan 31, 2024	Apr 30, 2024
	\$	\$	\$	\$	\$	\$	\$	\$
Total revenues	nil	nil	nil	nil	nil	nil	nil	nil
Net loss	2,298,393	2,119,165	1,113,963	794,709	855,101	708,598	1,075,072	1,066,927
Net loss per share	0.01	0.01	-	-	-	-	-	-

The aggregate sum of the quarterly amounts per share may not equal the year-to-date per share amounts due to rounding in the calculations.

The Company earned no revenue due to the nature of current operations.

Quarterly fluctuations mainly relate to mineral property exploration expenses which occur as projects are identified, as exploration activities increase or decrease, or impairments which occur when indicators arise, recognition of share-based payments which occur as stock options are granted and vest and foreign exchange gains and losses which vary with market rates. Significant share-based payments expense was recognized in the three months ended July 31, 2022.

G. Fourth Quarter

No unusual events affected the Company's financial performance or cash flows during the fourth quarter.

H. Summary of Annual Information

During the previous three fiscal years presented below, the Company earned no revenue and main operating costs have remained materially constant, subject to additional contracts for services entered into as required and costs incurred for financing or other ad-hoc projects as undertaken. The Company continues to invest in its mineral properties as resources have permitted and impairment charges are recognized as relevant indicators arise.

To date, the Company has not paid dividends and does not have any long-term financial liabilities.

April 30	2024	2023	2022
	\$	\$	\$
Total revenues	nil	nil	nil
Net loss	3,705,698	6,326,230	8,990,615
Net loss per share (basic & diluted)	0.01	0.02	0.03
Total assets	35,518,427	39,207,502	45,694,766
Dividends declared	nil	nil	nil

I. Related Party Balances and Transactions

Except as disclosed elsewhere, the Company entered into the following related party transactions:

(a) Pursuant to a service agreement between the Company and Manex Resource Group Inc., a company indirectly controlled by Killian Ruby, an officer of the Company effective April 1, 2023, the Company was charged as follows:

- \$60,000 (2023 - \$4,000) for office space and general administration services;
- \$33,132 (2023 - \$4,358) for professional services;
- \$23,460 (2023 - \$nil) for Chief Financial Officer services;
- \$13,339 (2023 - \$799) for consulting services;
- \$128,197 (2023 - \$8,560) for corporate development services;
- \$90,811 (2023 - \$7,633) for geological services; and
- \$4,194 (2023 - \$45) for the mark-up on out-of-pocket expenses.

Amounts payable as at April 30, 2024 were \$29,958 (2023 - \$22,768).

(b) Consultancy fees in the amount of \$156,000 (2023 - \$156,000) were charged by Advocate Services Limited, a company controlled by Lawrence Page, a director and officer of the Company. Amounts payable as at April 30, 2024 were \$nil (2023 - \$13,650).

(c) Consultancy fees in the amount of \$60,000 (2023 - \$60,000) were charged by Rob Macdonald, an officer of the Company, and were included in consulting fees or mineral property expenditures as applicable. Amounts payable as at April 30, 2024 were \$nil (2023 - \$5,250).

(d) Consultancy fees in the amount of \$60,000 (2023 - \$60,000) were charged by QDBS Resources Inc., a company controlled by Russell Ball, a director of the Company. Amounts payable as at April 30, 2024 were \$15,750 (2023 - \$nil).

(e) Consultancy fees in the amount of \$nil (2023 - \$27,500) were charged by Graham Thatcher, a former officer of the Company.

I. Related Party Balances and Transactions, continued

- (f) Consultancy fees in the amount of \$10,500 (2023 - \$nil) were charged by John Oness, an officer of the Company.
- (g) Legal fees in the amount of \$17,360 (2022 - \$18,799) were charged by Page Law Corporation, a company controlled by Arie Page, an officer of the Company, and included in professional fees or mineral property expenditures as applicable. Amounts payable as at April 30, 2024 were \$694 (2023 - \$2,486).

These transactions were in the normal course of operations. Amounts due to related parties are unsecured, non-interest-bearing, and have no formal terms of repayment. The Company has no long-term employee or post-employment benefits.

Key management personnel of the Company are identified in (a) to (f) above and compensation awarded was:

	April 30, 2024	April 30, 2023
	\$	\$
Short-term benefits	309,960	303,500
	309,960	303,500

One executive officer, Lawrence Page, is entitled to termination benefits in the event of a change of control equal to thirty-six months' compensation. Upon a change of control, and assuming the triggering event took place on the period-end date, the payment would have been \$468,000.

J. Financial Condition, Liquidity and Capital Resources

As of April 30, 2024, the Company had a working capital of \$352,749. During the year ended April 30, 2024, the Company utilized cash for operating activities of \$3,633,599 and for investing activities of \$307,044.

On May 15, 2024, 100,000 stock options exercisable at \$0.12 per common share were exercised for gross proceeds of \$12,000 and on May 22, 2024, 100,000 share purchase warrants exercisable at \$0.25 per common share were exercised for gross proceeds of \$25,000.

On July 19, 2024, the Company closed the first tranche of its non-brokered private placement by issuing 9,508,978 units at a price of \$0.22 per unit for gross proceeds of \$2,091,975 and on August 12, 2024, the Company closed the second tranche of its non-brokered private placement by issuing 5,911,500 units at a price of \$0.22 per unit for gross proceeds of \$1,300,530.

Net proceeds from the private placement will be used for the continued development of the Cerro Las Minitas property and for working capital. Specifically, the Company plans to initiate a program of resource expansion of up to 6,000m of drilling in 11 holes to test shallow targets along the north side of the Cerro between the North Felsite and Skarn Front deposits. Drilling will start in early September.

The Company does not yet generate any revenue from operations and, for the foreseeable future, will need to rely upon earn-in agreements and / or issue share capital to finance future exploration and administrative activities. Although the Company has been successful in its financing initiatives, there can be no assurance that the Company will be able to obtain adequate future financing. Failure to obtain such additional financing could result in delay or indefinite postponement of further exploration and development of its projects with a possible loss of some properties and reduction or termination of operations.

K. Outstanding Equity and Convertible Securities

The Company has authorized share capital consisting of common shares without par value. The number of shares authorized is unlimited. The Company has a stock option plan and has issued warrants for the purchase of common shares. The table below summarizes the Company's common shares, stock options and warrants that are convertible into common shares as of August 23, 2024:

Issued and outstanding common shares	307,167,235
Share options with a weighted average exercise price of \$0.37	24,300,000
Share purchase warrants with a weighted average exercise price of \$0.44	49,851,345
Fully Diluted	381,318,580

L. Financial Instruments

The Company's financial instruments include cash and cash equivalents, other receivables, reclamation bonds, accounts payable and accrued liabilities and amounts due to related parties. The Company has classified its financial instruments into the following categories:

Financial Instrument	Category	Carrying Value
Cash and Cash Equivalents	Financial Asset	Amortized Cost
Other Receivables	Loans and Receivables	Amortized Cost
Reclamation Bonds	Financial Asset	Amortized Cost
Accounts Payable and Accrued Liabilities	Financial Liabilities	Amortized Cost
Due to Related Parties	Financial Liabilities	Amortized Cost

The carrying values of all the above financial instruments approximate their fair values due to the short period to maturity. The main risks these financial instruments are exposed to are credit risk and foreign currency risk with respect to assets and liabilities denominated in US dollars and Mexican Pesos. The Company's risk management policies require significant cash deposits, or any short-term investments be invested with Canadian chartered banks rated BBB or better. All investments must be less than one year in duration. Based on relatively stable historical and forecast exchange rates, the Company does not manage currency risks through hedging or other currency management tools. The Company does not believe any of these risks to be material.

M. Events After the Reporting Period and Outlook

Other than disclosed elsewhere in this MD&A, there are no other material events subsequent to the end of the reporting period. The Company plans to continue to explore its properties and activities over the ensuing year will focus on this. The Company expects to continue its strategy of collaborating with experienced mining companies to acquire and develop other properties and to advance them to production.

N. Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements and does not contemplate entering into any such arrangements in the foreseeable future.

O. Disclosure Controls and Procedures

The Board of Directors, through its Audit Committee, is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control. The Audit Committee is composed of three directors, two of whom are independent, who meet at least quarterly with management, and at least annually with the external auditors, to review accounting, internal control, financial reporting, and audit matters.

O. Disclosure Controls and Procedures, continued

There have been no significant changes to the Company's internal control over financial reporting that occurred during the period that have materially affected, or are reasonably likely to materially affect the Company's internal control over financial reporting.

The Audit Committee has established procedures for complaints received regarding accounting, internal controls, or auditing matters, and for a confidential, anonymous submission procedure for employees who have concerns regarding questionable accounting or auditing matters.

The Whistleblower policy is in accordance with National Instrument 52-110 Audit Committees, National Policy 58-201 Corporate Governance Guidelines and National Instrument 58-101 Disclosure of Corporate Governance Practices.

As a venture issuer, the Company is exempt from the certification on Disclosure Controls and Procedures and Internal Control Over Financial Reporting. The Company is required to file Form 52-109FV1 for annual reporting and Form 52-109FV2 for interim reporting.

P. Risks and Uncertainties

The principal business of the Company is the acquisition, exploration, and development of mineral properties. Given the nature of the mining business, the limited extent of the Company's assets and the present stage of development, the following risk factors, among others, should be considered:

Exploration Stage Company

The Company does not hold any known mineral reserves of any kind and does not generate any revenues from production. The Company's success will depend largely upon its ability to locate commercially productive mineral reserves.

Mineral exploration is highly speculative in nature, involves many risks and frequently is non-productive. There is no assurance that exploration efforts will be successful. Success in establishing reserves is a result of a number of factors, including the quality of management, the level of geological and technical expertise, and the quality of property available for exploration.

Once mineralization is discovered, it may take several years in the initial phases of drilling until production is possible, during which time the economic feasibility of production may change. Substantial expenditures are required to establish proven and probable reserves through drilling and bulk sampling, to determine the optimal metallurgical process to extract the metals from the ore and, in the case of new properties, to construct mining and processing facilities.

Because of these uncertainties, no assurance can be given that our exploration programs will result in the establishment or expansion of resources or reserves.

No Operating History and Availability of Financial Resources

The Company does not have an operating history and has no operating revenues and is unlikely to generate any significant amount in the foreseeable future. Therefore, it may not have sufficient financial resources to undertake, by itself, all of its planned exploration and administrative activities.

Historically, the Company has relied mainly upon the issuance of share capital to finance its activities. In the future, the Company will be required to rely on earn-in agreements and / or issue share capital to finance future exploration and administrative activities, which may result in dilution to existing shareholders. Furthermore, the amount of additional funds required may not be available under favorable terms, if at all.

P. Risks and Uncertainties, continued

Failure to obtain additional funding on a timely basis could result in delay or indefinite postponement of further exploration and development and could cause the Company to forfeit its interests in some or all of its properties or to reduce or discontinue its operations.

Dependence on Key Personnel

The Company is dependent on a relatively small number of key directors, officers, and senior personnel. The loss of any one of those people could have an adverse effect on the Company. The Company does not currently maintain "key-man" insurance in respect of any of its management.

Price Volatility and Lack of Active Market

Securities markets in Canada and elsewhere continue to experience a high level of price and volume volatility, and the market prices of securities of many public companies have experienced significant fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. It may be anticipated that any quoted market for the Company's securities will be subject to such market trends and that the value of such securities may be affected accordingly. If an active market does not develop, the liquidity of the investment may be limited, and the market price of such securities may decline below the subscription price.

Government Regulations and Environmental Risks and Hazards

The Company conduct is subject to various federal, provincial, state laws, rules, and regulations, including environmental legislation. Environmental legislation is becoming increasingly stringent, and costs and expenses of regulatory compliance are increasing. The impact of new and future environmental legislation on the Company's operations may cause additional expenses and restrictions. If the restrictions adversely affect the scope of exploration and development on the resource property interests, the potential for production on the property may be diminished or negated.

The Company has adopted environmental practices designed to ensure that it continues to comply with environmental regulations currently applicable to it. All of the Company's activities comply in all material respects with applicable environmental legislation. Environmental hazards may exist on the Company's properties, which may have been caused by previous or existing owners or operators of the properties. The Company is not aware of any existing environmental hazards related to any of its current property interests that may result in material liability to the Company.

Competition

The resource industry is intensively competitive in all of its phases, and the Company competes with many other companies possessing much greater financial and technical resources. Competition is particularly intense with respect to the acquisition of desirable undeveloped properties.

The principal competitive factors in the acquisition of prospective properties include the staff and data necessary to identify and investigate such properties, and the financial resources necessary to acquire and develop the projects. Competition could adversely affect the Company's ability to acquire suitable prospects for exploration.

Title to Property

Although the Company has exercised the usual due diligence with respect to title to properties in which it has a material interest, there is no guarantee that title to the properties will not be challenged or impugned. The Company's mineral property interests may be subject to prior unregistered agreements or transfers, aboriginal land claims or government expropriation and title may be affected by undetected defects.

P. Risks and Uncertainties, continued

Licenses and Permits

The operations of the Company require licenses and permits from various government authorities. The Company believes that it holds all necessary licenses and permits under applicable laws and regulations for work in progress and believes it is presently complying in all material respects with the terms of such licenses and permits. However, such licenses and permits are subject to change in various circumstances. There can be no guarantee that the Company will be able to obtain or maintain all necessary licenses and permits that may be required to explore and develop its properties, commence construction or operation of mining facilities or to maintain continued operations that economically justify the cost.

Other

The economic uncertainties around persistent inflation pressure, geopolitical and other global factors have the potential to slow growth in the global economy. Future developments in these challenging areas could impact on the Company's results and financial condition and the full extent of that impact remains unknown.

Q. Proposed Transactions

Other than normal course review of prospective property transactions and on-going plans to raise equity finance, there are no transactions pending as at the date of this report.

R. Forward-Looking Statements

Some of the statements contained in this MD&A may be deemed "forward-looking statements."

These include estimates and statements that describe the Company's future plans, objectives or goals, and expectations of a stated condition or occurrence. Forward-looking statements may be identified by the use of words such as "believes", "anticipates", "expects", "estimates", "may", "could", "would", "will", or "plan". Since forward-looking statements are based on assumptions and address future events and conditions, by their very nature they involve inherent risks and uncertainties.

Actual results relating to, among other things, results of exploration, reclamation, capital costs, and the Company's financial condition and prospects, could differ materially from those currently anticipated in such statements for many reasons such as but not limited to; changes in general economic conditions and conditions in the financial markets; changes in demand and prices for the minerals the Company expects to produce; litigation, legislative, environmental and other judicial, regulatory, political and competitive developments; technological and operational difficulties encountered in connection with the Company's activities; changing foreign exchange rates and other matters discussed in this MD&A.

Readers should not place undue reliance on the Company's forward-looking statements. Further information regarding these and other factors, which may cause results to differ materially from those projected in forward-looking statements, is included in the filings by the Company with securities regulatory authorities.