**Management's Discussion and Analysis**
**For the Three Months Ended March 31, 2025**
(Expressed in Canadian Dollars)

## Introduction

This Management's Discussion and Analysis ("**interim MD&A**") of the financial condition and results of the operations of AbraSilver Resource Corp. has been prepared to provide material updates to the business operations, liquidity and capital resources of the Company since the Management Discussion & Analysis ("**Annual MD&A**") for the fiscal year ended December 31, 2024. This Interim MD&A does not provide a general update to the Annual MD&A, or reflect any non-material events since the date of the Annual MD&A.

This Interim MD&A has been prepared in compliance with the requirements of section 2.2.1 of Form 51- 102F1, in accordance with National Instrument 51- 102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the Annual MD&A, the audited annual consolidated financial statements of the Company for the years ended December 31, 2024 and December 31, 2023 ("**FY 2024**" and "**FY 2023**", respectively) and the unaudited condensed interim consolidated financial statements (the "**Interim Financial Statements**") for the three months ended March 31, 2025 ("**Q1 2025**"), together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. In the opinion of management, all adjustments (which consist only of normal recurring adjustments) considered necessary for a fair presentation have been included. The results for the three months ended March 31, 2025 are not necessarily indicative of the results that may be expected for any future period. Information contained herein is presented as of May 14, 2025 unless otherwise indicated.

On May 22, 2024, the Company implemented the consolidation of its common shares in the capital of the Company on the basis of five (5) pre-consolidation shares for every one (1) post consolidation share. Accordingly, the number of shares, warrants, stock options and RSUs and the exercise prices in these interim MD&A and in the Interim Financial Statements have been restated to reflect the share consolidation.

The unaudited condensed interim consolidated financial statements for Q1 2025, have been prepared in accordance with IFRS Accounting Standards ("**IFRS**") as issued by the International Accounting Standards Board ("**IASB**") and interpretations of the IFRS Interpretations Committee. The unaudited condensed interim consolidated financial statements have been prepared in accordance with International Standard 34, Interim Financial Reporting.

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

Further information about the Company and its operations is available on SEDAR+ at www.abrasilver.com and www.sedarplus.ca.

## 1. OVERVIEW OF THE COMPANY

AbraSilver Resource Corp. ("**AbraSilver**" or the "**Company**") is a Canadian-based precious metals exploration company headquartered in Toronto, Canada. The Company was originally incorporated on August 31, 1993 under the Alberta Business Corporations Act. On September 30, 2015, the Company's incorporation jurisdiction was moved to British Columbia. The Company changed its name to Angel Bioventures Inc. on August 28, 2013. Subsequently on March 23, 2017, the Company changed its name to AbraPlata Resource Corp. and on March 4, 2021 to AbraSilver Resource Corp. The Company's registered office is located at Suite 550, 220 Bay Street, Toronto, ON, M5J 2W4.

The Company's common shares are listed on the Toronto Stock Exchange ("**TSX**", or the "**Exchange**") under the symbol "**ABRA**", and on the OTCQX under the symbol **"ABBRF"**.

Further information about the Company and its operations is available on SEDAR+ at www. abrasilver.com and www.sedarplus.ca.

## 2. HIGHLIGHTS

The Company's key events and highlights from January 1, 2025 to March 31, 2025 include the following:

- During Q1, the Company reported multiple high-grade assay results from the Phase IV drill program at its wholly-owned Diablillos silver-gold project.
- On January 20, 2025, the Company filed an updated Pre-Feasibility Study ("PFS"). The Report titled "Updated NI 43-101 Technical Report, Pre-Feasibility Study for the Diablillos Ag-Au Project" is dated January 13, 2025 and has an effective date of December 3, 2024, confirming no material differences from the December 3, 2024 news release.
- On February 7, 2025, the Company completed a bought deal public offering (the "Offering"). The Company issued 11,765,650 Common Shares at a price of $2.55 per share for aggregate gross proceeds of $30,002,008. In connection with the Offering, the Company paid a syndicate of underwriters a cash commission equal to 6.0% of the aggregate gross proceeds raised.
- On February 12, 2025, the Company completed a private placement of 11,193,565 common shares at a price of $2.55 per share for aggregate gross proceeds of $28,543,591. In connection with the placement, 10,094,697 common shares were issued to an affiliate of Central Puerto S.A. and 1,098,868 common shares were issued to Kinross Gold Corp. This completed a total of approximately $58.5 million in financings, including the $30 million Offering.
- On February 24, 2025, the Company received final listing approval from the TSX to graduate from the TSX-V. The common shares of the Company began trading on the TSX effective at the market open on February 27, 2025, under the symbol "ABRA".
- On March 10, 2025 the Company engaged Boris Caro, principal of Caro & Navarro as Project Director, effective April 1, 2025. The Company granted 300,000 stock options exercisable at a price of $3.32 per common share for a period of five years from the date of grant. The options vest in 25% instalments every 6 months, starting from the date of the grant.
- On March 24, 2025 the Company paid US$1,142,497 to settle the Cerro Bayo purchase agreement early, realizing a pre-payment discount of US$ 27,503.
- On March 24, 2025 the Company commenced its fully funded Phase V drill program, consisting of a planned 20,000 metres ("m") of diamond drilling. This new phase of exploration builds upon the highly successful Phase IV drill campaign, which identified significant high-grade silver and gold mineralization across multiple targets within the broader Diablillos land package.
- During Q1 2025, the Company issued 819,104 shares after 965,000 options were exercised at a weighted average exercise price of $0.33 for net proceeds of $169,000. 445,000 of those options were exercised using the net exercise procedure.
- During Q1 2025, the Company issued 76,667 common shares after 76,667 restricted share units were exercised.

## 3. EXPLORATION AND EVALUATION

### Diablillos Project

The Diablillos project was acquired by the Company from SSR Mining Inc. in 2016 and covers an area of approximately 79 km$^2$ in the Puna region of Argentina, in the southern part of Salta Province along the border with Catamarca Province, approximately 160 km southwest of the city of Salta and 375 km northwest of the city of Catamarca. To fulfil the terms of the acquisition agreement, the Company is required to make a final cash payment of US$7.0 million on construction start-up or at the fifth anniversary (July 31st, 2025), whichever occurs first.

The Diablillos property comprises 15 contiguous and overlapping mineral concessions acquired by AbraSilver in 2016. The project site has good year-round accessibility via a 150 km paved road, followed by a well-maintained gravel road, shared with other nearby projects.

There are several known mineral zones on the Diablillos property. A total of approximately 154,000 m have been drilled to date, which has outlined multiple occurrences of epithermal silver-gold mineralization at Oculto, JAC, Laderas and Sombra. Additionally, several satellites zones of silver/gold-rich epithermal mineralization have been located within a 500 m to 1.5 km distance surrounding the Oculto/JAC epicentre. Moreover, a large porphyry complex appears to be centered approximately 4 km northeast of Oculto which includes outcropping porphyry intrusions within a major zone of alteration, and associated gold rich epithermal mineralization.

- On September 6th, 2017, AbraSilver entered into a definitive agreement to acquire a 100% equity interest in Minera Cerro Bayo SA ("Cerro Bayo"), the owner of certain overlapping mineral rights on the Diablillos property granted by the government of Catamarca, thereby acquiring ownership and control of all mineral interests. As consideration, AbraSilver agreed to pay US$3,325,000 in cash and issue 500,000 common shares of the Company to the shareholders of Cerro Bayo in instalments over an eight-year period. On March 24, 2025 the Company paid US$1,142,497 to settle the Cerro Bayo purchase agreement early, realizing a pre-payment discount of US$ 27,503. As at the date of this MD&A, US$3,297,497 has been paid and 500,000 shares have been issued and no further payments are outstanding.

### Diablillos Reserve Estimate – As of March 7, 2024

On March 25, 2024, the Company announced the results of a maiden PFS on the Diablillos project, which resulted in the estimation of Mineral Reserves. The Mineral Reserves, which were estimated using a silver price of $22.50/oz and a gold price of $1,750/oz, are shown in the Table below.

| Mineral Reserve (all domains) | Tonnage (000 t) | Au (g/t) | Ag (g/t) | AgEq (g/t) | Contained Ag (000 oz Ag) | Contained Au (000 oz Au) | Contained AgEq (000 oz AgEq) |
|---|---|---|---|---|---|---|---|
| Proven | 12,364 | 0.86 | 118 | 185 | 46,796 | 341 | 73,352 |
| Probable | 29,930 | 0.80 | 80 | 142 | 76,684 | 766 | 136,267 |
| **Total Proven and Probable** | **42,294** | **0.81** | **91** | **154** | **123,480** | **1,107** | **209,619** |

Notes for Mineral Reserve Estimate:

1. Mineral reserves have an effective date of March 07, 2024.
2. The Qualified Person for the Mineral Reserve Estimate is Mr. Miguel Fuentealba, P.Eng.

3. The mineral reserves were estimated using the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), Definition Standards for Mineral Resources and Reserves, as prepared by the CIM Standing Committee on Reserve Definitions and adopted by CIM Council.
4. The mineral reserves were based on a pit design which in turn aligned with an ultimate pit shell selected from a WhittleTM pit optimization exercise. Key inputs for that process are:
   - Metal prices of U$S 1,750/oz Au; U$S 22.50/oz Ag
   - Variable Mining cost by bench and material type. Average costs are U$S 1.94/t for all lithologies except for "cover" Cover mining cost of U$U 1.73/t, respectively.
   - Processing costs for all zone, U$S 22.97/t.
   - Infrastructure and G&A cost of U$S 3.32/t.
   - Pit average slope angles varying from 37° to 60°.
   - The average recovery is estimated to be 82.6% for silver and 86.5% for gold.
5. The Mineral Reserve Estimate has been categorized in accordance with the CIM Definition Standards (CIM, 2014).
6. A Net Value per block ("NVB") cut-off was used to constrain the Mineral Reserve with the reserve pitshell. The NVB was based on "Benefits = Revenue-Cost" being positive, where, Revenue = [(Au Selling Price (US$/oz) - Au Selling Cost (US$/oz)) x (Au grade (g/t)/31.1035)) x Au Recovery (%)] + [(Ag Selling Price (US$/oz) - Ag Selling Cost (US$/oz)) x (Ag grade (g/t)/31.1035)) x Ag Recovery (%)] and Cost = Mining Cost (US$/t) + Process Cost (US$/t) + Transport Cost (US$/t) + G&A Cost (US$/t) + [Royalty Cost (%) x Revenue]. The NVB method resulted in an average equivalent cut-off grade of approximately 46g/t AgEq.
7. In-situ bulk density was read from the block model, assigned previously to each model domain during the process of mineral resource estimation, according to samples averages of each lithology domain, separated by alteration zones and subset by oxidation.
8. All tonnages reported are dry metric tonnes and ounces of contained gold are troy ounces.
9. Mining recovery and dilution factors have not been applied to the Mineral Resource estimates.

On November 27, 2023, the Company announced an updated, conceptual open pit constrained, Mineral Resource estimate ("MRE") for the Diablillos project. The MRE comprises an updated estimate for the Oculto deposit plus estimates for the JAC, Fantasma and Laderas deposits, all of which are located to the west/southwest of Oculto. All four deposits are located at Diablillos. The MRE is the result of approximately 133,000 m of drilling in 630 drill holes (historical and current). This includes the Phase III drill campaign, conducted in 2022/23, which totaled 24,077 m. The cut-off grade was calculated using a Net Block Value calculation equivalent to an average cut-off grade of approximately 45g/t AgEq. A full Technical Report dated January 10, 2024, in respect of the new MRE was prepared and filed on SEDAR+ in accordance with NI 43-101. Accordingly, the new MRE supersedes and replaces all prior PEAs or other forward-looking economic information on the Diablillos project. The Diablillos Mineral Resource estimate is summarized in the Table below:

**Diablillos Mineral Resource Estimate – As of November 22, 2023**

| Deposit | Zone | Category | Tonnes (000 t) | Ag (g/t) | Au (g/t) | AgEq (g/t) | Contained Ag (000 oz Ag) | Contained Au (000 oz Au) | Contained AgEq (000 oz AgEq) |
|---|---|---|---|---|---|---|---|---|---|
| **Oculto** | Oxides | Measured | 12,170 | 101 | 0.95 | 178 | 39,519 | 372 | 69,523 |
| | | Indicated | 34,654 | 64 | 0.85 | 133 | 71,306 | 947 | 147,748 |
| | | ***Measured & Indicated*** | ***46,824*** | ***74*** | ***0.88*** | ***145*** | ***110,825*** | ***1,319*** | ***217,271*** |
| | | Inferred | 3,146 | 21 | 0.68 | 76 | 2,124 | 69 | 7,677 |
| **JAC** | Oxides | Measured | 1,870 | 210 | 0.17 | 224 | 12,627 | 10 | 13,452 |
| | | Indicated | 3,416 | 198 | 0.12 | 208 | 21,744 | 13 | 22,808 |
| | | ***Measured & Indicated*** | ***5,286*** | ***202*** | ***0.13*** | ***212*** | ***34,371*** | ***23*** | ***36,260*** |
| | | Inferred | 77 | 77 | - | 77 | 190 | - | 190 |
| **Fantasma** | Oxides | Measured | - | - | - | - | - | - | - |
| | | Indicated | 683 | 105 | - | 105 | 2,306 | - | 2,306 |
| | | ***Measured &*** | ***683*** | ***105*** | ***-*** | ***105*** | ***2,306*** | ***-*** | ***2,306*** |

*(In Canadian Dollars unless otherwise stated)*

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | ***Indicated*** | | | | | | | |
| | | Inferred | 10 | 76 | - | 76 | 24 | - | 24 |
| **Laderas** | Oxides | Measured | - | - | - | - | - | - | - |
| | | Indicated | 464 | 16 | 0.91 | 89 | 239 | 14 | 1,334 |
| | | ***Measured & Indicated*** | ***464*** | ***16*** | ***0.91*** | ***89*** | ***239*** | ***14*** | ***1,334*** |
| | | Inferred | 55 | 43 | 0.57 | 89 | 76 | 1 | 157 |
| **Total** | Oxides | Measured | 14,040 | 116 | 0.85 | 184 | 52,146 | 382 | 82,975 |
| | | Indicated | 39,217 | 76 | 0.77 | 138 | 95,594 | 974 | 174,196 |
| | | ***Measured & Indicated*** | ***53,257*** | ***87*** | ***0.79*** | ***151*** | ***147,740*** | ***1,356*** | ***257,171*** |
| | | Inferred | 3,288 | 23 | 0.66 | 76 | 2,415 | 70 | 8,049 |

Notes for November 2023 MRE:

1. Mineral Resources are not Mineral Reserves and have not demonstrated economic viability.
2. The formula for calculating AgEq is as follows: Silver Eq oz = Silver oz + Gold oz x (Gold Price/Silver Price) x (Gold Recovery/Silver Recovery).
3. The Mineral Resource model was populated using Ordinary Kriging grade estimation within a three-dimensional block model and mineralized zones defined by wireframed solids, which are a combination of lithology and alteration domains. The 1m composite grades were capped where appropriate.
4. The Mineral Resource is reported inside a conceptual Whittle open pit shell derived using US$ 24.00/oz Ag price, US $1,850/oz Au price, 82.6% process recovery for Ag, and 86.5% process recovery for Au. The constraining open pit optimization parameters used were US $1.94/t mining cost, US $22.97/t processing cost, US $3.32/t G&A cost, and average 51-degree open pit slopes.
5. The MRE has been categorized in accordance with the CIM Definition Standards (CIM, 2014).
6. A Net Value per block ("NVB") cut-off was used to constrain the Mineral Resource with the conceptual open pit. The NVB was based on "Benefits = Revenue-Cost" being positive, where, Revenue = [(Au Selling Price (US$/oz) - Au Selling Cost (US$/oz)) x (Au grade (g/t)/31.1035)) x Au Recovery (%)] + [(Ag Selling Price (US$/oz) - Ag Selling Cost (US$/oz)) x (Ag grade (g/t)/31.1035)) x Ag Recovery (%)] and Cost = Mining Cost (US$/t) + Process Cost (US$/t) + Transport Cost (US$/t) + G&A Cost (US$/t) + [Royalty Cost (%) x Revenue]. The NVB method resulted in an average equivalent cut-off grade of approximately 45g/t AgEq.
7. The Mineral Resource is sub-horizontal with sub-vertical feeders and a reasonable prospect for eventual economic extraction by open pit methods.
8. In-situ bulk density was assigned to each model domain, according to samples averages of each lithology domain, separated by alteration zones and subset by oxidation.
9. All tonnages reported are dry metric tonnes and ounces of contained gold are troy ounces.
10. Mining recovery and dilution factors have not been applied to the Mineral Resource estimates.
11. The Mineral Resource was estimated by Mr. Luis Rodrigo Peralta, B.Sc., FAusIMM CP (Geo), Independent Qualified Person under National Instrument 43-101 - Standards of Disclosure for Mineral Projects ("NI 43-101").
12. Mr. Peralta is not aware of any environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues that could materially affect the potential development of the Mineral Resource.
13. All figures are rounded to reflect the relative accuracy of the estimates. Minor discrepancies may occur due to rounding to appropriate significant figures.
14. Totals may not agree due to rounding.

### Diablillos Exploration Campaign

On March 11, 2025 the Company announced the successful completion of the Phase IV exploration program, which comprised a total of 21,172 m drilled across 106 holes. All drill results from this program will be incorporated in an updated Mineral Resource estimate scheduled for release in mid-2025.

Following the completion of Phase IV, the Company has now initiated the Phase V drill program, which is expected to include an additional 20,000 m of drilling. Key drilling targets include:

(i) The Oculto-JAC epithermal district, focusing on the JAC, JAC south extension, Sombra, Oculto Northeast, Oculto East, Oculto West, and Laderas targets.

(ii) The northeast epithermal-porphyry complex, located approximately 4 km northeast of the main Oculto deposit, including the newly identified Cerro Viejo gold target, which remains largely underexplored.

**La Coipita Project, San Juan, Argentina**

The La Coipita project ("La Coipita") is located in the San Juan province of Argentina, adjacent to the Chilean border. The Company has an option agreement to acquire a 100% interest in La Coipita which encompasses a large area, totaling approximately 70,000 hectares, in a region hosting several major porphyry deposits.

La Coipita is located in a highly prospective area in a geological setting similar to world-class deposits in the same belt, including the Filo del Sol and Los Azules projects, where porphyry style mineralisation is found immediately beneath epithermal mineralization.

On January 25, 2024 the Company executed a definitive option and joint venture agreement (the "Agreement") with a subsidiary of Teck Resources Limited ("Teck') to explore and develop La Coipita. Teck will be the operator for the duration of the Option (as defined below).

Pursuant to the Agreement, Teck has an option (the "Option") to acquire an 80% interest in La Coipita. Teck may exercise the Option by:

- Making the following payments to or equity placement in AbraSilver:

    i. *US$559,545 cash payment upon closing of the agreement (optional payment - received);*
    ii. *US$1,000,000 cash payment or at Teck's election, subscription for US$1,000,000 of common shares of AbraSilver (shares subscribed)*
    iii. *US$1,500,000 cash payment on or before January 31, 2028 (optional payment).*

- Incurring an aggregate of US$20,000,000 in exploration expenditures on La Coipita over a five year period; and
- Additional cash payments in respect of amounts for expenditures required to settle payments to the Project optionors:

    i. *US$500,000 Initial payment (mandatory payment - received);*
    ii. *US$500,000 on or before July 31, 2024 (optional payment – received);*
    iii. *US$1,000,000 on or before January 15, 2025 (optional payment - received);*
    iv. *US$800,000 on or before July 31, 2025 (optional payment);*
    v. *US$1,500,000 on or before July 31, 2026 (optional payment); and*
    vi. *US$2,000,000 on or before January 15, 2026 (optional payment).*

Upon exercise of the Option, the parties will incorporate a company in Argentina ("Newco") to become the titleholder of La Coipita. Teck will hold 80% of Newco's outstanding shares, with AbraSilver holding the remaining 20%. Each party will fund its pro-rata share of future expenditures on La Coipita through equity contributions to Newco or incur dilution in Newco. If a party's shareholding interest in Newco is diluted below 10% or pursuant to certain other conditions of the Agreement, its shareholding interest will be converted to a 1.1% net smelter returns royalty on La Coipita, of which 0.6% can be bought back by the payor for a cash payment of US$3,000,000 at any time.

*(In Canadian Dollars unless otherwise stated)*

## 4. SELECTED QUARTERLY INFORMATION

Below is a summary of information for the eight most recent quarters:

| Quarter Ended | Cash and Cash equivalents and term deposits | Total Assets | Total Liabilities | Net loss for the period | Loss per share – basic & diluted |
|---|---|---|---|---|---|
| March 31,2025 | $61,489,402 | $89,075,118 | $11,850,332 | ($9,022,879) | ($0.06) |
| December 31,2024 | $13,726,498 | $39,680,305 | $10,928,787 | ($11,963,900) | ($0.09) |
| September 30,2024 | $13,983,868 | $39,045,435 | $9,081,008 | ($6,938,866) | ($0.06) |
| June 30,2024 | $19,670,157 | $45,706,946 | $9,049,871 | ($4,737,982) | ($0.04) |
| March 31,2024 | $5,694,289 | $31,091,696 | $10,264,898 | ($1,455,557) | ($0.01) |
| December 31,2023 | $4,797,365 | $29,669,123 | $8,209,169 | ($2,453,778) | ($0.03) |
| September 30,2023 | $6,608,966 | $31,997,725 | $7,698,768 | ($3,098,801) | ($0.03) |
| June 30,2023 | $10,901,372 | $34,275,646 | $7,824,170 | ($7,027,553) | ($0.06) |

While the information set out in the foregoing table is mandated by National Instrument 51-102 – *Continuous Disclosure Obligations*, it is management's view that the variations in financial results that occur from quarter to quarter are not particularly helpful in analyzing the Company's performance. Junior exploration companies generally have no significant total revenue or net sales unless they sell a mineral interest for a sum greater than its costs.

Like most other companies in the mineral exploration sector, the Company anticipates that significant variances in the Company's reported loss from quarter to quarter will most commonly arise from factors that are difficult to anticipate in advance or to predict from past results. They are as follows: (i) decisions to write off deferred exploration costs when management concludes there has been an impairment in the carrying value of a mineral property, or the property is abandoned, (ii) the granting of incentive stock options, which results in the recording of amounts for stock-based compensation expense that can be quite large in relation to other general and administrative expenses incurred in any given quarter, but are non-cash expenses (iii) the effect of inflation in Argentina as further discussed under the heading Effect of Inflation below; and (iv) the effect of exchange rate variations between the Canadian dollar, the United States dollar and the Argentinian Pesos.

## 5. RESULTS OF OPERATIONS

The operating results of junior mining companies can fluctuate significantly from period to period. The Company is in the exploration stage and has no revenue from operations.

Three months ended March 31, 2025 ("**Q1 2025**") is compared to the three months ended March 31, 2024 ("**Q1 2024**").

During Q1 2025 the net loss increased by $7,567,322 to $9,022,897 compared to the net loss recorded during Q4 2024 due mainly to an increase in Evaluation and Exploration expenses ("**EE**"):

- Although there are no seasonal variations, comparing the expenditures with the same period last year, the EE were $6,616,810 during Q1 2025 compared to $1,075,113 for Q1 2024. The increase of $5,541,697 breaks down as follows:

- *Diablillos Project.* During Q1 2025 the EE increased by $5,545,840 due to continuation of the Phase IV diamond drilling program, with 26 holes (4,323 metres) drilled in Q1 2025; during the same period last year no holes were drilled for the Phase III diamond drilling program. Consequently, the Drilling cost increased to $3,411,304 in Q1 2025 compared with $13,259 in Q1 2024; the Camp cost increased to $1,015,305 in Q1 2025 compared with $201,666 in Q1 2024. In connection with the commencement of the Definitive Feasibility Study, Geology and Lab costs increased to $1,012,676 in Q1 2025 compared with $353,311 in Q1 2024. Personnel and Administration cost increased to $660,490 in Q1 2025 compared with $324,413 in Q1 2024 due to an increase in the exploration and evaluation activities.

- *La Coipita Project*. The EE decreased by $4,143 after the execution of the definitive option and joint venture agreement on the La Coipita project with a subsidiary of Teck Cominco Limited - as indicated in the Exploration and Evaluation section above - as AbraSilver no longer assumes any of the EE costs on the La Coipita project. Therefore, during Q1 2025, no holes were drilled by the Company. The driver for the reduction in expenditures were: the professional and access fees amounting to $Nil in Q1 2025 compared with $3,329 in Q1 2024; and the Travel and Administration cost $52 in Q1 2025 compared with $866 in Q1 2024 in connection with the decreased EE activities.

- Gain on sale of marketable securities decreased by $86,391 during Q4 2024 compared with Q1 2024. From time to time, the Company acquires and transfers marketable securities as a mechanism to facilitate intragroup funding transfers between its Canadian headquarters and its Argentine operating subsidiary. The use of marketable securities is for the purposes of facilitating intragroup funding transfers, which represents the net benefit of having used this funding mechanism over traditional methods. The decrease in the gains is primarily the result of the material reduction of the spread between marketable securities mechanism and the traditional methods and are related to the $2,600,080 transferred to the Argentina subsidiaries in Q1 2025 compared with $2,377,00 transferred in Q1 2024.

- Share Based Compensation increased by $1,161,419 during Q1 2025 compared to Q1 2024 and is related to the stock options granted to directors, officers, employees, advisors and consultants of the Company.

- Office and administrative expenses increased by $195,009 during Q1 2025 compared to Q1 2024. The driver of the increase is mainly related to bank and broker fees in connection with funds transferred from AbraSilver Resource Corp. to its subsidiaries in Argentina. During Q1 2025 $2,600,080 was transferred to Argentina compared with $2,377,00 in Q1 2024.

## 6. EFFECT OF INFLATION

Argentina was designated a hyperinflationary economy as of July 1, 2018. The effect of the Argentinian inflation and specific price changes in the Company operations are minimum since the inflation relates to the cost and prices in Argentinian Pesos and not in the currency in which the Company keeps its funds.

As described in Note 14 of the Audited Financial Statements, the Company acquires and transfers marketable securities to facilitate intragroup funding transfers between the Canadian parent and its Argentine operating subsidiaries thereby minimizing the timing in which the funds are kept in Argentinian Pesos mitigating the inflationary effects.

The application of hyperinflation accounting requires restatement of the Argentine subsidiaries' non-monetary assets and liabilities, shareholders' equity and comprehensive loss items from the transaction date when they were first recognized into the current purchasing power which reflects a price index current at the end of the reporting period before being included in the consolidated financial statements.

As the consolidated financial statements of the Company have been previously presented in Canadian dollars, a stable currency, the comparative period amounts do not require restatement.

## 7. FINANCIAL INSTRUMENTS

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

IFRS 9 requires financial assets to be classified into three measurement categories on initial recognition: those measured at fair value through profit and loss, those measured at fair value through other comprehensive loss and those measured at amortized cost. Measurement and classification of financial assets is dependent on the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

The Company's financial instruments as of March 31, 2025, and December 31, 2024 are as follows:

| | March 31, 2025 | December 31, 2024 |
|---|---|---|
| **Financial assets** | | |
| Cash and cash equivalents | $ 61,489,402 | $ 13,726,498 |
| Accounts Receivables | 294,294 | 281,949 |
| **Total financial assets** | $ 61,783,696 | $ 14,008,447 |
| **Financial liabilities** | | |
| Accounts payable and accrued liabilities | $ 2,246,422 | $ 1,641,818 |
| Consideration payable | 9,603,910 | 9,286,969 |
| **Total financial liabilities** | $ 11,850,332 | $ 10,928,787 |

Additional financial instruments disclosure, including an analysis of risks associated with financial instruments, are contained in Note 5 of the Company's audited consolidated financial Statements for the twelve months ended March 31, 2025 and 2024.

## 9. LIQUIDITY AND CAPITAL RESOURCES

### (a) Liquidity

The Company's working capital as of March 31, 2024, was $49,995,894 as compared to working capital of $3,152,828 on December 31, 2024. Included in working capital was cash and cash equivalents of $61,489,498 (December 31, 2024 - $13,726,498 ) and amount receivables of $294,294 (December 31, 2024 $ 291,949) enough to cover its commitments over the next 12 months as indicated in the "Commitments" section below.

Except as disclosed, the Company does not know of any trends, demands, commitments, events or uncertainties that will result in, or that are reasonably likely to result in, its liquidity either materially increasing or decreasing at present or in the foreseeable future. Material increases or decreases in liquidity are substantially determined by the success or failure of the Company's exploration programs and the Company's ability to raise additional capital as required.

The Company is not now and does not expect in the future, to be engaged in currency hedging to offset any risk of currency fluctuations.

### (b) Capital Resources

The Company's focus for the recently completed fiscal period and going forward is the advancement and development of its exploration projects. The major expenses that will be incurred by the Company in the next twelve months will be costs associated with its exploration and evaluation activities and general and administrative activities.

As at March 31, 2025, the Company had working capital of $49,995,894, has never had profitable operations, has an accumulated deficit of $113,708,300 and expects to continue to incur losses in the development of its business. These factors create material uncertainties that may cast doubt on the Company's ability to continue as a going concern without securing additional future sources of financing. The Company's consolidated financial statements have been prepared on the basis that the Company will continue as a going concern and do not reflect the adjustments, if any, that may be required to the carrying values of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary if the Company were unable to realize its assets and discharge its liabilities as a going concern in the normal course of operations, continuing with its regular exploration activities and to honor the commitments as indicated in the "Commitments" section below for the next twelve months. Management plans to secure necessary financing, as and when needed, through a combination of the issue of new equity or debt instruments and the entering of joint venture or option arrangements. Nevertheless, there is no assurance that these initiatives will be successful.

The Company depends on external financing to fund its activities and there can be no guarantee that external financing will be available at terms acceptable to the Company. The Company will be relying on further equity financing, debt financing, strategic partnerships or joint-venture partnerships as the most likely source of funds for the advancement of the Company's exploration assets to a resource delineation or feasibility stage. In the future the Company may also receive additional funds through the exercise of stock options and warrants. If adequate funds are not available when required, the Company may, based on the Company's cash position, delay, scale back or eliminate various programs.

There can be no assurance that the Company will have sufficient financing to meet its future capital requirements or that future additional financing will be available to the Company at acceptable terms.

### c) Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements other than those disclosed under Mineral Interests.

### d) Commitments

As of March 31, 2025, the Company has mineral interest commitments at its Diablillos and La Coipita projects in the form of option payments, although, as at the current date, the Company had the commitments shown in the table below, some of these commitments could be reduced, deferred or eliminated pending the outcome of the strategic review.

| | Years ended December 31 | |
|---|---|---|
| **Commitments** | **2025** | **2026** |
| Diablillos | $ - | $ - |
| La Coipita | 1,148,160 | 5,023,200 |
| Total Mineral interest commitments | 1,148,160 | 5,023,200 |
| Total Commitments | $ 1,148,160 | $ 5,023,200 |

**Note:** Amounts expressed in Canadian dollars, using a USD/CAD exchange rate of 1.4352.

## 10. RELATED PARTY TRANSACTIONS

Key management personnel include the members of the Board of Directors and officers of the Company, who have the authority and responsibility for planning, directing and controlling the activities of the Company.

Amounts paid and accrued to directors, former director, officers and companies in which directors and officers are shareholders or partners are described in the following table. The business purpose for director fees and salaries is to compensate directors and officers of the Company in their capacities as directors or officers. The business purpose for the payments made to Zaballa & Carchio Abogados is for corporate, mining and legal advice, which arrangement can be terminated at any time. The payments made to John Miniotis, Carlos Pinglo and Jeremy Weyland are made in accordance with a written employment agreement, each of which can be terminated by the Company on 30 days written notice.

The fair value of the share-based compensation was determined using the Black-Scholes pricing model based on, among other things, 5 years expected life; share price at the grant date; volatility based on the historical trading price volatility of the Company's common shares; risk-free interest rate based on government of Canada marketable bonds for the duration of the option's expected term  and a dividend yield of 0%.

*(In Canadian Dollars unless otherwise stated)*

| Name | Position | Director Fees | Salary | Professional /Consulting Fees | Share Base Compensation | Q1 -2025 |
|---|---|---|---|---|---|---|
| Robert Bruggeman | Director | $ 6,250 | $ - | $ - | $ 82,785 | $ 89,035 |
| Flora Wood | Director | 6,250 | - | - | 65,426 | 71,676 |
| Jens Mayer | Director | 6,250 | - | - | 65,323 | 71,573 |
| Sam Leung | Director | 6,250 | - | - | 65,220 | 71,470 |
| Hernan Zaballa | Director | 6,250 | - | 64,297 | 65,323 | 135,870 |
| Zaballa & Carchio Abogados (1) | NA | - | - | 46,888 | - | 46,888 |
| Nicholas Teasdale | Director | 6,250 | - | - | 69,438 | 75,688 |
| Stephen Gatley | Director | 6,250 | - | - | 70,636 | 76,886 |
| John Miniotis | CEO | - | 71,760 | - | 218,290 | 290,050 |
| Carlos Pinglo | CFO | - | 50,000 | - | 101,815 | 151,815 |
| Jeremy Weyland | SVP | - | 60,000 | | 144,361 | 204,361 |
| | | $ 43,750 | $ 181,760 | $ 111,185 | $ 948,618 | $ 1,285,313 |

(1) Legal firm controlled by Hernan Zaballa.

| Name | Position | Director Fees | Salary | Professional /Consulting Fees | Share Base Compensation | Q1 -2024 |
|---|---|---|---|---|---|---|
| Robert Bruggeman | Director | $ 6,250 | $ - | $ 4,900 | $ 12,299 | $ 23,449 |
| Flora Wood | Director | 6,250 | - | - | 9,224 | 15,474 |
| Jens Mayer | Director | 6,250 | - | - | 8,514 | 14,764 |
| Sam Leung | Director | 6,250 | - | - | 7,804 | 14,054 |
| Hernan Zaballa | Director | 6,250 | - | 36,763 | 8,514 | 51,526 |
| Zaballa & Carchio Abogados (1) | NA | - | - | 44,268 | - | 44,268 |
| Nicholas Teasdale | Director | 6,250 | - | - | 11,996 | 18,246 |
| Stephen Gatley | Director | 6,250 | - | - | 16,439 | 22,689 |
| John Miniotis | CEO | - | 67,750 | - | 33,075 | 100,825 |
| Carlos Pinglo | CFO | - | 50,000 | - | 8,824 | 58,824 |
| | | $ 43,750 | $ 117,750 | $ 85,930 | $ 116,689 | $ 364,119 |

(1) Legal firm controlled by Hernan Zaballa.

As of March 31, 2025, $167,904 (December 31, 2024 – $168,209) was payable to directors, officers and companies in which directors and officers are shareholders or partners of the Company. These amounts are unsecured, non-interest bearing and have no specific terms of repayment.

## 11. OUTSTANDING SHARE DATA

The Company is authorized to issue an unlimited number of common shares without par value. As of May 14 2025, the Company has 152,548,356 common shares issued and outstanding.

As of May 14, 2025, the Company has:

- 6,252,500 stock options outstanding with the weighted average exercise price of $2.19; 3,233,000 of which are exercisable with the weighted average exercise price of $1.96.

## 12. RISKS AND UNCERTAINTIES

The Company's exploration activities and related results are subject to a number of different risks at any given time. These factors, include but are not limited to disclosure regarding uncertainty due receiving required permits in Argentina, exploration results, additional financing, project delay, titles to properties, price fluctuations and share price volatility, operating hazards, insurable risks and limitations of insurance, management, foreign country and regulatory requirements, currency fluctuations and environmental regulations risks. Exploration for mineral resources involves a high degree of risk.

The cost of conducting programs may be substantial and the likelihood of success is difficult to assess. The Company seeks to counter this risk as far as possible by selecting exploration areas on the basis of their recognized geological potential to host economic deposits.

A summary of the Company's financial instruments risk exposure was provided in Note 4 of the Company's consolidated financial statement for the year ended December 31, 2024. Described below are some additional risk factors, which are considered to be significant to the Company's business and financial condition.

### Risks Related to Operations in Emerging Markets

***Investing in an emerging market entails certain inherited risks.***

The Company conducts or participates in mining, development, exploration, and other activities in Argentina, which is an emerging market. Investing in emerging markets generally involves risks, which may include: (i) expropriation or nationalization of property; (ii) changes in laws or policies or increasing legal and regulatory requirements of particular countries, including those relating to taxation, royalties, imports, exports, duties, currency, in-country beneficiation or other claims by government entities, including retroactive claims and/or changes in the administration of laws, policies and practices; (iii) uncertain political and economic environments, war, terrorism, sabotage and civil disturbances; (iv) lack of certainty with respect to legal systems, corruption and other factors that are inconsistent with the rule of law; (v) delays in obtaining or the inability to obtain or maintain necessary governmental permits or to operate in accordance with such permits or regulatory requirements; (vi) import and export regulations, including restrictions on the export of gold or other minerals; (vii) limitations on the repatriation of earnings; (viii) underdeveloped industrial or economic infrastructure; (ix) internal security issues; (x) increased financing costs; (xi) renegotiation, cancellation or forced modification of existing contracts; and (xii) risk of loss due to disease, and other potential medical endemic or pandemic issues, as a result of the potential related impact to employees, disruption to operations, supply chain delays, trade restrictions and impact on economic activity in affected countries or regions.

The Company's business may be affected by changes in political and market conditions, such as interest rates, availability of credit, inflation rates, changes in laws, tariffs, and national and international circumstances. Recent geopolitical events, and potential global economic challenges such as the risk of higher inflation and energy crises, may create further uncertainty and risk with respect to the prospects of the Company's business.

***Argentina may experience economic problems that could affect the Company's business, financial condition and result of operations.***

The Company's material project is located in Argentina, and it depends upon local economic and social conditions. As a result, the Company's business, financial position and results of operations may be affected by the general conditions of the Argentine economies, price instability, inflation, interest rates, regulation, taxation, social instability, political unrest and other developments in or affecting Argentina, over which the Company has no control. Economic and political instability that has been caused by many different factors, including the following: (i) adverse external economic factors; (ii) inconsistent fiscal and monetary policies; (iii) dependence of governments on external financing; (iv) changes in governmental economic policies; (v) high levels of inflation; (vi) abrupt changes in currency values; (vii) high interest rates; (viii) volatility of exchange rates; (ix) political and social tensions; (x) exchange controls; (xi) wage and price controls; (xii) the imposition of trade barriers; and (xiii) trade shock. Any of these factors could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

***The economy of Argentina is vulnerable to external shocks caused by significant economic difficulties of their respective trading partners, or by more general "contagion" effects.***

Weak, flat or negative economic growth or changes in international trade policy of the major trading partners of Argentina could adversely affect its balance of payments and, consequently, its economic growth. Decreased growth affecting such major trading partners could have a material adverse effect on the markets for exports from Argentina, and, in turn, adversely affect economic growth. The Argentine economy may be affected by "contagion" effects. International investors' reactions to events occurring in one developing country sometimes appear to follow a "contagion" pattern, in which an entire region or investment class is disfavored by international investors. In particular, Argentina has been adversely affected by such contagion effects on a number of prior occasions, including the 1994 Mexican financial crisis, the 1997 Asian financial crisis, the 1998 Russian financial crisis, the 1999 devaluation of the Brazilian real, and the 2001 collapse of Turkey's fixed exchange rate regime. Additionally, economic growth was negatively affected as a result of the 2008 global financial crisis, and more recently, the COVID-19 pandemic. Similar developments can be expected to affect the Argentine economy in the future, and may accordingly affect the Company's business, financial position, operations, and results of operations.

***We have activities in a country known to experience high levels of corruption and any violation of anti-corruption laws could subject us to penalties and other adverse consequences.***

We are subject to anti-corruption, anti-bribery, anti-money laundering and other international laws and regulations and are required to comply with the applicable laws and regulations of Argentina and Canada. In general, these laws prohibit improper payments or offers of payments to governments and their officials, political parties, state-owned or controlled enterprises, and/or private entities and individuals for the purpose of obtaining or retaining business. In addition, we are subject to economic sanctions regulations that restrict our dealings with certain sanctioned countries, individuals and entities. Our primary operations are located in Argentina, which is perceived as having relatively high levels of corruption. Our activities in this country create the risk of unauthorized payments or offers of payments by one of our employees, contractors, agents, or users that could be in violation of various laws, including anti-bribery laws in these countries. In addition, our ability to secure permits, renewals or other government approvals required to maintain our operations could be negatively impacted by corruption in one or more governmental institutions in Argentina. We have adopted various measures which mandate compliance with these anti-corruption, anti-bribery, and anti-money laundering laws, and have implemented training programs, compliance controls and procedures, and reviews and audits to ensure compliance with such laws. However, there can be no assurance that our internal controls, and procedures will be sufficient to prevent or detect all inappropriate practices, fraud or violations of such laws, regulations and requirements by our affiliates, employees, directors, officers, partners, agents and service providers, or that any such persons will not take actions in violation of our policies and procedures, for which we may be ultimately responsible. Any violations by us of anti-bribery and anti-corruption laws or sanctions regulations could have a material adverse effect on our business, reputation, results of operations and financial condition. We cannot predict the nature, scope or effect of future anti-corruption regulatory requirements to which our operations might be subject or the manner in which existing laws might be administered or interpreted.

***Argentina has experienced significant political and socio-economic instability in the past, and may experience further instability in the future.***

Argentina has experienced significant political and social economic instability in the past and may experience further instability in the future. In 2001 and 2002, Argentina suffered a major political, economic and social crisis, which resulted in institutional instability and a severe contraction of the economy with significant increases in unemployment and poverty rates. Among other consequences, the crisis caused a large currency devaluation and led to the government of Argentina defaulting on its external debt. In response, the government of Argentina implemented a series of emergency measures, including strict foreign exchange restrictions and monthly limits on bank withdrawals, which affected public companies and other sectors of the Argentine economy. The Argentine economy experienced a recovery after the 2001 – 2002 crisis, however, since 2008, it has struggled to curb strong inflationary pressures and growth stagnated starting in 2012.

During the first half of 2018, the Argentine economy entered into an acute economic recession, which deepened in 2019, with a sharp decrease in international reserves, a material loss in the value of the Argentine peso vis-à-vis the US dollar, high inflation and unemployment rates and an increase in poverty and extreme poverty rates. Against this economic backdrop, in December 2019, the Argentine congress enacted legislation declaring a state of public emergency in economic, financial, fiscal, administrative, pensions, tariff, energy, health and social matters, which was in force until December 31, 2020, and was further extended in terms of health until December 31, 2021.

Argentine economic conditions are dependent on a variety of factors, including (but not limited to) the following: (i) international demand for Argentina's principal exports; (ii) international prices for Argentina's principal commodity exports; (iii) stability and competitiveness of the Argentine Peso with respect to foreign currencies; competitiveness and efficiency of domestic industries and services; (iv) levels of domestic consumption and foreign and domestic investment and financing; and (v) the rate of inflation.

Argentina's ability to obtain financing from international markets is limited. Without renewed access to the financial market the Argentine government may not have the financial resources to implement reforms and boost growth, which could have a significant adverse effect on the country's economy and, consequently, on our activities. In addition, the Argentine government has engaged in conversations with the International Monetary Fund in order to renegotiate the principal maturities of certain amounts disbursed in 2018 and 2019, and it is uncertain whether the Argentine government will be successful in the negotiations with that agency.

The ultimate impact of each of these measures on the Argentine economy as well as the ability to implement all announced measures as currently contemplated, cannot be assured. If the government of Argentina's agenda cannot be successfully implemented, the result may further weaken confidence in and adversely affect the Argentine economy and financial condition. Any worsening in the Argentine economy or financial condition could have a material adverse effect on companies operating in Argentina, including the Company.

***Argentina is subject to frequent and unpredictable changes in tax rates, capital controls, and foreign exchange restrictions, which may restrict or affect the profitability of the Company's operations in Argentina.***

In the past, Argentine tax laws have changed frequently and dramatically. In 2018, the government of Argentina introduced a decree imposing a temporary tax on all exports from Argentina. The tax was introduced as an emergency measure due to the significant peso devaluation during the year. In December 2019, the government of Argentina approved a law delaying a scheduled corporate tax rate decrease from 30% to 25% to the end of 2020 (after that the government submitted a bill in order to maintain the 30% rate until the end of 2021) and extending the temporary export tax introduced in September 2018 to the end of 2021. Furthermore, the decree suspended the increase in the dividend withholding tax from 7% to 13% until January 2021. Thereafter, the National Government submitted a bill by which it would permanently increase the corporate tax rate to 35% for certain types of companies and maintain the 7% rate for dividends (the bill was approved by the National Congress effective for fiscal year 2021).

*Since December 10, 2023, there is a new Government in Argentina led by President Javier Milei, a libertarian economist who won the election by mainly proposing that he would reduce the fiscal deficit, eliminate the inflation, dollarize the currency and make significant administration and fiscal reforms. Among the bills proposed for this latter purpose, in April 2024 the new Government sent to the Argentine Congress, for its legislative approval, a new regime providing incentives for large investments. This proposed regime (called RIGI) provides that for large investments, including the mining ones, of US $200 million or more, the following incentives will apply: (i) reduction of income tax from 35% to 25%, (ii) suspension of the tax on distributed dividends if profits are retained in the first three years, (iii) cancellation of VAT with tax credit certificates , (iv) discount of personal assets tax on account of profits, (v) invitation to provinces and municipalities to adopt similar regimes, (vi) 0% tariff for imports, (vii) 0% export duties as from the third year, (viii) free availability of export proceeds abroad as from the third year (going from 20% the first year, 40% the second year and 100% from the third year) and (ix) fiscal stability for 30 years including taxes, FX regime and customs tariffs. The companies will have a two year term to adhere to the regime once enacted through a process detailed in the bill.*

Argentine federal, provincial and other local taxation authorities may apply tax rules and regulations in an inconsistent and unpredictable manner. In addition, tax rules and regulations may change over time. If any taxation authority takes a position or adopts an interpretation that differs from those adopted by the Company, we could become subject to unanticipated tax liabilities and cost increases, which could negatively affect our financial condition and results of operations.

Argentina has also been subject to exchange controls and restrictions. In 2001 and 2002, following a run on the financial system triggered by the public's lack of confidence in the continuity of the convertibility regime that resulted in massive capital outflows, the government of Argentina introduced exchange controls and restrictions on the transfer of foreign currency in an attempt to prevent capital flight and a further depreciation of the Argentine peso. Several of those exchange controls and transfer restrictions were subsequently suspended or terminated. However, in June 2005, the government of Argentina established new controls on capital flows. From 2011 until December 2015, the government of Argentina increased controls on the sale of foreign currency and the acquisition of foreign assets by local residents, limiting the possibility of transferring funds abroad. Regulations were introduced in 2012 that subjected certain foreign exchange transactions to prior approval by Argentine tax authorities or the Central Bank of Argentina. In August 2016, the government of Argentina eliminated all foreign exchange restrictions imposed since 2011. In September 2019 and in May and June 2020, the Central Bank of Argentina imposed further restrictions on foreign exchange transactions. To date, these controls and regulations have included, but are not limited to, a requirement that proceeds of exports be repatriated at the applicable exchange rate; restrictions on payment of dividends without the approval of the Argentinian Central Bank; and restrictions on debt from foreign lenders, unless such debt is brought into Argentina at the applicable exchange rate. The government of Argentina may expand these controls or introduce new restrictions.

Changes in taxes, capital controls, and foreign exchange regulations in Argentina are beyond the Company's control. Increased tax rates, or the imposition of stricter capital controls or foreign exchange regulations and could increase the operating costs at the Diablillos Project, prevent or restrict exploration, development, and production at the Diablillos Project, and may constrain the Company's ability to receive distributions from its Argentine subsidiaries.

***Risk of nationalization of mining assets in Argentina***

In May 2012, the previous government of Argentina re-nationalized Repsol YPF SA, the country's largest oil and gas company. There can be no assurance that the government of Argentina will not nationalize other businesses operating in the country, including the business of the Company. If any portion of the Company's assets are expropriated or nationalized, there can be no assurance that the Company would receive payment equal to their fair market value. Nationalization of any of the Company's assets in Argentina could have a material adverse effect on the Company's business, operations, cash flows, and financial condition. The Company has not purchased any "political risk" insurance coverage and currently has no plans to do so.

***Changes in Argentinean environmental legislation could have adverse effects on our operations.***

The Company's exploration activities and future mining operations in Argentina are and will be subject to laws and regulations relating to the protection and remediation of the environment. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas, which would result in environmental pollution. These laws, regulations and the governmental policies for the implementation of such laws and regulations change from time to time and are generally becoming more restrictive. The costs associated with compliance with these laws and regulations are substantial and possible future laws and regulations and changes to existing laws and regulations (including the imposition of higher taxes and mining royalties) could cause additional expenses or capital expenditure, or result in restrictions or delays in the Company's development plans.

***Title to Assets***

Searches of mining records are carried out in accordance with mining industry practices to confirm satisfactory title to properties in which the Company holds or intends to acquire an interest, but the Company does not obtain title insurance with respect to such properties. The possibility exists that title to one or more of the properties, particularly title to undeveloped properties, might be defective because of errors or omissions in the chain of title, including defects in conveyances and defects in locating or maintaining such claims or concessions. The ownership and validity of mining claims and concessions are often uncertain and may be contested. The Company has taken and will continue to take all reasonable steps, in accordance with the laws and regulations of the jurisdictions in which their properties are located, to ensure proper title to its properties and to properties it may acquire in the future, either at the time of acquisition or prior to any major expenditures thereon. This, however, should not be construed as a guarantee of title. There are no assurances that the Company will obtain title. Both presently owned and after-acquired properties may be subject to prior unregistered agreements, transfers, land claims or other claims or interests. In addition, third parties may dispute the rights of the Company to its respective mining and other interests. The Company will attempt to clear title and obtain legal opinions commensurate to the intended level of expenditures required on areas that show promise. There can be no assurance, however, that it will be successful in doing so.

**Risks Related to the Business**

***Negative Operating Cash Flow***

The Company had negative operating cash flow in its most recent interim financial period and financial year. The Company's ability to generate positive operating cash flow will depend on the Company's ability to commence production at its mining properties. To the extent the Corporation has negative cash flows in future periods, the Company may use a portion of its general working capital or seek additional equity financing to fund such negative cash flows. There is no assurance that additional capital or other types of financing will be available if needed or that these financings will be on terms at least as favourable to the Company as those previously obtained, or at all.

**Impact of Ongoing Conflicts**

We do not have any business operations in Israel, Ukraine or Russia. As the situation is changing rapidly, it is not possible to predict how the ongoing conflicts will affect global supply chains, commodity prices, the overall economic environment, or financial markets as the conflict has lasted longer than previously anticipated and could last for an extended period of time.

While the ongoing conflicts has not resulted in disruption of the Company's business, we are actively monitoring for any potential impacts arising from it. The continued risk surrounding the ongoing conflicts and any escalations may have a material adverse impact on our business, financial condition and results of operations.

## 13. FORWARD LOOKING STATEMENTS

Certain of the statements made and information contained herein are considered "forward-looking information" within the meaning of the British Columbia Securities Act. These statements relate to future events or the Company's future performance. All statements, other than statements of historical fact, may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "propose", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements.

The Company believes that the expectations reflected in those forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this MD&A should not be unduly relied upon by investors as actual results may vary. These statements speak only as of the date of this MD&A and are expressly qualified, in their entirety, by this cautionary statement.

In particular, this MD&A contains forward-looking statements, pertaining to the following: capital expenditure programs, development of resources, treatment under governmental and taxation regimes, expectations regarding the Company's ability to raise capital, expenditures to be made by the Company on its properties and work plans to be conducted by the Company. With respect to forward-looking statements listed above and contained in the MD&A, the Company has made assumptions regarding, among other things:

- the impact of currency fluctuations in Argentina and Chile;
- the impact of increasing competition in gold, silver and copper business;
- unpredictable changes to the market prices for gold, silver and copper;
- exploration and development costs for its properties;
- availability of additional financing or joint-venture partners;
- anticipated results of exploration activities; and
- the Company's ability to obtain additional financing on satisfactory terms.

The Company's actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth above and elsewhere in this MD&A including, uncertainty due to COVID-19, uncertainties relating to receiving mining and exploration permits in Argentina; volatility in the market price for minerals; uncertainties associated with estimating resources; geological, technical, drilling and processing problems; liabilities and risks, including environmental liabilities and risks, inherent in mineral exploration;

fluctuations in currencies and interest rates; incorrect assessments of the value of acquisitions; unanticipated results of exploration activities; competition for, amongst other things, capital, undeveloped lands and skilled personnel; lack of availability of additional financing and/or joint venture partners and unpredictable weather conditions.

Investors should not place undue reliance on forward-looking statements as the plans, intentions or expectations upon which they are based might not occur. Readers are cautioned that the foregoing lists of factors are not exhaustive. The forward-looking statements contained in this MD&A are expressly qualified by this cautionary statement. The Company does not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless required by law.

## 14. DISCLOSURE OF INTERNAL CONTROLS

Management has established processes to provide them sufficient knowledge to support representations that they have exercised reasonable diligence that (i) the consolidated financial statements do not contain any untrue statement of 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 is made, as of the date of and for the periods presented by consolidated financial statements; and (ii) the audited consolidated financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented.

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**"), this Venture Issuer Basic Certificate 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. In particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of:

**i)** controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
**ii)** a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP (IFRS).

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

## 15. SUBSEQUENT EVENTS

- On April 10, 2025 the Company announced that it has made the final property payment to EMX Royalty Corporation ("EMX") under the terms of the second amended and restated share purchase agreement dated March 21, 2017, as amended (the "Purchase Agreement"), in respect of the Company's Diablillos silver-gold project in Salta province, Argentina (the "Diablillos Project"). This final payment, originally due by July 31, 2025, was completed ahead of schedule by the Company paying US$6.849,900 million, a reduced total obligation after a US$ 150,100 early payment discount from the original US$7,000,000 million payment obligation contemplated by the Purchase Agreement, according to the payment schedule (note 8(a) in the December 31, 2024 audited consolidated financial statements.