**SILVER X MINING CORP.**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**
**For the six months ended June 30, 2024**

This Interim Management's Discussion and Analysis ("Interim MD&A") supplements but does not form part of the unaudited condensed consolidated interim financial statements of Silver X Mining Corp. (the "Company" or "Silver X") for the six months ended June 30, 2024. The following information, prepared as of August 29, 2024, should be read in conjunction with the Company's unaudited condensed consolidated interim financial statements for the six months ended June 30, 2024, and the audited year ended December 31, 2023, and the related notes contained therein.

The Company reports its financial position, results of operations and cash flows in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). All amounts are expressed in US dollars unless otherwise indicated.

Additional information relevant to the Company's activities can be found on SEDAR at www.sedar.com.

Use of Non-IFRS Financial Performance Metrics. In this MD&A, we use the following non-IFRS financial performance measures: "cash costs", "cash cost per silver equivalent ("AgEq") ounce", "all-in sustaining cost" or ("AISC"), "AISC per AgEq ounce", "earnings before interest, taxes, depreciation and amortization ("EBITDA")" and "adjusted EBITDA". For a detailed description of each non-IFRS financial performance measure used in this MD&A and a detailed reconciliation to the most directly comparable measures under IFRS, please refer to the "Non-IFRS Financial Performance Measures" section of this MD&A starting on page 9. The non-IFRS financial performance measures in this MD&A are intended to provide additional information to investors and do not have any standardized meaning under IFRS. These measures may therefore not be comparable to similar measures presented by other issuers and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

# CORPORATE OVERVIEW

The Company is a silver producer and developer. The Company owns the 20,472-hectare Nueva Recuperada Silver District in Central Peru and produces silver, gold, lead and zinc from the Tangana mining unit. The Company's mission is to be a premier silver company delivering outstanding value to all stakeholders by consolidating and developing undervalued assets, creating value by adding resources and increasing production while aspiring to social and environmental excellence. The Company is listed on the TSX Venture Exchange (the "TSXV") under the symbol AGX, and trades on the U.S. Over The Counter Market (the "OTCQB") under the symbol AGXPF and the Frankfurt Stock Exchange under the symbol AGX.

# NUEVA RECUPERADA SILVER & GOLD DISTRICT, PERU

**Overview**

The Nueva Recuperada Project lies in the heart of Peru's premier silver-gold-lead-zinc belt. This large geological system encompasses hundreds of epithermal intermediate sulfidation veins containing medium to high-grade of silver rich polymetallic mineralization, in more than 500 km of outcrop veins. This large geological system encompasses hundreds of epithermal veins containing medium to high-grade of polymetallic mineralization, more than 500 km of veins outcrops. The 20,472-hectare project was assembled through acquisitions from major silver producers such as Compañia de Minas Buenaventura SAA, Pan American Silver Corporation, Barrick Gold Corporation and Peruvian Metals Corporation, among other companies. The project includes: (i) the Tangana mining unit ("Tangana"), a precious- and base-metal operation that is in the northern portion of the project comprised of 100-plus veins spanning an area of more than 6,500 hectares, and (ii) the Plata Mining Area advanced Project (formerly referred to as Esperanza), a grouping of historic silver-polymetallic veins, with significant exploration upside in the southern portion of the project comprised of 200-plus veins often with intense anatomizing, spanning an area of more than 7,000 hectares; (iii) and the Red Silver Mining Unit, a high grade silver target in exploration stages and subject to production in the past. As at October 31, 2022,the Nueva Recuperada Project has an estimated 11.89 million tonnes of inferred resources at grades of 152.50 g/t Ag, 0.31 g/t Au, 1.72% Pb, 1.79% Zn and combined Measured and Indicated Mineral Resources of 3.61 million tonnes with grades of 70.82 g/t Ag, 1.47 g/t Au, 1.78% Pb and 1.27% Zn and includes a 720 tonnes per day ("TPD"), fully permitted, fully operational processing facility that started processing mineralization in 2019.

**Tangana Mining Unit – Silver, Gold, Lead & Zinc**

Silver X started the development of the Tangana mining unit in late 2021 and targeting an extraction rate of over 600 TPD of high-grade mineralization from multiple mining faces. There are, dozens of veins in this mining unit.

The Tangana vein system is extensive, hosting an estimated Measured and Indicated Resource of 3.61 million tonnes grading 70.82 g/t Ag, 1.47 g/t Au, 1.78% PB and 1.27% Zn, and an inferred resource of 11,569,584 tonnes grading 86.15 g/t Ag, 2.33% Pb and 2.18% Zn and combined Measured and Indicated Mineral Resources of 847,230 tonnes grading 152.5 g/t Ag, 0.21 g/t Au, 1.72% Pb and 1.79% Zn. Production infrastructure development at Tangana is being optimized by the recently completed 4,000-metre infill drill program and continued development to access the mineralization.

Polymetallic vein resources at the Tangana mining unit are hosted in both igneous-volcanic and sedimentary rocks. The Tangana mine and its veins are in a large zone of andesitic volcanics and domes that hosts the majority of the Tangana mining unit's identified resources (1+ metre average width veins). The Tangana vein mineralization is of epithermal character grading into mesothermal at depth, of low to intermediate sulphidation mineralizing events. Native gold mineralization occasionally is encountered with the Tangana vein mineralization. Upgrades to the Nueva Recuperada plant to enhance gold recoveries have been completed. During 2Q24, Silver X began mining operations at Morlupo and plans to recuperate the Blenda Rubia (BR) satellite mine. Both structures are hosting high-grade mineralization.

A gold and silver-rich corridor within the Tangana system has been identified crossing the various veins, as published in various news releases, copies of which are available on SEDAR at www.sedar.com. Silver X intends to explore and develop that corridor in 2024 to provide additional resources of higher-value mineralization.

The San Antonio vein in its southeastern half is primarily hosted in carbonate formations and is of moderate to thick widths (2 to 10 metres, at a 4-metre average width) of mineralized vein breccia with minor carbonate replacement. This mineralization has been mined since 2019. To the northwest, the San Antonio vein is hosted by andesitic volcanics and domes and has an average width on surface of 1.4 metres.

The Positivas vein system is an area of 2.5 kilometres long by 200 metres wide of several tensional veins in a dilutional wrench zone, comprising epithermal veins in volcanic and sedimentary rocks ranging from 0.3 to 3 metres wide and currently being developed by two small contactors, with the production being processed at the Company's mill.

The Tangana area encompasses several areas of well-known mineralization that the Company intends to bring together as a high-growth mining unit. The Company announced on February 14, 2023, a Preliminary Economic Assessment ("PEA") for the potential expansion of the Tangana mining unit.

The PEA proposes a potential plan for expanding production from this area. Highlights from the PEA include:

- Upgraded Mineral Resources to 3.61 million tonnes of Measured and Indicated ("M&I") Resources from 0.98 million tonnes in the January 1, 2022, Mineral Resource Estimate, and 11.89 million tonnes of Inferred Resources from 14.94 million tonnes with a new resource block model, representing potential tripling of the Measure and Indicated Resources when compared to the current reported estimate.
- Life of Mine ("LOM") potential of 12 years at a capacity of 1,500 TPD based on a resource inventory of 5.75Mt, of which 1.75Mt corresponds to Measured Resources, 0.49Mt corresponds to Indicated Resources and 3.51Mt corresponds to Inferred Resources.
- Average annual production of 4.2 million ounces ("Moz") of silver equivalent ("AgEq")[1] with circa 5Moz AgEq mined assuming the expansion of both processing capacity and the mine.
- Robust economics with an After-Tax NPV of $175 million at 10% discount rate and After-Tax IRR of 39%.
- LOM Cash Costs of $8.80/oz AgEq and LOM All-In Sustaining Costs ("AISC")[2] of $16.2/0oz AgEq.
- Initial Capex of $61 million, including 20% contingency, for the new processing facility, dry-stacked tailings and mine development.

**Plata Mining Area– Silver, Lead & Zinc**

The Plata Mining Area (formerly Esperanza) was the last historical operation to close when the project was under Buenaventura's management and hosts an estimated 448,812 tonne inferred resource grading 220.81 g/ Ag, 2.55% Pb and 4.58% Zn. There is an abundance of mineralized veins in this mining unit and geological evidence for both intermediate and high-sulphidation alteration and mineralization. Historical drilling and recent surface mapping provide strong evidence for significant exploration upside.

Plata is the development priority for the Company as it contains high grade polymetallic mineralization which is expected to be reflected in a new resource estimate in the final quarter of 2024. The Company intends to upgrade the resource thought re-sampling of historical production areas, drilling and interpretation to calculate the new estimate.

**Red Silver – Silver Project**

Red Silver hosts a reported 1,908,725 tonne inferred resource grading 496.10 g/T Ag, 0.21% Pb and 0.34% Zn. The Company conducted a bulk sampling programme in 2021 and plans to drill this silver-rich epithermal vein system towards the end of 2023 or early 2024. Red Silver is a high-grade silver resource and will be subject to exploration activities in 2025-26.

[1] AgEq ounces were calculated based on all metals produced and mined using the estimated sales prices of each metal for each period.

[2] Cash costs and AISC are non-IFRS financial ratios. These are based on non-IFRS financial measures that do not have any standardized meaning prescribed under IFRS, and therefore may not be comparable to other issuers. Please refer to the "Non-IFRS Measures" section of this MD&A for further information.

**Environmental and Social Impact Assessment Update**

Silver X began updating the Environmental and Social Impact Assessment ("ESIA") for its Nueva Recuperada Project needed to expand operations. Nueva Recuperada currently operates within the medium size mining regime (350 TPD to 5,000 TPD) and is seeking to expand its permitted capacity to 2,500 TPD, including the possibility of building a new processing facility at Tangana for a capacity of 1,500 TPD and the current processing plant of Nueva Recuperada being expanded to 1,000 TPD or 1,500 TPD from the current 720 TPD. The ESIA is a key component of a comprehensive environmental and social permitting process covering both wholly owned Tangana and Plata silver-polymetallic mining units. The assessment also covers the associated mining infrastructure and existing tailings facility for a total study area of 4,900 hectares. Key components of the updated ESIA include a further expansion of production capacity at the Company's mineral processing plant to 2,500 TPD from the current upgraded 720 TPD and a new 8,000,000 $m^3$ capacity tailings storage facility with a goal to expand silver production at Nueva Recuperada to 5 Moz silver ("Ag") per year.

On May 23, 2024, the Company signed a 15-year social agreement with the Community of Carhuapata in Huancavelica in Peru. This new social contract enables Silver X access to the totality of the Plata Mining Area. This follows the 12-year agreement signed with the Community of Huachocolpa in November 2023 so that the totality of the Company's tenements is now covered by agreements with the local communities, an important part of the ESIA.

**Vision for the Project and Expanded Processing Plant Capacity**

The Company's vision is to expand the annual production capacity of the disrict beyond 6 million ounces of silver equivalent within the next few years. With a solid growing resource, there is an opportunity to establish two mining areas at similar levels of production from Plata and Tangana.  Once a new mineral resource has been estimated (expected 2024 Q4), a further PEA is planned to be commissioned aiming to look at scenarios in which a combined capacity in excess of 2,500 TPD of ore can be mined from the Plata and Tangana.

The PEA will investigate both the possibility of building an additional new mill  in addition to the existing processing plant as well as the expansion of the current processing facility which is centrally located and have the two mines feeding to the same location. Additionally, the Company has been undertaking ore sorting tests over the last years, results from these suggest the potential that ore sorting could be incorporated as part of the process which would allow increased throughput without the need to expand the current beneficiation plant substantially.

**Gold Projects in Peru**

The district of Nueva Recuperada is host to a number of gold opportunities as gold mineralization seems to appear on a strike along the Chonta fault. The two main gold projects are Carboncuyocc and Ccasahuasi. Carboncuyocc is an epithermal gold anomaly, adjacent to the Plata mining area, which could be host for a disseminated gold deposit.

Ccasahuasi is a gold-polymetallic project adjacent to Tangana with the potential to become a near-production gold target if initial findings are confirmed through drilling and development. Ccasahuasi is comprised of the Ichupata 14 and the Lily 19 claims. In 2021, the Company entered into an earn-in agreement with Barrick Gold Corp. ("Barrick") to acquire the Lily 19 claims.

Under the terms of the of the earn-in agreement, to acquire a 100% interest in the Lily 19 claims, Silver X must:

- Complete at least 3,000 metres of diamond drilling in the concession
- Map and sample the surface of the concession
- Maintain the claims in good standing
- Make a one-time payment of USD$25,000 (paid)

The above must be achieved within four (4) years of the date of signing, or two (2) years from receiving a drilling permit for the property. Furthermore, Barrick will retain a 2% NSR, of which 1% can be bought back for USD$2,000,000.

The Company intends to perform drilling to expand known mineralization at depth and to test additional zones of mineralization, together with a surface sampling campaign that will step out from the west to test the precious metal potential on the advanced argillic altered subvolcanic rocks.

In June 2024, the Company decided not to renew the option on the Coriorcco and Las Antas project, after deciding to concentrate on more prospective exploration projects. The project was fully impaired at December 31, 2023.

# SELECTED FINANCIAL INFORMATION

The following table provides information for the six months ended June 30, 2024, and the comparative period of 2023.

| | Notes | For the three months ended June 30, 2024 | For the three months ended June 30, 2023 | For the six months ended June 30, 2024 | For the six months ended June 30, 2023 |
|---|---|---|---|---|---|
| **OPERATING REVENUES** | | $ 6,242,209 | $ 4,653,328 | $ 11,021,522 | $ 9,229,268 |
| **COST OF SALES** | | | | | |
| Mining and processing | | $ (4,432,763) | $ (4,447,663) | $ (8,051,587) | $ (9,006,651) |
| Amortization | | (1,262,699) | (599,942) | (2,417,085) | (1,027,486) |
| | | (5,695,462) | (5,047,605) | (10,468,672) | (10,034,137) |
| **Operating income (loss)** | | $ 546,747 | $ (394,277) | $ 552,850 | $ (804,869) |
| **EXPLORATION EXPENDITURES** | 5 | $ (8,215) | $ (136,241) | $ (63,968) | $ (151,664) |
| **GENERAL AND ADMINISTRATIVE EXPENSES** | | $ (1,064,576) | $ (1,024,473) | $ (1,808,825) | $ (1,783,964) |
| **Loss before other items** | | **(526,044)** | **(1,554,991)** | **(1,319,943)** | **(2,740,497)** |
| **OTHER ITEMS** | | | | | |
| Finance cost, net | | $ (299,554) | (247,729) | $ (363,502) | $ (368,836) |
| Gain on settlement of debt | 12 | 1,132,260 | - | 1,132,260 | - |
| Foreign exchange gain | | 74,184 | 375,107 | 11,741 | 604,591 |
| **Net income (loss) before tax** | | **380,846** | **(1,427,613)** | **(539,444)** | **(2,504,742)** |
| Deferred income tax recovery (expense) | | $ (545,175) | $ 183,000 | $ (864,175) | $ 390,000 |
| **Loss for the period** | | **(164,329)** | **(1,244,613)** | **(1,403,619)** | **(2,114,742)** |
| Gain (Loss) on translation of foreign operations | | 294,614 | (257,952) | 402,781 | (341,153) |
| **Income (loss) and comprehensive income (loss) for the period** | | **$ 130,285** | **$ (1,502,565)** | **$ (1,000,838)** | **$ (2,455,895)** |
| **Loss per share, basic and diluted** | | **$** (0.00) | **$** (0.01) | **$** (0.01) | $ (0.01) |
| **Weighted average number of common shares outstanding** | | 196,445,545 | 159,034,536 | 181,513,161 | 158,033,261 |

*Reconciliation of Net (Loss) / Income to Adjusted EBITDA*

| | For the three months ended June 30, 2024 | For the three months ended June 30, 2023 | For the six months ended June 30, 2024 | For the six months ended June 30, 2023 |
|---|---|---|---|---|
| **Net Loss** | **$ (164,329)** | **$ (1,244,613)** | **$ (1,403,619)** | **$ (2,114,742)** |
| Deferred income tax expense (recovery) | 545,175 | (183,000) | 864,175 | (390,000) |
| Finance cost | 299,554 | 253,152 | 363,502 | 374,259 |
| Amortization | 1,262,699 | 599,942 | 2,417,085 | 1,027,486 |
| **EBITDA** | **$ 1,943,099** | **$ (574,519)** | **$ 2,241,143** | **$ (1,102,997)** |
| Foreign exchange gain | (74,184) | (375,107) | (11,741) | (604,591) |
| Gain on settlement of debt | (1,132,260) | - | (1,132,260) | - |
| Share-based payments | 50,465 | 30,312 | 112,156 | 144,537 |
| **Adjusted EBITDA** | **$ 787,120** | **$ (919,314)** | **$ 1,209,298** | **$ (1,563,051)** |
| **Adjusted EBITDA per share** | **$ 0.004** | **$ (0.006)** | **$ 0.007** | **$ (0.010)** |

*EBITDA and Adjusted EBITDA are non-GAAP performance measures with no standard definition under IFRS. Please see the section "Non-IFRS Performance Measures" for details.*

**Three months ended June 30, 2024, vs. 2023**

For the three months ended June 30, 2024, the Company recorded:

- Net income before tax of $0.4M, compared to a net loss before tax of $1.4M in the three months ended June 30, 2023.
- EBITDA income of $1.9M, compared to an EBITDA loss of $0.6M in the three months ended June 30, 2023.
- Adjusted EBITDA income of $0.8M, compared to an Adjusted EBITDA loss of $0.9M in the three months ended June 30, 2023.

The increase in income in the current period was primarily due to increased operating revenues from the sale of mineral production of $6.2M compared to $4.7M in the prior period (increase of $1.5M), and gain on debt settlement of $1.1M compared to $Nil in the prior period, net with increase of cost of sales of $5.6M compared to $5.0M in the prior period (increase of $0.6M) and partially offset by decrease in foreign exchange gain of $0.1M compared to $0.4M in the prior period (decrease of $0.3M).

**Six months ended June 30, 2024, vs. 2023**

For the six months ended June 30, 2024, the Company recorded:

- Net loss before tax of $0.5M, compared to a net loss before tax of $2.5M in the six months ended June 30, 2023.
- EBITDA income of $2.2M, compared to an EBITDA loss of $1.1M in the six months ended June 30, 2023.
- Adjusted EBITDA income of $1.2M, compared to an Adjusted EBITDA loss of $1.6M in the six months ended June 30, 2023.

The increase in income in the current period was primarily due to increased operating revenues from the sale of mineral production of $11.0M compared to $9.2M in the prior period (increase of $1.8M), and gain on debt settlement of $1.1M compared to $Nil in the prior period, net with increase of cost of sales of $10.5M compared to $10.0M in the prior period (increase of $0.5M).

| | **June 30, 2024 ($) (3 months)** | **March 31, 2024 ($) (3 months)** | **December 31, 2023 ($) (3 months)** | **September 30, 2023 ($) (3 months)** | **June 30, 2023 ($) (3 months)** | **March 31, 2023 ($) (3 months)** | **December 31, 2022 ($) (3 months)** | **September 30, 2022 ($) (3 months)** |
|---|---|---|---|---|---|---|---|---|
| | | | | | | | ***Restated*** [2] | |
| Operating revenues | 6,242,209 | 4,779,313 | 4,347,995 | 2,089,879 | 4,653,328 | 4,575,940 | 3,882,866 | 5,497,311 |
| Cost of Sales | (5,695,462) | (4,773,210) | (5,332,189) | (2,901,377) | (5,047,605) | (4,986,532) | (4,067,377) | (3,499,658) |
| Exploration (expense) recovery | (8,215) | (55,753) | (27,956) | (82,625) | (136,241) | (15,423) | (21,801) | (23,917) |
| General and administrative expenses[1] | (1,014,111) | (682,558) | (694,117) | (554,374) | (994,161) | (645,266) | (868,702) | (820,511) |
| Share-based payments | (50,465) | (61,691) | (136,233) | (8,060) | (30,312) | (114,225) | 163,093 | (507,448) |
| Other income (expenses) | 361,715 | (445,391) | (6,356,560) | (660,729) | 310,378 | 315,377 | (14,957,037) | (460,236) |
| Net gain (loss) | (164,329) | (1,239,290) | (8,199,060) | (2,117,286) | (1,244,613) | (870,129) | (15,868,958) | 185,541 |
| Basic and diluted income (loss) per share | (0.00) | (0.00) | (0.05) | (0.01) | (0.01) | (0.01) | (0.04) | 0.00 |
| Total assets | 54,549,332 | 52,757,376 | 51,861,083 | 59,706,059 | 60,696,744 | 58,352,190 | 55,971,247 | 64,988,855 |
| Total liabilities | 32,130,864 | 35,120,094 | 33,154,369 | 32,062,672 | 31,872,395 | 29,769,397 | 26,568,598 | 24,891,932 |
| Shareholders' equity | 22,418,468 | 17,637,282 | 18,706,714 | 27,643,387 | 28,824,349 | 28,582,793 | 29,402,649 | 40,096,923 |

*Quarterly Reconciliation of Net (Loss) / Income to Adjusted EBITDA*

| | June 30, 2024 ($) (3 months) | March 31, 2024 ($) (3 months) | December 31, 2023 ($) (3 months) | September 30, 2023 ($) (3 months) | June 30, 2023 ($) (3 months) | March 31, 2023 ($) (3 months) | December 31, 2022 ($) (3 months) | September 30, 2022 ($) (3 months) |
|---|---|---|---|---|---|---|---|---|
| | | | | | | | ***Restated2*** | |
| **Net income (loss)** | **(164,329)** | **(1,239,290)** | **(8,199,060)** | **(2,117,286)** | **(1,244,613)** | **(870,129)** | **(15,868,958)** | **185,541** |
| Deferred income tax (recovery) expnese | 545,175 | 319,000 | 2,262,000 | (230,000) | (183,000) | (207,000) | 2,237,000 | 359,000 |
| Finance cost | 299,554 | 63,948 | 140,609 | 123,826 | 253,152 | 121,107 | 434,318 | 152,407 |
| Amortization | 1,262,699 | 1,154,386 | 602,744 | 478,461 | 599,942 | 427,544 | 524,201 | 215,656 |
| **EBITDA[3]** | **1,943,099** | **298,044** | **(5,193,707)** | **(1,744,999)** | **(574,519)** | **(528,478)** | **(12,673,439)** | **912,604** |
| Foreign exchange (gain) loss | (74,184) | 62,443 | (461,705) | 766,941 | (375,107) | (229,484) | 245,042 | (51,286) |
| Gain on settlement of debt | (1,132,260) | - | - | - | - | - | - | - |
| Share-based payments | 50,465 | 61,691 | 136,233 | 8,060 | 30,312 | 114,225 | (163,093) | 507,448 |
| Impairment of goodwill | - | - | - | - | - | - | 9,084,732 | - |
| Impairment of exploration and evaluation assets | - | - | 4,415,637 | - | - | - | 1,090,003 | - |
| Loss on conversion of convertible debenture | - | - | - | - | - | - | 2,062,122 | - |
| **Adjusted EBITDA[3]** | **787,120** | **422,178** | **(1,103,542)** | **(969,998)** | **(919,314)** | **(643,737)** | **(354,633)** | **1,368,766** |
| **Adjusted EBITDA per share** | **0.004** | **0.002** | **(0.007)** | **(0.006)** | **(0.006)** | **(0.004)** | **(0.016)** | **0.010** |

[1] The General and Administrative expenses include consulting fees, directors' fees, investor relations, office and administration, professional fees, salary and benefits, transfer agent and regulatory fees.

[2] During the preparation of the 2023 year-end consolidated financial statements, the Company identified an error in the purchase price calculation of the business combination of Mines & Metals Trading (Peru) PLC to acquire the Nueva Recuperada project in the 2021 fiscal period. The Company identified that Goodwill of $9,084,732 should have been recognized with the corresponding adjustment of $10,423,287 to Development Property and $1,338,555 to deferred tax liabilities. In accordance with IAS 36, the Company completed its annual impairment test of goodwill as of December 31, 2022, and determined goodwill was impaired and recorded an impairment of $9,912,292. The error also resulted in an adjustment to depreciation and amortization of the development property of $120,070 in fiscal 2022. Please see Note 20 in the financial statements for details

[3] EBITDA and Adjusted EBITDA are non-GAAP performance measures with no standard definition under IFRS. Please see the section "Non-IFRS Performance Measures" for details.

## Change in total assets and liabilities

At June 30, 2024, the Company's total assets were $54.5M compared to $51.9M as at December 31, 2023. Significant changes in assets include increase in cash of $0.6M, increase in trade and receivables of $2.4M, increase in development property of $0.2M, and decrease in property & equipment of $0.4M. At June 30, 2024, the Company's total liabilities were $32.1M compared to $33.2M as at December 31, 2023. Significant changes in liabilities include decrease in accounts payable and accrued liabilities of $2.0M, increase in long term payables of $0.5M and increase in deferred income tax liability of $0.9M.

# OPERATING HIGHLIGHTS

The following are operating metrics for the six months period ended June 30, 2024, and 2023**.**

| | | For the three months ended | | For the six months ended | |
|---|---|---|---|---|---|
| | Unit | June 30, 2024 | June 30, 2023 | June 30, 2024 | June 30, 2023 |
| Ore mined | *tonnes* | 42,866 | 32,079 | 78,617 | 65,835 |
| Ore processed | *tonnes* | 44,601 | 35,453 | 82,505 | 75,663 |
| Average head grades | | | | | |
| Silver | *g/t* | 72.64 | 62.99 | 75.49 | 57.97 |
| Gold | *g/t* | 0.78 | 1.11 | 0.75 | 1.05 |
| Zinc | *%* | 1.95 | 1.62 | 2.09 | 1.70 |
| Lead | *%* | 1.67 | 1.65 | 1.86 | 1.58 |
| Average AgEq head grades | *g/t* | 253 | 269 | 274 | 273.40 |
| Average AgEq head grades | *oz/t* | 8.13 | 8.65 | 8.81 | 8.79 |
| Average recoveries | | | | | |
| Silver | *%* | 89% | 89% | 89% | 88% |
| Gold | *%* | 67% | 71% | 64% | 67% |
| Zinc | *%* | 83% | 82% | 84% | 82% |
| Lead | *%* | 88% | 88% | 88% | 88% |
| Metal processed | | | | | |
| Silver | *oz* | 104,163 | 71,843 | 200,235 | 141,058 |
| Gold | *oz* | 1,120 | 1,264 | 2,001 | 2,550 |
| Zinc | *lbs* | 1,914,063 | 1,257,336 | 3,810,048 | 2,835,352 |
| Lead | *lbs* | 1,640,834 | 1,282,739 | 3,377,696 | 2,634,332 |
| AgEq processed [1 2] | *oz* | 362,714 | 305,961 | 726,509 | 664,427 |
| Metal produced | | | | | |
| Silver | *oz* | 83,502 | 63,834 | 169,557 | 124,377 |
| Gold | *oz* | 747 | 922 | 1,304 | 1,784 |
| Zinc | *lbs* | 1,597,267 | 1,027,152 | 3,213,053 | 2,327,572 |
| Lead | *lbs* | 1,438,086 | 1,136,417 | 2,990,875 | 2,315,443 |
| AgEq produced [1 2] | *oz* | 284,027 | 248,412 | 582,075 | 530,901 |
| Metal sold | | | | | |
| Silver | *oz* | 90,386 | 66,796 | 177,214 | 123,892 |
| Gold | *oz* | 639 | 969 | 1,168 | 1,877 |
| Zinc | *lbs* | 1,571,176 | 1,189,064 | 3,077,768 | 2,361,779 |
| Lead | *lbs* | 1,437,006 | 1,241,620 | 2,925,962 | 2,348,156 |
| AgEq sold [1 2] | *oz* | 261,524 | 252,714 | 526,296 | 507,455 |
| Average realized price [2 3] | | | | | |
| Silver | *$/oz* | 28.92 | 24.08 | 26.35 | 23.29 |
| Gold | *$/oz* | 2,337 | 1,971 | 2,221 | 1,926 |
| Zinc | *$/lbs* | 1.29 | 1.15 | 1.20 | 1.29 |
| Lead | *$/lbs* | 0.98 | 0.96 | 0.96 | 0.96 |
| Cash cost per AgEq ounce produced [2] | *$/oz* | 18.8 | 20.8 | 17.0 | 19.6 |
| AISC per AgEq ounce produced [2] | *$/oz* | 25.9 | 28.2 | 23.0 | 26.7 |

## Foot notes

¹ AgEq ounces were calculated based on all metals processed, produced and sold using the average sales prices of each metal for each month during the period. Revenues from concentrate sales does not consider metallurgical recoveries in the calculations as the metal recoveries are built into the sales amounts.

² Average realized price is a non-IFRS financial measure, and production cost per tonne processed, cash cost per AgEq ounce processed, produced, sold and AISC per AgEq ounce produced are non-IFRS ratios with no standardized meaning under IFRS, and therefore may not be comparable to similar measures presented by other issuers. Fur further information, including detailed reconciliations to the most directly comparable IFRS measures, see "Non-IFRS Performance Measures" in this MD&A.

³ Realized price corresponds to the average prices for each metal on the following month after delivery, used to calculate the final value of the concentrate delivered in a given month before any deductions.

# NON-IFRS PERFORMANCE MEASURES

We have included certain non-IFRS financial measures and ratios in this Interim MD&A, as discussed below. We believe that these measures, in addition to measures prepared in accordance with IFRS, provide investors an improved ability to evaluate the underlying performance of the Company. The non-IFRS measures and ratios are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. These financial measures and ratios do not have any standardized meaning prescribed under IFRS, and therefore may not be comparable to other issuers.

**EBITDA and Adjusted EBITDA**

"EBITDA" is comprised as income (loss) less interest, income tax and depreciation and amortization. Management believes that EBITDA is a useful indicator for investors, and is used by management, in evaluating the operating performance of the Company. See "Reconciliation of Net (Loss) / Income to Adjusted EBITDA" for a quantitative reconciliation of EBITDA to the most directly comparable financial measure.

"Adjusted EBITDA" is comprised as income (loss) less interest, income tax, depreciation, amortization, share-based compensation, and foreign exchange gain (loss). Management believes that Adjusted EBITDA is a useful indicator for investors, and is used by management, in evaluating the operating performance of the Company. See "Reconciliation of Net (Loss) / Income to Adjusted EBITDA" for a quantitative reconciliation of Adjusted EBITDA to the most directly comparable financial measure.

**Cash Costs and All-In Sustaining Cost ("AISC")**

The Company uses cash costs, cash costs per AgEq ounce produced, AISC, and AISC per AgEq ounce produced to manage and evaluate its operating performance in addition to IFRS measure because Company believes that conventional measures of performance prepared in accordance with IFRS do not fully illustrate the ability of its operations to generate cash flows. The Company understands that certain investors use these measures to determine the Company's ability to generate earnings and cash flows for use in investing and other activities. Management and certain investors also use this information to evaluate the Company's performance relative to peers who present this measure on a similar basis.

Cash costs is calculated by starting with cost of sales, and then adding treatment and refining charges, and changes in depreciation and amortization. Total cash production costs include cost of sales, changes in ore and concentrate inventories, changes in depreciation and amortization, less transportation and other selling costs and royalties. Cash costs per AgEq ounce is calculated by dividing cash costs by the AgEq ounces produced.

AISC and AISC per AgEq ounce produced are calculated based on guidance published by the World Gold Council (and used as a standard of the Silver Institute). The Company presents AISC on the basis of AgEq ounces produced. AISC is calculated by taking the cash costs and adding sustaining costs. Sustaining costs are defined as capital expenditures and other expenditures that are necessary to maintain current production. Management has exercised judgment in making this determination.

The following table reconciles cash costs, cash costs per AgEq ounce produced, AISC, and AISC per AgEq ounce produced to cost of sales, the most directly comparable IFRS measure:

| | | For the three months ended June 30, 2024 | For the three months ended June 30, 2023 | For the six months ended June 30, 2024 | For the six months ended June 30, 2023 |
|---|---|---|---|---|---|
| **Cost of sales** | **$** | **5,695,462 $** | **5,047,605 $** | **10,468,672** | **10,034,137** |
| Changes in concentrate inventory | | (11,443) | (26,235) | 107,117 | (159,162) |
| Royalties | | (162,449) | (138,195) | (293,941) | (275,553) |
| Transportation and other selling costs | | (141,438) | (80,994) | (211,782) | (160,604) |
| Amortization | | (1,262,699) | (599,942) | (2,417,085) | (1,027,486) |
| **Total cash production costs** | **$** | **4,117,433 $** | **4,202,239 $** | **7,652,981 $** | **8,411,332** |
| Royalties | | 162,449 | 138,195 | 293,941 | 275,553 |
| Transportation and other selling costs | | 141,438 | 80,994 | 211,782 | 160,604 |
| Treatment and refining charges and penalties | | 923,793 | 745,366 | 1,764,780 | 1,554,887 |
| **Total cash costs (A)** | **$** | **5,345,113 $** | **5,166,794 $** | **9,923,484 $** | **10,402,376** |
| General and administrative (incl. share based compensation) (1) | | 1,064,576 | 704,157 | 1,808,824 | 1,463,648 |
| Operating lease payments | | 120,814 | 156,742 | 201,685 | 156,742 |
| Accretion and Amortization of Reclamation Cost | | 20,601 | 20,601 | 41,202 | 41,202 |
| Sustaining Capital Expenditure | | 791,122 | 956,524 | 1,404,228 | 2,137,037 |
| **Sustaining costs (B)** | **$** | **1,997,113 $** | **1,838,024 $** | **3,455,939 $** | **3,798,629** |
| **All-In-Sustaining costs (A+B)** | **$** | **7,342,226 $** | **7,004,818 $** | **13,379,423 $** | **14,201,005** |

(1) Excludes $ 320K of evaluation costs related to the Revenues-Virginius Mine M&A project in Ouray County, Colorado in Q2 2023

The following table shows the calculation of the cash costs and AISC per AgEq ounces produced:

| | | For the three months ended June 30, 2024 | | For the three months ended June 30, 2023 | | For the six months ended June 30, 2024 | | For the six months ended June 30, 2023 |
|---|---|---|---|---|---|---|---|---|
| **AgEq ounces produced** | | **284,027** | | **248,412** | | **582,075** | | **530,901** |
| **Totals:** | | | | | | | | |
| Cash costs | **$** | 5,345,113 | **$** | 5,166,794 | **$** | 9,923,484 | **$** | 10,402,376 |
| Sustaining costs | | 1,997,113 | | 1,838,024 | | 3,455,939 | | 3,798,629 |
| **All-In-Sustaining costs** | **$** | **7,342,226** | **$** | **7,004,818** | **$** | **13,379,423** | **$** | **14,201,005** |
| **Per AgEq ounces produced:** | | | | | | | | |
| Cash costs | **$** | 18.8 | **$** | 20.8 | **$** | 17.0 | **$** | 19.6 |
| Sustaining costs | | 7.0 | | 7.4 | | 5.9 | | 7.2 |
| **All-In-Sustaining costs** | **$** | **25.9** | **$** | **28.2** | **$** | **23.0** | **$** | **26.7** |

The Company has revised its methodology for calculating AISC related to sustaining capital expenditures. This change involves eliminating growth-related costs to better reflect the expenses necessary for maintaining mining operations. For comparative purposes the prior period were also recalculated based on the new methodology. The revision results in AISC of $25.9 for the three months period ending June 30, 2024, compared to $28.2 for the same period in 2023 (8.2% decrease) and $23.0 for the six months period ending June 30, 2024, compared to $26.7 for the same period in 2023 (13.9% decrease).

### Average Realized Price

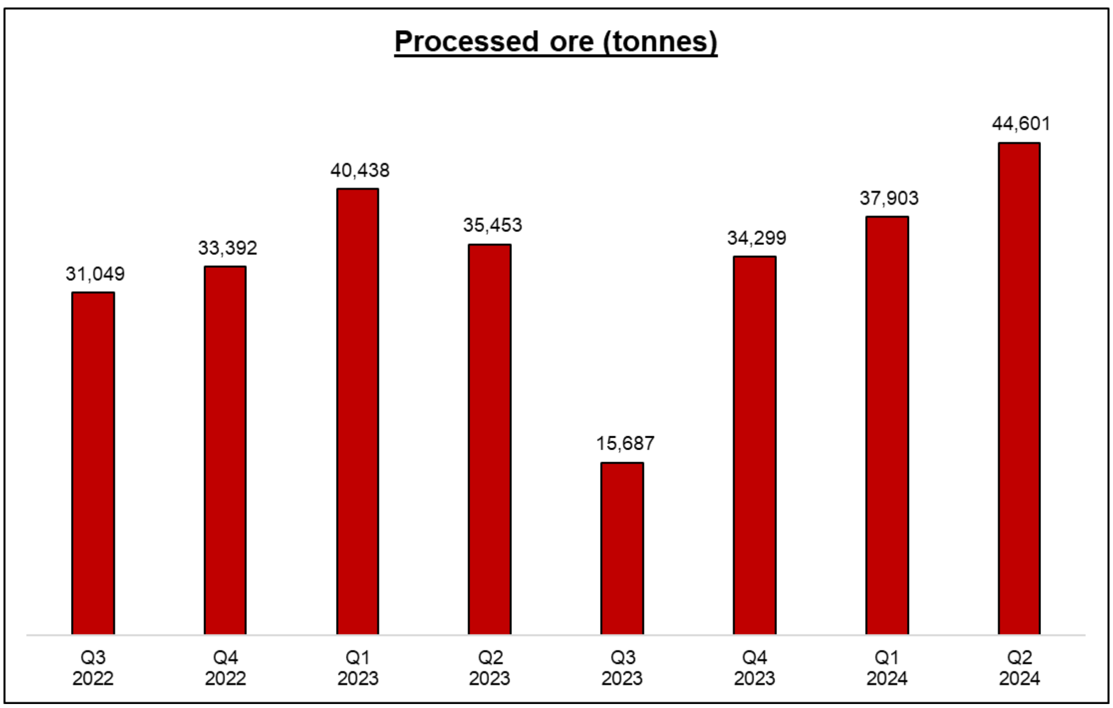
Average realized price is a non-IFRS financial measure**.** The Company uses "average realized price per ounce of silver”, "average realized price per ounce of gold”, "average realized price per ounce of zinc” and "average realized price per ounce of lead” because it understands that in addition to conventional measures prepared in accordance with IFRS, certain investors and analysts use this information to evaluate the Company’s performance as compared with average market prices of metals for the period.

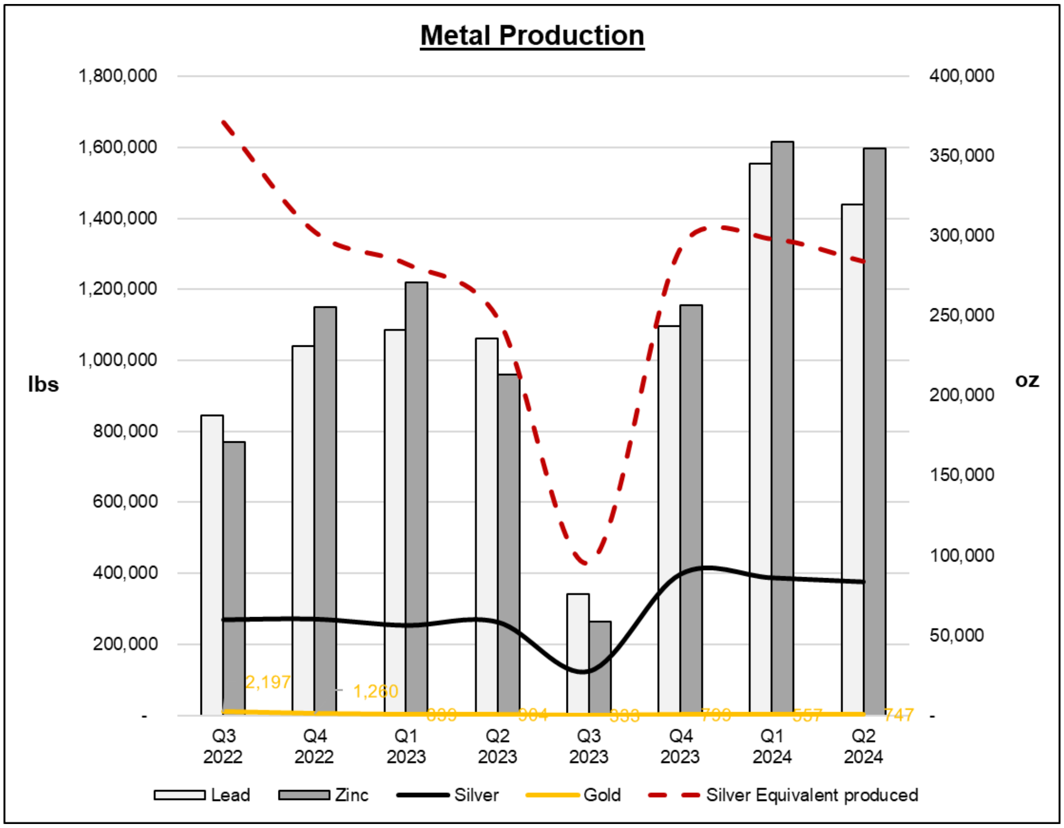
Average realized metal prices represent the sale price of the metal. Average realized price corresponds to the average prices for each metal on the following month after delivery, used to calculate the final value of the concentrate delivered in a given month before any deductions.

| | | For the three months ended June 30, 2024 | For the three months ended June 30, 2023 | For the six months ended June 30, 2024 | For the six months ended June 30, 2023 |
|---|---|---|---|---|---|
| ***Silver*** | | | | | |
| Gross revenue | *$* | 2,613,977 | 1,608,448 | 4,669,596 | 2,885,445 |
| Metal sold | *oz* | 90,386 | 66,796 | 177,214 | 123,892 |
| Average realized price | *$/oz* | 28.9 | 24.1 | 26.4 | 23.3 |
| ***Gold*** | | | | | |
| Gross revenue | *$* | 1,493,447 | 1,910,132 | 2,595,025 | 3,615,102 |
| Metal sold | *oz* | 639 | 969 | 1,168 | 1,877 |
| Average realized price | *$/oz* | 2,337 | 1,971 | 2,221 | 1,926 |
| ***Zinc*** | | | | | |
| Gross revenue | *$* | 2,021,368 | 1,367,424 | 3,695,617 | 3,046,695 |
| Metal sold | *lbs* | 1,571,176 | 1,189,064 | 3,077,768 | 2,361,779 |
| Average realized price | *$/lbs* | 1.29 | 1.15 | 1.20 | 1.29 |
| ***Lead*** | | | | | |
| Gross revenue | *$* | 1,413,040 | 1,191,955 | 2,813,802 | 2,254,230 |
| Metal sold | *lbs* | 1,437,006 | 1,241,620 | 2,925,962 | 2,348,156 |
| Average realized price | *$/lbs* | 0.98 | 0.96 | 0.96 | 0.96 |

**Production Cost Per Tonne Processed**

Production cost per tonne processed is a non-IFRS measure and is calculated as the total production costs divided by the tonnes processed. A reconciliation between production cost per tonne (excluding amortization and changes in inventories) and the cost of sales is provided below. Changes in inventories are excluded from the calculation of Production Cost per Tonne Processed. Changes in inventories reflect the net cost of concentrate inventory (i) sold during the current period but produced in a previous period or (ii) produced but not sold in the current period. The Company uses Production Cost Per Tonne Processed to evaluate its operating performance in addition to IFRS measure because Company believes that conventional measures of performance prepared in accordance with IFRS do not fully illustrate the ability of its operations to generate cash flows. Management and certain investors also use this information to evaluate the Company’s performance relative to peers who present this measure on a similar basis.






| | For the three months ended June 30, 2024 | For the three months ended June 30, 2023 | For the six months ended June 30, 2024 | For the six months ended June 30, 2023 |
|---|---|---|---|---|
| **Cost of Sales** | **$ 5,695,462** | **$ 5,047,605** | **$ 10,468,672** | **$ 10,034,137** |
| Adjustments - increase/(decrease): | | | | |
| Amortization | (1,262,699) | (599,942) | (2,417,085) | (1,027,486) |
| Changes in inventories | (11,443) | (26,235) | 107,117 | (159,162) |
| **Production cash costs (excluding inventory adjustments)** | **$ 4,421,320** | **$ 4,421,428** | **$ 8,158,704** | **$ 8,847,489** |
| Tonnes processed | 44,601 | 35,453 | 82,505 | 75,663 |
| **Production cash cost per tonne processed** | **$/t 99** | **$/t 125** | **$/t 99** | **$/t 117** |

# LIQUIDITY AND CAPITAL RESOURCES

| | For the six months ended June 30, 2024 | For the six months ended June 30, 2023 |
|---|---|---|
| Net cash provided by (used in) operating activities | (807,328) | 2,599,741 |
| Net cash provided by financing activities | 3,083,901 | 1,535,804 |
| Net cash used in investing activities | (2,576,231) | (3,491,890) |
| Net change | 606,343 | 325,477 |
| **Cash, end of period** | **$ 1,091,245** | **$ 1,349,456** |

Cash used in operating activities for six months period ended June 30, 2024, was $0.8M compared to $2.6M cash provided by operating activities for the six months ended June 30, 2023. The cash outflow in the current period was primarily due to increased expenditures on the mining operations.

Cash provided by financing activities during the six months ended June 30, 2024, was $3.1M primarily due to the private placement in April 2024.

Cash used in investing activities six months period ended June 30, 2024, was $2.6M compared to $3.5M cash used during the six months ended June 30, 2023, as the Company continued to invest in the development of the Tangana mining unit.

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to advance its mineral property and pursue growth opportunities. The Company defines its capital as shareholders' equity. The Company manages its capital structure and makes adjustments to it to effectively support the acquisition and exploration of mineral properties.

The property in which the Company currently has an interest is in the exploration, development, and production stage; as such, the Company is dependent on external financing to fund its activities. In order to pay for limited property care and maintenance and general administrative costs, the Company will spend its existing capital resources. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company monitors its cash, investments, common shares, and stock options as capital. There have been no changes to the Company's approach to capital management during the period ended June 30, 2024. The Company's investment policy is to hold cash in interest-bearing bank accounts or highly liquid short-term interest-bearing investments with maturities of one year or less and which can be liquidated at any time without penalties. The Company is not subject to externally imposed capital requirements and does not have exposure to asset-backed commercial paper or similar products.

The Company actively monitors its trade payables and engages in discussions with third-party service and goods providers to explore repayment options for balances that are, or may become, overdue. This allows the Company to effectively allocate its available capital resources and maintain the continuity of its operations.

The Company does not expect its current capital resources to be sufficient to cover its capital expenditure and corporate general and administrative expenditure through the next 12 months and as such, will need to obtain additional capital resources. Actual funding requirements may vary from those previously planned due to a number of factors, including the progress of the Company's business activities and economic condition.

## RELATED-PARTY TRANSACTIONS

The Company's related-party transactions during the six months ended June 30, 2024, consist of directors, officers and the following companies with common directors:

| Related party | Nature of transactions |
|---|---|
| Mysterybelle Ltd (Director) | Director fees |
| Altitude Exploraciones (Director, Officer) | Exploration and evaluation expenses |
| Vihren Management LTD. (Officer) | Compensation expense |
| Odin Investment SAC | Compensation expense |
| Catapult Consulting Corp (Officer) | Compensation expense and professional fees |
| Serebro Corp. (Director, Officer) | Compensation expense |

As at June 30, 2024, the Company had $277,085 outstanding in accounts payables and accrued liabilities (December 31, 2023 – $461,384) and $98,874 outstanding in supplier advances associated with related parties.

## Key Management Compensation

Key management personnel are persons responsible for planning, directing and controlling the activities of the Company, and include certain directors and officers. Key management compensation, including amounts discussed above, is comprised of:

| | | Six months ended June 30, 2024 | | Six months ended June 30, 2023 |
|---|---|---|---|---|
| Compensation expense | $ | 277,309 | $ | 402,085 |
| Consulting fees | | 72,450 | | 15,426 |
| Directors' fees | | 45,683 | | 70,305 |
| Share based payment | | 112,156 | | 78,245 |
| | **$** | **507,599** | **$** | **566,061** |

# SHAREHOLDERS' EQUITY

The authorized capital stock consists of an unlimited number of common shares without par value. As at June 30, 2024, and the date of this report, the Company had the following transactions:

*During the six months ended June 30, 2024*

a) On April 4, 2024, the Company closed the first tranche of a non-brokered private placement offering (the "Private Placement") with the placement of 6,156,199 units (the "Units") at a price of C$0.18 per Unit for gross proceeds of $808,750 (C$1,108,116). On April 12, 2024, the Company closed the second and final tranche of the Private Placement with the placement of 21,621,577 units at a price of C$0.18 per Unit for gross proceeds of $2,840,462 (C$3,891,884). In total, the Company placed 27,777,776 units for aggregate proceeds of $3,562,256, net of $86,956 share issuance cost.

   Each Unit consists of one common share (a "Share") and one half of one Share purchase warrant (a "Warrant") with each whole Warrant entitling the holder to purchase one Share of the Company at a price of C$0.30 per Share for a period of 36 months from the date of closing of the Private Placement (the "Closing Date").

   The Company paid fees to eligible finders consisting of (i) $51,605 (C$70,111) in cash and (ii) 382,843 finder's warrants (the "Finder's Warrants) exercisable into one Share at a price of C$0.30. The Finder's Warrants are exercisable for a period of 36 months from the Closing Date.

b) On April 12, 2024, the Company settled $2,181,458 of indebtedness through the issuance of 6,000,000 common shares valued at the current market price of C$0.24 per share. The settlement of debt results in a gain of $1,132,260. The Company incurred $11,019 share issuance cost on the settlement.

*During the year ended December 31, 2023*

a) On February 3, 2023, 22,500 common shares were issued in relation to the exercise of warrants with an exercise price of C$0.33 for total proceeds of $5,534.

b) On March 23, 2023, 75,000 common shares were issued in relation to the exercise of options with an exercise price of C$0.25 for total proceeds of $13,715.

c) On April 3, 2023, 21,500 common shares were issued in relation to the exercise of warrants with an exercise price of C$0.33 for total proceeds of $5,243.

d) On April 5, 2023, 280,000 common shares were issued in relation to the exercise of warrants with an exercise price of C$0.33 for total proceeds of $68,663.

e) On April 10, 2023, 187,500 common shares were issued in relation to the exercise of options with an exercise price of C$0.25 for total proceeds of $34,779.

f) On April 11, 2023, 120,000 common shares were issued in relation to the exercise of warrants with an exercise price of C$0.33 for total proceeds of $29,275.

g) On April 21, 2023, 25,000 common shares were issued in relation to the exercise of warrants with an exercise price of C$0.33 for total proceeds of $6,094.

h) On June 5, 2023, the Company closed the first tranche of its non-brokered private placement offering with the placement of 4,210,050 units (the "Units") at a price of C$0.30 per Unit for gross proceeds of $952,859. Each Unit consists of one common share and one Share purchase warrant entitling the holder to purchase one share of the Company at a price of C$0.45 per share for a period of 24 months from the date of closing of the Private Placement. Under the first tranche of the Private Placement, the Company paid fees to eligible finders consisting of: (i) $35,716 in cash; (ii) 78,003 finder warrants (the "Finder Warrants") exercisable into one Common Share at a price of C$0.30, and (iii) 79,800 Finder Warrant exercisable into one Common Share at a price of C$0.45. Finder Warrants are exercisable until June 2, 2025.

i) On June 28, 2023, the Company closed the second tranche of its non-brokered private placement offering with the placement of 3,006,700 units (the "Units") at a price of C$0.30 per Unit for gross proceeds of $680,505. Each Unit consists of one common share and one Share purchase warrant entitling the holder to purchase one share of the Company at a price of C$0.45 per share for a period of 24 months from the date of closing of the Private Placement. Under the second tranche of the Private Placement, the Company paid fees to eligible finders consisting of: (i) $8,226 in cash and (ii) 21,780 finder warrants (the "Finder Warrants") exercisable into one Common Share at a price of $0.45, and (iii) 14,562 Finder Warrants exercisable into one Common Share at a price of $0.30. Finder Warrants are exercisable until June 28, 2025.

j) On July 7, 2023, the Company closed the third tranche of its non-brokered private placement offering with the placement of 1,384,000 units (the "Units") at a price of C$0.30 per Unit for gross proceeds of $313,240. Each Unit consists of one common share and one Share purchase warrant entitling the holder to purchase one share of the Company at a price of C$0.45 per share for a period of 24 months from the date of closing of the Private Placement. Under the third tranche of the Private Placement, the Company paid fees to eligible finders consisting of: (i) $900 and (ii) 3,000 finder warrants (the "Finder Warrants") exercisable into one Common Share at a price of C$0.45. Finder Warrants are exercisable until July 7, 2025.

k) On August 9, 2023, 250,000 common shares were issued in relation to the vesting of RSUs.

As at June 30, 2024, options entitling the holders to acquire common shares are as follows:

| Expiry date | Number of options | Number of vested options | Weighted average remaining life in years | Weighted average exercise price |
|---|---|---|---|---|
| June 24, 2025 | 150,000 | 150,000 | 1.23 | C$ 0.27 |
| November 2, 2025 | 125,000 | 125,000 | 1.59 | C$ 0.70 |
| June 21, 2026 | 3,900,000 | 3,900,000 | 2.22 | C$ 0.60 |
| August 23, 2026 | 1,025,000 | 1,025,000 | 2.40 | C$ 0.60 |
| August 9, 2027 | 1,225,000 | 1,225,000 | 3.36 | C$ 0.25 |
| November 4, 2027 | 350,000 | 350,000 | 3.60 | C$ 0.23 |
| November 30, 2026 | 250,000 | 125,000 | 4.67 | C$ 0.27 |
| November 30, 2028 | 1,800,000 | 900,000 | 2.67 | C$ 0.27 |
| | **8,825,000** | **7,800,000** | **2.94** | **C$ 0.46** |

As at June 30, 2024, warrants entitling the holders to acquire common shares are as follows:

| Expiry date | Number of warrants | Weighted average remaining life in years | Weighted average exercise price |
|---|---|---|---|
| October 20, 2024 | 4,548,157 | 0.31 | C$0.33 |
| October 28, 2024 | 2,132,762 | 0.33 | C$0.33 |
| June 5, 2025 | 4,289,850 | 0.93 | C$0.45 |
| June 5, 2025 | 78,003 | 0.93 | C$0.30 |
| June 28, 2025 | 3,028,480 | 0.99 | C$0.45 |
| June 28, 2025 | 14,562 | 0.99 | C$0.30 |
| July 7, 2025 | 1,387,000 | 1.02 | C$0.45 |
| April 4, 2027 | 3,187,654 | 2.76 | C$0.30 |
| April 12, 2027 | 11,084,075 | 2.78 | C$0.30 |
| | **29,750,543** | **1.69** | **C$0.35** |

As at June 30, 2024, the Company had 225,000 RSU’s outstanding.

# SUBSEQUENT EVENTS

On August 8, 2024, Sebastian Wahl resigned as Vice President, Corporate Development of the Company. However, Mr. Wahl will remain a director of the Company.

On August 20, 2024, the Company has issued 1,261,956 common shares of the Company at a price of C$0.23 per share to Mr. Wahl. In addition, the Company also paid C$32,500 as part of its full and final settlement with Mr. Wahl.

# LEGAL DISCLOSURES

On February 19, 2024, Minera Tangana S.A.C. (Tangana), a wholly owned subsidiary of Silver X Mining Corp (the Company), was declared insolvent as a result of a process initiated by five creditors of Tangana. A repayment agreement was negotiated with two creditors with the repayment obligation guaranteed by Recuperada S.A.C., also a wholly owned subsidiary of the Company, on a limited recourse basis secured by mortgages over five mineral concessions: KARLA 54, KARLA 10, KARLA 94, KARLA 13 and KARLA 125.

The repayment agreement is currently in default and the Company expects that the creditors will realize on their security and take possession of the concessions.  The concessions are not material to the Company’s current operations or future plans. Tangana does not have any material assets so it is not expected that the creditors will have any further recourse against the Company or any of its subsidiaries.

Recuperada S.A.C. has been designated as a "civilly responsible third party” in a criminal proceeding brought against several defendants in connection with alleged illegal mining activity carried on by a mining contractor on the "San Antonio" and "Karla 138" mining concessions. The Company is currently in negotiations to resolve the matter pursuant to a process that allows for the payment of compensation for the dismissal of the criminal case.  Based on advice from legal counsel and the tenor of negotiations to date, the Company expects that the payment required to resolve this matter will be nominal and not financially material for the Company.

The outcomes of pending litigations in which the Company is involved are necessarily uncertain as are the Company’s expenses in prosecuting and defending these actions. From time to time the Company may modify its litigation strategy and/or the terms on which it retains counsel and other professionals in connection with such actions, which may affect the outcomes of and/or the expenses incurred in connection with such actions.

The Company records provisions for losses when claims become probable, and the amounts are estimable. Although the outcome of such matters cannot be determined, it is the opinion of management that the final resolution of these matters will not have a material adverse effect on the Company’s financial condition, operations, or liquidity.

# RISKS AND UNCERTAINTIES

*Foreign Currency Risk*

The Company operates mainly in Canada and Peru and is therefore exposed to financial risk related to the fluctuation of foreign exchange rates. The Company funds cash calls to its subsidiary companies outside of Canada in Canadian or US dollars, and a portion of its expenditures are incurred in local currencies. The risk is that a significant change in the exchange rate of the Canadian dollar relative to the US dollar and the Peruvian sol could have an adverse effect on the Company's results of operations, financial position, or cash flows. The Company has not hedged its exposure to currency fluctuations. The Company is exposed to currency risk through assets and liabilities denominated in these foreign currencies. A 10% change in the exchange rate of these foreign currencies to the Canadian dollar would increase or decrease will have no material change to the net loss or income from operations.

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*Liquidity Risk*

Liquidity risk is the risk that the Company will not be able to meet its obligations as they become due. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments. The Company is exposed to liquidity risk.

*Interest Rate Risk*

Interest rate risk consists of two components:

- To the extent that payments made or received on the Company's monetary assets and liabilities are affected by changes in the prevailing market interest rates, the Company is exposed to interest rate cash flow risk.

- To the extent that changes in prevailing market rates differ from the interest rate in the Company's monetary assets and liabilities, the Company is exposed to interest rate price risk.

As at June 30, 2024, an 1% change in market interest rates would result in no material change in value of the assets or liabilities of the Company.

*Mineral Property Exploration and Mining Risks*

The business of mineral deposit exploration and extraction involves a high degree of risk. Few properties that are explored ultimately become producing mines. At present, the Company's properties only have mineral resources and have yet to declare any compliant mineral reserves. The main operating risks include: securing adequate funding to maintain and advance exploration properties; defining mineral resources and mineral reserves, ensuring ownership of and access to mineral properties by confirmation that option agreements, claims and leases are in good standing; and obtaining permits for drilling and other exploration activities.

Inferred Mineral Resources have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of an Inferred Mineral Resource will ever be upgraded to a higher category.

*Title to Mineral Property Risks*

The Company does not maintain insurance against title. Title on mineral properties and mining rights involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyance history of many mining properties. The Company has diligently investigated and continues to diligently investigate and validate title to its mineral claims; however, this should not be construed as a guarantee of title. The Company cannot give any assurance that title to properties it acquired will not be challenged or impugned and cannot guarantee that the Company will have or acquire valid title to these mineral properties.

*Commodity Price Risk*

The Company is exposed to commodity price risk. Declines in the market price of silver and gold, base metals and other minerals may adversely affect cashflow from The Company's operation and The Company's ability to raise capital in order to fund its ongoing exploration and development or the value it may obtain on disposal of an asset. Commodity price declines could also reduce the amount the Company would receive on the disposal of its mineral properties to a third party. Refinery and treatment terms may also adversely impact the company.

*Financing and Share Price Fluctuation Risks*

The Company is dependent on outlining mineral resources and developing access to them so that they can be processed on a sustainable, profitable basis. Further exploration and development of the Company's project may be dependent upon the Company's ability to obtain financing through equity or debt financing or other means. Failure to obtain this financing could result in delay or indefinite postponement of further exploration and development of its project which could result in the loss of its property.

Securities markets have at times in the past experienced a high degree of price and volume volatility, and the market price of securities of many companies, particularly affecting those parts of a company considered to be at exploration stage, have experienced wide fluctuations in share prices which have not necessarily been related to their operating performance, underlying asset values or prospects. There can be no assurance that these kinds of share price fluctuations will not occur in the future, and if they do occur, how severe the impact may be on the Company's ability to raise additional funds through equity issues or the value of the Company's investments and corresponding effect on the Company's financial position.

*Political, Regulatory and Currency Risks*

The Company operates in Peru. Changing political aspects may affect the regulatory environment in which the Company operates. A significant portion of the Company's expenditures are incurred in US dollars. At this time there are no currency hedges in place. Therefore, a weakening of the Canadian dollar against the US dollar could have an adverse impact on the amount of development and exploration conducted.

South America which has specific risks that may adversely affect the Company's business and results of operations which are different from and, in many cases, greater than comparable risks associated with similar operations within North America. The political and economic environment in Peru has been unstable in the past, and the country has been subject to strikes and general civil unrest. There can be no assurance that the political or economic environment in Peru will be stable in the future. Risks associated with political or economic instability include, but are not limited to, terrorism, hostage taking, military repression, high rates of inflation, currency fluctuations and controls, crime, corruption uncertainty of the rule of law and legal systems, misuse of legal systems, labour unrest, risks of war or civil unrest, illegal mining and possible political or economic instability which may result in the impairment or loss of mineral concessions or other mineral rights. Mineral exploration and mining activities may be affected in varying degrees by political instability and government regulations relating to the mining industry.

*Insured and Uninsured Risks*

In the course of exploration, development and production of mineral properties, the Company is subject to a number of hazards and risks in general, including adverse environmental conditions, operational accidents, labor disputes, unusual or unexpected geological conditions, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods, and earthquakes. Such occurrences could result in damage to the Company's properties or facilities and equipment, personal injury or death, environmental damage to properties of the Company or others, delays, monetary losses and possible legal liability.

Although the Company may maintain insurance to protect against certain risks in such amounts as it considers reasonable, its insurance may not cover all the potential risks associated with its operations. The Company may also be unable to maintain insurance to cover these risks at economically feasible premiums or for other reasons. Should such liabilities arise, they could reduce or eliminate future profitability and result in increased costs, have a material adverse effect on the Company's results and a decline in the value of the securities of the Company.

*Environmental and Social Risks*

The activities of the Company are subject to environmental regulations issued and enforced by government agencies. Environmental legislation is evolving in a manner that will require stricter standards and enforcement and involve increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There can be no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations. Environmental hazards may exist on properties in which the Company holds interests which are unknown to the Company at present. Changing social expectations could add new layers of risk to the viability of exploitation, exploration and development properties as recently experienced. Through mutually beneficial Community agreements the Company mitigates potential unrest and disputes risks with the communities where it operates.

*Competition*

The Company competes with many companies and individuals that have substantially greater financial and technical resources than the Company for the acquisition and development of its projects as well as for the recruitment and retention of qualified employees.

*Conflict of Interest*

Certain directors and officers of the Company are or may become associated with other mining and/or mineral exploration and development companies which may give rise to conflicts of interest. Directors who have a material interest in any person who is a party to a material contract or a proposed material contract with the Company are required to disclose that interest and generally abstain from voting on any resolution to approve such a contract. In addition, directors and officers are required to act honestly and in good faith with a view to the best interests of the Company. Some of the directors and officers of the Company have either other full-time employment or other business or time restrictions placed on them and accordingly, the Company will not be the only business enterprise of these directors and officers. Further, any failure of the directors or officers of the Company to address these conflicts in an appropriate manner or to allocate opportunities that they become aware of to the Company could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

## FORWARD LOOKING STATEMENTS

This MD&A may contain "forward-looking statements" that reflect the Company's current expectations and projections about its future results. When used in this MD&A, words such as "will", "may", "should", "estimate", "intend", "expect", "anticipate" and similar expressions are intended to identify forward-looking statements which, by their very nature, are not guarantees of the Company's future operational or financial performance.

Forward-looking statements are not historical facts and include, but are not limited to:

a) Estimates and their underlying assumptions;
b) Statements regarding plans, objectives and expectations with respect to the effectiveness of the Company's business model, future operations, the impact of regulatory initiatives on the Company's operations and market opportunities;
c) General industry and macroeconomic growth rates;
d) Uncertainty on success of corporate development initiatives;
e) Expectations related to possible joint or strategic ventures; and
f) Statements regarding future performance.

Although forward-looking statements and information contained in this MD&A are based on the beliefs of management which we consider to be reasonable, as well as assumptions made by information currently available by management, there is no assurance that the forward-looking statements or information will prove to be accurate.

Forward-looking statements used in this MD&A are subject to various known and unknown risks, uncertainties and other factors, most of which are difficult to predict and generally beyond the control of the Company. These risks, uncertainties and other factors may include but are not limited to unavailability of financing, failure to identify commercially viable mineral reserves, fluctuations in the market valuation for commodities, difficulties in obtaining required approvals for the development of a mineral project, failure to obtain licenses that are expected to be issued (or issued in a timely manner), impact resulting from lack of community support, impact resulting from lack of governmental and regulatory support and other factors. This list is not exhaustive and these and other factors should be considered carefully.

Readers are cautioned not to place undue reliance on these forward-looking statements which pertain only as of the date of this MD&A or as of the date otherwise specifically indicated herein. Due to risks, uncertainties and other factors, including the risks, uncertainties and other factors identified above and elsewhere in this MD&A, actual events may differ materially from current expectations. The Company disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise except as required by securities law.

## QUALIFIED PERSON

The scientific and technical information presented in this MD&A above has been reviewed, approved and verified by Mr. A. David Heyl, B.Sc., C.P.G, who is a qualified person as defined in National Instrument 43-101 - *Standards of Disclosure for Mineral Projects*. Mr. A. David Heyl is a consultant for Silver X.

Information on data verification performed on the mineral properties mentioned in this MD&A that are considered to be material mineral properties to the Company are contained in the current technical reports for those properties, all available under the Company's profile at www.sedar.com.