

SILVER MOUNTAIN RESOURCES INC.

Management's Discussion & Analysis

For the three and nine months ended September 30, 2026 and 2025

(Expressed in US dollars)

INTRODUCTION

The following interim management's discussion and analysis ("MD&A") of the financial condition and results of the operations of Silver Mountain Resources Inc. ("AgMR", the "Company", "we" or "our") constitutes management's review of the factors that affected the Company's financial and operating performance for the three and nine months ended September 30, 2026 and 2025. This MD&A has been prepared in compliance with the requirements of National Instrument 51-102 *Continuous Disclosure Obligations*. This MD&A should be read in conjunction with Company's unaudited condensed interim consolidated financial statements and related notes for the three and nine months ended September 30, 2026 and 2025 (the "Financial Statements") and the audited consolidated financial statements and notes thereto as at December 31, 2025 and 2024. The Company's consolidated financial statements are prepared in accordance with IFRS® Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). These financial statements are prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting*.

The results for the period presented are not necessarily indicative of the results that may be expected for any future period. The first, second, third and fourth quarters of the Company's fiscal years are referred to as "Q1", "Q2", "Q3" and "Q4", respectively. The nine months ended September 30, 2026 and 2025 are referred to as "YTD 2026" and "YTD 2025" respectively.

All monetary amounts in the MD&A are expressed in United States dollars, the presentation currency of the Company, except number of shares, or as otherwise indicated. References to "C$" are to Canadian dollars, references to "PEN" are to Peruvian sol. The functional currency of the Company and its subsidiary is disclosed in the notes to the Financial Statements.

This MD&A has been prepared effective as of November 16, 2026 (the "MD&A Date").

The Company's certifying officers are responsible for ensuring that the Financial Statements and MD&A do not contain any untrue statement of a 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 was made. The Company's certifying officers certify that the Financial Statements together with the other financial information included in the filings fairly present, in all material respects, the financial condition, financial performance and cash flows of the Company as of the date of, and for the periods presented.

On March 28, 2025, the Company consolidated all of the issued and outstanding class A common shares of the Company on the basis of one (1) post-consolidation class A common share for every fifteen (15) pre-consolidation class A common share (the "Share Consolidation"). All historical share and per share data, including the number of common shares, weighted average number of common shares, loss per share, stock options and warrants presented in the Financial Statements and this MD&A have been retrospectively adjusted to reflect the Share Consolidation.

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 and as described in the annual information form of the Company dated April 30, 2026 for the year ended December 31, 2025 (the "AIF").

Additional information regarding the Company is available on SEDAR+ at www.sedarplus.ca and the Company's website at www.agmr.ca.

QUALIFIED PERSON

Unless otherwise stated, the scientific and technical information contained in this MD&A has been reviewed and approved by Gerardo Acuña, P. Geo, MAIG 7065, a consultant of the Company and a "qualified person" within the meaning of National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* ("NI 43-101"). Mr. Acuña is independent of the Company within the meaning of Section 1.5 of NI 43-101.

DESCRIPTION OF BUSINESS

The Company is a publicly traded silver exploration and development company that was listed on the TSX Venture Exchange (the "TSXV") in 2025. On February 26, 2026, the Company graduated from the TSXV and commenced trading on the Toronto Stock Exchange (the "TSX") under the symbol "AGMR". The Company continues to be listed on the OTCQB Venture Market under the symbol "AGMRF" and the Lima Stock Exchange under the symbol "AGMR". The Company is advancing activities to recommence production at the Reliquias underground mine and undertake exploration activities at its silver properties comprising the Castrovirreyna Project (the "Reliquias Project" or "Reliquias") located in Huancavelica, Peru.

The Company, through its subsidiary Sociedad Minera Reliquias S.A.C ("AgMR Peru"), owns a processing plant with capacity of 2,600 tonnes per day ("tpd") (currently permits up to 2,000 tpd), an operating tailings dam, and over 59,000 hectares ("ha") of titled 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 mine 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 2,600 tpd conventional concentrator plant to produce silver, lead, zinc, and copper concentrates
- Tailings storage facility: 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

During the year ended December 31, 2025, the Company raised net proceeds of $36,803,499, after deducting $2,721,998 of unit issuance costs, through bought-deal prospectus offerings. The Company also finalized a 20-year surface land use agreement with the Community of Salcca Santa Ana. These milestones represent the final steps required to restart operations at the Reliquias Mine. Based on these achievements, the Company is targeting commencement of commercial production in 2026.

CORPORATE STRATEGY

The Company is pursuing long-term growth and sustainable value creation. The Company's strategy centres on realizing the potential of its assets through disciplined exploration, systematic development, and strategic partnerships, while seeking to maximize stakeholder value. A fundamental component of this approach involves converting historical resources into NI 43-101 compliant reserves and expanding the current resource base across the 24,000-hectare Reliquias Block to support ongoing project advancement.

The Company holds rights over the 28,800-hectare Dorita Block, located in the northern sector of the Project. Exploration activities at Dorita are scheduled to commence following completion of work at the Reliquias Mine. Preliminary surface exploration results indicate potential for mineralization, establishing Dorita as a component of the Company's growth strategy. Through a systematic approach to exploration and development, the Company remains focused on identifying new resources, enhancing operational viability, and delivering long-term shareholder value.

Based on the financing completed during 2025, the Company believes it has sufficient capital resources to bring the Reliquias Mine into commercial production during 2026. However, there is no assurance that the Company will maintain adequate resources in the future due to market conditions, economic factors, and commodity price fluctuations. Additionally, the Company's targeted production commencement date is subject to various risks and uncertainties, including permitting, construction, equipment delivery, and commissioning of mining and processing operations. See *"Risks and Uncertainties"* below.

Following the recently closed bought-deal prospectus offering on November 18, 2025, the Company intends to undertake the following activities:

(1) Completion of approximately 4,600 metres of underground tunnelling at the Reliquias Mine
(2) Capital expenditures for improvements to the tailings dam, crusher, and mill in the processing plant, as well as upgrades to camps, roads, and related infrastructure
(3) Completion of approximately 21,012 metres of drilling at the Caudalosa Mine and related underground development activities
(4) Completion of approximately 6,778 metres of drilling at the Reliquias Mine
(5) Completion of approximately 1,528 metres of drilling at the Natividad property
(6) Additional exploration activities between the Caudalosa Mine and the Reliquias Mine

As part of an ongoing consolidation strategy, the Company continues to evaluate and pursue targets adjacent to existing projects. Expanding the land package through additional mining concessions may strengthen the resource base and create opportunities for growth. This approach is intended to enhance the scale and sustainability of the Company's portfolio, reinforcing its position in the region and supporting long-term shareholder returns.

In addition to current projects, the Company continues to identify and assess new exploration opportunities in emerging mining regions. This diversification strategy is intended to mitigate risk and support a pipeline of future growth opportunities, consistent with the Company's long-term expansion objectives.

CORPORATE HIGHLIGHTS

- During the nine months ended September 30, 2026, the Company issued 6,649,969 common shares pursuant to the exercise of warrants with a weighted average exercise price of C$3.06 per common share for gross proceeds of $14,818,142 (C$20,348,905). As a result, the Company transferred $5,778,871 from warrant liabilities to share capital.

- During the nine months ended September 30, 2026, the Company issued 792,997 common shares pursuant to the exercise of warrants with a weighted average exercise price of $1.35 per common share for gross proceeds of $1,070,546. As a result, the Company transferred $68,923 from contributed surplus to share capital.

- On June 19, 2026, pursuant to a shares-for-services agreement entered into by the Company and each of its directors of the Company on January 27, 2026, the Company issued 16,776 common shares at a price of $2.52 per share for an aggregate fair value of $42,265 as consideration for director and board advisory fees owing from January 1, 2026 to March 31, 2026.

- On June 28, 2026, 44,000 stock options of the Company with an exercise price of C$7.50 expired unexercised.

- On February 26, 2026, the Company's common shares commenced trading on the TSX under the symbol "AGMR".

- On February 20, 2026, 30,000 stock options of the Company with an exercise price of C$3.25 forfeited.

- On February 12, 2026, 25,000 stock options of the Company with an exercise price of C$5.70 forfeited.

- On February 9, 2026, 1,035,000 warrants of the Company with an exercise price of C$6.75 expired unexercised.

- On February 2, 2026, 66,000 stock options of the Company with an exercise price of C$7.50 expired unexercised.

- On January 28, 2026, pursuant to a shares-for-services agreement entered into by the Company and each of its directors of the Company on January 27, 2026, the Company issued 44,945 common shares at a price of $3.67 per share for an aggregate fair value of $164,993 as consideration for director and board advisory fees owing from July 1, 2025 to December 31, 2025.

- On January 18, 2026, 25,000 stock options of the Company with an exercise price of C$5.70 forfeited.

- On January 13, 2026, the Company issued 108,661 common shares and warrants exercisable to acquire 108,661 common shares at a price of C$2.025 per common share pursuant to the exercise of broker warrants for gross proceeds of $129,236. Each issued warrant expires on April 24, 2028.

OPERATIONAL OVERVIEW

Mine Operations

The Company owns two historically productive underground mines: Reliquias and Caudalosa. These assets have a long mining history, with continuous extraction activities from 1951 to 2016, yielding significant volumes of silver, zinc, lead, gold, and copper. Between 2009 and 2014, the mines produced an average of over 1 million ounces of silver and nearly 3,000 ounces of gold annually, peaking in 2012 with 1.4 million ounces of silver and approximately 4,000 ounces of gold recovered within a bulk concentrate. Mining operations have employed advanced underground methods, including sub-level stopping and conventional cut and fill, optimizing ore extraction.

Reliquias

Reliquias, the Company's principal underground mine, is located 10 kilometres southwest of the processing plant, which is not currently operational. The mine is accessible via an extensive network of ramps and transport levels. The deposit features high-grade silver sulfides and sulfosalts near surface, transitioning to increasing base metal content at depth.

Recognizing exploration potential, the Company through AgMR Peru has prioritized both depth extensions and lateral expansions across multiple veins, particularly the Sacasipuedes, Ayayay, Matacaballo, and Perseguida structures. These zones present prospective targets for continued underground development.

The scientific and technical disclosure on the Reliquias Project is supported by the technical report entitled *"Amended and Restated NI 43-101 Technical Report: Preliminary Economic Assessment, Reliquias Mine, Department of Huancavelica-Perú"* dated October 28, 2024 (with an effective date of May 15, 2024), which was prepared for the Company by (i) Steven L. Park M.Sc., C.P.G., Registered Member AIPG, (ii) Antonio Cruz Bermudez, M.Sc., P. Geo. Registered Member FAIG, and (iii) Gerardo Acuña, P. Eng. Registered Member FAusIMM (CP), each of whom is considered to be independent of the Company for purposes of Section 1.5 of NI 43-101 (the "Reliquias Technical Report").

The Reliquias Technical Report is the current technical report in respect of the Reliquias Project for purposes of NI 43-101. Key highlights in the Reliquias Technical Report include a pre-tax net present value ("NPV") at a 5% discount rate of C$107 million, a pre-tax internal rate of return ("IRR") of 57%, and a payback period of 1.8 years. These metrics are based on the assumptions set out in the Reliquias Technical Report and are subject to the risks and uncertainties described therein. As indicated elsewhere in this MD&A, the Company is advancing toward production without a feasibility study that proved reserves, and therefore carries increased uncertainty and heightened risk of failure. A copy of the Reliquias Technical Report is available on SEDAR+ (www.sedarplus.ca) under the Company's issuer profile and on the Company's website (www.agmr.ca).

The Reliquias Project has existing and fully permitted infrastructure, which the Company believes reduces capital requirements and shortens the timeline to production relative to a greenfield development. Initial capital expenditure requirements are estimated at US$24.8 million, with a profitability ratio of 2.5 times as set out in the Reliquias Technical Report. The Project is located in Peru, a jurisdiction with an established mining regulatory framework.

The Company believes that, subject to the risks and uncertainties described herein and in the AIF, the Project is positioned to deliver potential returns for stakeholders.

Reliquias Technical Report: Mineral Resource Estimate

The Reliquias mine has undergone substantial exploration. A summary of the Company's current mineral resource estimate for the Reliquias mine, as extracted from the Reliquias Technical Report, is set out below:

		Grade					Contained Metal				
Resource	**Volume**	**Silver**	**Gold**	**Zinc**	**Lead**	**Copper**	**Silver**	**Gold**	**Zinc**	**Lead**	**Copper**
	kt	Oz/t	g/t	%	%	%	MozAg	KozAu	Mlb Zn	Mlb Pb	Mlb Cu
Measured ("M")	228	5.10	0.54	2.97%	1.91%	0.28%	1.2	3.8	14.8	9.5	1.4
Indicated ("I")	1,083	4.07	0.38	3.11%	2.04%	0.33%	4.4	12.8	73.5	48.4	7.8
M + I	**1,311**	**4.25**	**0.41**	**3.09%**	**2.02%**	**0.32%**	**5.6**	**16.6**	**88.3**	**57.9**	**9.2**
Inferred	1,758	3.99	0.42	2.91%	1.80%	0.28%	7.0	22.7	111.5	69.1	10.7

Notes:
- Mineral Resources are those defined in the CIM Definition Standards on Mineral Resources and Mineral Reserves, 2014.
- Mineral Resources statement have an effective date of May 1, 2024. Antonio Cruz Bermúdez is the independent, qualified person responsible for the Mineral Resources estimate.
- The Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability.
- There is no certainty that all or part of the estimated Mineral Resources will be converted to Mineral Reserves. Mineral Resources are reported at US$52.02 Net Smelter Return (NSR) cut off for the polymetallic veins; metal prices considered were US$24.00/oz Ag, US$1,921/oz Au, US$8,950.80/t Cu US$2,072.30/t Pb, US$2,689.60/t Zn.
- Metallurgical recoveries of polymetallic veins are based on the preliminary results of the metallurgical tests carried out in 2023: Ag= 91.35%, Au=78.88%, Cu=90.85%, Pb=93.09%, Zn= 84.64%.
- Mineral Resource tonnes are rounded to the nearest thousand and totals may not add due to rounding.
- The reported Mineral Resources are not diluted.
- The reported Mineral Resources do not include mined-out areas.

Please refer to the full text of the Reliquias Technical report for the assumptions, qualifications and limitations relating to the mineral resource estimate, a copy of which is available on SEDAR+ (www.sedarplus.ca) under the Company's issuer profile and on the Company's website (www.agmr.ca).

Caudalosa

During 2026, the Company commenced the exploration activities at the Caudalosa mine. The historical mineral resources for the Caudalosa mine are summarized in the table below. The Company believes these historical estimates are of reasonable quality for the purposes of exploration programs and mining based on the consistency of the source data with current sampling practices, the credentials of the original estimators, and the geological continuity observed in adjacent areas of the Project.

Caudalosa Project: Historical Mineral Resource Estimate (1)

A summary of the Company's historical resources estimate for the Caudalosa project is as follows:

		Grade					Contained Metal				
Category	**Mass**	**Silver**	**Zinc**	**Lead**	**Copper**	**AgEq**	**Silver**	**Zinc**	**Lead**	**Copper**	**AgEq**
	kt	oz/t	%	%	%	Oz/t	MozAg	Mlb Zn	Mlb Pb	Mlb Cu	Moz AgEq
Inferred	1,549	14.43	2.80%	2.79%	2.12%	24.63	22.35	95.6	95.3	72.4	38.1

Notes:
(1) Disclosure of historical resource estimates. The historical resource estimates provided are not classified as mineral reserves or mineral resources and do not have demonstrated economic viability. All figures are rounded to reflect the relative accuracy of the estimates. These estimates come from Sociedad Minera Reliquias SA, based on RM-Master Pro Quality reports by C. Rodriguez (April 2019 and July 2019). While these historical estimates are relevant for understanding the Project, additional exploration, including drilling, may be required to verify them as current Mineral Resources. Sufficient work has not been done to classify these historical estimates as current Mineral Resources or Mineral Reserves, and they should not be treated as such. This information is derived from the technical report entitled *"Amended and Restated National Instrument 43-101 Technical Report, Castrovirreyna Project Peru"* dated November 18, 2021 (with an effective date of August 17, 2021) prepared for the Company (the "Caudalosa Technical Report), and available on SEDAR+ (www.sedarplus.ca) under the Company's issuer profile and on the Company's website (www.agmr.ca).

Please refer to the full text of the Caudalosa Technical report for the assumptions, qualifications and limitations relating to the historical mineral resource estimate, a copy of which is available on SEDAR+ (www.sedarplus.ca) under the Company's issuer profile and on the Company's website (www.agmr.ca).

Exploration and Evaluation Assets and Development Property

In 2018, AgMR Peru acquired certain liquidated assets from Corporación Minera Castrovirreyna ("CMC") that comprised the Castrovirreyna Project and the Reliquias mine (the "Reliquias Mine"). The Castrovirreyna Project and the Reliquias Mine are located near the town of Castrovirreyna, department of Huancavelica, province of Castrovirreyna, Peru. The Castrovirreyna Project is comprised of the Caudalosa, Dorita, El Milagro, Jose Picasso Perata processing plant, Uchuputo Sector, Lira de Plata and a tailings storage facility.

On July 16, 2025, the Company entered into a 20-year surface land use agreement with the Community of Salcca Santa Ana, marking the final approval required to restart operations at the Company's Reliquias Mine. As a result, on September 1, 2025, the Company transferred the exploration and evaluation assets with carrying amount of $23,784,167 under the Reliquias Mine to development property.

Development Property

Reliquias Mine: Advancing Exploration and Resource Expansion

The Company is committed to advancing the potential of the Reliquias Mine through a data-driven exploration strategy. Following the commencement of an exploration campaign in December 2021, the program concluded in September 2023, representing a milestone in the Company's efforts to expand and upgrade mineral resources.

The multi-year exploration effort was designed to systematically assess the Project's potential, leveraging modern drilling techniques and detailed geological modeling. In 2022, the Company completed 14,004.05 metres of drilling using HQ (96 millimetres) diameter core and an additional 2,951.25 metres using NQ (75.7 millimetres) diameter core and 318.65 metres using BQ (60 millimetres). Building upon this foundation, the 2023 program intensified with 12,139.95 metres of HQ/NQ drilling, 2,813.45 metres of BQ (60 millimetres) drilling, and 308.95 metres completed using Packsack equipment. The variety of core diameters allowed for a flexible and adaptive approach, optimizing sample collection across different geological settings.

During 2023, the Company successfully executed 95 diamond drill holes, accumulating a total of 14,953.40 metres of drilling. The program was strategically designed to balance deeper exploration with near-surface delineation, ensuring a comprehensive understanding of the subsurface mineralization. A total of 50 boreholes were completed using small-diameter BQ equipment, which proved invaluable in navigating narrow and structurally complex zones. Meanwhile, 45 boreholes were drilled using HQ/NQ cores to maximize data integrity and resource modeling accuracy.

The primary objective of this exploration campaign was to refine structural interpretations, confirm mineral continuity, and identify new targets for future development. The campaign delineated key structural corridors, including vein extensions and tensional structures that may support future underground mining operations. These results support continued resource growth potential at Reliquias.

A total of 1,358 samples were collected from BQ drill holes, comprising 1,090 primary samples and 268 control samples. This systematic sampling approach ensures high analytical reliability, enabling the Company to refine its mineral resource estimates with a greater degree of confidence. Furthermore, the integration of new geological data has allowed the Company to optimize future drilling campaigns, focusing on high-impact zones that could significantly enhance Project economics.

The Company is evaluating additional exploration opportunities within the broader Reliquias Mine property. With improved understanding of the deposit's geological framework, the Company is positioned to continue exploration initiatives. These efforts align with the strategy of sustainable growth through data-driven exploration.

A summary of the Company's samples collected from BQ drill holes is as follows:

Vein	Channels Sample BQ	QAQC	Total
Ayayay	146	34	180
Matacaballo	167	41	208
Pasteur	164	40	204
Perseguida	66	17	83
Pozorico	172	40	212
Sacasipuedes	88	23	111
Vulcano	106	22	128
Meteysaca	181	51	232
	1,090	**268**	**1,358**

A total of 4,068 samples were gathered from the HQ and NQ drilling boreholes, consisting of 3,426 primary samples and 642 control samples. These drilling efforts were strategically designed to identify and define critical structural features with high geological significance. The key targets included the Matacaballo, Meteysaca, Perseguida, Sacasipuedes, Natividad, Ayayay, Pasteur, Pozorico, Vulcano, and Beatita X structures, each representing potential opportunities for resource expansion and further exploration.

A summary of the Company's samples gathered from the HQ and NQ drilling boreholes is as follows:

Vein	Drilling Sample HQ/HQ	Channels Sample BQ	Total
Vulcano	1,132	207	1,339
Sacasipuedes	1,129	209	1,338
Perseguida	1,066	205	1,271
Pasteur	99	21	120
	3,426	**642**	**4,068**

This exploration program reflects the Company's commitment to advancing its assets and pursuing long-term growth. The data and insights derived from these efforts will inform future exploration and development strategies.

In 2023, comprehensive geological studies were carried out at various levels of the Reliquias mine, including channel sampling, density sampling, and vein mapping. Rigorous QA/QC protocols were implemented, ensuring data accuracy and reliability. These initiatives were designed to enhance geological interpretation and support the expansion of mineral resources, reinforcing the Project's long-term potential.

A summary of the Company geological studies is as follows:

Vein	UG Mine Samples	QAQC	Total
Meteysaca	1,777	288	2,065
Matacaballo	1,121	185	1,306
Beatita	608	96	704
Pasteur	486	78	564
Sacasipuedes	430	71	501
Vulcano I	367	61	428
Vulcano	365	57	422
Perseguida	348	57	405
Pozo Rico	145	24	169
Sorpresa	135	23	158
Ayayay	55	9	64
Grima	43	7	50
Vulcano II	30	4	34
Ramal	25	4	29
Vetilleo	25	4	29
Ramal Perseguida	18	2	20
Ramal SCS	7	1	8
	5,985	**971**	**6,956**

A summary of Company's development property is as follows:

	Reliquias Mine
	$
Balance, December 31, 2024	-
Transferred from exploration and evaluation assets[(1)]	23,784,167
Asset retirement obligation	13,088,250
Development cost additions during the period September 1, 2025 to December 31, 2025	4,574,513
Balance, December 31, 2025	41,446,930
Development costs additions	20,564,775
Change in estimate in ARO	(1,044,534)
Transferred to inventories	(3,467,510)
Balance, September 30, 2026	**57,499,661**

(1) Refer to the discussion under "Exploration and Evaluation Assets" for additional information regarding the reclassification between development property and exploration and evaluation assets.

Development cost incurred includes costs directly related to establishing or advancing the development asset and includes costs such as mine and plant development, construction, environmental related services, general site access and on-site expenses relating to development.

On October 28, 2024, the Company filed an amended and restated preliminary economic assessment for its Reliquias Mine in central Peru with an effective date of May 15, 2024 which when combined with prior development and operational activities and data from the mine, enhanced the level of technical feasibility and commercial viability of the project to a level that the Board of Directors was comfortable to proceed into development phase.

In addition, on July 16, 2025, the Company entered into a 20-year surface land use agreement (the "Surface Agreement") with the Community of Salcca Santa Ana, marking the final approval required to restart operations at the Company's Reliquias Mine. This agreement requires the Company to complete annual payments of $435,000 (PEN 1,500,000) plus VAT (18%), adjusted by the Peruvian annual inflation rate.

As a result, on September 1, 2025, the Company transferred the exploration and evaluation assets with carrying amount of $23,784,167 under the Reliquias Mine to development property. Prior to the transfer, the carrying amount was tested for impairment and no impairment was identified. Similarly, there were no impairment indicators identified to the carrying value prior to the transfer to inventories during three months ended September 30, 2026.

On September 1, 2025, the Company determined that its Reliquias mine began the development stage, which among other legal and constructive factors, required the Company to concurrently recognize an asset retirement obligation. The provision for asset retirement obligation as at September 30, 2026 was estimated with the following inputs:

	September 30, 2026	December 31, 2025
Average annual inflation rate	2.25%	2.25%
Discount rate	5.29%	4.18%
Undiscounted cash flows	15,377,386	15,377,386

The majority of cash flow expenditures related to the asset retirement obligation are projected between 2027 and 2042.

A provision for asset retirement obligation is estimated based on current regulatory requirements and is recognized at the present value of such costs. The expected timing of cash flows in respect of the provision is based on the estimated life of the Company's mining operations.

During the three months ended September 30, 2026, the Company continued to transition some assets from the development stage to the production stage through ongoing commissioning activities at the mine and processing plant. As at September 30, 2026, certain mining zones and supporting infrastructure were operational. However, the commissioning activities at the processing plant had not yet been completed at a level sufficient to conclude that the plant was capable of operating in the manner intended as at September 30, 2026. Management considers the mine and processing plant to be integral and interdependent components of a single mining asset and therefore assesses readiness for use on a combined basis. Management considers commercial production to represent the point at which the mining operation has achieved sustained operational performance and is capable of producing concentrate on a consistent and economically viable basis. Accordingly, management used the commencement of commercial production as the primary indicator that the overall mining operation had reached the condition necessary to operate in the manner intended by management and that capitalization of development costs should cease under IAS 16. Based on this assessment, management concluded that the development property had not yet reached the available for use stage as at September 30, 2026. Accordingly, expenditures incurred in connection with the development of the mining asset continued to be capitalized as development property as at September 30, 2026.

Exploration and Evaluation Assets

Castrovirreyna Project: Expanding Potential Beyond Reliquias

Strategically located northwest of the Reliquias mine, the Castrovirreyna exploration zone spans 313 hectares and presents strong geological continuity with key mineralized veins, including Sacasipuedes, Meteysaca, Perseguida, and Beatita. The area is characterized by outcrops composed of pseudo-stratified sequences of porphyritic andesites, lapilli tuffs, and tuffaceous breccias, with polymictic clasts dating back to the Neogene age (Miocene period, ~23 million years ago), attributed to the Caudalosa Formation (Salazar & Landa, 1993).

The site exhibits extensive hydrothermal alteration, including propylitic, argillic, sericitic, and silicification processes, particularly at structural contacts where mineralization occurs. Structurally, two dominant fault systems have been identified:

- A northwest-trending system associated with sinistral movement and east-west compression.
- A second northwest-trending system influenced by north-south extensional forces.

These structural dynamics played a crucial role in vein formation, with northeast-southwest veins (e.g., Matacaballo) developing in an extensional setting, resulting in greater vein thicknesses and banded-crustiform textures. Conversely, northwest-southeast veins (e.g., Perseguida, Meteysaca, Beatita) formed in a tensional setting, leading to narrower vein structures.

The following main structures have been identified:

- Erika Vein - This structure extends approximately 220 meters along a N115°/88° orientation, with variable thicknesses ranging from 0.30 to 0.50 meters. The vein is primarily composed of quartz and gray silica, exhibiting a distinct banded texture. Sulfide mineralization includes disseminated pyrite associated with iron oxides and cavity fillings, indicative of potential enrichment zones. Preliminary assay results returned 900 ppb Ag and 135 ppm Zn, highlighting its mineralized potential and warranting further exploration.

- Meteysaca Vein - Running parallel to the Erika Vein, this structure extends 520 meters along an N110°/86° orientation. It consists of gray silica, finely disseminated pyrite, and ground rock material with moderate iron oxide content, suggesting significant hydrothermal activity. The average vein thickness is approximately 0.60 meters, with the host rock consisting of lapilli tuffs and porphyritic andesites exhibiting weak silicification. Preliminary results returned 700 ppm Ag, 128 ppm Zn, and 462 ppm Cu, underscoring its polymetallic potential.

- Perseguida Vein - This structure follows an N110°/86° orientation with a thickness varying between 0.20 and 0.50 meters. The mineralized body is composed of banded gray silica and quartz, with leached sections indicative of past fluid movement. Fine disseminated pyrite is present, along with crustiform quartz textures and iron oxide patinas. The host rock consists of porphyritic andesite and lapilli tuffs, with alteration halos extending from 0.3 to 1 meter, suggesting potential for lateral mineralization.

- Beatita Vein - One of the more extensive structures, this vein stretches 2.2 kilometers with an orientation of N115°/83°, exhibiting thicknesses between 0.5 and 1.0 meters. It features three central levels that were historically exploited, accessible via a main shaft. The mineral composition includes gray silica, milky quartz with a banded texture, leached sections, and notable occurrences of pyrite, galena, and gray sulfides. Argillic alteration is observed at the contact with the host rock, indicating structural permeability and ongoing mineralization processes.

- Victoria Vein - Extending 700 meters along an N105°/80° orientation, this vein varies in thickness from 0.50 to 1.00 meters. It is primarily composed of gray silica, displaying a banded texture at the margins and brecciated characteristics in the central portion. The matrix contains fine disseminated pyrite and silicified rock clasts, suggesting a history of hydrothermal brecciation. Preliminary assays indicate values of 2.8 ppm Ag, 138 ppm Pb, and 2438 ppm Zn, reinforcing its economic potential for future exploration.

- Nueva Vein - With a strike length of 400 meters and an orientation of N100°/80°, this structure varies in thickness from 0.5 to 1.5 meters. It is composed of barite, milky quartz, and banded gray silica, with localized brecciation on the northern side, where a clay-rich matrix and silicified rock fragments are observed. The host rock, consisting of porphyritic andesite and lapilli tuffs, exhibits weak argillic alteration and iron oxide patinas. These geological indicators suggest the potential for structurally controlled mineralization.

- Teresa Vein - This structure, measuring 50 meters in length and averaging 0.70 meters in thickness, follows an N60°/78° orientation. It is characterized by massive and crustiform quartz with disseminated fine pyrite and iron oxide patinas. The host rock consists of lapilli tuffs, which contain quartz and iron oxide veins. Early-stage assay results report values of 3.2 ppm Ag, 74 ppm Pb, and 173 ppm Zn, indicating potential for further detailed exploration.

- Teresa II Vein - Outcropping over 175 meters with an orientation of N60°/85°, this vein is composed of milky and crustiform quartz, argillized material, and finely disseminated pyrite. It features fine iron oxide veins with banded and brecciated textures, indicative of a complex mineralization history. The host rock consists of moderately fractured lapilli tuffs with quartz veins and iron oxide presence. Preliminary results include 12.5 ppm Ag, 117 ppm Cu, 202 ppm Pb, and 466 ppm Zn, suggesting a multi-element potential.

- San Pablo Vein - Mining activity in this structure dates back to the 1960s, with historical exploitation evidenced by two stopes (E-34 and E-35). The vein extends 700 meters with an orientation of N110°/80°, but current access remains restricted due to a paralyzed and flooded main shaft. The broader San Pablo vein system comprises several tensional structures (San Pablo 1, 2, and 3) oriented N280°/78°. These structures are composed of massive milky quartz with distinct banded textures, pyrite inclusions, and iron oxide patinas. The host rock, consisting of porphyritic andesites and fractured lapilli tuffs, contains quartz and iron oxide veins, indicative of mineralized potential worthy of further assessment.

The Castrovirreyna region represents a target for further exploration and resource expansion due to its structural complexity, diverse vein orientations, and preliminary assay results. The presence of multiple mineralized structures, including historically exploited veins and untested extensions, suggests potential for resource delineation.

Moving forward, AgMR's exploration strategy will focus on:

- Detailed geochemical and geophysical surveys to refine high-priority drill targets.
- Drill testing of key structures to confirm mineral continuity and resource potential.
- Further geological modeling to optimize future development planning.

With its location near Reliquias, structural framework, and early-stage results, Castrovirreyna presents potential for value creation and resource growth, consistent with the Company's commitment to identifying mineral resources in the district.

Caudalosa - Strategic Expansion and Development Potential

Caudalosa is a historically productive underground mine. On March 2, 2026, the Company commenced the first phase of a 17,000-metre diamond drilling program at the property. The program is focused on resource expansion, grade enhancement, and the delineation of additional mineable zones within the Caudalosa vein system, including the evaluation of potential resource extensions beneath historical mine workings. Initial drill results are expected during Q4 2026.

The exploration program is intended to further evaluate and advance the Company's mineral resource base at Caudalosa and support future mine planning activities. Please refer to the Mine Operations section above for information regarding the Historical Mineral Resource Estimate.

Dorita - Strategic Expansion and Development Potential

The Dorita Block remains an asset in the Company's exploration pipeline, covering 14 kilometres squared of systematic geological mapping, rock and soil sampling, and drill target identification. Through a comprehensive exploration strategy, including underground channel sampling of accessible workings, the Company has gathered information regarding ore distribution, grade continuity, and structural characteristics, which may support resource expansion.

Historically, the Dorita Block hosted small-scale underground mining operations targeting polymetallic veins enriched with silver, lead, zinc, and copper. Mining activities, conducted under CMC ownership, were discontinued in the late 1980s due to economic limitations. Recent geological and geochemical evaluations, supported by modern exploration techniques, indicate that the area may hold unmined potential, warranting further assessment and development.
A major regulatory milestone was achieved on September 1, 2023, with the approval of the Dorita Environmental Impact Statement. This authorization enables the establishment of 21 drilling platforms over a five-year period, allowing for a robust exploration drilling program while ensuring adherence to environmental and permitting standards.

The Company is pursuing partnership opportunities to enhance technical capabilities and advance the Project. Community engagement and social licence acquisition remain priorities, ensuring that Project development aligns with local interests and long-term sustainability objectives.

With an emphasis on resource growth and Project de-risking, the upcoming exploration phase will focus on:
- Defining high-grade mineralized zones to optimize future extraction strategies.
- Enhancing geological models to improve resource confidence.
- Refining structural interpretations to guide drilling and target expansion.
- Seeking to maximize shareholder value through asset advancement and strategic decision-making.

The Dorita Block is a project in the Company's portfolio with a trajectory toward resource definition and potential future development. By integrating exploration methodologies, responsible mining practices, and stakeholder collaboration, the Dorita Block may contribute to the Company's long-term growth and production pipeline.

Uchuputo Sector - Structural and Mineralization Potential

The Uchuputo Sector is a high-potential exploration area located just two kilometres from the active mining zone, covering 131 hectares. Current work has focused on an 80-hectare area, with the northwestern portion yet to be fully assessed. Geological mapping has identified volcanoclastic sequences composed of porphyritic andesites and lapilli tuffs, oriented N200°/17°. A subvolcanic andesitic-porphyritic body has been recognized, suggesting structural and hydrothermal activity conducive to mineralization.

Hydrothermal alteration is characterized by propylitic, argillic, and silicification processes, particularly along structural contacts with host rocks. Within this sector, five northeast-trending subparallel structures and one northwest-trending structure have been identified, with mineralization predominantly controlled by NW-trending structures. These features correlate with the

Yahuarcocha target, showing mineral assemblages of massive quartz, crustiform quartz, light and dark gray silica, fine disseminated pyrite, and sporadic chalcopyrite.

The six main identified structures are as follows:

- Karolina Vein - This structure extends 95 meters along an N70°/75° orientation, with an average thickness of 0.5 to 0.8 meters in a rosary-type formation. The vein is composed of milky and crustiform quartz, brecciated and banded textures, dark gray silica, and fine disseminated pyrite, accompanied by iron oxide patinas. The structure-host rock contact exhibits moderate silicification and weak argillic alteration, with host rocks consisting of tuffaceous lapilli and sporadic porphyritic andesites. Preliminary assays returned 20.5 ppm Ag, 4133 ppm Pb, and 754 ppm Zn, confirming strong polymetallic potential.

- Katherine Vein - Outcropping over 85 meters with a N250° orientation, this vein consists of banded and crustiform milky quartz, light and dark gray silica, and fine disseminated pyrite. Intersecting milky quartz branches display iron oxide patinas, suggesting potential oxidation-related enrichment. Assay results indicate 4.3 ppm Ag, 762 ppm Pb, and 644 ppm Zn, demonstrating mineralization continuity.

- María Vein - A shorter structure, 25 meters long, trending E-W with Bz 75°N, exhibiting massive and crustiform milky quartz with gray silica at the margins. Fine disseminated pyrite is present, associated with iron oxide patinas. The vein width varies between 0.3 and 0.5 meters, with preliminary assay results of 35 ppm Ag, 321 ppm Cu, 539 ppm Pb, and 506 ppm Zn, indicating notable silver and base metal content.

- Julia Vein - Extending 95 meters along an N70°/75° orientation, this vein consists of massive light and dark gray silica with banded textures, as well as massive and crustiform milky quartz. Cubic pyrite is disseminated throughout, and vein thickness varies between 1.0 and 0.6 meters in a rosary-type formation. High-grade assay results include 79.4 ppm Ag, 4462 ppm Pb, and 2630 ppm Zn, making it a strong target for further evaluation.

- Elsa Vein - The largest of the identified structures, Elsa extends for 360 meters, oriented N120°/83°, with thickness ranging between 0.3 and 0.7 meters in a rosary-type formation. The vein features a banded texture of gray silica and quartz, a crustiform structure, and brecciated zones in the central portion, where silicified rock clasts are embedded in a gray silica matrix. Fine disseminated pyrite and sporadic sphalerite veins are present, with assay results of 69 ppm Ag, 4443 ppm Pb, 586 ppm Zn, and 194 ppb Au, indicating a notable presence of silver and gold.

- Rosa Vein - This vein extends 160 meters with an N80°/85° orientation. It is composed of gray silica, massive and crustiform quartz at the vein margins, and fine disseminated pyrite. The structure has a variable thickness of 0.3 to 0.6 meters, hosted in lapilli tuffs with sporadic quartz veins and iron oxide patinas. Preliminary results returned 1.4 ppm Ag, 128 ppm Pb, and 341 ppm Zn, suggesting lower but still prospective mineralization.

Lira de Plata - Exploration and Resource Evaluation

As part of exploration efforts at the Lira de Plata Project, a sampling program has been conducted to assess the viability of historical dumps and identify mineralized structures within the area. A total of 365 samples were systematically collected, leading to an initial resource estimate of 2,800 tonnes of ore with an NSR of $140.38 per tonne. To ensure accuracy and reliability, 59 control samples were incorporated into the testing process.

These findings highlight the potential for near-term revenue generation from historical material and serve as an indicator of mineralization trends within the Project area. The data gathered is being used to refine geological models, enabling the Company to identify zones that may warrant further exploration and potential expansion.

The exploration strategy will focus on delineating additional mineralized zones, evaluating the feasibility of processing historical material, and determining the economic merit of deeper or lateral extensions of known structures. The Lira de Plata Project is a target within the Company's portfolio, with indicators that may contribute to the Company's resource base.

A summary of the Company's exploration and evaluation assets (unaudited) is as follows:

		Castrovirreyna Project			
	Reliquias Mine	Dorita	Caudalosa	Other	Total
	$	$	$	$	$
Balance, December 31, 2024[1]	21,142,113	3,626,495	1,313,117	1,406,604	27,488,329
Exploration costs					
Depreciation	42,832	-	-	-	42,832
Mine rehabilitation	206,674	-	-	-	206,674
General on-site expenses	631,955	44,353	-	-	676,308
Right of use	873,420	-	-	-	873,420
Salaries and benefits	295,046	-	-	-	295,046
Topography & Geophysics	6,019	-	-	-	6,019
Complementary environmental services	350,417	-	-	-	350,417
Acquisition costs					
Mining rights	4,213	14,361	-	9,005	27,579
Transfer	231,478	20,165	-	(251,643)	-
Transferred to development property[1]	(23,784,167)	-	-	-	(23,784,167)
Balance, December 31, 2025[1]	-	3,705,374	1,313,117	1,163,966	6,182,457
Exploration costs					
Depreciation	-	-	2,164	-	2,164
General on-site expenses	-	-	81,812	-	81,812
Right of use	-	79,960	-	-	79,960
Salaries and benefits	-	-	246,184	-	246,184
Topography & Geophysics	-	-	2,610,044	-	2,610,044
Complementary environmental services	-	-	117,871	-	117,871
Geological mapping, sampling & other	-	-	70,812	-	70,812
Acquisition costs					
Mining rights	-	-	200,000	5,000	205,000
Balance, September 30, 2026	**-**	**3,785,334**	**4,642,004**	**1,168,966**	**9,596,304**

(1) During the current period, the Company reassessed the nature of costs included in development property and determined that $2,022,034 of concession costs of which the majority relates to the Caudalosa project was incorrectly included in development assets in the prior period, given these projects are still in exploration and evaluation phase. As a result, the Company reclassified $2,022,034 from development property to exploration and evaluation assets. The amount is now grouped with other Exploration and Evaluation projects in a single line item on the statement of financial position. This reclassification had no impact on total assets, non-current assets, or net loss and comprehensive loss in the current or any previous period.

SUMMARY OF QUARTERLY RESULTS

The following summarizes quarterly unaudited financial results of the Company for the last eight quarters:

	Q3 2026	Q2 2026	Q1 2026	Q4 2025
	$	$	$	$
Net income (loss) and comprehensive (loss)	**(2,416,180)**	5,878,957	4,727,227	(18,876,834)
Basic and diluted income (loss) per common share	**(0.04)**	0.09	0.08	(0.37)
Working capital [(1)]	**(2,459,972)**	(1,346,998)	(6,704,833)	(13,843,779)
Total assets	**103,858,793**	104,158,786	94,477,710	88,634,296
Total liabilities	**46,290,185**	44,707,704	53,736,956	61,775,667

	Q3 2025	Q2 2025	Q1 2025	Q4 2024
	$	$	$	$
Net loss and comprehensive loss	(14,891,779)	(1,531,022)	(157,201)	(332,318)
Basic and diluted loss per common share	(0.39)	(0.06)	(0.01)	(0.02)
Working capital [(1)]	(5,878,099)	(1,681,703)	888,538	2,015,858
Total assets	61,615,644	36,098,598	36,549,673	36,445,335
Total liabilities	31,598,217	3,893,210	2,886,100	2,737,061

(1) Working capital is a non-IFRS measure with no standardized meaning under IFRS Accounting Standards. Working capital is calculated by subtracting current liabilities from current assets as reported in the Company's financial statements. Management uses working capital to assess the Company's liquidity position. For further information and a detailed reconciliation, please see the *"Non-IFRS Measures"* section.

The Company has incurred losses in each of the past eight quarters except for Q1 and Q2 2026 as it incurs expenses with no source of revenue or cash generation at present. The Company incurs professional fees, filing fees, and salaries and benefits in order to maintain its status as a publicly traded company on the TSXV before commencing trading on the TSX on February 26, 2026. Net income in Q1 and Q2 2026 was primarily due to a non-cash unrealized gain on revaluation of warrant liabilities to reflect market trading prices and valuation. Losses were higher in Q4 2025, Q3 2025, Q2 2025, and Q3 2024, primarily due to unrealized losses recognized on the revaluation of warrant liabilities to reflect market trading prices and valuation during those periods. Additionally, the Company records share-based compensation expenses in periods for stock options granted in FY25 and restricted share units granted in Q1 and Q2 2026.

RESULTS OF OPERATIONS

A summary of the Company's unaudited results of operations is as follows:

	Q3 2026	Q3 2025	YTD 2026	YTD 2025
	$	$	**$**	$
Operating expenses				
Administrative expenses	**115,618**	124,621	**383,675**	205,482
Advertising and marketing	**123,504**	323,354	**464,146**	345,118
Depreciation	**45,500**	1,441	**90,266**	4,322
Environmental fees	**-**	-	**-**	161
Filing and listing fees	**57,946**	51,080	**248,509**	83,737
Insurance	**21,439**	25,436	**65,044**	72,675
Other expenses	**97,551**	18,935	**180,838**	53,072
Professional fees	**358,958**	319,446	**1,222,945**	733,724
Salaries and benefits	**533,090**	290,655	**1,519,907**	791,085
Share-based compensation	**224,459**	53,081	**645,158**	138,742
Travel, meals and entertainment	**30,560**	4,660	**84,313**	7,084
Total operating expenses	**(1,608,625)**	(1,212,709)	**(4,904,801)**	(2,435,202)
Bank charges	**(2,380)**	(689)	**(50,163)**	(24,021)
Interest income (expense)	**140,464**	(36)	**597,919**	3,981
Accretion expense	**(151,784)**	-	**(429,991)**	-
Foreign exchange gain (loss)	**(121,124)**	78,790	**733,032**	333,151
Gain on expiry of warrant liabilities	**-**	-	**57,241**	-
Loss on settlement of payables	**-**	(80,793)	**-**	(52,969)
Unrealized gain (loss) on revaluation of warrant liabilities	**(672,731)**	(13,676,342)	**12,186,767**	(14,404,942)
Net income (loss) and comprehensive income (loss)	**(2,416,180)**	(14,891,779)	**8,190,004**	(16,580,002)

Q3 2026 compared to Q3 2025

The Company's net loss and comprehensive loss decreased to $2,416,180 compared to $14,891,779 in the prior year comparable period. The primary drivers of the decrease in net loss and comprehensive loss were as follows:

- Advertising and marketing decreased to $123,504 compared to $323,354 in the prior year comparable period primarily due to lower investor outreach and communication activities.
- Interest income increased to $140,464 compared to an interest expense of $36 in the prior year comparable period primarily due to interest earned on the Company's cash term deposits and short-term investment.
- Unrealized loss on revaluation of warrant liabilities decreased to $672,731 compared to $13,676,342 primarily due to the revaluation of warrants issued in connection with recent prospectus offerings, with valuations reflecting market trading prices and the effect of Black-Scholes option pricing model.

Partially offsetting the decrease in net loss was an increase to certain expenses as follows:

- Salaries and benefits increased to $533,090 compared to $290,655 in the prior year comparable period primarily due to the hiring of additional personnel as the Company continues to advance its development property toward production.
- Share-based compensation increased to $224,459 compared to $53,081 in the prior year comparable period primarily due to the vesting of RSUs granted in the current period.
- Accretion expense increased to $151,784 compared to $nil in the prior year comparable period primarily due to the recognition of accretion expense on asset retirement obligations and lease liabilities.
- Foreign exchange loss was $121,124 compared to a gain of $78,790 in the prior year comparable period primarily due to translation of warrant liabilities and cash and cash equivalent denominated in Canadian dollars into U.S. dollars during the current period.

YTD 2026 compared to YTD 2025

The Company's net income and comprehensive income was $8,190,004 compared to net loss and comprehensive loss of $16,580,002 in the prior year comparable period. The primary drivers of the increase in net income (loss) and comprehensive income (loss) were as follows:

- Interest income increased to $597,919 compared to $3,981 in the prior year comparable period primarily due to higher interest rates earned on the Company's cash term deposits and short-term investment.
- Unrealized gain on revaluation of warrant liabilities was $12,186,767 compared to unrealized loss of $14,404,942 primarily due to the revaluation of warrants issued in connection with recent prospectus offerings, with valuations reflecting market trading prices and the effect of Black-Scholes option pricing model.

Partially offsetting the increase in net income was an increase to certain expenses as follows:

- Administrative expenses increased to $383,675 compared to $205,482 in the prior year comparable period primarily due to higher transfer agent fees related to warrant exercises and third-party service costs incurred during the current period.
- Advertising and marketing increased to $464,146 compared to $345,118 in the prior year comparable period primarily due to increased investor outreach, communication initiatives, and capital markets engagement activities.
- Filing and listing fees increased to $248,509 compared to $83,737 in the prior year comparable period primarily due to fees incurred in connection with the Company's uplisting to, and continued listing on, the TSX.
- Other expenses increased to $180,838 compared to $53,072 in the prior year comparable period primarily due to site operating costs that were not eligible for capitalization and were therefore expensed as incurred.
- Professional fees increased to $1,222,945 compared to $733,724 in the prior year comparable period primarily due to advisory fees associated with the regulatory filing in Peru, audit and legal costs associated with the graduation from TSXV to commence trading on TSX on February 26, 2026 and fulfilling compliance requirements of listing on TSX.
- Salaries and benefits increased to $1,519,907 compared to $791,085 in the prior year comparable period primarily due to the hiring of additional personnel as the Company continues to advance its development property toward production. Compensation paid to related parties represented approximately two-thirds of total salaries and benefits during the period.
- Share-based compensation increased to $645,158 compared to $138,742 in the prior year comparable period primarily due to the vesting of RSUs and options in the current period.
- Foreign exchange gain was $733,032 compared to $333,151 in the prior year comparable period primarily due to translation of warrant liabilities and cash and cash equivalent denominated in Canadian dollars into U.S. dollars during the current period.

OUTLOOK

The Company remains committed to advancing its core projects, pursuing strategic growth opportunities, and maintaining financial flexibility to navigate evolving market conditions. The Company's focus is on the continued expansion and optimization of its flagship assets, with the objective of creating long-term value for shareholders.

From May 7, 2021 to December 31, 2025, the Company raised a total of $87.2 million through financing activities. This includes $21.3 million (C$29.9 million) from the November 18, 2025 prospectus offering, $18.1 million (C$24.9 million) from the July 2025 prospectus offering, $7.0 million (C$9.6 million) from the April 2024 prospectus offering, $3.1 million from the November 2023 private placement, $6.9 million (C$9.3 million) from the February 2023 prospectus offering, $20.8 million (C$26.5 million) from the Company's initial public offering in February 2022, and $10.0 million from a private placement in May 2021. These proceeds have been allocated to the development of the Reliquias Mine, including underground mine advancement, resource expansion drilling, environmental and social permitting, and refurbishment of the 2,600 tpd concentrator plant (currently permitted for 2,000 tpd operations), as well as general and administrative expenses.

A component of the Company's financial strategy is the flexibility afforded by discretionary budgeted outflows. This enables adjustment of expenditures in alignment with shifting market dynamics and project requirements.
On June 26, 2024, the Company filed the Reliquias Technical Report. The Reliquias Technical Report presents an updated mineral resource estimate and includes geotechnical and hydrological assessments, tailings dam stability analyses, and environmental baseline evaluations. The Reliquias Technical Report indicates a pre-tax NPV of $107 million at a 5% discount rate, based on the assumptions set out therein. Actual results may differ materially. See *"Cautionary Note Regarding Forward-Looking Statements"* below.

The Company continues to expand its brownfield exploration program across the Reliquias and Caudalosa concession blocks, aimed at identifying additional resource potential. Plans for 2025 include the initiation of underground infrastructure development-encompassing haulage levels, drifts, and access ramps—alongside the ongoing refurbishment of the metallurgical plant, which is targeted for a production start in 2026. These initiatives are consistent with the Company's objective of achieving operational milestones and pursuing sustainable long-term growth.

In September 2025, the Company announced the commencement of preparatory activities to restart operations at the Reliquias Mine, following completion of the social consultation process and execution of a long-term land-use agreement with the Community of Salcca Santa Ana. Supported by $39,525,497 (C$54,899,390) in equity financing, these activities include initiating mine development works, undertaking major maintenance of the processing plant, and commencing maintenance of the tailings facility. These steps represent progress toward the restart of operations.

The Company's targeted production commencement in 2026 was contingent upon securing comprehensive project financing. The funds raised in 2025 along with proceeds from the 2025 and 2026 warrant exercises have helped mitigate the financing risk, and the Company currently believes it has now secured sufficient funds to restart operations and commence production. The Company's ability to achieve commercial production is also subject to successful completion of mine development activities, commissioning of the processing plant, and continued favourable relationships with local communities and regulatory authorities. The realization of certain strategic objectives of the Company such as pursuing accretive merger and acquisition opportunities may depend on the Company's ability to access sufficient financial resources. The Company remains dedicated to advancing funding discussions and evaluating viable avenues to secure adequate capital to execute on its strategic plans.

The following key activities are planned for 2026 in connection with achieving commercial production:

(a) Completion of approximately 4,600 metres of underground tunneling at the Reliquias Mine.
(b) Capital expenditures for improving the tailings dam, crusher and mill in the processing plant, and improvements of the camps, roads and related infrastructure
(c) Completion of approximately 21,012 metres of drilling at Caudalosa mine and underground development activities
(d) Completion of approximately 6,778 metres of drilling at Reliquias mine
(e) Completion of approximately 1,528 metres of drilling at Natividad
(f) Other exploration activities between Caudalosa mine and Reliquias mine

In July 2026, the Company entered the commissioning stage and started to progress certain components from the development phase toward the production phase. Mining infrastructure in Zones 1 through 3 was substantially constructed and had been used to extract ore for stockpiling. The ongoing commissioning activities continued. Concurrently, the processing plant entered the commissioning phase.

In September 2026, the Company commenced commissioning production using stockpiled ore previously extracted from the underground mine. Following an operational inspection conducted in mid-September 2026, operations were temporarily suspended for approximately one week to allow for additional improvement and commissioning activities. Due to the delay, sustained operations had not yet been demonstrated as at September 30, 2026. Consequently, management concluded that the processing plant remained in the commissioning stage and had not yet demonstrated the capability to operate in the manner intended.

As the mine and processing plant are integral and interdependent components of a single mining asset, management concluded that the mining asset had not reached the available for use stage as at September 30, 2026. Accordingly, certain related expenditures continued to be capitalized as development property and depletion had not commenced.

USE OF PROCEEDS

The Company has outlined its strategy for deploying the net proceeds generated from the November 2025, July 2025, and April 2024 prospectus offerings. These funds will be allocated in accordance with the Company's strategic objectives.

A detailed breakdown of the planned distribution for the $19,831,999 (C$27,773,616) net proceeds, after deducting $1,522,744 of unit issuance costs, from the November 2025 Prospectus Offering is as follows:

Use	Use of net proceeds	Expenditure as of September 30, 2026	Remaining proceeds to use
	$	$	$
Development of the Underground Mine [1]	10,811,479	10,811,479	-
General Corporate and Working Capital [2]	3,861,243	3,861,243	-
Preparation of the Processing Plant and Tailings Dam [3]	1,807,390	1,807,390	-
Support of Mining Operations	3,351,887	3,351,887	-
	19,831,999	**19,831,999**	**-**

A detailed breakdown of the planned distribution for the $16,971,500 (C$23,328,355) net proceeds, after deducting $1,199,254 of unit issuance costs, from the July 2025 Prospectus Offering is as follows:

Use	Use of net proceeds	Expenditure as of September 30, 2026	Remaining proceeds to use
	$	$	$
Development of the Underground Mine [1]	7,161,384	7,161,384	-
General Corporate and Working Capital [2]	3,237,338	3,237,338	-
Preparation of the Processing Plant and Tailings Dam [3]	2,943,035	2,943,035	-
Support of Mining Operations	3,629,743	3,629,743	-
	16,971,500	**16,971,500**	**-**

A detailed breakdown of the distribution for the $6,316,290 (C$9,000,035) net proceeds, after deducting $715,332 of unit issuance costs, from the April 2024 Prospectus Offering is as follows:

Use	Use of net proceeds	Expenditure as of September 30, 2026	Remaining proceeds to use
	$	$	$
Development of the Underground Mine [1]	4,411,377	4,411,377	-
General Corporate and Working Capital [2]	1,303,361	1,303,361	-
Preparation of the Processing Plant and Tailings Dam [3]	601,552	601,552	-
	6,316,290	**6,316,290**	**-**

(1) Encompasses the advancement of critical underground infrastructure, including but not limited to the construction of ramps and access levels to key mineralized zones. Additionally, rehabilitation efforts focus on enhancing the safety of existing ramps and drifts, reinforcing structural support for shafts, and upgrading auxiliary services such as electrical power, compressed air, and water systems. These initiatives are carried out with the collaboration of various operational and administrative departments, including social management, environmental compliance, human resources, and other support functions.

(2) Encompasses essential corporate expenditures, including employee compensation, regulatory permits, and shareholder-related services. These activities ensure the Company's continued operational efficiency and compliance with corporate governance standards.

(3) Encompasses the maintenance and enhancement of key process plant components, such as upgrades to the crusher and mill, to optimize operational performance. Tailings management includes significant earthworks and waterproofing measures to reinforce environmental sustainability and operational integrity.

To fully develop and prepare the Reliquias Mine for sustained production, the Company requires additional funding beyond its current financial resources, which have been allocated to foundational activities. In Fiscal 2025, the Company continued to advance the Project, particularly during the second and third quarters, with investments in securing permits and strengthening relationships with local communities. These efforts support regulatory approvals and the long-term social licence of the Project.

The Company also directed capital toward support services that underpin efficiency and continuity of operations at the Reliquias site. This included maintaining and upgrading infrastructure, optimizing logistical and transportation networks for personnel and equipment, and maintaining a reliable supply chain for critical resources. These investments support operations and provide a foundation for future expansion.

These initiatives were executed with the support of the Company's operational and administrative teams, who worked in coordination to advance the Project. The Company continues to assess and refine its financial strategy in response to evolving project requirements and market conditions.

LIQUIDITY AND CAPITAL RESOURCES

The Company maintains a disciplined approach to financial management, seeking to maximize capital efficiency while advancing its core projects. The Company's focus is on securing the funding required to advance exploration, enhance infrastructure development, and integrate mining technologies that may optimize operational efficiency. Management is evaluating future capital-raising initiatives to support continued project advancement. These initiatives are intended to strengthen the Company's financial position, mitigate funding risks, and provide the resources necessary to transition from development to production. The Company is committed to transparent communication with investors regarding its strategic objectives and value creation plans.

As at September 30, 2026, the Company reported cash and cash equivalents of $16,830,926 (December 31, 2025 - $34,075,413), and a working capital deficit of $2,459,972 (December 31, 2025 - $13,843,779), representing a net change of $11,383,807. The working capital deficit includes warrant liabilities of $25,300,115, which are measured at fair value through profit or loss and are not expected to be settled in cash as they will either be exercised for shares or expire unexercised.

The Company believes it has sufficient resources to fund completion of development at the Reliquias Mine and transition it into production and to advance exploration of other projects. However, there is no assurance that the Company will be able to maintain sufficient resources in the future due to market, economic, and commodity price fluctuations. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its planned exploration and development activities, which could have a material adverse effect on its business, financial condition, and results of operations. The Company will continue to seek additional funding, as required, in order to support further exploration and development activities at its projects.

On July 29, 2025, the Company completed a bought deal prospectus offering of 19,230,300 units of the Company at a price of $0.94 (C$1.30) per unit, for gross proceeds of $18,170,754 (C$24,999,390), which included the full exercise of the over-allotment option to purchase an additional 2,508,300 units. Each unit is comprised of one common share and one-half warrant. Each warrant is exercisable into one common share at a price of C$1.70 per common share and expires on July 29, 2027. The Company incurred cash unit issuance costs of $1,199,254, which included underwriters' commissions of $1,019,581 (C$1,403,994) and other costs of $179,673 (C$267,041).

On November 18, 2025, the Company completed a bought deal prospectus offering and issued 10,000,000 units at a price of $1.85 (C$2.60) per unit for gross proceeds of $21,354,743 (C$29,900,000). In connection with the exercise of the over-allotment option, the Company issued an additional 1,500,000 units at a price of $1.85 (C$2.60) per unit for additional gross proceeds of $2,785,401 (C$3,900,000). Each unit includes one common share, one-half of a Series A Warrant, and one-half of a Series B Warrant. Each whole Series A Warrant is exercisable into one common share at a price of C$3.25 per common share and expires on May 18, 2026. Each whole Series B Warrant is exercisable into one common share at a price of C$3.90 per common share and expires on November 18, 2027.

Securing financing for project initiatives remains a priority as the Company moves closer to initiating commercial production in 2026. Management is engaged in discussions with potential investors and strategic partners to secure the capital required for the next phase of development. The focus remains on structuring future financings in a manner that minimizes dilution while optimizing funding certainty. The Company is also evaluating alternative financing options, including debt instruments and strategic partnerships, to strengthen its capital position.

Operating Activities

For the nine months ended September 30, 2026, the Company used $12,017,614 in cash for operating activities, an increase from the $2,608,501 used during the comparable period in 2025. This increase reflects the Company's continued investment in operational and corporate initiatives. The higher cash usage was primarily driven by increased operating expenses and greater working capital requirements associated with the Company's expanded business activities. Management continues to focus on cash management and efficient allocation of resources to maintain liquidity and operational momentum.

Several factors influenced cash flows during the period. The increase in cash used for operating activities primarily reflects higher operating expenses and greater investment in ongoing business initiatives. The use of equity-based compensation continues to serve as a mechanism to attract and retain key personnel, aligning management and employee incentives with long-term shareholder value creation while preserving cash resources.

The Company is focused on cost efficiency, working capital optimization, and non-dilutive financing alternatives to deploy available cash effectively to support operational priorities without unnecessary shareholder dilution.

The Company remains committed to enhancing operational efficiency and cost discipline to align expenditure with its strategic objectives. As Reliquias advances toward commercial production, financial prudence will be a component of the Company's growth strategy. Management will continue exploring opportunities to optimize cash utilization through efficiency-driven cost savings and vendor negotiations, while evaluating additional funding sources to support the next phase of development.

Investing Activities

For the nine months ended September 30, 2026, the Company used $20,428,717 in cash for investing activities, an increase from the $2,512,955 used during the comparable period in 2025. Investment expenditures of $3,413,522 were allocated toward exploration and evaluation activities and $14,253,434 was allocated toward development of property costs, reflecting the Company's commitment to advancing its mineral assets. These investments supported geological assessments, resource definition drilling, metallurgical testing, and permitting processes, which are intended to enhance the reliability and economic potential of the Company's projects. These efforts contribute to refining the development timeline by informing mine planning and extraction strategies.

These investments reflect the Company's approach to capital allocation, which prioritizes long-term value creation, asset expansion, and financial resilience. By maintaining a measured approach to capital deployment, the Company seeks to allocate resources efficiently to advance milestones while preserving financial flexibility.

Over the next 12 months, the Company's primary objective is to bring the Reliquias Mine into commercial production. Available cash will be allocated to the works required to complete development. The main areas of investment include the development of the underground mine, preparation of the processing plant and tailings dam, and support for ongoing mining operations.

Financing Activities

For the nine months ended September 30, 2026, the Company raised $15,913,715 in cash from financing activities, a decrease from the $17,592,055 raised during the comparable period in 2025. Raising cash has strengthened the Company's financial position and supports continued progress toward commercial production. Management is focused on bringing the development property into commercial production and will seek to raise additional capital with favourable terms to meet this objective.

RELATED PARTY TRANSACTIONS

Related party transactions occur when the Company engages in financial or operational dealings with individuals or entities that have a direct or indirect influence over its decision-making processes. These parties include key management personnel, entities under common control, and other closely associated individuals or entities. Such transactions are recognized at the agreed-upon exchange value, in accordance with the Company's financial reporting standards.

Key management personnel include those having the authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's board of directors, officers, and companies controlled by key management personnel. The compensation of key management personnel represents an investment in the Company's leadership and decision-making capabilities.

A summary of the Company's related party transactions is as follows:

	Q3 2026	Q3 2025	YTD 2026	YTD 2025
	$	$	**$**	$
Board advisory fee [(1)] paid to a director	**12,546**	7,500	**27,452**	22,500
Director and chair fees [(2)] paid to directors	**42,000**	56,250	**163,363**	168,750
Management salaries [(2)] paid to officers	**472,333**	173,336	**1,293,868**	445,281
Share-based compensation incurred by officers and directors	**201,588**	36,270	**448,514**	91,708
	728,467	273,356	**1,933,197**	728,239

(1) Board advisory fee is included under professional fees on the statements of loss and comprehensive loss.
(2) Director and chair fees and management salaries are included under salaries and benefits on the statements of loss and comprehensive loss.

The Company has paid board advisory fees and director and chair fees through the issuance of common shares.

As at September 30, 2026, $115,857 was included in accounts payable and accrued liabilities for amounts due to related parties (December 31, 2025 - $121,444). The amounts due are unsecured, due on demand and are non-interest bearing. The related party transactions are with companies owned and controlled by directors and officers of the Company for consulting fees in the normal course of business.

OFF-BALANCE SHEET ARRANGEMENTS

As of the date of this MD&A, the Company has no off-balance sheet arrangements (as that term is defined in National Instrument 51-102), that have, or are reasonably likely to have, a current or future effect on the Company's financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that is material to investors.

OUTSTANDING SECURITIES DATA

A summary of the Company's issued and outstanding securities is as follows:

	September 30, 2026	MD&A Date
	#	#
Common shares issued and outstanding	64,848,520	64,941,250
RSUs	479,784	453,720
Warrants [(1)]	20,336,923	20,270,257
Stock options	898,667	867,000
Deferred share units ("DSUs")	-	40,335

Notes:
(1) Warrant values represent the number of common shares underlying outstanding warrants as at the applicable date.

Shareholders' proportional ownership in the Company remains unchanged following the Share Consolidation, and the exercise or conversion price of warrants, compensation options, and stock options, as well as the number of common shares issuable thereunder, have been adjusted accordingly. No fractional common shares were issued, with all fractions rounded down to the nearest whole number.

PROPOSED TRANSACTIONS

As at September 30, 2026 and the MD&A Date, there are no proposed transactions.

SUBSEQUENT EVENTs

On October 23, 2026, the Company issued 26,064 common shares pursuant to the settlement of 26,064 RSUs with a weighted average fair value of C$3.37.

On October 29, 2026, 31,667 stock options of the Company with a weighted average exercise price of C$1.22 forfeited.

On November 15, 2026, the Company granted 40,335 deferred share units ("DSU") to directors of the Company with the fair value of C$2.78 per DSU in settlement of director and board advisory fees owing from April 1, 2026 to September 30, 2026. Each of granted DSUs vests into one common share of the Company and vests in 12 months from the grant date.

Subsequent to September 30, 2026, the Company issued 66,666 common shares pursuant to the exercise of warrants of the Company for gross proceeds of $89,999.

MATERIAL ACCOUNTING POLICIES AND RECENT PRONOUNCEMENTS

The Company's material accounting policies are described in Note 3 to the Financial Statements except for the following:

Restricted share units ("RSUs")

RSUs are granted to directors, employees, and consultants of the Company. The Company accounts for the RSUs as share-based payments using a fair value-based method. The fair value of each RSU is measured at the grant date by reference to the Company's share price at that time. The fair value of RSUs granted is recognized as share-based compensation over the vesting period.

If and when the RSUs are exercised, the applicable fair values are transferred from contributed surplus to share capital. When vested RSUs are forfeited or not exercised at the expiry date, the amount previously recognized in share- based compensations is revised from contributed surplus to deficit.

Inventories

Inventories include stockpiled ore, work-in-progress, finished goods, and materials and supplies inventory. The value of all production inventories includes direct production costs, attributable overhead, and depreciation and depletion of assets incurred to bring the materials to their current point in processing cycle. General and administrative costs are excluded from any inventories. All inventories are valued at the lower of weighted average cost and net realizable value. Net realizable value is determined with reference to market prices less estimated future production costs necessary to make the sale.

Stockpiled ore represents mined ore that is available for further processing. Stockpiled ore is measured at the weighted average cost of extraction, including direct mining costs, applicable overhead costs, depreciation and depletion incurred in bringing the ore to the stockpile. Costs are added to stockpiled ore based on the current mining cost per tonne and are removed at the weighted average carrying value per tonne when the ore is transferred for processing.

Work-in-progress inventory represents ore undergoing processing to extract and convert the contained metals into a saleable concentrate. The quantity of contained metal in work-in-progress inventory is determined using assay results and estimated metallurgical recovery factors. Work-in-progress inventory is measured at the weighted average cost of beginning work-in-progress inventory, the carrying value of ore transferred from stockpiles for processing, and processing costs incurred during the period, including direct processing costs, applicable processing overhead costs, depreciation and depletion.

Finished goods inventory represents saleable concentrate. Finished goods inventory is measured at the weighted average cost of beginning finished goods inventory and work-in-progress inventory transferred from the processing plant, together with any additional costs incurred to bring the concentrate to its present location and condition.

Materials and supplies are measured at weighted average cost and comprise consumables, spare parts, and operating supplies used in mining and processing activities. A periodic assessment is performed to identify obsolete or slow-moving items, and a provision is recognized when the carrying amount is not expected to be recovered. Major spare parts and standby equipment are classified as property, plant and equipment when they are expected to be used during more than one period and can only be used in connection with a specific item of property, plant and equipment.

Amendments to the Classification and Measurement of Financial Instruments

In May 2024, the IASB issued Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7). These amendments updated classification and measurement requirements in IFRS 9 Financial Instruments and related disclosure requirements in IFRS 7 *Financial Instruments: Disclosures*. The IASB clarified the recognition and derecognition date of certain financial assets and liabilities, and amended the requirements related to settling financial liabilities using an electronic payment system. It clarified how to assess the contractual cash flow characteristics of financial assets in determining whether they meet the 'solely payments of principal and interest' criterion, including financial assets that have environmental, social and corporate governance (ESG)-linked features and other similar contingent features. The IASB added disclosure requirements for financial instruments with contingent features that do not relate directly to basic lending risks and costs and amended disclosures relating to equity instruments designated at fair value through other comprehensive incomes. The amendments are effective for annual periods beginning on or after January 1, 2026 with early application permitted. The amendments had no impact on the Company's condensed interim consolidated financial statements.

Recent IFRS Accounting Standards pronouncements

The Company decided to adopt at the time of its effectiveness and not adopt early the accounting standards and interpretations issued by the IASB, and that will be effective as of January 1, 2026, or later.

The standards and amendments to IFRS® Accounting Standards that have been issued up to the date of issue of these financial statements and that apply to the Company, but are not yet in force, are described below. The impact that its initial application will have on the financial statements is unknown since its amount cannot be reasonably estimated. The Company intends to adopt these new and modified standards and interpretations, if applicable when they become effective.

IFRS 18 *Presentation and Disclosure in Financial Statements*

On April 9, 2024, the IASB issued IFRS 18 *Presentation and Disclosure in the Financial Statements* ("IFRS 18") replacing IAS 1. IFRS 18 introduces categories and defined subtotals in the statement of profit or loss, disclosures on management-defined performance measures, and requirements to improve the aggregation and disaggregation of information in the financial statements. As a result of IFRS 18, amendments to IAS 7 *Statements of Cash Flows* ("IAS 7") were issued to require that entities use the operating profit subtotal as the starting point for the indirect method of reporting cash flows from operating activities and to remove presentation alternatives for interest and dividends paid and received. Similarly, amendments to IAS 33 *Earnings per Share* were issued to permit disclosure of additional earnings per share figures using any other component of the statement of profit or loss, provided the numerator is a total or subtotal defined under IFRS 18.

IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027, and is to be applied retrospectively, with early adoption permitted. On adoption, income and expenses will be classified into the operating, investing and financing categories, and the statement of income (loss) will present the two new mandatory subtotals, operating profit or loss and profit or loss before financing and income taxes. The single foreign exchange line currently presented will be disaggregated across those categories according to the nature of the underlying item giving rise to each difference, and interest income will be presented within the investing category. In the statement of cash flows, the indirect-method reconciliation will begin from the operating profit or loss subtotal and interest received will be classified within investing activities, with no change to the net change in cash and cash equivalents or to the opening and closing cash balances. The Company does not currently present any management-defined performance measures and expects to disclose that fact on adoption.

SIGNIFICANT ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of these financial statements requires management to exercise significant judgments in applying the Company's accounting policies and make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Estimates and assumptions are reviewed on an ongoing basis and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual future outcomes could differ from present estimates and assumptions, which may require material adjustments to the Company's financial statements. Revisions to accounting estimates are accounted for prospectively. The critical judgements and estimates applied in the preparation of these financial statements are consistent with those applied and disclosed in the notes to the Annual Financial Statements, except for the following significant accounting judgements and sources of estimation uncertainty resulting from the adoption of new accounting policies.

a) Significant accounting judgement

Determination of production commencement and available for use of mineral property

Management applies significant judgment in determining when a mineral project transitions from the development stage to the production stage and when a development property is considered "available for use". This assessment includes evaluating whether the activities required to prepare the mine for production are substantially complete and whether the mine is capable of operating as intended by management.

The mine, processing plant, and supporting infrastructure are considered highly integrated and interdependent assets that collectively function as a single operating system for the extraction, processing, and production of saleable concentrate. Accordingly, management assessed whether the condition necessary to operate in the manner intended had been achieved by considering the overall mining operation as a whole, rather than evaluating individual infrastructure components separately.

Management considers commercial production to represent the point at which the mining operation has achieved sustained operational performance and is capable of producing concentrate on a consistent and economically viable basis. Accordingly, management used the commencement of commercial production as the primary indicator that the overall mining operation had reached the condition necessary to operate in the manner intended by management and that capitalization of development costs should cease under IAS 16. The criteria for the commencement of the commercial production include the following:

- The processing plant consistently achieves a certain throughput rate per day over a consecutive 30-day period.
- The produced concentrate achieves the expected metallurgical recovery rates.

As at September 30, 2026, commercial production stage is not yet achieved.

Commencement of depletion

Management applies significant judgment in determining when depletion of a mineral property commences. Depletion begins when a developed property is available for use, being the point at which commercial production commences. The determination of this date affects the timing of depletion expense recognition and the carrying value of mineral properties.

As at September 30, 2026, certain mining zones and supporting infrastructure were operational. However, although the processing plant was substantially physically constructed, the commissioning and testing activities had not been completed at a level sufficient to conclude that the plant was capable of operating in the manner intended. Management considers the mine and processing plant to be integral and interdependent components of a single mining asset and, as a result, assesses whether the mineral property is available for use on a combined basis.

Based on this assessment, management concluded that the mineral property had not reached the available for use stage as at September 30, 2026. Accordingly, related expenditures continued to be classified as development property and no depletion expense was recognized during the period ended September 30, 2026.

Inventory recognition

Management applies significant judgment in determining when extracted ore, stockpiles and concentrate inventory meet the criteria for recognition as inventory. This assessment requires consideration of the stage of processing and whether the quantity and grade of the material can be measured reliably. The determination affects the timing of the transfer of costs from mineral properties to inventory and the recognition of depletion and production costs.

b) Sources of estimation uncertainty

Mineral resources

The Company estimates its mineral resources based on information compiled and reviewed by qualified persons as defined in accordance with NI 43-101 requirements. The estimation of mineral resources requires judgment to interpret geological data and metallurgical testing, design of appropriate mining methods, recovery methods and establishment of a life of mine production schedule. The estimation of recoverable resources is also based on assumptions such as capital costs, operating costs and metal pricing. New geological data or changes in the above assumptions may change the economic viability of resources and may, ultimately, result in the resources being revised. Changes in the resource estimates may impact the valuation of mineral property and the depletion and depreciation of mineral property. At this point in time, the Company does not have mineral reserves as defined under Canadian Institute of Mining, Metallurgy and Petroleum Definition Standards as a pre-feasibility or feasibility study has not been completed. The Company currently has mineral resources as disclosed in its Preliminary Economic Assessment.

DISCLOSURE OF INTERNAL CONTROLS

Management is responsible for establishing and maintaining effective internal control over financial reporting and disclosure controls and procedures as defined in our 2025 annual MD&A.

The Company's internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of the Company's financial reporting for external purposes in accordance with IFRS Accounting Standards. Disclosure controls and procedures are designed to provide reasonable assurance that other financial information disclosed publicly fairly presents in all material respects the financial condition, results of operations and cash flows of the Company.

Together, the internal control over financial reporting and disclosure controls and procedures frameworks provide internal control over financial reporting and disclosure. Due to its inherent limitations, internal control over financial reporting and disclosure may not prevent or detect all misstatements. Further, the effectiveness of internal control is subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with policies or procedures may change. During the nine months ended September 30, 2026, the Company listed on the TSX and ceased to qualify as a venture issuer under Canadian securities laws. Accordingly, management has commenced enhancements to the design and documentation of the Company's ICFR in order to align with the requirements applicable to a non-venture issuer and to support compliance with Canadian regulatory expectations

Other than the enhancements in progress as a result of the changes described in the previous paragraph, there were no changes in the Company's internal control over financial reporting and disclosure controls and procedures during the nine months ended September 30, 2026 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

The Company's management, at the direction of the CEO and CFO, will continue to assess the effectiveness of the Company's internal control over financial reporting and disclosure controls and procedures, and may make modifications if required.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's financial instruments consist of cash and cash equivalents, short-term investment, restricted cash, amounts receivable, and accounts payable and accrued liabilities, lease liability, and warrant liabilities.

The Company classifies its fair value measurements in accordance with an established hierarchy that prioritizes the inputs in the valuation techniques used to measure fair value as follows:

- 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; and
- Level 3 - Inputs that are not based on observable market data.

The Company's warrant liabilities are classified as fair value through profit or loss. Certain warrant liabilities are classified as Level 1 as their fair value is determined using unadjusted quoted prices in active markets for identical instruments at the measurement date.

Other warrant liabilities are classified as Level 3 as their fair value is determined using the Black-Scholes option pricing model, which incorporates significant unobservable inputs and assumptions not directly observable in the market which require significant accounting judgement. The fair value of these warrant liabilities is remeasured at each reporting date.

As at September 30 2026, financial instruments comprised of cash and cash equivalents, short-term investment, restricted cash, amounts receivable, accounts payable and accrued liabilities, and lease liability are classified as and measured at amortized cost. The carrying value of cash and cash equivalents, short-term investment, restricted cash, amounts receivable, accounts payable and accrued liabilities approximate their respective fair values due to the short-term nature of these financial instruments.

The Company is exposed in varying degrees to a variety of financial instrument-related risks. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to fulfil its contractual obligations. The Company's credit risk relates primarily to cash and cash equivalents, short-term investment, restricted cash, and amounts receivable. Cash equivalents include guaranteed investment certificates, while short-term investment consists of a non-redeemable guaranteed investment certificate with an original maturity exceeding three months.

The Company minimizes its credit risk related to cash and cash equivalents by placing cash and cash equivalents with major financial institutions. The Company considers the credit risk to be minimal.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations when they become due. The Company's primary exposure to liquidity risk is through accounts payable and accrued liabilities. As at September 30, 2026, the Company has cash and cash equivalents of $16,830,926 (December 31, 2025 - $34,075,413) in order to meet its current liabilities of $33,835,900 (December 31, 2025 - $48,504,655). Current liabilities include warrant liabilities of $25,300,115 (December 31, 2025 - $44,485,765), which are expected to require cash outflows on settlement that are lower than their recorded fair value. As at September 30, 2026, the Company had accounts payable and accrued liabilities of $8,045,564 (December 31, 2025 - $3,958,583), which have contractual maturities of 90 days or less.

Foreign exchange risk

Foreign exchange risk arises on financial instruments that are denominated in a currency other than the functional currency in which they are measured. The Company is exposed to foreign exchange risk from fluctuations in the U.S. dollar to the Canadian dollar and the Peruvian sol. A 5% change in the U.S. dollar exchange rate relative to the Canadian dollar would change the Company's net income by approximately $708,356; and a 5% change in the U.S. dollar exchange rate relative to the Peruvian sol would change the Company's net income by approximately $335,193.

A summary of the Company's financial assets and liabilities as at September 30, 2026 that are denominated in the Canadian dollar and the Peruvian sol is as follows:

	CAD	PEN
	$	$
Financial assets		
Cash and cash equivalents	11,188,438	22,059
Restricted cash	-	1,108,410
Amounts receivable and other assets	-	59,402
	11,188,438	1,189,871
Financial liabilities		
Accounts payable and accrued liabilities	55,447	7,893,737
Warrant liabilities	25,300,115	-
	25,355,562	7,893,737
Net liabilities	**(14,167,124)**	**(6,703,866)**

NON-IFRS MEASURES

Non-IFRS measures are measures used by management which do not have a standardized meaning prescribed under IFRS® Accounting Standards. These measures are derived from data in the Company's financial statements and may not be comparable to similar measures presented 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® Accounting Standards. No such Non-IFRS measures are included in this MD&A (see working capital explanation below).

The Company has "working capital" in this MD&A to supplement its financial statements, which is calculated by subtracting current liabilities from current assets.

The Company determined its working capital as follows:

	Q3 2026	Q2 2026	Q1 2026	Q4 2025
	$	$	$	$
Current assets	**31,375,928**	30,329,013	33,733,338	34,660,876
Less: Current liabilities	**33,835,900**	31,676,011	40,438,171	48,504,655
Working capital	**(2,459,972)**	(1,346,998)	(6,704,833)	(13,843,779)

	Q3 2025	Q2 2025	Q1 2025	Q4 2024
	$	$	$	$
Current assets	18,153,134	2,211,507	3,774,638	4,752,919
Less: Current liabilities	24,031,233	3,893,210	2,886,100	2,737,061
Working capital	(5,878,099)	(1,681,703)	888,538	2,015,858

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This 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", "believes", "targets", "potential", "on track", "strategy" 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 in this MD&A include, without limitation, statements regarding: the targeted commencement of commercial production in 2026; anticipated timing and completion of underground mine development; capital expenditure requirements and use of proceeds; mineral resource estimates and potential conversion to mineral reserves; the Company's ability to obtain additional financing; exploration plans and potential results; and the Company's business strategy. 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 MD&A speak only as of the date of this MD&A or as of the date specified in such statement. Readers are cautioned not to place undue reliance on these forward-looking statements.

Inherent in forward-looking statements are risks, uncertainties, and other factors beyond the Company's ability to predict or control. The material factors and assumptions used to develop the forward-looking statements in this MD&A include: the continued availability of capital to fund exploration and development activities; no material adverse change in commodity prices; the Company's ability to obtain all necessary regulatory permits and approvals; no material delays in commissioning the processing plant; continued positive relationships with local communities; no material changes in operating costs or foreign exchange rates; the Company's ability to retain key personnel; and general economic and market conditions remaining consistent with current expectations. Please refer to the risk factors referenced in the "Risks and Uncertainties" section below and the "Risk Factors" section of the AIF. 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 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

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 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" section.

For a detailed description of the risk factors faced by the Company, refer to the most recent AIF. The reader should carefully consider these risks as well as the information and other risk factors contained in the Company's Financial Statements, this MD&A, the AIF, 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). Additional risks and uncertainties not presently known to the Company or that the Company currently considers immaterial may also impair the business, operations, prospects and share price of the Company. If any of the risks actually occur, the business of the Company may be harmed, and its financial condition and results of operations may suffer significantly.

Mining Disclosure and CIM Standards

Mineral resource and mineral reserve estimates disclosed in this MD&A have been estimated in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") Definition Standards incorporated by reference into NI 43-101.

Mineral resources are not mineral reserves and do not have demonstrated economic viability. There is no certainty that any mineral resource will be converted into a mineral reserve. The Company has disclosed mineral resource estimates which include inferred mineral resources. Inferred mineral resources are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that such mineral resources will be converted into measured or indicated mineral resources or that the inferred mineral resources will ever be mined.

The information contained in this MD&A, including references to mine life, reserve levels, are based on technical studies and assumptions that may prove to be inaccurate. There can be no assurance that the results of future development, exploration or mining activities will be consistent with expectations.

Readers are cautioned that mineral resource estimates, including interpretations and feasibility of the Company's mineral projects, are subject to numerous factors, including geological interpretation, commodity prices, operating and capital costs, permitting, and regulatory approvals, all of which may change over time.

ADDITIONAL INFORMATION

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