



SILVER X MINING CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the period ended March 31, 2022

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 three months ended March 31, 2022. The following information, prepared as of May 27, 2021, should be read in conjunction with the Company's unaudited condensed consolidated interim financial statements for the three months ended March 31, 2022 and the audited ten months ended December 31, 2021 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.

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CORPORATE OVERVIEW

The Company is a Vancouver-based resource company. The Company offers diverse commodity exposure, including silver, gold, lead and zinc opportunities and further growth through regional consolidation.

On June 18, 2021, the Company changed its name to “Silver X Mining Corp.” and its trading symbol to “AGX”.

The Company’s shares trade on the TSX Venture Exchange (the “TSXV”).

SILVER X AND LATITUDE SILVER TRANSACTION

On June 23, 2021, the Company and Mines and Metals Trading (Peru) PLC (“MMTP”, also commercially known as “Latitude Silver”) announced they have closed their previously announced business combination agreement (the “Transaction”).

Pursuant to the terms of the Business Combination Agreement, Silver X acquired all of the MMTP common shares (the “MMTP Shares”) as part of a merger of equals. Each MMTP Share was exchanged for 28.828 (the “Exchange Ratio”) common shares of Silver X (a “Silver X Share”), resulting in an aggregate of approximately 42,969,000 Silver X Shares issued to the MMTP shareholders pursuant to the Transaction.

As part of the closing of the Transaction, the Company issued 23,649,286 subscription receipts of MMTP Finco Inc. (“Finco”), a wholly-owned subsidiary of Latitude Silver, which were issued pursuant to a private placement financing completed on April 16, 2021, each converted into one common share of Finco (the “Finco Shares”). In connection with closing the Transaction, the Company issued 23,649,286 Silver X Shares in exchange for the Finco Shares and the net proceeds of the financing of \$10,647,512 were released to Silver X.

NUEVA RECUPERADA, PERU

Overview

Silver X’s district-sized, Nueva Recuperada Project lies in the heart of Peru’s premier silver-lead-zinc belt. The 20,472 hectare project was assembled through acquisitions from major silver producers such as Compañía de Minas Buenaventura SAA (NYSE: BVN) and Pan American Silver (TSX: PAAS). The project includes: (i) the Tangana mining unit (“Tangana”), currently a 600 Tpd precious and base-metal operation recently upgraded to 720 Tpd that is in the northern portion of the project. It is comprised of 100 plus veins spanning an area of more than 65 square kms, and (ii) the Esperanza (also referred to as Plata) mining unit, a grouping of historic silver-polymetallic veins, with significant exploration upside in the southern portion of the project. It is comprised of 200 plus veins often with intense anatomizing, spanning an area of more than 70 square kms. The Nueva Recuperada project has an estimated 7,324,000 tonnes of inferred resources at grades of 130.32 g/T Ag, 3.17% Pb/T, 2.04% Zn/T and includes a 720 Tpd, fully permitted, fully operational processing facility that started processing mineralization in 2019.

Tangana Mine – Silver, Gold, Lead & Zinc

The Tangana mine was built in 2021 by Silver X on the Tangana 1 and 2 veins and is currently producing an average of over 500 Tpd of ore from development on the Tangana 1 vein, which is just one of dozens of veins in the Tangana mining unit. The Tangana 1 vein is part of the extensive Tangana vein system which hosts an estimated inferred resource of 4,840,015 tonnes grading 116.33 g/T Ag, 3.35% Pb and 1.63% Zn. Production infrastructure development at Tangana 1 is being optimized by the recently completed 4,000-metre infill drill programme.

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. Silver X plans to develop in the near term a number of supporting mine infrastructures to access other nearby high grade structures in the Tangana mine area including the Cauca, Morlupo and Tangana 2 veins.

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 meter 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 by kms 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 m wide and currently being developed by two small contactors.

The 21-hole, 4,000-metre Phase 1 underground infill drilling programme referred to above is the Phase One programme focused on upgrading and expanding the Company's reported 7.3 MT inferred overall resource.

Preliminary analysis of this drilling along with channel sampling results from Tangana indicate that potentially economic mineralization appears to extend for an additional 220 metres horizontally and 200 metres deeper into what is interpreted as a previously unexplored, open-ended, resource extension.

In addition, the recently completed infill drill programme at Tangana is expected to:

- 1) Demonstrate the continuity of the mineralized structures;
- 2) Improve the Company's geological understanding of mineralization potential;
- 3) Outline new prospective horizons at depth and along strike within the Tangana deposit.

Apart from diamond drilling and development channel sampling, exploration activity at Tangana has included geological mapping, surface channel sampling, geochemical and spectral sampling. These exploration activities have verified the majority of the historical data for the Tangana mining unit and validated data covering the Maria Luz, Pucapunta and Blenda Rubia mining units. This, along with previously reported data, suggest that the Nueva Recuperada project hosts multiple silver-gold-polymetallic exploration targets with near-term potential for resource upgrade and production at a district scale which will be confirmed later this year with an updated NI-43-101 Technical Report.

This recent exploration campaign has focused on improving the geological understanding of Tangana 1 and Cauca veins and, in August and September 2021, Silver X announced positive diamond drilling and channel sampling results along the Tangana 1 vein. It is noteworthy that drilling intersected gold mineralization as well as and including 928.13 g/T AgEq over 1.38 metres in DDH-TN-2021-003 and 631.71 g/T AgEq over 0.92 metres in DDH-TN-2021-004*. Subsequent channel sampling also intersected significant gold mineralization as well as polymetallic grades up to 1,675 g/T Ag over 0.95 metres, 7.37% Pb over 0.60 metres, and 6.75% Zn over 0.80 metres. Together these results expanded the extent of known mineralization by 200 metres vertically and 130 metres horizontally. (*AgEq based on USD \$1,786/oz Au, \$23.68/oz Ag, \$1.0703/lb Pb, \$1.3827/lb Zn and does not consider metallurgical recovery).

In September, 2021 the Company acquired the adjacent 250-hectare Tangana West silver project that hosts high-grade silver-polymetallic veins that outcrop at surface. The Tangana West structure extends 1.3 kilometres along strike and, based on field observations of the new claims, is interpreted to be vertically continuous for over 500 metres. Silver X now controls more than 3.0 kilometres of the Tangana silver-polymetallic mineralized system (Tangana and Tangana West) which has an average vein thickness of 1.05 metres.

Esperanza (Plata) – Silver, Lead & Zinc

Esperanza was the last historical operation to close when the project was under BVN management and hosts an estimated 85,226 tonne inferred resource grading 256.60 g/T Ag, 2.94% Pb and 4.84% Zn. There are abundant 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.

Maria Luz – Silver

Maria Luz hosts a reported 195,159 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 in the second half of 2022.

25,000 Metre Phase 2 Resource Expansion and Definition Drill Programme

Based on the recent Phase One drill results and surface exploration at Nueva Recuperada, Silver X has commenced a Phase Two drill programme comprised of 9,000 metres of underground drilling employing two rigs and 6,000 metres drilled from surface across known silver-polymetallic and other newly identified greenfield targets.

Based on Phase Two drilling results being successful an additional 10,000 metres of both underground and surface drilling will be scheduled, for a total of 25,000 metres of drilling within a budget in excess of \$5.0 million.

Recent exploration has confirmed the presence of new polymetallic veins and identified carbonate manto-type replacements, skarns and mineralized porphyries on the concessions. Preliminary field data supports the highly prospective nature of these new target areas and will be announced separately in the second or third quarter.

The focus of the Phase Two program is upgrading existing resources as well as identifying resource extensions on the three most advanced targets at Tangana, Esperanza and Maria Luz. All in all, the expanded Phase Two diamond drill programme will target:

- **Tangana:** Resource upgrading and evaluation of the Tangana, Cauca, Las Animas, Estrella and Morlupo veins (already underway).
- **Esperanza (Plata):** Infill drilling and historical data validation starting H1 2022.

Environmental and Social Impact Assessment Update

Silver X began updating the Environmental and Social Impact Assessment (ESIA) for its Nueva Recuperada Project 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. The ESIA is a key component of a comprehensive environmental and social permitting process covering both of the wholly owned Tangana and Esperanza 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 an 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 m³ capacity tailings storage facility with a goal to expand silver production at Nueva Recuperada to 5 Moz Ag.

Expanded Processing Plant Capacity

On October 20, 2021 the Company secured the environmental permit required to increase production capacity at its Nueva Recuperada polymetallic concentrate plant to 720 tonnes per day of feed. Installation of a new crushing circuit and flotation cells was commenced in late 2021 and the Company expected full commissioning by start Q2 2022. Once completed, this will represent a 20% increase in processing capacity at Nueva Recuperada with the potential of additional concentrate sales increasing cashflow for the Company.

CORIORCCO GOLD PROJECT, PERU

Overview

On October 8, 2020, Silver X acquired the legal and beneficial right, title and interest in the option to acquire 100% of a 2,000 hectare concession known as the Coriorcco Property ("Coriocco").

The Coriorcco gold project, located 80 km east of Peru's prominent Pan American highway in Lucana Province, Ayacucho region of southern Peru, is accessible by paved road to within 5 km of the project and has potential for stand-alone development.

Coriorcco is one of several zones within the San Juan de Lucanas mining district with outcropping quartz vein-hosted gold and silver mineralization hosted by the strongly silicified and argillized volcanic Coriorcco Dome Structure as exposed through quaternary cover. The dome measures approximately 700 x 800 m and hosts 17 epithermal quartz, quartz-carbonate and quartz-carbonate-adularia veins along with lesser veins. The most common vein orientations are northwest and east-northeast, typical of the Andean Trend and antithetic transform structures. Veins pinch and swell along-strike and with depth. Vein Three and Vein Six are the two most significant

structures and have been mapped at surface striking approximately east-northeast for 280 m and 405 m respectively and traced to depth in historical mine workings down to -60 m below surface.

- Coriorcco hosts 17, outcropping, mineralized veins with widths up to 2.5m within a 1 km by 800 m zone of intense epithermal alteration.
- Limited surface sampling by the previous operators include:
 - 22.90 g/T Au; 19.25 g/T Au; 14.20 g/T Au; 13.05 g/T Au ;
 - The average grade of 181 surface samples is 1.91 g/T Au ;
 - Further encouraging sampling from underground workings is to be verified.

Coriorcco Option Agreement

Under the Coriorcco Option Agreement, the Company will have the right to acquire a 100% interest in Coriorcco by making a payment of \$3,000,000 plus general sales tax and granting a production royalty to the underlying concession holder (the “Coriorcco Royalty”) (of 1% NSR) upon fulfilling the precedent conditions, some of which remain to be met, which include commencement of mining and production payments.

If the Company exercises its option to acquire the Coriorcco property, Silver X will grant to Titan Minerals a 1% net smelter royalty (the “NSR”) over the Coriorcco property.

The Coriorcco Royalty can be repurchased for \$1,000,000 (the “Buy-Back Right”) prior to the fifth anniversary of the Coriorcco Option Agreement. Every year following the fifth anniversary of the Coriorcco Option Agreement, the cost of the Buy-Back Right increases by 10%.

Additionally, as part of the amending agreement, the Company will pay \$190,000 (upon completion of registering the amended agreement with the Peruvian Public Registry, which had not occurred as at December 31, 2021) and will be required to pay up to \$850,000 (in cash or shares at the Company’s option) based on the size of the mineral resource (in the measured and indicated category) as established on the property in a technical report prepared in accordance with National Instrument 43-101 on the following conditions:

- \$350,000 if a measured and indicated resource of 500,000 to 999,999 ounces of gold is established;
- \$450,000 if a measured and indicated resource of 1,000,000 to 1,499,999 ounces of gold is established; or
- \$850,000 if a measured and indicated resource in excess of 1,500,000 ounces of gold is established

LAS ANTAS GOLD PROJECT, PERU

Overview

On October 8, 2020, Silver X acquired the legal and beneficial right, title, and interest in the option to acquire up to 85% of a 1,400 hectare concession known as the Las Antas Property (“Las Antas”), adjacent to the Coriorcco project, upon fulfilling the precedent conditions of which the completion of the \$2,000,000 expenditure in exploration remains to be met.

The Las Antas Gold Project, which hosts significant exploration potential for stand alone, bulk tonnage, disseminated style gold mineralization, provides Silver X with a key foothold into a broader district that contains multiple high-grade gold-silver veins. Located within the prolific epithermal gold belt of Southern Peru, Las Antas is an important step towards development of a substantial land position in the region, generating multiple options.

Las Antas is hosted by the Calipuy volcanic layered stratigraphy in Southern Peru with andesitic flows, ignimbrites, tuffs, volcanic breccias and agglomerate units. The volcanic stratigraphy has been intruded by several andesitic to dacitic stocks, which comprise favourable units for mineralization and at surface are associated with a pervasive hydrothermal alteration system in halos of intense silicification, showing vuggy silica, alunite and illite.

The project is located within the Oligocene-Pliocene gold-silver Belt of Southern Peru, which contains various

precious metal deposits including the Ares Mine (1.2M oz Au & 15M oz Ag) and the Antapite Mine (600K oz Au).

Specific to the Las Antas Project area are two prioritized targets areas:

- Yuracmarca Target, 1.5 × 2.2 km of area with propylitization, argilization and silicification.
- Cerro Amarillo Target, 3.5 × 2.3 km of area with intense silicification, in parts vuggy silica, altered breccias, alunite and illite, argilization and propylitization.

JULIAN PROPERTY, ECUADOR

On January 27, 2020, the Company entered into an asset purchase agreement (the “Asset Purchase Agreement”) with Green Oil S.A. (“Green Oil”) with respect to the acquisition by the Company from Green Oil of certain mineral claims located in Ecuador known as the Julian Property.

On June 11, 2020, the Company acquired the Julian Property through the issuance of 6,000,000 common shares valued at \$1,042,436, to Green Oil and its nominees. The Company also paid direct transaction costs of \$72,173.

The Julian Property is located in the Province of Azuay in the canton of Oña, overlapping the Parishes Oña Yacuambi and Nabón, approximately 64 km southwest of the city of Cuenca and 100 km southeast of Machala in the Cordillera Real de los Andes Ecuador.

The Julian concession covers 2,312 Ha and surrounds the El Mozo high sulphidation epithermal gold project.

Project Overview:

- The known El Mozo mineralized trend runs directly from El Mozo South-West onto Julian but it has not been drill tested.
- Julian is located on the same Miocene-Pliocene volcanic, Piyasambo Formation host rocks as the “El Mozo” project and it also is located to the south-west of the “Collay-Shincata” mineralized belt which contains epithermal mineralization.
- Access is via paved highway to within 30 mins of Julian.

The Company currently is not undertaking any works on the property and continues assessing its potentiality.

SELECTED FINANCIAL INFORMATION

The following table provides information for the three months ended March 31, 2022 and three months ended February 28, 2021:

	For the three months ended March 31, 2022	For the three months ended February 28, 2021
OPERATING REVENUES	\$ 1,308,153	\$ -
COST OF SALES		
Mining and processing	\$ (3,783,893)	\$ -
Amortization	(45,316)	-
	(3,829,209)	-
EXPLORATION EXPENDITURES		
Exploration expenses	\$ (39,162)	\$ (418,094)
Income from leasing E&E assets	-	20,864
	(39,162)	(397,230)
GENERAL AND ADMINISTRATIVE EXPENSES		
Consulting fees	\$ (208,048)	\$ (443,236)
Directors fees	(3,159)	(13,363)
Investor relations	(64,274)	(293,109)
Office and administration	(157,003)	(39,206)
Professional fees	(59,036)	(136,815)
Salaries and benefits	(41,283)	(51,493)
Share-based payments	(122,073)	(314,349)
Transfer agent and regulatory fees	(9,447)	(7,826)
	(664,323)	(1,299,396)
OTHER ITEMS		
Finance income	3,158	(1,728)
Finance cost	(62,911)	-
Foreign exchange gain (loss)	91,686	(5,805)
Net loss before tax	(3,192,608)	(1,704,160)
Deferred income tax recovery	1,789,000	-
Net loss	(1,403,608)	(1,704,160)
(Loss) gain on translation of foreign operations	350,585	174,021
Total comprehensive loss	\$ (1,053,023)	\$ (1,530,139)
Loss per share, basic and diluted	\$ (0.01)	\$ (0.04)
Weighted average number of common shares outstanding	122,516,054	42,907,293

Change in Fiscal Year-end

The Company has changed its fiscal year-end from February 28 to December 31, resulting in a 10 month transition year from March 1, 2021 to December 31 2021 with a comparative twelve month ended February 28, 2021. The reason for the change was to be consistent with its operating subsidiary's year end.

The Company also changed its presentation currency effective March 1, 2020; the Company changed its presentation currency from the CAD to USD to better reflect the Company's business activities. For more information, please see note 2 of the audited financial statements for period ended December 31, 2021.

Three months ended March 31, 2022 vs. three months ended February 28, 2021

For the three months ended March 31, 2022, the Company recorded a net loss before tax of \$3.2M, compared to a net loss before tax of \$1.7M in the three months end February 28, 2021. The significantly higher loss in the current period was due to increased operating and business activity as the company cemented its presence in both Ecuador and Peru with the acquisition of mineral properties since the completion of the business combination of MMTP on June 23, 2021. Mining operations from the sale of pre-commercial mineral production was \$1.3M with production costs of \$3.8 million also significantly contributed to the loss.

Loss or gain in translation of foreign operations fluctuate depending on the strength of the Peruvian SOL and Canadian Dollar against the US Dollar.

QUARTERLY RESULTS

	Mar 31, 2022 (\$) (3 months)	Dec 31, 2021 (\$) (3 months)	Sept 30, 2021 (\$) (4 months) ¹	May 31, 2021 (\$) (3 months)	Feb 28, 2021 (\$) (3 months)	Nov 30, 2020 (\$) (3 months)	Aug 31, 2020 (\$) (3 months)	May 31, 2020 (\$) (3 months)
		<i>Restated</i> ⁵	<i>Restated</i> ⁵					
Operating revenues	1,308,153	1,229,977	2,884,034					
Cost of Sales	(3,829,209)	(4,774,645)	(4,805,000)					
Exploration (expense) recovery	(39,162)	(110,600)	(217,183)	(101,683)	(418,094)	(138,149)	(38,220)	(42,452)
General and administrative expenses ²	(542,250)	(177,039)	(2,020,379)	(471,091)	(964,183)	(723,098)	(468,287)	(49,123)
Share-based payments	(122,073)	38,563	(3,469,072)	(290,092)	(314,349)	(359,594)	(290,780)	-
Other income (expenses)	1,820,933	(1,386,537)	(1,177,777)	(1,518)	(7,534)	(2,939)	2,967	(29)
Net loss	(1,403,608)	(5,180,283)	(8,805,377)	(864,383)	(1,704,160)	(1,223,780)	(794,320)	(91,604)
Basic and diluted income (loss) per share	(0.01)	(0.01)	(0.07)	(0.02)	(0.04)	(0.04)	(0.04)	(0.02)
Total assets	65,413,116	66,864,258	65,538,038	18,558,419	7,254,793	8,426,711	1,696,108	102,009
Total liabilities	28,692,478	29,412,668	27,053,111	724,944	264,788	250,093	363,420	516,279
Shareholders' equity	36,720,638	37,451,590	38,484,927	17,833,476	6,990,005	8,176,618	1,332,688	(414,270)

¹ The Company has changed its year end from February 28th to December 31st, resulting in a transition quarter of 4 months ended September 30, 2021.

² The Exploration costs for the quarters ended February 29, 2020, relate to care and maintenance fees paid that were refunded.

³ The General and administrative expenses include amortization, consulting fees, directors' fees, investor relations, office and administration, professional fees, salary and benefits, and transfer agent and regulatory fees.

⁴ The Company also changed its presentation currency effective March 1, 2020; the Company changed its presentation currency from the CAD to USD to better reflect the Company's business activities. All 8 quarters noted above are presented in USD.

⁵ In May 2020, the IASB issued amendments to IAS 16 Property, Plant and Equipment that clarify the accounting for the net proceeds from selling any items produced while bringing an item of property, plant and mine development to the location and condition necessary for it to be capable of operating in the manner intended by management. The amendments prohibit entities from deducting amounts received from selling items produced from the cost of property, plant and mine development while the Company is preparing the asset for its intended use. Instead, sales proceeds and the cost of producing these items will be recognized in the condensed interim consolidated statements of income. The amendments are effective for annual reporting periods beginning on or after January 1, 2022. The amendments apply retrospectively, but only to assets brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the Company first applies the amendments. The Company adopted the standard on the effective date and applying it retrospectively to the fiscal year beginning January 1, 2021 resulted in an increase to revenue from mining operations from the sale of pre-commercial mineral production of \$4.1 million and an increase in production costs of \$9.6 million during the year ended December 31, 2021, along with a corresponding net increase in the cost of property plant and mine development of \$5.5 million as at December 31, 2021.

Three months ended March 31, 2022 vs. all prior historic quarters

The Company has significantly increased its business level at all areas upon completion of the business combination with MMTP in June 23, 2021. The Company has significantly higher spending in exploration, consulting, investor relations, professional fees and general corporate expenditures. Mining operations from the sale of pre-commercial mineral production was at \$1.3M which was significantly lower than pre-commercial cost of sales of \$3.8M. This significantly contributed to the loss. During the three months ended March 31, 2022, the Company incurred a net loss of \$3.1M.

Change in total assets and liabilities

At March 31, 2022, the Company's total assets were \$65.4M. Total assets and liabilities have significantly increased in the current quarter. This was driven by the business combination with MMTP.

LIQUIDITY AND CAPITAL RESOURCES

	For the three months ended March 31, 2022	For the three months ended February 28, 2021
Net cash used in operating activities	(1,580,190)	(739,659)
Net cash provided by financing activities	142,251	29,177
Net cash used in investing activities	(627,950)	(18,043)
Net change	(2,063,784)	(690,348)
Cash, end of period	\$ 2,442,104	\$ 1,196,007

Cash used in operating activities for three months ended March 31, 2022 was \$1.6M compared to \$0.7M for the three months ended February 28, 2021. The significantly higher outflow in the current year was due to increased business activity as the company cemented its presence in both Ecuador and Peru with the acquisition of mineral properties, and the completion of the business combination of MMTP.

Cash provided by financing activities during the three months ended March 31, 2022 was \$0.2M as a result of the net proceeds from debenture issuance partially offset by lease payments.

Cash used in investing activities during the three months ended March 31, 2022 was higher at \$0.6M as the Company began to invest in its development property from MMTP. This property was not yet acquired in the comparative period in the prior year.

RELATED PARTY TRANSACTIONS

The Company's related parties with transactions during the three months ended March 31, 2022, consist of directors, officers and the following companies with common directors:

Related party	Nature of transactions
J Dare Consulting Ltd. (Director)	Director fees
Roma Capital Corp. (Director, Officer)	Consulting fees
JR Management Corp. (Director)	Consulting fees
A15 Capital Corp. (Director, Officer)	Consulting fees
Vista Gold S.A.C. (Director, Officer)	Exploration and evaluation expenses
Vihren Management LTD. (Officer)	Consulting fees
Ordago Ou (Director, Officer)	Consulting fees
Oscrow Capital Pty Ltd. (Director)	Director fees
Vista Gold S.A. (Director and Officer)	Peru project G&A expenses
Green Oil S.A. (Director)	Consulting fees

As at March 31, 2022, the Company had \$219,833 outstanding in accounts payables and accrued liabilities (December 31, 2021 - \$219,833) 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:

	For the three months ended March 31, 2022	For the three months ended February 28, 2021
Salaries and benefits	\$ 30,329	\$ 49,038
Consulting fees	131,018	154,364
Directors' fees	11,017	15,716
Share based payment	63,400	101,083
	\$ 235,763	\$ 320,201

SHAREHOLDER'S EQUITY

The authorized capital stock consists of an unlimited number of common shares without par value. As at March 31, 2022 and the date of this report, the company had the following:

	Stock options	Share purchase warrants	RSUs	Common shares
As at March 31, 2022	9,100,000	1,783,756	875,000	122,750,129
As at date of report	9,100,000	1,783,756	875,000	122,750,129

On April 18, 2022, the Company signed a debt settlement agreement with Baker Steel for the settlement of US\$4,198,356 (CAD\$5,285,310) of accrued interest, prepayment fee and principal on the \$4 million unsecured convertible debenture with the subscription of 17,617,701 common shares. The common shares will be issued at a deemed price of C\$0.30 when final approval from the exchange is received.

As at March 31, 2022 and date of the report, options enabling 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	1,450,000	1,450,000	3.23	C\$ 0.27
November 2, 2025	675,000	675,000	3.59	C\$ 0.70
June 21, 2026	4,500,000	4,500,000	4.12	C\$ 0.60
August 23, 2026	2,475,000	1,237,500	4.42	C\$ 0.60
	9,100,000	7,862,500	4.02	C\$ 0.55

As at March 31, 2022 and date of the report, warrants enabling the holders to acquire common shares are as follows:

Expiry date	Number of warrants	Weighted average remaining life in years	Weighted average exercise price
December 29, 2022	316,848	0.74	C\$0.665
June 23, 2023	1,466,908	1.23	C\$0.60
	1,783,756	1.14	C\$0.61

SUBSEQUENT EVENTS

On April 18, 2022, the Company signed a debt settlement agreement with Baker Steel for the settlement of US\$4,198,356 (CAD\$5,285,310) of accrued interest, prepayment fee and principal on the \$4 million unsecured convertible debenture with the subscription of 17,617,701 common shares. The common shares will be issued at a deemed price of C\$0.30 when final approval from the exchange is received.

RISKS AND UNCERTAINTIES

COVID 19

The recent outbreak of the novel coronavirus COVID-19, which was declared a pandemic by the World Health Organization on March 11, 2020, has led to adverse impacts on the Canadian and global economies, disruptions of financial markets, and created uncertainty regarding potential impacts to the Corporation. The extent to which the COVID-19 pandemic impacts the Corporation's business, results of operations and financial condition will depend on future developments, which are highly uncertain and cannot be predicted, including, but not limited to the duration, spread, severity, and impact of the COVID-19 pandemic, the effects of the COVID-19 pandemic on the Corporation's suppliers and vendors and the remedial actions and stimulus measures adopted by local and federal governments, and to what extent normal economic and operating conditions can resume. The management team is closely following the progression of COVID-19 and its potential impact on the Corporation. Even after the COVID-19 pandemic has subsided, the Corporation may experience adverse impacts to its business as a result of any economic recession or depression that has occurred or may occur in the future. Therefore, the Corporation cannot reasonably estimate the impact at this time to our business, liquidity, capital resources and financial results.

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 does not have a known commercial ore deposit. 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.

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 gold, base metals and other minerals may adversely affect the Company's ability to raise capital in order to fund its ongoing operations 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 reserves and developing access to them so that they can be processed on a sustainable, profitable basis. While the company does produce some revenue by processing mineralized material, it must further invest capital to reach commercial production. 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 and Ecuador. 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 Ecuador 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 Ecuador 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. Social risks are generally low in the principal country of operation of the Company but changing social expectations could add new layers of risk to the viability of exploration and development properties.

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.

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.g. spin out of Ecuador assets)
- 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

Geological and mining technical information presented in this MD&A above has been approved by Mr. John Bolaños or Mr. A. David Heyl, both of whom are deemed qualified persons who, by reason of education, affiliation with a professional association (as defined in NI 43-101) and past relevant work experience, fulfill the requirements for a Qualified Person as defined in NI 43-101, and who are independent of the issuer as specified in Section 1.5 of NI 43-101CP.

Mr. Heyl, B.Sc., C.P.G., QP is a Certified Professional Geologist and Qualified Person under NI 43-101. With over 30 years of field and upper management experience, Mr. Heyl has a solid geological background in generating and conducting exploration and mining programs for gold, rare earth metals and base metals, resulting in several discoveries. Mr. Heyl has 20 years of experience in Peru. He worked for Barrick Gold, was the exploration manager for Southern Peru Copper and spent over twelve years working in and supervising underground and open pit mining operations in the Americas. Mr. A. David Heyl is a consultant for Silver X Mining Corp.

Mr. John E. Bolaños qualified with an M.Sc. in Mining Geology from Camborne School of Mines (U.K.) and a Professional Geologist Eng. from The Central University of Ecuador (honours degree). He is a registered member of the Society for Mining, Metallurgy & Exploration (SME) of the United States; Director of the Ecuadorian College of Engineers in Geology, Mines, Oil and Environment and a member of the Mining Chamber of Ecuador. He has 28 years of experience in the exploration and mining industry throughout the Americas.

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.