ABRASILVER
RESOURCE CORP

Management's Discussion and Analysis
For the Three and Nine Months Ended September 30, 2023

(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, 2022. 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, 2022 and December 31, 2021 ("**FY 2022**" and "**FY 2021**", respectively) and the unaudited condensed interim consolidated financial statements (the "**Interim Financial Statements**") for the three and nine months ended September 30, 2023 ("**Q3 2023**"), 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 and nine months ended September 30, 2023 are not necessarily indicative of the results that may be expected for any future period. Information contained herein is presented as of November 28, 2023 unless otherwise indicated.

The unaudited condensed interim consolidated financial statements for Q3 2023, have been prepared using accounting policies consistent with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board 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 TSX Venture Exchange ("**TSX-V**", or the "**Exchange**") under the symbol "**ABRA**", and on the OTCQX under the symbol **"ABBRF".**

2. HIGHLIGHTS

The Company's key events and highlights from July 1 to September 30, 2023, include the following:

- Throughout the quarter, the Company announced multiple high-grade assay results from the recently discovered silver-rich JAC zone as part of the Phase III drill program at the Diablillos project.
- On August 9, 2023, the Company announced that it intersected a promising new silver zone at Diablillos, called the 'JAC North zone'. The newly discovered JAC North zone is located over 900 metres beyond the limit of the conceptual open pit that defines the current Mineral Resource estimate at Oculto and approximately 100 metres northwest of the high-grade JAC zone.
- On August 11, 2023, the Company and the Yaretas Project owners (the "vendors") amended the US$ 200,000 cash amount to be paid to the vendors originally due in August 2023. As per the amendment, the Company paid US$ 100,000 on September 6, 2023 and the remaining US$ 100,000 is scheduled to be paid in August 2024.
- On August 28, 2023, the Company held its annual general and special meeting of Shareholders (the "**Meeting**"). In the Meeting, Robert Bruggeman, Hernan Zaballa, Sam Leung, Jens Mayer, Flora Wood, Nicholas Teasdale and Stephen Gatley were re-elected as Directors and Crowe MacKay LLP were re-appointed as auditors of the Company.
- During the quarter ended September 30, 2023 the Company paid US$1,000,000 for the Diablillos project according to the payment schedule (note 6(a)(2)) in the unaudited condensed interim consolidated financial statements for Q3 2023.
- During the quarter ended September 30, 2023 the Company issued 500,000 shares after 500,000 warrants were exercised at a weighted average exercise price of $0.10 for net proceeds of $50,000.

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 79km^2 in the Salta Province of northwestern Argentina. Diablillos hosts epithermal precious metal mineralization in multiple mineral occurrences. The main deposit is known as Oculto and this silver-gold deposit is surrounded by various satellite occurrences including the newly-discovered silver-rich JAC Zone, located southwest of the Oculto deposit (the "**JAC Zone**"). To the west of Oculto, lie the JAC North, Fantasma and Alpaca targets. South of Oculto is the South Target, and north of Oculto lies the Cerro Viejo – Cerro Blanco copper-gold mineralized zone and its related Northern Arc of gold-rich occurrences.

The Diablillos project lies within the border zone between the Province of Salta and the Province of Catamarca. For many years, the definitive border line between Salta and Catamarca has been in dispute and the Diablillos project falls within territory claimed by both provinces. In 1984, the government of Salta granted mineral rights to the Diablillos project to one of the Company's predecessors-in-title. In the early 2000s, the government of Catamarca granted overlapping mineral rights in the same area to a third party, thereby creating the potential for conflicting titles pending the resolution of the border dispute, a matter falling within the jurisdiction of the federal government under the Constitution of Argentina. Additional details respecting the provincial border dispute and the potentially conflicting titles to the Diablillos project can be found in the Company's Filing Statement dated March 1, 2017, a copy of which is filed under the Company's profile on SEDAR (www.sedarplus.ca)

The Company reached an agreement with the shareholders of Minera Cerro Bayo SA ("**Cerro Bayo**"), the owner of the conflicting mineral rights granted by the government of Catamarca, to acquire a 100% equity interest in Cerro Bayo, thereby indirectly acquiring ownership and control of the conflicting mineral interests. As consideration, the Company will 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. As at the date of this MD&A, US$2,155,000 has been paid and 500,000 shares have been issued.

Oculto Updated Mineral Resource Estimate

On November 3, 2022, the Company announced an updated, conceptual open pit constrained, Mineral Resource estimate for the Oculto deposit. The updated Mineral Resource estimate is the result of 104,888 metres of drilling in 457 drill holes. The Mineral Resource estimate is based only on the Oculto deposit within the broader Diablillos property and is reported inside a conceptual Whittle open pit shell with a cut off grade of 35g/t silver equivalent. A full Technical Report dated November 28, 2022 in respect of the new Oculto Mineral Resource estimate was prepared and filed on SEDAR in accordance with NI 43-101. Accordingly, the new Oculto Mineral Resource estimate supersedes and replaces all prior PEAs or other forward-looking economic information on the Diablillos project. The Oculto Mineral Resource estimate is summarized in the Table below:

Oculto Mineral Resource Estimate – October 31, 2022

Zone	Category	Tonnes (000)	Ag (g/t)	Au (g/t)	AgEq (g/t)	Contained Ag (k oz Ag)	Contained Au (k oz Au)	AgEq (k oz AgEq)
Oxides	Measured	18,092	101	0.85	171	58,655	496	99,280
	Indicated	30,226	49	0.71	107	47,502	688	103,852
	Measured & Indicated	***48,318***	***68***	***0.76***	***130***	***106,157***	***1,184***	***203,132***
	Inferred	2,090	31	0.50	72	2,085	33	4,788
Transition Zone	Measured	1,244	50	1.21	149	1,979	49	5,992
	Indicated	1,752	22	1.13	115	1,235	64	6,477
	Measured & Indicated	***2,996***	***33***	***1.17***	***129***	***3,214***	***113***	***12,469***
	Inferred	127	7	0.80	73	29	3	275
Total	Measured	19,336	98	0.88	170	60,634	544	105,190
	Indicated	31,978	47	0.73	107	48,737	752	110,329
	Measured & Indicated	***51,314***	***66***	***0.79***	***131***	***109,370***	***1,297***	***215,520***
	Inferred	2,216	30	0.51	72	2,114	37	5,144

Notes for October 31, 2022 Mineral Resource Estimate:

1. Mineral Resources are not Mineral Reserves and have not demonstrated economic viability.

2. The Mineral Resource estimate is reported inside a conceptual Whittle open pit shell derived using US $25.00/oz Ag price, US $1,750/oz Au price, 73.5% process recovery for Ag, and 86% process recovery for Au. The constraining open pit optimization parametres used were $3.00/t mining cost, $24.45/t processing cost, $2.90/t G&A cost, and average 54-degree open pit slopes.

3. 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).

4. The Mineral Resource estimate has been categorized in accordance with the CIM Definition Standards (CIM, 2014).

(In Canadian Dollars unless otherwise stated)

5. All figures are rounded to reflect the relative accuracy of the estimates. Minor discrepancies may occur due to rounding to appropriate significant figures.

6. The Mineral Resource was estimated by Mr. Peralta, B.Sc., FAusIMM CP(Geo), an independent Qualified Person within the meaning of NI 43-101.

7. The mineralisation estimated in the Mineral Resource estimate is sub-horizontal with sub-vertical feeders and has a reasonable prospect for eventual economic extraction by open pit methods.

8. A cut off grade of 35 gt AgEq was used for the Mineral Resource estimate.

9. The Mineral Resource estimate models used 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. Constrained by a Whittle open pit shell. The 1m composite grades were capped where appropriate.

10. All tonnages reported are dry metric tonnes and ounces of contained gold and silver are troy ounces.

11. In-situ bulk density were assigned to each model domain, according to sample averages of each lithology domain, separated by alteration zones and subset by oxidation.

12. Mining recovery and dilution factors have not been applied to the Mineral Resource estimates.

13. 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.

JAC Zone: New High-Grade Silver Discovery at Diablillos

The discovery hole at the JAC zone was announced in August 2022. Since the initial discovery hole, the Company has announced multiple high-grade results from the JAC zone. Highlights of selected high-grade drill results reported to date from the JAC zone are summarized below:

JAC Zone – Highlights of Phase III Intercepts Reported to Date

Drill Hole	From (m)	To (m)	Type	Interval (m)	Ag (g/t)	Au (g/t)	AgEq[1] (g/t)
DDH-22-019	89.0	176.0	Oxides	87.0	346.0	0.15	356.5
DDH-22-044	121.0	179.0	Oxides	58.0	208.8	0.20	222.8
DDH-22-046	123.0	165.5	Oxides	42.5	400.5	0.11	408.2
DDH-22-052	139.5	164.5	Oxides	25.0	754.4	0.12	764.2
DDH-22-053	140.5	168.5	Oxides	28.0	266.4	0.64	318.8
DDH-22-056	110.0	167.5	Oxides	57.5	141.4	0.27	163.5
DDH-22-057	144.0	164.0	Oxides	20.0	498.6	0.10	506.8
DDH-22-058	138.0	152.5	Transition	14.5	176.2	-	176.2
DDH-22-060	114.0	154.0	Oxides	40.0	203.4	-	203.4
DDH-22-061	65.0	168.0	Oxides	103.0	138.7	-	138.7
DDH-22-062	119.0	170.0	Oxides	51.0	169.4	0.20	185.8
DDH-22-063	56.0	85.0	Oxides	33.0	143.4	-	143.4
DDH-22-063	135.0	169.0	Oxides	34.0	118.6	0.08	125.2
DDH-22-067	143.0	179.0	Oxides	36.0	463.3	0.71	521.5
DDH-22-067	179.0	206.0	Sulphides	27.0	745.0	1.54	871.1
DDH-22-075	151.0	167.0	Oxides	16.0	604.4	0.82	671.5
DDH-22-076	147.0	169.0	Oxides	22.0	476.8	0.20	493.2
DDH-22-076	169.0	177.5	Oxides	8.5	1,952.8	6.66	2,498.3
DDH-22-077	60.0	92.0	Oxides	32.0	121.9	-	121.9
DDH-22-078	58.0	99.0	Oxides	41.0	103.5	-	103.5
DDH-22-079	144.0	179.0	Oxides	35.0	199.2	0.36	228.7
DDH-22-080	50.0	102.0	Oxides	52.0	125.1	-	125.1
DDH-22-081	128.0	165.0	Oxides	37.0	179.3	-	179.3

(In Canadian Dollars unless otherwise stated)

DDH-22-082	154.5	181.0	Transition	26.5	311.4	0.43	346.6
DDH-22-083	159.0	184.0	Transition	25.0	773.8	0.28	796.7
DDH-22-086	158.0	167.0	Sulphides	9.0	342.3	-	342.3
DDH-23-002	148.0	165.0	Transition	17.0	288.6	0.14	300.1
DDH-23-003	155.8	161.5	Sulphides	5.8	502.2	-	502.2
DDH-23-004	136.0	150.0	Oxides	14.0	3,024.5	0.21	3,041.7
DDH-23-007	115.0	119.0	Oxides	4.0	2,320.0	-	2,320.0
DDH-23-009	161.0	169.5	Oxides	8.5	479.2	0.15	491.5
DDH-23-010	132.0	177.5	Oxides	45.5	233.4	-	233.4
DDH-23-014	127.0	173.5	Oxides	46.5	185.0	0.50	226.0
DDH-23-017	92.0	104.0	Oxides	12.0	876.1	-	876.1
DDH-23-021	161.5	193.5	Oxides	32.0	530.8	0.60	579.9
DDH-23-024	144.0	161.0	Oxides	17.0	828.9	-	828.9
DDH-23-025	100.0	179.0	Oxides	79.0	237.6	0.15	249.9
DDH-23-036	140.0	150.0	Oxides	10.0	520.0	0.04	523.3
DDH-23-039	105.0	124.0	Oxides	19.0	253.4	-	253.4
DDH-23-046	157.0	160.0	Oxides	3.0	2,070.0	0.27	2,092.1
DDH-23-050	156.5	167.0	Oxides	10.5	281.4	-	281.4
DDH-23-061	134.0	153.5	Oxides	19.5	272.8	-	272.8
DDH-23-070	41.0	105.0	Oxides	64.0	148.1	-	148.1

Note: All results are rounded. Assays are uncut and undiluted. Widths are drilled widths, not true widths. True widths are estimated to be approximately 80% of the interval widths.

[1] AgEq based on 81.9(Ag):1(Au) calculated using long-term prices of US$25.00/oz Ag and US$1,750/oz Au, and 73.5% process recovery for Ag, and 86.0% process recovery for Au as demonstrated in the Company's PEA in respect of Diablillos dated January 13, 2022, using formula: AgEq g/t = Ag g/t + Au g/t x (Gold Price/Silver Price) x (Gold Recovery/Silver Recovery).

Diablillos Phase III Exploration Campaign

The 22,000-metre Phase III drill program at the Diablillos project was successfully completed in August 2023. The drill program achieved all of the main objectives, which are summarized below:

- Systematically drill off silver-dominant mineralisation at the JAC zone in order to estimate Measured and Indicated Mineral Resources that can be incorporated into the planned overall Mineral Resource estimate ("**MRE**") and Pre-Feasibility Study ("**PFS**") on Diablillos.
- Delineate the margins of the JAC zone mineralization and conduct geotechnical drilling necessary for a conceptual open pit design.
- Conduct reconnaissance drilling at other targets on the Diablillos land package (including JAC North, Fantasma and Alpaca).

All Phase III drill holes from the JAC zone have been incorporated into an updated MRE which was announced by press release November 27, 2023 and will be included in a Pre-Feasibility Study on the Diablillos project, which the Company expects to complete in early 2024.

On August 9, 2023, the Company announced the discovery of a promising new silver zone, called the JAC North zone. The newly discovered JAC North zone is located over 900 metres beyond the limit of the conceptual open pit that defines the current Mineral Resource estimate at Oculto and approximately 100 metres northwest of the high-grade JAC zone. To date, the highest-grade intercept at the new JAC North zone is hole DDH 22-064, which intersected a high-grade intercept of 12 metres at 1,042 g/t Ag in oxides starting at a down-hole depth of only

69 metres. The discovery of a second northeast trending zone parallel to the main JAC zone demonstrates the potential for multiple mineralised zones, as is the case at the Oculto deposit.

Our next phase of drilling (Phase IV) will explore additional targets which will be prioritized based on distance from the probable porphyry progenitor beneath Oculto and favourability of structural trends reflected in magnetic surveys, with special reference to any historical drill data. Current priority targets in the area west of Oculto include JAC North, Alpaca and Fantasma, with additional targets also being developed to the east and north of Oculto.

Diablillos Pre-Feasibility Study

The Company continues to progress key aspects of the PFS, including advancing additional metallurgical testwork, optimizing process design and engineering, equipment sizing, advancing renewable power generation alternatives, and updating capital and operating cost estimates with market-sourced quotations.

The PFS on the Diablillos project will be supported by a total of more than 120,000 metres of drilling in approximately 500 drill holes. Year to date, the Company has spent approximately $16.5 million on its Phase III drilling campaign at the Diablillos project. With the drill program having been completed for the year, the Company's cash burn rate will reduce significantly in Q4/2023. The expected remaining cost of the Diablillos PFS is approximately $0.63 million.

La Coipita Project, San Juan, Argentina

The La Coipita project 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 the La Coipita project which encompasses a large area, totaling approximately 70,000 hectares, in the western portion of the Calingasta Department.

The project is located 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.

Last year, on June 28, 2022, the Company announced the discovery of a significant new copper-gold-molybdenum porphyry system at La Coipita project based on results from two initial deep drill holes. The discovery hole, DDHC 22-002, returned broad intervals of copper-gold-molybdenum porphyry mineralization including 226 metres grading 0.34% copper, 0.07 g/t gold and 66 ppm molybdenum. The hole also encountered a separate interval of 146 metres grading 0.27% copper and 75 ppm molybdenum, with the hole ending in mineralization at a down-hole depth of 1,202.5 metres.

This year, on July 12, 2023, the Company announced results of an additional deep drill hole, DDHC 23-001 which intersected a broad zone of continuous copper-molybdenum mineralization totaling 694m grading 0.16% Cu and 81 ppm Mo at the Yaretas target from a downhole depth of 548.0 metres. This large intersection demonstrates the substantial size potential of the Yaretas porphyry system.

Additionally, aside from drilling the Yaretas target, the Company conducted reconnaissance surface geochemical sampling and geological mapping over other target areas within the La Coipita concession block which encountered multiple anomalous results. At the Valle Hermoso target, located approximately 25 kilometres south of Yaretas, a high-grade grab sample contained 3.49% copper, 0.42 g/t gold and 20.6 g/t silver. The samples at Valle Hermoso are interpreted as being part of a high sulphidation system related to an underlying porphyry body and represent a valid exploration target for potential future drilling.

(In Canadian Dollars unless otherwise stated)

The Company is currently in advanced discussions with potential joint venture partners looking to fund future exploration programs and the remaining option payments at La Coipita in exchange for an interest in the project.

As of September 30, 2023, the Company has spent approximately $8.6 million (before the hyperinflation adjustment) on its maiden drill campaign at the La Coipita project.

4. SELECTED QUARTERLY INFORMATION

Quarter Ended	Cash and Cash equivalents and term deposits	Total Assets	Total Liabilities	Net (loss) for the period	Earnings (loss) per share – basic & diluted
September 30,2023	$6,608,966	$31,997,725	$7,698,768	($3,098,801)	($0.01)
June 30,2023	$10,901,372	$34,275,646	$7,824,170	($7,027,553)	($0.01)
March 31,2023	$10,669,288	$34,463,516	$7,638,005	($6,213,302)	($0.01)
December 31,2022	$15,823,197	$39,130,518	$7,530,875	($5,371,901)	($0.01)
September 30,2022 (Restated)	$10,749,573	$33,100,364	$6,720,543	($4,884,583)	($0.01)
June 30,2022 (Restated)	$13,090,769	$33,388,695	$6,252,951	($6,548,711)	($0.01)
March 31,2022 (Restated)	$16,925,434	$36,209,860	$6,108,786	($4,099,038)	($0.01)
December 31,2021 (Restated)	$19,016,003	$37,323,277	$5,944,441	($8,073,672)	($0.02)

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. The Company completed its Phase III drill program at the Diablillos project in August 2023, and as a result the Company's cash burn rate will reduce significantly in Q4/2023.

Three months ended September 30, 2023 ("**Q3 2023**") is compared to the three months ended September 30, 2022 ("**Q3 2022**").

During Q3 2023 the net loss decreased by $1,785,782 to $3,098,801 compared to the net loss recorded during Q3 2022 due mainly to the following:

- The main driver in Q3 2023 loss decrease are Evaluation and Exploration expenses ("**EE**"). Although there are no seasonal variations, comparing the expenditures with the same period last year, the EE were $3,459,336 during Q3 2023 compared to $6,318,962 for Q3 2022. The decrease of $2,859,626 breaks down as follows:

  - *Diablillos Project.* During Q3 2023 the EE decreased by $2,329,251 due to the completion of the Phase III diamond drilling program in which a total of 11 holes were drilled for a total of 1,783 meters; during the same period last year 16 holes and 3,783 meters were drilled for the Phase III diamond drilling program . The drilling cost decreased to $1,841,019 in Q3 2023 compared with $2,179,196 in Q3 2022; the Geology and Lab cost decreased to $354,652 in Q3 2023 compared with $628,297 in Q3 2022 in connection with the new MRE on the JAC Zone and the Diablillos PFS indicated in the Exploration and Evaluation section. The Personnel and Administration cost increased to $445,961 in Q3 2023 compared with $358,843 in Q3 2022 and the Camp cost increased to $415,792 in Q3 2023 compared with $336,203 in Q3 2022 due to the increase in the local costs. The impact of hyperinflation adjustment decreased to $Nil in Q3 2023 compared with $1,942,606 in Q3 2022 in connection with the change in the Company Functional Currency from Argentinian peso to US dollar, implemented in Q4 2022 as indicated in the section 6: Effect of the inflation in this MD&A.

  - *La Coipita Project*. The EE decreased by $531,699 due to the drill campaign at the La Coipita project. During Q3 2023 and Q3 2022 no holes were drilled, the driver for the expenditures were: the Professional and access costs increased to $119,975 in Q3 2023 compared with $54,717 in Q3 2022 in connection with the evaluation consulting costs, the Camp costs decreased to $11,906 from $48,121 due to reduced exploration activities and the travel and Administration increased from $15,255 to $29,709 in connection with the increased local costs compared with same period last year. The impact of hyperinflation adjustment decreased to $Nil in Q3 2023 compared with $657,181 in Q2 2022 in connection with the change in the Company Functional Currency from Argentinian peso to US dollar, implemented in Q4 2022 as indicated in the section 6: Effect of the inflation in this MD&A. Please note that the change in the functional currency explains partially the difference in the comparatives.

- Gain on sale of marketable securities decreased by $1,091,337 during Q3 2023 compared with Q3 2022. 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 more funds provided to its Argentine subsidiary in 2022 compared to 2023 and is related to the $1,857,800 transferred to the Argentina subsidiaries in Q3 2023 compared with $2,125,917 transferred in Q3 2022.

- Loss in Monetary position decreased by $99,297 to $nil during Q3 2023 compared to Q3 2022 after the Company changed the functional currency of its Argentine Subsidiaries from Argentine peso to US dollar and stopped the application of hyperinflation accounting in its Argentine Subsidiaries.

- Depreciation, Office, and Administrative expenses decreased by $72,069 during Q3 2023 compared to Q3 2022. The drivers of the increase are the bank and broker fees in connection with the funds transfer from AbraSilver Resource Corp. to its subsidiaries in Argentina using the equity market. During Q3 2023 $1,857,800 was transferred to Argentina compared with $2,125,917 in Q3 2022.

Nine months ended September 30, 2023 ("**YTD 2023**") is compared to the nine months ended September 30, 2022 ("**YTD 2022**").

During YTD 2023 the net loss increased by $807,324 to $16,339,656 compared to the net loss recorded during YTD 2022 due mainly to the following:

- The main driver in YTD 2023 loss increases are EE. Although there are no seasonal variations, comparing the expenditures with the same period last year, the EE were $21,071,540 during YTD 2023 compared to $18,650,364 for YTD 2022. The increase of $2,421,176 breaks down as follow:

  - *Diablillos Project.* During YTD 2023 the EE increased by $2,461,949 due to the Phase III diamond drilling program in which a total of 82 holes were drilled for a total of 14,683 meters; during the same period last year 31 holes and 8,532 meters were drilled for the Phase II, 17 hole for a total of 4,032 meters were drilled to the o Phase III diamond drilling program and 9 holes for a total of 1,941 meters were drilled for Condemnation and Geotechnical. The drilling cost increased to $11,517,585 in YTD 2023 compared with $7,155,777 in YTD 2022; the Geology and Lab cost increased to $1,439,710 in YTD 2023 compared with $922,014 in YTD 2022 in connection with the new MRE on the JAC Zone and the Diablillos PFS indicated in the Exploration and Evaluation section. The Personnel and Administration cost increased to $1,534,539 in YTD 2023 compared with $1,066,485 in YTD 2022 and the Camp cost decreased to $1,370,225 in YTD 2023 compared with $1,461,401 in YTD 2022 in connection with the completion of the camp implementation last year. The impact of hyperinflation adjustment decreased to $Nil in YTD 2023 compared with $2,927,972 in YTD 2022 in connection with the change in the Company Functional Currency from Argentinian peso to US dollar, implemented in Q4 2022 as indicated in the section 6: Effect of the inflation in this MD&A.

  - *La Coipita Project*. The EE decreased by $33,683 due to the maiden drill campaign at the La Coipita project. During YTD 2023 two holes were drilled for a total of 1,391 meters compared with two holes during the same period last year for a total of 2,071 meters. The driver for the expenditure were: the professional and access fees $1,137,683 in YTD 2023 compared with $924,862 in YTD 2022; the drilling cost $2,110,215 in YTD 2023 compared with $1,271,493 in YTD 2022 and the Camp costs increased to $973,138 in YTD 2023 compared with $684,121 in YTD 2022 in connection with the increased EE local costs due to a higher demand for exploration equipment compared with same period last year. The impact of hyperinflation adjustment decreased to $Nil in YTD 2023 compared with $1,361,870 in YTD 2022 in connection with the change in the Company Functional Currency from Argentinian peso to US dollar, implemented in Q4 2022 as indicated in the section 6: Effect of the inflation in this MD&A.

- Gain on sale of marketable securities increased by $1,392,986 during YTD 2023 compared with YTD 2022. 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 for the purposes of facilitating intragroup funding transfers, which represents the net benefit of having used this funding mechanism over traditional methods. The increase in the gains is primarily the result of more funds provided to its Argentine subsidiary and are related to the $11,965,255 transferred to the Argentina subsidiaries in YTD 2023 compared with $9,738,774 transferred in YTD 2022.

- Loss in Monetary position decreased by $289,304 to $nil during YTD 2023 compared to YTD 2022 after the Company changed the functional currency of its Argentine Subsidiaries from Argentine peso to US dollar and stopped the application of hyperinflation accounting in its Argentine Subsidiaries.

- Depreciation, Office and Administrative expenses increased by $356,459 during YTD 2023 compared to YTD 2022. The drivers of the increase are the bank and broker fees in connection with the funds transfer from AbraSilver Resource Corp. to its subsidiaries in Argentina using the equity market. During YTD 2023 $11,965,255 was transferred to Argentina compared with $9,738,774 in YTD 2022.

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 the note 11 of the Interim Financial Statements, the Company acquire and transfer marketable securities to facilitate intragroup funding transfers between the Canadian parent and its Argentine operating subsidiaries and minimize 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. To measure the impact of inflation on its financial position and results, the Company has elected to use the Wholesale Price Index (Indice de Precios Mayoristas or "**IPIM**") for periods up to December 31, 2016, and the Retail Price Index (Indice de Precios al Consumidor or "**IPC**") thereafter. These price indices have been recommended by the Government Board of the Argentine Federation of Professional Councils of Economic Sciences ("**FACPCE**").

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.

On October 1, 2022, the Company changed the functional currency of its Argentine Subsidiaries from Argentine peso to US dollar and stopped the application of hyperinflation accounting in its Argentine Subsidiaries during the period from October 1, 2022 to December 31, 2022, as described in Note 4 of the audited consolidated financial statements.

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.

(In Canadian Dollars unless otherwise stated)

The Company's financial instruments as of September 30, 2023, and December 31, 2022 are as follows:

	September 30, 2023	December 31, 2022
Financial assets		
Cash and cash equivalents	$ 4,608,966	$ 13,823,197
Term deposit	2,000,000	2,000,000
Total financial assets	$ 6,608,966	$ 15,823,197
Financial liabilities		
Accounts payable and accrued liabilities	$ 376,312	$ 910,981
Lease liabilities	-	12,528
Consideration payable	7,322,456	6,607,366
Total financial liabilities	$ 7,698,768	$ 7,530,875

Additional financial instruments disclosure, including an analysis of risks associated with financial instruments, are contained in Note 4 of the Company's Condensed Interim Consolidated Financial Statements for the three and nine months ended September 30, 2023 and 2022.

8. LIQUIDITY AND CAPITAL RESOURCES

(a) Liquidity

The Company's working capital as of September 30, 2023, was $6,701,146 as compared to working capital of $15,293,893 on December 31, 2022. Included in working capital was cash and cash equivalents of $4,608,966 and term deposits of $2,000,000 (December 31, 2022 - $13,823,197 in cash and cash equivalents and term deposits of $2,000,000). The Company completed its Phase III drill program at the Diablillos project in August 2023, and as a result the Company's cash burn rate will reduce significantly in Q4/2023.

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 activities and general and administrative activities.

As at September 30, 2023, the Company had a working capital of $6,701,146, has never had profitable operations, has accumulated deficit at September 30, 2023 of $76,978,445 and expects to continue to incur losses in the development of its business, all of which casts significant doubt on the Company's ability to continue as a going concern without securing additional future sources of financing to continue with its regular exploration activities and to honor the commitments as indicated in the "Commitments" section below for the next twelve months . Additional funding will be required by the Company to complete its strategic and long-term objectives.

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 September 30, 2023, 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. The Company also has operating expenses in Buenos Aires, Santiago de Chile and Toronto.

	Years ended December 31			
Commitments	**2023**	**2024**	**2025**	**2026**
Diablillos	$ -	$ -	$ 1,581,840	$ -
La Coipita	-	2,028,000	4,461,600	2,028,000
Total Mineral interest commitments	-	2,028,000	6,043,440	2,028,000
Total Commitments	$ -	$ 2,028,000	$ 6,043,440	$ 2,028,000

Note: Amounts expressed in Canadian dollars, using a USD/CAD exchange rate of 1.352.

9. 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 business purpose for consulting fees paid to Robert Bruggeman is for investor relations and marketing advice, which arrangement was terminated by mutual agreement effective March 1, 2023. The payments made to John Miniotis and Carlos Pinglo are made in accordance with a written employment agreement, each of which can be terminated by the Company on 30 days written notice.

(In Canadian Dollars unless otherwise stated)

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%.

Name	Position	Director Fees	Salary	Professional /Consulting Fees	Share Base Compensation	Q3 -2023
Robert Bruggeman	Director	$ 6,250	$ -	$ -	$ 27,724	$ 33,974
Flora Wood	Director	6,250	-	-	20,793	27,043
Jens Mayer	Director	6,250	-	-	19,061	25,311
Sam Leung	Director	6,250	-	-	17,328	23,578
Hernan Zaballa	Director	6,250	-	-	19,061	25,311
Zaballa & Carchio Abogados (1)	NA	-	-	43,288	-	43,288
Nicholas Teasdale	Director	6,250	-	-	24,932	31,182
Stephen Gatley	Director	6,250	-	-	28,619	34,869
John Miniotis	CEO	-	66,250	-	78,852	145,102
Carlos Pinglo	CFO	-	50,000	-	21,387	71,387
		$ 43,750	$ 116,250	$ 43,288	$ 257,758	$ 461,046

(1) Legal firm controlled by Hernan Zaballa.

Name	Position	Director Fees	Salary	Professional /Consulting Fees	Share Base Compensation	YTD 2023
Robert Bruggeman	Director	$ 18,750	$ -	$ 5,000	$ 85,105	$ 108,855
Flora Wood	Director	18,750	-	-	63,829	82,579
Jens Mayer	Director	18,750	-	-	58,510	77,260
Sam Leung	Director	18,750	-	-	53,192	71,942
Hernan Zaballa	Director	18,750	-	-	58,510	77,260
Zaballa & Carchio Abogados (1)	NA	-	-	130,755	-	130,755
Nicholas Teasdale	Director	18,750	-	-	76,936	95,686
Stephen Gatley	Director	18,750	-	-	89,310	108,060
John Miniotis	CEO	-	195,604	-	246,394	441,998
Carlos Pinglo	CFO	-	146,667	-	66,862	213,528
		$ 131,250	$ 342,271	$ 135,755	$ 798,648	$ 1,407,924

(1) Legal firm controlled by Hernan Zaballa.

(In Canadian Dollars unless otherwise stated)

Name	Position	Director Fees	Salary	Professional /Consulting Fees	Share Base Compensation	Q3 2022
Robert Bruggeman	Director	$ 6,250	$ -	$ -	$ 25,079	$ 31,329
Alpha Advisory Services Inc. (2)	NA	-	-	7,500	-	7,500
Flora Wood	Director	6,250	-	-	18,810	25,060
Jens Mayer	Director	6,250	-	-	17,242	23,492
Sam Leung	Director	6,250	-	-	15,675	21,925
Hernan Zaballa	Director	6,250	-	-	17,242	23,492
Zaballa & Carchio Abogados (1)	NA	-	-	41,909	-	41,909
Nicholas Teasdale	Director	6,250	-	-	18,140	24,390
Stephen Gatley	Director	6,250	-	-	14,438	20,688
John Miniotis	CEO	-	57,726	-	86,964	144,690
Carlos Pinglo	CFO	-	45,000	-	25,099	70,099
		$ 43,750	$ 102,726	$ 49,409	$ 238,689	$ 434,574

(1) Legal firm controlled by Hernan Zaballa.
(2) Consulting firm controlled by Robert Bruggeman

Name	Position	Director Fees	Salary	Professional /Consulting Fees	Share Base Compensation	YTD 2022
Robert Bruggeman	Director	$ 18,750	$ -	$ -	$ 79,917	$ 98,667
Alpha Advisory Services Inc. (2)	NA	-	-	22,500	-	22,500
Flora Wood	Director	18,750	-	-	59,898	78,648
Jens Mayer	Director	18,750	-	-	54,913	73,663
Sam Leung	Director	18,750	-	-	49,929	68,679
Hernan Zaballa	Director	18,750	-	-	54,913	73,663
Zaballa & Carchio Abogados (1)	NA	-	-	125,727	-	125,727
Nicholas Teasdale	Director	18,750	-	-	73,372	92,122
Stephen Gatley	Director	18,750	-	-	36,253	55,003
John Miniotis	CEO	-	170,226	-	276,021	446,247
Carlos Pinglo	CFO	-	135,000	-	79,807	214,807
		$ 131,250	$ 305,226	$ 148,227	$ 765,021	$ 1,349,724

(1) Legal firm controlled by Hernan Zaballa.
(2) Consulting firm controlled by Robert Bruggeman

As of September 30, 2023, $Nil (December 31, 2022 – $136,755) 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.

10. IMPACT OF COVID-19

On March 2020, there was a global outbreak of a novel coronavirus identified as "COVID-19". On March 11, 2020, the World Health Organization declared a global pandemic. In order to combat the spread of COVID-19 governments worldwide have enacted emergency measures including travel bans, legally enforced or self-imposed quarantine periods, social distancing and business and organization closures.

As a result of those measures in April 2020 the Company office in Toronto was temporarily closed and its officers and outsourced services were working remotely.

(In Canadian Dollars unless otherwise stated)

When the Covid-19 pandemic was decreed worldwide, the Company paused its projects in Argentina for approximately 30-40 days. On April 3, 2020, the Argentinian government stated that mining was an essential task and allowed workers in the field to return to their activity under preventive and hygienic conditions. The Company implemented a biosafety protocol for its projects, which were guided by the guidelines created by the World Health Organization. Such protocols consisted of carrying out preventive isolation and testing of personnel travelling to and from the project.

In 2021, Covid-19 vaccines and campaigns for vaccine distribution to the entire Argentine population were developed. This made it possible to remove the preventive isolation protocols previously implemented by the Company.

In 2022, with the majority of the population vaccinated against the Covid-19 virus, the Company's testing protocol changed whereby testing was only required on personnel with evident symptoms.

Effective September 20, 2022 the following general prevention measures are recommended by the Argentinian Government:

a. Continue with the proper use of the chinstrap in indoor spaces, including work, educational, social settings and public transport.

b. Ensure the ventilation of the environments.

c. Maintain proper and frequent hand hygiene.

d. In the presence of symptoms, avoid contact with other people, do not go to work, social, educational activities, public places and avoid the use of public transport.

The mandatory use of the mask, the social distancing of two metres and the self-reporting of symptoms in the public health application are without effect.

Each jurisdiction may adopt the pertinent recommendations based on its particular epidemiological situation and the planned health strategy.

The economic effect of Covid-19 to the Company's projects was minimal and consisted of increased costs associated with testing and accommodation. Giving the new general prevention measures implemented in September 2022, there was no cost in Q3 2023.

Please find below a summary of those costs in FY 2021 and FY 2022.

Project	Q1/2021	Q2/2021	Q3/2021	Q4/2021	FY-2021	Q1/2022	Q2/2022	Q3/2022	Q4/2022	FY-2022
Diablillos	$ 11,419	$ 13,973	$ 15,857	$ 10,119	**$ 51,368**	$ 14,301	$ 2,973	$ 5,593	$ -	**$ 22,867**
La Coipita	-	100	-	1,339	**1,439**	9,640	2,936	528	-	**13,104**
Total	**$ 11,419**	**$ 14,073**	**$ 15,857**	**$ 11,458**	**$ 52,807**	**$ 23,941**	**$ 5,908**	**$ 6,121**	**$ -**	**$ 35,971**

(In Canadian Dollars unless otherwise stated)

11. OUTSTANDING SHARE DATA

The Company is authorized to issue an unlimited number of common shares without par value. As of November 28 2023, the Company has 564,932,365 common shares issued and outstanding.

As of November 28, 2023, the Company has 20,160,575 warrants outstanding:

Number of warrants	Exercise Price	Expiry Date
3,970,000	$ 0.10	April 8, 2024
1,150,000	$ 0.10	April 18, 2024
1,527,075	$ 0.37	June 6, 2024
13,513,500	$ 0.50	December 6, 2024

As of November 28, 2023, the Company has:

- 23,759,375 stock options outstanding with the weighted average exercise price of $0.24; 18,540,625 of which are exercisable with the weighted average exercise price of $0.22.
- 2,371,671 restricted shares units Nil of which are exercisable.

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 to COVID-19, 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, 2022 and in the Annual MD&A for the fiscal year ended December 31, 2022. 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 inherit 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, and national and international circumstances. Recent geopolitical events, and potential economic global 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 operations 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. Recently, 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 is expected to be approved by the National Congress and it would be effective for fiscal year 2021).

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 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 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.

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

- Subsequent to September 30, 2023, 120,000 warrants with a weighted average strike price of $0.10 were exercised for total proceeds of $12,000.

- On October 12, 2023, 200,000 vested stock options expired unexercised.

- On November 27, 2023 the Company announced substantial increase to the Mineral Resource estimate ("MRE") on the Company's wholly-owned Diablillos property in Salta Province, Argentina ("Diablillos" or the "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.

  Key Highlights of the Updated MRE Compared to the MRE Announced November 3, 2022:

  - A 36% increase in total contained silver in Measured & Indicated ("M&I") Mineral Resources to148 million ounces ("Moz") Ag (from 109 Moz Ag), primarily due to the recently discovered JAC deposit.
  - Significant contained gold resource totaling 1.36 Moz Au in M&I, representing a 5% increase in contained Au.
  - A 32% increase in average silver grades in M&I Mineral Resources to 87 g/t Ag (from 66 g/t Ag), due to higher silver grades at the JAC deposit and higher equivalent cut-off grades at Oculto.
  - Maiden M&I MRE for the JAC deposit of 5.3 million tonnes at 202 g/t Ag and 0.13 g/t Au, containing 34 Moz silver and 22 k oz gold.
  - The increased contained metal in the MRE comes despite the adoption of a Net Value per Block methodology and an increased equivalent average cut-off grade of 45g/t silver-equivalent ("AgEq") compared to the 35g/t AgEq used previously, and further demonstrates the robustness and high grade of the mineralization at Diablillos.

  Key Highlights of the Updated MRE:

  - Significant Growth: M&I Mineral Resources at Diablillos now contain an estimated 258 MozAgEq, and the Inferred Mineral Resource contains an additional 8 Moz AgEq.
  - Four Conceptual Open Pits: The addition of the new high-grade JAC deposit, which will ultimately join the Oculto deposit, has further enhanced the overall quality of the Mineral Resource and is expected to boost flexibility and the economic strength of the Project in the upcoming Pre-Feasibility Study ("PFS").
  - Industry-Leading Discovery Costs: The Phase III drill program cost ~US$7.3M and added ~43 Moz AgEq to the M&I Mineral Resources, representing an impressive cost of only US$0.17 per ounce AgEq added.
  - Extensive Exploration Upside Potential: Future drilling will focus on exploration targets which include: JAC North, Alpaca, and the Oculto-Fantasma trends, each of which has the potential to continue to increase and add additional silver/gold mineralization.