NOTE TO READER

The condensed consolidated interim financial statements of Silver Viper Minerals Corp. (the “Company”) for the three months ended March 31, 2023, have been prepared using accounting policies consistent with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and interpretations issued by the International Financial Reporting Interpretations Committee (“IFRIC”) (the “Financial Statements”). The Financial Statements have been re-filed on SEDAR to replace the previously filed financial statements of the Company on May 25, 2023. Readers should note that in the Financial Statements, the Company has added disclosure regarding an option grant subsequent to the period ended March 31, 2023. Further disclosure is in the Financial Statements in Note 12, Subsequent Events.

SILVER VIPER MINERALS CORP.

Condensed Consolidated Interim Financial Statements
(Expressed in Canadian Dollars - Unaudited)

March 31, 2023

Notice to Reader

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the condensed consolidated interim financial statements, they must be accompanied by a notice indicating that the condensed consolidated interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these condensed consolidated interim financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of financial statements by an entity's auditor.

SILVER VIPER MINERALS CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars - Unaudited)
As at

		March 31, 2023		December 31, 2022
ASSETS				
Current				
Cash	$	840,716	$	57,438
Accounts Receivable		-		5,927
Taxes receivable		15,582		16,650
Prepaid expenses		116,763		36,858
		973,061		116,873
Taxes receivable		2,536,633		2,337,617
Exploration and evaluation assets (Note 5)		550,673		550,673
Equipment (Note 4)		36,484		44,225
Deposits		19,098		19,098
	$	4,115,949	$	3,068,486
LIABILITIES AND SHAREHHOLDERS' EQUITY				
Current				
Accounts payable and accrued liabilities (Note 9)	$	664,804	$	560,774
Shareholders' equity				
Share capital (Note 6)		26,445,316		25,112,428
Reserves (Note 6)		2,793,141		2,793,141
Deficit		(25,787,312)		(25,397,857)
		3,451,145		2,507,712
	$	4,115,949	$	3,068,486

Nature and continuance of operations (Note 1)
Subsequent events (Note 5 and 12)

Approved and authorized on behalf of the board on May 26, 2023:

/s/ Steve Cope	Director	*/s/ Ross Wilmot*	Director
Steve Cope		Ross Wilmot	

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

SILVER VIPER MINERALS CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian Dollars - Unaudited)

		Three months ended March 31, 2023		Three months ended March 31, 2022
EXPLORATION EXPENSES				
Drilling	$	33,605	$	404,341
General exploration		163,541		473,448
Geological (Note 9)		37,110		46,350
Assay		-		111,464
		234,256		1,035,603
GENERAL EXPENSES				
Consulting fees		30,000		7,500
Depreciation (Note 4)		7,741		6,292
Filing fees		7,019		6,873
Foreign exchange gain		(173,839)		(12,311)
Investor relations (Note 9)		113,935		84,720
Management fees (Note 9)		85,110		91,041
Office and administration (Note 9)		71,136		73,552
Professional fees		14,097		231
		155,199		257,898
Loss before other income		(389,455)		(1,293,501)
Interest income		-		625
Loss and comprehensive loss for the period	$	(389,455)	$	(1,292,876)
Basic and diluted loss per common share	$	(0.00)	$	(0.01)
Weighted average number of common shares outstanding – basic and diluted		106,772,145		95,130,302

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

SILVER VIPER MINERALS CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Expressed in Canadian Dollars - Unaudited)

	Common Shares		Share Capital		Reserves		Deficit		Total Shareholders' Equity
Balance, December 31, 2021	95,130,302	$	23,312,281	$	2,757,286	$	(22,310,486)	$	3,759,081
Loss and comprehensive loss	-		-		-		(1,292,876)		(1,292,876)
Balance, March 31, 2022	95,130,302		23,312,281		2,757,286		(23,603,362)		2,466,205
Issuance of common shares	9,769,666		1,953,933		-		-		1,953,933
Share issuance costs	-		(117,931)		-		-		(117,931)
Residual value of warrants	-		(35,855)		35,855		-		-
Loss and comprehensive loss	-		-		-		(1,794,495)		(1,794,495)
Balance, December 31, 2022	104,899,968		25,112,428		2,793,141		(25,397,857)		2,507,712
Issuance of common shares	13,777,984		1,377,798		-		-		1,377,798
Share issuance costs	-		(44,910)		-		-		(44,910)
Loss and comprehensive loss	-		-		-		(389,455)		(389,455)
Balance, March 31, 2023	118,677,952	$	26,445,316	$	2,793,141	$	(25,787,312)	$	3,451,145

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

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

	Three months ended March 31, 2023	Three months ended March 31, 2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the period	$ (389,455)	$ (1,292,876)
Items not involving cash:		
Depreciation	7,741	6,292
Changes in non-cash working capital items:		
Accounts receivable	5,927	-
Taxes receivable	(197,948)	(115,983)
Accounts payable and accrued liabilities	100,432	221,150
Prepaid expenses	(79,905)	17,963
Cash used in operating activities	(553,208)	(1,163,454)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of equipment	-	(2,281)
Cash used in investing activities	-	(2,281)
CASH FLOWS FROM FINANCING ACTIVITIES		
Private placement, gross proceeds	1,377,798	-
Share issuance costs	(41,312)	
Cash provided by financing activities	1,336,486	-
Change in cash during the period	783,278	(1,165,735)
Cash, beginning of period	57,438	1,588,002
Cash, end of period	$ 840,716	$ 422,267

Supplemental disclosure with respect to cash flows (Note 8)

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

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 300 - 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 condensed consolidated interim financial statements were authorized for issue by the Company's Board of Directors on May 26, 2023.

These condensed consolidated interim financial statements have been prepared 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 $389,455 for the three months ended March 31, 2023 and accumulated losses of $25,787,312 as of March 31, 2023. These material uncertainties may cast significant doubt as to the Company's ability to continue as a going concern.

There are many external factors that can adversely affect general workforces, economies and financial markets globally. Examples include, but are not limited to, the COVID-19 global pandemic and political conflict in other regions. It is not possible for the Company to predict the duration or magnitude of adverse results of such external factors and their effect on the Company's business or ability to raise funds.

2. BASIS OF PREPARATION

These condensed consolidated interim 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 condensed consolidated interim financial statements have been prepared on a historical cost basis, except for financial instruments measured 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 condensed consolidated interim 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.

2. BASIS OF PREPARATION (cont'd…)

Critical accounting estimates and judgements (cont'd…)

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 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 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 condensed consolidated interim 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 condensed consolidated interim 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.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

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.

Taxes receivable

Current taxes receivable consists of Goods and Services Tax ("GST") 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, 25% for transportation 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.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Impairment (cont'd…)

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.

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.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Financial instruments (cont'd…)

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 Company's financial assets, which consist primarily of cash classified as FVTPL, and accounts 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.

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.

Amortized cost: 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 Company'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.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Share-based payments (cont'd…)

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.

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.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Leases

At inception of a contract, the Company assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Leases of right-of-use assets are recognized at the lease commencement date at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, and otherwise at the Company's incremental borrowing rate. At the commencement date, a right-of-use asset is measured at cost, which is comprised of the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any decommissioning and restoration costs, less any lease incentives received.

Each lease payment is allocated between repayment of the lease principal and interest. Interest on the lease liability in each period during the lease term is allocated to produce a constant periodic rate of interest on the remaining balance of the lease liability. Except where the costs are included in the carrying amount of another asset, the Company recognizes in profit or loss (a) the interest on a lease liability and (b) variable lease payments not included in the measurement of a lease liability in the period in which the event or condition that triggers those payments occurs. The Company subsequently measures a right-of-use asset at cost less any accumulated depreciation and any accumulated impairment losses; and adjusted for any remeasurement of the lease liability. Right-of-use assets are depreciated over the shorter of the asset's useful life and the lease term, except where the lease contains a bargain purchase option a right-of-use asset is depreciated over the asset's useful life.

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, or for leases of low value. The payments for such leases are recognized in the statements of loss and comprehensive loss on a straight-line basis over the lease term. For the three months ended March 31, 2023, rent expense included in office and administration of $10,888 (2022 - $9,988) has been incurred.

New standards adopted by the Company

The following amendments have been effective for annual reporting periods beginning on or after January 1, 2023:

Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) – the amendments require that an entity discloses its material accounting policies, instead of its significant accounting policies. Further amendments explain how an entity can identify a material accounting policy.

Definition of Accounting Estimates (Amendments to IAS 8) – the amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The amendments clarify that a change in accounting estimate that results from new information or new developments is not the correction of an error.

The Company concludes that the effect of such amendments did not have a material impact and therefore did not record any adjustments to the condensed consolidated interim financial statements.

(Expressed in Canadian Dollars - Unaudited)

4. EQUIPMENT

	Equipment	Transportation Equipment	Computer Equipment	Total
Cost				
At December 31, 2021	$ 32,873	$ 64,759	$ 5,061	$ 102,693
Additions	1,014	-	1,267	2,281
At March 31, 2022	33,887	64,759	6,328	104,974
Additions	548	-	977	1,525
At December 31, 2022	34,435	64,759	7,305	106,499
Additions	-	-	-	-
At March 31, 2023	$ 34,435	$ 64,759	$ 7,305	$ 106,499
Accumulated Depreciation				
At December 31, 2021	$ 9,848	$ 22,505	$ 2,599	$ 34,952
Depreciation for the period	1,627	4,201	464	6,292
At March 31, 2022	11,475	26,706	3,063	41,244
Depreciation for the period	5,365	13,410	2,255	21,030
At December 31, 2022	16,840	40,116	5,318	62,274
Depreciation for the period	1,992	4,931	818	7,741
At March 31, 2023	$ 18,832	$ 45,047	$ 6,136	$ 70,015
Net Book Value				
At December 31, 2022	$ 17,595	$ 24,643	$ 1,987	$ 44,225
At March 31, 2023	$ 15,603	$ 19,712	$ 1,169	$ 36,484

(Expressed in Canadian Dollars - Unaudited)

5. 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. On April 4, 2023, the Company negotiated a second amendment to the Option Agreements and Amended Option Agreements (the "Second Amended Option Agreements"). The Second Amendments payment schedule is outlined in the table below. The Company will make the following cash payments per the Amended Option Agreements over the next six anniversaries of the date of the Option Agreements starting on June 25, 2019, as follows:

	Option Agreements	Amended Option Agreements
Anniversary date		
First anniversary	US$190,000	US$50,000 (paid $65,650)
Second anniversary	US$500,000	US$75,000 (paid $102,593)
Third anniversary	US$1,000,000	US$100,000 (paid $123,770)
Fourth anniversary	US$2,800,000	US$200,000 (paid $258,660)
April 4, 2023	-	-
Fifth anniversary	-	US$2,575,000[1]
Sixth anniversary	-	-
Total	US$4,490,000	US$3,000,000

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

Second Amended Option Agreements			
Anniversary date	**Cash**	**Shares (US dollar equivalent)**	**Total**
First anniversary	US$50,000 (paid $65,650)	-	US$50,000
Second anniversary	US$75,000 (paid $102,593)	-	US$75,000
Third anniversary	US$100,000 (paid $123,770)	-	US$100,000
Fourth anniversary	US$200,000 (paid $258,660)	-	US$200,000
April 4, 2023	-	US$1,500,000[2]	US$1,500,000
Fifth anniversary	US$200,000	-	US$200,000
Sixth anniversary	US$200,000	US$775,000[3]	US$975,000
Total	US$825,000	US$2,275,000	US$3,100,000

[2] 16,808,750 shares were issued subsequent to the three months ended March 31, 2023. If the optionees' want to sell their shares after the four month TSXV hold period has lapsed two weeks notice must be given to the Company.
[3] If the optionees' want to sell their shares after the four month TSXV hold period has lapsed two weeks notice must be given to the Company.

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

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

Authorized (cont'd…)

Unlimited number of preferred shares without par value

Issued

The Company completed the first tranche of a private placement on June 9, 2022 and raised gross proceeds of $1,113,333 through the sale of 5,566,666 units at a price of $0.20 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 $0.30 per share for a period of two years. In connection with the issuance, cash finders' fees of $60,000 were paid and $5,324 of legal, regulatory, and filing fees were paid.

The Company completed the second tranche of a private placement on July 6, 2022 and raised gross proceeds of $306,000 through the sale of 1,530,000 units at a price of $0.20 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 $0.30 per share for a period of two years. In connection with the issuance, cash finders' fees of $16,260 were paid and $11,566 of legal, regulatory, and filing fees were paid. Using the residual value method, the value assigned to the warrants was $19,125.

The Company completed the final tranche of a private placement on September 30, 2022 and raised gross proceeds of $200,000 through the sale of 1,000,000 units at a price of $0.20 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 $0.30 per share for a period of two years. In connection with the issuance, $1,700 of filing fees were paid.

The Company completed a private placement on December 8, 2022 and raised gross proceeds of $334,600 through the sale of 1,673,000 units at a price of $0.20 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 $0.30 per share for a period of two years. In connection with the issuance, cash finders' fees of $17,640 were paid and $5,441 of legal, regulatory, and filing fees were paid. Using the residual value method, the value assigned to the warrants was $16,730.

The Company completed the first tranche of a private placement on March 13, 2023 and raised gross proceeds of $655,000 through the sale of 6,550,000 units at a price of $0.10 per unit. Each unit consists of one common share of the Company and one share purchase warrant. Each warrant is exercisable into one common share of the Company at a price of $0.20 per share for a period of two years. In connection with the issuance, $1,500 of filing fees were paid and $1,948 of legal, regulatory, and filing fees were paid.

The Company completed the second tranche of a private placement on March 24, 2023 and raised gross proceeds of $722,798 through the sale of 7,227,984 units at a price of $0.10 per unit. Each unit consists of one common share of the Company and one share purchase warrant. Each warrant is exercisable into one common share of the Company at a price of $0.20 per share for a period of two years. In connection with the issuance, $38,550 of filing fees were paid and $2,912 of legal, regulatory, and filing fees were paid.

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.

(Expressed in Canadian Dollars - Unaudited)

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

Stock options and warrants (cont'd…)

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.

The following stock options were outstanding as of March 31, 2023:

Number of Stock Options	Exercise Price	Expiry Date
1,450,000	$0.32	February 28, 2025
2,650,000	0.78	June 10, 2026
200,000	0.40	December 8, 2026
4,300,000		

The following warrants were outstanding at March 31, 2023:

Number of Warrants	Exercise Price	Expiry Date
4,858,529	$0.65	June 1, 2023
1,524,445	0.65	June 10, 2023
2,783,333	0.30	June 9, 2024
765,000	0.30	July 6, 2024
500,000	0.30	September 30, 2024
836,500	0.30	December 8, 2024
6,550,000	0.20	March 13, 2025
7,227,984	0.20	March 24, 2025
25,045,791		

(Expressed in Canadian Dollars - Unaudited)

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

Stock options and warrants (cont'd…)

Stock option and warrant transactions are summarized as follows:

	Warrants		Warrants Weighted average exercise price	Options		Options Weighted average exercise price
Outstanding, December 31, 2021	12,969,662	$	0.57	7,955,000	$	0.48
Forfeited	-		-	(55,000)		0.46
Outstanding, March 31, 2022	12,969,662		0.57	7,900,000		0.48
Forfeited	(6,586,688)		0.50	(1,150,000)		0.48
Granted	4,884,833		0.30	-		-
Outstanding, December 31, 2022	11,267,807		0.50	6,750,000		0.48
Granted	13,777,984		0.20	-		-
Expired	-		-	(2,450,000)		0.25
Outstanding, March 31, 2023	25,045,791		0.33	4,300,000		0.61
Exercisable, March 31, 2023	25,045,791	$	0.33	4,300,000	$	0.61

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 three months ended March 31, 2023.

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 three months ended March 31, 2023 and 2022 included:

a) In accounts payable and accrued liabilities is $3,598 (2022 - $Nil) of share issuance costs.

(Expressed in Canadian Dollars - Unaudited)

9. RELATED PARTY TRANSACTIONS

The condensed consolidated interim financial statements consist of the Company and its subsidiaries listed in the following table:

Name of Subsidiary	Country of Incorporation	Proportion of Ownership Interest	Principal Activity
SV Planta Servicios S.A. de C.V.	Mexico	100%	Mineral exploration
SV Minérales 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 three months ended March 31, 2023		For the three months ended March 31, 2022
Management fees	$	65,100	$	65,100

Other related party transactions are as follows:

		For the three months ended March 31, 2023		For the three months ended March 31, 2022
Investor relations *	$	39,046	$	22,521
Management fees *		20,010		25,941
Office and administration *		51,222		57,208
General exploration*		20,010		-
Geological consulting fees		17,100		17,100
Total	$	147,388	$	122,770

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

Included in accounts payable and accrued liabilities as at March 31, 2023 is $131,454 (December 31, 2022 - $50,072) due to directors or officers or companies controlled by 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 accounts 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 VAT and 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.

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, taxes receivable, and accounts payable and accrued liabilities. At March 31, 2023, a hypothetical change of 10% in the foreign exchange rate between the Canadian dollar and Mexican Peso would have an effect of $229,600 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.

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

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 is Mexico. Exploration and evaluation assets are $550,673 as of March 31, 2023 (December 31, 2022 - $550,673). Equipment is $36,484 as of March 31, 2023 (December 31, 2022 - $44,225).

12. SUBSEQUENT EVENTS

The Company completed the final tranche of a private placement on April 20, 2023 and raised gross proceeds of $1,922,200 through the sale of 19,222,000 units at a price of $0.10 per unit. Each unit consists of one common share of the Company and one share purchase warrant. Each warrant is exercisable into one common share of the Company at a price of $0.20 per share for a period of two years.

The Company granted 5,150,000 incentive stock options to directors, officers and consultants. The incentive stock options have an exercise price of $0.15 per share, expire five years from the date of grant and vest immediately.