Management's Discussion and Analysis

Three Months Ended July 31, 2024

(Expressed in thousands of Canadian dollars, except where otherwise noted and per share amounts)

Dated: October 1, 2024

This Management's Discussion and Analysis ("MD&A") should be read in conjunction with the condensed interim consolidated financial statements of Candelaria Mining Corp. ("Candelaria" or the "Company"), for the three months ended July 31, 2024, and the related notes contained therein (the "Financial Statements") which were prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB"). Additional information relating to the Company is available on SEDAR+ at www.sedarplus.ca. All amounts are expressed in thousands of Canadian dollars except where otherwise noted, per share amounts, and tonnes and ounces. Certain amounts shown in this MD&A may not add exactly to total amounts due to rounding differences.

This MD&A contains "forward-looking statements" that are subject to risk factors set out in a cautionary note contained therein. All information contained in this MD&A is current and has been approved by the Board of Directors of the Company as of October 1, 2024, unless otherwise stated.

OVERVIEW AND COMPANY HISTORY

Candelaria is a Canadian-based gold-copper exploration company with a portfolio of tow highly prospective projects in Mexico, one of the world's best mining jurisdictions. Candelaria currently own 100% of the Caballo Blanco and the Pinos Gold Projects.

The Company is a publicly listed entity registered in British Columbia and trades on the TSX Venture Exchange ("TSXV") under the symbol "CAND." It was incorporated under the British Columbia Business Corporations Act on January 23, 2012. The Company's registered and records office is located at Suite 1200, 750 West Pender Street, Vancouver, BC, Canada, V6C 2T8. The head office address is 410 – 1111 Melville Street, Vancouver, BC, V6E 3V6.

Going Concern

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to a going concern, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of operations. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future which is at least, but not limited to, twelve months from the end of the reporting year.

The Company has not yet generated income or cashflow from operations. As at July 31, 2024, the Company had cash of $125 (April 30, 2024 - $282), a working capital deficit of $5,896 (April 30, 2024 – $5,959) and an accumulated deficit of $77,351 (April 30, 2024 – $77.086). For the three months ended July 31, 2024, the Company incurred a net loss of $265 (July 31, 2023 – $539). The Company will require additional financing, through various means including but not limited to equity financings, to continue with its exploration and development programs and to meet its future obligations and administrative expenses. There is no assurance that the Company will be successful in raising the additional required funds.

The above noted conditions indicate the existence of material uncertainties that cast significant doubt about the Company's ability to continue as a going concern. These condensed interim consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities, to the reported expenses and to the financial position classifications that would be necessary if the going concern assumption was inappropriate. These adjustments could be material.

CABALLO BLANCO DISTRICT, STATE OF VERACRUZ, MEXICO

Ownership: 100% Candelaria Mining Corp.

Background:

The Caballo Blanco licence area is located on the eastern coast of Mexico in the state of Veracruz, 65 kilometers northwest of the city of Veracruz. The most advanced project in the licence area, La Paila, was subject to a PEA in 2012 (refer NI43-101 Technical Report, May 2012, Goldgroup Mining Inc.) which envisaged a low CAPEX, conventional open pit / heap leach mining operation targeting approximately 100,000 ounces of gold production annually. Further geological and exploration works by the Company since acquiring Caballo Blanco have included an updated pit-constrained resource estimate for La Paila (refer Candelaria Mining Corp. NI43-101 Technical Report, April 2017), and additional exploration activities in the wider licence area, including at the seven additional high-priority targets in the Northern and Highway Zones.

Activities during the reporting period have included continued exploration activities in and around the priority targets within the licence area (refer below), ongoing refurbishment and upgrades to core storage facilities and other infrastructure, and continued engagement with local community groups.

Caballo Blanco is subjected to two separate underlying royalty commitments as defined below:

1) Almaden Minerals Limited retains a 1.5% NSR
2) An (arm's length) 3rd party retains an NSR as follows:
    - 1.25% NSR up to 1,000 tonnes per day
    - 1.00% NSR from 1,001 to 1,500 tonnes per day
    - 0.75% NSR from 1,501 to 10,000 tonnes per day
    - 0.5% NSR from 10,001 or more tonnes per day

Outlook:

Whilst the Company's exploration drilling permit application remains outstanding, the Company has continued surface exploration and reconnaissance throughout the licence area. This has identified further narrow vein gold targets west of La Paila, and extended knowledge of the regional geology within the licence for improved future targeting.

Further refinements have been made to the re-evaluation of the extensive geophysics dataset for the Caballo District, which identified extremely compelling potential for "giant" porphyry Cu-Au targets adjacent to and beneath the epithermal mineralisation, and amended the drill program accordingly to also test these as a priority. The work demonstrates that the Caballo Blanco licence area most likely contains the core of a large, mineralised porphyry system, in addition to the range of low- and high-sulphidation epithermal gold targets already defined.

The plan for subsequent drilling will depend on discoveries made during Phase 1 but will include resource expansion drilling of La Paila to the north-east and south.

PINOS GOLD PROJECT, STATE OF ZACATECAS, MEXICO

Ownership: 100%

Background:

The Pinos mining property and historical mining district is located in the municipality of Pinos, Zacatecas state in north-central Mexico near the town of Pinos, Zacatecas. The property lies 405 air-kilometres northwest of Mexico City and is 67 km west-northwest of the city of San Luis Potosí, 113 km east-southeast of the city of Zacatecas, and 85 km northeast of the city of Aguascalientes. The project is located in one of the most prolific gold-silver mining trends of Mexico, the Zacatecas Trend, containing the current major mines of Minera Frisco, Fresnillo and Pan American Silver.

The Pinos Gold Project contains a compliant resource (NI43-101 Technical Report, September 2018) with significant expansion potential.

Royalties:

The Company granted a 1.5% NSR on the Apolo Property to the shareholders of Apolo. The Company will have a right of first refusal on the NSR.

On November 25, 2020, the Company sold a 0.5% net smelter return ("NSR") royalty on production from the Pinos Project to Empress Royalty Corp. ("Empress") for US$750,000. Empress also purchased an additional 0.5% NSR royalty from a previous royalty holder on the Pinos Project, for a total of a 1.0% NSR royalty. The Company can buyback 0.25% from Empress for US$937,500.

The Pinos Project is subject to total NSR royalties of 2.5%.

Project Progress:

The focus of efforts within the reporting period has been to assess alternative options to access higher grade ore veins, including refurbishing existing mine shafts, and new spiral declines directly into the high-grade shoots. Detailed structural interpretations have also continued.

Outlook:

Following the conclusion of the alternative mine plan, revision to the overall project capital, construction schedule and financial models is underway. This will provide earlier access to high-grade ores and create a more attractive lower-risk investment scenario. The Company will then continue to explore alternative funding options to enable the board to make a decision on construction at Pinos.

RESULTS OF OPERATIONS

		Three months ended July 31,	
		2024	2023
	Note	($)	($)
General and administration expenses			
Exploration expense	14	53	349
Consulting and professional fees	11	62	93
General and administrative		18	25
Regulatory and filing fees		3	–
Stock-based compensation	10	–	29
Other (expense) income:			
Finance cost	7 & 8	159	137
Foreign exchange loss		(30)	(94)
Net loss		265	**539**

For the three months ended July 31, 2024, the Company reported a net loss of $265, compared to a net loss of $539 for the same period in 2023. The decrease in net loss is primarily due to significantly lower exploration expenses, as the Company focused on preserving cash. Consulting, general, and administrative expenses also declined compared to the same period in the prior year.

During the fiscal year ended April 30, 2024, the rights holder of the Company's Debenture, as disclosed in Note 8 of the condensed interim consolidated financial statements, was transferred to Goldgroup Mining Inc. ("Goldgroup"). On August 14, 2024, Goldgroup issued a notice to the Company regarding events of default under the Debenture. The Debenture is secured by a trust agreement holding the shares of Minara Apolo, S.A. de C.V., which Goldgroup could foreclose on if the Company is unable to repay the Debenture. This event indicated a potential impairment, and the Company impaired the value of the Pinos mining project to equal the carrying value of Debenture.

Finance cost during the three months ended July 31, 2024, was $159 compared to $137. The increase relates to the result of recording interest accrued using a default interest rate in response to the Debenture's default notice.

REGULATORY DISCLOSURES

Off balance sheet arrangements

The Company does not have any off-balance sheet arrangements as at July 31, 2024 and date of this report.

Proposed Transactions

The Company does not have any proposed transactions as at July 31, 2024 and date of this report other than as disclosed elsewhere in this document.

Financial instruments

As at July 31, 2024, the Company's financial instruments comprise cash, other receivables, accounts payable and accrued liabilities, debenture, and Caballo Blanco payable. The fair values of the Company's financial instruments approximate their carrying values due to their short-term maturity.

Fair value of financial instruments:

Financial instruments recorded at fair value on the consolidated statements of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements.

The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities.
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly
- Level 3 – Inputs that are not based on observable market data.

The Company's activities expose it to financial risks of varying degrees of significance, which could affect its ability to achieve its strategic objectives for growth and shareholder returns. The principal financial risks to which the Company is exposed are credit risk, liquidity risk and currency risk. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework and reviews the Company's policies on an ongoing basis.

Credit Risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. Financial instruments that potentially subject the Company to significant concentrations of credit risk consist primarily of cash and other receivables. The Company's cash is held through large Canadian and Mexican financial institutions, while the Company's other receivables primarily consist of trade receivables that the Company continues to collect. These trade receivables are primarily with government agencies and are not subject to significant credit risk.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure. To mitigate this risk, the Company has a planning and budgeting process in place to determine the funds required to support its ongoing operations and capital expenditures.

The Company ensures that sufficient funds are raised from equity offerings or debt financings to meet its operating requirements, after considering existing cash balances, expected exercise of share purchase warrants, and stock options. The Company's ability to continue as a going concern involves significant judgements and estimates while determining forecasted cashflows and is dependent on the Company's ability to obtain financing (note 1). Most of the Company's financial liabilities have contractual maturities of 30 days or less and are subject to normal trade terms.

Interest Rate Risk

Interest rate risk arises from changes in market rates of interest that could adversely affect the Company. The Company currently has interest-bearing financial instruments in relation to debt (note 8). The Company's exposure to interest rate risk is minimal as the interest rates are at a fixed percentage on the term of the loan.

Foreign Exchange Risk

The Company is exposed to currency risk by having balances and transactions in currencies that are different from its functional currency. The Company operates in foreign jurisdictions, which uses the Mexican pesos and U.S. dollars. The Company does not use derivative instruments to reduce upward, and downward risk associated with foreign currency fluctuations.

		US Dollars		Mexican Peso
Cash	$	11,143	$	26,057
Other receivables and prepaids expenses		-		1,547,028
Accounts payable and accrued liabilities		(880,226)		-
Debenture		(3,129,655)		-
Caballo Blanco acquisition payable		(1,700,151)		-
Net financial (liabilities) assets	$	(5,698,889)	$	1,573,085

A 10% change in the U.S. dollar exchange rate relative to the Canadian dollar would change the Company's comprehensive loss by $570. A 10% change in the Mexican peso exchange rate relative to the Canadian dollar would change the Company's comprehensive loss by $157.

Price risk

The Company is exposed to price risk with respect to equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market.

The Company closely monitors individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

Exploration expenses

The Company has not had revenue from operations. The Company is primarily involved in geological exploration and resources and project development. The table below shows the significant expenditures for the current period ended July 31, 2024:

		Caballo Blanco		Pinos		Total
Salary, consulting and administration	$	-	$	24	$	24
Equipment maintenance and rental		-		-		-
Concessions and permitting		29		-		29
Period ended July 31, 2024		29		24		53
Project to date – July 31, 2024	$	5,465	$	4,255	$	9,720

Related Party Transactions

The Company's related parties include its subsidiaries, associates over which it exercises significant influence, and key management personnel which consists of senior executive management and directors. Transactions with related parties for goods and services are made on normal commercial terms and are considered to be at arm's length.

Key management personnel include persons having the authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The key management personnel of the Company are the members of the Company's executive management team and Board of Directors. Compensation provided to key management personnel is as follows:

		Three months ended July 31, 2024		2023
Professional fees	$	42	$	34
Stock based compensation		-		5

Professional fees were paid and accrued to firms of which one of the partners has been the Chief Financial Officer, Chief Executive Officer or President of the Company during 2024 and 2023.

As at July 31, 2024, the Company had amounts payable of $15 (April 30, 2024 – $12) to these parties. These amounts are unsecured and non-interest bearing, due on demand and included in accounts payable and accrued liabilities.

Capital Risk Management

The Company manages its capital structure and makes adjustments in light of changes in its economic environment and the risk characteristics of the Company's assets. To effectively manage the entity's capital requirements, the Company has in place a planning, budgeting and forecasting process to help determine the funds required to ensure the Company has the appropriate liquidity to meet its operating and growth objectives. As at July 31, 2024, the Company will require to raise additional capital resources to support its normal operating requirements, planned development and exploration of its mineral properties. There are no externally imposed capital requirements to which the Company has not complied.

There has been no change to the Company's approach to capital management during the three months ended July 31, 2024.

Internal controls and procedures

During the three months ended July 31, 2024, there has been no significant change in the Company's internal control over financial reporting since last year.

The Chief Executive Officer, President and Chief Financial Officer of the Company are responsible for establishing and maintaining appropriate information systems, procedures and controls to ensure that information used internally and disclosed externally is complete, reliable and timely. They are also responsible for establishing adequate internal controls over financial reporting to provide sufficient knowledge to support the representations made in this MD&A and the Company's annual financial statements for the three months ended July 31, 2024 (together the "Interim Filings"). The Chief Executive Officer and Chief Financial Officer of the Company have filed the Venture Issuer Basic Certificate with the Annual Filings on SEDAR+ at www.sedarplus.ca.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the venture issuer basic certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency, and timeliness of interim and annual filings and other reports provided under securities legislation.

Accounting estimates

The preparation of financial statements in conformity with IFRS, requires management to select accounting policies and make estimates and judgments that may have a significant impact on the condensed interim financial statements. Estimates are continuously evaluated and are based on management's experience and expectations of future events that are believed to be reasonable under the circumstances. Actual outcomes may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The Company's critical accounting judgements and estimates were presented in note 2 of the annual audited consolidated financial statements as at April 30, 2024 and have been consistently applied in the preparation of these condensed interim consolidated financial statements. No new estimates and judgements were applied for the period ended July 31, 2024.

Material Accounting Policies

Full disclosure of the Company's accounting policies in accordance with IFRS can be found in note 3 of its audited condensed interim consolidated financial statements as at April 30, 2024 and have remained substantially unchanged and are still applicable to the Company unless otherwise indicated.

Risk and Uncertainties

The operations of the Company are speculative due to the nature of its business which is investment in the exploration and development of mining properties. These risk factors could materially affect the Company's future operating results and could cause actual events to differ materially from those described in forward-looking statements relating to the Company.

Operating Hazards and Risks

Exploration and development of natural resources involves many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Operations in which the Company has a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration, development and production of resources, any of which could result in work stoppages, damage to persons or property and possible environmental damage. Although the Company has or will obtain liability insurance in an amount which it considers adequate, the nature of these risks is such that liabilities might exceed policy limits, the liabilities and hazards might not be insurable against, or the Company might not elect to insure itself against such liabilities due to high premium costs or other reasons, in which event the Company could incur significant costs that could have a material adverse effect upon its financial condition.

Title to Assets

Although the Company has or will receive title options for any concessions in which it has or will acquire a material interest, there is no guarantee that title to such concessions will be not challenged or impugned. In some countries, the system for recording title to the rights to explore, develop and mine natural resources is such that a title opinion provides only minimal comfort that the holder has title. Also, in many countries, claims have been made and new claims are being made by aboriginal peoples that call into question the rights granted by the governments of those countries.

The successful exploration and development of the Company's properties is dependent on support from local communities. A community agreement may be required to permit the Company to conduct exploration activities on its projects. There is no assurance that such an agreement can be reached or, if reached, subsequently renewed or extended. The Company is committed to working in partnership with its local communities in a manner which fosters active participation and mutual respect. The Company works towards minimizing negative project impacts, encouraging certain joint consultation processes, addressing certain decision-making processes and towards maintaining meaningful ongoing dialogue. The Company regularly consults with the communities close to its exploration and development activities.

Management

The Company is dependent on a relatively small number of key employees, the loss of any of whom could have an adverse effect on the Company.

Requirement of New Capital

As an early exploration/development company, the Company typically needs more capital than it has available to it or can expect to generate through the sale of its products. In the past, the Company has had to raise, by way of debt and equity financing, considerable funds to meet its capital needs. There is no guarantee that the Company will be able to continue to raise funds needed for its business. Failure to raise the necessary funds in a timely fashion will limit the Company's growth. It is the intention of the Company to invest in cash-flowing assets, to migrate the business into a situation where the need to raise capital on the markets for continued operation is reduced over time.

Metals Pricing Risk

The feasibility of the Company's mineral exploration and development is significantly affected by changes in the market price of gold and silver. Gold prices fluctuate widely and are affected by numerous factors beyond the Company's control. The level of interest rates, the rate of inflation, world supply of gold and stability of exchange rates can all cause significant fluctuations in gold prices. Such external economic factors are in turn influenced by changes in international investment patterns and monetary systems and political developments.

Risk of Foreign Operations

In Mexico, the jurisdiction in which the Company has its operations and mineral properties is subject to various political, economic and other uncertainties, including the risks of civil unrest, expropriation, nationalization, renegotiation or nullification of existing concessions, licenses, permits, approvals and contracts, and changing political conditions. In addition, in the event of a dispute arising from foreign operations, the Company may be subject to the exclusive jurisdiction of foreign courts or may not be successful in subjecting foreign persons to the jurisdiction of courts in Canada. It is not possible for the Company to accurately predict such developments or changes in laws or policy or to what extent any such changes may have a material adverse effect on the Company's operations.

Other Significant Risks

In addition to the foregoing, the Company's business risks include operating hazards, environmental and other government regulations, collection risk related to IVA, competition in the marketplace, and the market for our securities. Its properties are located in Mexico and are subject to the laws and regulations of that country. The Company carries on its exploration activity outside of Canada. Accordingly, it is subject to the risks associated with the fluctuation of the rate of exchange of the Canadian dollar and foreign currencies, in particular the US dollar and the Mexican pesos. Such fluctuations may materially affect the Company's financial position and results.

Also, please refer to the "Cautionary Statement on Forward-Looking Information" at the end of the MD&A.

SUMMARY OF QUARTERLY RESULTS

	July 31, 2024 Q1-2025	Apr 30, 2024 Q4-2024	Jan 31, 2024 Q3-2024	Oct 31, 2023 Q2-2024	July 31, 2023 Q1-2024	Apr 30, 2023 Q4-2023	Jan 31, 2023 Q3-2023	Oct 31, 2022 Q2-2023
Exploration expense	$ (53)	$ (121)	$ (93)	$ (116)	$ (349)	$ (246)	$ (472)	$ (468)
Stock-based compensation	-	127	-	(28)	(29)	(84)	(88)	(174)
General and administration (1)	(18)	(116)	(71)	(257)	(118)	(320)	(145)	(405)
Finance cost, and other (2) (expense) income	(159)	(834)	(139)	(135)	(137)	(140)	(129)	(120)
Foreign exchange	30	(173)	45	(61)	94	(146)	6	(114)
Net loss	(265)	(12,852)	(258)	(597)	(539)	(915)	(975)	(1,281)
Other comprehensive income (loss)	183	429	246	(413)	789	1,382	91	1,136
Total comprehensive (loss) income	(82)	(12,423)	(12)	(1,010)	250	467	(884)	(145)
Basic & diluted earnings (loss) per share	0.00	(0.10)	-	-	-	(0.01)	-	(0.01)

(1) General and administration includes all administration expense including salary and wages, investor relations and development, regulatory and filing fees, travel, professional fees and management fees, etc.
(2) Finance costs and other includes foreign exchange and other expenses that are not categorized.

Three months ended July 31, 2024, compared to all historical quarters

The net loss of $265,000 for the quarter ended July 31, 2024, was lower than in all previous quarters except for Q3-2024. This reduction is primarily due to lower expenses across all categories in the income statement, as the Company continues to adopt a cash preservation strategy until financing is secured.

Exploration expenses decreased by more than 80% as the Company seeks further opportunities to reduce costs.

Stock-based compensation expenses fluctuate based on the timing of vesting periods for stock options and RSUs. During the three months ended July 31, 2024, the Company did not grant any new stock options or RSUs, and all prior grants were fully expensed.

Foreign exchange gains and losses fluctuate based on the strength of the U.S. dollar and Mexican peso relative to the Canadian dollar. The Canadian dollar is the functional currency of the Company and its subsidiaries.

Other comprehensive income resulted from the cumulative translation adjustment due to foreign exchange impacts on the Company's foreign subsidiaries.

LIQUIDITY AND CAPITAL RESOURCES

A summary of the Company's cash position and changes in cash is as follows:

	Three months ended July 31,			
		2024		2023
Cash used in operating activities	$	(151)	$	(475)
Cash used in investing activities		-		-
Cash provided by financing activities		-		-
Increase in cash		(157)		(470)
Cash, end of the period		125		619

As of July 31, 2024, the Company's net working capital deficit was $5.896 million, compared to a net working capital deficit of $5.959 million as of April 30, 2024. These amounts remain relatively consistent, as the Company currently lacks the cash to improve its working capital position. The Company is actively exploring options to secure funding to support its business objectives.

Cash outflows from operating activities for the period ended July 31, 2024, were lower than in the same period in 2023, primarily due to a reduction in corporate and operating expenses across all areas.

The Company's ability to continue as a going concern is dependent on its success in raising additional funds.

As at July 31, 2024 and as at the date of this report

Candelaria's authorized capital stock consists of an unlimited number of common shares without par value.

As at July 31, 2024 and the date of this report, the Company has share purchase warrants outstanding as follows:

	Warrants outstanding ('000)		Weighted average exercise price
Outstanding, April 30, 2023 and 2024	27,380	$	0.29
Issued	-		-
Expired	(8,811)		0.65
Exercised	-		-
Outstanding, October 1, 2024	18,569	$	0.94

	Outstanding			
Expiry date	Number of warrants ('000)		Exercise price	Remaining contractual life (years)
29-Oct-24	569	$	0.65	0.08
28-Jun-25	18,000		0.11	0.74
	18,569	$	0.13	

Stock options

The Company and did not grant any stock options during the three months ended July 31, 2024, and the date of this report. The current number of stock options outstanding and exercisable are:

	Number of stock options ('000)	Weighted average exercise price
Outstanding, April 30, 2023	8,035	$ 0.25
Issued	-	0.00
Expired	(75)	1.00
Cancelled	(7,480)	0.25
Outstanding, April 30, 2024, July 31, 2024 and October 1, 2024	480	$ 0.23

	Outstanding		Exercisable	
Expiry date	Number of stock options ('000)	Exercise price	Remaining contractual life (years)	Number of stock options
27-Jul-25	280	$ 0.30	0.82	280
27-Apr-27	200	0.14	2.57	200
	480	$ 0.23		480

SUBSEQUENT EVENTS

On September 21, 2024, a total of 8.811 million share purchase warrants expired unexercised.

FORWARD-LOOKING STATEMENT

This MD&A contains forward-looking statements that involve risks and uncertainties, which may cause actual results to differ materially from the statements made. When used in this document, the words "may", "would", "could", "will", "intend", "plan", "anticipate", "believe", "estimate", "expect" and similar expressions are intended to identify forward-looking statements. Such statements reflect our current views with respect to future events and are subject to such risks and uncertainties. Many factors could cause our actual results to differ materially from the statements made, including those factors discussed in filings made by us with the Canadian securities regulatory authorities. Should one or more of these risks and uncertainties, such as the actual results of current exploration and development programs, the general risks associated with the mining industry, the price of gold and other metals, reduced funding, currency and interest rate fluctuations, increased competition and general economic and market factors, occur or should assumptions underlying the forward-looking financial statements prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated or expected. We do not intend and do not assume any obligation to update these forward-looking statements, except as required by law. Shareholders are cautioned not to put undue reliance on such forward-looking statements.

This MD&A has been approved by the Board of Directors of the Company and contains certain information that is current to the date of the report. Events occurring after that date could render the information contained herein inaccurate or misleading in a material respect. The Company may, but is not obligated to, provide updates to forward-looking statements, including in subsequent news releases and its annual and interim MD&A as filed with regulatory authorities. Additional information relating to the Company is available on SEDAR+ at www.sedarplus.ca.

Qualified persons

Mr. Jim Cuttle, B.Sc, P.Geo. a qualified person as defined in National Instrument 43-101, has reviewed, and approved the technical information related to Caballo Blanco in this report.

Mr. Jose Antonio Olmedo, Eng. Geol. MSc. is an Independent Consultant, located in Mexico City, Mexico, who is an “Independent Qualified Person” as defined by NI 43-101 and the lead person responsible for completing the Pinos resource and has reviewed this report as it relates to the Pinos project.

Mr. David Salari, P.Eng. of DENM Engineering Ltd. located in Oakville, Ontario, Canada who is an “Independent Qualified Person” as defined by NI 43-101 and the lead person responsible for reviewing the metallurgical work for the Pinos resource and has reviewed this report as it relates to the Pinos project and has overseen the metallurgical and recovery methods and infrastructure.