



**Management's Discussion and Analysis  
For the Year Ended April 30, 2025  
Dated: August 22, 2025**

## A. Introduction

The following Management's Discussion and Analysis ("MD&A") of the consolidated operating results and financial condition of Southern Silver Exploration Corp. (the "Company") is for the year ended April 30, 2025 and is dated August 28, 2025. This MD&A was prepared to conform to National Instrument ("NI") 51-102F1 and was approved by the Board of Directors prior to its release and should be read in conjunction with the Company's audited consolidated financial statements for the years ended April 30, 2025 and 2024, and the accompanying notes, which have been prepared in accordance with International Financial Accounting Standards ("IFRS"). The Company's functional and reporting currency is the Canadian dollar and all dollar amounts included herein are in Canadian dollars, unless otherwise indicated.

The Company's shares trade on the TSX Venture Exchange ("SSV"), the OTCQX Best Market ("SSVFF") and the Santiago Stock Exchange, Venture ("SSVCL"). Additional information relating to the Company is available at [www.southernsilverexploration.com](http://www.southernsilverexploration.com) and on SEDAR+ at <https://www.sedarplus.ca/>.

## B. Qualified Person

Robert W. J. Macdonald, P. Geo., is the qualified person as defined by National Instrument 43-101 responsible for the technical information included in this MD&A and the supervision of work done in association with the exploration and development programs. Mr. Macdonald graduated with a B.Sc. degree from Memorial University of Newfoundland and a M.Sc. from the University of British Columbia. His work has focused on vein and intrusive-related gold systems and massive sulphide deposits.

## C. Foreign Exchange Information and Conversion Tables

For ease of reference, the following information is provided:

Canadian Dollars per US Dollar			Conversion Table	
Year Ended April 30			Imperial	Metric
	2025	2024		
Rate at end of period	1.3784	1.3776	1 acre	= 0.404686 hectares
Average rate for period	1.3946	1.3506	1 foot	= 0.304800 meters
			1 mile	= 1.609344 kilometres
			1 ton	= 0.907185 tonnes
			1 Ounce (troy)/ton	= ##### g/t

Precious metal units and conversion factors					
ppb	- Part per billion	1 ppb	=	0.0010 ppm	= 0.000030 oz/t
ppm	- Part per million	100 ppb	=	0.1000 ppm	= 0.002920 oz/t
oz	- Ounce (troy)	10,000 ppb	=	10.0000 ppm	= 0.291670 oz/t
oz/t	- Ounce per ton (avdp.)	1 ppm	=	1.0000 ug/g	= 1.000000 g/t
g	- Gram				
g/t	- gram per metric ton	1 oz/t	=	34.2857 ppm	
mg	- milligram	1 Carat	=	41.6660 mg/g	
kg	- kilogram	1 ton (avdp.)	=	907.1848 kg	
ug	- microgram	1 oz (troy)	=	31.1035 g	

## **D. Summary of Mineral Properties**

The Company's principal business activities include the acquisition, exploration, and development of natural resource properties for enhancement of value and disposition pursuant to sales agreements or development by way of third-party option and/or joint venture agreements.

The Company is continuing to advance its core asset - Cerro Las Minitas - a silver-lead-zinc property located in Durango State, Mexico. The property features a large land position and lies within the prolific Faja de Plata (Belt of Silver) of north central Mexico.

The Company also continues to advance (i) Oro, a gold-silver-copper-lead-zinc property located in New Mexico, USA that demonstrates classic porphyry zonation within the highly prospective Laramide Porphyry belt of the southern USA; (ii) Hermanas, located approximately 40km east of Oro, which covers an area of epithermal quartz veining approximately 4km by 3km; and (iii) the El Sol silver-lead-zinc claim, which covers the northwest projection of the Blind and El Sol zones at the Cerro Las Minitas project.

On January 31, 2025, the Company entered into a letter of agreement to purchase a 100% interest in the Nazas property, comprising five claims totaling 2,189 hectares located on the eastern flank of the Sierra Madre Occidental Mountain range in north-central Durango State, Mexico. The agreement will form the basis of a formal option agreement once finalized.

### **Cerro Las Minitas - Durango, Mexico**

The property is located about 70 kilometres to the northeast of the city of Durango in Durango State, Mexico, and is accessed easily by road. The property comprises twenty-five concessions totaling approximately 27,451 hectares in one of the most significant silver-producing regions in the world.

Seven separate mineral deposits have been identified. The Blind, the El Sol and the Las Victorias deposits form sets of sub-parallel, northwest-trending and steeply dipping mineralized zones on the west side of the intrusion, which are traced for over 1,300 metres along strike and up to 600 metres in depth. A fourth deposit known as the Skarn Front, forms beneath the Blind, El Sol and Las Victorias deposits and is localized on the outer edge of the skarn alteration zone surrounding a Central Monzonite Intrusion and has been drilled along an approximate 1,300 metre strike length and to depths of up to 1,000 metres.

Similarly, the South Skarn Deposit is localized on the outer edge of the skarn alteration zone surrounding the Central Monzonite Intrusion, but on the eastern side. The deposit forms a tabular, steeply east-dipping body that has a strike length of approximately 350m and has been drilled to a depth of 500m.

The Bocona Deposit is located 100 metres to the north of the South Skarn Deposit and consists of several separate sub-zones – the Bocona Skarn Zone, the Muralla Zone and related hanging wall panels. The Bocona Skarn Zone is also localized on the outer edge of the skarn alteration zone surrounding the Central Monzonite Intrusion, wrapping around its Northeastern margin where it transitions into the North Felsite Deposit.

Mineralization occurs as massive-sulphide pipes, veins and replacements in sub-vertical structures that demonstrate good continuity between drill holes. Mineralization is open on-strike and at depth in a similar geological environment to that of major Mexican Carbonate Replacement Deposits (CRDs) such as Santa Eulalia (45Mt of 310g/t Ag, 7.1% Zn and 8.2% Pb) and Skarn deposits such as San Martin (60Mt of 118g/t Ag, 0.9% Pb and 3.9% Zn).

## **D. Summary of Mineral Properties, continued**

### **Cerro Las Minitas - Durango, Mexico, continued**

As of March 20, 2024, an updated NI 43-101 mineral resource estimate for the sulphide resources on the project, at a US\$60/t NSR cut-off, features:

- **Indicated Mineral Resources** of 116 million ounces silver equivalent which includes 13.3 million tonnes averaging 102g/t Silver, 0.07g/t Gold, 0.17% Copper, 1.3% Lead and 3.1% Zinc (272g/t AgEq) equaling a US\$132/t NSR value and containing: 43.4 million ounces of silver; 32 thousand ounces of gold; 49 million pounds of copper, 374 million pounds of lead; and 921 million pounds of zinc; and
- **Inferred Mineral Resources** of 186 million ounces silver equivalent which includes 23.4 million tonnes averaging 111g/t Silver, 0.14g/t Gold, 0.21% Copper, 1.1% Lead and 2.1% Zinc (247g/t AgEq; 7.6% ZnEq) equaling a US\$124/t NSR value and containing 83.3 million ounces of silver; 104 thousand ounces of gold; 111 million pounds of copper, 582 million pounds of lead; and 1,106 million pounds of zinc.

- 1) *The current Resource Estimate was prepared by Garth Kirkham, P.Geo., of Kirkham Geosystems Ltd.*
- 2) *All mineral resources have been estimated in accordance with Canadian Institute of Mining and Metallurgy and Petroleum ("CIM") definitions, as required under National Instrument 43-101 ("NI43-101").*
- 3) *Mineral resources were constrained using continuous mining units demonstrating reasonable prospects of eventual economic extraction.*
- 4) *Silver Equivalents were calculated from the interpolated block values using relative recoveries and prices between the component metals and silver to determine a final AgEq value. Metal recoveries: 95% silver, 75% gold, 70% copper, 87% lead and 93.2% zinc.*
- 5) *Silver Equivalents and NSR\$/t values were calculated using average long-term prices of \$22.5/oz. silver, \$1,850/oz. gold, \$3.78/lb. copper, \$0.94/lb. lead, and \$1.25/lb. zinc. All prices are stated in US\$.*
- 6) *The formula used for NSR\$/t calculations was as follows -  $NSR = (Ag\ g/t \times 0.55) + (Au\ g/t \times 34.45) + (Cu\ \% \times 48.68) + (Pb\ \% \times 13.41) + (Zn\ \% \times 15.59)$*
- 7) *Mineral resources are not mineral reserves until they have demonstrated economic viability. Mineral resource estimates do not account for a resource's mineability, selectivity, mining loss, or dilution.*
- 8) *An Inferred Mineral Resource has a lower level of confidence than that applying to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.*

This restatement of the Mineral Resource Estimate incorporates the standardization of metallurgical recoveries across each of the deposits and updated metal pricing. The estimate increases the size of the resource by roughly 10% on a tonnage basis and also increases the contained metal in each of the commodities making it one of the largest and higher-grade undeveloped primary-silver deposits in the world. Significantly, the property is not burdened with royalties, presenting potential financing opportunities for additional work on the property.

Since starting exploration on the project in 2011, the Company has completed 215 drill holes totaling over 95,887 metres. Mineralization remains open at depth, particularly on the northern and eastern sides of the Cerro which with further exploration can continue to add high margin mineralization early in the production scenario.

On July 23, 2024 the Company filed its **Preliminary Economic Assessment** ("PEA"/ "2024 PEA"). The PEA is based on a March 20, 2024 Mineral Resource Estimate on the project and did not consider the oxide resource.

## **D. Summary of Mineral Properties, continued**

### **Cerro Las Minitas - Durango, Mexico, continued**

Highlights of the PEA include:

- **Robust Project Economics – Base Case<sup>1</sup>:** after-tax NPV5% of **US\$501M** (\$682M) and IRR of **21.2%** with a **48-month** payback;
- **Excellent Silver and Zinc Price Leverage - Base-case + 20% Metal Prices<sup>2</sup>:** after-tax NPV5% of **US\$876M** (\$1,193M) and IRR of **30.1%** with a **37-month** payback;
- **A Large-Scale Underground Mining Operation** with a **17-year mine life** and an annual average plant feed of **14.3 Mozs AgEq<sup>3</sup>** (inc. 5.8 Mozs Ag) and life-of-mine (LOM) feed totalling **243.2 Mozs AgEq<sup>3</sup>**; (inc. 98.6 Mozs Ag). LOM product sales total **194.3Mozs AgEq<sup>3</sup>** at an AISC of **US\$13.23/oz AgEq<sup>3</sup>** sold; and
- **A High-Revenue Project** with gross revenues totalling **US\$4.47B** with silver and gold representing 45% of revenues, and zinc representing 35% of projected revenues. The project has an **Initial Capital Expenditures (“CapEx”) of US\$388M**, an **NPV5%-to-CapEx** ratio of **1.3X** and a paydown of **48 months** on a post-tax basis.

1) *Base Case Metal Prices: Ag- \$23.00/oz, Au - \$1850/oz, Cu – \$4.00/lb, Pb – \$1.00/lb and Zn - \$1.25/lb (all prices are stated in US\$)*

2) *Base Case +20% metal prices: Ag- \$27.60/oz, Au - \$2220/oz, Cu – \$4.80/lb, Pb – \$1.20/lb and Zn - \$1.50/lb (all prices are stated in US\$)*

3) *AgEq is calculated on a (contained metal x metal price)/ Ag price basis*

*The PEA is preliminary in nature, it may include mineral resources that 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 the PEA will be realized. Mineral resources that are not mineral reserves have not demonstrated economic viability. The mineral resources may be affected by subsequent assessment of mining, environmental, processing, permitting, taxation, socio-economic, and other factors.*

In comparison to the earlier 2022 economic model, the updated PEA now:

- Increases the Life of Mine (LOM) production by 5Mt, representing an approximate 20% increase;
- Increases daily mine production capacity to 5300 tonnes per day (“tpd”), representing an approximate 18% increase;
- Extends the mine life by 2.6yrs;
- Increases the LOM Revenue by US\$765M, representing an approximate 17% increase in revenues; and
- Increases the after-tax NPV5% by 45% to US\$501M.

The project is expected to produce four saleable concentrates of sufficient quality to be marketable to a variety of global smelters. Approximately 93% of Ag is recovered with 77% reporting to the Pb concentrate, 6% to the Cu concentrate, 7% to the Zn concentrate and 3% to the leach circuit. A high Ag grade in the Pb concentrate makes it attractive to smelters and could result in more favorable treatment terms. Penalty elements are low.

This latest economic update represents a new milestone in the ongoing evolution and development of the project which is the culmination of a number of smaller technical improvements, developed over the eighteen months preceding the 2024 PEA, which together result in a significant increase in the value of the property. This includes the addition of new mineral resources from the North Felsite zone as first reported in March 2023; the standardization of the metallurgical recoveries and charges across each of the deposits, including the addition of gold revenues into the project cash-flow; improvements in the mine scheduling and optimization both the Operating and Capital costs of the project.

## **D. Summary of Mineral Properties, continued**

### **Cerro Las Minitas - Durango, Mexico, continued**

Opportunities that could further enhance the viability of Cerro Las Minitas include:

**Mine life extension:** Significant parts of the CLM mineralized system remain under-drilled and several gaps occur in the current resource model both at relatively shallow depths and down dip of the main deposits. Identification of further mineralization at relatively shallow depths would potentially add more value in the earliest parts of the mine schedule.

**Infill Drilling:** Infill drilling, specifically on the portions of the deposit that fall within the Inferred category of classification will increase confidence in the Mineral Resource estimate, will further de-risk the project and potentially increase the value of the project.

**Engineering Upside:** Modelling to increase the mine development rate, mill through-put and optimizing the processing circuit could positively impact both the NPV and IRR of the project. XRT-based preconcentration test work returned excellent results and could provide opportunities for further reductions in project CapEx and Operating Expenditures ("OpEx").

On February 26, 2025 the Company announced that "proof of concept" drilling had extended silver-polymetallic mineralization both laterally and down dip of the South Skarn deposit on the Cerro Las Minitas project. Six core holes totalling 2,395 metres were completed as part of the drill program which tested gaps within the current block model, lateral extensions of the mineralization and successfully intersected thick intervals of mineralized skarn in a hole which tested the depth projection of the main mineralized shoot of the South Skarn deposit.

Drilling highlights include:

- a 0.5 metre interval (est. TT.) averaging 154g/t Ag, 0.2g/t Au, 5.6% Cu and 0.1% Zn (834g/t AgEq) within an 8.9 metre interval (est. TT.) averaging 97g/t Ag, 0.1g/t Au, 0.7% Cu, 0.1% Pb and 0.7% Zn (222g/t AgEq); and
- a 4.0 metre interval (est. TT) averaging 81g/t Ag, 0.2g/t Au, 0.1g/t Cu, 0.4% Pb and 3.9% Zn (267g/t AgEq);

Strong gold-enrichment was also identified in several hanging wall intercepts correlating to zones of mineralization outboard of the more typical, silver-enriched polymetallic mineralization of the main skarn horizon located adjacent to the central monzonite intrusion.

This drilling successfully demonstrates both the lateral and down dip extensions of relatively shallow mineralization around the South Skarn deposit. Similar shallow targets are identified around both the Bocona and North Felsite deposits. Mineralization also remains open at depth, particularly on the eastern side of the Cerro which with further exploration, can continue to add high margin mineralization early in the modelled production scenario.

### **EI Sol - Durango, Mexico**

The EI Sol concession is a single 63 hectare claim strategically located on the northwestern boundary of the Bocona block of claims and is adjacent to the Area of the Cerro which hosts the seven mineral deposits currently identified within the Cerro Las Minitas claim package. It covers the northwest projection of the Blind-EI Sol deposits and potentially at least one additional mineralized structure.

The EI Sol claim is largely gravel covered with previous work including airborne magnetic geophysics; surface soil and acacia sampling; limited dump sampling of historic artisanal workings and a single core hole in the southeastern end of the property.

## **D. Summary of Mineral Properties, continued**

### **El Sol - Durango, Mexico, continued**

Select dump sampling of artisanal workings located to the northeast of the Blind Zone structure returned anomalous values from several strongly oxidized and silicified rocks. Five core holes were completed in late 2021 and a further three holes in 2022 to test a series of targets defined by earlier surface mapping, rock and soil sampling and proximity to artisanal workings. A single hole was drilled in 2013 to test the extension of the Blind - El Sol zone. Southern Silver's drilling totals 3,151 metres on the property. Mineralization was intersected in several holes but has not been traced laterally or to depth at this time.

The El Sol claim has currently been identified as the location of the dry stack tailings facility in the newly updated Preliminary Economic Assessment for the Cerro Las Minitas project.

### **Oro - New Mexico, USA**

The Oro property consists of a block of federal lode mining claims and private patented land in the historic Eureka mining district in Grant County, New Mexico and is located approximately 80 kilometres southwest of the Silver City porphyry copper district.

The Company opted to not renew two New Mexico State leases due to their near-term pending expiry with no ability to renew, their high cost to maintain, and their distance from encouraging mineralization encountered in 2022 drilling.

The claims surround a highly prospective zone of quartz-sericite-pyrite alteration, interpreted to overlie a series of unexposed porphyry centres. Classic porphyry system zonation is indicated by surface gold and copper mineralization associated with Laramide-age intrusions in this core area, flanked by silver-lead-zinc skarn and carbonate-replacement mineralization, and distal sediment-hosted gold occurrences.

The Company previously completed a 300 line-kilometre airborne Z-TEM survey over the entire property at 200-metre line spacing and several potential high-quality Cu-Au porphyry and skarn targets were identified, and a 4,050-metre core-hole program was conducted on the property during 2022. Three of the holes focused on a porphyry target and intersected copper porphyry-style alteration and metal zoning, but with sub-economic concentrations of copper.

However, one hole, OR22-012, tested a separate target identified by a strong ZTEM geophysical anomaly in an area believed to be relatively high in the metal system, and where Cretaceous-age carbonate host rocks were expected to lie at relatively shallow depths beneath Laramide-age andesite volcanic rocks. The hole intersected veins with strongly anomalous gold (12.4 g/t Au over 0.8 metres at 495.7 metres depth) in a banded anhydrite+pyrite+calcite breccia vein and, deeper in the hole, intersected anomalous silver and lead (908 g/t Ag and 10.4% Pb over 0.2 metres at 594.6 metres depth) in a barite+galena vein, consistent with expected metal zoning. Favourable carbonate host rocks were intersected with abundant sulfide minerals below a 6-metre-thick massive anhydrite vein at roughly 590-metres depth. The 427.2-metres interval from 578.6 to 1,005.8 metres averages 0.15% CuEq (0.08% Cu, 0.01% Mo, and 1.4g/t Ag), with variable mineralization continuing to the end of the hole at 1,006 metres depth. The strongest mineralization is 9.1 metres of 0.59% Cu, 0.01% Mo, 0.3 g/t Au, and 2.3g/t Ag (0.92% CuEq) from 834.5 to 843.7 metres in a carbonate replacement zone with abundant magnetite, specular hematite, and epidote with minor pyrite, calcite, and anhydrite. Dikes ranging from unaltered to strongly altered are common throughout the hole and there is geophysical evidence for a potentially causative intrusion directly west of the hole.

Hole OR22-012 only tested a portion of the target leaving a significant strike-length and width for further drill testing. Additional federal lode claims were staked to cover the possible extensions of the copper-rich skarn/CRD mineralization intersected in OR22-012 as well as other newly identified targets.

#### **D. Summary of Mineral Properties, continued**

##### **Oro - New Mexico, USA, continued**

In November 2023, the Company verified strong Rare Earth Element ("REE") enrichment in reconnaissance hole OR22-012. Thirty-nine pulps were selected from three enriched Light Rare Earth Element ("LREE") zones for re-analyses by a more robust analytical method of fusion/ICPMS to confirm the initial test results and returned:

- **0.104% TREO\* (1,045 ppm) over 10.9m starting at 613.9m,**
- **0.091% TREO\* (913 ppm) over 33.8m starting at 647.4m, and**
- **0.128% TREO\* (1,285 ppm) over 24.4m starting at 794.0m.**

##### **\* Total Rare Earth Oxides**

The three zones occur within the 427.7 metre Cu-enriched zone. These results are encouraging, and further geological and metallurgical work is required to establish if there is potential for byproduct REEs at the property. A permit has been submitted to drill test the target initially tested by OR22-012 along strike, as well as other targets identified on the property.

##### **Hermanas - New Mexico, USA**

The Hermanas project consists of 83 lode claims on federal land. The claims are located approximately 40km east of the Oro property.

The vendors collected 151 surface samples, with seven samples containing +4ppm Au (maximum 30.1ppm Au) and 22 samples containing +30ppm Ag (maximum 4,790ppm Ag). Verification sampling by the Company contain anomalous gold and silver in seven of nine samples collected, including a sample from a small historic mine dump that assayed 6.7ppm Au & 150ppm Ag and a sample of outcropping banded quartz + carbonate vein that assayed 4.6ppm Au & 56ppm Ag. Detailed geologic mapping and additional sampling were conducted. In addition, historic drilling data and airborne geophysical data were identified and acquired. Drill targets have been identified and permitting has been accepted for a planned drill program, subject to posting of a reclamation bond.

##### **Nazas - Durango, Mexico**

The Nazas Ag-Au-Pb-Zn property consists of 5 claims totaling 2,189 ha and is located on the eastern flank of the Sierra Madre Occidental Mountain range in north-central Durango State, Mexico. On January 31, 2025, the Company entered into a letter of agreement with a third party to purchase a 100% interest in five claims. Two claims were subject to a four-month due diligence period, which was completed on May 31, 2025, and three claims remain subject to on-going title transfer. Upon completion of due diligence, the letter of agreement will form a basis for a formal option agreement.

The property is accessible by road from the City of Durango, located approximately 160km to the south, and sits within the heart of the Faja de Plata (Belt of Silver) and is located just 15km to the east of Endeavor Silver's Pitarilla Deposit, one of the largest unexploited silver resources in Mexico. The property features similar host stratigraphy and mineralizing systems to Pitarilla with a high potential to host significant epithermal vein, porphyry and replacement-styled mineral deposits.

Modern exploration of the property started in the mid-1990s by the vendor which staked it and adjacent ground, including the Pitarilla Property, on behalf of Silver Standard Resources Inc. (now SSR Mining Inc.). SSR Mining sold the Pitarilla Project to Endeavor Silver Corp. in January 2022 and ceased exploration operations in Mexico returning the Nazas property to the vendors.



## **D. Summary of Mineral Properties, continued**

### **Nazas - Durango, Mexico, continued**

The property was extensively explored from the early 2000s through to the mid-2010s resulting in a comprehensive database that includes:

- Property wide geological mapping
- Several thousand rock and soil samples collected
- Channel sampling
- Property wide clay alteration studies
- Magnetic, IP, Gravimetric and Magneto-telluric geophysical surveys over select target areas; and
- Results from 18 drill holes totaling 4,070 metres (12 RC and 6 DDH).

Seven different targets are identified on the property, which will be the focus of future exploration on the property. Multiple epithermal vein occurrences occur throughout the property and are characterized by fine quartz stockworks localized along cross-cutting NW-SE and NE-SW-trending structures, often enveloped within broad gold-enriched haloes, up to 60 metres wide, of oxidized hematite-goethite-bearing rock. Drilling by Silver Standard at the Yerbabuena and Santa Rita targets returned strongly anomalous Au-Ag mineralization (+0.1g/t Au and +1g/t Ag) over 10s of metres in multiple drill holes. Mineralization remains open both laterally and at depth for further testing.

*Note that the reported mineralization is from historic records and has not been independently validated.*

Deeper stratigraphy and associated base-metal-enriched mineralization is exposed at the Yescas prospect reflecting the potential for both porphyry and replacement-styled mineralization. Three quartz-feldspar intrusive phases have been identified on the property and are similar to those associated with the Pitarilla deposit.

Upcoming work on the Nazas project will focus on validation of the historic surface and drill data and further compilation and interpretation of what is a substantive database toward establishing drill targets for testing in late 2025.

### **Acquisition Costs**

Mineral property acquisition costs as at April 30, 2025 were:

	<i>Mexico</i>				
	<b>Cerro Las Minitas</b>	<b>El Sol</b>	<b>Oro</b>	<b>Hermanas</b>	<b>Total</b>
	\$	\$	\$	\$	\$
Balance, April 30, 2024	33,075,653	384,610	925,176	142,179	34,527,618
Additions	32,757	-	132,320	56,817	221,894
Write-off of previously capitalized costs*	-	-	(193,375)	-	(193,375)
<b>Balance, April 30, 2025</b>	<b>33,108,410</b>	<b>384,610</b>	<b>864,121</b>	<b>198,996</b>	<b>34,556,137</b>

\* Refer to section E for details giving rise to write-offs.

**Southern Silver Exploration Corp.**  
(An Exploration Stage Company)  
Management's Discussion and Analysis  
For the Year Ended April 30, 2025

**D. Summary of Mineral Properties, continued**

**Exploration and Evaluation Expenditures**

Exploration and evaluation expenditures for the years ended April 30, 2025, and 2024 were:

	Cerro Las Minitas		El Sol		Oro		Hermanas		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Assays and analysis	200,803	99,064	-	-	-	28,422	-	14,053	<b>200,803</b>	141,539
Camp and supplies	201,355	261,163	-	-	10,094	8,012	-	1,042	<b>211,449</b>	270,217
Claim taxes	227,936	233,548	1,987	2,201	-	-	-	-	<b>229,923</b>	235,749
Drilling	402,076	-	-	-	-	-	-	-	<b>402,076</b>	-
Geological services	583,307	1,056,288	-	1,656	69,121	73,802	821	-	<b>653,249</b>	1,131,746
Project supervision	586,385	557,089	237	2,035	20,016	27,257	-	-	<b>606,638</b>	586,381
Travel	11,047	2,316	-	-	24,640	15,467	-	2,655	<b>35,687</b>	20,438
IVA	166,532	89,913	-	265	-	-	-	-	<b>166,532</b>	90,178
Other	-	-	-	-	2,304	2,252	-	2,214	<b>2,304</b>	4,466
	<b>2,379,441</b>	<b>2,299,381</b>	<b>2,224</b>	<b>6,157</b>	<b>126,175</b>	<b>155,212</b>	<b>821</b>	<b>19,964</b>	<b>2,508,661</b>	<b>2,480,714</b>
General									<b>47,901</b>	14,276
									<b>2,556,562</b>	<b>2,494,990</b>

**E. Results of Operations**

The Company incurred a net loss of \$5,734,418, for the year ended April 30, 2025 (2024 - \$3,705,698).

	2025	2024
	\$	\$
Administration	<b>60,000</b>	60,000
Consulting	<b>524,502</b>	263,653
Exploration and evaluation	<b>2,556,562</b>	2,494,990
Investor relations and corporate development	<b>463,641</b>	438,432
Office and general	<b>85,887</b>	68,931
Professional fees	<b>356,942</b>	318,977
Regulatory fees and taxes	<b>73,328</b>	79,815
Share-based payments	<b>1,347,503</b>	12,526
Shareholders' communication	<b>20,850</b>	12,292
Transfer agent	<b>34,886</b>	40,531
Foreign exchange	<b>24,668</b>	30,337
Other income	<b>(37,681)</b>	(114,786)
Write-off of mineral property costs	<b>193,375</b>	-
Loss on disposal of subsidiary	<b>9,738</b>	-
Transaction and restructuring costs	<b>20,217</b>	-
<b>Net loss and total comprehensive loss for the year</b>	<b>5,734,418</b>	<b>3,705,698</b>

## **E. Results of Operations, continued**

As per its mandate to acquire, explore, and develop mineral resource properties, the Company completed an updated PEA on Cerro Las Minitas and recently completed further drilling whilst preparation work continued at Oro. The Company continues to consider further opportunities to develop its property portfolio (*D - Summary of Mineral Properties*).

Additional consulting fees were recognized as the Company investigates avenues for divestiture of certain assets. Consulting, investor relations and corporate development, office and professional fees fluctuate as financing activities are undertaken. In addition, rates charged by a related service provider for these services increased (*G – Related Party Transactions*). Professional fees in the prior year included legal costs incurred relative to appeals in place with respect to changes in mining laws in Mexico. Transfer agent costs in the prior period included one-off costs relative to modifications of certain share purchase warrants.

Share-based payments were recognized as a result of grant of fully vested stock options to directors, officers and consultants.

Significant portions of exploration costs and certain overhead are incurred in US dollars or other foreign currencies and amounts presented include the effect of a fluctuating value of the Canadian dollar as a result of the impact of US policymaking and economic factors.

On September 9, 2024, the Company, due to the near-term pending expiry with no ability to renew, high cost of maintenance and their distance from encouraging mineralization, filed an advice of relinquishment with the New Mexico State Land Office to release its claim, with immediate effect, on two mineral leases comprising an aggregate 1,079.28 acres of the total Oro land package. Accordingly, a write-off of \$193,275 (2024 - \$nil) was recognized with respect to costs previously capitalized relating to these leases.

During October 2024, the Company filed a non-reversible application to liquidate Exploraciones Magistral S. A de C.V., a non-trading dormant subsidiary. A loss on disposal of subsidiary was recognized of \$9,738.

On February 27, 2025, the Company entered into a share purchase agreement with Paradigm Gold Corporation (formerly Nickelex Resource Corporation) ("Paradigm"), a company with common directors and officers, whereby the Company acquired 49,999 shares of Minera Reyterra S.A.de C.V ("MRT"), a Mexican dormant non-trading subsidiary of Paradigm, for the sum of \$20,217 (US \$14,000). MRT did not constitute a business as defined in IFRS 3 Business Combinations and the transaction was therefore accounted for as an asset acquisition. MRT held no identifiable assets or liabilities at the acquisition date, nor did it possess any processes capable of producing outputs. Accordingly, the total purchase price of \$20,217 (US \$14,000) was not allocated to any identifiable assets and has been recognized as an expense in profit or loss.

Other income recognized mainly relates to interest income earned on surplus cash reserves.

## **F. Summary of Quarterly Results**

The following financial data was derived from the Company's consolidated financial statements for the eight previous quarters:

Three months ended	Jul 31, 2023	Oct 31, 2023	Jan 31, 2024	Apr 30, 2024	Jul 31, 2024	Oct 31, 2024	Jan 31, 2025	Apr 30, 2025
	\$	\$	\$	\$	\$	\$	\$	\$
Total revenues	nil	nil	nil	nil	nil	nil	Nil	Nil
Net loss	855,101	708,598	1,075,072	1,066,927	865,317	2,316,580	1,535,970	1,016,551
Net loss per share	-	-	-	-	-	0.01	-	-

*The aggregate sum of the quarterly amounts per share may not equal the year-to-date per share amounts due to rounding in the calculations.*

## **F. Summary of Quarterly Results, continued**

The Company earned no revenue due to the nature of current operations.

Quarterly fluctuations mainly relate to mineral property exploration expenses which occur as projects are identified, as exploration activities increase or decrease, or impairments which occur when indicators arise, recognition of share-based payments which occur as stock options are granted and vest and foreign exchange effects which vary with market rates. Additional overhead costs have been incurred throughout the year ended April 30, 2025 (*E – Results of Operations*). Significant share-based payments expense of \$1,328,926 and a write-off of mineral property costs of \$193,375 were recognized in the three months ended October 31, 2024.

## **G. Fourth Quarter**

No unusual events affected the Company's financial performance or cash flows during the fourth quarter.

## **H. Summary of Annual Information**

During the previous three fiscal years presented below, the Company earned no revenue, and main operating costs have remained materially constant, subject to additional contracts for services entered into as required and costs incurred for financing or other ad-hoc projects as undertaken. The Company continues to invest in its mineral properties as resources have permitted, and impairment charges are recognized as relevant indicators arise. Significant exploration and evaluation expenditures were incurred in FY2023, and significant share-based payments expense was recognized in FY2025. To date, the Company has not paid dividends and does not have any long-term financial liabilities.

<b>April 30</b>	<b>2025</b>	2024	2023
	\$	\$	\$
Total revenues	nil	nil	nil
Net loss	<b>5,734,418</b>	3,705,698	6,326,230
Net loss per share (basic & diluted)	<b>0.02</b>	0.01	0.02
Total assets	<b>38,400,086</b>	35,518,427	39,207,502
Dividends declared	nil	nil	nil

## **I. Related Party Balances and Transactions**

Except as disclosed elsewhere, the Company entered into the following related party transactions:

(a) Pursuant to a service agreement between the Company and Manex Resource Group Inc., a company indirectly controlled by Killian Ruby, an officer of the Company, the Company was charged as follows:

- \$60,000 (2024 - \$60,000) for office space and general administration services;
- \$38,876 (2024 - \$33,132) for professional services;
- \$50,710 (2024 - \$23,460) for Chief Financial Officer services;
- \$53,993 (2024 - \$13,339) for consulting services;
- \$164,371 (2024 - \$128,197) for corporate development services;
- \$114,247 (2024 - \$90,811) for geological services; and
- \$4,315 (2024 - \$4,194) for the mark-up on out-of-pocket expenses.

Amounts payable as at April 30, 2025 were \$32,421 (2024 - \$29,958).

**I. Related Party Balances and Transactions, continued**

- (b) Consultancy fees in the amount of \$156,000 (2024 - \$156,000) were charged by Advocate Services Limited, a company controlled by Lawrence Page, a director and officer of the Company.
- (c) Consultancy fees in the amount of \$60,000 (2024 - \$60,000) were charged by Rob Macdonald, an officer of the Company, and were included in consulting fees or mineral property expenditures as applicable.
- (d) Consultancy fees in the amount of \$60,000 (2024 - \$60,000) were charged by QDBS Resources Inc., a company controlled by Russell Ball, a director of the Company. Amounts payable as at April 30, 2025 were \$15,750 (2024 - \$15,750).
- (e) Corporate Development fees in the amount of \$18,000 (2024 - \$10,500) were charged by John Oness, an officer of the Company.
- (f) Legal fees in the amount of \$44,180 (2024 - \$17,360) were charged by Page Law Corporation, a company controlled by Arie Page, an officer of the Company, and included in professional fees, share issue costs or mineral property expenditures as applicable. Amounts payable as at April 30, 2025 were \$5,817 (\$694).

These transactions were in the normal course of operations. Amounts due to related parties are unsecured, non-interest-bearing, and have no formal terms of repayment. The Company has no long-term employee or post-employment benefits.

Key management personnel of the Company are identified in (a) to (e) above and compensation awarded was:

	<b>April 30, 2025 \$</b>	April 30, 2024 \$
Short-term benefits	344,710	309,960
Share-based payments	960,916	-
	<b>1,305,626</b>	309,960

Two executive officers, Lawrence Page and Rob Macdonald, are entitled to termination benefits in the event of a change of control equal. Lawrence Page is entitled to thirty-six months' compensation and Rob Macdonald is entitled to twenty-four months' compensation. Assuming the triggering event took place for a change of control on the period-end date, the payments would have been \$468,000 and \$120,000 respectively.

**J. Financial Condition, Liquidity and Capital Resources**

As at April 30, 2025, the Company had working capital of \$3,294,951. During the year ended April 30, 2025, the Company utilized cash for operating activities of \$4,381,503 and for investing activities of \$212,245 and realized cash from financing activities of \$7,321,771.

During the year ended April 30, 2025, the Company closed two non-brokered private placements by issuing a combined 36,291,313 units for gross proceeds of \$7,187,715 and realized \$450,950 through the exercise of share purchase warrants and stock options.

Net proceeds from these financing activities were used for working capital, the continued advancement and development of the Cerro Las Minitas property and the compilation of data and exploration of the newly acquired Nazas property in preparation for permitting and drill testing of the property later in 2025.

## **J. Financial Condition, Liquidity and Capital Resources, continued**

On July 29, 2025, the Company closed a bought deal private placement by issuing 55,555,557 units at a price of \$0.27 per unit for gross proceeds of \$15,000,000. The Company expects to accomplish the following business objectives using the net funds from this private placement plus pre-financing working capital:

- Exploration drilling work on the Cerro Las Minitas project (expected to occur in the next 18 months and cost approximately \$9,460,750);
- Geological studies associated with the exploration drilling program and other work on the Cerro Las Minitas project (expected to occur concurrently with the exploration drilling and geotechnical work and cost approximately \$2,183,250); and
- Geotechnical studies associated with the exploration drilling program and continued advancement of the Cerro Las Minitas project (expected to occur concurrently with the exploration drilling and geological studies and cost approximately \$2,911,000).

The above noted allocation of capital and anticipated timing represents the Company's current intentions based upon its present plans and business condition, which could change in the future as its plans and business conditions evolve. Although the Company intends to expend the proceeds from the Offering as set forth above, there may be circumstances where, for sound business reasons, a reallocation of funds may be deemed prudent or necessary and may vary materially from that set forth above, as the amounts actually allocated and spent will depend on a number of factors, including the Company's ability to execute on its business plan.

The Company does not hedge against foreign exchange movements and raises funds in Canadian dollars whereas significant portions of exploration costs, and certain other overhead, are incurred in US dollars or other foreign currencies. In addition, the Company does not yet generate any revenue from operations and, for the foreseeable future, will need to rely upon earn-in agreements and / or issue share capital to finance future exploration and administrative activities. Although the Company has been successful in its financing initiatives, there can be no assurance that the Company will be able to obtain adequate future financing. Failure to obtain such additional financing could result in delay or indefinite postponement of further exploration and development of its projects with a possible loss of some properties and reduction or termination of operations.

## **K. Outstanding Equity and Convertible Securities**

The Company has authorized share capital consisting of common shares without par value. The number of shares authorized is unlimited. The Company has a stock option plan and has issued warrants for the purchase of common shares. The table below summarizes the Company's common shares, stock options and warrants that are convertible into common shares as of August 28, 2025:

Issued and outstanding common shares	385,878,627
Share options with a weighted average exercise price of \$0.38	24,450,000
Share purchase warrants with a weighted average exercise price of \$0.43	63,643,336
<b>Fully Diluted</b>	<b>473,971,963</b>

## **L. Financial Instruments**

The Company's financial instruments include cash and cash equivalents, other receivables, reclamation bonds, accounts payable and accrued liabilities and amounts due to related parties. The Company has classified its financial instruments into the following categories:

Financial Instrument	Category	Carrying Value
Cash and Cash Equivalents	Financial Asset	Amortized Cost
Other Receivables	Loans and Receivables	Amortized Cost
Reclamation Bonds	Financial Asset	Amortized Cost
Accounts Payable and Accrued Liabilities	Financial Liabilities	Amortized Cost
Due to Related Parties	Financial Liabilities	Amortized Cost

The carrying values of all the above financial instruments approximate their fair values due to the short period to maturity. The main risks these financial instruments are exposed to are interest rate and credit risk with respect to managing cash and foreign currency risk with respect to expenses, assets and liabilities denominated in US dollars and Mexican Pesos. The Company's risk management policies require significant cash deposits, or any short-term investments be invested with Canadian chartered banks rated BBB or better. All investments must be less than one year in duration. The Company does not manage currency risks through hedging or other currency management tools. The Company does not believe any of these risks to be material.

## **M. Events After the Reporting Period and Outlook**

Other than disclosed elsewhere in this MD&A, there are no other material events subsequent to the end of the reporting period. The Company plans to continue to explore its properties and activities over the ensuing year will focus on this. The Company expects to continue its strategy of collaborating with experienced mining companies to acquire and develop other properties and to advance them to production.

## **N. Off-Balance Sheet Arrangements**

The Company does not have any off-balance sheet arrangements and does not contemplate entering into any such arrangements in the foreseeable future.

## **O. Disclosure Controls and Procedures**

The Board of Directors, through its Audit Committee, is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control. The Audit Committee is composed of three directors, two of whom are independent, who meet at least quarterly with management, and at least annually with the external auditors, to review accounting, internal control, financial reporting, and audit matters.

There have been no significant changes to the Company's internal control over financial reporting that occurred during the period that have materially affected or are reasonably likely to materially affect the Company's internal control over financial reporting.

The Audit Committee has established procedures for complaints received regarding accounting, internal controls, or auditing matters, and for a confidential, anonymous submission procedure for employees who have concerns regarding questionable accounting or auditing matters. The Whistleblower policy is in accordance with National Instrument 52-110 Audit Committees, National Policy 58-201 Corporate Governance Guidelines and National Instrument 58-101 Disclosure of Corporate Governance Practices.

As a venture issuer, the Company is exempt from the certification on Disclosure Controls and Procedures and Internal Control Over Financial Reporting. The Company is required to file Form 52-109FV1 for annual reporting and Form 52-109FV2 for interim reporting.

## **P. Risks and Uncertainties**

The principal business of the Company is the acquisition, exploration, and development of mineral properties. Given the nature of the mining business, the limited extent of the Company's assets and the present stage of development, the following risk factors, among others, should be considered:

### *Exploration Stage Company*

The Company does not hold any known mineral reserves of any kind and does not generate any revenues from production. The Company's success will depend largely upon its ability to locate commercially productive mineral reserves.

Mineral exploration is highly speculative in nature, involves many risks and frequently is non-productive. There is no assurance that exploration efforts will be successful. Success in establishing reserves is a result of a number of factors, including the quality of management, the level of geological and technical expertise, and the quality of property available for exploration.

Once mineralization is discovered, it may take several years in the initial phases of drilling until production is possible, during which time the economic feasibility of production may change. Substantial expenditures are required to establish proven and probable reserves through drilling and bulk sampling, to determine the optimal metallurgical process to extract the metals from the ore and, in the case of new properties, to construct mining and processing facilities.

Because of these uncertainties, no assurance can be given that our exploration programs will result in the establishment or expansion of resources or reserves.

### *No Operating History and Availability of Financial Resources*

The Company does not have an operating history and has no operating revenues and is unlikely to generate any significant amount in the foreseeable future. Therefore, it may not have sufficient financial resources to undertake, by itself, all of its planned exploration and administrative activities.

Historically, the Company has relied mainly upon the issuance of share capital to finance its activities. In the future, the Company will be required to rely on earn-in agreements and / or issue share capital to finance future exploration and administrative activities, which may result in dilution to existing shareholders. Furthermore, the amount of additional funds required may not be available under favorable terms, if at all.

Failure to obtain additional funding on a timely basis could result in delay or indefinite postponement of further exploration and development and could cause the Company to forfeit its interests in some or all of its properties or to reduce or discontinue its operations.

### *Dependence on Key Personnel*

The Company is dependent on a relatively small number of key directors, officers, and senior personnel. The loss of any one of those people could have an adverse effect on the Company. The Company does not currently maintain "key-man" insurance in respect of any of its management.

### *Price Volatility and Lack of Active Market*

Securities markets in Canada and elsewhere continue to experience a high level of price and volume volatility, and the market prices of securities of many public companies have experienced significant fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. It may be anticipated that any quoted market for the Company's securities will be subject to such market trends and that the value of such securities may be affected accordingly. If an active market does not develop, the liquidity of the investment may be limited, and the market price of such securities may decline below the subscription price.



**P. Risks and Uncertainties, continued**

*Government Regulations and Environmental Risks and Hazards*

The Company conduct is subject to various federal, provincial, state laws, rules, and regulations, including environmental legislation. Environmental legislation is becoming increasingly stringent, and costs and expenses of regulatory compliance are increasing. The impact of new and future environmental legislation on the Company's operations may cause additional expenses and restrictions. If the restrictions adversely affect the scope of exploration and development on the resource property interests, the potential for production on the property may be diminished or negated.

The Company has adopted environmental practices designed to ensure that it continues to comply with environmental regulations currently applicable to it. All of the Company's activities comply in all material respects with applicable environmental legislation. Environmental hazards may exist on the Company's properties, which may have been caused by previous or existing owners or operators of the properties. The Company is not aware of any existing environmental hazards related to any of its current property interests that may result in material liability to the Company.

*Competition*

The resource industry is intensively competitive in all of its phases, and the Company competes with many other companies possessing much greater financial and technical resources. Competition is particularly intense with respect to the acquisition of desirable undeveloped properties.

The principal competitive factors in the acquisition of prospective properties include the staff and data necessary to identify and investigate such properties, and the financial resources necessary to acquire and develop the projects. Competition could adversely affect the Company's ability to acquire suitable prospects for exploration.

*Title to Property*

Although the Company has exercised the usual due diligence with respect to title to properties in which it has a material interest, there is no guarantee that title to the properties will not be challenged or impugned. The Company's mineral property interests may be subject to prior unregistered agreements or transfers; aboriginal land claims or government expropriation and title may be affected by undetected defects.

*Licenses and Permits*

The operations of the Company require licenses and permits from various government authorities. The Company believes that it holds all necessary licenses and permits under applicable laws and regulations for work in progress and believes it is presently complying in all material respects with the terms of such licenses and permits. However, such licenses and permits are subject to change in various circumstances. There can be no guarantee that the Company will be able to obtain or maintain all necessary licenses and permits that may be required to explore and develop its properties, commence construction or operation of mining facilities or to maintain continued operations that economically justify the cost.

*Other*

The economic uncertainties around persistent inflation pressure, geopolitical and other global factors have the potential to slow growth in the global economy. Future developments in these challenging areas could impact on the Company's results and financial condition and the full extent of that impact remains unknown.

**Q. Proposed Transactions**

Other than normal course review of prospective property transactions and on-going plans to raise equity finance, there are no transactions pending as at the date of this report.

**R. Forward-Looking Statements**

Some of the statements contained in this MD&A may be deemed "forward-looking statements." These include estimates and statements that describe the Company's future plans, objectives or goals, and expectations of a stated condition or occurrence. Forward-looking statements may be identified by the use of words such as "believes", "anticipates", "expects", "estimates", "may", "could", "would", "will", or "plan". Since forward-looking statements are based on assumptions and address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results relating to, among other things, results of exploration, reclamation, capital costs, and the Company's financial condition and prospects, could differ materially from those currently anticipated in such statements for many reasons such as but not limited to; changes in general economic conditions and conditions in the financial markets; changes in demand and prices for the minerals the Company expects to produce; litigation, legislative, environmental and other judicial, regulatory, political and competitive developments; technological and operational difficulties encountered in connection with the Company's activities; changing foreign exchange rates and other matters discussed in this MD&A. Readers should not place undue reliance on the Company's forward-looking statements. Further information regarding these and other factors, which may cause results to differ materially from those projected in forward-looking statements, is included in the filings by the Company with securities regulatory authorities.