

## **SILVER VIPER MINERALS CORP.**

**1130 - 1055 West Hastings Street**

**Vancouver, BC V6E 2E9**

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**INFORMATION CIRCULAR**

**(As at May 8, 2020 except as otherwise indicated)**

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## MANAGEMENT SOLICITATION

This information circular (the "Circular") is furnished to you in connection with the solicitation of proxies by management of Silver Viper Minerals Corp. ("we", "us", "Silver Viper" or the "Company") for use at the annual general meeting (the "Meeting") of shareholders of the Company ("Silver Viper Shareholders") to be held at 11:00 am (Vancouver time) on Wednesday, June 24, 2020 and at any adjournment of the Meeting. We will conduct the solicitation by mail, and our officers, directors and employees may, without receiving special compensation, contact Silver Viper Shareholders by telephone, electronic means, or other personal contact. We will not specifically engage employees or soliciting agents to solicit proxies. We do not reimburse Silver Viper Shareholders, nominees, or agents for their costs of obtaining authorization from their principals to sign forms of proxy. We will pay the expenses of this solicitation.

## GENERAL PROXY INFORMATION

### Appointment of Proxyholders

The persons named as proxyholders in the enclosed form of proxy are the Company's directors and officers. **As a Silver Viper Shareholder, you have the right to appoint a person or company (who need not be a Silver Viper Shareholder) in place of the persons named in the form of proxy to attend and act on your behalf at the Meeting. To exercise this right, you must either insert the name of your representative in the blank space provided in the form of proxy and strike out the other names or complete and deliver another appropriate form of proxy.**

A proxy will not be valid unless it is dated and signed by you or your attorney duly authorized in writing or, if you are a corporation, by an authorized director, officer, or attorney of the corporation.

### Voting by Proxy

The persons named in the accompanying form of proxy will vote or withhold from voting the shares represented by the proxy in accordance with your instructions, provided your instructions are clear. If you have specified a choice on any matter to be acted on at the Meeting, your shares will be voted or withheld from voting accordingly. If you do not specify a choice or where you specify both choices for any matter to be acted on, your shares will be voted in favour of all matters.

The enclosed form of proxy gives the persons named as proxyholders discretionary authority regarding amendments to or variations of matters identified in the Notice of Meeting and any other matter that may properly come before the Meeting. As of the date of this Circular, our management is not aware of any such amendment, variation or other matter proposed or likely to come before the Meeting. **However, if any amendment, variation or other matter properly comes before the Meeting, the persons named in the form of proxy intend to vote on such other business in accordance with their judgment.**

You may indicate the manner in which the persons named in the enclosed proxy are to vote on any matter by marking an "X" in the appropriate space. If you wish to give the persons named in the proxy a discretionary authority on any matter described in the proxy, then you should leave the space blank. **In that case, the proxyholders nominated by management will vote the shares represented by your proxy in accordance with their judgment.**

### Completion and Return of Proxy

You must deliver the completed form of proxy to the office of the Company's registrar and transfer agent, Computershare Investor Services Inc. (contact information below), or to the Company's head office at the address listed on the cover page of this Circular, by Monday, June 22, 2020 at 11:00 am (Vancouver time), which is not less than 48 hours (Saturdays, Sundays, and holidays excepted) before the scheduled time of the Meeting (or any adjournment, as applicable).

**Mail:**

Computershare Investor Services Inc.  
Proxy Dept.  
100 University Avenue, 9<sup>th</sup> Floor  
Toronto, Ontario M5J 2Y1

**Fax:**

Within North America: 1-866-249-7775  
Outside North America: 1-416-263-9524

### Non-Registered Holders

Only Silver Viper Shareholders whose names appear on our records or validly appointed proxyholders are permitted to vote at the Meeting. Most Silver Viper Shareholders are "non-registered" Silver Viper Shareholders because their shares are registered in the name of a nominee, such as a brokerage firm, bank, trust company, trustee or administrator of a self-administered RRSP, RRIF, RESP or similar plan or a clearing agency such as CDS Clearing and Depository Services Inc. (a "**Nominee**"). If you purchased your shares through a broker, you are likely a non-registered Silver Viper Shareholder.

Non-registered Silver Viper Shareholders who have not objected to their Nominee disclosing certain ownership information about themselves to us are referred to as "**NOBOs**". Those non-registered Silver Viper Shareholders who have objected to their Nominee disclosing ownership information about themselves to us are referred to as "**OBOs**".

In accordance with securities regulatory requirements under National Instrument 54-101- *Communication with Beneficial Owners of Securities of a Reporting Issuer*, we will have distributed copies of the Notice of Meeting, this Circular, and the form of proxy (the "**Meeting Materials**") directly to NOBOs and to the Nominees for onward distribution to OBOs.

Nominees are required to forward the Meeting Materials to each OBO unless the OBO has waived the right to receive them. Management does not intend to pay for intermediaries to forward to OBOs under NI 54-101 the proxy-related materials, and Form 54-101F7 - *Request for Voting Instructions Made by Intermediary* and that in the case of an OBO, the objecting beneficial owner will not receive these materials unless the OBO's intermediary assumes the cost of delivery.

Shares held by Nominees can only be voted in accordance with the instructions of the non-registered Silver Viper Shareholder. Meeting Materials sent to non-registered Silver Viper Shareholders who have not waived the right to receive Meeting Materials are accompanied by a request for voting instructions (a "**VIF**"). This form is instead of a proxy. By returning the VIF in accordance with the instructions noted on it, a non-registered Silver Viper Shareholder is able to instruct the registered shareholder (or Nominee) how to vote on behalf of the non-registered Silver Viper Shareholder. VIFs, whether provided by the Company or by a Nominee, should be completed and returned in accordance with the specific instructions noted on the VIF.

In either case, the purpose of this procedure is to permit non-registered Silver Viper Shareholders to direct the voting of the shares they beneficially own. Should a non-registered holder who receives a VIF wish to attend the Meeting or have someone else attend on his or her behalf, the non-registered holder may request a legal proxy as set forth in the VIF, which will grant the non-registered holder or his/her nominee the right to attend and vote at the Meeting. Non-registered Silver Viper Shareholders should carefully follow the instructions set out in the VIF including those regarding when and where the VIF is to be delivered.

#### **Revocability of Proxy**

If you are a registered Silver Viper Shareholder who has returned a proxy, you may revoke your proxy at any time before it is exercised. In addition to revocation in any other manner permitted by law, a registered Silver Viper Shareholder who has given a proxy may revoke it by either:

- (a) signing a proxy bearing a later date; or
- (b) signing a written notice of revocation in the same manner as the form of proxy is required to be signed as set out in the notes to the proxy.

The later proxy or the notice of revocation must be delivered to the office of the Company's registrar and transfer agent or to the Company's head office at any time up to and including the last business day before the scheduled time of the Meeting or any adjournment or postponement thereof.

If you are a non-registered Silver Viper Shareholder who wishes to revoke a proxy authorization form or VIF or to revoke a waiver of your right to receive Meeting Materials and to give voting instructions, you must give written instructions to your Nominee in accordance with such Nominee's instructions.

Advance notice of the Meeting was posted on the Company's SEDAR profile on April 30, 2020.

#### **INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON**

Except as set out herein, none of the directors or executive officers of the Company, nor any person who has held such a position since the beginning of the last completed financial year of the Company, nor any proposed nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting.

#### **VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES**

The Company is authorized to issue an unlimited number of common shares without par value (each, a "**Silver Viper Share**"), of which 58,810,301 Silver Viper Shares were issued and outstanding as of the record date, being May 8, 2020 (the "**Record Date**"). The Company has only two classes of shares, common and preferred. There are no preferred shares outstanding as of the record date. Holders of preferred shares are not entitled to vote Silver Viper Shares.

Persons who are registered Silver Viper Shareholders at the close of business on the Record Date will be entitled to receive notice of, attend, and vote at the Meeting. On a show of hands, every Silver Viper Shareholder and proxyholder will have one vote and, on a poll, every Silver Viper Shareholder present in person or represented by proxy will have one vote for each Silver Viper Share. In order to approve a motion proposed at the meeting, a majority of more than 50% of the votes cast will be required to pass an ordinary resolution.

To the knowledge of the directors and executive officers of the Company, as of the date of this Circular, no person or company beneficially owns directly or indirectly, controls, or directs shares carrying 10% or more of the voting rights attached to all outstanding shares of the Company.

## EXECUTIVE COMPENSATION

### Compensation Discussion and Analysis

#### *Compensation, Philosophy and Objectives*

The Company has not appointed a Compensation Committee. The Silver Viper board of directors (the "**Silver Viper Board**") meets to discuss and determine management compensation, without reference to formal objectives, criteria or analysis.

The general objectives of the Company's compensation strategy are to:

- (a) compensate management in a manner that encourages and rewards a high level of performance and outstanding results with a view to increasing long-term shareholder value;
- (b) align management's interests with the long-term interests of Silver Viper Shareholders;
- (c) provide a compensation package that is commensurate with other junior mineral exploration companies to enable the Company to attract and retain talent; and
- (d) ensure that the total compensation package is designed in a manner that takes into account the constraints that the Company is under by virtue of the fact that it is a mineral exploration company without a history of earnings.

The Silver Viper Board, as a whole, ensures that total compensation paid to all Named Executive Officers (as hereinafter defined) is fair and reasonable. The Silver Viper Board relies on the experience of its members as officers and directors with other junior mining companies in assessing compensation levels. The Silver Viper Board considered the risks associated with the current compensation program, but did not note any potential material adverse effects. No director or Named Executive Officer is permitted to purchase financial instruments that are designed to hedge or offset a decrease in the market value of the Company's equity securities held directly or indirectly.

#### *Analysis of Elements*

Base compensation is used to provide the Named Executive Officers a set amount of money during the year with the expectation that each Named Executive Officer will perform his responsibilities to the best of his ability and in the best interests of the Company. The Company considers the granting of incentive stock options to be a significant component of executive compensation as it allows the Company to reward each Named Executive Officer's efforts to increase value for Silver Viper Shareholders without requiring the Company to use cash from its treasury. Stock options will generally be awarded to directors, officers, consultants and employees periodically at the discretion of the Silver Viper Board. The terms and conditions of the Company's stock option grants, including vesting provisions and exercise prices, are governed by the terms of the Company's current 2017 stock option plan, which will be approved by Silver Viper Shareholders at the annual general meeting to be held on June 24, 2020 (the "**Stock Option Plan**"). The Silver Viper Board may choose to grant a cash bonus to a Named Executive Officer during the year at its sole discretion. The amount and timing of such bonus will depend on the needs of the Company, the amount of cash in the treasury, and the relative amounts each member of management or consultant earns in fees each month.

### ***Long-Term Compensation and Option-Based Awards***

The Company has no long-term incentive plans other than the Stock Option Plan. The Company's directors, officers, employees and consultants are entitled to participate in the Stock Option Plan. The Stock Option Plan is designed to encourage share ownership and entrepreneurship on the part of senior management, employees and other consultants. The Silver Viper Board believes that the Stock Option Plan aligns the interests of the Named Executive Officers and the Silver Viper Board with Silver Viper Shareholders by linking a component of executive compensation to the longer-term performance of the Silver Viper Shares.

Options to purchase Silver Viper Shares under the terms of the Stock Option Plan (each, a "**Silver Viper Option**") are granted by the Silver Viper Board. In monitoring or adjusting the Silver Viper Option allotments, the Silver Viper Board takes into account its own observations on individual performance (where possible) and its assessment of individual contribution to shareholder value, previous Silver Viper Option grants and the objectives set for the Named Executive Officers and the Silver Viper Board. In addition to determining the number of Silver Viper Options to be granted pursuant to the methodology outlined above, the Silver Viper Board also makes the following determinations:

- the parties who are entitled to participate in the Stock Option Plan;
- the exercise price of each Silver Viper Option granted;
- the date on which each Silver Viper Option is granted;
- the vesting period, if any, for each Silver Viper Option;
- the other material terms and conditions of each Silver Viper Option grant; and
- any re-pricing, cancellation, or amendment to a Silver Viper Option grant.

The Silver Viper Board makes these determinations subject to and in accordance with the provisions of the Stock Option Plan. The Silver Viper Board reviews and approves grants of Silver Viper Options periodically during the financial year.

Pursuant to the Stock Option Plan, the Silver Viper Board grants Silver Viper Options to directors, officers, employees and consultants as incentives. The number of Silver Viper Options awarded to a Named Executive Officer is determined by their position and their potential future contributions to Silver Viper. The exercise price of Silver Viper Options is determined by the Silver Viper Board but will in no event be less than the closing trading price of the Silver Viper Shares on the TSX Venture Exchange (the "**TSX-V**") on the day before a Silver Viper Option is granted.

### ***Summary of Compensation***

For the purposes of this Circular, "**Named Executive Officer**" means each of the following individuals:

- (a) the chief executive officer ("**CEO**") of the Company;
- (b) the chief financial officer ("**CFO**") of the Company;
- (c) the most highly compensated executive officer, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V, for the year ended December 31, 2019; and
- (d) each individual who would be a Named Executive Officer under paragraph (c) but for the fact that the individual was neither an executive officer, nor acting in a similar capacity, on December 31, 2019.

### Compensation Excluding Compensation Securities

During the financial year ended December 31, 2019, the Company had two Named Executive Officers: Stephen Cope, President and CEO, and Carla Hartzenberg, CFO. The following table sets forth all direct and indirect compensation for, or in connection with, services provided to the Company and its subsidiaries for the year ended December 31, 2019. Additional information about the Company in prior years is available on its SEDAR profile at [www.sedar.com](http://www.sedar.com).

Table of Compensation Excluding Compensation Securities							
Name and Principal Position	Year	Salary or Consulting Fee (\$)	Bonus (\$)	Committee Fees (\$)	Value of Perquisites (\$)	Value of All Other Compensation (\$)	Total Compensation (\$)
Stephen Cope CEO and Director	2019	97,224 <sup>1</sup>	7,187 <sup>3</sup>	N/A	Nil	Nil	104,411
	2018	97,250 <sup>2</sup>	16,625 <sup>4</sup>	N/A	Nil	Nil	113,875
Carla Hartzenberg <sup>5</sup> CFO and Director <sup>6</sup>	2019	32,500	2,708	N/A	Nil	Nil	35,208
	2018	28,075	5,417	N/A	Nil	Nil	33,492
Art Freeze Geologist and Director	2019	Nil	Nil	N/A	Nil	Nil	Nil
	2018	Nil	Nil	N/A	Nil	Nil	Nil
N. Ross Wilmot Director	2019	Nil	Nil	N/A	Nil	Nil	Nil
	2018	Nil	Nil	N/A	Nil	Nil	Nil
Gary Cope Director	2019	Nil	Nil	N/A	Nil	Nil	Nil
	2018	Nil	Nil	N/A	Nil	Nil	Nil

No director was compensated for their services as director during the years ended December 31<sup>st</sup>, 2019 or 2018.

### INCENTIVE PLAN AWARDS

#### *Stock Options and Compensation Securities*

The Company did not grant any stock options or compensation securities during the year ended December 31, 2019. No compensation securities were repriced, cancelled and replaced, extended, or otherwise materially modified in the year ending December 31, 2019. All Silver Viper Options granted to directors or Named Executive Officers vest immediately upon granting and are non-transferrable.

<sup>1</sup> \$7,224 paid indirectly through Belcarra Group Management Ltd. ("Belcarra")

<sup>2</sup> \$7,250 paid indirectly through Belcarra

<sup>3</sup> \$602 paid indirectly through Belcarra

<sup>4</sup> \$1,625 paid indirectly through Belcarra

<sup>5</sup> Paid indirectly through Belcarra

<sup>6</sup> Ms. Hartzenberg was appointed CFO of the Company on February 9, 2018.

### ***Exercise of Compensation Securities by Directors and Named Executive Officers***

No compensation securities were exercised in the year ended December 31, 2019 by any director or Named Executive Officer.

### ***Pension Plan Benefits***

The Company does not have in place any deferred compensation plan or pension plan that provides for payments or benefits at, following, or in connection with retirement.

### **TERMINATION AND CHANGE OF CONTROL BENEFITS**

Under the terms of the Cope Agreement or the Brittliffe Agreement (each as defined under the heading "*Management Contracts*" beginning on page 10 of this Circular), in the event of death or as a result of termination due to disability of either Mr. Stephen Cope or Mr. Brittliffe, as applicable, the Company will pay and provide 1105179 B.C. Ltd. (for the Cope Agreement), or Brightstar Geological Consulting Ltd. (for the Brittliffe Agreement), as applicable, any accrued consulting fees through to the date of termination and reimbursement for any unreimbursed expenses incurred through to the date of death or termination due to disability.

In the event of a Change of Control (as defined in the Cope Agreement, the Brittliffe Agreement and in the employment agreement for Ms. Hartzenberg with Belcarra Group Management Ltd. ("**Belcarra**")) where employment is terminated absent an Event of Default (as defined in each agreement) in the 12-month period following the Change of Control, 1105179 B.C. Ltd., Brightstar Geological Consulting Ltd. or Belcarra Group Management Ltd., as applicable, is entitled to receive a lump sum payable within 30 days of the date of termination as laid out in the table below. If the Company terminates the Cope Agreement or the Brittliffe Agreement other than for an Event of Default, 1105179 B.C. Ltd. or Brightstar Geological Consulting Ltd., as applicable, may be entitled to receive a lump sum payment equal to one month plus one month per completed year of service to a maximum of twelve months' consulting fee.

Termination and change of control benefits for Ms. Hartzenberg are governed through her employment agreement with Belcarra, dated January 17, 2018, amended March 1, 2019 and amended January 1, 2020, and through the shared services agreement between Belcarra and Silver Viper Minerals Corp. as of January 1, 2017 (the "**Belcarra Agreement**"). In the event of a Change of Control, if the Company terminates the Belcarra Agreement, in the 12-month period following a Change of Control, Ms. Hartzenberg would be entitled to receive a lump sum of \$170,000, payable within 30 days of termination. If the Company terminates the Belcarra Agreement absent an Event of Default or a Change of Control, Ms. Hartzenberg would not be entitled to a payment.

If Belcarra terminates the employment of Ms. Hartzenberg, other than for an Event of Default, she may be entitled to receive a lump sum payment equal to two months' salary plus one month of salary per completed year of service to a maximum of twelve months' salary. In the event of the death or a termination due to disability of Ms. Hartzenberg, she would be entitled to receive accrued salary and reimbursement for any unreimbursed expenses through to the date of death or termination for disability. Silver Viper Minerals Corp. would owe and pay 25% of the total lump sum payment or accrued salary amount to Belcarra.

The following table shows the estimated compensation that would be payable assuming termination and/or Change of Control events occurred on December 31, 2019:

Name	Payment Upon Retirement, Death or Disability Termination <sup>7</sup>	Payment Upon Termination due to Change of Control Absent Event of Default <sup>8</sup>	Payment Upon Termination Other than a Change of Control or an Event of Default
Stephen Cope	Nil	\$150,000	\$30,000
Dale Brittliffe	Nil	\$170,000	\$30,000
Carla Hartzenberg	Nil	\$130,000	\$32,500

Other than as set out above, there are no compensatory plans or arrangements, with respect to any Named Executive Officer, resulting from the resignation, retirement or any other termination of employment of the officer or from a change in control of the Company or a change of any Named Executive Officer's responsibilities following a Change of Control.

The only significant conditions of the Cope Agreement and the Brittliffe Agreement that apply to the receipt of payments or benefits is:

- a) the enduring confidentiality clause regarding confidential information;
- b) the non-competition and non-solicitation clause, whereby 1105179 B.C. Ltd. shall not engage in any mineral exploration or related business within 10 km of the Company's mineral properties for a period of two years, or solicit any of the Company's employees to work for them; and
- c) the signing of a mutual release agreement.

The provision for breach of the applicable clause is subject to the laws of British Columbia and the laws of Canada applicable therein. There are no other significant factors.

#### **DIRECTOR COMPENSATION**

As of the date of this Circular, the Company has five directors, two of whom are also Named Executive Officers. The Company has no arrangements, standard or otherwise, pursuant to which directors are compensated by the Company for their services as directors, for committee participation, or for involvement in special assignments during the most recently completed financial year except for the granting from time to time of incentive stock options in accordance with the policies of the TSX-V. None of the Company's directors received any cash compensation for services provided in their capacity as directors during the Company's most recently completed financial year.

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<sup>7</sup> This amount assumes no consulting fees accrued through to the date of termination and no expenses that have not been reimbursed.

<sup>8</sup> These amounts do not include applicable GST.

### EQUITY COMPENSATION PLAN INFORMATION

The following table provides information as of December 31, 2019 regarding the number of Silver Viper Shares to be issued pursuant to the Stock Option Plan. The Company does not have any equity compensation plans that have not been approved by Silver Viper Shareholders.

Plan category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securityholders	3,720,000	\$0.25	2,161,030
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
<b>Total</b>	3,720,000	\$0.25	2,161,030

### INDEBTEDNESS TO COMPANY OF DIRECTORS, EXECUTIVE OFFICERS AND SENIOR OFFICERS

No person who is or at any time since the commencement of the Company's last completed financial year was a director, executive officer or senior officer of the Company, and no associate of any of the foregoing persons has been indebted to the Company at any time since the commencement of the Company's last completed financial year. No guarantee, support agreement, letter of credit or other similar arrangement or understanding has been provided by the Company at any time since the beginning of the most recently completed financial year with respect to any indebtedness of any such person, other than amounts not exceeding \$50,000 for travel advances.

### INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

No informed person of the Company, no proposed nominee for election as a director of the Company, and no associate or affiliate of any of these persons, has any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction, which, in either case, has materially affected or will materially affect the Company, other than as disclosed in this Circular. An "informed person" means:

- (a) a director or executive officer of the Company;
- (b) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Company;
- (c) any person or company who beneficially owns, directly or indirectly, voting securities of the Company or who exercises control or direction over voting securities of the Company or a combination of both carrying more than 10% of the voting rights attached to all outstanding voting securities of the Company other than voting securities held by the person or company as underwriter in the course of a distribution; and
- (d) the Company if it has purchased, redeemed, or otherwise acquired any of its securities, so long as it holds any of its securities.

## MANAGEMENT CONTRACTS

Management functions of the Company are substantially performed by directors or executive officers of the Company and not to any substantial degree by any other person with whom the Company has contracted, other than the following:

1. Pursuant to the consulting agreement between the Company and 1105179 B.C. Ltd., a company wholly-owned by Stephen Cope, dated September 1, 2015, amended January 1, 2017 and amended January 1, 2020 (the "**Cope Agreement**") 1105179 B.C. Ltd. provides consulting services to the Company. 1105179 B.C. Ltd. of Pitt Meadows, BC is engaged in the business of the management of mineral exploration and development. Under the terms of the Cope Agreement, the Company will pay to 1105179 B.C. Ltd. a monthly consulting fee of \$12,500 plus applicable GST. The Company or 1105179 B.C. Ltd. may terminate the Cope Agreement at any time in accordance with the terms and conditions of the Cope Agreement provided reasonable notice has first been provided to either the Company or 1105179 B.C. Ltd., as applicable.
2. Pursuant to the consulting agreement between the Company and Brightstar Geological Consulting Ltd. ("**Brightstar**"), a company wholly-owned by Dale Brittliffe, dated October 1, 2015, amended January 1, 2017 (the "**Brittliffe Agreement**") Brightstar provides consulting services to the Company. Brightstar of Delta, BC is engaged in the business of geological consulting services. Under the terms of the Brittliffe Agreement, the Company will pay Brightstar a monthly consulting fee of \$7,500 plus applicable GST. Either of the Company or Brightstar may terminate the Brittliffe Agreement at any time in accordance with the terms and conditions of the Brittliffe Agreement provided reasonable notice has first been provided. Dale Brittliffe serves as the Vice President, Exploration of the Company.
3. Pursuant to the shared services agreement between the Company and Belcarra dated January 1, 2017, a company wholly owned by a director of the Company, Belcarra provides management, administrative, office facilities, and other related services including the provision of personnel as may be required by the Company from time to time, with costs allocated on a shared and proportional basis with certain other companies that have also engaged Belcarra to provide these services, including a CFO and Corporate Secretary to the Company in exchange for a variable monthly fee which is calculated as 25% of the total costs incurred by Belcarra for the applicable month. During the year ended December 31, 2019, Belcarra provided services to the Company, as well as to three other publicly traded companies, being Barsele Minerals Corp., Orex Minerals Inc., and Dolly Varden Silver Corp., and the cost of such services was allocated on a proportional basis among the four companies at 25% per company. Effective February 29, 2020 (the "**Termination Date**"), Dolly Varden Silver Corp. terminated its relationship with Belcarra under the Belcarra Agreement. Following the Termination Date, the cost of services under the Belcarra Agreement will be allocated among the Company, Barsele Minerals Corp. and Orex Minerals Inc. on a proportional basis of 33.33% per company.

## CORPORATE GOVERNANCE

The following is a summary of the Company's corporate governance disclosure required by Form 58-101F2 of National Instrument 58-101 - *Disclosure of Corporate Governance Practices*.

### Silver Viper Board

The Silver Viper Board, at present, is composed of five directors, two of whom are executive officers of the Company and three of whom are considered to be "independent", as that term is defined in applicable securities legislation. Arthur Freeze, Gary Cope, and N. Ross Wilmot are considered to be independent directors. Mr. Stephen Cope, President and CEO and Ms. Carla Hartzenberg, CFO, by reason of their offices, are not. In determining whether a director is independent, the Silver Viper Board chiefly considers whether the director has a relationship which could, or could be perceived to, interfere with the director's ability to objectively assess the performance of management.

The Silver Viper Board is responsible for approving long-term strategic plans and annual operating plans and budgets recommended by management. Silver Viper Board consideration and approval is also required for material contracts and business transactions, and all debt and equity financing transactions.

The Silver Viper Board delegates to management responsibility for meeting defined corporate objectives, implementing approved strategic and operating plans, carrying on the Company's business in the ordinary course, managing the Company's cash flow, evaluating new business opportunities, recruiting staff, and complying with applicable regulatory requirements. The Silver Viper Board also looks to management to furnish recommendations respecting corporate objectives, long-term strategic plans, and annual operating plans.

### Directorships

Certain of the directors of the Company are also directors of other reporting issuers (or the equivalent) in a jurisdiction or a foreign jurisdiction as follows:

Name of Director	Name of Other Reporting Issuer (or Equivalent in Foreign Jurisdiction)
Arthur Freeze	Canasil Resources Inc.; Orex Minerals Inc.; Barsele Minerals Corp.
N. Ross Wilmot	FTC Cards Inc.; Orex Minerals Inc.; Barsele Minerals Corp.; Tilting Capital Corp. <sup>(1)</sup>
Gary Cope	Orex Minerals Inc.; Barsele Minerals Corp.; Dolly Varden Silver Corp. <sup>(2)</sup>

<sup>(1)</sup> Mr. Wilmot resigned from the board of directors of Tilting Capital Corp. effective May 7, 2020.

<sup>(2)</sup> Mr. Cope resigned from the board of directors of Dolly Varden Silver Corp. effective February 18, 2020.

### Orientation and Continuing Education

The Company has not yet developed an official orientation or training program for new directors. As required, new directors will have the opportunity to become familiar with the Company by meeting with the other directors and with officers and consultants. Orientation activities will be tailored to the particular needs and experience of each director and the overall needs of the Silver Viper Board.

### Ethical Business Conduct

The Silver Viper Board monitors the ethical conduct of the Company and ensures that it complies with applicable legal and regulatory requirements, such as those of relevant securities commissions and stock exchanges. The Silver Viper Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law, as well as the restrictions placed by applicable corporate legislation on the individual director's participation in decisions of the Silver Viper Board in which the director has an interest, have been sufficient to ensure that the Silver Viper Board operates independently of management and in the best interests of the Company. The Silver Viper Board has adopted a Code of Ethical Conduct Policy which is reviewed quarterly by all officers and directors.

### Nomination of Directors

The Silver Viper Board has not appointed a nominating committee because the Silver Viper Board fulfills these functions. The Silver Viper Board periodically reviews suggestions from existing directors regarding potential changes to the Silver Viper Board.

### Compensation

All compensation matters are dealt with by the Silver Viper Board.

To determine compensation payable, the Silver Viper Board reviews compensation paid to directors, CEOs and CFOs of companies of similar size and stage of development. The Board determines appropriate compensation reflecting the need to provide incentive and compensation for the time and effort expended by the directors and senior management, while taking into account the financial and other resources of the Company. In setting the compensation, the independent directors annually review the performance of the CEO and CFO in light of the Company's objectives and consider other factors that may have impacted the success of the Company in achieving its objectives.

The Company is a small junior resource company with limited financial resources. The compensation program for senior management of the Company is designed within this context with a view that the level and form of compensation achieves certain objectives including attracting and retaining qualified executives, motivating the short and long-term performance of the executives, and aligning the interests of the executives with those of the Silver Viper Shareholders.

The Silver Viper Board may seek independent compensation advice where appropriate from external consultants in order to assist it in assessing executive remuneration levels and aligning directors and executive remuneration packages with comparable market compensation. The Silver Viper Board has not yet engaged such external advice.

#### **Committees of the Silver Viper Board**

The Silver Viper Board has appointed an Audit Committee and a Corporate Governance Committee. Two of the members of the Audit Committee are independent. All of the members of the Corporate Governance Committee are independent. The members of each are as follows:

Audit Committee	Corporate Governance Committee
Stephen Cope N. Ross Wilmot* Art Freeze*	Gary Cope* N. Ross Wilmot* Art Freeze*

\*denotes independent members

A description of the function of the Audit Committee can be found in this Circular under "Audit Committee".

A description of the function of the Governance Committee can be found in this Circular under "Governance Committee" and the mandate for the Governance Committee can be found under "Appendix B".

#### **Assessments**

The Silver Viper Board has not, as yet, adopted formal procedures for assessing the effectiveness of the Silver Viper Board, its committees or individual directors. The relatively small size of the Company enables the Silver Viper Board to satisfy itself that individual directors are performing effectively. As the Company grows, the Silver Viper Board will consider adopting formal procedures for evaluating director and committee performance.

#### **AUDIT COMMITTEE**

As at the date of this Circular, the Audit Committee is composed of Stephen Cope, N. Ross Wilmot, and Art Freeze. All of the members of the committee are "financially literate". N. Ross Wilmot and Art Freeze are "independent." Under this heading, the Company is including the disclosure required by Form 52-110F2 of National Instrument 52-110 – *Audit Committees* ("**NI 52-110**"). The text of the Audit Committee Charter is attached in Appendix A.

The Silver Viper Board and management will ensure that the Audit Committee has adequate funding to fulfill its duties and responsibilities.

### Relevant Education and Experience

Member	Independent/ Not Independent <sup>(1)</sup>	Financially Literate/ Not Financially Literate <sup>(1)</sup>	Relevant Education and Experience
Stephen Cope	Not Independent	Financially Literate	Mr. Cope is currently the President and CEO of Silver Viper Minerals.  He has served as a manager of corporate development for various private and public companies and has an understanding of the financial issues that affect exploration companies.
N. Ross Wilmot	Independent	Financially Literate	CPA, CA (Chartered Professional Accountant) and Chief Financial Officer for Orex Minerals Inc., and Barsele Minerals Corp.
Art Freeze	Independent	Financially Literate	Director of publicly traded companies, and P. Geo.

<sup>(1)</sup> As defined in NI 52-110.

### Audit Committee Oversight

Since the commencement of the Company's most recently completed financial year, the Silver Viper Board has not failed to adopt a recommendation of the Audit Committee to nominate or compensate an external auditor.

### Reliance on Certain Exemptions

Since the commencement of the Company's most recently completed financial year, the Company has not relied on the exemptions contained in Sections 2.4 or Part 8 of NI 52-110. Section 2.4 provides an exemption from the requirement that the Audit Committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total amount of fees payable to the auditor in the financial year in which the non-audit services were provided. Part 8 permits a company to apply to a securities regulatory authority for an exemption from the requirements of NI 52-110, in whole or in part.

Under s. 5 (b)(c) and (d) of Form 52-110F2, the Company has not relied on any of the following exemptions:

- (b) the exemption in subsection 6.1.1(4) (*Circumstance Affecting the Business or Operations of the Venture Issuer*),
- (c) the exemption in subsection 6.1.1(5) (*Events Outside Control of Member*),
- (d) the exemption in subsection 6.1.1(6) (*Death, Incapacity or Resignation*)

### Pre-Approval Policies and Procedures

The Company has not adopted specific policies and procedures for the engagement of non-audit services. The Audit Committee will review the engagement of non-audit services as required.

### **External Auditor Service Fees (By Category)**

#### ***Audit Fees***

The aggregate fees billed by the Company's external auditor for the financial year ended December 31, 2019 for audit and assurance and related services were approximately \$30,000 (2018 – \$30,000).

#### ***Audit-Related Fees***

The aggregate fees billed by the Company's external auditor for the financial year ended December 31, 2019 for audit related services were Nil (2018 – Nil).

#### ***Tax Fees***

The aggregate fees billed for tax compliance, tax advice, and tax planning services by the Company's external auditor for the financial year ended December 31, 2019 were Nil (2018 – Nil).

#### ***All Other Fees***

The aggregate fees billed by the Company's external auditor for the financial year ended December 31, 2019 for review of unaudited interim financial statements, compilation of consolidated financial statements, and related services were Nil (2018 – Nil).

#### **Exemption**

The Company is relying on the exemption provided in Section 6.1 of NI 52-110 by virtue of the fact that it is a venture issuer. Section 6.1 exempts the Company from the requirements of Parts 3 (Composition of the Audit Committee) and 5 (Reporting Obligations) of NI 52-110 and allows for the short form of disclosure of audit committee procedures set out in Form 52-110F2 and disclosed in this Circular.

### **PARTICULARS OF MATTERS TO BE ACTED UPON**

#### ***Election of Directors***

Directors are elected for a term of one year. The term of office of each of the nominees proposed for election as a director will expire at the Meeting, and each of them, if elected, will serve until the close of the next annual general meeting, unless he resigns or otherwise vacates office before that time.

#### ***Number of Directors***

Under the Company's articles, the number of directors may be fixed or changed from time to time by ordinary resolution but must not be fewer than three. There are currently five directors and five nominees are proposed by management for election at the Meeting.

#### ***Nominations and Voting***

Unless you provide other instructions, the enclosed proxy will be voted for the nominees listed below, all of whom are presently members of the Silver Viper Board. Management does not expect that any of the nominees will be unable to serve as a director. If before the Meeting any vacancies occur in the list of nominees listed below, the person named in the proxy will exercise his or her discretionary authority to vote the Silver Viper Shares represented by the proxy for the election of any other person or persons as directors.

The articles of the Company include rules regarding the requirement for advance notice for the nomination of directors (the "**Advance Notice Provisions**"). The purpose of the Advance Notice Provisions is to provide shareholders, directors and management of the Company with direction on the procedure for shareholder nomination of directors. As the first public announcement of the Meeting was filed on the Company's SEDAR profile on April 30, 2020, the deadline for Silver Viper Shareholders to submit nominations for election to the Silver Viper Board at the Meeting has passed.

In the case of this Meeting, a Silver Viper Shareholder would need to undertake the following in order to properly nominate one or more individuals for election as a director at the Meeting:

- a) provide to the Company on or before May 7, 2021:
  1. A notice setting out for each nominee,
    - a. the name, address, and principal occupation for the last five years
    - b. the number of Silver Viper Shares owned or controlled,
    - c. a statement regarding independence, pursuant to NI 52-110 *Audit Committees*, and
    - d. any other information that would be required in a dissident proxy circular.
  2. a notice setting out any information about the nominating shareholder equivalent to that required in a dissident proxy circular, including the number of Silver Viper Shares owned or controlled; and
- b) deliver to the Company an agreement to serve as director in a form reasonably required by the Company for each nominee on or before the Meeting.

At the sole discretion of the Chairman of the Meeting, the notices and representation above may be accepted in person at the Meeting for nomination of a director.

## Management Nominees

Management proposes to nominate the persons named in the table below for election as director. The information concerning the proposed nominees has been furnished by each of them as of the date of this Circular:

Name, Jurisdiction of Residence, and Present Office Held	Director Since	Number of Shares Beneficially Owned, Directly or Indirectly, or Over Which Control or Direction Is Exercised	Principal Occupation During the Past Five Years
Stephen Cope <sup>(#)</sup> President, CEO and Director BC, Canada	April 26, 2016	1,460,000 Indirect: 188,000 <sup>9</sup>	Manager of corporate development for publicly traded mineral exploration companies, investor relations for a mining company, and CEO of the Company.
Arthur Freeze <sup>(#)(*)</sup> Director BC, Canada	April 26, 2016	1,880,000 <sup>10</sup>	Consulting geologist of Stillwater Enterprises Ltd. (geology consulting); director and officer of several TSX-V listed companies.
N. Ross Wilmot <sup>(#)(*)</sup> Director BC, Canada	April 26, 2016	1,000,000	Financial Consultant - Cedarwoods Group (financial consulting); CFO of Orex Minerals Inc, Barsele Minerals Corp.; and past director and officer of several listed companies.
Gary Cope <sup>(*)</sup> Director BC, Canada	April 26, 2016	3,757,000 <sup>11</sup>	Mining Executive, past President of Orko Silver Corp. (junior mining); and past CEO of Dolly Varden Silver Corp., Orex Minerals Inc., and Barsele Minerals Corp.
Carla Hartzenberg CFO and Director BC, Canada	June 27, 2019	-	Manager of Corporate Reporting for a hotel management company, Controller at publicly traded clean tech company, CFO of the Company.

(#) Denotes a member of the Audit Committee.

(\*) Denotes a member of the Corporate Governance Committee.

No proposed director is or has been, within the past 10 years, a director or executive officer of any company that, while that person was acting in that capacity:

- (a) was the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days;
- (b) was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days.

No proposed director of the Company is or has been, within the past 10 years, a director or executive officer of any company that, while that person was acting in that capacity or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager, or trustee appointed to hold its assets. No proposed director of the Company has, within the

<sup>9</sup> These shares are owned by 1105179 B.C. Ltd. and an RESP which is owned or controlled by Stephen Cope.

<sup>10</sup> These shares are owned by Stillwater Enterprises Ltd. which is owned by Arthur Freeze.

<sup>11</sup> These shares are owned by 683192 B.C. Ltd. which is owned by Gary Cope.

past 10 years, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager, or trustee appointed to hold the assets of the proposed director.

No proposed director has been subject to any penalties or sanction imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or has been subject to any penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable shareholder in deciding whether to vote for a proposed director.

#### **Appointment of Auditor**

Unless otherwise instructed, the proxies solicited by management will be voted for the appointment of Davidson & Company LLP, Chartered Professional Accountants, of 1200 – 609 Granville Street, Vancouver, British Columbia, as the Company's auditor to hold office until the next annual general meeting. We propose that the Silver Viper Board be authorized to fix the remuneration to be paid to the auditor. Davidson & Company LLP was first appointed the Company's auditor by the Silver Viper Board in October of 2016.

The Company's Audit Committee recommends the appointment of Davidson & Company LLP, Chartered Professional Accountants, of Vancouver, British Columbia, as the Company's auditor to hold office until the Company's next annual general meeting.

#### **Approval of Incentive Stock Option Plan**

The only equity compensation plan which the Company currently has in place is the Stock Option Plan which was most recently approved by Silver Viper Shareholders on June 13, 2019.

The intention of management for the Stock Option Plan is to give Eligible Persons (defined below) the opportunity to participate in the success of the Company by granting them Silver Viper Options, thereby giving them an ongoing proprietary interest in the Company. The Stock Option Plan requires the approval of Silver Viper Shareholders each year in the annual general meeting of Silver Viper Shareholders in accordance with the TSX-V Policy 4.4 – "*Incentive Stock Options*".

The Stock Option Plan is a rolling plan, with the Company authorized to reserve a maximum of 10% of the issued and outstanding share capital at the time of the grant. As a result, any increase in the number of issued and outstanding Silver Viper Shares will result in an increase in the number of Silver Viper Shares available for issuance under the Stock Option Plan.

#### **Terms of the Stock Option Plan**

A full copy of the Stock Option Plan will be available at the Meeting for review by Silver Viper Shareholders. Silver Viper Shareholders may also obtain copies of the Stock Option Plan from the Company before the Meeting on written request. The following is a summary of the material terms of the Stock Option Plan.

Number of Shares Reserved: The number of Silver Viper Shares reserved for issuance under the Stock Option Plan will not exceed 10% of the number of Silver Viper Shares outstanding (on a non-diluted basis) at any given time.

Administration: The Stock Option Plan will be administered by the Silver Viper Board.

Eligible Persons: Silver Viper Options may only be issued to directors, senior officers, employees of Silver Viper or any of its subsidiaries; consultants engaged by Silver Viper or any of its subsidiaries at the time a Silver Viper Option is granted; or a company that is wholly-owned by any of the foregoing. Such persons and entities are referred to herein as "**Eligible Persons**".

Silver Viper Board Discretion: The number of Silver Viper Shares subject to each Silver Viper Option, the exercise price, vesting period, the expiry time, the extent to which such Silver Viper Option is exercisable, and other terms and conditions relating to such Silver Viper Option will be determined by the Silver Viper Board.

Maximum Term of Options: Silver Viper Options granted under the Stock Option Plan will be for a term not exceeding five years from the date of grant.

Maximum Options per Person: The number of Silver Viper Shares reserved for issuance to any one Silver Viper Option holder pursuant to Silver Viper Options granted under the Stock Option Plan during any 12-month period may not exceed 5% (or, in the case of a consultant, 2%) of the issued and outstanding Silver Viper Shares at the time of grant. The number of Silver Viper Shares reserved for issuance to Silver Viper Option holders who are engaged in Investor Relations Activities is limited to an aggregate of 2% of the issued and outstanding Silver Viper Shares at the time of grant.

No Assignment: Stock options may not be assigned or transferred.

Termination Before Expiry: Generally, Silver Viper Options will expire and terminate on a date stipulated by the Silver Viper Board at the time of grant. If the employment of a Silver Viper Option holder who is an Eligible Person is terminated without cause, such Silver Viper Option holder's Silver Viper Options (vested or unvested) will terminate 90 days following notice of termination or on the expiry of such Silver Viper Options, whichever is earlier. If the employment of a Silver Viper Option holder who is an Eligible Person is terminated for cause, such Silver Viper Option holder's Silver Viper Options (vested or unvested) will terminate on the day of termination. If the employment of a Silver Viper Option holder who is engaged in Investor Relations Activities is terminated, such Silver Viper Option holder's Silver Viper Options (vested or unvested) will terminate 30 days following notice of termination or on the expiry of such Silver Viper Options, whichever is earlier. If a Silver Viper Option holder dies, the vested Silver Viper Options of the deceased Silver Viper Option holder will be exercisable by his/her estate for a period not exceeding 12 months following the date of the deceased Silver Viper Option holder's death or on the expiry of such vested Silver Viper Options, whichever is earlier. If a Silver Viper Option holder ceases to become an Eligible Person by virtue of disability, the Silver Viper Board may allow such Silver Viper Option holder to exercise any vested Silver Viper Options for a period not exceeding 12 months following the date such Silver Viper Option holder ceased to be an Eligible Person or on the expiry of such vested Silver Viper Options, whichever is earlier. Upon any attempt to transfer, assign, pledge, hypothecate or otherwise dispose of a Silver Viper Option, such Silver Viper Option will, at the election of the Company, cease and terminate.

Exercise Price: Subject to any adjustments made pursuant to the Stock Option Plan, Silver Viper Options granted under the terms of the Stock Option Plan will be exercisable at a price that is not less than the market price of the Silver Viper Shares as of the date of grant, being the closing sale price of the Silver Viper Shares on the TSX-V on the last day that Silver Viper Shares were traded before the date of grant.

Full Payment for Silver Viper Shares: Silver Viper will not issue Silver Viper Shares pursuant to Silver Viper Options granted under the Stock Option Plan unless and until those Silver Viper Shares have been fully paid for.

Reduction of Exercise Price: The exercise price of Silver Viper Options granted to insiders may not be decreased without disinterested shareholder approval.

Change of Control: If a Change of Control Event (as defined in the Stock Option Plan) occurs, then the Silver Viper Board may authorize and implement one or more of the following actions: (a) accelerate the vesting of any Silver Viper Options and any Silver Viper Options that are not exercised or surrendered by the effective time of the Change of Control Event will be deemed to be expired; (b) offer to acquire from each Silver Viper Option holder his or her Silver Viper Options for a cash payment equal to the In the Money Amount (as defined in the Stock Option Plan) and any Silver Viper Options that are not so surrendered by the effective time of the Change of Control Event will be deemed to be expired; and/or (c) deem that a Silver Viper Option granted under the Stock Option Plan be exchanged for an option to acquire, for the same exercise price, that number and type of securities as would be distributed to a holder of Silver Viper Options in respect of the Silver Viper Shares issued to a Silver Viper Option holder had he or she exercised the Silver Viper Options before the effective time of the Change of Control Event, provided that any such replacement option must provide that it survives for a period of not less than one year from the effective time of the Change of Control Event, regardless of the continuing directorship, officership or employment of the Silver Viper Option holder.

Termination of Plan: The Stock Option Plan will terminate when it is terminated by Silver Viper. Any Silver Viper Options outstanding when the Stock Option Plan is terminated will remain in effect until they are exercised or they expire.

At the Meeting, Silver Viper Shareholders will be asked to pass an ordinary resolution approving the Stock Option Plan in the following form:

"**BE IT RESOLVED**, as an ordinary resolution, that the Company's amended 10% rolling stock option plan is ratified, confirmed and approved, including the reserving for issuance under the stock option plan at any time of a maximum of 10% of the issued and outstanding common shares of the Company, subject to regulatory approval, all as more particularly described in the Company's information circular dated May 8, 2020."

#### **Approval of Amendments to Incentive Stock Option Plan**

On May 22, 2020, the Silver Viper Board approved an amendment (the "**Amendment**") to the Stock Option Plan by including a limitation on the number of Options that may be issued to Insiders (as defined in the TSXV Corporate Finance Manual (the "**TSXV Manual**")) of the Company as follows:

*"the issuance to Insiders (as a group), within a one-year period, Options exercisable for a number of Shares exceeding 10% of the outstanding Shares at the time of any grant of Options, unless the Company has obtained the requisite approval of disinterested Shareholders pursuant to the requirements of the Exchange Manual"*

In accordance with the TSXV Manual, the Amendment is subject to the approval of the Silver Viper Shareholders. If the Amendment is approved by the Silver Viper Shareholders, the Stock Option Plan, as amended by the Amendment (the "**Amended Stock Option Plan**"), will supersede and replace the Stock Option Plan and Silver Viper Options granted under the Stock Option Plan will be deemed to have been granted under the Amended Stock Option Plan. In the event that Silver Viper Shareholders do not approve the Amendment at the Meeting, the Stock Option Plan (if such plan is approved by Silver Viper Shareholders at the Meeting) will remain in effect without the Amendment.

At the Meeting, Silver Viper Shareholders will be asked to pass an ordinary resolution approving the Amendment in the following form:

"**BE IT RESOLVED**, as an ordinary resolution, that the amendment to the Company's 10% rolling stock option plan to include a limit on the number of Options that may be granted to Insiders of the Company, all as more particularly described in the Company's information circular dated May 8, 2020, is hereby ratified, confirmed and approved."

#### **OTHER MATTERS**

Management does not know of any other matters to come before the Meeting other than those referred to in the Notice of Meeting and further described in this Circular. Should any other matters properly come before the Meeting, the Silver Viper Shares represented by the proxy solicited hereby will be voted on such matters in accordance with the best judgment of the persons voting the proxy.

#### **ADDITIONAL INFORMATION**

Additional information relating to the Company is available on its SEDAR profile at [www.sedar.com](http://www.sedar.com). Silver Viper Shareholders may contact the Company at (604) 687-8566 to request copies of the Company's financial statements and MD&A be mailed to them.

Financial information is provided in the Company's comparative annual financial statements and MD&A for its most recently completed financial year ended December 31, 2019, which are filed on SEDAR.

DATED this 8<sup>th</sup> day of May, 2020

#### **ON BEHALF OF THE SILVER VIPER BOARD**

*"Steve Cope"*

CEO, President, and Director

## **APPENDIX A AUDIT COMMITTEE CHARTER**

The purpose of the Audit Committee (the "Committee") is to assist the Silver Viper Board of Directors in fulfilling its oversight responsibilities by reviewing the financial information which will be provided to the shareholders and others; reviewing the systems of internal controls which management and the Silver Viper Board of Directors have established; appointing, retaining and overseeing the performance of independent accountants; and overseeing the Company's accounting and financial reporting processes and the audits of the Company's financial statements. Details of the responsibilities are laid out in National Instrument 52-110 Audit Committees ("NI 52-110").

The Committee will fulfill these responsibilities by carrying out the activities defined below under "Duties and Responsibilities." The Committee shall be given full and direct access to the Silver Viper Board Chairman, Company executives, and independent accountants as necessary to carry out these responsibilities. However, the Committee's function is one of oversight only and shall not relieve the Company's management of its responsibilities for preparing financial statements which accurately and fairly present the Company's financial results and condition, or the responsibilities of the independent accountants relating to the audit or review of financial statements.

### **COMPOSITION OF THE AUDIT COMMITTEE**

The Committee shall be comprised of at least three directors, each of whom will be independent to the extent possible and as regulated. No member of the Committee, to the extent possible, shall have participated in the preparation of the financial statements of the Company or any current subsidiary of the Company at any time during the preceding year. Each appointed Committee member shall be subject to annual reconfirmation after the Annual General Meeting and may be removed by the Silver Viper Board of Directors at any time.

All members of the Committee shall be "financially literate" as defined in NI 52-110, meaning that they are able to read and understand fundamental financial statements, including a balance sheet, income statement of financial position and statements of operations and comprehensive loss, shareholders' equity and cash flow statements. At least one member of the Committee shall have been employed previously in finance or accounting, or possess current or former certification in accounting, or any other comparable experience or background, which would result in financial sophistication, including being or having been a chief executive officer, chief financial officer or other senior officer with financial oversight responsibilities.

### **DUTIES AND RESPONSIBILITIES**

To fulfill its duties and responsibilities, the Committee shall:

1. Review annually the Audit Committee Charter for adequacy and recommend any changes to the Silver Viper Board of Directors.
2. Review the significant accounting principles, policies and practices followed by the Company in accounting for and reporting its financial results of operations in accordance with International Financial Reporting Standards ("IFRS").
3. Review the financial, investment and risk management policies followed by the Company in operating its business activities.

4. Review the Company's annual audited financial statements, related disclosures, including the MD&A portion of the Company's filings, and discuss with the independent accountants the matters required to be discussed by auditing standards, including (a) the quality as well as acceptability of the accounting principles applied in the financial statements, and (b) new or changed accounting policies; significant estimates, judgments, uncertainties or unusual transactions; and accounting policies relating to significant financial statement items. Also review with Management the results of the Company's review of Internal Controls over Financial Reporting for each quarter, and more generally its disclosure controls and procedures.
5. Review any management letters or internal control reports prepared by the independent accountants or auditors and responses to prior management letters, and review with the independent accountants or auditors the Company's internal financial controls.
6. Review the effectiveness of the independent audit effort, including approval of the scope of, and fees charged in connection with, the annual audit, quarterly reviews and any non-audit services being provided.
7. Be directly responsible for the appointment, determination of the compensation for, retention and oversight of the work of the independent accountants employed to conduct the audit (including resolution of disagreements between the independent accountants and management regarding financial reporting) or other audit, review or attest services. The independent accountants shall report directly to the Audit Committee.
8. Pre-approve all audit services and permissible non-audit services by the independent accountants. The Committee may establish pre-approval policies and procedures for the engagement of independent accountants to render services to the Company, including but not limited to policies that would allow the delegation of preapproval authority to one or more members of the Committee, provided that any preapprovals delegated to one or more members of the Committee are reported to the Committee at its next scheduled meeting.
9. Review the hiring policies for any employees or former employees of the independent accountants.
10. Obtain on an annual basis a formal written statement from the independent accountants delineating all relationships between the accountants and the Company, and review and discuss with the accountants any disclosed relationships or services the accountants have with the Company which may affect the accountants' independence and objectivity. The Committee is responsible for taking, or recommending that the full Silver Viper Board of Directors take appropriate action to oversee the independence of the independent accountants.
11. For each of the first three fiscal quarters and at year end, at a Committee meeting, review with management the financial results, any proposed earnings press release and any formal guidance which the Company may plan to offer.
12. Review management's analysis of any significant accounting issues, changes, estimates, judgments or unusual items relating to the financial statements and the selection, application and effects of critical accounting policies applied by the Company (including an analysis of the effect of alternative methods permitted under IFRS) and review with the independent accountants the reports on such subjects delivered.
13. Review the disclosure required in Form 52-110F2 to be included in the annual management information circular in connection with the Annual General Meeting.
14. Following completion of the annual audit, review separately with the independent accountants and management any significant difficulties encountered during the course of the audit.

15. Engage and determine funding for such independent professional advisers and counsel as the Committee determines are appropriate to carry out its functions hereunder. The Company shall provide appropriate funding to the Committee, as determined by the Committee, for payment of (1) compensation to the independent accountants for services approved by the Committee, (2) compensation to any outside advisers retained by the Committee, and (3) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.
16. Report to the Silver Viper Board of Directors at a subsequent Board meeting on the major events covered by the Committee and make recommendations to the Silver Viper Board of Directors and management concerning these matters.
17. Perform any other activities consistent with this charter, the Company's Bylaws and governing law as the Committee or the Silver Viper Board of Directors deems necessary or appropriate, including but not limited to the Company's legal and regulatory compliance.
18. Approve all related party transactions, as defined by regulation to which the Company is a party.
19. Establish procedures for:
  - a. the receipt, retention, and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters, and (b) the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.

#### **AUDIT COMMITTEE MEETINGS**

The Committee will meet on a regular basis at least four times each year, and will hold special meetings as circumstances require. The timing of the meetings to be scheduled for an upcoming fiscal year shall be determined by the Committee prior to the beginning of such fiscal year. A calendar of proposed meetings will be reviewed by the Committee at the same time as the annual Audit Committee Charter review. The calendar shall include appropriate meetings to be held separately with representatives of the independent accountants and management. In addition, the Committee will meet at any time that the independent accountants believe communication to the Committee is required.

At all Committee meetings a majority of the total number of members shall constitute a quorum. Minutes shall be taken at each meeting of the Committee and retained.

## **APPENDIX B CORPORATE GOVERNANCE COMMITTEE MANDATE**

The purpose of the Governance Committee, (the "Committee") is to assist the Board of Directors of Silver Viper Minerals Corp. in fulfilling its oversight responsibilities with respect to corporate governance in general, and specifically to ensure that the requirements for the Board of Directors and its activities conform to the Company's corporate governance policy, as set out below, the requirements of the Business Corporations Act (British Columbia) and all relevant regulatory bodies.

The shareholders' interest in the business and affairs of the Company are managed through its elected directors, chosen at the annual general meeting by shareholder vote. The Board of Directors has the designated responsibility to oversee all aspects of the Company on behalf of the shareholders, including the appointment of executives, the strategy and risk management, and the Company's compliance with legal and regulatory requirements including National Instrument 58-201 *Corporate Governance Principles* ("NI 58-201").

### **COMPOSITION OF THE GOVERNANCE COMMITTEE**

The Governance Committee shall be comprised of not less than three directors, all of whom, to the extent possible, are independent, as defined by the BC Business Corporations Act and applicable regulations. Each member of the Governance Committee shall be appointed annually, for a term not to exceed one year and ending at the annual general meeting of the Company. The Governance Committee may seek the counsel of outside experts, when necessary and reasonable, at the Company's expense.

### **GOVERNANCE COMMITTEE MEETINGS**

The Governance Committee will meet at least once a year for the purposes of reviewing its mandate for the ensuing year, and to review the activities and effectiveness of the Board of Directors as these relate to the Board charter, to determine the selection of Board of Directors member nominees to stand for election for the ensuing year, to review all current and proposed company policies, and to deliberate on any other business which is properly brought before the committee at that time.

At all Governance Committee meetings, a majority of the total number of committee members shall constitute a quorum for the purposes of transacting business, and minutes of each meeting shall be taken and retained. Meetings may be held in person or by teleconference or any combination that the members of the Committee agree to.

An agenda, and materials in support of the items on the agenda, will be circulated at least two days in advance to the members of the Governance Committee. The Agenda will be determined by the Chairman, with input from the Committee members and the assistance of the Corporate Secretary.

**SILVER VIPER MINERALS CORP.**

**Consolidated Financial Statements  
(Expressed in Canadian Dollars)**

**December 31, 2019**

## INDEPENDENT AUDITOR'S REPORT

To the Shareholders of  
Silver Viper Minerals Corp.

### *Opinion*

We have audited the accompanying consolidated financial statements of Silver Viper Minerals Corp. (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2019 and 2018, and the consolidated statements of loss and comprehensive loss, changes in shareholders' equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2019 and 2018, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

### *Basis for Opinion*

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our opinion.

### *Material Uncertainty Related to Going Concern*

We draw attention to Note 1 of the consolidated financial statements, which indicates that the Company incurred a net loss of \$1,923,489 during the year ended December 31, 2019 and, as of that date, accumulated losses of \$6,241,795. As stated in Note 1, these events and conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

### *Other Information*

Management is responsible for the other information. The other information obtained at the date of this auditor's report includes Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.



We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### ***Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements***

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

### ***Auditor's Responsibilities for the Audit of the Consolidated Financial Statements***

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is David Harris.

**“DAVIDSON & COMPANY LLP”**

Vancouver, Canada

Chartered Professional Accountants

April 27, 2020

**SILVER VIPER MINERALS CORP.**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
As at  
(Expressed in Canadian Dollars)

	December 31, 2019	December 31, 2018
<b>ASSETS</b>		
<b>Current</b>		
Cash	\$ 3,587,212	\$ 1,711,902
Taxes receivable	15,708	21,436
Prepaid expenses	29,281	45,113
	<u>3,632,201</u>	<u>1,778,451</u>
<b>Taxes receivable</b>	344,939	253,299
<b>Exploration and evaluation assets (Note 5)</b>	65,650	-
<b>Equipment (Note 4)</b>	10,746	-
	<u>\$ 4,053,536</u>	<u>\$ 2,031,750</u>
<b>LIABILITIES</b>		
<b>Current</b>		
Accounts payable and accrued liabilities (Note 9)	\$ 406,544	\$ 322,491
<b>Shareholders' equity</b>		
Share capital (Note 6)	9,351,975	5,482,089
Reserves	536,812	545,476
Deficit	(6,241,795)	(4,318,306)
	<u>3,646,992</u>	<u>1,709,259</u>
	<u>\$ 4,053,536</u>	<u>\$ 2,031,750</u>

**Nature and continuance of operations (Note 1)**

**Subsequent events (Note 13)**

**Approved and authorized on behalf of the board on April 27, 2020:**

<u>/s/ Gary Cope</u> Gary Cope	Director	<u>/s/ Ross Wilmot</u> Ross Wilmot	Director
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The accompanying notes are an integral part of these consolidated financial statements.

**SILVER VIPER MINERALS CORP.****CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS**

(Expressed in Canadian Dollars)

	Year ended December 31, 2019	Year ended December 31, 2018
<b>EXPLORATION EXPENSES</b>		
Drilling	\$ 283,027	\$ 847,923
General exploration	667,899	676,922
Geological (Note 9)	150,834	308,466
Assay	136,603	153,372
	<u>1,238,363</u>	<u>1,986,683</u>
<b>GENERAL EXPENSES</b>		
Consulting fees	32,000	-
Depreciation (Note 4)	1,957	-
Filing fees	10,333	6,988
Foreign exchange loss (gain)	17,954	(24,091)
Investor relations (Note 9)	271,474	130,529
Management fees (Note 9)	140,161	160,344
Office and administration (Note 9)	193,317	221,158
Professional fees	41,411	69,046
Share-based compensation (Note 6 and 9)	-	545,476
	<u>708,607</u>	<u>1,109,450</u>
Loss before other income (expenses)	(1,946,970)	(3,096,133)
Clemente project write-off (Note 5)	-	(261,500)
Interest income	23,481	54,012
	<u>(1,923,489)</u>	<u>(3,303,621)</u>
<b>Loss and comprehensive loss for the year</b>	<b>\$ (1,923,489)</b>	<b>\$ (3,303,621)</b>
<b>Basic and diluted loss per common share</b>	<b>\$ (0.04)</b>	<b>\$ (0.08)</b>
<b>Weighted average number of common shares outstanding</b>	<b>47,041,808</b>	<b>42,710,301</b>

The accompanying notes are an integral part of these consolidated financial statements.

**SILVER VIPER MINERALS CORP.**  
**CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**  
(Expressed in Canadian Dollars)

	Common Shares	Share Capital	Reserves	Deficit	Total Shareholders' Equity
<b>Balance, December 31, 2017</b>	42,710,301	\$ 5,482,089	\$ -	\$ (1,014,685)	\$ 4,467,404
Share-based compensation	-	-	545,476	-	545,476
Loss and comprehensive loss	-	-	-	(3,303,621)	(3,303,621)
<b>Balance, December 31, 2018</b>	42,710,301	5,482,089	545,476	(4,318,306)	1,709,259
Options exercised	100,000	23,664	(8,664)	-	15,000
Issuance of common shares	16,000,000	4,000,000	-	-	4,000,000
Share issuance costs	-	(153,778)	-	-	(153,778)
Loss and comprehensive loss	-	-	-	(1,923,489)	(1,923,489)
<b>Balance, December 31, 2019</b>	58,810,301	\$ 9,351,975	\$ 536,812	\$ (6,241,795)	\$ 3,646,992

The accompanying notes are an integral part of these consolidated financial statements.

**SILVER VIPER MINERALS CORP.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(Expressed in Canadian Dollars - Unaudited)

	For the year ended December 31, 2019	For the year ended December 31, 2018
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss for the year	\$ (1,923,489)	\$ (3,303,621)
Items not involving cash:		
Clemente project write-off (Note 5)	-	261,500
Depreciation (Note 4)	1,957	-
Share-based compensation (Note 6)	-	545,476
Changes in non-cash working capital items:		
Receivables	(85,912)	(215,540)
Accounts payable and accrued liabilities	84,053	123,767
Prepaid expenses	15,832	(5,254)
Cash used in operating activities	<u>(1,907,559)</u>	<u>(2,593,672)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of equipment (Note 4)	(12,703)	-
Acquisition of exploration and evaluation assets (Note 5)	(65,650)	-
Cash used in investing activities	<u>(78,353)</u>	<u>-</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Private placement, gross proceeds	4,000,000	-
Share issuance costs	(153,778)	-
Exercise of options	15,000	-
Cash provided by financing activities	3,861,222	-
<b>(Decrease) / increase in cash during the year</b>	1,875,310	(2,593,672)
<b>Cash, beginning of year</b>	<u>1,711,902</u>	<u>4,305,574</u>
<b>Cash, end of year</b>	<u>\$ 3,587,212</u>	<u>\$ 1,711,902</u>
<b>Supplemental disclosure with respect to cash flows (Note 8)</b>		

The accompanying notes are an integral part of these consolidated financial statements.

**SILVER VIPER MINERALS CORP.**  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019  
(Expressed in Canadian Dollars)

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**1. NATURE AND CONTINUANCE OF OPERATIONS**

Silver Viper Minerals Corp. (the “Company”) was incorporated under the laws of the Province of British Columbia, Canada on April 26, 2016. The Company completed an Initial Public Offering (“IPO”) on September 27, 2017 and the Company’s common shares were listed for trading on the TSV Venture Exchange (“TSV-V”). The Company’s principal business activities include the acquisition and exploration of mineral properties in Mexico.

The head office of the Company is located at Suite 1130 - 1055 West Hastings Street, Vancouver, BC, Canada, V6C 2E9. The registered address and records office of the Company is located at Suite 1700, Park Place, 666 Burrard Street, Vancouver, BC, Canada V6C 2X8.

These consolidated financial statements were authorized for issue by the Company’s Board of Directors on April 27, 2020.

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The Company has been successful in raising funds from incorporation to date, but will require additional funding for continued exploration and working capital purposes in future periods. The Company had incurred a loss of \$1,923,489 for the year ended December 31, 2019 and accumulated losses of \$6,241,795 as of December 31, 2019. These material uncertainties may cast significant doubt as to the Company’s ability to continue as a going concern.

**2. BASIS OF PREPARATION**

These consolidated financial statements have been prepared using accounting policies consistent with IFRS as issued by the International Accounting Standards Board (“IASB”) and interpretations issued by the International Financial Reporting Interpretations Committee (“IFRIC”).

These consolidated financial statements have been prepared on a historical cost basis, except financial instruments classified as fair value through profit or loss, which are stated at their fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

**Critical Accounting Estimates and Judgements**

The preparation of these consolidated financial statements in accordance with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported expenses during the period. Actual results could differ from these estimates.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting period, that could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

- a) The recoverability of receivables. The Company considers collectability and historical collection rates in estimating the recoverable amount of receivables. If the recoverable amount of receivables is estimated to be less than the carrying amount, the carrying amount of receivables is reduced to the recoverable amount and an impairment loss is recognized in profit or loss for the period.

**2. BASIS OF PREPARATION (cont'd...)**

**Critical Accounting Estimates and Judgements (cont'd...)**

- b) The carrying value and the recoverability of exploration and evaluation assets, which are included in the statements of financial position. The cost model is utilized and the carrying value of the exploration and evaluation assets is based on the expenditures incurred. At every reporting period, management assesses the potential impairment which involves assessing whether or not facts or circumstances exist that suggest the carrying amount exceeds the recoverable amount.
- c) The inputs used in calculating the fair value for share-based payments expense included in profit or loss and share-based share issuance costs included in shareholders' equity. The share-based payments expense is estimated using the Black-Scholes options-pricing model as measured on the grant date to estimate the fair value of stock options. This model involves the input of highly subjective assumptions, including the expected price volatility of the Company's common shares, the expected life of the options, and the estimated forfeiture rate.
- d) The valuation of shares issued in non-cash transactions. Generally, the valuation of non-cash transactions is based on the value of the goods or services received. When this cannot be determined, it is based on the fair value of the non-cash consideration. When non-cash transactions are entered into with employees and those providing similar services, the non-cash transactions are measured at the fair value of the consideration given up using market prices.
- e) The recognition of deferred tax assets. The Company considers whether the realization of deferred tax assets is probable in determining whether or not to recognize these deferred tax assets.

**3. SIGNIFICANT ACCOUNTING POLICIES**

**Principles of consolidation**

These consolidated financial statements include the accounts of the Company and its controlled subsidiaries (Note 9). Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial results of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. All significant intercompany balances and transactions have been eliminated upon consolidation.

**Exploration and evaluation assets**

The Company is currently in the exploration stage with its mineral property interest. Exploration and evaluation assets include the costs of acquiring concessions, and the fair value, upon acquisition, of mineral properties acquired in a business combination. Costs incurred before the Company has obtained the legal rights to explore an area will be recognized in the statement of loss and comprehensive loss.

Exploration and evaluation expenditures are expensed in the period they are incurred except for expenditures associated with the acquisition of exploration and evaluation assets through a business combination or an asset acquisition. Significant property acquisition costs are capitalized only to the extent that such costs can be directly attributed to an area of interest where it is considered likely to be recoverable by future exploitation or sale.

**3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)**

**Taxes receivable**

Current taxes receivable consists of Goods and Services Tax receivables generated on the purchase of supplies and services, and are refundable from the Canadian government. Non-current taxes receivable consists of Value Added Tax ("VAT") receivables generated on the purchase of supplies and services and are receivable from the Mexican government. The Company classified the VAT receivables as non-current as it does not expect collection to occur within the next year. The VAT refund process in Mexico requires a significant amount of information and follow-up and the timing of collection of VAT receivables is uncertain. The Company believes that taxes receivable balances are fully recoverable and has not provided an allowance.

**Equipment**

Equipment is recorded at cost less depreciation, and any impairments and is depreciated over its estimated useful life using the straight line method at a rate of 20% per annum for equipment and office equipment and 50% for computer equipment. Cost comprises the fair value of consideration given to acquire or construct an asset and includes the direct charges associated with bringing the asset to the location and condition necessary for putting it into use. When parts of equipment have different useful lives, they are accounted for as separate items (major components) of equipment. The cost of major overhauls of parts of equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of equipment are recognized in profit or loss as incurred.

**Impairment**

At the end of each reporting period, the Company's assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell ("FVLCS") and value in use ("VIU"). FVLCS is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing VIU, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

**3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)**

**Warrants issued in equity financing transactions**

The Company engages in equity financing transactions to obtain the funds necessary to continue operations and explore and evaluate mineral properties. These equity financing transactions may involve issuance of common shares or units. A unit comprises a certain number of common shares and a certain number of share purchase warrants. Depending on the terms and conditions of each equity financing agreement, the warrants are exercisable into additional common shares prior to expiry at a price stipulated by the agreement. Warrants that are part of units are valued based on the residual value method and included in share capital with the common shares that were concurrently issued. Warrants that are issued as payment for an agency fee or other transaction costs are accounted for as share-based payments.

**Provision for environmental rehabilitation**

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of exploration and evaluation assets and equipment, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future rehabilitation cost estimates arising from the decommissioning of plant and other site preparation work is capitalized to the related assets along with a corresponding increase in the rehabilitation provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. The rehabilitation asset is depreciated on the same basis as the related assets.

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to the related assets with a corresponding entry to the rehabilitation provision. The Company's estimates are reviewed annually for changes in regulatory requirements, discount rates, effects of inflation and changes in estimates.

Changes in the net present value, excluding changes in the Company's estimates of reclamation costs, are charged to profit or loss for the period.

The Company has no material restoration, rehabilitation and environmental provisions for the periods presented.

**Financial instruments**

IFRS 9 sets out requirements for recognizing and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items.

a) Classification and measurement of financial assets and liabilities

A financial asset is classified as measured at: amortized cost; fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL). The classification of financial assets depends on the purpose for which the financial assets were acquired. The Corporation's financial assets, which consist primarily of cash classified as FVTPL, and receivables classified at amortized cost. Financial assets at amortized cost are initially recognized at fair value and subsequently carried at amortized cost less any impairment. They are classified as current assets or non-current assets based on their maturity date.

**3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)**

**Financial instruments (cont'd...)**

The Company classifies its financial liabilities into one of two categories, depending on the purpose for which the liability was acquired. The Company's accounting policy for each category is as follows:

Fair value through profit and loss: This category comprises derivatives, or liabilities acquired or incurred principally for the purpose of selling or repurchasing it in the near term. They are carried in the statement of financial position at fair value with changes in fair value recognized through profit or loss.

Other financial liabilities: This category includes accounts payable and accrued liabilities, all of which are recognized at amortized cost.

b) Impairment of financial assets

An 'expected credit loss' (ECL) model applies to financial assets measured at amortized cost, contract assets and debt investments at FVOCI, but not to investments in equity instruments. The Corporation's financial assets are measured at amortized cost and subject to the ECL model. The adoption of the ECL impairment model had a negligible impact on the carrying amounts of the Company's financial assets on the transition date given that receivables are current and have minimal level of default.

**Foreign exchange**

The functional currency is the currency of the primary economic environment in which the entity operates and has been determined for each entity within the Company. The functional currency for all entities within the corporate group is the Canadian dollar. The functional currency determinations were conducted through an analysis of the consideration factors identified in IAS 21, *The Effects of Changes in Foreign Exchange Rates*.

Transactions in currencies other than the Canadian dollar are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, the monetary assets and liabilities of the Company that are denominated in foreign currencies are translated at the rate of exchange at the statement of financial position date while non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are included in profit or loss.

**Share-based payments**

The Company grants stock options to acquire common shares of the Company to directors, officers, employees and consultants.

The fair value of stock options granted to directors, officers, employees and consultants is measured on the date of grant, using the Black-Scholes option pricing model, and is recognized over the vesting period as expense, with a corresponding increase in reserves. Consideration paid for the shares on the exercise of stock options is credited to share capital.

In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at the fair value of the share-based payments. Otherwise, share-based payments are measured at the fair value of the goods or services received.

**3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)**

**Earnings (loss) per share**

Basic earnings (loss) per share is calculated using the weighted average number of common shares outstanding during the period. Diluted earnings (loss) per share is calculated by adjusting the loss attributable to equity shareholders and the weighted average number of common shares outstanding for the effects of all potentially dilutive instruments. The calculation of diluted earnings (loss) per share assumes that the proceeds to be received on the exercise of dilutive instruments are used to repurchase common shares at the average market price during the period. In periods where a loss is reported, diluted loss per share is the same as basic loss per share because the effects of potentially dilutive common shares would be anti-dilutive.

**Income taxes**

Income tax on the profit or loss for the periods presented comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in shareholders' equity. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous periods.

Deferred tax is recorded by providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes; the initial recognition of assets or liabilities that affect neither accounting or taxable loss; and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amounts of assets and liabilities, using tax rates enacted or substantively enacted at the statement of financial position date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, it does not recognize the asset.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

**IFRS 16 Leases**

IFRS 16, published on January 13, 2016, supersedes IAS 17 – Leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless a lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17. IFRS 16 applies to reporting periods beginning on or after January 1, 2019.

**SILVER VIPER MINERALS CORP.**  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019  
(Expressed in Canadian Dollars)

**3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)**

**IFRS 16 Leases (cont'd...)**

The Company adopted IFRS 16 effective January 1, 2019 using the modified retrospective method. Under this method, financial information will not be restated and will continue to be reported under the accounting standards in effect for those periods. The Company will recognize lease obligations related to its lease commitments for its office lease. It will be measured at the present value of the remaining lease payments, discounted using the Company's incremental borrowing rate as at January 1, 2019. The associated right of use asset will be measured at the lease obligation amount, less prepaid lease payments, resulting in no adjustment to the opening balance of retained earnings. The Company applied the following practical expedients permitted under the new standard:

- leases of low dollar value will continue to be expensed as incurred; and
- the Company will not apply any grandfathering practical expedients.

As at January 1, 2019 IFRS 16 did not have any impact on the amount recognized in the financial statements. The Company has elected not to recognize the right-of-use assets and lease liabilities for short-term leases that have a lease term of twelve months or less. For the year ended December 31, 2019, rent expense included in office and administration of \$60,000 has been incurred.

**4. EQUIPMENT**

	Equipment	Office Equipment	Computer Equipment	Total
<b>Cost</b>				
At December 31, 2017	\$ -	\$ -	\$ -	\$ -
Additions / (disposals)	-	-	-	-
At December 31, 2018	-	-	-	-
Additions / (disposals)	10,986	396	1,321	12,703
At December 31, 2019	\$ 10,986	\$ 396	\$ 1,321	\$ 12,703
<b>Accumulated Depreciation</b>				
At December 31, 2017	\$ -	\$ -	\$ -	\$ -
Depreciation for the period	-	-	-	-
At December 31, 2018	-	-	-	-
Depreciation for the period	1,196	82	679	1,957
At December 31, 2019	\$ 1,196	\$ 82	\$ 679	\$ 1,957
<b>Net Book Value</b>				
At December 31, 2018	\$ -	\$ -	\$ -	\$ -
At December 31, 2019	\$ 9,790	\$ 314	\$ 642	\$ 10,746

**SILVER VIPER MINERALS CORP.**  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019  
(Expressed in Canadian Dollars)

**5. EXPLORATION AND EVALUATION ASSETS**

**Clemente Project**

On August 23, 2016, the Company signed a letter of intent (“LOI”) with Riverside Resources Inc. (“Riverside”) which was superseded by a definitive agreement (the “Agreement”) on September 30, 2016 and amended on December 2, 2016 (“Execution date”), with respect to Riverside’s Clemente project (the “Property”) in Sonora, Mexico. The Company had the right to earn 100% undivided interest in the Property.

Commitments under the Agreement were as follows:

Time/Date	Cash Commitment	Cash Paid	Common Shares Commitment	Value of Common Shares Issued	Annual Work Commitment
LOI	\$ 15,000	\$ 15,000	-	-	\$ -
Execution date of Agreement	25,000	25,000	1,000,000 (issued)	\$ 125,000	-
Execution date Year 1 anniversary	50,000	50,000	-	-	350,000 (incurred)
Execution date Year 2 anniversary	75,000	-	-	-	500,000
Execution date Year 3 anniversary	100,000	-	-	-	750,000
Execution date Year 4 anniversary	150,000	-	250,000	-	1,000,000
Execution date Year 5 anniversary	335,000	-	750,000	-	1,400,000
<b>Total</b>	<b>\$ 750,000</b>	<b>\$ 90,000</b>	<b>2,000,000</b>	<b>\$ 125,000</b>	<b>\$ 4,000,000</b>

On execution of the Agreement, the Company also made a one-time payment of \$46,500 for concession taxes owing on the Property. This amount was capitalized as part of the Company’s acquisition costs relating to the Property.

The Agreement also stipulated a requirement for the Company to complete minimum drilling on the Property of 2,500 meters by the Year 2 anniversary of the Execution date. Further, Riverside retained a 2.0% net smelter return (“NSR”) royalty, 100% of which could be purchased by the Company for \$4,000,000 at any time before the Year 5 anniversary of the Execution date or 50% for \$3,000,000 after the Year 5 anniversary but before the Year 8 anniversary of the Execution date.

The Company decided that it would not be meeting its second anniversary cash or work commitment and returned the Clemente Project to Riverside during the year ended December 31, 2018, and accordingly wrote-off capitalized acquisition costs of \$261,500.

**Rubi-Esperanza Claims, La Virginia**

On June 25, 2018 the Company entered into option agreements (the “Option Agreements”) to acquire the Rubi-Esperanza group of mineral concessions in Sonora, Mexico. The Option Agreements grant the Company the right to acquire 100% ownership of three prospective claims. On June 21, 2019, an addendum to the Option Agreements was signed (“Amended Option Agreements”), resulting in an overall reduction in cash payments. The table below outlines the payments in both the Option Agreements and the Amended Option Agreements. The Company will make the following cash payments per the Amended Option Agreements over the next five anniversaries of the date of the Option Agreements starting on June 25, 2019 as follows:

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**5. EXPLORATION AND EVALUATION ASSETS (cont'd)**

**Rubi-Esperanza Claims, La Virginia (cont'd)**

	<b>Option Agreements</b>	<b>Amended Option Agreements</b>
First anniversary	US\$190,000	US\$50,000 (paid CAD\$65,650)
Second anniversary	US\$500,000	US\$75,000
Third anniversary	US\$1,000,000	US\$100,000
Fourth anniversary	US\$2,800,000	US\$200,000
Fifth anniversary	\$Nil	US\$2,575,000*
<b>Total</b>	<b>US\$4,490,000</b>	<b>US\$3,000,000</b>

\* Payment will comprise of US\$1,200,000 in cash, and the remainder in cash or shares at the Company's direction.

Claim owners will retain a 2% net smelter return royalty, which may be purchased by the Company for US\$2,000,000 within five years of the effective date of the option agreement, or for US\$3,000,000 after the fifth anniversary. The option agreement does not specify a work commitment.

**6. SHARE CAPITAL AND RESERVES**

**Authorized**

Unlimited number of common shares without par value  
Unlimited number of preferred shares without par value

**Issued**

As at December 31, 2019 there were 3,654,001 common shares held in escrow. These common shares are being released from escrow in tranches over 36 months from completion of the IPO.

The Company completed a private placement on September 24, 2019 and raised gross proceeds of \$4,000,000 through the sale of 16,000,000 units at a price of \$0.25 per unit. Each unit consists of one common share of the Company and one half of one share purchase warrant. Each whole warrant is exercisable into one common share of the Company at a price of \$0.35 per share for a period of two years. Finders' fees of \$127,424 were paid as part of the private placement.

**Stock options and warrants**

The Company has a plan to grant stock options to directors, officers, employees and consultants of the Company. Under the plan, the board of directors has the discretion to issue the equivalent of up to 10% of the issued and outstanding shares of the Company from time to time. Stock options are granted with a term of up to ten years and are exercisable at a price that is not less than the market price on the date granted.

Vesting terms are determined at the discretion of the board of directors. Options issued to consultants providing investor relations services must vest in stages over a minimum of twelve months with no more than one-quarter of the options vesting in any three-month period.

During the year ended December 31, 2019, the Company granted Nil stock options (2018 - 3,940,000) to employees, officers, and directors with a fair value of \$Nil (2018 - \$545,476). The Company recorded share-based compensation of \$Nil (2018-\$545,476) for the options vesting during the period.

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**6. SHARE CAPITAL AND RESERVES (cont'd)**

**Stock options (cont'd)**

The following weighted average assumptions were used for the Black-Scholes valuation of stock options granted:

	December 31, 2019	December 31, 2018
Risk free interest rate	N/A	2.08%
Expected dividend yield	N/A	0%
Annualized stock price volatility	N/A	100%
Expected life of options	N/A	5 years
Expected forfeiture rate	N/A	0%

The following stock options were outstanding as of December 31, 2019:

Number of Options	Exercise Price	Expiry Date
3,720,000	\$0.25	February 9, 2023
3,720,000		

250,000 of these options were forfeited subsequent to the year ended December 31, 2019.

The following warrants to acquire common shares of the Company were outstanding at December 31, 2019:

Number of Warrants	Exercise Price	Expiry Date
8,000,000	\$0.35	September 24, 2021
8,000,000		

The warrants have an acceleration clause, if the share price of the Company trades above a \$0.70 volume weighted average share price for ten days, the warrants become due to be exercised within 30 days of notice being provided to the warrant holders, after which they will become void.

Stock option transactions are summarized as follows:

	Number	Warrants Weighted average exercise price	Number	Stock Options Weighted average exercise price
Outstanding, December 31, 2017	-	\$ -	-	\$ -
Granted	-	-	3,940,000	0.25
Forfeited	-	-	(20,000)	0.25
Outstanding, December 31, 2018	-	-	3,920,000	0.25
Granted	8,000,000	0.35	-	-
Exercised	-	-	(100,000)	0.15
Forfeited	-	-	(100,000)	0.25
Outstanding, December 31, 2019	8,000,000	\$0.35	3,720,000	\$0.25
Exercisable, December 31, 2019	8,000,000	\$0.35	3,720,000	\$0.25

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**7. CAPITAL MANAGEMENT**

The Company defines its capital as shareholders' equity. The Board of Directors does not establish quantitative return on capital criteria for management due to the nature of the Company's business. The Company may invest its capital in liquid investments to obtain adequate returns. The investment decision is based on cash management to ensure working capital is available to meet the Company's short-term obligations while maximizing liquidity and returns on unused capital. The Company does not pay dividends. The Company is not subject to any externally imposed capital requirements. There have been no changes to the Company's approach to capital management during the year ended December 31, 2019.

The Company raises capital to fund its corporate and exploration costs and other obligations through the sale of its common shares or units consisting of common shares and warrants in order to operate its business and safeguard its ability to continue as a going concern. Although the Company's management has been successful in raising funds in the past through issuance of share capital, it is uncertain whether it will be able to continue this financing due to uncertain economic conditions.

**8. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS**

Non-cash transactions during the year ended December 31, 2019 included options exercised with a fair value of \$8,664 (2018 - \$Nil). There were no significant non-cash transactions during the year ended December 31, 2018.

**9. RELATED PARTY TRANSACTIONS**

The consolidated financial statements consist of Silver Viper Minerals Corp. and its subsidiaries listed in the following table:

Name of Subsidiary	Country of Incorporation	Proportion of Ownership Interest	Principal Activity
SV Plata Servicios S.A. de C.V.	Mexico	100%	Mineral exploration
SV Minerales S.A. de C.V.	Mexico	100%	Mineral exploration

Key management personnel are individuals responsible for planning, directing and controlling the activities of the Company and include all directors and officers.

Compensation paid or payable to key management personnel for services rendered are as follows:

	For the year ended December 31, 2019	For the year ended December 31, 2018
Management fees	\$ 96,585	\$ 120,000
Share-based compensation	-	140,000
<b>Total</b>	<b>\$ 96,585</b>	<b>\$ 260,000</b>

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**9. RELATED PARTY TRANSACTIONS (cont'd)**

Other related party transactions are as follows:

	For the year ended December 31, 2019		For the year ended December 31, 2018	
Investor relations *	\$	74,474	\$	47,128
Management fees *		43,576		40,344
Office and administration *		157,811		188,285
Geological consulting fees		46,667		49,000
Share-based compensation		-		196,000
<b>Total</b>	<b>\$</b>	<b>322,528</b>	<b>\$</b>	<b>520,757</b>

\*Fees were paid to a management service company controlled by a director of the Company that provides office space, a corporate secretary, investor relations, a CFO, accounting and administration staff to the Company on a shared cost basis.

As of December 31, 2019, the Company had \$24,834 in accounts payable (December 31, 2018 - \$174) owing to a director and company with common directors.

**10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT**

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are described below.

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

**Fair value of financial instruments**

Cash is carried at fair value using a level 1 fair value measurement. The carrying values of receivables, accounts payable and accrued liabilities approximate their fair values due to the short-term maturity of the financial instruments.

**Concentrations of business risk**

The Company maintains substantially all of its cash with a major Canadian financial institution. Deposits held with this institution may exceed the amount of insurance provided on such deposits.

**Credit risk**

The Company is exposed to credit risk only with respect to uncertainties as to timing and amount of collectability of receivables. The Company believes its credit risk arises from value-added tax (VAT) and goods and services tax (GST), which are recoverable from the governing body in Mexico and Canada, respectively. As the Company's exploration operations are conducted in Mexico, the Company's operations are also subject to the economic risks associated with those countries.

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**10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (cont'd)**

**Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure.

**Foreign exchange risk**

A portion of the Company's operational transactions are originally denominated in Mexican Pesos. Accordingly, the results of the Company's operations and comprehensive loss as stated in Canadian dollars will be impacted by exchange rate fluctuations. The Company does not hedge its exposures to movements in the exchange rates at this time.

The Company's exposure to foreign currency risk is on its cash, long term taxes receivable, and accounts payable and accrued liabilities. At December 31, 2019, a hypothetical change of 10% in the foreign exchange rate between the Canadian dollar and Mexican Peso would have an effect of \$30,925 on profit and loss.

**Interest rate risk**

The Company limits its exposure to interest rate risk by holding cash deposits at major Canadian financial institutions and accordingly is not subject to significant interest rate risk.

**Price risk**

Mineral prices, in particular gold and silver, are volatile, and have fluctuated sharply in recent periods. The prices are subject to market supply and demand, political and economic factors, and commodity speculation, all of which can interact with one another to cause significant price movement from day to day and hour to hour. These price movements can affect the Company's ability to operate and to raise financing through the sale of its common shares.

**11. SEGMENTED INFORMATION**

The Company's reportable operating segment is the acquisition of mineral properties. The Company's geographic location of its operating segment is in Mexico. Exploration and evaluation assets are \$65,650 as of December 31, 2019 (December 31, 2018 - \$Nil). Equipment is \$10,746 as of December 31, 2019 (December 31, 2018 - \$Nil).

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**12. INCOME TAXES**

The reconciliation of income tax provision computed at statutory rates to the reported income tax provision is as follows:

	For the year ended December 31, 2019	For the year ended December 31, 2018
Basic statutory and provincial income tax rate	26%	26%
Loss for the period	\$ (1,932,489)	\$ (3,303,621)
Expected tax expense (recovery)	\$ (519,000)	\$ (892,000)
Change in statutory, foreign tax, foreign exchange and other	(32,000)	(68,000)
Permanent difference	4,000	144,000
Share issue costs	(42,000)	(120,000)
Adjustment to prior year provision vs statutory tax return	(20,000)	-
Change in unrecognized deductible temporary differences	609,000	936,000
Deferred tax expense (recovery)	\$ -	\$ -

The significant components of the Company's unrecognized deductible temporary differences and tax losses are as follows:

	December 31, 2019	December 31, 2018	Expiry
Exploration and evaluation assets	\$ 4,138,000	\$ 2,866,000	No expiry
Property and equipment	\$ 13,000	-	No expiry
Share issue costs	\$ 214,000	\$ 139,000	2039-2042
Non-capital losses available for future periods	\$ 2,203,000	\$ 1,416,000	2027-2039
Canada	\$ 1,801,000	\$ 1,016,000	2036-2039
Mexico	\$ 402,000	\$ 400,000	2027-2029

Tax attributes are subject to review and potential adjustment by tax authorities.

**13. SUBSEQUENT EVENTS**

Subsequent to the year ended December 31, 2019 the Company granted a total of 1,965,000 stock options at an exercise price of \$0.32 per option to employees, consultants, officers and directors. The options expire five years from the grant date and vest immediately.

In March 2020 the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economics, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or results of operations at this time.

**SILVER VIPER MINERALS CORP.**

**FORM 51-102F1 - MANAGEMENT'S DISCUSSION AND ANALYSIS**

**FOR THE YEAR ENDED DECEMBER 31, 2019**

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*The following discussion and analysis should be read in conjunction with the consolidated financial statements of Silver Viper Minerals Corp. (the "Company") for the year ended December 31, 2019 and 2018, and related notes thereto, which have been prepared under International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. All amounts are stated in Canadian dollars unless otherwise noted.*

*Further information regarding the Company and its operations are filed electronically on the System for Electronic Document Analysis and Retrieval (SEDAR) in Canada and can be obtained from [www.sedar.com](http://www.sedar.com)*

Date

This management discussion and analysis is dated April 27, 2020 and is in respect of the three and twelve months ended December 31, 2019.

Management's Responsibility for Financial Reporting

The accompanying consolidated financial report for the year ended December 31, 2019 has been prepared by management using accounting policies consistent with International Financial Reporting Standards ("IFRS"). Other information contained in this document has also been prepared by management and is consistent with the data contained in the consolidated financial statements.

The certifying officers of the Company, based on their knowledge, having exercised reasonable diligence, are also responsible to ensure that the financial report and MD&A (together the "filings") 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, with respect to the period covered by these filings, and the financial report together with the other financial information included in these 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 in these filings.

The Board of Directors approves the financial report together with the other financial information included in the filing and ensures that management has discharged its financial responsibilities. The Board's review is accomplished principally through the Audit Committee, which meets periodically to review all corporate filings prior to filing.

Certain statements in this report may constitute forward-looking statements that are subject to risks and uncertainties. A number of important factors could cause actual outcomes and results to differ materially from those expressed in these forward-looking statements. Consequently, readers should not place any undue reliance on such forward-looking statements. In addition, these forward-looking statements relate to the date on which they were made.

In particular, forward looking comments regarding both the Company's plans and operations included in the "Company Overview" with respect to management's planned exploration and other activities, and in "Liquidity", and "Results of Operation" regarding management's estimated ability to fund its projected costs of exploration work and general corporate costs of operations, and its ability to raise additional funding through placement of the Company's common shares, are plans and estimates of management only and actual results and outcomes could be materially different.

## Company Overview

The Company was incorporated under the *Business Corporations Act* (British Columbia) on April 26, 2016, with the name Silver Viper Minerals Corp. The Company completed an Initial Public Offering (“IPO”) on September 27, 2017 and the Company’s common shares were listed for trading on the TSX Venture Exchange (“TSXV”).

The Company is engaged in the acquisition and exploration of mineral properties, as outlined below.

### *Clemente Gold-Silver Project, Sonora, Mexico*

On September 30, 2016, the Company entered into an option agreement with Riverside Resources Inc. (“Riverside”) for the 100% owned “Clemente Reduccion” concession. On December 2, 2016, the Company entered into an amendment agreement to the option agreement. By the terms of the option agreement, as amended, in order to earn 100% ownership, the Company must make payments to Riverside in cash totalling \$750,000 and issue a total of 2,000,000 shares in staged, annual tranches over a five year period.

The Company must also incur exploration expenditures totalling \$4,000,000 over the same five year period. An additional requirement in the agreement is that the Company complete a minimum of 2,500 metres of diamond drilling on the property before the second anniversary.

Upon completion of the agreement terms, the Company will be deemed to have earned legal and beneficial title and interest to the Clemente Project and Riverside will transfer ownership to the Company’s Mexican subsidiary. Riverside will retain a 2.0% NSR royalty, 100% of which may be purchased by the Company before the fifth anniversary for \$4,000,000, or alternatively, after the fifth anniversary, but before the eighth anniversary, 50% of the NSR royalty for \$3,000,000.

The Clemente Gold-Silver Project (the “Clemente Project”) is situated in northwestern Sonora, Mexico and comprises a single mining concession entitled “Clemente Reduccion” with a total area of 6214 hectares. It was originally staked in 2010 as part of a larger, 2-claim package by Riverside. Reconnaissance work completed by Riverside identified prospective targets and in 2015, an application was filed to reduce the size of the property to its current configuration.

The project hosts three broad target areas, *El Mundo*, *Nuevo Mundo* and *Santa Elena*. Each target hosts silver-gold-base metal mineralization in structurally controlled veins exposed by small-scale historical mining. Prior to Company’s involvement, no drill testing had been recorded at the Clemente Project.

The property is situated within the “Sonora-Mojave megashear”, a region of large structurally controlled gold deposits including Cerro Colorado, San Francisco, El Chanate and Tajitos. The Clemente Project is characterized by a basement complex of Proterozoic plutonic and metamorphic rocks overlain by Proterozoic and Cambrian metasediments. The property is structurally complex and previous workers interpreted two phases of Laramide age thrust faulting, one phase of Laramide age folding and one of Tertiary age extensional faulting. Silver-gold-base metal mineralization is structurally controlled and is observed in fault hosted sulphide and hematite- dominant veins and breccias.

Exploration prior to the Company’s involvement, as reported by Riverside included collection of 442 rock chip samples, 96 stream sediment samples, a small ground magnetic survey and an ASTER remote sensing exercise. Results of the work identified three mineralized zones warranting immediate follow up; *El Mundo*, *Nuevo Mundo* and *Santa Elena*.

During the year ended December 31, 2017 the Company completed the first half of its Phase I diamond drilling program, a programmed 2,000 metres of HQ diameter core. In total nine holes were completed for a total of 1,061 metres. In addition, the Silver Viper field crews undertook reconnaissance style soil sampling and rock chip sampling/prospecting activities in areas along trend, and adjacent to known mineralized areas.

## Company Overview (cont'd...)

### *Clemente Gold-Silver Project, Sonora, Mexico (cont'd...)*

Two key prospect areas were tested during 2017, El Mundo was tested with four holes, for a cumulative 421.09 metres. Nuevo Mundo was with five holes for a total 640.45 metres.

*El Mundo* historical workings exploited a north striking, steeply west dipping vein/fault thought to cut the nose of a major anticline. Riverside's sampling of horizontal rock pillars in the old workings returned three best values of 512g/t silver and 0.69 g/t gold, 924g/t silver and 2.345g/t gold and 2108g/t silver and 5.44g/t gold across true widths of 0.5 metres, 1.0 metre and 0.55 metres respectively. Silver Viper confirmation samples confirmed the general tenor of these results though drilling during 2017 did not repeat grades or thicknesses sampled in the workings. A best result of 1.2 metres grading 30g/t silver, 0.08g/t gold and combined 0.23% lead zinc was returned from 33.8m downhole in hole CL-17-004.

*Nuevo Mundo* hosts silver-gold-base metal mineralization in vein/faults exposed by a series of small open cuts and underground workings. The area hosts scattered workings over an area measuring 575 metres x 1,400 metres. Mineralization at *Nuevo Mundo* appears to be hosted in structures dipping 25-40 degrees at varied orientations. Confirmation sampling returned values ranging from near-below detection up to a best value of 696g/t silver and 0.773g/t gold over a width of 0.5m from an oxidised vein exposed in old workings.

Drilling intersected thin mineralized/anomalous structures comparable to those mapped at surface. The best result from this area was from hole CL-17-006; 0.7 metres grading 827 g/t silver, 0.23 g/t gold, 1.64% lead and 1.45% zinc from 31.5m downhole. Holes CL-17-007 and CL-17-008 encountered historical mine workings at the projected target depth and were abandoned.

*Santa Elena* prospect is in the southeastern portion of the property and is characterized by small, historical workings and pits excavated along a strike length of approximately 500 metres. The area hosts silver-gold-base metal mineralization in low angle veins within interpreted thrust faults. A simple average of nine Riverside samples returned 781g/t silver and 0.309g/t gold. Silver Viper confirmation sampling also reflect this general tenor of mineralization. Silver Viper continued limited mapping and reconnaissance work over this prospect area during the reporting period, but no drilling was undertaken.

After assessing the results of its drilling program, the Company decided it no longer wished to conduct further work on the *Clemente* Project, and returned the property to Riverside as a consequence. The Company wrote-off capitalized acquisition costs of \$261,500 during the year ended December 31, 2018.

### *La Virginia Gold Silver Project, Sonora, Mexico*

*La Virginia* is a Silver-Gold Exploration Property located in the basin and range province of eastern Sonora, Mexico and is composed of six mineral concessions acquired through three separate agreements entered into during 2018. The two option agreements regarding the Rubi-Esperanza group of three claims totaling 2,102 hectares were signed in June, 2018 (the "Option Agreements"). A second group of three concessions held by Pan American Silver Corp ("Pan American"), totaling 35,600 hectares was added to the property in December, 2018 when an option agreement was signed (the "Pan American Agreement"). The Company, in collaboration with Pan American, has filed reduction applications over the three larger concessions, which will significantly reduce the area of these three claims. The strategic reduction applications were made in order to reduce exposure to the high cost of carrying mature mineral claims and the process was guided by results and observations from the Company's regional exploration efforts. The Company has not received official confirmation of reductions at the time of writing. The combined property includes drill-tested mineralized structures as well as extensive additional grass roots potential along trend and as parallel zones.

The Property is characterized by laterally extensive epithermal-style, gold-silver mineralization in quartz stockworks, veins and hydrothermal breccias, hosted in andesites and felsic dykes. Mineralization is controlled by structures related to the north-northwest regional trend which controls the local basin and range topography. Anomalous geochemical results have been returned from these structures along the length of the property. Historical mining activities in the core claims, evidenced by several underground workings, are developed on zones of increased silica alteration and veining. The largest historical workings, "La Virginia" and "Con Virginia" are still accessible and host mineralization ranging between one metre to greater than 20 metres in thickness.

## Company Overview (cont'd...)

### *La Virginia Gold Silver Project, Sonora, Mexico (cont'd...)*

In early 2019 the Company successfully renegotiated the 2018 Rubi-Esperanza Option Agreements and as such, the payment schedules contained in the 2018 Option Agreements are now superseded by those detailed in the 2019 documents (the "Amended Option Agreements") signed in June, 2019. The Rubi-Esperanza claims are owned by two groups of concession holders who negotiated as a collective, believing the value of the combined claims to be more than the individual concessions. Payments and royalties detailed below will be split evenly between two agreements drafted, one for each party detailing payments for 50% of the value listed below.

The Amended Option Agreements allow the Company to earn a 100% undivided interest in the Rubi-Esperanza claim group by making cash payments to the claim owners totalling US\$3,000,000 over a four-year period from June, 2019 and ending in June, 2023. The Company made the first payment of US\$50,000 in June 2019. Subsequent payments of US\$75,000, US\$100,000, US\$200,000 and US\$2,575,000 are due each anniversary. The final payment must consist of US\$1,200,000 in cash and the remainder can be in cash or shares at the Company's discretion. Claim owners will retain a 2% NSR royalty which may be purchased by the Company for US\$2,000,000 within five years of the effective date, or for US\$3,000,000 after the fifth anniversary.

In addition to the Rubi-Esperanza claims, the Company reported on February 5, 2018, that it had entered into a non-binding Letter of Intent (LOI) to earn an undivided 100% interest in three additional mineral claims held by Pan American totalling 35,598 hectares. The Pan American Agreement was signed on December 14th, 2018. The claims described, surround the Rubi-Esperanza group and are known to host similar styles of mineralization, both along extensions of known trends and in potential parallel zones. In addition to acquiring the claims, the Pan American Agreement also provides the Company access to Pan American's La Virginia drilling and geochemical databases, including data from 52,635 metres of diamond drilling in 188 diamond drill holes across the Rubi-Esperanza claim group. Pan American will retain a 2% NSR royalty over the entirety of the newly combined La Virginia Property.

On September 20, 2018, the Company commenced a combined confirmation and exploration diamond drill program on the Rubi-Esperanza Claims. The proposed program was designed to total 5,000 metres and would provide confirmation intercepts in areas of known mineralization and first pass tests on as yet undrilled targets along the main mineralized trend. At the suspension of work in mid-December 2018. The program completed initial tests on five distinct prospect areas distributed along 11km of prospective trend for a total of 4,753 metres in twenty holes. The prospect areas tested included, from south to north, El Huarache, Las Huatas, Con Virginia, El Rubi and La Gloria.

Significant results from all Phase I drill holes are publicly available and were reported in three news releases; dated November 15, 2018, January 17, 2019, and February 1, 2019. Results from the drilling ranged from no significant intercepts in holes LV18-190 (Las Huatas prospect), LV18-196 and LV18-197 (La Gloria prospect), up to a program best result of 13.3 metres (estimated true width 6.0 metres) averaging 3.16g/t gold and 228g/t silver from a downhole depth of 27.0m in hole LV18-201 (El Rubi prospect). Previously reported highlights from the 2018 drilling program include those from Las Huatas confirmation drilling with a best result of 18.0 metres (12.6 metres estimated true width) averaging 1.04g/t Au and 79g/t Ag from 178m in hole LV18-192.

In November 2019, drilling and geological crews were mobilized in preparation for the Phase II diamond drilling program, which was paused in late March 2020 due to the COVID-19 global pandemic. Phase II drilling comprises an additional 6,955 metres in 24 holes. The El Rubi discovery zone was tested with 20 holes for a cumulative 6,103 metres in Phase II, the nearby exploration prospect, Macho Libre received 4 holes for a total of 852 metres. Publicly available results are typically released in batches of three to five holes, as the data are received and validated. Significant results released from Phase II are documented in Silver Viper News Releases dated January 13, 2020, February 12, 2020, February 26, 2020 and March 30, 2020. Best results from the Phase II program include two metres (estimated true width 1.14m) averaging 15.55g/t gold and 1436g/t silver from a depth of 270.5 metres in hole LV20-217 and 8 metres (estimated true width 5.04m) averaging 9.15 g/t gold and 569 g/t silver from a depth of 192 metres in hole LV20-218. Additional targets slated for drill testing later in the year include El Rubi North and the Eastern anomaly, both within the general target area of El Rubi. Further targets will be added as they are refined by ongoing prospecting work.

A short description of selected targets on the project as follows.

*El Huarache* - is a previously undrilled target area approximately 300-400 metres wide by 1,000 metres long characterized by a series of NNW striking felsic dykes with coincident silicification, veining and, in some locations, anomalous gold and silver values. To date very little work has been completed in this area. The single hole drill test during 2018 returned some mineralization. Follow up prospecting and geochemistry is recommended.

## Company Overview (cont'd...)

### *La Virginia Gold Silver Project, Sonora, Mexico (cont'd...)*

*Las Huatas* – A historical area drill tested by previous operators, Las Huatas lies south of the historical mine workings of Con Virginia. The prospect lies along the main mineralized trend and drilling during 2018 was designed to provide confirmation data from the known mineralized zone. The target zone was encountered at the expected depths and returned grades comparable to those reported previously.

*El Rubi* - A highlight from the Company's 2018 work was the discovery at El Rubi of a newly identified mineralized zone comprising quartz veining, stockwork and breccia, located approximately mid-way between La Gloria and the historical drill area of Campo Santos. The 2018 drilling targeted and intersected a 100 metre long section of the main mineralized trend, open in both directions and is ready for follow-up work. This target area appears to be the northern extension of the La Virginia mineralized system, possibly offset by faulting up to 400 metres eastward when compared to the main mineralized zone.

The El Rubi structure appears to be laterally extensive, reminiscent of and very likely related to mineralization emplaced at La Virginia. Alteration of host rock and sulphide content at El Rubi are observed to be slightly increased, when compared to the intercepts from the Las Huatas zone. This prospective structure is interpreted to continue for up to two kilometres northward, and appears to extend up to one kilometre southward, likely the source of anomalous soil samples at the newly identified prospect Macho Libre. Very preliminary work at Macho Libre includes contour soil sampling and a follow-up reconnaissance chip sample result of 3.62g/t Au from the 2018 routine fieldwork.

Macho Libre is an extensive silicified structure located roughly 1km south of the El Rubi gold-silver occurrence. The defining characteristics of Macho Libre are similar to those of ConVirginia/La Virginia areas, comprising a thin (2-4 metres wide) laterally extensive, gold-silver bearing structure which may include breccia and quartz stockwork hosted mineralization. The structure outcrops at surface as a low, erosion-resistant silica ridge or "creston" for a distance of up to 2km. In some areas the outcropping silicified zone has preserved epithermal style bladed boiling textures. Reconnaissance soil sampling identified the zone as a multiple point anomaly, limited chip sampling has returned grades of up to 3.61 /t gold, 5g/t silver (Sample D006) and 2.12 g/t gold and 101 g/t silver (sample VRA085).

Regional sampling and reconnaissance initiated in early 2018 has continued into the reporting period. Surface exploration work completed since the cessation of drilling activities has focussed on refining targets north and east of the new discovery at El Rubi. The Company has collected over 1,600 reconnaissance soil samples and 140 prospecting rock chip samples from the region bringing surface geochemical sampling coverage to over 4,000 hectares in the northern half of the property. Results to date indicate continuation of the El Rubi mineralized trend in addition to several point anomalies scheduled for follow-up work as part of the routine exploration and target definition process

Dale Brittliffe P.Geol. is the Qualified Person as defined in National Instrument 43-101, and takes responsibility for the technical disclosure in this report with respect to the Clemente and La Virginia properties.

## Exploration and Evaluation Assets

### *Rubi-Esperanza Claims, La Virginia*

On June 25, 2018 the Company entered into option agreements (the "Option Agreements") to acquire the Rubi- Esperanza group of mineral concessions in Sonora, Mexico. The Option Agreements grant the Company the right to acquire 100% ownership of three prospective claims. On June 21, 2019, an addendum to the Option Agreements was signed ("Amended Option Agreements"), resulting in an overall reduction in cash payments. The table below outlines the payments in both the Option Agreements and the Amended Option Agreements. The Company will make the following cash payments per the Amended Option Agreements over the next five anniversaries of the date of the Option Agreements starting on June 25, 2019 as follows:

Exploration and Evaluation Assets (cont'd...)

Rubi-Esperanza Claims, La Virginia (cont'd..)

	Option Agreements	Amended Option Agreements
First anniversary	US\$190,000	US\$50,000 (paid CAD\$65,650)
Second anniversary	US\$500,000	US\$75,000
Third anniversary	US\$1,000,000	US\$100,000
Fourth anniversary	US\$2,800,000	US\$200,000
Fifth anniversary	\$Nil	US\$2,575,000*
<b>Total</b>	<b>US\$4,490,000</b>	<b>US\$3,000,000</b>

\* Payment will comprise of US\$1,200,000 in cash, and the remainder in cash or shares at the Company's direction.

Claim owners will retain a 2% net smelter return royalty, which may be purchased by the Company for US\$2,000,000 within five years of the effective date of the option agreement, or for US\$3,000,000 after the fifth anniversary. The option agreement does not specify a work commitment.

Exploration expenditures for the year ended December 31, 2019 and 2018:

The Company spent a total of \$1,238,363 on exploration expenditures for the year ended December 31, 2019 and \$1,986,683 for the year ended December 31, 2018. Costs incurred during the year ended December 31, 2019 consisted of drilling expenses of \$283,027, general exploration expenses of \$667,899, geological expenses of \$150,834, and assay of \$136,603. The drilling season began in December 2019 on the La Virginia property. Costs incurred during the year ended December 31, 2019 for assay were as a result of analysis of lab work and results. General exploration consisted of the first semester mining rights payments of \$147,051 and reduced second semester mining rights payments of \$46,489 as well as camp supplies and field workers. The Company returned its Clemente property to Riverside as of December 31, 2018.

Exploration expenditures for the year ended December 31, 2019 are as follows:

	Clemente	La Virginia	Other	Total
Drilling	\$ -	\$ 283,027	\$ -	\$ 283,027
General exploration	-	667,899	-	667,899
Geological	-	138,459	12,375	150,834
Assay	-	136,603	-	136,603
<b>Total</b>	<b>\$ -</b>	<b>\$ 1,225,988</b>	<b>\$ 12,375</b>	<b>\$ 1,238,363</b>

Exploration expenditures for the year ended December 31, 2018 are as follows:

	Clemente	La Virginia	Other	Total
Drilling	\$ -	\$ 847,923	\$ -	\$ 847,923
General exploration	59,623	617,299	-	676,922
Geological	26,310	277,406	4,750	308,466
Assay	-	153,327	-	153,372
<b>Total</b>	<b>\$ 85,933</b>	<b>\$ 1,895,955</b>	<b>\$ 4,750</b>	<b>\$ 1,986,683</b>

## Results of Operations

### *Three Months Ended December 31, 2019 and 2018*

During the three month period ended December 31, 2019, the Company incurred exploration expenses amounting to \$523,244 (2018 - \$1,238,219). Exploration expenditures were incurred on its La Virginia exploration program. The decrease during the current three months ended December 31, 2019 compared to the three months ended December 31, 2018 was a result of timing of when the drilling program began.

General operating costs totalled \$163,069 for the three months ended December 31, 2019 (2018 - \$ 110,906). These costs included depreciation of \$1,957 (2018 - \$Nil), filing fees of \$1,300 (2018 - \$1,936), foreign exchange gain of \$3,457 (2018 - gain of \$18,593), investor relations of \$74,143 (2018 - \$25,338), management fees of \$40,019 (2018 - \$44,950), office and administration fees of \$47,657 (2018 - \$43,588), and professional fees of \$1,450 (2018 - \$13,687). General operating costs were mainly comparable other than investor relations. Investor relations was \$74,143 for the three months ended December 31, 2019 compared to \$25,338 for the three months ended December 31, 2018, due to timing of when the Company attended investor relations conferences as well as increased investor relations needs from third parties.

The Company recognized interest income of \$15,585 for the three months ended December 31, 2019 (2018 - \$8,270) due to the Company's average cash balance during the three months ended December 31, 2019 and prime rate during the period.

In summary, the loss in the three month period ended December 31, 2019 amounted to \$670,728 (2018 - \$1,340,855) or \$0.01 (2018 - \$0.03) per share.

### *Results of operations for the Years Ended December 31, 2019 and 2018*

During the year ended December 31, 2019, the Company incurred exploration expenses amounting to \$1,238,363 (2018 - \$1,986,683). Exploration expenditures were incurred on its La Virginia exploration program.

General operating costs totalled \$708,607 for the year ended December 31, 2019 (2018 - \$1,109,450). These costs included consulting fees of \$32,000 (2018 - \$Nil), depreciation of \$1,957 (2018 - \$Nil), filing fees of \$10,333 (2018 - \$6,988), foreign exchange loss of \$17,954 (2018 - gain of \$24,091), investor relations of \$271,474 (2018 - \$130,529), management fees of \$140,161 (2018 - \$160,344), office and administration fees of \$193,317 (2018 - \$221,158), professional fees of \$41,411 (2018 - \$69,046), and share-based compensation of \$Nil (2018 - \$545,476). Costs were mainly comparable other than consulting fees, foreign exchange loss (gain), investor relations, professional fees, and share-based compensation. Consulting fees increased from \$Nil in the year ended December 31, 2018 to \$32,000 in the year ended December 31, 2019 due to advisory services incurred by the Company in the period. Fluctuations in foreign exchange were due to a change in the Mexican peso and the US dollar in relation to the Canadian dollar. Investor relations costs were \$271,474 for the year ended December 31, 2019 compared to \$130,529 for the year ended December 31, 2018, due to timing of when the Company attended investor relations conferences as well as increased investor relations needs from third parties. There was a decline in office and administration fees from \$221,158 during the year ended December 31, 2018 to \$193,317 during the year ended December 31, 2018 due to timing of when administration costs were incurred. There was a decline in professional fees from \$69,046 during the year ended December 31, 2018 compared to \$41,411 during the year ended December 31, 2018, this change was due to increased legal fees paid in relation to the Company's agreement with Pan American in the prior period. The Company did not issue or have any stock options vest during the year ended December 31, 2019 resulting in share-based compensation expense of \$Nil. Options were granted and vested during the year ended December 31, 2018 resulting in share-based compensation expense of \$545,476.

The Company recognized interest income of \$23,481 for the year ended December 31, 2019 (2018 - \$54,012) due to the Company's average cash balance during the year ended December 31, 2019 and prime rate during the period.

In summary, the loss in year ended December 31, 2019 amounted to \$1,923,489 (2018 - \$3,303,621) or \$0.04 (2018 - \$0.08) per share.

Selected Quarterly Financial Information:

	Revenues	Loss for the period	Loss per share
Quarter ended December 31, 2019	Nil	(\$670,728)	(\$0.01)
Quarter ended September 30, 2019	Nil	(\$417,701)	(\$0.01)
Quarter ended June 30, 2019	Nil	(\$351,002)	(\$0.01)
Quarter ended March 31, 2019	Nil	(\$484,058)	(\$0.01)
Quarter ended December 31, 2018	Nil	(\$1,340,855)	(\$0.03)
Quarter ended September 30, 2018	Nil	(\$614,640)	(\$0.01)
Quarter ended June 30, 2018	Nil	(\$477,969)	(\$0.01)
Quarter ended March 31, 2018	Nil	(\$870,157)	(\$0.02)

Exploration expenditures during the three months ended December 31, 2019 was \$523,244 and consisted of drilling of \$283,027 relating to the beginning of the Company's drilling season at La Virginia, general exploration of \$173,981, geological fees of \$51,834 and lab work on its La Virginal project of \$14,402.

Exploration expenditures during the three months ended September 30, 2019 was \$203,559 and consisted of lab work on its La Virginal project of \$65,393, general exploration of \$105,166 and geological fees of \$33,000.

The Company's drilling season at La Virginia was completed during the three months ended December 31, 2018, which meant a decline in exploration expenditures drilling during the three months ended March 31, 2019. Exploration expenditures during the three months ended June 30, 2019 were as a result of lab work and analysis.

The Company did not issue any options during the three months ended March 31, 2019, which led to a reduction in operating expenditures for the three months ended March 31, 2019 versus the three months ended December 31, 2018. The Company granted stock options during the three month period ended March 31, 2018, which resulted in share-based compensation expense of \$536,812. This was the first quarter that Company recognised share-based compensation expense.

The Company spent increased exploration expenditures in the last two quarters of fiscal 2017 on its Clemente Property to fulfill its work commitment. The Company began its exploration program on its La Virginia Property during the three months ended September 30, 2018 and continued in the three months ended December 31, 2018, which led to increased exploration expenditures.

During the three month period ended June 30, 2018, the Company wrote-off its Clemente Project and recognised an impairment loss of \$261,500.

Proposed Transactions

There are no new proposed transactions noted.

Outstanding Share Data

The Company has unlimited authorized common shares and the issued and outstanding share capital at the date of this MD&A is:

	Common shares issued and outstanding	Warrants	Options
Balance at December 31, 2017	42,710,301	-	-
Balance at December 31, 2018	42,710,301	-	3,920,000
Balance at December 31, 2019	58,810,301	8,000,000	3,720,000
Balance at April 27, 2020	58,810,301	8,000,000	5,435,000

The Company completed a private placement on September 24, 2019 and raised gross proceeds of \$4,000,000 through the sale of 16,000,000 units at a price of \$0.25 per unit. Each unit consists of one common share of the Company and one half of one share purchase warrant. Each whole warrant is exercisable into one common share of the Company at a price of \$0.35 per share for a period of two years. Finders' fees of \$127,424 were paid as part of the private placement.

## Liquidity

The Company is in the exploration stage and commodity prices are not reflected in operating financial results. However, fluctuations in commodity prices may influence financial markets and may indirectly affect the Company.

The operating loss for the year \$1,923,489 after adjustments for non-cash items and changes in other working capital balances, provided a net decrease in cash amounting to \$1,907,559 from operating activities.

Cash used in investing activities was \$78,353 (2018 - \$Nil) was for the first anniversary option payment on Rubi-Esperanza and the purchase of equipment during the year.

Cash from financing activities consisted of gross proceeds from a private placement of \$4,000,000 (2018 - \$Nil), funds from a stock option exercise of \$15,000 (2018 - \$Nil), less share issuance costs of \$153,778 (2018 - \$Nil). Total cash received from financing activities was \$3,861,222 (2018 - \$Nil).

As a consequence, the Company's cash position increased from the opening level of \$1,711,902 at the beginning of the year to \$3,587,212.

Management believes it will be able to raise equity capital as required in the long term, but recognizes the risks attached thereto.

## Capital Resources

The Company defines its capital as shareholders' equity. The Board of Directors does not establish quantitative return on capital criteria for management due to the nature of the Company's business. The Company may invest its capital in liquid investments to obtain adequate returns. The investment decision is based on cash management to ensure working capital is available to meet the Company's short-term obligations while maximizing liquidity and returns on unused capital. The Company does not pay dividends. The Company is not subject to any externally imposed capital requirements. There have been no changes to the Company's approach to capital management during the year ended December 31, 2019.

The Company raises capital to fund its corporate and exploration costs and other obligations through the sale of its common shares or units consisting of common shares and warrants in order to operate its business and safeguard its ability to continue as a going concern. Although the Company's management has been successful in raising funds in the past through issuance of share capital, it is uncertain whether it will continue this financing due to uncertain economic conditions.

## Related Party Transactions

Key management personnel are individuals responsible for planning, directing and controlling the activities of the Company and include all directors and officers.

Compensation paid or payable to key management personnel for services rendered are as follows:

	For the year ended December 31, 2019	For the year ended December 31, 2018
Management fees (Steve Cope - 1105179 BC Ltd.; Stephen Brohman - 1047230 BC Ltd.)	\$ 96,585	\$ 120,000
Share-based compensation (Steve Cope and Carla Hartzenberg)	-	140,000
Total	\$ 96,585	\$ 260,000

Other related party transactions are as follows:

		For the year ended December 31, 2019		For the year ended December 31, 2018
Investor relations *	\$	74,474	\$	47,128
Management fees *		43,576		40,344
Office and administration *		157,811		188,285
Geological consulting fees (Velia Ledezma - 683192 BC Ltd.)		46,667		49,000
Share-based compensation (Directors, Melissa Martensen and Velia Ledezma)		-		196,000
<b>Total</b>	<b>\$</b>	<b>322,528</b>	<b>\$</b>	<b>520,757</b>

\* Fees were paid to a management service company controlled by a director of the Company that provides office space, a corporate secretary, investor relations, a CFO, accounting and administration staff to the Company on a shared cost basis.

As of December 31, 2019, the Company had \$24,834 in accounts payable (December 31, 2018 - \$174) owing to a director and company with common directors.

#### Off Balance Sheet Arrangements

The Company has no material off balance sheet arrangements in place.

#### Changes in Accounting Policies Including Initial Adoption

##### *IFRS 16 Leases*

IFRS 16, published on January 13, 2016, supersedes IAS 17 – Leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless a lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17. IFRS 16 applies to reporting periods beginning on or after January 1, 2019.

The Company adopted IFRS 16 effective January 1, 2019 using the modified retrospective method. Under this method, financial information will not be restated and will continue to be reported under the accounting standards in effect for those periods. The Company will recognize lease obligations related to its lease commitments for its office lease. It will be measured at the present value of the remaining lease payments, discounted using the Company's incremental borrowing rate as at January 1, 2019. The associated right of use asset will be measured at the lease obligation amount, less prepaid lease payments, resulting in no adjustment to the opening balance of retained earnings. The Company applied the following practical expedients permitted under the new standard:

- leases of low dollar value will continue to be expensed as incurred; and
- the Company will not apply any grandfathering practical expedients.

As at January 1, 2019 IFRS 16 did not have any impact on the amount recognized in the financial statements. The Company has elected not to recognize the right-of-use assets and lease liabilities for short-term leases that have a lease term of twelve months or less. For the year ended December 31, 2019, rent expense included in office and administration of \$60,000 has been incurred.

## Financial Instruments and Risk Management:

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are described below.

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

### a) Fair value of financial instruments

Cash is carried at fair value using a level 1 fair value measurement. The carrying value of accounts payable and accrued liabilities approximates its fair values due to the short-term maturity of the financial instruments.

### b) Concentrations of business risk

The Company maintains a majority of its cash with a major Canadian financial institution. Deposits held with this institution may exceed the amount of insurance provided on such deposits.

### c) Credit risk

The Company is exposed to credit risk only with respect to uncertainties as to timing and amount of collectability of receivables. The Company believes its credit risk arises from value-added tax (VAT) and goods and services tax (GST), which are recoverable from the governing body in Mexico and Canada, respectively. As the Company's exploration operations are conducted in Mexico, the Company's operations are also subject to the economic risks associated with those countries.

### d) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure.

### e) Interest rate risk

The Company limits its exposure to interest rate risk by holding cash deposits at major Canadian financial institutions and accordingly is not subject to significant interest rate risk.

### f) Price risk

Mineral prices, in particular gold and silver, are volatile, and have fluctuated sharply in recent periods. The prices are subject to market supply and demand, political and economic factors, and commodity speculation, all of which can interact with one another to cause significant price movement from day to day and hour to hour. These price movements can affect the Company's ability to operate and to raise financing through the sale of its common shares.

### g) Foreign exchange risk

A portion of the Company's operational transactions are originally denominated in Mexican Pesos. Accordingly, the results of the Company's operations and comprehensive loss as stated in Canadian dollars will be impacted by exchange rate fluctuations. The Company does not hedge its exposures to movements in the exchange rates at this time.

The Company's exposure to foreign currency risk is on its cash, long term taxes receivable, and accounts payable and accrued liabilities. At December 31, 2019, a hypothetical change of 10% in the foreign exchange rate between the Canadian dollar and Mexican Peso would have an effect of \$30,925' on profit and loss.

### Critical Accounting Estimates:

The preparation of these consolidated financial statements in accordance with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported expenses during the period. Actual results could differ from these estimates.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting period, that could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

- a) The recoverability of receivables. The Company considers collectability and historical collection rates in estimating the recoverable amount of receivables. If the recoverable amount of receivables is estimated to be less than the carrying amount, the carrying amount of receivables is reduced to the recoverable amount and an impairment loss is recognized in profit or loss for the period.
- b) The carrying value and the recoverability of exploration and evaluation assets, which are included in the statements of financial position. The carrying model is utilized and the carrying value of the exploration and evaluation assets is based on the expenditures incurred. At every reporting period, management assesses the potential impairment which involves assessing whether or not facts or circumstances exist that suggest the carrying amount exceeds the recoverable amount.
- c) The inputs used in calculating the fair value for share-based payments expense included in profit or loss and share-based share issuance costs included in shareholders' equity. The share-based payments expense is estimated using the Black-Scholes options-pricing model as measured on the grant date to estimate the fair value of stock options. This model involves the input of highly subjective assumptions, including the expected price volatility of the Company's common shares, the expected life of the options, and the estimated forfeiture rate
- d) The valuation of shares issued in non-cash transactions. Generally, the valuation of non-cash transactions is based on the value of the goods or services received. When this cannot be determined, it is based on the fair value of the non-cash consideration. When non-cash transactions are entered into with employees and those providing similar services, the non-cash transactions are measured at the fair value of the consideration given up using market prices.
- e) The recognition of deferred tax assets. The Company considers whether the realization of deferred tax assets is probable in determining whether or not to recognize these deferred tax assets.

### Events after the reporting period

Subsequent to the year ended December 31, 2019 the Company granted a total of 1,965,000 stock options at an exercise price of \$0.32 per option to employees, consultants, officers and directors. The options expire five years from the grant date and vest immediately.

In March 2020 the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economics, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or results of operations at this time.

### Additional Information

Additional information relating to the Company may be accessed on the System for Electronic Document Analysis and Retrieval (SEDAR) at [www.sedar.com](http://www.sedar.com).