

## MANAGEMENT'S DISCUSSION & ANALYSIS FOR THE PERIOD ENDED DECEMBER 31, 2023

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### **Background**

This Management Discussion and Analysis (MD&A) of Silver Tiger Metals Inc. ("Silver Tiger" or "the Company") is dated February 21, 2024 and provides an analysis of the financial operating results for the nine-month period ended December 31, 2023. This MD&A should be read in conjunction with the interim unaudited condensed consolidated financial statements and accompanying notes for the nine-month period ended December 31, 2023 which have been prepared in accordance with International Financial Reporting Standards ("IFRS") for financial statements. All amounts are in Canadian dollars unless otherwise specified. The financial statements and additional information, including news releases and technical reports referenced herein, are available on the Canadian System for Electronic Document Analysis and Retrieval (SEDARPlus) at [www.sedarplus.ca](http://www.sedarplus.ca) under the Company's name.

The common shares of Silver Tiger are traded on the TSX Venture Exchange under the symbol **SLVR** and on the OTCQX under the symbol **SLVTF**. Additional information can be found on the Company's website at [www.silvertigermetals.com](http://www.silvertigermetals.com)

### **Forward-Looking Information**

Certain statements in this MD&A are forward-looking statements or information (collectively "forward-looking statements"). The Company (as defined herein) is hereby providing cautionary statements identifying important factors that could cause the actual results to differ materially from those projected in the forward-looking statements. Any statements that express, or involve discussions as to, expectations, beliefs, plans, objectives, assumptions or future events or performance (often, but not always, through the use of words or phrases such as "may", "is expected to", "anticipates", "estimates", "intends", "plans", "projection", "could", "vision", "goals", "objective" and "outlook") are not historical facts, may be forward-looking, and may involve estimates, assumptions and uncertainties which could cause actual results or outcomes to differ materially from those expressed in the forward-looking statements.

By their nature, forward-looking statements involve numerous assumptions, inherent risks and uncertainties, both general and specific, which contribute to the possibility that the predicted outcomes may not occur or may be delayed. The risks, uncertainties and other factors, many of which are beyond the control of the Company, that could influence actual results include, but are not limited to: limited operating history; exploration, development and operating risks; regulatory risks; substantial capital requirements and liquidity; financing risks and dilution to shareholders; competition; reliance on management and dependence on key personnel; fluctuating mineral and commodity prices and marketability of minerals; title to properties; local residential concerns; no mineral reserves or mineral resources; environmental risks; governmental regulations and processing licenses and permits; management inexperience in developing mines; conflicts of interest of management; uninsurable risks; exposure to potential litigation; no history of paying dividends and no intention of paying dividends in the near future; and other factors beyond the control of the Company.

Further, any forward-looking statement speaks only as of the date on which such statement is made, and, except as required by applicable law, the Company undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events. New factors emerge from time to time, and it is not possible for management to predict all such factors and to assess in advance the impact of each such factor on the business of the Company or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement. See "Risk Factors" section of this MD&A for additional details.

### **Silver Equivalent Used Throughout this MD&A**

Unless otherwise noted herein, silver equivalent (AgEq) grades are based on a silver to gold price ratio of 75:1 (Au:Ag). Copper, lead and zinc are converted using \$3.66 per pound copper, 90 cents per lb lead and \$1.26/lb zinc at 100 % metal recoveries based on a silver price of \$26 per ounce.

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### Company Overview

Silver Tiger was incorporated on June 14, 2010 under the Canada Business Corporations Act (CBCA). The registered and head office of the Company is located at 2446 Purcells Cove Road, Halifax, Nova Scotia B3V 1G3.

Silver Tiger is a gold and silver exploration company operating in Mexico, with 100 percent ownership of the 35-kilometer-long El Tigre Property located in Sonora State.

On September 13, 2017, and filed on SEDARPlus on October 26, 2017, the Company reported a maiden resource estimate ("Maiden MRE") for the El Tigre Silver-Gold Project, containing indicated resources of 661,000 gold equivalent ounces at 0.77 gram per tonne (21 g/t silver and 0.51 g/t gold) and inferred resources of 341,000 gold equivalent ounces at 1.59 g/t (88 g/t silver and 0.52 g/t gold). See "Maiden Mineral Resource Estimate (September 2017)" section of this MD&A for additional details.

On September 12, 2023, and filed on SEDARPlus on November 8, 2023, the Company reported an Updated Mineral Resource Estimate ("Updated MRE") for the El Tigre Silver-Gold Project, the summary of which includes the following:

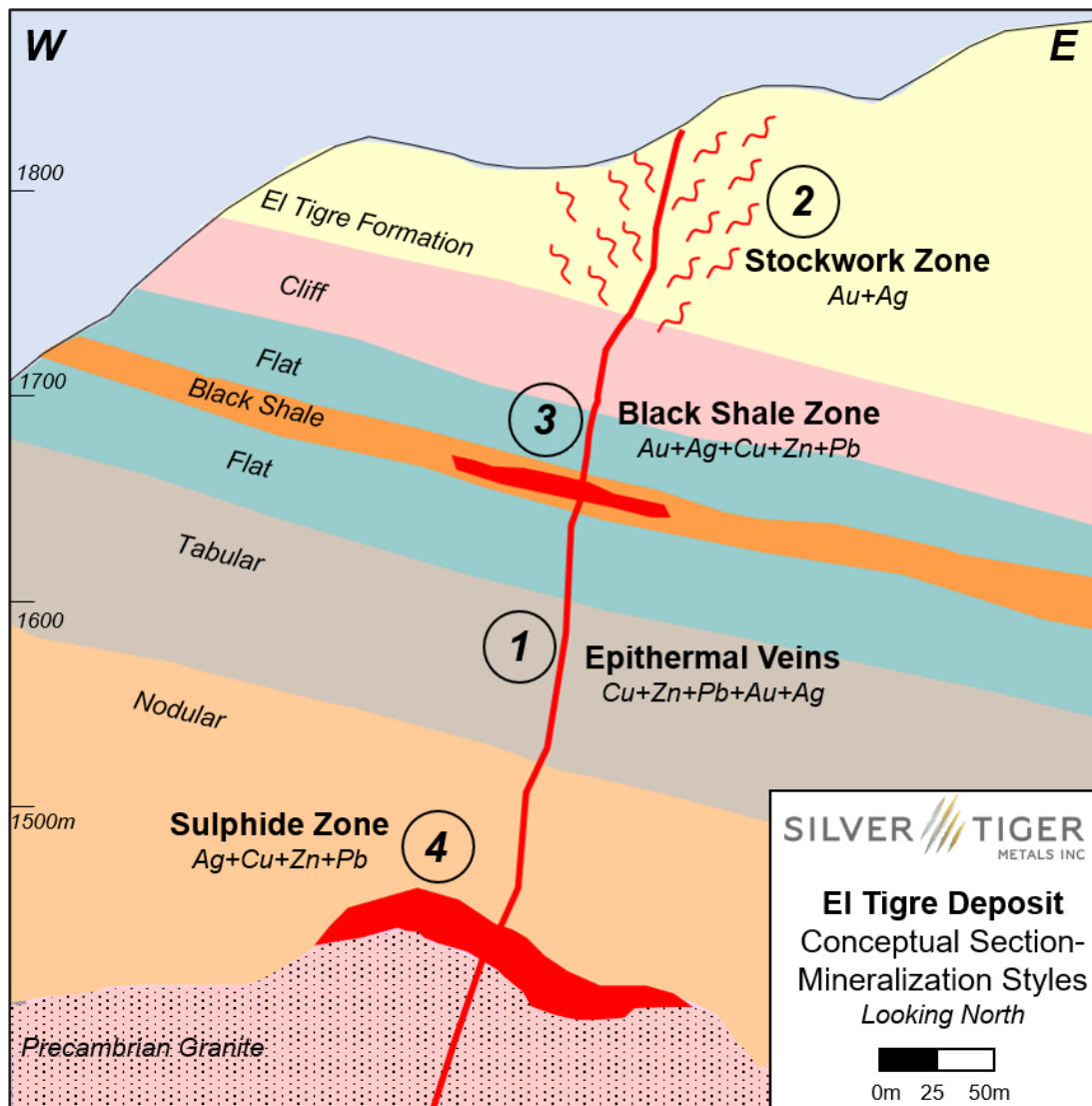
- **Indicated Mineral Resources** are estimated at 46.4 Mt grading 25 g/t silver, 0.39 g/t gold, 0.01% copper, 0.03% lead, and 0.06% zinc (0.77 g/t AuEq). The Updated MRE includes Indicated Mineral Resources of 37.2 Moz of silver, 575 koz of gold, 9.4 Milb of copper, 35.5 Milb of lead, and 64.3 Milb of zinc (1.1 Moz AuEq); and
- **Inferred Mineral Resources** are estimated at 20.9 Mt grading 78.4 g/t silver, 0.56 g/t gold, 0.04% copper, 0.13% lead, and 0.22% zinc (1.79 g/t AuEq). The Updated MRE includes Inferred Mineral Resources of 52.6 Moz of silver, 374 koz of gold, 18.1 Milb of copper, 59.7 Milb of lead, and 103.4 Milb of zinc (1.2 Moz AuEq).

See "Updated Mineral Resource Estimate (September 2023)" section of this MD&A for additional details.

**El Tigre – Four Types of Mineralization**

The Updated MRE includes the results of all additional exploration drilling completed between September 2017 and September 2023, resulting in four distinct types of mineralization being defined at the El Tigre Silver-Gold Project:

- 1) **Epithermal Veins** - the initial silver quartz veins that were discovered and mined in 1920s;
- 2) **Stockwork Zone** - the fractured stockworks discovered surrounding the silver quartz veins;
- 3) **Black Shale Zone** - the high-grade black shale zone found along the footwall of the epithermal veins; and
- 4) **Sulphide Zone** – the sulfide zone hosted in the lower flat formation at depth.



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On November 1, 2023, and filed on SEDARPlus on December 15, 2023, the Company announced a Preliminary Economic Assessment ("PEA") for the El Tigre Silver-Gold Project. The PEA is centred on the conventional open pit mining economics of only the Stockwork Zone, defined in the Updated MRE. Highlights of the PEA, with a base case silver price of \$23.75/oz and gold price of \$1,850/oz are as follows (all figures in US dollars unless otherwise stated):

- After-Tax net present value ("NPV") (using a discount rate of 5%) of US\$287 million with an After-Tax IRR of 55.8% and Payback Period of 1.7 years (Base Case);
- 13-year mine life recovering a total of 60 million payable silver equivalent ounces ("AgEq") or 776,000 gold equivalent ounces ("AuEq"), consisting of 16 million silver ounces and 571,000 gold ounces;
- Total project undiscounted after-tax cash flow of US\$445 million;
- Initial capital costs of \$59 million, including \$7.7 million in contingency costs, over an expected 12 month build, expansion capital of \$33 million and sustaining capital costs of \$31 million over the life of mine ("LOM");
- Average LOM operating cash costs of \$803/oz AuEq, and all in sustaining costs ("AISC") of \$843/oz AuEq or Average LOM operating cash costs of \$10/oz AgEq, and all in sustaining costs ("AISC") of \$11/oz AgEq; and
- Average annual production of approximately 4.6 million AgEq oz or 59,000 AuEq oz.

### **February 2023 \$18 Million Bought Deal Financing**

On February 24, 2023, the Company closed a bought deal offering of common shares of the Company with a syndicate of underwriters. An aggregate of 58,100,000 shares were sold at a price of \$0.31 per share for gross proceeds to the Company of \$18,011,000. The net proceeds from the offering are being primarily used to finance continued exploration of the El Tigre Project. A portion of the net proceeds are being used for general working capital and business development purposes.

The syndicate of underwriters was led by BMO Nesbitt Burns Inc., as lead underwriter and sole bookrunner, and included Desjardins Securities Inc., PI Financial Corp., Sprott Capital Partners LP, Echelon Wealth Partners Inc., and Eight Capital.

The underwriters were paid a commission of 6% on the gross proceeds of the offering.

### **March 2022 \$23 Million Bought Deal Financing**

On March 17, 2022, the Company closed a bought deal offering of common shares of the Company with a syndicate of underwriters. An aggregate of 40,365,000 shares were sold at a price of \$0.57 per share for gross proceeds to the Company of \$23,008,050, including 5,265,000 shares for gross proceeds of \$3,001,050 on the exercise in full of the overallotment option granted by the Company to the syndicate of underwriters. The net proceeds from the offering were primarily used to finance continued exploration of the El Tigre Project. A portion of the net proceeds were used for general working capital and business development purposes.

The syndicate of underwriters was led by Sprott Capital Partners LP, as lead underwriter and sole bookrunner, along with Desjardins Securities Inc. as co-lead underwriters, and included Stifel Nicolaus Canada Inc., Echelon Wealth Partners Inc., Eight Capital, BMO Nesbitt Burns Inc., PI Financial Corp., and Beacon Securities Ltd.

The underwriters were paid a commission of 6% on the gross proceeds of the offering. In addition, the Company issued compensation warrants to the underwriters entitling them to purchase 6% of the number of shares sold under the offering at a price of \$0.57 per share for a period of 12 months following the closing of the offering.

### **El Tigre Property, Mexico**

El Tigre holds 58 Mexican Federal mining concessions, located in north-eastern Sonora State and totaling 215 square kilometers, collectively referred to as the El Tigre Silver and Gold Property ("El Tigre Property"). The concessions are 100% held by El Tigre through its wholly owned subsidiary, Pacemaker Silver Mining SA de CV and its wholly owned subsidiary, Compãnia Minera Talaman SA de CV. El Tigre also holds one additional 0.32 square kilometers claim, known as the San Juan Property, separate from the main El Tigre Property, also located in Sonora State, Mexico.

In 2016, the Company entered into a land access agreement with the land-owners of the El Tigre Property. Under the agreement, the Company is required to pay the land-owners USD\$1,030,000, of which USD\$110,000 was payable on the date of the agreement, with the remaining to be paid over an 84-month period in equal monthly instalments of USD\$10,952. As at December 31, 2023, there are 3 monthly payments remaining. The agreement can be terminated by the Company by issuing a written notice to the land-owners and is considered nullified if the Company does not pay the land-owners for three consecutive months. The Company will acquire 6,283 hectares of land within the boundaries of the El Tigre Property at the end of the 84-month period if all required payments were made according to the agreement.

Pursuant to the land access agreement, at such time as the EL Tigre Property is put into production, the Company is required to make the following additional payments to the land-owners; US\$3 per ounce of gold produced if the gold price is below US\$1,200, US\$5 per ounce of gold produced if the gold price is between US\$1,201 and US\$1,500 and US\$7 per ounce of gold produced if the gold price is above US\$1,501. Additionally, the Company is required to make a payment of US\$500,000 to the vendor upon establishing commercial production. The monthly payments paid to date have been recorded to resource properties.

The El Tigre Property is located in the Sierra El Tigre of north-eastern Sonora State, 90 kilometers south-southeast of the border towns of Agua Prieta, Mexico and Douglas, Arizona. The El Tigre Property covers the historic El Tigre Mine and tailings as well as additional targets. Discovered in 1900 by the Lucky Tiger Combination Gold Mining Company of Kansas City, Missouri, the El Tigre Mine originally began as a gold producer but quickly shifted to silver when it was discovered that the silver was more plentiful than gold. From 1903 to 1938 mine production was estimated at 70 to 75 million ounces of silver and an estimated 325,000 to 350,000 ounces of gold. The El Tigre Mine's reported production through 1927 was 1,198,447 tonnes averaging 1,308 grams of silver and 7.54 grams of gold per tonne with 0.4% copper, 1.1% lead and 1.4% zinc (Craig, 2012). This is equivalent to 50.4 million ounces of silver and 290,543 ounces of gold. The mine was shut down in 1938 due to low metal prices, and the El Tigre Property remained dormant until 1981 when Anaconda Minerals Company ("Anaconda") commenced exploration on the property.

From 1981 to 1984, Anaconda Minerals Company ("Anaconda") completed an extensive district scale exploration program including geological mapping, test work on the tailings as well as drilling 7,812 meters in 22 holes. From 2011 to 2013 a total of 59 diamond core holes were drilled, totaling 9,411 meters of drill length.

Silver Tiger acquired the El Tigre Property in late 2015 and then carried out an in-fill gap sampling program on the legacy diamond drill core at the El Tigre Property during 2016 followed by a drilling program which was completed in May 2017. This drilling targeted the mineralized halo above the historic mine. As noted elsewhere herein, Silver Tiger released its Maiden MRE for El Tigre in September 2017 (see section titled "Maiden Mineral Resource Estimate (September 2017)").

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**Drill Results for the Period Ended December 31, 2023, and Including Those Reported Through February 21, 2024**

On April 4, 2023, Silver Tiger Metals announced the following drilling intersections from ongoing drilling in the Sulphide Zone and in the El Tigre Vein Zone:

- Hole ET-23-445: **1.6 meters grading 1,269.6 g/t total silver equivalent** from 467.0 meters to 468.6 meters, consisting of 441.7 g/t silver, 0.59 g/t gold, 2.14% copper, 7.58% lead and 12.0% zinc within 9.6 meters grading 364.6 g/t total silver equivalent from 465.0 meters to 474.6 meters consisting of 115.1 g/t silver, 0.24 g/t gold, 0.58% copper, 1.98% lead and 3.88% zinc **in the Sulphide Zone**; and
- Hole ET-23-448: **1.0 meters grading 1,285.5 g/t total silver equivalent** from 254.9 meters to 255.9 meters, consisting of 1,194.5 g/t silver, 0.04 g/t gold, 0.84% copper, 0.03% lead and 0.19% zinc within 4.9 meters grading 521.7 g/t total silver equivalent from 253.0 meters to 257.9 meters consisting of 484.8 g/t silver, 0.03 g/t gold, 0.33% copper, 0.01% lead and 0.08% zinc **in the El Tigre Vein Zone**.

On May 4, 2023, Silver Tiger Metals announced the following drilling intersections from ongoing drilling in the Sulphide Zone:

- Hole ET-23-457: **3.4 meters grading 1,948.8 g/t total silver equivalent** from 445.0 meters to 448.4 meters, consisting of 1,245.7 g/t silver, 0.13 g/t gold, 1.00% copper, 6.38% lead and 13.43% zinc within 38.7 meters grading 438.9 g/t total silver equivalent from 441.0 meters to 479.7 meters consisting of 297.5 g/t silver, 0.11 g/t gold, 0.28% copper, 1.42% lead and 2.19% zinc **in the Sulphide Zone**.

On July 25, 2023, Silver Tiger Metals announced the following drill results from ongoing drilling in the Sulphide Zone:

- Hole ET-23-464: **6.7 meters grading 495.9 g/t total silver equivalent** from 541.5 meters to 548.2 meters, consisting of 43.1 g/t silver, 0.33 g/t gold, 0.03% copper, 1.72% lead and 11.61% zinc within 13.9 meters grading 280.5 g/t total silver equivalent from 538.0 meters to 551.9 meters consisting of 27.4 g/t silver, 0.23 g/t gold, 0.02% copper, 1.16% lead and 6.22% zinc **in the Sulphide Zone**.

On August 15, 2023 Silver Tiger Metals announced that following drill results from ongoing drilling in the Sulphide Zone:

- Hole ET-23-456: **0.8 meters grading 1,452.0 g/t total silver equivalent** from 284.1 meters to 284.9 meters, consisting of 1,135.0 g/t silver, 0.48 g/t gold, 1.57% copper, 2.76% lead and 1.63% zinc within 4.7 meters grading 446.2 g/t total silver equivalent from 280.8 meters to 285.5 meters consisting of 344.3 g/t silver, 0.15 g/t gold, 0.44% copper, 0.65% lead and 0.99% zinc **in the Sulphide Zone**

**Rehabilitation of the Historic El Tigre Mine**

On February 22, 2022, Silver Tiger announced that it has contracted Cominvi to rehabilitate the Historic El Tigre mine. Cominvi is a Mexican company which specializes in underground contract mining and development. Members of Silver Tiger's management and technical team have previously worked with Cominvi and consider them a highly skilled and safe underground mine contractor. Cominvi provides services to Fresnillo, Pan American Silver and Endeavour Silver, amongst others.

The initial rehabilitation began on the Level 7 main entry to the Historic El Tigre Mine to allow access to the Sooy Vein, El Tigre Vein and the Seitz Kelly Vein in contemplation of underground channel sampling, drilling and bulk sampling on those veins and the black shale horizon. The rehabilitation consisted of safely securing and cleaning underground areas, removing historic backfill and stockpiling for possible future processing, LIDAR survey of the



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workings, detailed geological and geotechnical mapping of accessed workings and implementation of overall environmental and safety protocols.

### Preliminary Metallurgical Test Work

On August 24, 2023, Silver Tiger Metals reported gold and silver extraction results from its initial scoping-level metallurgical test work from its El Tigre Project. Preliminary metallurgical work demonstrates excellent recoveries of silver, gold, copper, zinc and lead in the Sulphide and Black Shale Zones with silver equivalent recoveries of 95.7% and 98.1%, respectively.

Previous drilling of the Surface Stockwork Zone has indicated a mineralized zone more than 100 meters true width. With high recoveries of 78.1% silver equivalency in column testing, simulating a heap leaching process, the Company sees the potential for an open pit low-cost heap leach process. This open pit heap leach process is defined in the PEA.

Results reported with respect to the metallurgical test work pertain to test work conducted by SGS Lakefield in Ontario in 2022 and 2023 on the Au-Ag mineralization from the Surface Stockwork Zone and Ag-Au-Zn-Cu-Pb mineralization from the Black Shale, Sulphide Zones and High-Grade Silver Veins.

The highlights of the work include:

- Preliminary rougher flotation tests of the Black Shale Zone recovered 91.1% copper, 98.2% lead, 98.8% zinc, 91.9% gold, and 98.4% silver. **Overall Silver Equivalent Recovery – 98.1%**;
- Preliminary rougher flotation tests of the Sulphide Zone recovered 94.2% copper, 95.3% lead, 97.6% zinc, 79.6% gold, and 96.0% silver. **Overall Silver Equivalent Recovery – 95.7%**;
- Surface Stockwork Zone column test extractions recovered – 83.1% Gold, 64.3% Silver at 3/8-in crush size (leach profile shown in Figure 3) with no requirement for agglomeration indicated in these tests. **Overall Silver Equivalent Recovery – 78.1%**; and
- Also notable is the low cyanide consumption of 0.68 kg per tonne and lime consumption of 2.33 kg per tonne.

### Updated Mineral Resource Estimate

On September 12, 2023, and filed on SEDARPlus on November 8, 2023, the Company reported the Updated MRE for the El Tigre Silver-Gold Project, the summary of which includes the following:

- **Indicated Mineral Resources** are estimated at 46.4 Mt grading 25 g/t silver, 0.39 g/t gold, 0.01% copper, 0.03% lead, and 0.06% zinc (0.77 g/t AuEq). The Updated Mineral Resource Estimate includes Indicated Mineral Resources of 37.2 Moz of silver, 575 koz of gold, 9.4 Milb of copper, 35.5 Milb of lead, and 64.3 Milb of zinc (1.1 Moz AuEq); and
- **Inferred Mineral Resources** are estimated at 20.9 Mt grading 78.4 g/t silver, 0.56 g/t gold, 0.04% copper, 0.13% lead, and 0.22% zinc (1.79 g/t AuEq). The Updated Mineral Resource Estimate includes Inferred Mineral Resources of 52.6 Moz of silver, 374 koz of gold, 18.1 Milb of copper, 59.7 Milb of lead, and 103.4 Milb of zinc (1.2 Moz AuEq).

Highlights of the Updated MRE include the following:

- Increase of 84% in Indicated Silver Equivalent (“AgEq”) Ounces from the Maiden MRE, with 3% increase in AgEq grade;
- Increase of 257% in Inferred AgEq Ounces from the Maiden MRE, with an 13% increase in AgEq grade;
- Pit-constrained El Tigre Indicated Mineral Resources of 61.4 million ounces (Moz) AgEq grading 44 g/t AgEq contained in 43.0 million tonnes (“Mt”);

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- Pit-constrained El Tigre Inferred Mineral Resources of 20.0 Moz AgEq grading 54 g/t AgEq contained in 11.5 Mt;
- Out-of-Pit El Tigre Indicated Mineral Resources of 20.8 Moz AgEq grading 279 g/t AgEq contained in 2.3 Mt;
- Out-of-Pit El Tigre Inferred Mineral Resources of 69.8 Moz AgEq grading 235 g/t AgEq contained in 9.2 Mt;
- Out-of-Pit Indicated Mineral Resources, at a cut-off grade of 263 g/t AgEq (3.5 gpt AuEq), contains 12.8 Moz ounces AgEq grading 484 g/t AgEq within in 0.8 Mt;
- Out-of-Pit Inferred Mineral Resources, at a cut-off grade of 263 g/t AgEq (3.5 gpt AuEq), contains 32.4 Moz ounces AgEq grading 400 g/t AgEq within in 2.5 Mt; and
- The El Tigre Project Mineral Resource is amenable to both open pit and bulk underground mining methods.

See “Updated Mineral Resource Estimate (September 2023)” section of this MD&A for additional details.

### **Preliminary Economic Assessment**

On November 1, 2023, and filed on SEDARPlus on December 15, 2023, the Company announced a Preliminary Economic Assessment (“PEA”) for the El Tigre Silver-Gold Project. The PEA is centred on the conventional open pit mining economics of only the Stockwork Zone, defined in the Updated MRE. Highlights of the PEA, with a base case silver price of \$23.75/oz and gold price of \$1,850/oz are as follows (all figures in US dollars unless otherwise stated):

- After-Tax net present value (“NPV”) (using a discount rate of 5%) of US\$287 million with an After-Tax IRR of 55.8% and Payback Period of 1.7 years (Base Case);
- 13-year mine life recovering a total of 60 million payable silver equivalent ounces (“AgEq”) or 776,000 gold equivalent ounces (“AuEq”), consisting of 16 million silver ounces and 571,000 gold ounces;
- Total project undiscounted after-tax cash flow of US\$445 million;
- Initial capital costs of \$59 million, including \$7.7 million in contingency costs, over an expected 12-month build, expansion capital of \$33 million and sustaining capital costs of \$31 million over the life of mine (“LOM”);
- Average LOM operating cash costs of \$803/oz AuEq, and all in sustaining costs (“AISC”) of \$843/oz AuEq or Average LOM operating cash costs of \$10/oz AgEq, and all in sustaining costs (“AISC”) of \$11/oz AgEq; and
- Average annual production of approximately 4.6 million AgEq oz or 59,000 AuEq oz.



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**Maiden Mineral Resource Estimate (September 2017)**

In September 2017, Silver Tiger announced an independent Mineral Resource Estimate for the El Tigre Property completed by P&E Mining Consultants Inc. ("P&E") which is detailed in the table below. The El Tigre Property includes the El Tigre<sup>1</sup>, Fundadora<sup>2</sup> and El Tigre Tailings<sup>3</sup> Deposits. The El Tigre Mineral Resource Estimate includes extensions of the historical El Tigre and Seitz Kelly Veins<sup>1</sup>, as well as the mineralized breccia halo around the El Tigre Vein. The Fundadora Mineral Resource Estimate includes the Aquila, Fundadora, Protectora and Caleigh Veins<sup>2</sup>. A copy of the NI 43-101 Technical Report supporting the Mineral Resource Estimate is available at [www.sedarplus.ca](http://www.sedarplus.ca) under the Company's profile.

Resource Area	Class	AuEq g/t Cut-Off	Tonnes (000's)	Ag (g/t)	Ag ozs (000's)	Au (g/t)	Au ozs (000's)	AuEq (g/t)	AuEq ozs (000's)
El Tigre Constrained Pit <sup>1</sup>	Indicated	0.20	25,170	15	11,906	0.51	416	0.69	559
	Inferred	0.20	2,791	12	1,093	0.38	34	0.52	47
El Tigre Underground <sup>1</sup>	Indicated	1.50	207	156	1,041	0.46	3	2.33	16
	Inferred	1.50	11	82	29	1.27	0	2.26	1
Fundadora Constrained Pit <sup>2</sup>	Indicated	0.20	451	167	2,428	0.93	14	2.94	43
	Inferred	0.20	1,774	150	8,554	0.69	39	2.49	142
Fundadora Underground <sup>2</sup>	Indicated	1.50	80	118	306	1.03	3	2.45	6
	Inferred	1.50	2,003	140	9,044	0.60	38	2.28	147
<b>Sub Total Indicated</b>		<b>0.20, 1.50</b>	<b>25,908</b>	<b>19</b>	<b>15,681</b>	<b>0.52</b>	<b>436</b>	<b>0.75</b>	<b>624</b>
<b>Sub Total Inferred</b>		<b>0.20, 1.50</b>	<b>6,579</b>	<b>89</b>	<b>18,720</b>	<b>0.52</b>	<b>111</b>	<b>1.59</b>	<b>337</b>
El Tigre Tailings <sup>3</sup>	Indicated	0.37	939	78	2,345	0.27	8	1.21	37
	Inferred	0.37	101	79	254	0.27	1	1.22	4
<b>Total Indicated</b>		<b>0.20,0.37,1.50</b>	<b>26,847</b>	<b>21</b>	<b>18,026</b>	<b>0.51</b>	<b>444</b>	<b>0.77</b>	<b>661</b>
<b>Total Inferred</b>		<b>0.20,0.37,1.50</b>	<b>6,680</b>	<b>88</b>	<b>18,974</b>	<b>0.52</b>	<b>112</b>	<b>1.59</b>	<b>341</b>

**Notes to Mineral Resource Estimate Table:**

- (1) El Tigre Deposit Mineral Resources are comprised of the El Tigre and Seitz Kelly Veins.
- (2) Fundadora Deposit Mineral Resources are comprised of the Aquila, Fundadora, Protectora and Caleigh Veins.
- (3) El Tigre Tailings Deposit Mineral Resources are comprised of the tailings from the former El Tigre operation.
- (4) Mineral Resources are reported within a constraining pit shell.
- (5) The Mineral Resource Estimate is reported in accordance with the Canadian Securities Administrators National Instrument 43-101 and has been estimated using the CIM "Estimation of Mineral Resources and Mineral Reserves Best Practice Guidelines and CIM "Definition Standards for Mineral Resources and Mineral Reserves.
- (6) Au:Ag ratio =  $(\$1250/\$17)/(70\% \text{ Ag Rec}/80\% \text{ Au Rec}) = 84:1$  Therefore,  $\text{AuEq} = (\text{Ag}/84) + \text{Au}$
- (7) Mineral Resources in this estimate are based on approx. two year trailing average metal prices of US\$1,250 oz Au and US\$17 /oz Ag, estimated process recoveries 80% Au and 70% Ag, US\$5.70/t process cost and US\$0.80/t G&A cost. Mining costs of US\$1.55/t for open pit and \$45/t for underground and tailings mining costs of US\$5.50/t were used to derive the respective Mineral Resource Estimate AuEq cut-offs of 0.20 g/t and 1.5 g/t and 0.37g/t. Pit optimization slopes were 50 degrees.
- (8) The Mineral Resource Estimate uses drill hole data available as of September 1, 2017.
- (9) Totals may not add correctly due to rounding.
- (10) An Inferred Mineral Resource has a lower level of confidence than that applying to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.
- (11) Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, sociopolitical, marketing or other relevant issues.

MANAGEMENT'S DISCUSSION & ANALYSIS FOR THE PERIOD ENDED DECEMBER 31, 2023

**Updated Mineral Resource Estimate (September 2023)**

In September 2023, Silver Tiger announce an independent Updated Mineral Resource Estimate for its 100% owned, high-grade silver-gold El Tigre Project located in Sonora, Mexico. This Updated MRE was based on information and data supplied by Silver Tiger, and was undertaken by Yungang Wu, P.Geo. and Eugene Puritch, P.Eng., FEC, CET of P&E Mining Consultants Inc. of Brampton, Ontario. The Updated MRE includes the newly discovered Sulfide and Black Shale Zones, Veins and Pit Constrained Resources. A copy of the NI 43-101 Technical Report supporting the Updated Mineral Resource Estimate is available at [www.sedarplus.ca](http://www.sedarplus.ca) under the Company's profile.

Deposit	Tonnes	Average Grade							Contained Metal							
		Au	Ag	Cu	Pb	Zn	AuEq	AgEq	Au	Ag	Cu	Pb	Zn	AuEq	AgEq	
		(M)	(g/t)	(g/t)	(%)	(%)	(%)	(g/t)	(g/t)	(koz)	(koz)	(Mlb)	(Mlb)	(Mlb)	(koz)	(koz)
<i>Indicated:</i>																
South Zone In Pit	43.0	0.39	14		0.01	0.02	0.59	44	535	20,049	1.8	7.0	14.3	818	61,381	
South Zone Out-of-Pit	1.8	0.28	200	0.18	0.59	1.02	3.83	287	16	11,453	7.2	23.1	40.1	219	16,403	
North Zone Out-of-Pit	0.5	0.72	158	0.04	0.41	0.80	3.36	252	13	2,777	0.4	4.9	9.7	59	4,435	
Out of Pit Total	2.3	0.38	191	0.15	0.55	0.97	3.72	279	29	14,231	7.6	28.0	49.8	278	20,838	
Vein (S & N) Total	45.3	0.39	24	0.01	0.04	0.06	0.75	56	564	34,280	9.4	35.0	64.1	1,096	82,219	
Low Grade Stockpile	0.1	0.9	177	0.02	0.22	0.50	3.41	255	3	588	0.1	0.5	0.2	11	847	
Tailings	0.9	0.27	78				1.30	98	8	2,345				39	2,948	
<b>Total Indicated</b>	<b>46.4</b>	<b>0.39</b>	<b>25</b>	<b>0.01</b>	<b>0.03</b>	<b>0.06</b>	<b>0.77</b>	<b>58</b>	<b>575</b>	<b>37,212</b>	<b>9.4</b>	<b>35.5</b>	<b>64.3</b>	<b>1,147</b>	<b>86,014</b>	
<i>Inferred:</i>																
South Zone In Pit	11.5	0.47	17	0.00	0.01	0.02	0.72	54	176	6,396	0.8	3.7	4.3	267	20,045	
South Zone Out-of-Pit	5.5	0.61	170	0.09	0.22	0.39	3.23	242	107	30,072	10.7	26.9	46.8	571	42,821	
North Zone Out-of-Pit	3.7	0.74	132	0.08	0.35	0.64	3.00	225	89	15,813	6.6	29.0	52.3	360	26,981	
Out of Pit Total	9.2	0.66	155	0.09	0.27	0.49	3.14	235	197	45,885	17.3	55.9	99.0	931	69,801	
Vein (S & N) Total	20.8	0.56	78	0.04	0.13	0.23	1.80	135	373	52,282	18.1	59.6	103.4	1,198	89,847	
Low Grade Stockpile	0.0	0.46	146	0.02	0.17	0.09	2.52	189	0	83		0.1		1	108	
Tailings	0.1	0.27	79				1.31	98	1	254				4	323	
<b>Total Inferred</b>	<b>20.9</b>	<b>0.56</b>	<b>78</b>	<b>0.04</b>	<b>0.13</b>	<b>0.22</b>	<b>1.79</b>	<b>135</b>	<b>373</b>	<b>52,619</b>	<b>18.1</b>	<b>59.7</b>	<b>103.4</b>	<b>1,204</b>	<b>90,277</b>	

MANAGEMENT'S DISCUSSION & ANALYSIS FOR THE PERIOD ENDED DECEMBER 31, 2023

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**Updated Mineral Resource Estimate (September 2023)** (continued)

1. *Mineral Resources which are not Mineral Reserves, do not have demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.*
2. *The Inferred Mineral Resource in this estimate has a lower level of confidence than that applied to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of the Inferred Mineral Resource could be upgraded to an Indicated Mineral Resource with continued exploration.*
3. *The Mineral Resources in this news release were estimated in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), CIM Standards on Mineral Resources and Reserves, Definitions and Guidelines (2014) prepared by the CIM Standing Committee on Reserve Definitions and adopted by the CIM Council and CIM Best Practices (2019).*
4. *Historically mined areas were depleted from the Mineral Resource model.*
5. *Approximately 74.7% of the Indicated and 22.3% of the Inferred contained AgEq ounces are pit constrained, with the remainder out-of-pit.*
6. *The pit constrained AuEq cut-off grade of 0.14 g/t was derived from US\$1,800/oz Au price, US\$24/oz Ag price, 80% process recovery for Ag and Au, US\$5.30/tonne process cost and US\$1.00/tonne G&A cost. The constraining pit optimization parameters were \$1.86/t mineralized mining cost, \$1.86/t waste mining cost and 50-degree pit slopes.*
7. *The out-of-pit AuEq cut-off grade of 1.5 g/t AuEq was derived from US\$1,800/oz Au price, US\$24/oz Ag price, \$4.00/lb Cu, \$0.95 /lb Pb, \$1.40 /lb Zn, 85% process recovery for all metals, \$50/t mining cost, US\$20/tonne process and US\$4 G&A cost. The out-of-pit Mineral Resource grade blocks were quantified above the 1.5 g/t AuEq cut-off, below the constraining pit shell within the constraining mineralized wireframes and exhibited sufficient continuity to be considered for cut and fill and long hole mining.*
8. *No Mineral Resources are classified as Measured.*
9. *AgEq and AuEq calculated at an Ag/Au ratio of 75:1.*
10. *Totals may not agree due to rounding.*

## MANAGEMENT'S DISCUSSION & ANALYSIS FOR THE PERIOD ENDED DECEMBER 31, 2023

### Qualified Person

David Duncan, P. Geo., a qualified person as defined by National Instrument 43-101, has reviewed and approved the information provided in this Management's Discussion and Analysis for the nine-month period ended December 31, 2023.

### Selected Financial Information

The Company incurred a consolidated net loss for the nine-month period ended December 31, 2023 of \$2,360,526 (\$0.006 per share) compared to a net loss of \$3,682,535 (\$0.01 per share) for the year ended March 31, 2023, a net loss of \$2,720,439 (\$0.01 per share) for the year ended March 31, 2022 and a net loss of \$2,977,175 (\$0.01 per share) for the year ended March 31, 2021.

The following table contains selected financial information for the three most recent fiscal years.

	Nine-Months ended December 31, 2023 \$	Year ended March 31, 2023 \$	Year ended March 31, 2022 \$	Year ended March 31, 2021 \$
Revenue	-	-	-	-
Net loss and comprehensive loss	2,360,526	3,682,535	2,720,439	2,977,175
Total assets	85,830,746	86,960,352	72,928,118	51,447,552
Working capital	12,893,748	27,314,294	29,954,844	24,175,193
Shareholder equity	83,221,193	84,116,719	69,121,993	49,311,404
Loss per share	0.006	0.01	0.01	0.01

### Results of Operations – Three-Month Period Ended December 31, 2023

For the three-month period ended December 31, 2023, the Company incurred a consolidated net loss and comprehensive loss of \$986,428 compared to a consolidated net loss and comprehensive loss of \$1,082,416 for the three-month period ended December 31, 2022.

The expenses and income incurred during the three-month periods ended December 31, 2023 and 2022 are detailed in the following table.

	Three-Months ended December 31, 2023 \$	Three-Months ended December 31, 2022 \$
Consulting fees	383,750	386,866
Depreciation	520	715
Dues and fees	8,758	29,794
Foreign exchange loss (gain)	32,944	53,999
Insurance	49,427	40,255
Office and other	21,636	73,542
Professional fees	66,857	71,475
Shareholder communication	118,248	56,036
Stock-based compensation	391,000	415,000
Travel	44,945	58,200
Wages and benefits	45,863	35,465
<b>Total operating expenses</b>	<b>1,163,948</b>	<b>1,221,347</b>
Interest income	(177,520)	(138,931)
<b>Net loss and comprehensive loss</b>	<b>986,428</b>	<b>1,082,416</b>

## MANAGEMENT'S DISCUSSION & ANALYSIS FOR THE PERIOD ENDED DECEMBER 31, 2023

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For the three-months ended December 31, 2023, the Company incurred consulting fees of \$383,750 compared to \$386,866 for the same period in the prior year, a decrease of \$3,116, and includes an accrual for estimated annual performance incentives for the CEO and CFO. Consulting fees incurred during both periods represent consulting fees for the services of the CEO and CFO.

For the three-months ended December 31, 2023, the Company recorded depreciation expense of \$520 as compared to \$715 for the same period in the prior year. The depreciation in the current quarter is the result of the Company acquiring some office furniture and computer equipment for its administrative office in Chihuahua, Mexico during the prior fiscal year.

For the three-month period ended December 31, 2023, the Company recorded dues and fees expense of \$8,758 as compared to \$29,794 during the same period in the prior year, a decrease of \$21,036. Dues and fees expense includes, amongst other items, fees paid to the Company's transfer agent.

A portion of the Company's exploration and operating expenses are denominated in foreign currencies and as a result, the Company realized a foreign exchange loss of \$32,944 during the three-month period ended December 31, 2023 compared to a foreign exchange loss of \$53,999 during the three-month period ended December 31, 2022.

For the three-month period ended December 31, 2023, the Company recorded insurance expense of \$49,427 compared to \$40,255 in the comparable period during the prior year. Overall, insurance premiums for both the directors and officers insurance and the Company's general commercial liability insurance have increased in over the last couple of years, but have now largely levelled off.

For the three-month period ended December 31, 2023, the Company recorded office and other expenses of \$21,636 as compared to \$73,542 during the comparable period of the prior year. The decrease in office and other expenses is result of certain one-time costs incurred during the three-month period ended December 31, 2022.

For the three-month period ended December 31, 2023, the Company incurred professional fees of \$66,857 compared to \$71,475 during the same period in the prior year, a decrease of \$4,618, a result of the timing of certain legal, tax and advisory fees incurred during the period.

For the three-month period ended December 31, 2023, the Company incurred shareholder communication expense of \$118,248 compared to \$56,036 for the comparable period in the prior year, an increase of \$62,212. Investor relations and marketing activities, activities that were significantly curtailed during COVID-19, have now returned to pre-pandemic levels and will fluctuate from period to period based on the timing of investor relations events and marketing campaigns. The Company increased its investor relations activities for autumn 2023 and expects this to continue in 2024.

For the three-month period ended December 31, 2023, the Company recorded non-cash stock-based compensation expense of \$391,000 as compared to \$415,000 during the same period in the prior year. Non-cash stock-based compensation is driven by the quantity, timing, vesting conditions of stock option and DSU grants. The fair value of stock options issued is estimated using the Black-Scholes option pricing model.

Travel expenses for the three-month period ended December 31, 2023 were \$44,945 compared to \$58,200 for the same period in the prior year. Travel expense is primarily driven by the level of investor relations related travel during any given period.

For the three-month period ended December 31, 2023, the Company incurred wages and benefits of \$45,863 compared to \$35,465 in the prior year, an increase of \$10,398.

For the three-month period ended December 31, 2023, the Company earned interest income of \$177,520 as compared to \$138,931 for the three-month period ended December 31, 2022, a result of the Company earning

## MANAGEMENT'S DISCUSSION & ANALYSIS FOR THE PERIOD ENDED DECEMBER 31, 2023

significantly higher rates of interest during the current period. The Company holds all cash not required for day-to-day operations in a high interest savings account at a major Canadian bank.

### Results of Operations – Nine-Month Period Ended December 31, 2023

For the nine-month period ended December 31, 2023, the Company incurred a consolidated net loss consolidated and comprehensive loss of \$2,360,526 compared to a consolidated net loss and comprehensive loss of \$2,743,082 for the nine-month period ended December 31, 2022.

The expenses and income incurred during the nine-month periods ended December 31, 2023 and 2022 are detailed in the following table.

	Nine-Months ended December 31, 2023 \$	Nine-Months ended December 31, 2022 \$
Consulting fees	633,750	643,713
Depreciation	1,559	715
Dues and fees	27,197	55,681
Foreign exchange loss (gain)	67,511	37,106
Insurance	132,788	128,341
Office and other	84,014	166,009
Professional fees	134,220	189,711
Shareholder communication	307,257	167,929
Stock-based compensation	1,380,000	1,480,000
Travel	114,471	90,449
Wages and benefits	119,279	118,866
<b>Total operating expenses</b>	<b>3,002,046</b>	<b>3,078,520</b>
Interest income	(641,520)	(335,438)
<b>Net loss and comprehensive loss</b>	<b>2,360,526</b>	<b>2,743,082</b>

For the nine-months ended December 31, 2023, the Company incurred consulting fees of \$633,750 compared to \$643,713 for the same period in the prior year. The vast majority of consulting fees incurred during both periods represent consulting fees for the services of the CEO and CFO.

For the nine-months ended December 31, 2023, the Company recorded depreciation expense of \$1,559 as compared to \$715 for the same period in the prior year. The depreciation in the current period is the result of the Company acquiring some office furniture and computer equipment for its administrative office in Chihuahua, Mexico during the prior fiscal year.

For the nine-month period ended December 31, 2023, the Company recorded dues and fees expense of \$27,197 as compared to \$55,681 during the same period in the prior year, a decrease of \$28,484. Dues and fees expense includes, amongst other items, fees paid to the Company's transfer agent.

A portion of the Company's exploration and operating expenses are denominated in foreign currencies and as a result, the Company realized a foreign exchange loss of \$67,511 during the nine-month period ended December 31, 2023, as compared to a loss of \$37,106 during the same period in the prior year.

For the nine-month period ended December 31, 2023, the Company recorded insurance expense of \$132,788 compared to \$128,341 in the comparable period during the prior year. Insurance expense includes premiums for both the Company's directors and officers insurance and commercial general liability insurance coverage.



## MANAGEMENT'S DISCUSSION & ANALYSIS FOR THE PERIOD ENDED DECEMBER 31, 2023

For the nine-month period ended December 31, 2023 the Company recorded office and other expenses of \$84,014 as compared to \$166,009 during the comparable period of the prior year. Office expense will vary from period to period.

For the nine-month period ended December 31, 2023, the Company incurred professional fees of \$134,220 compared to \$189,711 during the same period in the prior year, a decrease of \$55,491, a result of the timing of certain advisory, legal and tax fees incurred during the year.

For the nine-month period ended December 31, 2023, the Company incurred shareholder communication expense of \$307,257 compared to \$167,929 for the comparable period in the prior year, an increase of \$139,328. With the completion of the Updated MRE and the PEA for the Open Pit of the El Tigre Project, the Company increased its planned level of investor relations activities and expects this to continue in 2024.

For the nine-month period ended December 31, 2023, the Company recorded non-cash stock-based compensation expense of \$1,380,000 compared to \$1,480,000 during the same period in the prior year. During the nine-month period ended December 31, 2023, the Company granted a total of 400,000 stock options to Mr. Francisco Albelais, Vice-President of Operations, and Mr. Charles Spath, Vice-President of Technical Services. The options have an exercise price of \$0.20 per share and vest over a period of 4 years. Stock-based compensation expense is driven by the timing and vesting of stock option and DSU grants. The fair value of stock options issued is estimated using the Black-Scholes option pricing model.

Travel expenses for the nine-month period December 31, 2023 were \$114,471 compared to \$90,449 for the same period in the prior year. The increase is a direct result of an increased level of business travel and in-person investor relations activities as compared to the prior year.

For the nine-month period ended December 31, 2023, the Company incurred wages and benefits of \$119,279 compared to \$118,866 in the prior year, largely in-line with the same period for the prior year.

For the nine-month period ended December 31, 2023, the Company earned interest income of \$641,520 as compared to \$335,438 for the nine-month period ended December 31, 2022, a result of the Company earning significantly higher rates of interest during the current period. The Company holds all cash not required for day-to-day operations in a high interest savings account at a major Canadian bank.

### Summary of Quarterly Results

The following table contains selected financial information for the Company for the past eight quarterly periods.

	Revenue \$	Net loss and comprehensive loss \$	Total assets \$	Working capital (deficiency) \$	Shareholder equity \$	Loss per Share \$
March 31, 2022	Nil	1,344,527	72,928,118	29,954,844	69,121,993	0.005
June 30, 2022	Nil	1,053,428	70,149,138	24,968,772	68,820,858	0.003
September 30, 2022	Nil	607,238	71,009,522	20,502,598	68,634,620	0.002
December 31, 2022	Nil	1,082,416	70,737,733	15,738,920	67,967,204	0.004
March 31, 2023	Nil	939,453	86,960,352	27,314,294	84,116,719	0.003
June 30, 2023	Nil	811,967	86,870,587	21,945,429	84,052,752	0.002
September 30, 2023	Nil	562,131	85,226,432	18,844,207	83,791,621	0.002
December 31, 2023	Nil	986,428	85,830,746	12,893,748	83,221,193	0.003

## MANAGEMENT'S DISCUSSION & ANALYSIS FOR THE PERIOD ENDED DECEMBER 31, 2023

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### **Liquidity and Capital Resources**

At December 31, 2023, the Company reported current assets of \$15,503,301, current liabilities of \$2,609,553 and working capital of \$12,893,748.

The Company's liquidity position is a result of the equity financings completed in February 2023 and March 2022, offset by the Company's increased exploration and property costs at the El Tigre project.

#### *February 2023 \$18 Million Bought Deal Financing*

As noted elsewhere in this MD&A, on February 24, 2023, the Company closed a bought deal offering of common shares of the Company with a syndicate of underwriters. An aggregate of 58,100,000 shares were sold at a price of \$0.31 per share for gross proceeds to the Company of \$18,011,000.

#### *March 2022 \$23 Million Bought Deal Financing*

Also as noted elsewhere in this MD&A, on March 17, 2022, the Company closed a bought deal offering of common shares of the Company with a syndicate of underwriters. An aggregate of 40,365,000 shares were sold at a price of \$0.57 per share for gross proceeds to the Company of \$23,008,050, including 5,265,000 shares for gross proceeds of \$3,001,050 on the exercise in full of the overallotment option granted by the Company to the syndicate of underwriters.

#### *Additional Capital and Liquidity Items*

During the nine-month period ended December 31, 2023, 550,000 stock options were exercised for proceeds of \$85,000. During the nine-month period ended December 31, 2022, 900,000 stock options and 617,927 warrants were exercised for proceeds of \$144,000 and \$61,793, respectively.

During the nine-months ended December 31, 2022, 500,000 DSUs were settled on a net basis, resulting in the issuance of 250,000 common shares after withholding for payroll taxes, resulting in the payment of income taxes of \$97,500 by the Company. There were no such amounts during the nine-months ended December 31, 2023.

During the nine-months ended December 31, 2023 and as discussed elsewhere in this MD&A, the Company used cash of \$13,875,604 (nine-months ended December 31, 2022 - \$13,668,492) to advance the El Tigre Project.

In addition to the expenditures incurred on the El Tigre Project, the Company also used cash of \$13,415 to acquire property and equipment during the period. The property and equipment acquired during the prior fiscal year included a processing mill with a capacity of 800 tons per day. The processing mill is not yet currently available for use and is currently being stored in Hermosillo, Mexico.

The Company finances its operations through the issuance of equity securities. The Company is dependent on raising additional funding through the issuance of equity securities in order to fund future exploration programs and to meet its ongoing general and administrative requirements, and while management has been successful in obtaining funding in the past, there can be no assurance that it will be able to do so in the future.

### **Recoverability of Mexican VAT**

Management's assumptions regarding the recoverability of Value Added Tax ("VAT") receivable in Mexico, at the end of each reporting period, are made using all relevant facts available, including past collectability, the development of VAT policies and the general economic environment of the country to determine if a write-down of the VAT is required. Collection of the amount receivable depends on processing and payment of the claims by the government in Mexico. The Company has approximately \$7.8 million of VAT receivable at December 31, 2023. While the Company is still pursuing collection, with the delay in processing and collection, management determined

## MANAGEMENT'S DISCUSSION & ANALYSIS FOR THE PERIOD ENDED DECEMBER 31, 2023

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that it is appropriate to classify this amount to the resource property to which the VAT paid related. The timing and amount of the VAT ultimately collectible could be materially different from the amount recorded in the consolidated financial statements.

### **Off-Balance Sheet Arrangements**

The Company has no off-balance sheet arrangements.

### **Technical Leadership Team Additions**

On August 31, 2023, Silver Tiger announced the appointment of Mr. Francisco Albelais as Vice-President of Operations and Mr. Charles Spath as Vice-President of Technical Services. Mr. Francisco Albelais, is a Mining Engineer who has more than 25 years' experience building, commissioning, and operating open pit and underground mines in Mexico. Mr. Spath has an extensive background in resource evaluation, resource modeling, project management, and technical oversight. Mr. Spath is a Professional Geologist and Qualified Person with 10 years of international experience in the exploration, delineation, and production of Ag-Au Epithermal, Ag-Zn-CuPb VMS, Au Carlin, Ni-Cu-PGE Magmatic Sulfide, and PGE Layered Intrusion-type deposits.

### **Board of Directors**

On January 9, 2024, Silver Tiger announced the appointment of Yleana Leal to the Board of Directors. An accomplished executive, Ms. Leal is currently VP, General Manager for Brown-Forman Mexico, she joined Brown-Forman, a public company that trades on the NYSE, in 2016 as Sales Director, Mexico, moved to the UK in 2019 as Sales Strategy Director, UK and Ireland and returned to Mexico as General Manager in 2023. Ms. Leal is also a visible and vocal champion on diversity and inclusion initiatives.

Simultaneously on January 9, Silver Tiger also announced the resignation of Gabriella Eugenia Sepúlveda Elizondo as a Director effective January 9, 2024, as a result of her increased own personal business obligations that limited her availability to serve as a Director.

### **Related Party Transactions**

Consulting services were provided during the period ended December 31, 2023 by a corporation owned by the Chief Executive Officer of the Company. The cost of these consulting services during the period was \$281,250 (December 31, 2022 – \$281,250). The Company recorded these costs to consulting fees.

Consulting services were provided during the period ended December 31, 2023 by a corporation owned by the Chief Financial Officer of the Company. The cost of these consulting services during the period was \$93,750 (December 31, 2022 – \$93,750). The Company recorded these costs to consulting fees.

Geological consulting services were provided during the period by a corporation owned by the Vice President Exploration of the Company. The cost of these consulting services during the period was \$45,000 (December 31, 2022 – \$45,000). The Company recorded these costs to resource properties.

MANAGEMENT'S DISCUSSION & ANALYSIS FOR THE PERIOD ENDED DECEMBER 31, 2023

**Disclosure for Venture Issuers without Significant Revenue**

During the nine-months ended December 31, 2023 and 2022, the Company incurred expenses related to the following:

	Nine-Months ended December 31, 2023 \$	Nine-Months ended December 31, 2022 \$
Capitalized exploration and property costs	13,513,164	12,559,895
Operating expenses	3,002,046	3,078,520

**Outstanding Share Data**

As at December 31, 2023 and February 21, 2024, the Company had 365,047,833 common shares issued and outstanding.

The Company has 19,130,000 and 23,055,000 stock options outstanding as at December 31, 2023 and February 21, 2024, respectively. At February 21, 2024, 16,942,500 stock options are fully vested. The Company's outstanding stock options as at February 21, 2024 are summarized in the following table:

Number of Options	Exercise Price	Expiry date
650,000	\$0.43	May 30, 2024
50,000	\$0.44	June 9, 2024
575,000	\$0.40	November 3, 2024
360,000	\$0.21	June 1, 2025
3,670,000	\$0.17	December 22, 2025
2,600,000	\$0.25	October 31, 2026
25,000	\$0.23	January 17, 2027
1,600,000	\$0.10	January 4, 2029
2,725,000	\$0.17	May 22, 2030
2,900,000	\$0.70	December 29, 2031
3,575,000	\$0.32	January 10, 2033
400,000	\$0.20	August 30, 2033
3,925,000	\$0.17	January 7, 2024

The Company has no warrants outstanding at December 31, 2023 or February 21, 2024.

The Company has 5,595,000 and 8,045,000 deferred share units ("DSUs") outstanding at December 31, 2023 and February 21, 2024, respectively. At February 21, 2024, 3,630,000 DSUs were fully vested.

As at February 21, 2024, if all stock options and DSUs were exercised, the number of common shares of the Company outstanding would be 396,147,833.

## **Risk Factors**

The following are certain factors relating to the business of the Company. These risks and uncertainties are not the only ones facing the Company. Additional risks and uncertainties not currently known to the Company, or that the Company currently deems immaterial, may also impair the operations of the Company. If any such risks actually occur, the financial condition, liquidity and results of operations of the Company could be materially adversely affected and the ability of the Company to implement its growth plans could be adversely affected. Additional risks not currently known to the Company, or that the Company currently deems immaterial, may also impair the Company's operations. There is no assurance that risk management steps taken will avoid future loss due to the occurrence of the risks described below or other unforeseen risks. If any of the risks described below or in the Annual Information Form actually occur, the Company's business, financial condition and operating results could be adversely affected.

### *Negative Operating Cash Flow*

The Company is an exploration stage company with limited financial resources and has not generated cash flow from operations. During the nine-month period ended December 31, 2023, the Company had negative cash flow from operating activities of \$0.7 million. The Company anticipates it will continue to have negative cash flow from operating activities in future periods until profitable commercial production is achieved at the El Tigre Property. The Company is devoting significant resources to the development of the El Tigre Property; however, there can be no assurance that it will generate positive cash flow from operations in the future. To the extent that the Company has negative operating cash flow in future periods, it may need to allocate a portion of its cash reserves to fund such negative cash flow. There can be no assurance that additional funding will be available to the Company for the exploration and development of its projects. Furthermore, significant additional financing, whether through the issue of additional securities and/or debt, will be required to continue the development of the El Tigre Property. There can be no assurance that the Company will be able to obtain adequate additional financing in the future or that the terms of such financing will be favorable. Failure to obtain such additional financing could result in delay or indefinite postponement of further development of the El Tigre Property.

### *Capital Requirements, Liquidity and Risks to Shareholders*

Additional funds for the establishment of the Company's current and planned exploration and development operations will be required. No assurances can be given that the Company will be able to raise the additional funding that may be required for such activities. Mineral prices, environmental rehabilitation or restitution, revenues, taxes, transportation costs, capital expenditures, operating expenses and geological results are all factors which will have an impact on the amount of additional capital that may be required. To meet such funding requirements, the Company may be required to undertake additional equity financing, which would be dilutive to shareholders. Debt financing, if available, may also involve restrictions on financing and operating activities. There is no assurance that additional financing will be available on terms acceptable to the Company or at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations or anticipated expansion.

### *The market price of the common shares may be volatile and is subject to wide fluctuations.*

The market price of the common shares may be volatile and subject to wide fluctuations in response to numerous factors, many of which are beyond the Company's control. This volatility may affect the ability of holders of common shares to sell their securities at an advantageous price. Market price fluctuations in the common shares may be due to the Company's operating results failing to meet expectations of securities analysts or investors in any period, downward revision in securities analysts' estimates, adverse changes in general market conditions or economic trends, acquisitions, dispositions or other material public announcements by government and regulatory authorities, the Company, or its competitors, along with a variety of additional factors. These broad market fluctuations may adversely affect the market price of the common shares.

## MANAGEMENT'S DISCUSSION & ANALYSIS FOR THE PERIOD ENDED DECEMBER 31, 2023

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Financial markets have at times historically experienced significant price and volume fluctuations that have particularly affected the market prices of equity securities of companies and that have often been unrelated to the operating performance, underlying asset values or prospects of such companies. Accordingly, the market price of the Shares may decline even if the Company's operating results, underlying asset values or prospects have not changed. There can be no assurance that continuing fluctuations in price and volume will not occur. If such increased levels of volatility and market turmoil continue, the Company's operations could be adversely impacted and the trading price of the Shares may be materially and adversely affected.

*Shareholders may experience significant dilution.*

The Company's articles of incorporation and by-laws allow it to issue an unlimited number of common shares for such consideration and on such terms and conditions as established by the Board of Directors, in many cases, without the approval of the Company's shareholders. The Company may issue additional common shares in subsequent offerings (including through the sale of securities convertible into or exchangeable for common shares) and on the exercise of stock options or other securities exercisable for common shares. The Company cannot predict the size of future issuances of common shares or the effect that future issuances and sales of common shares will have on the market price of the common shares. Issuances of a substantial number of additional common shares, or the perception that such issuances could occur, may adversely affect prevailing market prices for the common shares. With any additional issuance of common shares, investors will suffer dilution to their voting power and the Company may experience dilution in its earnings per share.

*The common shares do not pay dividends.*

No dividends on the common shares have been declared or paid to date. The Company anticipates that, for the foreseeable future, it will retain its cash resources for the operation and development of its business. Payment of any future dividends will be at the discretion of the Board of Directors of the Company after taking into account many factors, including earnings, operating results, financial condition, current and anticipated cash needs and any restrictions in financing agreements, and the Company may never pay dividends.

*Forward-looking statements may prove to be inaccurate.*

Investors should not place undue reliance on forward-looking statements. By their nature, forward-looking statements involve numerous assumptions, known and unknown risks and uncertainties, of both general and specific nature, that could cause actual results to differ materially from those suggested by the forward-looking statements or contribute to the possibility that predictions, forecasts or projections will prove to be materially inaccurate.

*Mineral Exploration, Development and Operating Risks*

The business of mineral exploration and development is highly speculative in nature, generally involves a high degree of risk and is frequently non-productive. The El Tigre Property is in the exploration and development stage, and there is no assurance that exploration efforts will be successful or that expenditures to be made by the Company will result in discoveries of commercial quantities of minerals or profitable commercial mining operations. Resource acquisition, exploration, development, and operation involves significant financial and other risks over an extended period of time, which even a combination of careful evaluation, experience, and knowledge may not eliminate. Significant expenses are required to locate and establish economically viable mineral deposits, to acquire equipment, and to fund construction, exploration and related operations, and few mining properties that are explored are ultimately developed into producing mines. Success in establishing an economically viable project is the result of a number of factors, including the quantity and quality of minerals discovered, proximity to infrastructure, metal and mineral prices, which are highly cyclical, costs and efficiencies of the recovery methods that can be employed, the quality of management, available technical expertise, taxes, royalties, environmental matters, government regulation (including land tenure, land use and import/export regulations) and other factors. Even in the event that mineralization is discovered on a given property, it may take several years in the initial phases of drilling until production is possible, during which time the economic feasibility of production may change as a result of such factors. The effect of these factors cannot be accurately predicted, but the combination of these factors may result in



## MANAGEMENT'S DISCUSSION & ANALYSIS FOR THE PERIOD ENDED DECEMBER 31, 2023

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the Company not receiving an adequate return on its invested capital, and no assurance can be given that any exploration program of the Company will result in the establishment or expansion of resources or reserves. The Company's operations are subject to all the hazards and risks normally encountered in the exploration and development of mineral resource properties, including hazards relating to the discharge of pollutants or hazardous chemicals, unusual or unexpected adverse geological or geotechnical formations, unusual or unexpected adverse operating conditions, seismic activity, fire, explosions and natural phenomena and 'acts of God' such as inclement weather conditions, floods, earthquakes or other conditions, any of which could result in damage to, or destruction of, mineral properties, personal injury or death, damage to property, environmental damage, unexpected delays, monetary payments and possible legal liability, which could have a material adverse impact upon the Company. In addition, any future mining operations will be subject to the risks inherent in mining, including adverse fluctuations in fuel prices, commodity prices, exchange rates and metal prices, increases in the costs of constructing and operating mining and processing facilities, availability of energy and water supplies, access and transportation costs, delays and repair costs resulting from equipment failure, changes in the regulatory environment, and industrial accidents and labour actions or unrest. The occurrence of any of these risks could materially and adversely affect the development of a project or the operations of a facility, which could have a material adverse impact upon the Company.

### *Title to Properties*

Acquisition of title to mineral properties is a very detailed and time-consuming process. Title to, and the area of, mineral properties may be disputed. The Company cannot give any assurance that title to its exploration properties will not be challenged or impugned. Mineral properties sometimes contain claims or transfer histories that examiners cannot verify. A successful claim that Silver Tiger does not have title to its exploration properties could cause the Company to lose any rights to explore, develop and mine any minerals on that property, without compensation for its prior expenditures relating to such property.

### *Limited Operating History*

The Company has no history of an operating business or mining operations, revenue generation or production history. The Company was incorporated on June 14, 2010 and has yet to generate a profit from its activities. The Company will be subject to all of the business risks and uncertainties associated with any new business enterprise, including the risk that it will not achieve its growth objective. The Company anticipates that it will take several years to achieve any cash flow from operations.

### *Global Financial Volatility*

Global financial conditions are volatile from time to time. Global economic volatility may impact domestic markets and the ability of the Company to obtain equity or debt financing to continue its operations and, if obtained, on terms favourable to the Company. Market volatility and turmoil could adversely impact the Company's operations and the value and the trading price of the Company's common shares.

### *Commodity Prices*

Factors beyond the control of the Company may affect the marketability and price of minerals discovered, if any. Commodity and metal prices have fluctuated widely in recent years and months and are affected by numerous factors beyond the control of the Company, including international, economic and political trends, market intervention by state actors, expectations of inflation, currency exchange fluctuations, interest rates, global or regional consumptive patterns, speculative activities and increased production due to new extraction developments and improved extraction and production methods. The effect of these factors cannot be accurately predicted. Periods of depressed metal prices may negatively affect the ability of the Company to obtain required financing and have a material adverse effect on the Company.

### *Foreign Operations*

## MANAGEMENT'S DISCUSSION & ANALYSIS FOR THE PERIOD ENDED DECEMBER 31, 2023

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The Company's principal assets are located in Mexico and the Company's operations are therefore subject to Mexican federal and state laws and regulations. The risks normally associated with the conduct of business in foreign countries include various levels of political, regulatory, economic, social and other risks and uncertainties. Such risks may include, but are not limited to: local economic instability, high rates of inflation, emerging resource nationalism, restrictions on foreign ownership and activities, expropriation and nationalization, renegotiation or nullification of existing concessions, licenses, permits and contracts, limitations on repatriation of earnings or other currency controls, limitations on commodity exports, labor unrest, invalidation of governmental orders and permits, corruption, sovereign risk, war (including neighboring states), military repression, civil disturbances, terrorist activity, hostage taking, unanticipated changes in laws or policies, the failure of foreign parties to honor contractual relations, foreign taxation, delays or inability to obtain necessary governmental permits, and opposition to mining from environmental or other non-governmental organizations.

The Company believes the attitude of the current Mexican government toward mineral resource development activities and foreign investment to be favorable, however, any deterioration in economic conditions or other factors could result in a change in government policies at either the national or state level. In addition, no assurance can be given that new rules and regulations will not be enacted or that existing laws, rules and regulations will not be applied in a manner which could limit or curtail the Company's activities.

Mexico's legal and regulatory requirements in connection with companies conducting mineral exploration and mining activities, banking system and controls as well as local business culture and practices are, in particular, different from those in Canada. While the Company believes its exploration and development activities are currently carried out in material compliance with all applicable rules and regulations, the officers and directors of the Company must rely, to a great extent, on the Company's Mexican legal counsel and local consultants retained by the Company in order to keep abreast of material legal, regulatory and governmental developments as they pertain to and affect the Company's operations. The Company also relies, to some extent, on those members of management and directors of the Company who have previous experience working and conducting business in Mexico in order to enhance its understanding of and appreciation for the local business culture and practices in Mexico. Any developments or changes in such legal, regulatory or governmental requirements or in local business practices in Mexico are beyond the control of the Company and may adversely affect its business.

### *Limited Market for Securities*

The Common Shares are currently listed on the TSXV, however there can be no assurance that an active and liquid market for the Common Shares will be maintained, and an investor may find it difficult to resell securities of the Company.

### *Conflicts of Interest*

Certain directors and officers of the Company are or may become associated with other mineral resource exploration companies which may give rise to conflicts of interest. In accordance with applicable Canadian corporate law, 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, subject to certain exceptions, to disclose that interest and generally abstain from voting on any resolution to approve the contract. In addition, the directors and the officers are required to act honestly and in good faith with a view to the best interests of the Company. Certain 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.

### *Competition*

The Company will compete with many exploration companies that may have substantially greater financial and technical resources than the Company, as well as, for the recruitment and retention of qualified personnel.

### *Reliance on Key Individuals*

## MANAGEMENT'S DISCUSSION & ANALYSIS FOR THE PERIOD ENDED DECEMBER 31, 2023

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The Company's success depends to a certain degree upon certain key members of the management. It is expected that these individuals will be a significant factor in its growth and success. The loss of the service of members of the management and certain key employees could have a material adverse effect on the Company.

### *Infrastructure*

Mineral resource development and exploration activities depend on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important requirements, which affect capital and operating costs. Unusual or infrequent weather, phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could have a material adverse impact on the Company and its operations.

### *Litigation*

Defense and settlement costs of legal claims can be substantial, even with respect to claims that have no merit. At any time, the Company is subject to the threat of litigation and may be involved in disputes with other parties in the future which may result in litigation or other proceedings. The results of litigation or any other proceedings cannot be predicted with certainty. If the Company is unable to resolve these disputes favourably, it could have a material adverse effect on the Company and its financial position, operations or development.

### *Dependence on a Single Project*

The Company is currently allocating substantially all of its financial resources and efforts to the El Tigre Property. While the Company may acquire additional mining and exploration projects in the future, the El Tigre Property is currently the Company's only mineral project. Therefore, any adverse conditions or events affecting the El Tigre Property could materially and adversely affect the Company's potential profitability, financial performance and operational results.

### *Substantial Environmental and Reclamation Costs*

The Company's activities are subject to laws and regulations controlling not only the mining of and exploration for mineral properties, but also the possible effects of such activities upon the environment. Environmental legislation may change and make mining operations uneconomic, or result in significant environmental or reclamation costs. Environmental legislation provides for restrictions and prohibitions on spills, releases, or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas which could result in environmental pollution. A breach of such legislation may result in the imposition of fines and penalties or the suspension or closure of mining operations. In addition, certain types of operations require the submission of environmental impact statements and approval thereof by government authorities. Environmental legislation is evolving in a manner which may mean stricter standards and enforcement, 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. Permits from a variety of regulatory authorities are required for many aspects of mine development, operation and reclamation. Future legislation and regulations could cause additional expense, capital expenditures, restrictions, liabilities and delays in the development of the Company's properties, the extent of which cannot be predicted. In the context of environmental permits, including the approval of reclamation plans, the Company must comply with standards and laws and regulations which may entail costs and delays depending on the nature of the activity to be permitted and how stringently the regulations are implemented by the permitting authority. The Company does not maintain environmental liability insurance.

## MANAGEMENT'S DISCUSSION & ANALYSIS FOR THE PERIOD ENDED DECEMBER 31, 2023

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### *Sales by existing shareholders*

Sales of a substantial number of Shares in the public market could occur at any time. These sales, or the market perception that the holders of a large number of Shares intend to sell Shares, could reduce the market price of the Shares. If this occurs and continues, it could impair the Company's ability to raise additional capital through the sale of securities.

### *Safety and Security*

The Company's property interests are located in the central portion of the Sierra Madre Occidental province, Mexico. Criminal activities in the region, or the perception that activities are likely, may disrupt the Company's operations, hamper the Company's ability to hire and keep qualified personnel and impair the Company's access to sources of capital. Risks associated with conducting business in the region include risks related to personnel safety and asset security. Risks may include, but are not limited to: kidnappings of employees and contractors, exposure of employees and contractors to local crime related activity and disturbances, exposure of employees and contractors to drug trade activity, and damage or theft of the Company's or personal assets. These risks may result in serious adverse consequences including personal injuries or death, property damage or theft, limiting or disrupting operations, restricting the movement of funds, impairing contractual rights and causing the Company to shut down operations, all of which may expose the Company to costs as well as potential liability. Such events could have a material adverse impact on the Company and make it more difficult for the Company to obtain required financing. Although the Company actively attempts to mitigate such risks, there is no assurance that the Company's efforts will be effective in safeguarding personnel and the Company's property effectively.

### *Enforcement of Judgements*

The majority of the Company's assets are located outside of Canada. Accordingly, it may be difficult for investors to enforce within Canada any judgments obtained against the Company or its subsidiaries, including judgments predicated upon the civil liability provisions of applicable Canadian securities laws. Consequently, investors may be effectively prevented from pursuing remedies against the Company or its subsidiaries under Canadian securities laws. Additionally, it may be difficult for an investor, or any other person or entity, to assert Canadian securities law claims in original actions instituted in other jurisdictions. Courts in these jurisdictions may refuse to hear a claim based on a violation of Canadian securities laws on the grounds that such jurisdiction is not the most appropriate forum to bring such a claim. Even if a foreign court agrees to hear a claim, it may determine that the local law, and not Canadian law, is applicable to the claim. If Canadian law is found to be applicable, the content of applicable Canadian law must be proven as a fact, which can be a time-consuming and costly process. Certain matters of procedure may also be governed by foreign law.

### *Insurance and Uninsurable Risks*

While the Company has obtained insurance to address certain risks in such amounts as it considers being reasonable, such insurance has limitations on liability and the insurance may not continue to be available. Moreover, such risks may not be insurable in all instances or, in certain instances, the Company may elect not to insure against certain risks because of high premiums associated with such insurance or other reasons. The payment of such uninsured liabilities would reduce the funds available to the Company and the occurrence of an event in which the Company is not fully insured against, could have a material adverse effect upon its business, operating results and financial condition.

### *Community Relations*

The Company's relationship with the community in which it operates is critical to ensure the future success of its existing operations and the construction and development of its project. There is an increasing level of public interest relating to the perceived effect of mining activities on the environment and on communities impacted by such activities. Certain NGOs, some of which oppose globalization and resource development, are often vocal critics

## MANAGEMENT'S DISCUSSION & ANALYSIS FOR THE PERIOD ENDED DECEMBER 31, 2023

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and attempt to interfere with the mining industry and its practices, including the use of cyanide and other hazardous substances in processing activities. Adverse publicity generated by such NGOs or others related to extractive industries generally, or their operations specifically, could have an adverse effect on the Company's reputation or financial condition and may impact its relationship with the communities in which it operates. While the Company believes that it operates in a socially responsible manner, there is no guarantee that the Company's efforts in this respect will mitigate this potential risk.

### *Currency*

Our financials are reported in Canadian dollars. However due to our operations in foreign jurisdictions, expenditures may be incurred in foreign currencies. Thus the Company may be exposed to financial risk arising from fluctuations in exchange rates between the Canadian dollar and foreign currencies, which may, from time to time, impact our financial position and results.

### **Significant Accounting Estimates and Judgements**

The preparation of the consolidated financial statements requires the Company's management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of expenses during the reporting year. The determination of estimates requires the exercise of judgment based on various assumptions and other factors such as historical experience and current and expected economic conditions. Actual results may differ from these estimates. The more significant areas requiring the use of management estimates and judgements are discussed below.

### *Going concern*

The Company's assessment of whether material uncertainties exist in relation to the Company's ability to continue as a going concern requires significant judgment. Management prepares detailed cash flow projections, considering expected spending on its resource properties and general and administrative expenses and assesses whether it has the ability to meet its obligations as they come due, for a minimum of a twelve-month period from the consolidated statements of financial position date.

### *Recoverability of resource properties*

At the end of each reporting period, the management assesses whether there are any indicators of impairment related to resource properties. Management applies judgment is required in determining whether indicators of impairment exist, including factors such as the period for which the Company has the right to explore, whether substantive expenditures on further exploration and evaluation of resource properties are budgeted and whether results of exploration and evaluation activities on the resource properties indicate that the carrying amount of the asset is unlikely to be recovered in full from successful development or by sale.

Where an indicator of impairment exists, an estimate of the recoverable amount is calculated by management, which is considered to be the higher of fair value less cost of disposal and value in use. The value in use of resource properties is generally determined as the present value of future cash flows arising from the continued use of the assets. The determination of discounted cash flows is dependent on a number of factors, including future metal prices, the amount of reserves, the cost of bringing the project into production, production schedules, production costs, sustaining capital expenditures, and site closure, restoration and environmental rehabilitation costs. These factors may change due to changing economic conditions or the accuracy of certain assumptions and, hence, affect the recoverable amount. The fair value of resource properties is estimated by management through the use of, where available, comparison to similar assets and industry benchmarks. Actual results may differ materially from these estimates.

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### *Recoverability of sales tax*

Management's assumptions regarding the recoverability of Value Added Tax ("VAT") receivable in Mexico, at the end of each reporting period, are made using all relevant facts available, including past collectability, the development of VAT policies and the general economic environment of the country to determine if a write-down of the VAT is required. Collection of the amount receivable depends on processing and payment of the claims by the government in Mexico. The Company has approximately \$7.8 million of VAT receivable at December 31, 2023. While the Company is still pursuing collection, with the delay in processing and collection, management determined that it is appropriate to classify this amount to the resource property to which the VAT paid is related. The timing and amount of the VAT ultimately collectible could be materially different from the amount recorded in the consolidated financial statements.

### *Recoverability of deferred income tax asset*

Deferred income tax assets and liabilities are computed based on differences between the carrying amounts of assets and liabilities on the consolidated statements of financial position and their corresponding tax values. Deferred income tax assets also result from unused loss carry-forwards and other deductions.

There is judgment involved in the determination of the timing of reversals of temporary differences, and whether tax losses will be available in the period those temporary differences reverse. To the extent the Company does not consider it probable that a deferred income tax asset will be recovered, the deferred income tax asset is not recognized.

### *Share-based payments*

The Company issues equity-settled share-based payments to certain employees and third parties outside the Company. residual method is used, excluding the effect of nonmarket based vesting conditions, at the date of grant. Fair value is measured using the Black-Scholes option pricing model and requires the exercise of judgment in relation to variables such as the expected life and expected volatilities, which are based on information available at the time the fair value is measured.

### **Other Information**

Additional information regarding the Company is available on SEDARPlus at [www.sedarplus.ca](http://www.sedarplus.ca).