TSXV.AGMR

SILVER MOUNTAIN RESOURCES INC.

Interim Management's Discussion and Analysis

Three and Six Months Ended June 30, 2023 and 2022

Introduction

This interim management's discussion and analysis (this "MD&A") reflects the assessment by management of the results and financial condition of Silver Mountain Resources Inc. ("AGMR" or the "Company") and should be read in conjunction with the Company's unaudited condensed interim consolidated financial statements for the three and six months ended June 30, 2023 and 2022, and the notes thereto (the "Financial Statements"). Management is responsible for the preparation of the Financial Statements and this MD&A. These Financial Statements have been prepared in accordance with IAS 34 *Interim Financial Reporting* as issued by the IASB. This MD&A and the Financial Statements are available electronically on SEDAR+ (www.sedarplus.ca) under the Company's issuer profile and on the Company's website (www.agmr.ca) and should be read in conjunction with the audited consolidated financial statements of the Company for the years ended December 31, 2022 and 2021, and the notes thereto.

This MD&A contains forward-looking statements and should be read in conjunction with the risk factors described in the "Risks and Uncertainties" and the "Cautionary Note Regarding Forward-Looking Information" sections at the end of this MD&A.

This MD&A has been prepared as of August 24, 2023. All dollar figures in this MD&A are expressed in United States dollars, unless otherwise stated.

Unless otherwise stated, the scientific and technical information contained in this MD&A has been reviewed and approved by Antonio Cruz, P. Geo, an independent consultant of the Company and a Qualified Person (MAIG 7065) within the meaning of National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101").

Description of Business

Silver Mountain Resources Inc. (TSXV:AGMR | OTCQB:AGMRF | BVL:AGMR) is a publicly traded silver explorer and mine developer listed on the TSX Venture Exchange (the "TSXV"), which is planning to re-start production at the Reliquias underground mine and undertake exploration activities at its highly prospective silver camps at the Castrovirreyna Project (the "Project") located in Huancavelica, Peru.

The Company, through its subsidiary Sociedad Minera Reliquias S.A.C ("AGMR Peru") owns a 2,000 tonnes per day (tpd) processing plant, an operating tailings dam, and over 41,000 hectares ("ha") of mining concessions. The Company targets the acquisition of mining concessions for exploration, exploitation, extraction, and processing of all types of minerals with a special focus on precious metals.

The Project includes mine infrastructure that supported the Reliquias underground operations, which were operated by Corporación Minera Castrovirreyna ("CMC") from 2005 to 2015. In 2018, AGMR Peru acquired certain liquidated assets from CMC that comprised the Project. The Project, includes the following infrastructure:

- Reliquias and Caudalosa underground mines: consisting of ventilation system, water pumping system, explosives magazine, and mining equipment
- Concentrator Plant: a 2,000 tpd conventional concentrator plant to produce silver, lead, zinc, and copper concentrates
- Tailings storage facility (TSF): sufficient remaining capacity for two years of tailings production
- Infrastructure: power supply line, water supply system, fuel storage, a 370-person camp, warehouses, maintenance shops, and paved roads

AGMR has 41,058 ha in 321 mining concession rights. The total concessions are divided among the Project mining concessions with mineralization potential in Reliquias (19,872 ha | 236 Mining Concessions) and Dorita (17,878 ha | 67 Mining Concessions), the plants and tailings associated to the Project (139 ha | 3 Mining Concessions), El Milagro area (3,100 ha | 8 Mining Concessions), and other concessions with mineralization potential (70 ha | 7 Mining Concessions).

AGMR owns 100% of its concessions which are currently held in the name of AGMR Peru, its subsidiary.

On May 7, 2021, a reverse takeover transaction (the "RTO Transaction") between AGMR and AGMR Peru was completed. The shareholders of AGMR Peru exchanged 100% of their issued and outstanding shares for shares of AGMR, representing 56% of the issued and outstanding shares of AGMR. On completion of the RTO Transaction, AGMR Peru was determined to be the accounting acquirer and accordingly, the combined entity is a continuation of AGMR Peru. Before the RTO transaction, AGMR closed a private placement of 33,333,330 units at a price of $0.30 for gross proceeds of $9,999,999. Each unit was comprised of one class A common share in the capital of the Company (each, a "Common Share") and one-half of one Common Share purchase warrant. Each warrant will be exercisable to acquire one Common Share at an exercise price of $0.90 per share for a period of 36 months from the closing.

On February 2, 2022, the Company successfully closed its initial public offering ("IPO" or the "Offering"), pursuant to which the Company issued an aggregate of 52,900,000 units (each, a "Unit") at a price of $0.39 (C$0.50) per Unit for aggregate gross proceeds of $20,863,760 (C$26,450,000). Each Unit was comprised of one Common Share and one-half warrant (each whole warrant, a "Warrant"). Each Warrant entitles the holder thereof to acquire one Common Share at an exercise price of $0.55 (C$0.70) per Common Share for a period of 24 months following the closing of the Offering.

On March 1, 2022, the Company fully repaid the outstanding balance of its loan payable to Trafigura Beheer BV ("Trafigura") with a cash payment of $2,920,988 for the principal payable and $23,040 for the interest payable. Since then, the Company has not held any additional debt.

Corporate Strategy

The Company owns a past producing underground mine located in Huancavelica, Peru. The Company's strategy is to convert its historical resources into a NI 43-101 compliant resource as well as to grow the existing resources within its underground mines and brownfield targets on the 19,872 hectares that comprise the Reliquias Block. Furthermore, AGMR expects to commence drilling activities on the 17,078 hectares that comprise the Dorita Block, located in the northern part of the Project, where surface exploration has been performed. Finally, AGMR's goal is to commence production at the Reliquias underground mine utilizing its existing concentrator plant.

As part of the Company's area consolidation strategy, AGMR is constantly reviewing prospective targets in the project´s vicinity to stake additional mining concessions and to keep growing its land package.

The Company's mission is to become a premier silver producer by delivering superior returns to its shareholders and long-term benefits to its stakeholders.

Corporate Highlights

- On February 9, 2023, the Company completed its bought deal prospectus offering (the "Prospectus Offering") of 27,000,000 units of the Company (the "2023 Units") at a price of $0.22 (C$0.30) per 2023 Unit (the "Offering Price"), for gross proceeds of $6,032,880 (C$8,100,000). The Company also issued an additional 4,050,000 2023 Units at the Offering Price, for additional gross proceeds of $904,932 (C$1,215,000), in connection with the exercise in full of the overallotment option. Each 2023 Unit is comprised of one Common Share and one half of one Common Share purchase warrant (each, a "2023 Warrant"). Each 2023 Warrant is exercisable into one Common Share at a price of $0.34 (C$0.45) per Common Share and expires on February 9, 2026. In connection with the Prospectus Offering, the Company paid underwriters' commissions equal to 5% of the gross proceeds from the sale of the 2023 Units pursuant to the Prospectus Offering, subject to a reduced cash commission of 2.5% of the gross proceeds from the sale of the 2023 Units to certain president's list purchasers.

- The 2023 Warrants commenced trading on the TSXV at the open markets on February 27, 2023, under the trading symbol "AGMR.WT.A".

- On March 21, 2023, the Company announced that it had entered into an amended and restated advertising agreement dated March 20, 2023 (the "Agreement") with Gold Standard, amending and restating the Company's prior advertising agreement with Gold Standard dated September 12, 2022 (the "Original Agreement"). Pursuant to the Agreement, Gold Standard agreed to provide the Company with certain additional advertising services in consideration for an aggregate fee of $200,000, which additional fee shall be payable in six (6) installments of $33,333 (with the sixth and final installment in the amount of $33,335), payable weekly during each of the first six (6) weeks following the date of the Agreement. Aside from the provision of the Additional Services and the payment of the Additional Fee, the terms and conditions of the Original Agreement remain unchanged.

- On April 1, 2023, the Company appointed Alvaro Espinoza as Chief Executive Officer of the Company. In connection with his appointment, the Company granted stock options to Mr. Espinoza to purchase up to 650,000 common shares of the Company, exercisable at C$0.38 per share and expiring April 1, 2027. In connection with the appointment of Mr. Espinoza, Alfredo Bazo resigned from his role as President and Chief Executive Officer of the Company, effective April 1, 2023. Mr. Bazo also resigned from the Company's board of directors. As a result, 1,480,000 unvested stock options were forfeited immediately following his resignation, with 830,000 vested stock options to expire 90 days after the date of resignation.

- On May 1, 2023, the Company announced that Jean Pierre Fort has resigned from his position as Chief Financial Officer of the Company, effective May 9, 2023. As a result, 900,000 unvested stock options were forfeited immediately following his resignation, with 300,000 vested stock options to expire 90 days after the date of resignation. Alejandro Arrieta, the Company's Deputy Manager of Finance and Human Resources, assumed the role of Interim Chief Financial Officer effective May 9, 2023.

- The Company announced the issuance of an initial NI 43-101 compliant Mineral Resource estimate on April 12, 2023. The report is dated as of March 18, 2023, with an effective date of March 27, 2023. This estimate includes information received up to December 16, 2022.

- Torsten Danne resigned from his position as Director of Explorations of the Company, effective May 21, 2023. As a result, 250,000 unvested stock options were forfeited immediately following his resignation.

- On June 14, 2023, the Company announced that Juan Carlos Ortiz has been appointed to act as lead independent director of the board of directors of the Company, effective immediately. Additionally, the Company has reconstituted its compensation committee and governance committee to be comprised entirely of independent directors.

- At the Company's annual general and special meeting of shareholders held on June 27, 2023 (the "Meeting"), the shareholders of the Company elected Julio Jose Arce Ortiz, Alfredo Plenge Thorne, Jose Vizquerra, Juan Carlos Ortiz and Timothy Loftsgard as directors of the Company for the ensuing year. Victoria Vargas and Blair Zaritsky did not stand for re-election at the Meeting. The shareholders of the Company also approved the re-appointment of BDO Canada LLP as the auditors of the Company for the ensuing year and authorized the board of directors to fix their remuneration and terms of engagement.

- At the Meeting, the shareholders of the Company also approved the Company's omnibus equity incentive plan (the "Equity Incentive Plan"), in accordance with the TSX Venture Exchange rules and policies. The Equity Incentive Plan provides for a "rolling 10% plan" in respect of stock options and a "fixed 10% plan" in respect of other awards, permitting the issuance of up to 21,746,986 class A common shares in satisfaction of such other awards.

Subsequent Events

- On July 19, 2023, the Corporation announced the results from 32 drill holes completed between December 2022 and May 2023 as part of the first phase of its infill and resource expansion drilling program at the Reliquias Mine. The Corporation also provided an update on its ongoing mine rehabilitation program, aimed at a future re-start of production from the historic silver-zinc-lead deposit.

- On July 20, 2023, the Company announced that Alejandra Soto has been appointed as the Chief Financial Officer of the Company, effective immediately. In connection with her appointment, the Company granted 225,000 options to acquire class A common shares of the Company, exercisable at a price of C$0.38 per share and expiring July 20, 2027.

Operational Overview

Past Production Mine

AGMR Peru has two main underground mines: Reliquias and Caudalosa. Both assets have recorded historical mining activity from 1952 to 2014 with polymetallic production rich in silver also comprising zinc, lead, gold, and copper. Production reached on average over 1 million ounces of silver and close to 3,000 ounces of gold between 2009 to 2014. Moreover, in 2012, an average of 1.4 million ounces of silver and around 4,000 ounces of gold were obtained within a bulk concentrate. At that time, the chosen mining methods were long-hole open stoping and conventional cut-and-fill.

The Reliquias underground mine is located 10 km SW from the existing processing plant. The mine is currently accessible through a ramp, decline, and various haulage levels. Mineralization consists of silver-rich sulfides and sulfosalts towards the upper part of the mine and shows increasing concentrations of base metals at depth. On the other hand, the Caudalosa underground mine, exploited ore that is mainly composed of silver-rich sulfides and sulfosalts, galena, sphalerite, and minor copper sulfides.

The Reliquias and Caudalosa mines have exploration potential not only at depth, but also along strike for extensions of veins that were mined during operations. The mineralization that is exposed in the Meteysaca, Sacasipuedes and Matacaballo veins is particularly attractive, making the Project an interesting underground exploration prospect, as all three veins remain open laterally and at depth.

After a successful exploration and drilling campaign was completed in the Reliquias underground mine during 2022, the Company announced the issuance of an initial NI 43-101 compliant Mineral Resource estimate on April 12, 2023. The report is dated as of March 18, 2023, with an effective date of March 27, 2023. This estimate includes information received up to December 16, 2022.

NI 43-101 Technical Report Mineral Resource Estimate for the Reliquias Mine

		Grades					Contained Metal				
Resource	**Volume**	**Silver**	**Gold**	**Zinc**	**Lead**	**Copper**	**Silver**	**Gold**	**Zinc**	**Lead**	**Copper**
	kt	*g/t*	*g/t*	*%*	*%*	*%*	*koz Ag*	*koz Au*	*Mlb Zn*	*Mlb Pb*	*Mlb Cu*
Measured	107	104.9	0.3	3.5%	2.3%	0.3%	362	1.2	8.2	5.3	0.7
Indicated	754	99.9	0.2	3.3%	2.5%	0.4%	2,421	5.9	55.3	41.9	6.8
M&I	**861**	**100.5**	**0.3**	**3.3%**	**2.5%**	**0.4%**	**2,783**	**7.1**	**63.5**	**47.2**	**7.5**
Inferred	969	99.6	0.2	2.7%	1.9%	0.3%	3,103	6.6	57.5	41.4	7.3

For additional information, please refer to the Company's news release dated April 12, 2023. A technical report prepared in accordance with NI 43-101 was filed on SEDAR+ (www.sedarplus.ca) under the Company's issuer profile on May 15, 2023.

Historical mineral resources reported by AGMR have been prepared for internal exploration planning purposes and are summarized in the table below. Mineral resources, although not independently calculated, are of reasonable quality for the purposes of exploration programs and mine planning particularly at the Reliquias mine.

Historical Resource Estimate – Castrovirreyna Project(1)

		Grades				Contained Metal			
Resource	**Volume**	**Silver**	**Zinc**	**Lead**	**Copper**	**Silver**	**Zinc**	**Lead**	**Copper**
	kt	*g/t*	*%*	*%*	*%*	*Moz Ag*	*Mlb Zn*	*Mlb Pb*	*Mlb Cu*
Measured	337	254	3.6%	2.7%	0.6%	2.9	26.4	19.9	4.2
Indicated	401	301	3.4%	2.2%	0.5%	3.9	30.2	19.8	4.6
M&I	**738**	**284**	**3.5%**	**2.4%**	**0.5%**	**6.8**	**56.6**	**39.7**	**8.8**
Inferred	2,286	416	3.1%	2.7%	1.7%	30.6	153.9	137.0	84.9

Notes:
(1) (i) Historical resource estimates have been classified in accordance with the CIM Definition Standards; (ii) Historical resource estimates are not Mineral Reserves or Mineral Resources and do not have demonstrated economic viability. All figures are rounded to reflect the relative accuracy of the estimates; (iii) Information is as of July, 2019 Source: Sociedad Minera Reliquias SAC, the information is based on RM-Master Pro Quality, C. Rodriguez, Abr19; RM-Master Pro Quality, C. Rodriguez, Jul19; (iv) Antonio Cruz Bermudez, MAIG 7065, a "qualified person" (as defined in NI 43-101) considers that the historical resource estimates are relevant for the proper understanding of the Project and additional exploration, including drilling, could be needed to verify the historical estimate as current Mineral Resources; (v) A qualified person has not done sufficient work to classify the historical estimate as current Mineral Resources or Mineral Reserves; and (vi) The Company is not treating the historical estimate as current Mineral Resources or Mineral Reserves. "CIM Definition Standards" means the Canadian Institute of Mining, Metallurgy and Petroleum Definition Standards for Mineral Resources and Mineral Reserves adopted by CIM Council on May 10, 2014, which are incorporated by reference in NI 43-101.

For additional information about the Project, please refer to the Company's NI 43-101 technical report entitled "National Instrument 43-101 Technical Report – Castrovirreyna Project, Peru", dated October 6, 2021 and amended November 18, 2021 with an effective date of August 17, 2021, which is available on the Company's SEDAR+ profile at www.sedarplus.ca.

Exploration Properties

Reliquias

The Company obtained the required drill permits to expand exploration work on brownfield targets in the vicinity of Reliquias. Between December 2021 and June 2023, underground drilling program for a total of 3,441.05 meters. The equipment utilized for this campaign is a smaller, versatile rig able to operate in narrow workings and recovering BQ and PACKSACK diameter core. The program’s objective was to further delineate the principal structures through infill drilling as well as to recognize vein splays and tensional structures. Additionally, on June 15, 2023, we have started an underground drilling program of 12,700 meters.

Highlights of drilling results include the following intercepts:

Matacaballo Vein:

- 2.40 m @ 87.04g/t Ag, 0.99% Cu, 1.23% Pb, 1.77% Zn, 0.08g/t Au, including 0.85m @ 157.00g/t Ag, 1.67% Cu, 2.80% Pb, 3.00% Zn, 0.17g/t Au, in drill hole SMR-072BQ-22-MTC.
- 3.20 m @ 222.79g/t Ag, 1.52% Cu, 3.75% Pb, 5.64% Zn, 1.54g/t Au, including 0.70m @ 536.00g/t Ag, 3.16% Cu, 12.90% Pb, 8.90% Zn, 0.99g/t Au, in drill hole SMR-075BQ-22-MTC.
- 0.60 m @ 162.00g/t Ag, 0.44% Cu, 2.40% Pb, 4.10% Zn, 0.10g/t Au in drill hole SMR-079BQ-23-MTC.
- 0.45 m @ 182.00g/t Ag, 0.05% Cu, 0.39% Pb, 1.20% Zn, 0.28g/t Au in drill hole SMR-085BQ-23-MTC.
- 1.75 m @ 86.29g/t Ag, 0.19% Cu, 0.88% Pb, 2.03% Zn, 0.44g/t Au, including 0.50m @ 120.00g/t Ag, 0.22% Cu, 1.10% Pb, 1.50% Zn, 1.22g/t Au, in drill hole SMR-089BQ-23-MTC.
- 0.70 m @ 186.00g/t Ag, 0.01% Cu, 0.09% Pb, 0.23% Zn, 1.44g/t Au in drill hole SMR-116BQ-23-PAS.
- 0.60 m @ 629.00g/t Ag, 0.08% Cu, 1.20% Pb, 2.60% Zn, 1.14g/t Au in drill hole SMR-118BQ-23-PAS.

Meteysaca Vein:

- 2.80 m @ 70.21g/t Ag, 0.13% Cu, 1.55% Pb, 3.19% Zn, 0.24g/t Au, including 0.75m @ 100.00g/t Ag, 0.11% Cu, 2.20% Pb, 5.20% Zn, 0.22g/t Au, in drill hole SMR-099BQ-23-MTS.
- 0.45 m @ 144.00g/t Ag, 0.06% Cu, 0.13% Pb, 0.52% Zn, 0.31g/t Au in drill hole SMR-102BQ-23-MTS.
- 0.80 m @ 482.00g/t Ag, 0.34% Cu, 1.10% Pb, 3.10% Zn, 4.02g/t Au in drill hole SMR-103BQ-23-MTS.
- 3.05 m @ 161.43g/t Ag, 0.16% Cu, 2.36% Pb, 2.74% Zn, 0.41g/t Au, including 0.70m @ 435.00g/t Ag, 0.58% Cu, 8.60% Pb, 10.10% Zn, 0.73g/t Au, in drill hole SMR-104BQ-23-MTS.
- 0.85 m @ 172.00g/t Ag, 0.31% Cu, 0.40% Pb, 0.60% Zn, 0.35g/t Au in drill hole SMR-105BQ-23-MTS.
- 1.15 m @ 254.43g/t Ag, 0.25% Cu, 0.81% Pb, 2.82% Zn, 0.04g/t Au, including 0.65m @ 404.00g/t Ag, 0.23% Cu, 1.10% Pb, 3.60% Zn, 0.005g/t Au, in drill hole SMR-106BQ-23-MTS.

Sacasipuedes Vein:

- 9.45 m @ 73.62g/t Ag, 0.22% Cu, 1.99% Pb, 3.09% Zn, 0.22g/t Au, including 0.55m @ 160.00g/t Ag, 2.09% Cu, 3.20% Pb, 8.00% Zn, 0.07g/t Au, in drill hole SMR-09BQ-23-SCS.

Ayayay Vein:

- 0.70 m @ 328.00g/t Ag, 5.32% Cu, 4.90% Pb, 4.29% Zn, 0.25g/t Au in drill hole SMR-072BQ-22-MTC.
- 0.50 m @ 225.00g/t Ag, 1.37% Cu, 6.90% Pb, 2.50% Zn, 0.23g/t Au in drill hole SMR-073BQ-22-MTC.
- 0.85 m @ 144.00g/t Ag, 0.21% Cu, 0.56% Pb, 0.63% Zn, 0.20g/t Au in drill hole SMR-081BQ-23-MTC.
- 0.85 m @ 136.00g/t Ag, 0.29% Cu, 1.80% Pb, 2.20% Zn, 0.10g/t Au in drill hole SMR-082BQ-23-AYA.
- 1.20 m @ 113.91g/t Ag, 0.55% Cu, 2.45% Pb, 7.59% Zn, 0.43g/t Au, including 0.65m @ 191.00g/t Ag, 0.98% Cu, 4.00% Pb, 12.00% Zn, 0.68g/t Au, in drill hole SMR-091BQ-23-AYA.
- 0.60 m @ 98.50g/t Ag, 0.07% Cu, 2.20% Pb, 6.40% Zn, 0.22g/t Au in drill hole SMR-094BQ-23-AYA.

Pozo Rico Vein:

- 3.75 m @ 139.75g/t Ag, 0.11% Cu, 1.82% Pb, 3.04% Zn, 2.42g/t Au, including 1.25m @ 231.96g/t Ag, 0.11% Cu, 3.34% Pb, 5.58% Zn, 4.57g/t Au, in drill hole SMR-087BQ-23-PZR.
- 2.10 m @ 195.58g/t Ag, 0.02% Cu, 0.54% Pb, 0.77% Zn, 3.19g/t Au, including 0.50m @ 704.00g/t Ag, 0.06% Cu, 1.80% Pb, 2.60% Zn, 11.15g/t Au, in drill hole SMR-088BQ-23-PZR.
- 0.45 m @ 108.00g/t Ag, 0.32% Cu, 3.70% Pb, 2.70% Zn, 0.41g/t Au in drill hole SMR-113BQ-23-PZR.

Perseguida Vein:

- 0.50 m @ 559.00g/t Ag, 0.01% Cu, 0.88% Pb, 0.94% Zn, 2.31g/t Au in drill hole SMR-125BQ-23-PER.
- 1.75 m @ 773.17g/t Ag, 0.14% Cu, 1.31% Pb, 1.28% Zn, 5.23g/t Au in drill hole SMR-126BQ-23-PER.

Sorpresa Vein:

- 0.45 m @ 146.00g/t Ag, 1.09% Cu, 2.30% Pb, 4.10% Zn, 0.11g/t Au in drill hole SMR-083BQ-23-AYA.

Vulcano 2 Vein:

- 0.65 m @ 128.00g/t Ag, 0.38% Cu, 2.50% Pb, 5.60% Zn, 2.74g/t Au in drill hole SMR-121BQ-23-VUL2.

Additionally, an intensive underground channel sampling program was carried out. A total of 1090 channels were taken in 322 channels in total.

Vein	Channels	Samples	QAQC	Total
Beatita	15	34	7	41
Grima	14	36	7	43
Matacaballo	84	169	34	203
Meteysaca	25	356	70	426
Pasteur	31	81	16	97
Perseguida	17	23	5	28
Sacasipuedes	25	59	12	71
Vulcano I	102	306	61	367
Vulcano II	9	26	4	30
Total	**322**	**1090**	**216**	**1306**

Lira de Plata

On the surface, 10 main structures have been identified with more than 1km of veins and a projection of 1.3Km, and three systems of veins in a NW-SE, NE-SO, E-W direction predominate. The first system is associated with the San Antonio vein; the second to the Sànchez Cerro, Lira and Leticia veins. The last system is represented by the La Cruz, Carmen, Anhelo, Ensueño, Ilusion and Fé veins; this system being the most favorable to host mineralization. The structures present subvertical dip inclined preferably to the north; however, underground it is reported with a predominant inclination to the south, on the surface a variable strength between 0.75 m to 1.5 m and a length of up to 320 m is observed, as observed in the Carmen vein. The veinlets are from 1 to 5 cm wide controlled by faults and fractures in the same orientation, while, underground, the structures have strengths that vary from 0.5 m to 1 m. Common textures observed are crustiform, brecciated, and banded.

The following table shows the important values of the surface examination:

Sample	Au g/t	Ag ppm	Cu ppm	Pb ppm	Zn ppm	Vein
SMR-018060	0.01	4.50	32	672	676	Leticia
SMR-018061	0.06	66.90	163	3,790	3,610	
SMR-018063	0.26	**541.00**	3,390	**15,000**	**18,000**	Fe
SMR-018065	0.20	**125.00**	304	**88,000**	6,930	Ilusión
SMR-018073	0.10	6.80	18	1,985	121	Animada
SMR-018076	**2.07**	**115.00**	**5,330**	**61,000**	**31,000**	Carmen
SMR-018077	**1.39**	**531.00**	1,650	**253,000**	1,045	
SMR-018078	**1.55**	**244.00**	**11,200**	**67,000**	**17,000**	
SMR-018079	**3.63**	**298.00**	**16,650**	**24,000**	**21,000**	
SMR-018080	0.19	65.40	228	3,880	425	
SMR-018096	**0.54**	**504.00**	**11,100**	**235,000**	**35,000**	
SMR-018098	**0.26**	**167.00**	**11,450**	**97,000**	**102,000**	
SMR-018099	0.26	94.70	**20,400**	**39,000**	**92,000**	
SMR-018100	**4.34**	**238.00**	329	4,120	658	
SMR-018323	0.12	61.90	1,225	**48,000**	**19,000**	
SMR-018325	**0.41**	**898.00**	4,200	**51,000**	5,900	
SMR-018329	0.10	**179.00**	**34,200**	**31,000**	**46,000**	
SMR-018333	0.19	**130.00**	**14,600**	**82,000**	**86,000**	
SMR-018334	0.16	60.60	**10,500**	**11,000**	**11,000**	
SMR-018336	0.26	62.10	**8,140**	**21,000**	**16,000**	
SMR-018339	**2.30**	**163.00**	3,300	7,060	4,780	
SMR-018083	0.33	78.70	761	**18,000**	1,100	Anhelo
SMR-018086	**1.25**	**242.00**	867	**30,000**	2,930	Ensueño
SMR-018088	**1.02**	**312.00**	**5,430**	**224,000**	**44,000**	Lira
SMR-018089	**3.04**	**1,325.00**	2,310	**11,000**	889	
SMR-018090	0.14	90.50	364	**14,000**	1,085	Sánchez Cerro
SMR-018091	0.02	6.40	43	1,560	74	
SMR-018092	**1.08**	53.60	629	**16,000**	153	Lira
SMR-018093	0.23	**157.00**	1,570	**11,000**	**13,000**	
SMR-018354	0.08	35.90	204	4,260	146	San Antonio

The alteration occurs both in the structure and in the bedrock. The mineralization occurs in massive veins, veinlets and veinlets or in point and patch disseminations of galena, sphalerite, chalcopyrite, tetrahedrite; the gangue is made up of quartz, pyrite, barite and occasionally rhodochrosite, rhodonite. The box rock alters mainly to chlorite, epidote, sericite; followed by silicification and weak argilization in the matrix with zones and oxidation halos of Fe and Mn.
Lira de Plata encompasses two main old mines, Lira and Carmen, which have been mined since colonial times. Historical information indicates that Lira, the larger of the two mines, produced 3,000 to 6,000 MT of Pb-Zn-Cu per year. The mine has mined all but the southern veins and has nearly 3 kilometers of underground workings in six levels over the 65m vertical range. On the other hand, Carmen with an annual production of 5,000 MT Pb-Zn-Cu which were treated at the Banco Minero Mill in Pacococha. The development and exploitation occurred in 3 levels with more than 900 m of underground works. Currently, exploitation work is being carried out by artisanal miners in the De La Cruz vein, where a field sample was extracted, resulting in grades of 421 g/t Ag, 0.6 g/Au, 0.9% Cu, 22% Pb, 16 %Zn.
Although Lira de Plata was one of the largest producers in the district in Colonial times. Production from this area has been modest and still has potential to be explored.

El Milagro

The central area of El Milagro project comprises 1,500 ha, while additional mining properties are in the process of permitting. The project is located 40 km southeast of the Reliquias deposit. This area has been explored by several major mining companies in Peru, based on polymetallic Ag-Pb-Zn mineralization exposed as carbonate replacement bodies and in the form of tabular fracture fill. Historical exploration work including diamond drilling, underground development, and rock sampling returned interesting polymetallic results with high zinc grades. The Company is currently evaluating the historical information to better understand the geological potential of this zone. The review of the property in 2022 lead to the completion of a NI 43-101 compliant technical report, identifying historical resources in the central part of the project (see table below). El Milagro is part of AGMR's consolidation and growth strategy.

Historical Inferred Resource Estimate – El Milagro Project

COG Zinc Eq	Tonnes	Zinc Eq	Silver	Zinc	Lead
%	*t*	*%*	*oz/t*	*%*	*%*
≥ 1%	873,259	5.49%	2.01	2.78%	1.10%
≥ 2%	700,444	6.53%	2.38	3.30%	1.32%
≥ 3%	617,905	7.06%	2.55	3.58%	1.44%
≥ 4%	487,778	8.02%	2.97	3.93%	1.71%

** The full set of drill results is available electronically on SEDAR+ (www.sedarplus.ca) under AGMR's issuer profile and AGMR's website (www.agmr.ca).*

Exploration and Acquisition Costs

	Reliquias	Greenfield Dorita	Other	Total
Balance, December 31, 2021	**$ 5,156,644**	**$ 2,559,982**	**$ 574,204**	**$ 8,290,830**
Exploration costs				
Depreciation	7,566	-	-	7,566
Drilling	1,908,266	-	-	1,908,266
Mine rehabilitation	1,042,719	-	56,128	1,098,847
General on-site expenses	1,470,829	187,623	30,219	1,688,671
Geological mapping, sampling & other	524,493	305,099	-	829,592
Right of use	344,232	212,347	16,998	573,577
Salaries and benefits	401,964	147,416	9,546	558,926
Topography and geophysics	195,765	42,393	-	238,158
Complementary environmental services	244,763	20,602	-	265,365
	6,140,597	**915,480**	**112,891**	**7,168,968**
Acquisition costs				
Mining rights	89,495	48,919	3,125	141,539
Balance, December 31, 2022	**$ 11,386,736**	**$ 3,524,381**	**$ 690,220**	**$ 15,601,337**

	Reliquias	Greenfield Dorita	Other	Total
Balance, December 31, 2022	**$ 11,386,736**	**$ 3,524,381**	**$ 690,220**	**$ 15,601,337**
Exploration costs				
Depreciation	106,893	-	-	106,893
Drilling	355,769	-	-	355,769
Mine rehabilitation	461,756	-	-	461,756
General on-site expenses	1,083,392	-	-	1,083,392
Geological mapping, sampling & other	409,927	-	-	409,927
Right of use	287,331	-	-	287,331
Salaries and benefits	705,859	-	-	705,859
Topography and geophysics	36,885	-	-	36,885
Complementary environmental services	228,814	-	-	228,814
	3,676,626	-	-	**3,676,626**
Balance, June 30, 2023	**$ 15,063,362**	**$ 3,524,381**	**$ 690,220**	**$ 19,277,963**

Results of Operations

Three months ended June 30, 2023, compared with three months ended June 30, 2022

AGMR's net loss totaled $583,061 for the three months ended June 30, 2023, with basic and diluted loss per share of $0.00. This compares with a net loss of $2,908,925 with basic and diluted loss per share of $0.02 for the three months ended June 30, 2022. The decrease of $2,325,864 was principally due to:

- During the three months ended June 30, 2023, the Company incurred general and administrative expenses of $831,640 compared to $1,707,699 for the three months ended June 30, 2022. The decrease of $876,059 was primarily driven by decreases in operational expenses of $509,947 due to the expansion of technical data and knowledge of the Company's mineral properties, which results in the increase of expenses which used to be allocated as operational and now are being directly and incrementally related to exploration activities that are allocated to the Company's mineral property. There were also decreases in salaries and benefits of $236,703, administrative expenses of $152,945, and partially offset by an increase in professional fees of $128,571.

- During the three months ended June 30, 2023, the Company recorded foreign exchange gain of $45,386 compared to foreign exchange loss of $426,707 for the three months ended June 30, 2022.

- During the three months ended June 30, 2023, the Company recorded an unrealized gain on revaluation of warrant liabilities of $416,926 compared to an unrealized loss of $619,861 for the three months ended June 30, 2022. The increase is due to the revaluation of warrants granted in connection with the IPO and Prospectus Offering, subsequently valued at its trading market price as of June 30, 2023.

Six months ended June 30, 2023, compared with six months ended June 30, 2022

AGMR's net loss totaled $760,299 for the six months ended June 30, 2023, with basic and diluted loss per share of $0.00. This compares with a net loss of $2,532,167 with basic and diluted loss per share of $0.01 for the six months ended June 30, 2022. The decrease of $1,771,868 was principally due to:

- During the six months ended June 30, 2023, the Company incurred general and administrative expenses of $2,005,786 compared to $3,013,807 for the six months ended June 30, 2022. The decrease of $1,008,021 was primarily driven by decreases in operational expenses of $669,136 due to the expansion of technical data and knowledge of the Company's mineral properties, which results in the increase of expenses which used to be allocated as operational and now are being directly and incrementally related to exploration activities that are allocated to the Company's mineral property. There were also decreases in administrative expenses of

$273,886, filing and listing fees of $131,787, and partially offset by an increase in professional fees of $265,246.

- During the six months ended June 30, 2023, the Company recorded financial expenses of $9,903 compared to $532,358 for the six months ended June 30, 2022. The decrease is due to a decrease in accretion on Trafigura loan payable during the six months ended June 30, 2023, as the Company had repaid the full amount of the outstanding loan with Trafigura on March 1, 2022.

- During the six months ended June 30, 2023, the Company recorded foreign exchange gain of $6,608 compared to foreign exchange loss of $193,749 for the six months ended June 30, 2022.

- During the six months ended June 30, 2023, the Company recorded an unrealized gain on revaluation of warrant liabilities of $1,727,175 compared to $1,499,049 for the six months ended June 30, 2022. The increase is due to the revaluation of warrants granted in connection with the IPO and Prospectus Offering, subsequently valued at its trading market price as of June 30, 2023.

Outlook

The operational outlook below and described herein reflects the Company’s current operations.

The Company has successfully raised $37.7 million since May 7, 2021, including gross proceeds of $6.9 million (C$9.3 million) from the Prospectus Offering on February 9, 2023, the IPO gross proceeds of $20.8 million (C$26.5 million) on February 2, 2022, and the private placement transaction proceeds of $10 million on May 7, 2021. The proceeds from these financings have been and will be used to develop the Project. This includes the development of the Reliquias Underground mine, exploration activities, environmental and social permits, the refurbishment works related to the 2,000 tpd concentrator plant, and general and administrative expenses. These budgeted cash outflows are mainly discretionary; amounts could change and be managed by the Company based on market conditions and the Company’s needs.

After a successful exploration and drilling campaign was completed in the Reliquias underground mine during 2022, the Company announced the issuance of an initial NI 43-101 compliant Mineral Resource estimate on April 12, 2023. The report is dated as of March 18, 2023, with an effective date of March 27, 2023.

After mid-December 2022, AGMR has continued conducting additional underground drilling activities in Reliquias. This includes a 3,000-m infill drilling campaign with a smaller rig, to further delineate the principal structures as well as to recognize vein splays and tensional structures. In 2023, the Company expects to extend the drilling program by adding three larger drill rigs, with an additional 12,700 m of underground drilling. The objective of this drill program is to evaluate especially the eastern part of the Reliquias deposit, where the Perseguida, Sacasipuedes, Pasteur and Vulcano vein structures were historically mined on various underground levels but remain open laterally and at depth. With timing depending on approval of surface drill permits, the Company plans to drill a further 3,000m to investigate the potential to add near-surface, potentially open-pittable resources at the higher levels of the Reliquias deposit.

Together with ongoing mine rehabilitation and development, the detailed underground mapping and channel sampling program will continue. The development of the principal underground infrastructure such as haulage levels, drifts, and access ramps are programmed to commence in Q4-2023, while the planning for the refurbishment of the metallurgical plant is continuing throughout 2023.

In Q3 2023, the second phase of our 2023 infill and resource expansion drill program continues at full speed and is moving the Reliquias Project forward under its two-pronged strategy of advancing towards a production decision and exploring for additional resources. The approval of twenty surface platforms on the highly prospective Pasteur zone is a very positive step forward to fulfil the second part of this strategy.

In late Q4 2023, AGMR expects to iniciate a Preliminary Economic Analysis (PEA). This study will include an updated resource estimate, geotechnical and hydrological studies of the Reliquias mine, an update of the existing studies on the tailings dam stability, and environmental baseline studies.

The Company intends to expand the brownfield exploration program around the large, underexplored Reliquias and Caudalosa concession block.

Initial Public Offering Use of Proceeds

There have been no major variances in the estimated use of proceeds from the net proceeds of the IPO and other available funds since the date of the Company's long form prospectus dated January 26, 2022 (the "Long Form Prospectus") that materially impact the Company's ability to achieve its business objectives and milestones. The following is a tabular comparison of the use of available funds disclosed in the Long Form Prospectus and the estimated use of such funds by the Company subsequent to the filing of the Long Form Prospectus. On June 30, 2023, the daily exchange rate for the United States dollar in terms of Canadian dollars, as quoted by the Bank of Canada, was US$1.00 = $1.3240.

(In millions of United States dollars, except otherwise stated)

Principal Purpose	IPO Use of Proceeds		Expenses as at June 30, 2023	Remaining Proceeds to Use
	C$	US$	US$	US$
Resource Upgrade & Exploration	$ 18.6	$ 13.7	$ 10.7	$ 3.0
Plant Refurbishment	3.0	2.2	-	2.2
Tailings Dam	0.6	0.4	-	0.4
Mine Concession Rights	0.5	0.4	1.2	(0.8)
Permits and Studies	0.4	0.3	1.2	(0.9)
Working Capital	2.8	2.1	3.6	(1.5)
Trafigura Loan	3.3	2.4	2.9	(0.5)
Communities	0.3	0.2	0.4	(0.2)
General Corp. Purposes (OAO)	4.0	2.9	1.3	1.6
Total	**$ 33.5**	**$ 24.6**	**$ 21.3**	**$ 3.3**

In addition, there have been no material adjustments to the cost or timing of the business milestones previously disclosed in the Long Form Prospectus. The following table summarizes the business objectives and milestones disclosed in the Long Form Prospectus, including the status of the milestones and expenditures made on the milestones to date.

(In millions of United States dollars, except otherwise stated)

Business Objective	Milestone(s) that must occur for Business Objective to be Accomplished	Target Date	Expenditures to Date	Estimated Remaining Cost to Complete
Upgrade Resource	Commencement of diamond drill hole and stage one exploration program Obtain first results from diamond drill hole program Complete stage one exploration program Commence stage two exploration of brownfield and greenfield projects Complete stage two exploration program	Completed Completed Completed Completed Q3-2023	$10.3	$3.4
Refurbish Plant	Begin refurbishment of processing plant Complete refurbishment of processing plant	Q4-2023 Q-2024	$0.0	$2.2
Prepare Tailings Dam for Upgrade	Begin preparation of tailings dam for proposed upgrades	Q2-2023	$0.0	$0.4

The Company confirms that there have been no material variances in the estimated use of proceeds from the net proceeds of the Prospectus Offering since the date of the Company's prospectus supplement dated February 6, 2023. In addition, there have been no material adjustments to the cost or timing of the business milestones previously disclosed in such prospectus supplement.

Liquidity and Capital Resources

The Company has no operating revenues. It finances its exploration and ramp-up activities through proceeds from the initial private placement of its securities, the IPO proceeds, and the proceeds from the Prospectus Offering. There is no assurance that future equity capital will be available to the Company in the amounts or at the times desired by the Company or on terms that are acceptable to it, if at all.

The Company's cash and cash equivalents were $8,909,618 as at June 30, 2023, compared to $8,770,989 as at December 31, 2022. Working capital as at June 30, 2023, was $7,963,051 compared to $7,574,493 as at December 31, 2022. Working capital increased during the six months ended June 30, 2023, by $388,558. The increase was primarily attributed to an increase in cash and cash equivalents, and a decrease in amounts payable and other payables.

Operating Activities

Cash used in operating activities for the six months ended June 30, 2023, was $2,705,818 compared to $4,160,015 for the same period in 2022. The change in outflows were mainly attributable to a net loss of $699,852, non-cash adjustments of $1,255,870 and non-cash working capital items of $750,096. Non-cash adjustments were mainly driven by unrealized gain on revaluation of warrant liabilities of $1,727,175 and offset by share-based compensation of $478,393. The net change in non-cash working capital balances resulted from an increase in amounts receivable and other assets of $635,785, decrease in amounts payable and other liabilities of $145,680, and partially offset by a decrease in prepaid expenses of $31,369.

Investing Activities

Cash used in investing activities for the six months ended June 30, 2023, was $3,706,642 compared to $2,274,445 for the same period in 2022. For the six months ended June 30, 2023, the Company incurred $3,630,180 of exploration and evaluation costs, pledged restricted cash of $262,809, received restricted cash returned of $248,514, and purchased property, plant, and equipment of $62,167.

Financing Activities

Cash provided by financing activities for the six months ended June 30, 2023, was $6,551,089 compared to $16,561,610 for the same period in 2022. For the six months ended June 30, 2023, the Company received net proceeds of $6,551,089 in connection with the Prospectus Offering. For the six months ended June 30, 2022, the Company received net proceeds of $19,505,638 in connection with the IPO, a portion of which was used to repay the loan of $2,944,028 with Trafigura.

Related Party Transactions

Parties are related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control. Related parties include key management personnel and may be individuals or corporate entities. A transaction is a related party transaction when there is a transfer of resources or obligations between related parties. Related party transactions are recorded at the exchange amount, being the amount agreed to between the related parties.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's executive officers and members of the Board of Directors.

Remuneration of key management personnel of the Company was as follows:

	Three Months Ended June 30, 2023	2022	Six Months Ended June 30, 2023	2022
Management salaries[(1)]	$ 155,058	$ 235,053	$ 384,152	$ 381,193
Director and chair fees[(2)]	46,730	47,864	111,000	95,864
Severance fee[(3)]	nil	nil	174,649	nil
Share-based compensation[(4)]	168,311	108,001	372,169	230,274
	$ 370,099	**$ 390,918**	**$ 1,041,970**	**$ 707,331**

(1) During the three and six months ended June 30, 2023, management salaries of $102,164 and $265,685, respectively (three and six months ended June 30, 2022 - $192,875 and $300,098, respectively) were expensed as salaries and benefits, and $52,894 and $118,467, respectively (three and six months ended June 30, 2022 - $42,178 and $81,095, respectively) were capitalized as exploration and evaluation costs.

(2) During the three and six months ended June 30, 2023, director and chair fees of $46,730 and $111,000 (three and six months ended June 30, 2022 - $47,864 and $95,864, respectively) were expensed as salaries and benefits.

(3) During the three and six months ended June 30, 2023, severance fee of $nil and $174,649, respectively (three and six months ended June 30, 2022 - $nil) to a certain officer of the Company was expensed as salaries and benefits.

(4) During the three and six months ended June 30, 2023, the Company recorded share-based compensation expense of $168,311 and $372,169, respectively (three and six months ended June 30, 2022 - $108,001 and $230,274, respectively) related to stock options granted to certain officers and directors of the Company.

Off-Balance Sheet Arrangements

As of the date of this Interim MD&A, the Company does not have any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company, including, and without limitation, such considerations as liquidity and capital resources.

Outstanding Share Data

As at August 24, 2023, the Company had 217,469,860 common shares issued and outstanding.

As at August 24, 2023, the Company had 3,770,000 stock options issued and outstanding with an exercise price of $0.30, 2,970,000 stock options issued and outstanding with an exercise price of C$0.50, as well as 4,835,000 stock options issued and outstanding with an exercise price of C$0.38.

As at August 24, 2023, the Company had 16,759,870 warrants issued outstanding with an exercise price of $0.90, 26,450,000 warrants issued outstanding with an exercise price of C$0.70, as well as 15,525,000 warrants issued outstanding with an exercise price of C$0.45.

Critical Accounting Policies and Estimates

The preparation of the Financial Statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the Financial Statements and the reported amounts of income and expenses for the reporting period. The Company also makes estimates and assumptions concerning the future. The determination of estimates and associated assumptions are based on various assumptions including historical experience and other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. Please refer to the Financial Statements for information on the Company's significant judgements in applying accounting policies as well as significant accounting estimates and assumptions.

Disclosure of Internal Controls

Management has established processes to provide them with sufficient knowledge to support representations that they have exercised reasonable diligence to ensure that (i) the financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the financial statements, and (ii) the financial statements fairly present in all material respects the financial condition, results of operations and cash flow of the Company, as of the date of and for the periods presented.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109, Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), 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. In particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of:

(i) Controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized, and reported within the time periods specified in securities legislation; and

(ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the financial statements for external purposes in accordance with the issuer's GAAP (IFRS).

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in the certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Cautionary Note Regarding Forward-Looking Information

This Interim MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or statements that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this Interim MD&A speak only as of the date of this Interim MD&A or as of the date specified in such statement.

Inherent in forward-looking statements are risks, uncertainties, and other factors beyond the Company's ability to predict or control. Please refer to those risk factors referenced in the "Risks and Uncertainties" section below, the "Risk Factors" section of the final long form prospectus in respect of the initial public offering filed and dated January 26, 2022, and the "Risk Factors" section of the short form base shelf prospectus filed and dated November 9, 2022. Readers are cautioned that these do not contain an exhaustive list of the factors or assumptions that may affect the forward-looking statements, and that the assumptions underlying such statements may prove to be incorrect. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this Interim MD&A.

All forward-looking statements herein are qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether because of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

Risks and Uncertainties

Risks and Uncertainties

The Company's business, being the acquisition, exploration, and development of mineral properties in Peru, is speculative and involves a high degree of risk. Certain factors, including but not limited to the ones described below, could materially affect the Company's financial condition and/or future operating results, and could cause actual events to differ materially from those described in forward looking statements made by or relating to the Company. See "Cautionary Note Regarding Forward-Looking Information". The reader should carefully consider these risks as well as the information and other risk factors contained in the Company's Financial Statements, any annual information form filed by the Company, and the other publicly filed disclosure regarding the Company, available on SEDAR+ (www.sedarplus.ca) under the Company's issuer profile or on the Company's website (www.agmr.ca).

Asset Retirement Obligation (ARO)

Upon approval of the Company's Mine Closure Plan by the Peruvian mining authorities, and the restart of mining operations, the Company will be responsible for remediation activities and decommissioning costs resultant from its mining activities upon the termination of its mining operations. No provisions for these activities and costs have currently been recorded since the Company is currently waiting for the approval of its Mine Closure Plan, for which a consulting company and a pool of engineers were hired to assist in the development and analysis of its remediation plan and the related decommission costs as well as the timing of the related activities. Even though these numbers are still subject to change, based on the work done to date, external consultants estimate that the budget for these activities could be between $9.5M and $12.5M and that the estimated Life of Mine (LOM) could be between 10 and 15 years. While the Mine Closure Plan has not yet been approved, the Company has restricted cash of $508,249 (PEN 1,910,000) which represents a cash deposit which has been pledged through a guaranty on behalf of the Peruvian Ministry of Mines ("MINEM") to lift the temporary "Mine Under Suspension" status of AGMR Peru until the Mine Closure Plan (which the MINEM is currently reviewing) is approved. Upon approval of the Company's Mine Closure Plan, a provision for decommissioning will be recognized in the consolidated financial statements that will be based on a discounted value of this range.

Non-IFRS Measures

The Company has included a non-IFRS measure for "working capital" in this MD&A to supplement its financial statements, which are presented in accordance with IFRS. The Company believes that this measure provides investors with an improved ability to evaluate the performance of the Company. Non-IFRS measures do not have any standardized meaning prescribed under IFRS. Therefore, such measures may not be comparable to similar measures employed by other companies. The data is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

The Company determined working capital as follows (in thousands of United States dollars):

Reconciliation for the period ended	June 30, 2023	March 31, 2023	December 31, 2022	September 30, 2022
Current assets	$ 9,961	$ 13,571	$ 9,718	$ 13,724
Less: Current liabilities	$ 1,998	$ 2,571	$ 2,143	$ 1,851
Working Capital	$ 7,963	$ 11,000	$ 7,575	$ 11,873

Reconciliation for the period ended	June 30, 2022	March 31, 2022	December 31, 2021	September 30, 2021
Current assets	$ 18,162	$ 21,798	$ 7,424	$ 8,375
Less: Current liabilities	$ 1,856	$ 961	$ 2,000	$ 1,387
Working Capital	$ 16,306	$ 20,837	$ 5,424	$ 6,988

International Conflict

International conflict and other geopolitical tensions and events, including war, military action, terrorism, trade disputes and international responses thereto have historically led to, and may in the future lead to, uncertainty or volatility in global commodity and financial markets and supply chains. Russia's invasion of Ukraine has led to sanctions being levied against Russia by the international community and may result in additional sanctions or other international action, any of which may have a destabilizing effect on commodity prices, supply chains and global economies more broadly. Volatility in commodity prices and supply chain disruptions may adversely affect the Company's business, financial condition, and results of operations. The extent and duration of the current Russia-Ukraine conflict and related international action cannot be accurately predicted at this time and the effects of such conflict may magnify the impact of the other risks identified in this MD&A, the financial statements of the Company and the Company's other continuous disclosure documents, including those relating to commodity price volatility and global financial conditions. The situation is rapidly changing and unforeseeable impacts, including on shareholders of the Company, third parties on which the Company relies or transacts with, may materialize, and may have an adverse effect on the Company's business, results of operation and financial condition.

Recent Unrest in Peru

On December 7, 2022, the Peruvian President Pedro Castillo was removed from office and arrested after a failed attempt to dissolve Peru's Congress, was considerable political unrest in Peru and demonstrations related to the political situation led to multiple clashes between protestors and security forces, resulting in casualties and deaths. The political unrest gave rise to many roadblocks across the country. In addition, in response, some airports across Peru suspended their operations. On December 14, 2022, the Peruvian government declared a national state of emergency for 30 days, which was subsequently extended and remains in effect in parts of the country. To date, the unrest and blockades have subsided and did not interfere with the transport of personnel and supplies to the Project. No assurance can be if new unrest and blockades will take place or whether they will disrupt or interfere with transportation of personnel and supplies in the future. The effect of any such disruption or interference cannot accurately be predicted and could have a significant adverse effect on the Company's results of operations, cashflow from operations and financial condition. Since early March 2023, the sociopolitical situation has improved markedly, and no significant further unrest has taken place in the country.

Negative Cash Flow from Operations and Need for Additional Financing

To date, the Company has had negative cash flow from operating activities. Although the Company anticipates it will have positive cash flow from operating activities in future periods, it expects it will require additional working capital to fund operating activities. To the extent that the Company has negative cash flow in any future period, certain or all of the net proceeds from financings may be used to fund such negative cash flow from operating activities. The Company may require additional financing to fund its operations to the point where it is generating positive cash flows. Continued negative cash flow may restrict the Company's ability to pursue its business objectives. The Company has historically financed its working capital requirements primarily through equity and debt financings. While the Company has been successful in raising financing in the past, there is no assurance that it will be able to obtain additional financing or that such financing will be available on reasonable terms. In addition, the Company's continued development may require additional financing. The failure to raise such capital could result in the delay or indefinite postponement of current business objectives or the Company going out of business. Additional financing may not be available on favorable terms, or at all. If additional funds are raised through issuances of equity or securities (including debt securities) convertible into equity, existing shareholders could suffer significant dilution, and any new equity securities issued could have rights, preferences and privileges superior to those of holders of Common Shares. In addition, from time to time, the Company may enter into transactions to acquire assets or the shares or securities of other entities. These transactions may be financed wholly or partially with debt, which may temporarily increase the Company's debt levels above industry standards. Any debt financing secured in the future could involve restrictive covenants relating to capital raising activities and other financial and operational matters, which may make it more difficult for the Company to obtain additional capital and to pursue business opportunities, including potential acquisitions.

Estimating Mineral Resources is Risky

The information on historical Mineral Resources are estimates only, and no assurance can be given that the anticipated tonnages and grades reported in the Technical Report for the Project will be achieved. Mineral Resource estimates may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing and other factors. There are numerous uncertainties inherent in estimating Mineral Resources, including many factors beyond the Company's control. Estimation is a subjective process, and the accuracy of the Mineral Resource estimate is a function of the quantity and quality of available data, and of the assumptions made and judgments used in engineering and geological interpretation of that data and the level of congruence with the actual size and characteristics of the

Company's deposits. These estimates may require adjustments or downward revisions based upon further exploration or development work, drilling or actual production experience. Fluctuations in silver prices, results of drilling, metallurgical testing and production, the evaluation of mine plans after the date of any estimate, permitting requirements or unforeseen technical or operational difficulties may require revision of the Company's Mineral Resource estimates. Mineral Resource estimates are based on drill hole information, which is not necessarily indicative of conditions between and around the drill holes. Accordingly, such Mineral Resource estimates may require revision as more geologic and drilling information becomes available and as actual production experience is gained. Should reductions in Mineral Resources occur, the Company may be required to take a material write-down of its investment in the Project, reduce the carrying value of the Project or delay the development of, or production from, some or all of the deposits forming the Project, which could have a material adverse effect on the Project and the Company's business, financial condition, results of operations, cash flows and prospects. Mineral Resources should not be interpreted as assurances of life of mine or of the profitability of future operations. There is a degree of uncertainty in estimating Mineral Resources and of the grades and tonnage that are forecast to be mined and, as a result, the grade and volume of silver that the Company mines, processes and recovers may not be the same as currently anticipated. Any material reductions in estimates of Mineral Resources could have a material adverse effect on the Project and the Company's business, financial condition, results of operations, cash flows or prospects. Mineral Resources are not Mineral Reserves and have a greater degree of uncertainty as to their existence and feasibility. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. There is no assurance that Mineral Resources will be upgraded to Proven or Probable Mineral Reserves. Mineral Resources that are in the Inferred category are even more risky. Due to the uncertainty and speculative nature of Inferred Mineral Resources, economic considerations cannot be applied to this category and there is no assurance that Inferred Mineral Resources will be upgraded to Proven or Probable Mineral Reserves as a result of continued exploration.

Additional Information

Additional information regarding the Company is available on SEDAR+ (www.sedarplus.ca) under the Company's issuer profile.