



MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE QUARTER ENDED SEPTEMBER 30, 2023

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MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION

This Management's Discussion and Analysis of Results of Operations and Financial condition ("MD&A") should be read in conjunction with the unaudited condensed interim consolidated financial statements for the three and nine months ended September 30, 2023 and the notes thereto of Santacruz Silver Mining Ltd. ("the Company" or "Santacruz") which have been prepared in accordance with International Accounting Standard ("IAS") 34, *Interim Financial Reporting*, and audited consolidated financial statements of the Company as at and for the year ended December 31, 2022, as some disclosures from the annual consolidated financial statements have been condensed or omitted.

All dollar amounts are expressed in thousands of US dollars unless otherwise indicated. Unless otherwise noted, references to "C\$" are to thousands of Canadian dollars, references to "MXN" are to thousands of Mexican pesos and references to "BOB" are to thousands of Bolivian bolivianos.

Certain amounts shown in this MD&A may not add exactly to total amounts due to rounding differences. Throughout this MD&A, the terms first quarter, second quarter, third quarter, fourth quarter and year to date are respectively used interchangeably with the terms Q1, Q2, Q3, Q4 and YTD.

This MD&A and the documents incorporated herein by reference contain "forward-looking information" within the meaning of applicable Canadian securities regulation. See the cautionary note contained at the end of this MD&A and the section on risk factors.

All information contained in this MD&A is current and has been approved by the Board of Directors of the Company as of November 28, 2023.

Company Overview

Santacruz was incorporated pursuant to the Business Corporations Act of British Columbia on January 24, 2011. The Company's registered office is located at 10th Floor, 595 Howe Street, Vancouver, British Columbia, Canada V6C 2T5. The Company is listed for trading on the TSX Venture Exchange ("TSXV") under the symbol "SCZ".

The Company is engaged in the operation, acquisition, exploration and development of mineral properties in Latin America, with a primary focus on silver and zinc, but also including lead and copper. As at September 30, 2023, the Company had acquired ownership including mining concession rights to the following mineral properties:

Bolivia:

- Sinchi Wayra ("Sinchi Wayra"), which consists of the following mineral properties and businesses located in Bolivia:
 - the Caballo Blanco Group which includes Tres Amigos, Reserva and Colquechaquita mines (the "Caballo Blanco Group" or "Caballo Blanco");
 - the Don Diego Process plant (the "Don Diego Process Plant" or "Don Diego"), which processes production from the Caballo Blanco Group as well as toll milling;
 - the Soracaya exploration project (the "Soracaya Project" or "Soracaya"); and
 - the San Lucas feed sourcing and trading business ("San Lucas").
- Illapa ("Illapa"), with its operations held under an association agreement with Corporación Minera de Bolivia ("COMIBOL") a Bolivian state-owned entity comprising:
 - the Bolivar mine (the "Bolivar Mine" or "Bolivar") and process plant complex; and
 - the Porco mine (the "Porco Mine" or "Porco") and process plant complex.

Mexico:

- The Zimapan mine (the "Zimapan Mine" or "Zimapan") and process plant complex located in Hidalgo, Mexico;
- The La Pechuga Property and the Santa Gorgonia Prospect, which are exploration properties located in Mexico; and,
- Various other properties located in Mexico, including the Rosario Project (the "Rosario Project") which was placed on care and maintenance in August 2021. Certain assets related to the Rosario Project were sold in December 2021 as part of a tax restructuring of Impulsora Minera Santacruz, S.A. de C.V. ("IMSC").

Management has assessed the nature of its interest in the Illapa Business and determined it to be a joint operation. The Company records its 45% interest in the assets, liabilities, revenues and expenses of the Illapa Business in its consolidated financial statements.

The Company is the operator of the Illapa Business and as such the chief executive officer and executive management team review the Bolivar and Porco operating and financial information on a 100% basis. The Company reports its segment information on a 100% basis with respect to Bolivar and Porco together with an elimination column representing COMIBOL's 55% interest (Note 24 to the unaudited condensed interim consolidated financial statements).

In this MD&A production and sales information for Bolivar and Porco is presented at 100%. Readers of this MD&A are cautioned that although in the operating section of this MD&A the Company reports 100% of the production and revenue information, the Company records 45% of the assets, liabilities, revenues and expenses in its consolidated financial statements.

Sinchi Wayra and Illapa Acquisition

On March 18, 2022 (the "Acquisition Date"), the Company acquired 100% ownership of Sinchi Wayra and Illapa from Glencore plc ("Glencore"). Sinchi Wayra and Illapa consist of the following mineral properties and businesses located in Bolivia (collectively, the "Bolivian Assets"): the producing Tres Amigos, Reserva and Colquechaquita mines; the producing Bolivar and Porco mines held in partnership with COMIBOL (Illapa holds a 45% interest - see Note 3(f) to the audited consolidated financial statements for the year ended December 31, 2022); the Soracaya Project; as well as the San Lucas ore sourcing and trading business.

The acquisition of Sinchi Wayra and Illapa has been accounted for by the Company as a business combination under IFRS 3 *Business Combinations*, with the assets and liabilities acquired recorded at their fair values at the acquisition date. The Company is required to determine the fair value of tangible and identifiable intangible assets acquired and liabilities assumed.

In accordance with the Share Purchase Agreement ("SPA") dated March 18, 2022, consideration for the acquisition comprised of: \$2,106 cash consideration payable prior to September 30, 2022; \$90,000 deferred cash consideration payable in four annual installments from March 18, 2022, a 1.5% NSR over the producing life of the mineral property (excluding the San Lucas ore sourcing and trading business), as well as a 14% adjusted gross margin royalty exclusively over the San Lucas ore sourcing and trading business in perpetuity. In addition, the Company will pay to Glencore the value of certain assets acquired as part of the Acquisition which existed as at the Acquisition Date including (1) the total profits on sale of the inventory acquired, estimated to be \$5,055, and (2) the amount of VAT receivable from the Bolivian government, estimated to be \$52,862, which is expected to be recovered through to the end of 2023 upon completion of requisite and customary government audit procedures for which the timing is not certain.

The Company has completed a full and detailed valuation of the fair value of the net assets of Sinchi Wayra and Illapa acquired using income, market, and cost valuation methods with the assistance of an independent third party. As of the date of the audited annual consolidated financial statements, the allocation of purchase price with respect to the fair value increment of assets acquired and liabilities assumed was updated to reflect new information obtained which existed at the Acquisition Date.

The Company incurred acquisition-related costs of \$nil and \$nil during the three and nine months ended September 30, 2023, respectively (2022 - reversal of \$268 and costs of \$2,022, respectively), which are recorded as a separate line item in the Consolidated Statements of Income (Loss) and Comprehensive Income (Loss). For the year ended December 31, 2022, the Company incurred \$3,600, including the issuance of 3,077,317 common shares with a fair value of \$1,000 (C\$0.41 per common share).

On May 10, 2023, the Company signed amendments to the SPA ("Amended SPA"). In the Company's 2022 audited annual consolidated financial statements, the Company recognized the Amended SPA as part of the original Acquisition consideration payable and in its final Purchase Price Allocation ("PPA").

In the third quarter of 2023, management concluded that the terms and conditions outlined in the Amended SPA should not be recognized as part of the Acquisition consideration payable, but rather be recorded as subsequent refinancing from Glencore. Accordingly, the final PPA and the consideration payable as at Acquisition Date should incorporate the terms and conditions outlined in the SPA.

In the third quarter of 2023, the Company identified an error related to the reversal of deferred income tax liabilities at December 31, 2022 that was originally recognized as part of the Acquisition. The Company should have reversed \$1.7 million in deferred tax liabilities as at December 31, 2022 that had been recognized at the Acquisition Date related to deferred revenue and decommissioning and restoration provision.

The Company assessed the materiality of these errors and concluded to correct the 2022 audited annual consolidated financial statements on a prospective basis only because the errors were not material to the period in relation to the total consideration payable, assets acquired and liabilities assumed, and deferred tax liability. Consequently, the 2022 comparatives have been restated in these condensed interim consolidated financial statements. There were no changes to the comparative financial results for the nine months ended September 30, 2022.

Consideration payable was subsequently adjusted for the terms and conditions outlined in the Amended SPA in the second quarter of 2023, which gave rise to a gain on adjustment to consideration payable of \$4,004.

Refer to Note 2(b), 12 and 27 of the Condensed Interim Consolidated Financial Statements for the three and nine months ended September 30, 2023 and 2022.

2023 Third Quarter Highlights

	2023-Q3	2023-Q2 ⁽⁸⁾	Change Q3 vs Q2	2022-Q3	Change Q3 vs Q3	2023-YTD	2022-YTD ⁽¹⁾⁽²⁾	Change '23 vs '22
Operational								
Material Processed (tonnes milled)	467,563	443,969	5%	500,956	(7%)	1,394,029	1,163,645	20%
Silver Equivalent Produced (ounces) ⁽³⁾	5,669,905	5,569,535	2%	5,832,822	(3%)	16,883,823	12,368,597	37%
Silver Ounces Produced	1,728,863	1,786,461	(3%)	1,924,973	(10%)	5,284,845	3,805,287	39%
Lead Tonnes Produced	3,370	2,824	19%	2,996	12%	9,237	7,165	29%
Zinc Tonnes Produced	23,095	22,281	4%	22,831	1%	67,839	49,422	37%
Copper Tonnes Produced	252	297	(15%)	364	(31%)	964	901	7%
Silver Equivalent Sold (payable ounces) ⁽⁴⁾	3,822,782	4,087,787	(6%)	4,383,872	(13%)	12,291,464	14,854,519	(17%)
Cash Cost of Production per Tonne ⁽⁵⁾	93.73	100.25	(7%)	148.51	(37%)	92.48	119.72	(23%)
Cash Cost per Silver Equivalent Ounce Sold (\$/oz) ⁽⁵⁾	21.68	19.34	12%	20.79	4%	19.34	17.26	12%
All-in Sustaining Cash Cost per Silver Equivalent Ounce Sold (\$/oz) ⁽⁵⁾	25.98	22.89	13%	24.90	4%	23.10	19.80	17%
Average Realized Price per Ounce of Silver Equivalent Sold (\$/oz) ⁽⁵⁾⁽⁶⁾	25.31	22.00	15%	19.63	29%	23.04	20.98	10%
Financial								
Revenues	64,408	63,854	1%	53,516	20%	193,640	214,285	(10%)
Gross Profit	7,394	10,976	(33%)	(19,338)	(138%)	33,050	16,635	99%
Net Income (loss)	(4,298)	4,351	(199%)	(18,788)	(77%)	(123)	(14,192)	99%
Net Earnings (Loss) Per Share - Basic (\$/share)	(0.01)	0.01	(199%)	(0.06)	(78%)	(0.00)	(0.04)	99%
Adjusted EBITDA ⁽⁵⁾	4,628	9,138	(49%)	(14,785)	(131%)	26,368	16,758	57%
Cash and Cash Equivalent	3,014	7,720	(61%)	4,494	(33%)	3,014	4,494	(33%)
Working Capital (Deficiency)	(27,354)	(22,293)	(23%)	(91,184)	(70%)	(27,354)	(91,184)	70%

Third Quarter 2023 Production Summary - By Mine

	Caballo					
	Bolivar ⁽⁷⁾	Porco ⁽⁷⁾	Blanco Group	San Lucas	Zimapan	Consolidated
Material Processed (tonnes milled)	77,298	47,786	76,864	73,456	192,158	467,563
Silver Equivalent Produced (ounces) ⁽³⁾	1,343,000	625,401	1,118,711	1,399,187	1,183,606	5,669,905
Silver Ounces Produced	502,931	165,066	319,674	362,443	378,748	1,728,863
Lead Tonnes Produced	449	190	684	522	1,526	3,370
Zinc Tonnes Produced	5,214	2,891	4,805	6,454	3,731	23,095
Copper Tonnes Produced	N/A	N/A	N/A	N/A	252	252
Average head grades per mine:						
Silver (g/t)	221	119	144	183	80	156
Lead (%)	0.79	0.52	1.22	1.06	0.97	0.95
Zinc (%)	7.41	6.40	6.80	9.55	2.49	6.68
Copper (%)	N/A	N/A	N/A	N/A	0.29	0.29
Silver Equivalent Sold (payable ounces) ⁽⁴⁾	784,713	285,286	609,415	1,285,739	857,628	3,822,782

Notes for both tables above:

⁽¹⁾ On March 18, 2022 the Company closed the acquisition of all Bolivian assets from Glencore and the results of the Bolivian Operations are included in the consolidated results of the Company from that date.

⁽²⁾ Bolivian production from March 18, 2022 to September 30, 2022.

⁽³⁾ Silver Equivalent Produced (ounces) have been calculated using prices of \$21.86/oz, \$0.91/lb, \$1.52/lb and \$3.67/lb for silver, lead, zinc and copper respectively applied to the metal production divided by the silver price as stated here.

⁽⁴⁾ Silver Equivalent Sold (payable ounces) have been calculated using the Average Realized Price per Ounce of Silver Equivalent Sold stated in the table above, applied to the payable metal content of the concentrates sold from Zimapan, Bolivar, Porco, the Caballo Blanco Group, and San Lucas.

⁽⁵⁾ The Company reports non-GAAP measures, which include Cash Cost of Production per Tonne, Cash Cost per Silver Equivalent Ounce Sold, All-in Sustaining Cash Cost per Silver Equivalent Ounce Sold, Average Realized Price per Ounce of Silver Equivalent Sold, and Adjusted EBITDA. These measures are widely used in the mining industry as a benchmark for performance, but do not have a standardized meaning and may differ from methods used by other companies with similar descriptions. See "Non-GAAP Measures" section below for definitions.

⁽⁶⁾ Average Realized Price per Ounce of Silver Equivalent Sold is prior to all treatment, smelting and refining charges.

⁽⁷⁾ Bolivar and Porco are presented at 100% whereas the Company records 45% of revenues and expenses in its consolidated financial statements.

⁽⁸⁾ The net loss (income), net loss (income) per share, Adjusted EBITDA, and working capital deficiency were amended as a result of the restatement related to the Sinchi Wayra and Illapa Acquisition (refer to the "Sinchi Wayra and Illapa Acquisition" in the "Company Overview" section for further details)

Management Business Overview and Outlook

The Company's focus for the last quarter of 2023 will be:

- to issue NI 43-101 Technical reports for all active operations;
- to conduct a review and analysis of mining and processing systems and strategies at each operation for the 2024 budget cycle, targeting reductions in unit costs and maximizing cash flow;
- to streamline and identify synergies among all mining operations, including potential consolidation of common services between operating units;
- to complete high priority capital projects, specifically the “integration ramp” to connect Colquechaquita and Tres Amigos mines at Caballo Blanco, and the increase of dewatering capacity at Bolivar; and
- to prioritize preparation and development of consolidated high value mining areas for the 2024 production plan.

The above initiatives are reflective of current market conditions, with a strong focus on the extraction of maximum value from Santacruz assets.

Overview of Operating Results

Selected Quarterly Production Results

	2023-Q3	2023-Q2	2023-Q1	2022-Q4	2022-Q3	2022-Q2	Change Q3 vs Q2	Change '23 vs. '22
Material Processed (tonnes milled)								
Bolivar ⁽⁴⁾⁽⁵⁾	77,298	66,689	74,353	73,441	78,461	49,333	16%	(1%)
Porco ⁽⁴⁾⁽⁵⁾	47,786	46,085	49,909	50,679	47,717	44,744	4%	0%
Caballo Blanco Group ⁽⁴⁾	76,864	74,268	85,817	68,162	64,307	75,748	3%	20%
San Lucas ⁽⁴⁾	73,456	85,258	71,448	75,381	94,706	65,280	(14%)	(22%)
Zimapan	192,158	171,668	200,970	214,963	215,765	200,014	12%	(11%)
Consolidated	467,563	443,969	482,497	482,626	500,956	435,119	5%	(7%)
Silver Equivalent Produced (ounces) ⁽¹⁾								
Bolivar ⁽⁴⁾⁽⁵⁾	1,343,000	961,580	1,249,153	1,245,560	1,309,339	818,119	40%	3%
Porco ⁽⁴⁾⁽⁵⁾	625,401	689,902	679,144	686,801	628,846	662,110	(9%)	(1%)
Caballo Blanco Group ⁽⁴⁾	1,118,711	1,211,475	1,436,322	1,149,907	969,111	1,128,889	(8%)	15%
San Lucas ⁽⁴⁾	1,399,187	1,827,724	1,195,164	1,675,707	1,881,679	1,345,563	(23%)	(26%)
Zimapan	1,183,606	878,854	1,084,600	986,153	1,043,847	967,374	35%	13%
Consolidated	5,669,905	5,569,535	5,644,383	5,744,128	5,832,822	4,922,055	2%	(3%)
Silver Ounces Produced								
Bolivar ⁽⁴⁾⁽⁵⁾	502,931	424,664	555,914	503,824	572,205	276,518	18%	(12%)
Porco ⁽⁴⁾⁽⁵⁾	165,066	195,509	162,015	165,834	150,212	167,465	(16%)	10%
Caballo Blanco Group ⁽⁴⁾	319,674	399,811	475,026	412,955	328,859	371,662	(20%)	(3%)
San Lucas ⁽⁴⁾	362,443	495,344	255,623	410,152	505,043	277,754	(27%)	(28%)
Zimapan	378,748	271,133	320,942	301,172	368,654	317,086	40%	3%
Consolidated	1,728,863	1,786,461	1,769,520	1,793,937	1,924,973	1,410,485	(3%)	(10%)
Lead Tonnes Produced								
Bolivar ⁽⁵⁾⁽⁶⁾	449	302	353	365	346	220	49%	30%
Porco ⁽⁵⁾⁽⁶⁾	190	214	217	225	213	224	(12%)	(11%)
Caballo Blanco Group ⁽⁵⁾	684	825	1,043	778	736	957	(17%)	(7%)
San Lucas ⁽⁵⁾	522	635	473	611	683	540	(18%)	(24%)
Zimapan	1,526	849	957	921	1,019	884	80%	50%
Consolidated	3,370	2,824	3,043	2,900	2,997	2,825	19%	12%
Zinc Tonnes Produced								
Bolivar ⁽⁴⁾⁽⁵⁾	5,214	3,323	4,313	4,622	4,603	3,403	57%	13%
Porco ⁽⁴⁾⁽⁵⁾	2,891	3,098	3,245	3,265	2,996	3,094	(7%)	(4%)
Caballo Blanco Group ⁽⁴⁾	4,805	4,804	5,650	4,345	3,739	4,370	0%	29%
San Lucas ⁽⁴⁾	6,454	8,315	5,848	7,893	8,575	6,645	(22%)	(25%)
Zimapan	3,731	2,741	3,407	2,986	2,917	2,921	36%	28%
Consolidated	23,095	22,281	22,463	23,111	22,830	20,433	4%	1%
Silver Equivalent Sold (payable ounces) ⁽²⁾								
Bolivar ⁽⁴⁾⁽⁵⁾	784,713	408,571	771,783	1,035,569	677,880	1,753,482	92%	16%
Porco ⁽⁴⁾⁽⁵⁾	285,286	351,919	407,875	397,102	394,893	1,318,218	(19%)	(28%)
Caballo Blanco Group ⁽⁴⁾	609,415	762,023	702,667	590,205	742,043	1,881,251	(20%)	(18%)
San Lucas ⁽⁴⁾	1,285,739	1,978,767	1,557,683	1,935,444	1,515,434	2,766,110	(35%)	(15%)
Zimapan	857,628	586,507	940,887	799,853	1,053,622	886,848	46%	(19%)
Consolidated	3,822,782	4,087,787	4,380,895	4,758,173	4,383,872	8,605,909	(6%)	(13%)

	2023-Q3	2023-Q2	2023-Q1	2022-Q4	2022-Q3	2022-Q2	Change Q3 vs Q2	Change '23 vs. '22
Cash Cost of Production per Tonne ⁽³⁾								
Bolivar, Porco, Caballo Blanco Group and San Lucas ⁽⁴⁾⁽⁵⁾	119.28	127.16	105.85	161.14	226.28	161.04	(6%)	(47%)
Zimapan	57.10	57.58	53.65	54.89	45.73	50.14	(1%)	25%
Consolidated	93.73	100.25	84.11	113.82	148.51	110.06	(7%)	(37%)
Cash Cost per Silver Equivalent Ounce Sold ⁽³⁾								
Bolivar, Porco, Caballo Blanco Group and San Lucas ⁽⁴⁾⁽⁵⁾	21.89	18.63	16.71	18.53	22.46	15.20	17%	(3%)
Zimapan	20.97	23.62	19.41	18.67	15.50	17.13	(11%)	35%
Consolidated	21.68	19.34	17.29	18.55	20.79	15.40	12%	4%
All-in Sustaining Cash Cost per Silver Equivalent Ounce Sold ⁽³⁾								
Bolivar, Porco, Caballo Blanco Group and San Lucas ⁽⁴⁾⁽⁵⁾	25.07	20.67	18.81	20.42	26.13	16.18	21%	(4%)
Zimapan	23.32	29.49	22.45	21.27	17.56	19.89	(21%)	33%
Consolidated	25.98	22.89	20.77	20.82	24.90	17.14	13%	4%
Underground development (m)								
	10,838	10,922	10,573	10,653	10,423	9,807	(1%)	4%
Core Drilling (m)								
	3,452	1,692	1,939	1,725	1,865	1,295	104%	85%

⁽¹⁾ Silver Equivalent Produced (ounces) have been calculated, for all periods presented, using prices of \$21.86/oz, \$0.91/lb, \$1.52/lb and \$3.67/lb for silver, lead, zinc, and copper, respectively applied to the metal production divided by the silver price as stated here.

⁽²⁾ Silver Equivalent Sold (payable ounces) have been calculated using the Average Realized Price per Ounce of Silver Equivalent Sold in the Non-GAAP Measures section, applied to the payable metal content of the concentrates sold from Zimapan, Bolivar, Porco, the Caballo Blanco Group, and San Lucas.

⁽³⁾ The Company reports non-GAAP measures, which include Cash Cost of Production per Tonne, Cash Cost per Silver Equivalent Ounce Sold, All-in Sustaining Cash Cost per Silver Equivalent Ounce Sold and Average Realized Price per Ounce of Silver Equivalent Sold. These measures are widely used in the mining industry as a benchmark for performance, but do not have a standardized meaning and may differ from methods used by other companies with similar descriptions. See "Non-GAAP Measures" section below for definitions.

⁽⁴⁾ On March 18, 2022, the Company acquired Bolivar, Porco, the Caballo Blanco Group, and San Lucas.

⁽⁵⁾ Bolivar and Porco are presented at 100% whereas the Company records 45% of revenues and expenses in its consolidated financial statements.

YTD 2023 vs YTD 2022

YTD 2022 numbers are affected by the partial quarter of Bolivian production in Q1 2022. On March 18, 2022, the Company closed the acquisition of the Bolivian Assets from Glencore and the results of the operations of the Bolivian Assets are included in the consolidated operational and financial results of the Company from that date. However, combined Q2 and Q3 results show a 5% increase in silver equivalent ounces produced from 2022 to 2023, despite lower tonnages processed. This is a reflection of the Company starting to benefit from its efforts to increase mined grades and metallurgical recoveries at all operations.

Silver Equivalent Ounces Produced

Q3 2023 vs Q3 2022

In Q3 2022, 500,956 tonnes of material was processed, and 5,832,882 silver equivalent ounces was produced, and in Q3 2023 467,563 tonnes of material was produced and 5,669,905 silver equivalent ounces was produced. While total material processed in Q3 2023 was 7% less compared to Q3 2022, total silver equivalent ounce production was down only 3%. This was a result of higher grades mined and an increase in metal recoveries at Bolivar and Zimapan.

Q3 2023 vs Q2 2023

The Company processed 467,563 tonnes of material in Q3 2023, a slight increase from the previous quarter. Silver equivalent ounces produced of 5,669,905 included 1,728,863 ounces of silver, 3,370 tonnes of lead, 23,095 tonnes of zinc and 252 tonnes of copper. The positive impact of a slight increase in material processed combined with an increase in metal production from the Zimapan and Bolivar mines resulted in stable silver equivalent ounce production overall.

Cash Cost of Production per Tonne

Q3 2023 vs Q3 2022

Consolidated cash cost of production per tonne of mineralized material processed was \$93.73 in Q3 2023 compared to \$148.51 for the same period last year. Since acquiring the Bolivian assets, the steady increase in unit production costs at Zimapan have been offset by significant decreases in unit production costs at the Bolivian operations for a net reduction in cash costs of 37% per tonne.

Q3 2023 vs Q2 2023

Consolidated cash cost of production per tonne of mineralized material processed decreased by 7% as a result of several factors including the increase in production at Zimapan after recovering from a two-week haulage stoppage that took place last quarter, incremental decreases in unit costs from our Bolivian mining operations and less mineralized material purchased by San Lucas feed sourcing.

Overall, the Company is maintaining operating costs and production stability.

Cash Cost per Silver Equivalent Ounce Sold

Q3 2023 vs Q3 2022

Cash cost per silver equivalent ounce sold was \$21.68 in Q3 2023 compared to \$20.79 for the same period last year. This 4% increase in unit cost was due primarily to a 13% decrease in silver equivalent ounces sold, which is a function of realized metal prices. While the metal production only decreased 3% for the same period, the silver equivalent conversion ratio of base metals to silver was higher due to the changes in realized metal prices quarter over quarter, which resulted in the additional 10% reduction in silver equivalent ounces sold.

Q3 2023 vs Q2 2023

Consolidated results for Q3 2023 show a 12% increase in cash costs per silver equivalent ounce sold compared to Q2 2023. This increase is primarily a result of 6% lower silver equivalent ounces sold based on realized pricing for metals which decreased silver equivalent ounces sold for Q3 2023. Total costs were comparable to Q2 2023 and silver equivalent ounce production actually increased 2% vs Q2 2023.

All-In Sustaining Cash Cost ("AISC") per Silver Equivalent Ounce Sold

Q3 2023 vs Q3 2022

Q3 2023 AISC per silver equivalent ounce sold was \$25.98, compared to Q3 2022 of \$24.90. This 4% increase in unit cost was due primarily to a 13% decrease in silver equivalents sold which is a function of realized metal prices. While the metal production only decreased 3% for the same period, the silver equivalent conversion ratio of base metals to silver was higher due to the changes in realized metal prices quarter over quarter, which resulted in the additional 10% reduction in silver equivalent sold.

Q3 2023 vs Q2 2023

Consolidated AISC per silver equivalent ounce sold increased 13% quarter-on-quarter to \$25.98, mainly a result of the 6% decrease in silver equivalent ounces sold based on changes in the silver equivalent conversion ratio as described above, coupled with higher sustaining capital expenditures and higher sustaining general and administrative costs. Bolivian consolidated AISC per silver equivalent ounce sold increased 21% versus Q2 2023 due to the lower silver equivalent ounces sold, however this was partially offset by a 21% decrease at Zimapan resulting from lower capital expenditures and sustaining general and administrative expenditures.

Bolivar Mine ⁽⁴⁾

Bolivar Production Table	2023 Q3	2023 Q2	Change Q3 vs Q2	2023 YTD	2022 YTD ⁽¹⁾	Change '23 vs. '22
Material Processed (tonnes milled)	77,298	66,689	16%	218,340	137,405	59%
Silver Equivalent Produced (ounces) ⁽²⁾	1,343,000	961,580	40%	3,553,734	2,275,399	56%
Silver Equivalent Sold (payable ounces) ⁽³⁾	784,713	408,571	92%	1,965,067	2,543,645	(23%)
Production						
Silver (ounces)	502,931	424,664	18%	1,483,510	898,465	65%
Lead (tonnes)	449	302	49%	1,103	609	81%
Zinc (tonnes)	5,214	3,323	57%	12,850	8,621	49%
Average Grade						
Silver (g/t)	221	217	2%	230	227	1%
Lead (%)	0.79	0.62	28%	0.69	0.62	12%
Zinc (%)	7.41	5.57	33%	6.56	6.84	(4%)
Metal Recovery						
Silver (%)	92	91	1%	92	90	3%
Lead (%)	74	74	-%	73	72	3%
Zinc (%)	91	90	2%	90	92	(1%)

⁽¹⁾ On March 18, 2022, the Company acquired Bolivar, Porco, the Caballo Blanco Group, and San Lucas.

⁽²⁾ Silver Equivalent Produced (ounces) in 2023 have been calculated, for all periods presented, using prices of \$21.86/oz, \$0.91/lb, and \$1.52/lb for silver, lead, and zinc, respectively applied to the metal production divided by the silver price as stated here.

⁽³⁾ Silver Equivalent Sold (payable ounces) have been calculated using the Average Realized Price per Ounce of Silver Equivalent Sold applied to the payable metal content of the concentrates sold from the Bolivar, Porco, the Caballo Blanco Group, and San Lucas in 2022.

⁽⁴⁾ Bolivar is presented at 100% whereas the Company records 45% of revenues and expenses in its consolidated financial statements.

The Bolivar Mine has been active for more than 200 years and currently produces a nominal 1,000 tonnes per day. The current mine complex consists of an underground mine, 1,100 t/d concentrator plant, tailings storage facility, maintenance workshop, shaft-winder, water treatment plants, supplies warehouse, main office, hospital, and camp.

Bolivar mines from two main areas, the Central zone which is a deeper extension of the original mineralized zone, and Rosario which is a separately accessed parallel zone with a dedicated portal. Full development of the Rosario zone in 2022 has allowed more flexible production options.

Currently the mine is producing about 25,300 tonnes per month mineralized material, and 900 meters per month combined primary and secondary development. At the same time, mineralized material from the San Lucas feed sourcing business is providing production flexibility and allowing the plant to operate efficiently.

The Bolivar mill has been in continuous production since 1993. The mill receives feed from two sources; the Bolivar Mine which contributes about 80% and toll feed purchased through the San Lucas feed sourcing business which contributes the other 20%. Total plant throughput was about 32,300 tonnes per month this past quarter. The mill processes the two types of feed separately which allows for an analysis and reporting of processing for each feed type. The mill utilizes different reagent strategies for the toll and company feed sources, primarily due to pyrrhotite which is found in the San Lucas feed but generally not found in the company feed.

Since the acquisition of the Bolivian Assets, production performance has steadily improved and stabilized at Bolivar, with small variations in the mined grade impacting the metal production. The key focus for 2023 continues to be increasing stoping selectivity in order to reduce dilution and send higher grade feed to the mill.

2023 vs 2022

YTD 2022 numbers are affected by the partial quarter of Bolivian production in Q1 2022. On March 18, 2022, the Company closed the acquisition of the Bolivian Assets from Glencore and the results of the operations of the Bolivian Assets are included in the consolidated operational and financial results of the Company from that date. However, production at Bolivar has been steadily increasing since the acquisition, especially with the development of Rosario zone.

Q3 2023 vs Q2 2023

The upgraded water handling infrastructure servicing the higher-grade Central Zone of the Bolivar mine installed last quarter helped stabilize production from this area, and the mine processed 77,298 tonnes of mineralized material, a 16% increase when compared to the 66,689 tonnes processed in Q2 2023. More efficient water handling is expected to allow more consistent production from the Central zone going forward.

A 40% increase in metal output followed from increased Central zone production, and slightly higher metallurgical recoveries when compared to the previous quarter. In Q3 2023, Bolivar produced 1,343,000 silver equivalent ounces, consisting of 502,931 ounces of silver, 449 tonnes of lead and 5,214 tonnes of zinc.

Porco Mine ⁽⁴⁾

Porco Production Table	2023-Q3	2023-Q2	Change Q3 vs Q2	2023-YTD	2022-YTD ⁽¹⁾	Change '23 vs. '22
Material Processed (tonnes milled)	47,786	46,085	4%	143,780	102,698	40%
Silver Equivalent Produced (ounces) ⁽²⁾	625,401	689,902	(9%)	1,994,446	1,456,142	37%
Silver Equivalent Sold (payable ounces) ⁽³⁾	285,286	351,919	(19%)	1,045,080	1,861,744	(44%)
Production						
Silver (ounces)	165,066	195,509	(16%)	522,590	353,153	48%
Lead (tonnes)	190	214	(12%)	621	488	27%
Zinc (tonnes)	2,891	3,098	(7%)	9,234	6,906	34%
Average Grade						
Silver (g/t)	119	154	(23%)	132	123	7%
Lead (%)	0.52	0.58	(11%)	0.56	0.63	(11%)
Zinc (%)	6.40	7.15	(11%)	6.83	7.16	(5%)
Metal Recovery						
Silver (%)	90	86	5%	86	87	(1%)
Lead (%)	76	80	(4%)	77	76	2%
Zinc (%)	95	94	1%	94	94	-%

⁽¹⁾ On March 18, 2022, the Company acquired Bolivar, Porco, the Caballo Blanco Group, and San Lucas.

⁽²⁾ Silver Equivalent Produced (ounces) in 2022 have been calculated, for all periods presented, using prices of \$21.86/oz, \$0.91/lb, and \$1.52/lb for silver, lead, and zinc, respectively applied to the metal production divided by the silver price as stated here plus the respective concentrate produced by the Bolivar, Porco, the Caballo Blanco Group, and San Lucas multiplied by the respective silver content.

⁽³⁾ Silver Equivalent Sold (payable ounces) have been calculated using the Average Realized Price per Ounce of Silver Equivalent Sold applied to the payable metal content of the concentrates sold from the Bolivar, Porco, the Caballo Blanco Group, and San Lucas in 2022.

⁽⁴⁾ Porco is presented at 100% whereas the Company records 45% of revenues and expenses in its consolidated financial statements.

The Porco Mine has been active for nearly 500 years. The complex consists of an underground mine, concentrator plant, maintenance workshop, tailing storage facility, water treatment plant, supplies warehouse, main office, two hospitals and Yancaviri Camp.

The mine produces about 16,000 tonnes of mineralized material, and 630 meters of total development per month. The mine is comprised of two production areas. Hundumiento uses long hole mechanized mining methods to exploit the deeper extension of the primary vein complex, and the Central zone which is conventionally mined using more selective shrinkage stopping.

The process plant is fed by both the mine (approximately 60%), and toll feed from the San Lucas feed sourcing business (40%). The plant processed approximately 26,500 tonnes per month. Similar to Bolivar, the focus for 2023 at Porco is to send higher grade feed to the plant by more selective mining techniques to minimize dilution.

The Porco processing plant experienced a failure to the SAG mill motor in late August 2023, however there was no significant impact to Q3 2023 production results. A temporary fix was implemented to the motor during a 5-day shutdown, and normal operation continued until the removal of the motor for rewinding in mid-October. A 25-day period of approximately 50% production followed as the Company was able to feed the ball mills directly with fine material until the rebuilt motor was reinstalled and full production was attained November 14, 2023. Porco production is estimated to be reduced by approximately 12,000 tonnes for Q4 2023 (approximately 14% of Porco's average quarterly production for the nine months ended September 30, 2023).

2023 vs 2022

YTD 2022 numbers are affected by the partial quarter of Bolivian production in Q1 2022. On March 18, 2022, the Company closed the acquisition of the Bolivian Assets from Glencore and the results of the operations of the Bolivian Assets are included in the consolidated operational and financial results of the Company from that date. Incremental production increases have been gained at Porco since Q2 2022, while maintaining head grade.

Q3 2023 vs Q2 2023

Porco processed 47,786 tonnes in Q3 2023, a slight increase from the previous quarter. The presence of illegal mining activity underground continues to impact operations especially in higher grade areas. However, the Company is working with COMIBOL to resolve this issue.

In Q3 2023, metal produced was 625,401 silver equivalent ounces, consisting of 165,056 ounces of silver, 190 tonnes of lead and 2,891 tonnes of zinc. While slightly more material was processed, average grades for all metals were down quarter-on-quarter. This was partially offset by the increase in silver and zinc recoveries. Lead recoveries decreased in Q3 2023.

Caballo Blanco Group

Caballo Blanco Group Production Table	2023-Q3	2023-Q2	Change Q3 vs Q2	2023-YTD	2022-YTD⁽¹⁾	Change '23 vs. '22
Material Processed (tonnes milled)	76,864	74,268	3%	236,950	145,724	63%
Silver Equivalent Produced (ounces) ⁽²⁾	1,118,711	1,211,475	(8%)	3,766,509	2,180,447	73%
Silver Equivalent Sold (payable ounces) ⁽³⁾	609,415	762,023	(20%)	2,074,105	2,858,521	(27%)
Production						
Silver (ounces)	319,674	399,811	(20%)	1,194,511	726,621	64%
Lead (tonnes)	684	825	(17%)	2,552	1,763	45%
Zinc (tonnes)	4,805	4,804	0%	15,260	8,434	81%
Average Grade						
Silver (g/t)	144	182	(21%)	173	172	1%
Lead (%)	1.22	1.44	(15%)	1.40	1.56	(11%)
Zinc (%)	6.80	6.98	(3%)	6.94	6.32	10%
Metal Recovery						
Silver (%)	90	92	(3%)	91	90	1%
Lead (%)	73	77	(6%)	77	77	-%
Zinc (%)	92	93	(1%)	93	92	2%

⁽¹⁾ On March 18, 2022, the Company acquired Bolivar, Porco, the Caballo Blanco Group, and San Lucas.

⁽²⁾ Silver Equivalent Produced (ounces) in 2022 have been calculated, for all periods presented, using prices of \$21.86/oz, \$0.91/lb, and \$1.52/lb for silver, lead, and zinc, respectively applied to the metal production divided by the silver price as stated here.

⁽³⁾ Silver Equivalent Sold (payable ounces) have been calculated using the Average Realized Price per Ounce of Silver Equivalent Sold applied to the payable metal content of the concentrates sold from the Bolivar, Porco, the Caballo Blanco Group, and San Lucas in 2022.

⁽⁴⁾ The Company reports non-GAAP measures, which include Cash Cost of Production per Tonne, Cash Cost per Silver Equivalent Ounce Sold and All-in Sustaining Cash Cost per Silver Equivalent Ounce Sold. These measures are widely used in the mining industry as a benchmark for performance, but do not have a standardized meaning and may differ from methods used by other companies with similar descriptions. See "Non-GAAP Measures" section below for definitions.

As a unit, Caballo Blanco produces about 26,500 tonnes of mineralized material and 1,330 meters development per month. Approximately 60% of mine production is generated by conventional shrinkage and cut and fill methods. The remainder is produced by more modern trackless sublevel stoping. Run-of-mine mineralized material is hauled to the Don Diego Process Plant approximately 75km away in dump trucks.

The mineralized material is sourced from three separate mines, all quite different but mining the same structure. The Colquechaquita ("COC") mine produced 7,700 tonnes of feed and 370 meters development per month by a mix of conventional and trackless mining. This mine is limited mainly by the small shaft from which it is accessed.

Tres Amigos mine ("TAM") utilizes trackless equipment for ramp and haulageway development, but all mineral production is by conventional shrinkage stoping in a multiple vein structure. TAM is the most productive of the mines and produces 11,000 tonnes of feed along with 550 meters of development monthly. The selectivity of the mining method also provides a higher head grade to the plant.

An important capital project for 2023 is the integration ramp connecting the TAM and COC mines. This is expected to facilitate increased productivity from COC and total production from the Caballo Blanco Group of mines by providing trackless access to COC and eliminating the bottleneck created by the current shaft. The integration ramp consists of approximately 1,177 meters of development, including primary ramp and auxiliary drives, and is 86% complete. This project remains on track for completion by the end of Q1 2024.

The Reserva mine uses long hole sublevel stoping to produce 8,000 tonnes and 410 meters development per month. Reserva produces from multiple levels of a single vein structure.

The Don Diego Process Plant processes mineralized material from Caballo Blanco group of mines and San Lucas feed sourcing business. The total throughput averaged approximately 32,300 tonnes per month, 80% coming from the Caballo Blanco mines and 20% from San Lucas. Grades from both sources are fairly similar at the Don Diego Plant with the San Lucas feed being higher in zinc whereas mine feed is slightly higher in lead and silver.

2023 vs 2022

YTD 2022 numbers are affected by the partial quarter of Bolivian production in Q1 2022. On March 18, 2022, the Company closed the acquisition of the Bolivian Assets from Glencore and the results of the operations of the Bolivian Assets are included in the consolidated operational and financial results of the Company from that date. Production has been steady since Q2 2022, with grades equal or better than past production for a steady increase in metal production over the year.

Q3 2023 vs Q2 2023

Caballo Blanco processed slightly more mineralized material in Q3 2023 compared to Q2 2023 but at a lower grade resulting in a decrease in silver equivalent ounces produced of 8%. Q3 2023 production totaled 1,118,711 silver equivalent ounces, consisting of 319,674 ounces of silver, 684 tonnes of lead and 4,805 tonnes of zinc. The decrease in silver and lead grades was associated with two higher grade veins that had been mined earlier in the year, and mining has now transitioned to veins with lower silver and lead grades.

San Lucas

San Lucas Production Table	2023-Q3	2023-Q2	Change Q3 vs Q2	2023-YTD	2022-YTD ⁽¹⁾	Change '23 vs. '22
Material Processed (tonnes milled)	73,456	85,258	(14%)	230,163	170,626	35%
Silver Equivalent Produced (ounces) ⁽²⁾	1,399,187	1,827,724	(23%)	4,422,075	3,460,179	28%
Silver Equivalent Sold (payable ounces) ⁽³⁾	1,285,739	1,978,767	(35%)	4,822,189	4,768,303	1%
Production						
Silver (ounces)	362,443	495,344	(27%)	1,113,410	833,937	34%
Lead (tonnes)	522	635	(18%)	1,630	1,303	25%
Zinc (tonnes)	6,454	8,315	(22%)	20,617	16,359	26%
Average Grade						
Silver (g/t)	183	216	(15%)	175	181	(3%)
Lead (%)	1.06	1.21	(12%)	1.07	1.10	(3%)
Zinc (%)	9.55	10.69	(11%)	9.71	10.50	(8%)
Metal Recovery						
Silver (%)	84	84	-%	85	84	2%
Lead (%)	67	62	9%	66	69	(4%)
Zinc (%)	92	91	1%	92	91	-%

⁽¹⁾ On March 18, 2022, the Company acquired the Bolivar, Porco, the Caballo Blanco Group, and San Lucas.

⁽²⁾ Silver Equivalent Produced (ounces) in 2022 have been calculated, for all periods presented, using prices of \$21.86/oz, \$0.91/lb, and \$1.52/lb for silver, lead, and zinc, respectively applied to the metal production divided by the silver price as stated here plus the respective concentrate produced by the Bolivar, Porco, the Caballo Blanco Group, and San Lucas multiplied by the respective silver content.

⁽³⁾ Silver Equivalent Sold (payable ounces) have been calculated using the Average Realized Price per Ounce of Silver Equivalent Sold applied to the payable metal content of the concentrates sold from the Bolivar, Porco, the Caballo Blanco Group, and San Lucas in 2022.

⁽⁴⁾ The Company reports non-GAAP measures, which include Cash Cost of Production per Tonne, Cash Cost per Silver Equivalent Ounce Sold and All-in Sustaining Cash Cost per Silver Equivalent Ounce Sold. These measures are widely used in the mining industry as a benchmark for performance, but do not have a standardized meaning and may differ from methods used by other companies with similar descriptions. See "Non-GAAP Measures" section below for definitions.

The San Lucas feed sourcing business utilizes the excess production capacity of each of the process plants in Bolivia to generate concentrate. Feed is sourced from independent organized mining groups with whom San Lucas has negotiated agreements outlining methodology for valuation and purchase as well as validating the source of the feed and methods used in extraction. Once the mineralized material is sampled and the purchase is finalized, it is blended and processed.

Generally, the mineralized material from the San Lucas feed sourcing business is campaigned through each plant and kept separate from mine feed. From the three different plants, the approximate split is 45% at Porco, 28% at Don Diego and 27% at Bolivar. The feed volume and grade is variable and difficult to forecast, however the consistent and fair business structure offered and practiced by our San Lucas business appeals to local miners and additional agreements are being negotiated to increase feed sourced. Expansion of milling capacity is a focus for this year.

2023 vs 2022

YTD 2022 numbers are affected by the partial quarter of Bolivian production in Q1 2022. On March 18, 2022, the Company closed the acquisition of the Bolivian Assets from Glencore and the results of the operations of the Bolivian Assets are included in the consolidated operational and financial results of the Company from that date.

Q3 2023 vs Q2 2023

San Lucas milled 14% less tonnes quarter-on-quarter. Since San Lucas purchases feed from regional suppliers, tonnes milled and material grades are anticipated to vary throughout the year. While total tonnes processed at the three Bolivian plants for Q3 and Q2 2023 was steady at approximately 275,000 tonnes, mine production was greater in Q3, which impacted each plant's capacity to process San Lucas feed ore.

Silver equivalent ounces produced in Q3 2023 was 1,399,187, a 23% decrease over Q2, and consisted of 362,443 ounces of silver, 522 tonnes of lead and 6,454 tonnes of zinc. Q3 2023 experienced a decrease in silver and zinc grades from the previous quarter, which was marginally offset by slight increases in lead and zinc recoveries. The Company is working towards increasing quarterly production for San Lucas by sourcing additional processing capacity.

Zimapan Mine

Zimapan Production Table	2023-Q3	2023-Q2	Change Q3 vs Q2	2023-YTD	2022-YTD	Change '23 vs. '22
Material Processed (tonnes milled)	192,158	171,668	12%	564,796	607,192	(7%)
Silver Equivalent Produced (ounces) ⁽¹⁾	1,183,606	878,854	35%	3,147,059	2,996,430	5%
Silver Equivalent Sold (payable ounces) ⁽²⁾	857,628	586,507	46%	2,385,022	2,822,306	(15%)
Production						
Silver (ounces)	378,748	271,133	40%	970,823	993,111	(2%)
Lead (tonnes)	1,526	849	80%	3,331	3,002	11%
Zinc (tonnes)	3,731	2,741	36%	9,879	9,101	9%
Copper (tonnes)	252	297	(15%)	964	901	7%
Average Grade						
Silver (g/t)	80	69	16%	74	73	0%
Lead (%)	0.97	0.67	45%	0.77	0.66	16%
Zinc (%)	2.49	2.25	11%	2.32	2.11	10%
Copper (%)	0.29	0.33	(12%)	0.33	0.36	(7%)
Metal Recovery						
Silver (%)	76	71	8%	73	69	5%
Lead (%)	82	74	11%	78	75	4%
Zinc (%)	78	71	10%	76	71	7%
Copper (%)	46	53	(14%)	51	41	23%
Cash Cost of Production per Tonne (\$/t) ⁽³⁾	57.10	57.58	(1%)	56.02	47.96	17%
Cash Cost per Silver Equivalent Ounce Sold (\$/oz) ⁽³⁾	20.97	23.62	(11%)	21.00	16.59	27%
All-in Sustaining Cash Cost per Silver Equivalent Ounce Sold (\$/oz) ⁽³⁾	23.32	29.49	(21%)	24.49	18.73	31%

⁽¹⁾ Silver Equivalent Produced (ounces) have been calculated, for all periods presented, using prices of \$21.86/oz, \$0.91/lb, \$1.52/lb and \$3.67/lb for silver, lead, zinc, and copper, respectively applied to the metal production divided by the silver price as stated here plus the respective concentrate produced by Zimapan multiplied by the respective silver content.

⁽²⁾ Silver Equivalent Sold (payable ounces) have been calculated using the Average Realized Price per Ounce of Silver Equivalent Sold applied to the payable metal content of the concentrates sold from Zimapan in 2022 and 2021.

⁽³⁾ The Company reports non-GAAP measures, which include Cash Cost of Production per Tonne, Cash Cost per Silver Equivalent Ounce Sold and All-in Sustaining Cash Cost per Silver Equivalent Ounce Sold. These measures are widely used in the mining industry as a benchmark for performance, but do not have a standardized meaning and may differ from methods used by other companies with similar descriptions. See "Non-GAAP Measures" section below for definitions.

The Zimapan operation produces feed from the Carrizal and Monte mines, which are connected by a 7.4 kilometre underground access and haulage tunnel which terminates at the San Francisco process plant. Mining methods used include long hole and cut and fill stoping. The plant processes about 72,000 tonnes per month and produces three concentrates using differential flotation. Tailings Storage Facility and other support facilities are located adjacent and downstream of the plant location.

Steadily increasing mine and plant production has assisted in reducing unit costs and offsetting the impact of metal and supply price volatility. However steadily declining metallurgical recoveries have been the focus. Mining new orebodies more intensively at Monte presented metallurgical challenges, which are currently being addressed with an ongoing third-party metallurgical test program. Several specific deposits have been identified and characterized metallurgically, prompting adjustments to the mine plan and blending strategy, thus helping to increase recoveries.

2023 vs 2022

YTD 2023 material processed was 7% lower than the same period in 2022. However, silver equivalent ounce production increased to 3,147,059 which is 5% higher than YTD 2022. The key was increased metal recovery at the plant along with significant increases in lead and zinc head grades in 2023. The Company intends to focus on head grade and plant performance for Q4 2023 and into 2024.

Q3 2023 vs Q2 2023

The Zimapan mine is realizing benefits from a shift in mining strategy to higher grade areas, which is part of the ongoing optimization of the mine plan in response to metals prices. In Q3 2023 the mine processed 192,158 tonnes of mineralized material, a 12% increase when compared to the 171,668 tonnes processed during Q2 2023.

Silver equivalent ounces produced during the quarter was 35% higher than the previous quarter, 1,183,606 ounces consisting of 378,748 ounces silver, 1,526 tonnes of lead, 3,731 tonnes of zinc and 252 tonnes of copper. Silver, lead and zinc average head grades significantly increased from the previous quarter, while copper average head grades decreased 15% due to the reduced production from Monte mine. Quarter-on-quarter silver, lead and zinc recoveries improved significantly from the previous quarter, while copper recoveries decreased 14% due to lower copper head grade.

In Q3 2023, the Company made significant progress on the focused third-party operations review, internal audit, NI 43-101 resource review, and metallurgical test program. Implementation of recommendations based on findings from these reviews have helped to redefine priorities at Zimapan and support plans going forward.

Mine development will continue to focus on opening higher grade stoping areas in Carrizal mine and maintaining low-cost production at the Monte mine. A metallurgical testing program has been completed, and interim results are being applied to plant processes to maximize metal recoveries and concentrate quality.

Other properties

Soracaya is an approximately eight-hectare exploration asset located approximately 200 km south south-west of Potosi and 4.4 km from the San Vincente mine (owned by Pan American Silver). Verification of the resource to NI 43-101 standards is currently in progress as well as some claim maintenance work underground.

Qualified Person and technical disclosures

All scientific and technical disclosure contained in this MD&A was reviewed and approved by Wayne Corso, Chief Operating Officer of the Company, who is a Qualified Person, as defined by National Instrument 43-101 - Standards of Disclosure for Mineral Projects ("NI 43-101").

Production at the Zimapan Mine is not supported by a feasibility study on mineral reserves demonstrating economic or technical viability or any other independent economic study under NI 43-101. Accordingly, there is increased uncertainty and higher economic and technical risks of failure associated with production operations at the Zimapan Mine. Production and economic variables may vary considerably due to the absence of a complete and detailed site analysis according to and in accordance with NI 43-101. Project failure may adversely impact the Company's future profitability.

Production with respect to the operations in Bolivia is not supported by a feasibility study on mineral reserves demonstrating economic or technical viability or any other independent economic study under NI 43-101. Accordingly, there is increased uncertainty and higher economic and technical risks of failure associated with production operations in Bolivia. Production and economic variables may vary considerably due to the absence of a complete and detailed site analysis according to and in accordance with NI 43-101. Project failures may adversely impact the Company's future profitability.

Overview of Financial Results

For the quarters ended September 30, 2023 and 2022

	2023 Q3	2022 Q3	Change '23 vs '22
Revenues	64,408	53,516	20%
Mine operating costs			
Cost of sales	52,036	58,202	(11%)
Depletion, depreciation and amortization	4,978	14,652	(66%)
Gross profit (loss)	7,394	(19,338)	(138%)
General and administrative expenses	(7,726)	(8,899)	(13%)
Share-based payments	(31)	(386)	(92%)
Operating loss	(363)	(28,623)	(99%)
Finance costs	(3,496)	(4,648)	(25%)
Gain (loss) on foreign exchange	3,312	(312)	(1,162%)
Transaction costs for the Sinchi Wayra and Illapa Business acquisition	-	268	(100%)
Fair value (loss) gain on marketable securities	(29)	247	(112%)
Loss before tax	(576)	(33,068)	(98%)
Income tax (expense) recovery	(3,722)	14,280	(126%)
Net loss for the period	(4,298)	(18,788)	(77%)
Other comprehensive (loss) income			
Currency translation differences	(2,267)	2,822	(180%)
Comprehensive loss for the period	(6,565)	(15,966)	(59%)
Net loss per share:			
Basic and diluted	(0.01)	(0.06)	(78%)
Weighted average number of common shares:			
Basic	350,991,138	341,424,323	3%
Diluted	350,991,138	341,424,323	3%

Revenues for the quarter ended September 30, 2023, were \$64,408, an increase of \$10,892 compared to Q3 2022. The increase can be explained as follows:

- An increase of \$7,016 in Bolivian revenues to \$46,183 in Q3 2023 from \$39,167 in Q3 2022, which was mainly due to a 23% increase in average realized silver price that increased revenues by \$14.3 million (net of revaluation adjustments of prior period lots in the current period). This was partly offset by a 11% decrease in sales volume which resulted in a \$7.3 million decrease in revenues, a direct result of the lower throughput and metal production during Q3 2023.
- An increase of \$3,876 in Zimapán revenues to \$18,225 in Q3 2023 from \$14,349 in Q3 2022, mainly due to a 51% increase in average realized silver price which increased revenues by \$7.5 million (net of revaluation adjustments of prior period lots in the current period). This was partly offset by a 19% decrease in sales volume which resulted in a \$3.6 million decrease in revenues.

Cost of sales for the quarter ended September 30, 2023, was \$52,036, a decrease of \$6,166 compared to Q3 2022. The decrease can be explained as follows:

- A decrease of \$7,272 in Bolivia cost of sales to \$39,770 in Q3 2023 from \$47,042 in Q3 2022, which was mainly due to the 11% decrease in sales volume which resulted in a \$4.9 million decrease in cost of sales. Additionally, unit production cost decreased by 5% which resulted in a \$2.4 million decrease in cost of sales.

- An increase of \$1,106 in Zimapan cost of sales mainly due to a 35% increase in unit production costs which increased cost of sales by \$3.2 million. This was partly offset by the 19% decrease in sales volume which resulted in a decrease in cost of sales of \$2.1 million.

Depletion, depreciation and amortization for the quarter ended September 30, 2023, was \$4,978, a decrease of \$9,674 compared with Q3 2022, which was mainly attributable to the change in depletion, depreciation and amortization for Bolivia based on the fair value of the mineral properties, plant and equipment as at the Acquisition date that was finalized in Q4 2022.

Gross profit for the quarter ended September 30, 2023, was \$7,394, an increase of \$26,732 compared with Q3 2022, due to the variances described above.

General and administrative expenses for the quarter ended September 30, 2023 were \$7,726, a decrease of \$1,173 compared to Q3 2022, which was primarily due to a \$1.8 million decrease in salaries and benefits related to accruals made in Q3 2022 that were subsequently reversed in Q4 2022. This was partly offset by \$0.6 million higher inflationary charges recorded in Q3 2023 which relate to an annual adjustment for the Bolivian tax payment plans.

Finance costs for the quarter ended September 30, 2023 were \$3,496, a decrease of \$1,152 compared to Q3 2022. The decrease was primarily related to lower interest expense.

Gain on foreign exchange for the quarter ended September 30, 2023, was \$3,312 compared to a loss of \$312 in Q3 2022. As Bolivia is experiencing a US dollar shortage, the Bolivian financial institutions are paying a higher BOL/USD rate than the official rate of 6.96 BOL/USD to import USD into Bolivia. Additionally, the MXN appreciated against the USD during the three months ended September 30, 2023.

Transaction costs for Sinchi Wayra and Illapa Business acquisition for the quarter ended September 30, 2023, were \$nil compared to \$268 in Q3 2022, a decrease of \$268. The majority of the transaction costs were incurred in 2022, the same year the acquisition took place.

Fair value loss on marketable securities for the quarter ended September 30, 2023, was \$29 compared to a gain of \$247 in Q3 2022.

For the nine months ended September 30, 2023 and 2022

	2023 Q3	2022 Q3	Change '23 vs '22
Revenues	193,640	214,285	(10%)
Mine operating costs			
Cost of sales	145,628	174,454	(17%)
Depletion, depreciation and amortization	14,962	23,196	(35%)
Gross profit	33,050	16,635	99%
General and administrative expenses	(21,618)	(19,201)	13%
Share-based payments	(201)	(1,086)	(81%)
Operating income (loss)	11,231	(3,652)	408%
Finance (costs) income	(4,432)	448	(1,089%)
Gain on foreign exchange	7,049	643	996%
Transaction costs for the Sinchi Wayra and Illapa Business acquisition	-	(2,022)	(100%)
Fair value loss on marketable securities	(1,820)	(1,383)	32%
Income (loss) before tax	12,028	(5,966)	(302%)
Income tax expense	(12,151)	(8,226)	48%
Net loss for the period	(123)	(14,192)	99%
Other comprehensive (loss) income			
Currency translation differences	(3,961)	3,787	(205%)
Comprehensive loss for the period	(4,084)	(10,405)	(61%)
Net loss per share:			
Basic and diluted	(0.00)	(0.04)	(99%)
Weighted average number of common shares:			
Basic	349,587,319	337,252,195	4%
Diluted	349,587,319	337,252,195	4%

Revenues for the nine months ended September 30, 2023, were \$193,640, a decrease of \$20,645 compared with the nine months ended September 30, 2022. The decrease can be explained as follows:

- A decrease of \$18,073 in Bolivian revenues from \$171,279 in 2022 to \$153,176 in 2023, which was mainly attributed to the following factors:
 - A total decrease in Q2 and Q3 sales volume of 41%, but partly offset by an increase in Q1 sales volume as the financial results of the Bolivian Assets includes a full 3 months in 2023 compared to about half a month in 2022 (Acquisition date on March 18, 2022). This resulted in a net decrease in revenues of \$44.7 million.
 - This was partly offset by 9% increase in average realized silver price which resulted in an increase in revenues of \$26.7 million.
- A decrease of \$2,572 in Zimapan revenues from \$43,036 in 2022 to \$40,464 in 2023, mainly due to a 15% decrease in sales volume which resulted in a decrease in revenues of \$9.1 million. This was partly offset by a 13% increase in average realized silver price which increased revenues by \$6.5 million.

Cost of sales for the nine months ended September 30, 2023, was \$145,628, a decrease of \$28,826 compared with the nine months ended September 30, 2022. The decrease can be explained as follows:

- A decrease of \$31,975 in Bolivia cost of sales from \$143,044 in Q2 2022 to \$111,069 in Q2 2023, which was mainly due to the following factors:

- A total decrease in Q2 and Q3 sales volume of 41%, but partly offset by an increase in Q1 sales volume as the financial results of the Bolivian Assets includes a full 3 months in 2023 compared to about half a month in 2022 (Acquisition date on March 18, 2022). This resulted in a net decrease in cost of sales of \$23.8 million.
- A 6% decrease in unit production costs which further decreased cost of sales by \$8.1 million.
- An increase of \$3,149 in Zimapan cost of sales. While the 15% decrease in sales volume resulted in a decrease in cost of sales of \$4.9 million, a 30% increase in unit production costs contributed to an increase in cost of sales by \$8.0 million.

Depletion, depreciation and amortization for the nine months ended September 30, 2023, was \$14,962, a decrease of \$8,234 compared with the nine months ended September 30, 2022, which was mainly attributable to the fact that the financial results of the Bolivian Assets were only consolidated starting March 18, 2022 in the prior period compared to a full nine months in 2023.

Gross profit for the nine months ended September 30, 2023, was \$33,050, an increase of \$16,415 compared with the nine months ended September 30, 2022 due to the factors described above.

General and administrative expenses for the nine months ended September 30, 2023 were \$21,618, an increase of \$2,417 compared to the nine months ended September 30, 2022. Salaries and benefits were \$1.7 million higher due to the fact that the financial results of the Bolivian Assets were only consolidated starting March 18, 2022 in 2022 compared to a full nine months in 2023, higher headcount in 2023 which included the addition of a permanent CFO and COO since September 2022, and general salary increase year over year. Additionally, corporate administration expenses were \$0.7 million higher due to a full 9 months of expenses in 2023 compared to only 6.5 months in 2022, and professional fees were \$0.4 million higher due to additional accounting and valuation advisory work required during 2023. These were partly offset by \$0.6 million lower tax penalties and inflationary charges.

Finance costs for the nine months ended September 30, 2023 were \$4,432, an increase of \$4,880 compared to the nine months ended September 30, 2022. The increase was mainly due to a \$2.0 million increase in accretion expense on the consideration payable to Glencore for the Bolivian Acquisition as 2023 included three quarters of accretion compared to only six and a half months of accretion in 2022; also, the purchase price allocation was not finalized until Q4 2022. Additionally, there was a decrease in other income of \$3.3 million as the annual accrual for receivable from COMIBOL related to COMIBOL's obligation to pay a portion of the association contract funding will not be made until the fourth quarter of this year, a \$2.5 million decrease in other income related to a non-recurring reversal of Bolivian lease liabilities, and an increase of \$3.9 million in other expense related to non-deductible medical insurance expenses for Bolivian employees. These were partly offset by a \$4.0 million gain on adjustment to consideration payable to Glencore as a result of the Amended SPA (refer to the "Sinchi Wayra and Illapa Acquisition" in the "Company Overview" section for further details), and a \$2.2 million decrease in interest expense.

Gain on foreign exchange for the nine months ended September 30, 2023, was \$7,049 compared to \$643 in the nine months ended September 30, 2022. As Bolivia is experiencing a US dollar shortage, the Bolivian financial institutions are paying a higher BOL/USD rate than the official rate of 6.96 BOL/USD to import USD into Bolivia. Additionally, the MXN appreciated against the USD from Q3 2022 to Q3 2023.

Transaction costs for Sinchi Wayra and Illapa Business acquisition for the nine months ended September 30, 2023 were \$nil compared to \$2,022 in the nine months ended September 30, 2022, as the majority of the transaction costs were incurred in 2022, the same year the acquisition took place.

Fair value loss on marketable securities for the nine months ended September 30, 2023, was \$1,820 compared to \$1,383 in the nine months ended September 30, 2022. During the nine months ended September 30, 2023, the market value of the underlying securities decreased from C\$0.75 to C\$0.17 per share.

Summary of Quarterly Results

The following table presents selected financial information for each of the most recent eight quarters:

	2023				2022			2021
	Q3	Q2 ⁽²⁾	Q1 ⁽²⁾	Q4 ⁽²⁾	Q3	Q2	Q1	Q4
Revenues	64,408	63,854	65,378	64,309	53,516	128,388	32,381	13,821
Mine operating costs	57,014	52,878	50,698	58,070	72,854	100,431	24,365	13,685
Gross profit (loss)	7,394	10,976	14,680	6,239	(19,338)	27,957	8,016	136
Operating expenses	(7,757)	(7,218)	(6,844)	(917)	(9,285)	(8,527)	(2,475)	(6,898)
Net (loss) income	(4,298)	4,351	(176)	(4,314)	(18,788)	3,834	762	(10,450)
Net (loss) income per share ⁽¹⁾	(0.01)	0.01	(0.00)	(0.01)	(0.06)	0.01	0.00	(0.03)

⁽¹⁾ The basic and fully diluted calculations result in the same value due to the anti-dilutive effect of outstanding stock options and warrants for all quarters.

⁽²⁾ The net (loss) income and net (loss) income per share were amended as a result of the restatement related to the Sinchi Wayra and Illapa Acquisition (refer to the "Sinchi Wayra and Illapa Acquisition" in the "Company Overview" section for further details)

The Company acquired the Sinchi Wayra and Illapa business on March 18, 2022. Revenue was higher in Q2 2022 mainly due to shipping terms in offtake agreements being amended to Delivered at Place Unloaded ("DPU") basis from Free on Board ("FOB") basis for zinc concentrate sales during the period.

Liquidity, Capital Resources and Contractual Obligations

Liquidity

As at September 30, 2023, the Company had cash and cash equivalents of \$3,014. The Company's cash and cash equivalents are not exposed to liquidity risk and there is no restriction on the ability of the Company to use these funds to meet its obligations.

For the three and nine months ended September 30, 2023, the Company reported net loss of \$4,298 and \$123, respectively. As at September 30, 2023, the Company has a working capital deficiency of \$27,354 (December 31, 2022 - \$80,018). Included within this working capital deficiency is net liabilities of \$16,082 of IMSC that are held for sale. The sale of IMSC is expected to be completed by the end of the fourth quarter of 2023.

The Company has non-current loans payable of \$1,337 (December 31, 2022 - \$4,258), and non-current consideration payable to Glencore of \$125,619 (December 31, 2022 - \$67,370). In addition, the Company has an accumulated deficit of \$156,569 (December 31, 2021 - \$156,448) and a shareholders' deficiency of \$11,949 (December 31, 2022 - \$9,280).

These factors indicate the existence of a material uncertainty that may cast significant doubt upon the Company's ability to continue as a going concern. As a result, the Company may be unable to realize its assets and discharge its liabilities in the normal course of business. The Company's ability to continue as a going concern is dependent upon its ability to generate positive cash flows from operations, and/or raise adequate funding through equity or debt financing to discharge its liabilities as they come due. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms acceptable to the Company.

	Three months ended September 30,		Nine months ended September 30,	
	2023	2022	2023	2022
Cash flow				
Cash generated by operating activities	783	467	19,220	25,571
Cash (used by) provided by investing activities	(5,018)	186	(15,275)	3,274
Cash (used by) provided by financing activities	(469)	(957)	(5,539)	(25,281)
(Decrease) increase in cash and cash equivalents	(4,704)	(304)	(1,594)	3,564
Effect of exchange rate on cash and cash equivalents held in foreign currencies	(2)	(6)	(1)	(8)
Cash and cash equivalents, beginning of the period	7,720	4,804	4,609	938
Cash and cash equivalents, end of period	3,014	4,494	3,014	4,494

The Company's cash flows from operating, investing, and financing activities during the nine months ended September 30, 2023, are summarized as follows:

Cash generated by operating activities of \$19,220, primarily due to:

- \$28,903 in cash flows from operating activities before movements in working capital items; and,
- \$9,683 net decrease in non-cash working capital items during the period.

Cash used by investing activities of \$15,275, primarily related to:

- \$8,696 spent on mine development expenditures;
- \$6,806 spent on the purchase of property, plant and equipment; and,
- \$227 proceeds from the sale of marketable securities.

Cash used by financing activities of \$5,539, primarily consists of:

- \$1,212 of proceeds from the exercise of warrants and options; and,
- \$6,751 net repayment on loans payable and lease liability payments.

Capital Resources

The Company's objective when managing capital is to maintain financial flexibility to continue as a going concern while optimizing growth and maximizing returns of investments from shareholders.

The Company monitors its capital structure and based on changes in operations and economic conditions, may from time to time adjust the structure by repurchasing shares, issuing new shares, issuing new debt or retiring existing debt. The Company prepares an annual budget and quarterly forecasts to facilitate the management of its capital requirements. The annual budget is approved by the Company's Board of Directors.

The Company is not subject to any externally imposed capital requirements with the exception of compliance with covenants for the Trafigura Loan Facility. As at September 30, 2023 and December 31, 2022, the Company was fully in compliance with these covenants.

Off-balance Sheet Arrangements

The Company has not entered into any material off-balance sheet arrangement such as guarantee contracts, contingent interests in assets transferred to unconsolidated entities or derivative financial obligations.

Transactions with Related Parties

During the three and nine months ended September 30, 2023 and 2022, the Company incurred the following charges for directors, officers, and other members of key management of the Company, as well as for companies controlled by directors and officers of the Company:

	Three months ended September 30,		Nine months ended September 30,	
	2023	2022	2023	2022
Management and consulting fees	1,051	22	2,999	282
Share-based compensation	31	128	201	653
	1,082	150	3,200	935

Of the \$1,051 and \$2,999 in management and consulting fees incurred with related parties during the three and nine months ended September 30, 2023, \$25 and \$73, respectively (2022 - \$22 and \$72, respectively) was related to directors' fees and \$1,026 and \$2,926, respectively (2022 - \$nil and \$210, respectively), was related to management fees.

As at September 30, 2023, directors and officers or their related companies were owed \$17 (December 31, 2022 - \$43) in respect of the services rendered. These are non-interest bearing with standard payment terms.

A total of \$38 of the leases payable remains outstanding as at September 30, 2023 (December 31, 2022 - \$38) and are owed to a company owned by the Executive Chairman.

Key management includes directors of the Company, the CEO, the CFO, the Executive Chairman, and other members of key management. Other than the amounts disclosed above, there was no other compensation paid or payable to key management for employee services for the reported periods.

Subsequent Events

None.

Critical accounting estimates and judgments

Refer to Note 4 of the 2022 annual audited consolidated financial statements for a detailed discussion.

Accounting Policies including changes in accounting policies and initial adoption

Refer to Note 3 of the Condensed Interim Consolidated Financial Statements for the three and nine months ended September 30, 2023 and 2022 for a detailed discussion.

Financial instruments and other instruments

September 30, 2023	Amortized cost	FVTPL	Total
	\$	\$	\$
Financial assets			
Cash and cash equivalents	3,014	-	3,014
Marketable securities	-	172	172
Trade and other receivables	130,715	19,480	150,195
	133,729	19,652	153,381
Financial liabilities			
Trade payables and accrued liabilities	70,790	-	70,790
Consideration payable	142,805	18,973	161,778
Loans payable	17,435	-	17,435
Other liabilities	15,429	-	15,429
	246,459	18,973	265,432
December 31, 2022 (restated)	Amortized cost	FVTPL	Total
Financial assets			
Cash and cash equivalents	4,609	-	4,609
Marketable securities	-	2,769	2,769
Trade and other receivables	113,870	16,916	130,786
	118,479	19,685	138,164
Financial liabilities			
Trade payables and accrued liabilities	69,441	-	69,441
Consideration payable	143,380	18,157	161,537
Loans payable	22,215	-	22,215
Other liabilities	17,304	-	17,304
	252,340	18,157	270,497

The categories of the fair value hierarchy that reflect the inputs to valuation techniques used to measure fair value are as follows:

Level 1: Quoted prices in active markets for identical assets or liabilities;

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3: Inputs for the asset or liability based on unobservable market data.

As at September 30, 2023, marketable securities are measured at fair value using Level 1 inputs. The fair value of marketable securities is measured based on the quoted market price of the related common shares at each reporting date, and changes in fair value are recognized in profit or loss.

Trade receivables are measured at fair value using Level 2 inputs. The fair value of trade receivables is measured based on inputs other than quoted prices for the underlying commodity prices (silver, lead, zinc, copper) to which the receivable relates as the trade receivables are provisionally priced at the time of sale.

The carrying values of cash and cash equivalents, other receivables, and trade payables and accrued liabilities approximate their fair values because of their short-term nature.

The fair value of the loans payable for disclosure purposes is determined using discounted cash flows based on the expected amounts and timing of future cash flows discounted using a market rate of interest adjusted for appropriate credit risk.

The levels in the fair value hierarchy into which the Company's financial assets and liabilities that are measured and recognized on the consolidated statements of financial position at fair value on a recurring basis were categorized as follows:

	September 30, 2023			December 31, 2022		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
	\$	\$	\$	\$	\$	\$
Assets						
Marketable securities	172	-	-	2,769	-	-
Trade and other receivables	19,480	-	-	16,916	-	-
	19,652	-	-	19,685	-	-
Liabilities						
Consideration payable (restated)	-	-	18,973	-	-	18,157
	-	-	18,973	-	-	18,157

The majority of the Company's trade receivables arose from provisional concentrate sales and are valued using quoted market prices based on the forward London Metal Exchange for silver, zinc and lead and the London Bullion Market Association P.M. fix for silver.

The methodology and assessment of inputs for determining the fair value of financial assets and liabilities as well as the levels of hierarchy for the Company's financial assets and liabilities measured at fair value remains unchanged from that at December 31, 2022.

The Company has exposure to risks of varying degrees of significance which could affect its ability to achieve its strategic objectives for growth and shareholder returns. The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework and reviews the Company's policies on an ongoing basis.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's trade receivables.

The Company has concentrate contracts to sell the zinc and lead concentrates produced by all of the Company's mines. Concentrate contracts are a common business practice in the mining industry. The terms of the concentrate contracts may require the Company to deliver concentrate that has a value greater than the payment received at the time of delivery, thereby introducing the Company to credit risk of the buyers of concentrates. Should any of these counterparties not honour purchase arrangements, or should any of them become insolvent, the Company may incur losses for products already shipped and be forced to sell its concentrates on the spot market or it may not have a market for its concentrates and therefore its future operating results may be materially adversely impacted. At September 30, 2023, the Company had receivable balances

associated with buyers of its concentrates of \$19,480 (December 31, 2022 - \$16,916). The vast majority of the Company's concentrate is sold to well-known concentrate buyers.

The following financial assets represent the maximum credit risk to the Company:

	September 30, 2023	December 31, 2022
	\$	\$
Cash and cash equivalents	3,014	4,609
Trade and other receivables	150,195	130,786
Prepaid expenses and deposits	6,523	5,803

Management constantly monitors and assesses the credit risk resulting from its concentrate sales, trading counterparties and customers. With the exception to the above, the Company believes it is not exposed to significant credit risk.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due (see Note 1). The Company manages its liquidity risk by continuously monitoring forecasted and actual cash flows. The Company has in place a rigorous planning and budgeting process to help determine the funds required to support the Company's normal operating requirements on an ongoing basis and its expansion plans. The Company strives to maintain sufficient liquidity to meet its short-term business requirements, taking into account its anticipated cash flows from operations, its holdings of cash and short-term investments, and its committed loan facilities.

In the normal course of business, the Company enters into contracts that give rise to commitments for future minimum payments. The following tables summarize the remaining contractual maturities of the Company's financial liabilities and operating and capital commitments on an undiscounted basis:

	<1 year	1 - 2 years	2 - 5 years	>5 years	Total
	\$	\$	\$	\$	\$
Trade payables and accrued liabilities	67,372	3,418	-	-	70,790
Consideration payable	35,061	38,138	98,341	4,611	176,151
Loans payable	16,797	1,346	-	-	18,143
Operating lease payments	381	475	849	-	1,705
	119,611	43,377	99,190	4,611	266,789

Currency risk

The Company reports its financial statements in USD; however, the Company operates in jurisdictions that utilize other currencies. As a consequence, the financial results of the Company's operations as reported in USD are subject to changes in the value of the USD relative to local currencies. Since the Company's sales are denominated in USD and a portion of the Company's operating costs and capital spending are in local currencies, the Company is negatively impacted by strengthening local currencies relative to the USD and positively impacted by the inverse.

The sensitivity of the Company's net loss to changes in the exchange rate between the US dollar and the Bolivian boliviano, the Mexican peso and the Canadian dollar, respectively, would be as follows: a 1% change in the US dollar exchange rate relative to the Bolivian boliviano would change the Company's net income by approximately \$101, a 1% change in the US dollar exchange rate relative to the Mexican peso would change the Company's net loss by approximately \$79, and a 1% change in the US dollar exchange rate relative to the Canadian dollar would change the Company's net loss by approximately \$36.

The Company's financial assets and liabilities as at September 30, 2023 are denominated in Canadian dollars, US dollars, Bolivian bolivianos and Mexican pesos and translated to US dollars as follows:

	CAD	BOB	USD	MXN	Total
	\$	\$	\$	\$	\$
Financial assets					
Cash and cash equivalents	40	1,191	1,763	20	3,014
Marketable securities	172	-	-	-	172
Trade and other receivables	-	113,507	34,712	1,976	150,195
	212	114,698	36,475	1,996	153,381
Financial liabilities					
Trade payables and accrued liabilities	10	70,361	-	419	70,790
Consideration payable	-	-	161,778	-	161,778
Loans payable	-	16,303	1,132	-	17,435
Other liabilities	-	11,217	2,385	1,827	15,429
	10	97,881	165,295	2,246	265,432
Net financial assets (liabilities)	202	16,817	(128,820)	(250)	(112,051)

Interest rate risk

Interest rate risk is the risk that the fair values and future cash flows of the Company will fluctuate because of changes in market interest rates. The Company monitors its exposure to interest rates and has not entered into any derivative contracts to manage this risk. As at September 30, 2023, the Company's exposure to interest rate risk on interest bearing liabilities is limited to its consideration payable, debt facilities and lease liabilities. Based on the Company's interest rate exposure at September 30, 2023, a change of 1% increase or decrease of market interest rate would impact the Company's income or loss by approximately \$177.

Price risk

Metal price risk is the risk that changes in metal prices will affect the Company's income or the value of its related financial instruments. The Company derives its revenue from the sale of silver, zinc, lead and copper. The Company's sales are directly dependent on metal prices that have shown significant volatility and are beyond the Company's control. Consistent with the Company's mission to provide equity investors with exposure to changes in precious metal prices, the Company's current policy is to not hedge the price of precious metal.

Outstanding Share Data

As at the date of this report, the Company has 350,991,138 common shares issued and outstanding, 23,714,400 common shares issuable under stock options and 63,221,961 common shares issuable under share purchase warrants.

Internal controls over financial reporting and disclosure controls and procedures

The Company has disclosure controls and procedures in place to provide reasonable assurance that any information required to be disclosed by the Company under securities legislation is recorded, processed, summarized and reported within the applicable time periods and that required information is gathered and communicated to the Company's management so that decisions can be made about the timely disclosure of that information.

The Company's management is responsible for establishing and maintaining adequate internal controls over financial reporting. Any system of internal controls over financial reporting, no matter how well designed, has inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

The Company's management, including the Chief Executive Officer and the Chief Financial Officer, believe that any disclosure controls and procedures or internal controls over financial reporting, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, the Company's management cannot provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been prevented or detected. These inherent limitations include the realities that judgements in decision-making can be faulty, and that breakdowns can occur because of a simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by unauthorized override of the control. The design of any control system is also based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Accordingly, because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

Non-GAAP Measures

The Company has included certain non-GAAP performance measures throughout this MD&A, including Cash Cost per Silver Equivalent Ounce Sold, Cash Cost of Production per Tonne, All-in Sustaining Cash Cost ("AISC") per Silver Equivalent Ounce Sold, Average Realized Price per Ounce of Silver Equivalent Sold, and Adjusted EBITDA each as defined in this section.

These performance measures are employed by the Company to measure its operating and financial performance internally, to assist in business decision-making, and provide key performance information to senior management. The Company believes that, in addition to conventional measures prepared in accordance with IFRS, certain investors and other stakeholders also use these non-GAAP measures as information to evaluate the Company's operating and financial performance. As there are no standardized methods of calculating these non-GAAP measures, the Company's methods may differ from those used by others and, accordingly, the Company's use of these measures may not be directly comparable to similarly titled measures used by others. Accordingly, these non-GAAP measures are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

Cash Cost per Silver Equivalent Ounce Sold, All-in Sustaining Cash Cost ("AISC") per Silver Equivalent Ounce Sold, and Cash Cost of Production per Tonne

The non-GAAP measures of cash cost per silver equivalent ounce sold and cash cost of production per tonne are used by the Company to manage and evaluate operating performance at respective mining operations and are widely reported in the silver mining industry as benchmarks for performance, but do not have a standardized meaning. Cash costs are calculated based on the cash operating costs at the respective mining operations and, in the case of cash cost per silver equivalent ounce sold, also include the third party concentrate treatment, smelting and refining cost.

Management of the Company believes that the Company's ability to control the cash cost per silver equivalent ounce produced and cash cost of production per tonne are two of its key performance drivers impacting both the Company's financial condition and results of operations. Having a low cash cost of production per tonne, when taken in connection with effective management of mining dilution, will improve the cash cost per silver equivalent ounce produced. Having a low-cost base per silver equivalent ounce of production allows the Company to continue operating during times of declining commodity prices and provides more flexibility in responding to changing market conditions. In addition, low-cost operations offer a better opportunity to generate positive cash-flows, which improves the Company's financial condition.

The Company believes these measures provide investors and analysts with useful information about the Company's underlying cash costs of operations and are relevant metrics used to understand the Company's operating profitability and ability to generate cash-flow.

To facilitate a better understanding of these measures as calculated by the Company, the following table provides a detailed reconciliation between the cash cost of production per tonne, cash cost per silver equivalent ounce sold, and the Company's operating expenses as reported in the Company's consolidated statements of income (loss) and comprehensive income (loss) contained in the respective financial statements for the referenced periods.

AISC is a non-IFRS measure and was calculated based on guidance provided by the World Gold Council ("WGC") in September 2013. WGC is not a regulatory industry organization and does not have the authority to develop accounting standards for disclosure requirements. Other mining companies may calculate AISC differently as a result of differences in underlying accounting principles and policies applied, as well as differences in definitions of sustaining versus development capital expenditures.

AISC is a more comprehensive measure than cash cost per ounce for the Company's operating performance by providing greater visibility, comparability and representation of the total costs associated with producing silver from its mining operations.

The Company defines sustaining capital expenditures as, "costs incurred to sustain and maintain existing assets at current productive capacity and constant planned levels of productive output without resulting in an increase in the life of assets, future earnings, or improvements in recovery or grade. Sustaining capital includes costs required to improve/enhance assets to minimum standards for reliability, environmental or safety requirements." Sustaining capital expenditures excluded all expenditures at the Zacatecas Properties as well as certain expenditures at the Rosario Project, which were deemed expansionary in nature.

Consolidated AISC includes total production cash costs incurred at the Company's mining operations, which forms the basis of the Company's total cash costs. Additionally, the Company includes sustaining capital expenditures, corporate general and administrative expense, sustaining share-based payments (if any), and reclamation cost accretion. AISC for Bolivia Consolidated and Zimapan do not include certain corporate and non-cash items such as corporate general and administrative expense and sustaining share-based payments.

The Company believes that this measure represents the total sustainable costs of producing silver from current operations and provides the Company and other stakeholders of the Company with additional information of the Company's operational performance and ability to generate cash flows. As the measure seeks to reflect the full cost of silver production from current operations, new project capital and expansionary capital at current operations are not included. Certain other cash expenditures, including tax payments, dividends and financing costs are also not included.

The following tables provide a detailed reconciliation of these measures to our operating expenses, as reported in our condensed interim consolidated financial statements.

Three Months Ended September 30, 2023				
	Bolivia Consolidated ⁽¹⁾	Zimapan	Corporate/other	Consolidated ⁽¹⁾
Cost of sales	51,597	12,266	-	63,863
Transportation and other selling cost	(6,980)	(1,020)	-	(8,000)
Royalty	(4,371)	-	-	(4,371)
Inventory change	(7,395)	(274)	-	(7,669)
Cash Cost of Production (A)	32,852	10,972	-	43,824
Cost of sales	51,597	12,266	-	63,863
Concentrate treatment, smelting and refining cost	13,305	5,714	-	19,019
Cash Cost of Silver Equivalent Sold (B)	64,902	17,980	-	82,882
Sustaining capital expenditures	7,609	54	-	7,663
General and administrative expenses	1,397	1,799	4,978	8,174
Accretion of decommissioning and restoration provision	446	170	-	616
All-in Sustaining Cash Cost (C)	74,354	20,003	4,978	99,335
Material processed (tonnes milled) (D)	275,405	192,158	-	467,563
Silver Equivalent Sold (payable ounces) (E)	2,965,154	857,628	-	3,822,782
Cash Cost per Silver Equivalent Ounce Sold (B/E)	21.89	20.96	-	21.68
All-in Sustaining Cash Cost per Silver Equivalent Ounce Sold (C/E)	25.08	23.32	-	25.98
Cash Cost of Production per tonne (A/D)	119.28	57.10	-	93.73

⁽¹⁾ On March 18, 2022, the Company acquired Bolivar, Porco, the Caballo Blanco Group, and San Lucas, which are presented here as Bolivia Consolidated. Information for Bolivar and Porco is presented at 100% and financial information will not tie to the consolidated financial statements as the Company records 45% of Bolivar and Porco.

Three Months Ended September 30, 2022				
	Bolivia Consolidated ⁽¹⁾	Zimapan	Corporate/other	Consolidated
Cost of sales	63,040	11,160	-	74,200
Transportation and other selling cost	(10,000)	(747)	-	(10,747)
Royalty	(5,115)	-	-	(5,115)
Inventory change	16,608	(547)	-	16,061
Cash Cost of Production (A)	64,532	9,867	-	74,399
Cost of sales	63,040	11,160	-	74,200
Concentrate treatment, smelting and refining cost	11,757	5,175	-	16,932
Cash Cost of Silver Equivalent Sold (B)	74,797	16,335	-	91,132
Sustaining capital expenditures	8,048	788	-	8,836
General and administrative expenses	3,860	1,213	3,642	8,715
Accretion of decommissioning and restoration provision	301	167	-	468
All-in Sustaining Cash Cost (C)	87,006	18,503	3,642	109,151
Material processed (tonnes milled) (D)	285,191	215,765	-	500,956
Silver Equivalent Sold (payable ounces) (E)	3,330,250	1,053,622	-	4,383,872
Cash Cost per Silver Equivalent Ounce Sold (B/E)	22.46	15.50	-	20.79
All-in Sustaining Cash Cost per Silver Equivalent Ounce Sold (C/E)	26.13	17.56	-	24.90
Cash Cost of Production per tonne (A/D)	226.28	45.73	-	148.51

⁽¹⁾ On March 18, 2022, the Company acquired Bolivar, Porco, the Caballo Blanco Group, and San Lucas, which are presented here as Bolivia Consolidated. Information for Bolivar and Porco is presented at 100% and financial information will not tie to the consolidated financial statements as the Company records 45% of Bolivar and Porco.

Nine Months Ended September 30, 2023				
	Bolivia Consolidated ⁽¹⁾	Zimapan	Corporate/ other	Consolidated
Cost of sales	144,100	34,559	-	178,659
Transportation and other selling cost	(21,995)	(2,587)	-	(24,582)
Royalty	(13,203)	-	-	(13,203)
Inventory change	(11,624)	(335)	-	(11,959)
Cash Cost of Production (A)	97,278	31,637	-	128,915
Cost of sales	144,101	34,559	-	178,660
Concentrate treatment, smelting and refining cost	43,560	15,531	-	59,091
Cash Cost of Silver Equivalent Sold (B)	187,661	50,090	-	237,750
Sustaining capital expenditures	19,182	2,749	-	21,931
General and administrative expenses	3,992	5,095	14,011	23,098
Accretion of decommissioning and restoration provision	660	485	-	1,145
All-in Sustaining Cash Cost (C)	211,495	58,419	14,011	283,925
Material processed (tonnes milled) (D)	829,233	564,796	-	1,394,029
Silver Equivalent Sold (payable ounces) (E)	9,906,442	2,385,022	-	12,291,464
Cash Cost per Silver Equivalent Ounce Sold (B/E)	18.94	21.00	-	19.34
All-in Sustaining Cash Cost per Silver Equivalent Ounce Sold (C/E)	21.35	24.49	-	23.10
Cash Cost of Production per tonne (A/D)	117.31	56.01	-	92.48

⁽¹⁾ On March 18, 2022, the Company acquired Bolivar, Porco, the Caballo Blanco Group, and San Lucas, which are presented here as Bolivia Consolidated. Information for Bolivar and Porco is presented at 100% and financial information will not tie to the consolidated financial statements as the Company records 45% of Bolivar and Porco.

Nine Months Ended September 30, 2022				
	Bolivia Consolidated ⁽¹⁾	Zimapan	Corporate/ other	Consolidated
Cost of sales	175,868	31,411	-	207,279
Transportation and other selling cost	(19,385)	(1,852)	-	(21,237)
Royalty	(11,229)	-	-	(11,229)
Inventory change	(26,613)	(441)	-	(27,054)
Cost of sales adjustment ⁽²⁾	(8,446)	-	-	(8,446)
Cash Cost of Production (A)	110,195	29,118	-	139,313
Cost of sales	175,868	31,411	-	207,279
Cost of sale adjustment ⁽²⁾	(8,446)	-	-	(8,446)
Concentrate treatment, smelting and refining cost	42,168	15,422	-	57,590
Cash Cost of Silver Equivalent Sold (B)	209,590	46,832	-	256,423
Sustaining capital expenditures	14,211	2,111	-	16,322
General and administrative expenses	6,097	3,390	10,746	20,233
Accretion of decommissioning and restoration provision	667	516	-	1,183
All-in Sustaining Cash Cost (C)	230,565	52,849	10,746	294,161
Material processed (tonnes milled) (D)	556,453	607,192	-	1,163,645
Silver Equivalent Sold (payable ounces) (E)	12,032,213	2,822,306	-	14,854,519
Cash Cost per Silver Equivalent Ounce Sold (B/E)	17.42	16.59	-	17.26
All-in Sustaining Cash Cost per Silver Equivalent Ounce Sold (C/E)	19.16	18.73	-	19.80
Cash Cost of Production per tonne (A/D)	198.03	47.95	-	119.72

⁽¹⁾ On March 18, 2022, the Company acquired Bolivar, Porco, the Caballo Blanco Group, and San Lucas, which are presented here as Bolivia Consolidated. Information for Bolivar and Porco is presented at 100% and financial information will not tie to the consolidated financial statements as the Company records 45% of Bolivar and Porco.

⁽²⁾ The Company recorded certain one-time charges that are not representative of the cash cost of sales and production for the silver equivalent ounces sold and produced. These charges were therefore removed for the purpose of the Non-GAAP measures computations.

Average Realized Price per Ounce of Silver Equivalent Sold

Revenues are presented as the sum of invoiced revenues related to delivered shipments of lead, zinc and copper concentrates, after having deducted treatment, smelting and refining charges.

The following is an analysis of the gross revenues prior to treatment, smelting and refining charges, and shows deducted treatment, smelting and refining charges to arrive at the net reportable revenue for the period per IFRS. Gross revenues are divided by silver equivalent ounces sold to calculate the average realized price per ounce of silver equivalents sold.

Consolidated⁽¹⁾

	Three months ended September 30,		Nine months ended September 30,	
	2023	2022	2023	2022
Revenues	77,723	69,105	224,089	254,060
Add back: Treatment, smelting and refining charges	19,019	16,932	59,092	57,590
Gross Revenues	96,742	86,037	283,181	311,650
Silver Equivalent Sold (ounces)	3,822,782	4,383,872	12,291,464	14,854,519
Average Realized Price per Ounce of Silver Equivalent Sold ⁽²⁾	25.31	19.63	23.04	20.98
Average Market Price per Ounce of Silver per London Silver Fix	23.57	19.23	23.45	21.94

⁽¹⁾ On March 18, 2022, the Company acquired Bolivar, Porco, the Caballo Blanco Group, and San Lucas, which are presented here as Bolivia Consolidated. Information for Bolivar and Porco is presented at 100% and financial information will not tie to the consolidated financial statements as the Company records 45% of Bolivar and Porco.

⁽²⁾ Average Realized Price per Ounce of Silver Equivalent Sold in each reporting period is affected by mark-to-market adjustments and final settlements on concentrate shipments in prior periods. Concentrates sold to third-party smelters are provisionally priced and the price is not settled until a predetermined future date, typically one to four months after delivery to the customer, based on the market price at that time.

Bolivar, Porco, Caballo Blanco Group, and San Lucas⁽¹⁾

	Three months ended September 30,		Nine months ended September 30,	
	2023	2022	2023	2022
Revenues	59,498	54,756	183,625	211,024
Add back: Treatment, smelting and refining charges	13,305	11,757	43,561	42,168
Gross Revenues	72,803	66,513	227,185	253,192
Silver Equivalent Sold (ounces)	2,965,154	3,330,250	9,906,442	12,032,213
Average Realized Price per Ounce of Silver Equivalent Sold ⁽²⁾	24.55	19.97	22.93	21.04
Average Market Price per Ounce of Silver per London Silver Fix	23.57	19.23	23.45	21.94

⁽¹⁾ On March 18, 2022, the Company acquired Bolivar, Porco, the Caballo Blanco Group, and San Lucas, which are presented here as Bolivia Consolidated. Information for Bolivar and Porco is presented at 100% and financial information will not tie to the consolidated financial statements as the Company records 45% of Bolivar and Porco.

⁽²⁾ Average Realized Price per Ounce of Silver Equivalent Sold in each reporting period is affected by mark-to-market adjustments and final settlements on concentrate shipments in prior periods. Concentrates sold to third-party smelters are provisionally priced and the price is not settled until a predetermined future date, typically one to four months after delivery to the customer, based on the market price at that time.

Zimapan Mine

	Three months ended September 30,		Nine months ended September 30,	
	2023	2022	2023	2022
Revenues	18,225	14,349	40,464	43,036
Add back: Treatment, smelting and refining charges	5,714	5,175	15,531	15,422
Gross Revenues	23,939	19,524	55,995	58,458
Silver Equivalent Sold (ounces)	857,628	1,053,622	2,385,022	2,822,306
Average Realized Price per Ounce of Silver Equivalent Sold ⁽¹⁾	27.91	18.53	23.48	20.71
Average Market Price per Ounce of Silver per London Silver Fix	23.57	19.23	23.45	21.94

⁽¹⁾ Average Realized Price per Ounce of Silver Equivalent Sold in each reporting period is affected by mark-to-market adjustments and final settlements on concentrate shipments in prior periods. Concentrates sold to third-party smelters are provisionally priced and the price is not settled until a predetermined future date, typically one to four months after delivery to the customer, based on the market price at that time.

Adjusted EBITDA

Adjusted EBITDA is a non-GAAP measure in which net income is adjusted for income tax expense, interest income, interest expense, amortization and depletion, and impairment charges, foreign exchange gains or losses, unrealized losses or gains on marketable securities, share-based payments expense, accretion expense, and other non-recurring items. Foreign exchange gains or losses may consist of both realized and unrealized losses.

Under IFRS, entities must reflect in compensation expense the cost of share-based payments. In the Company's circumstances, share-based payments can involve a significant accrual of amounts that will not be settled in cash but are settled by the issuance of shares in exchange.

The Company discloses Adjusted EBITDA to aid in understanding of the results of the Company and is meant to provide further information about the Company's financial results to investors.

The following table provides a reconciliation of Adjusted EBITDA for the three and nine months ended September 30, 2023, and 2022.

	Three months ended September 30,		Nine months ended September 30,	
	2023	2022	2023	2022
Net loss for the period	(4,298)	(18,788)	(123)	(14,192)
Income tax expense (recovery)	3,722	(14,280)	12,151	8,226
Interest expense (income)	147	(18)	(330)	(113)
Interest expense, carrying and finance charges on loans payable	328	2,285	887	3,057
Amortization and depletion of mineral properties, plant and equipment	4,978	14,652	14,962	23,196
Foreign exchange (gain) loss	(3,312)	312	(7,049)	(643)
Unrealized loss (gain) on marketable securities	29	(247)	1,820	1,383
Share-based payments expense	31	170	201	870
Accretion expense	1,795	2,141	5,886	4,319
Gain on adjustment to consideration payable	-	-	(4,004)	-
Other expense (income)	1,208	(1,012)	1,967	(9,345)
Adjusted EBITDA	4,628	(14,785)	26,368	16,758

Cautionary note regarding forward-looking information

Certain of the statements and information in this MD&A constitute “forward-looking information” within the meaning of applicable Canadian provincial securities laws relating to the Company and its operations. All statements, other than statements of historical fact, are forward-looking statements. When used in this MD&A, the words, “will”, “believes”, “expects”, “intends”, “plans”, “forecast”, “objective”, “guidance”, “outlook”, “potential”, “anticipated”, “budget”, and other similar words and expressions, identify forward-looking statements or information. These forward-looking statements or information relate to, among other things: future financial or operational performance; the expected timing for release of forecasts for 2023, including our estimated production of silver, zinc, lead and copper, and for our estimated Cash Costs, AISC, capital and exploration, mine operation, general and administrative, care and maintenance expenditures; future anticipated prices for silver, zinc, lead and copper and other metals and assumed foreign exchange rates; the impacts of inflation on the Company and its operations; whether the Company is able to maintain a strong financial condition and have sufficient capital, or have access to capital, to sustain our business and operations; the timing and outcome with respect to the Company’s environmental, social and governance activities, and the Company’s corporate social responsibility activities and our reporting in respect thereof; the ability of the Company to successfully complete any capital projects, the expected economic or operational results derived from those projects, and the impacts of any such projects on the Company; the future results of our exploration activities, anticipated mineral reserves and mineral resources; the costs associated with the Company’s decommissioning obligations; the Company’s plans and expectations for its properties and operations; and expectations with respect to the future anticipated impact of COVID-19 on our operations.

These forward-looking statements and information reflect the Company’s current views with respect to future events and are necessarily based upon a number of assumptions and estimates that, while considered reasonable by the Company, are inherently subject to significant operational, business, economic, competitive, political, regulatory, and social uncertainties and contingencies. These assumptions, include: our ability to implement environmental, social and governance activities; tonnage of ore to be mined and processed; ore grades and recoveries; prices for silver, zinc, lead, copper remaining as estimated; currency exchange rates remaining as estimated; capital, decommissioning and reclamation estimates; our mineral reserve and mineral resource estimates and the assumptions upon which they are based; prices for energy inputs, labour, materials, supplies and services (including transportation); no labour-related disruptions at any of our operations; no unplanned delays or interruptions in scheduled production; protection of our interests against claims and legal proceedings; all necessary permits, licenses and regulatory approvals for our operations are received in a timely manner and can be maintained; the world-wide economic and social impact of COVID-19 is managed and the duration and extent of the coronavirus pandemic is minimized or not long-term; the management of COVID-19 in each jurisdiction; and our ability to comply with environmental, health and safety laws, particularly given the potential for modifications and expansion of such laws. The foregoing list of assumptions is not exhaustive.

The Company cautions the reader that forward-looking statements and information involve known and unknown risks, uncertainties and other factors that may cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements or information contained in this MD&A and the Company has made assumptions and estimates based on or related to many of these factors. Such factors include, some of which are described in the “Risks Factors” section of the MD&A for the year ended December 31, 2022 without limitation: fluctuations in silver, zinc, lead and copper prices; fluctuations in prices for energy inputs; fluctuations in currency markets (such as the MXN, BOL and CAD versus the USD); risks related to the technological and operational nature of the Company’s business; changes in national and local government, legislation, taxation, controls or regulations and political, legal or economic developments in Canada, the United States, Mexico, Bolivia or other countries where the Company may carry on business, some of which might prevent or cause the suspension or discontinuation of mining activities, including the risk of expropriation related to certain of our operations, particularly in Bolivia; risks and hazards associated with the business of mineral exploration, development and mining (including environmental hazards, industrial accidents, unusual or unexpected geological or structural formations, pressures, cave-ins and flooding); risks relating to the credit worthiness or financial condition of suppliers, refiners and other parties with whom the Company does business; inadequate insurance, or inability to obtain insurance, to cover these risks and hazards; employee relations; relationships with and claims by the local communities and indigenous populations; availability and increasing costs associated with mining inputs and labour; the Company’s ability to secure our mine sites or maintain access to our mine sites due to criminal activity, violence, or civil and labour unrest; the speculative nature of mineral exploration and development, including the risk of obtaining or retaining necessary licenses and permits; challenges to, or

difficulty in maintaining, the Company's title to properties and continued ownership thereof; diminishing quantities or grades of mineral reserves as properties are mined; global financial conditions; the Company's ability to complete and successfully integrate acquisitions, and to mitigate other business combination risks; the actual results of current exploration activities, conclusions of economic evaluations, and changes in project parameters to deal with unanticipated economic or other factors; increased competition in the mining industry for properties, equipment, qualified personnel, and their costs; having sufficient cash to pay obligations as they come due; the duration and effects of the coronavirus and COVID-19 variants, and any other epidemics or pandemics on our operations and workforce, and their effects on global economies and society. Although the Company has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated, described, or intended. Investors are cautioned against attributing undue certainty or reliance on forward-looking statements or information. Forward-looking statements and information are designed to help readers understand Management's current views of our near- and longer-term prospects and may not be appropriate for other purposes. The Company does not intend, and does not assume any obligation, to update or revise forward-looking statements or information to reflect changes in assumptions or in circumstances or any other events affecting such statements or information, other than as required by applicable law.