SALAZAR RESOURCES LIMITED

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2026

This discussion and analysis of financial position and results of operation is prepared as at July 29, 2026 and should be read in conjunction with the audited consolidated financial statements for the year ended March 31, 2026 and the fifteen months ended March 31, 2025 of Salazar Resources Limited (the "Company" or "Salazar"). The Company changed its fiscal year end from December 31st to March 31st effective March 31, 2025. See also "Change in Fiscal Year-End". The following disclosure and associated consolidated financial statements are presented in accordance with IFRS Accounting Standards ("IFRS"). Except as otherwise disclosed, all dollar figures included therein and in the following management discussion and analysis ("MD&A") are quoted in Canadian dollars.

Forward-Looking Statements

Certain information in this MD&A may constitute forward-looking statements or forward-looking information within the meaning of applicable securities laws (collectively, "Forward-Looking Statements"). All statements, other than statements of historical fact that address activities, events or developments that the Company believes, expects or anticipates will or may occur in the future are Forward- Looking Statements. Forward-Looking Statements are often, but not always, identified by the use of words such as "seek," "anticipate," "believe," "plan," "estimate," "expect," and "intend" and statements that an event or result "may," "will," "can," "should," "could," or "might" occur or be achieved and other similar expressions. Forward-Looking Statements are based upon the opinions and expectations of the Company based on information currently available to the Company. Forward-Looking Statements are subject to a number of factors, risks and uncertainties that may cause the actual results of the Company to differ materially from those discussed in the Forward-Looking Statements including, among other things, the Company has yet to generate a profit from its activities; there can be no guarantee that the estimates of quantities or qualities of minerals disclosed in Salazar's public record will be economically recoverable; uncertainties relating to the availability and costs of financing needed in the future; successful completion of planned drill program; competition with other companies within the mining industry; the success of the Company is largely dependent upon the performance of its directors and officers and Salazar's ability to attract and train key personnel; changes in world metal markets and equity markets beyond Salazar's control; mineral reserves are, in the large part, estimates and no assurance can be given that the anticipated tonnages and grades will be achieved or that the indicated level of recovery will be realized; production rates and capital and other costs may vary significantly from estimates; unexpected geological conditions; delays in obtaining or failure to obtain necessary permits and approvals from government authorities; community relations; all phases of a mining business present environmental and safety risks and hazards and are subject to environmental and safety regulation, and rehabilitation and restitution costs; and management of Salazar have experience in mineral exploration but may lack all or some of the necessary technical training and experience to successfully develop and operate a mine. Although Salazar believes that the expectations reflected in the Forward-Looking Statements, and the assumptions on which such Forward-Looking Statements are made, are reasonable, there can be no assurance that such expectations will prove to be correct. Readers are cautioned not to place undue reliance on Forward-Looking Statements, as there can be no assurance that the plans, intentions or expectations upon which the Forward-Looking Statements are based will occur. Forward-Looking Statements herein are made as at the date hereof, and unless otherwise required by law, Salazar does not intend, or assume any obligation, to update these Forward-Looking Statements.

Historical results of operations and trends that may be inferred from this MD&A may not necessarily indicate future results from operations. In particular, the current state of the global securities markets may cause significant reductions in the price of the Company's securities and render it difficult or impossible for the Company to raise the funds necessary to continue operations.

All of the Company's public disclosure filings, including its most recent management information circular, material change reports, press releases and other information, may be accessed via www.sedarplus.ca and readers are urged to review these materials, including the technical reports filed with respect to the Company's mineral properties.

Company Overview

The Company's principal business activity is the acquisition, exploration and development of mineral properties in Ecuador. As of the date of this MD&A the Company considers itself to be an exploration stage company.

The Company is a reporting issuer in British Columbia, Alberta, Ontario and Nova Scotia. The Company's shares trade on the TSX Venture Exchange ("TSXV") under the symbol "SRL" as a Tier 1 mining issuer, on the OTCQB under the symbol "SRLZF", and on the Frankfurt Exchange under the symbol "CCG". The Company's executive head office is located in Quito, Ecuador.

The Company has focused on the exploration and advancement towards development of resource properties in Ecuador. The Curipamba Project was the initial cornerstone project of the Company. In 2017 the Company completed an earn-in agreement with Adventus Mining Corporation ("Adventus") whereby Adventus could earn a 75% interest in the Curipamba Project by making cash payments, funding costs of US $25,000,000 and delivery of a feasibility study. On December 31, 2021 Adventus earned its interest and became a 75% shareholder of Salazar Holdings Ltd., the holding company for the Curipamba Project.

Upon achievement of commercial production, Adventus will receive 95% of the distributions from the Curipamba Project until its aggregate investment, including the US $25,000,000, minus the Company carrying value of US $19,800,000 when the Curipamba Option was signed, has been received after which distributions will be shared on a pro-rata basis according to their respective ownership. In December 2024 certain amendments were made to the Salazar Holdings Shareholders' Agreement to allow funding to be provided by Silvercorp with the terms of such funding to be in compliance with the Salazar Holdings Shareholders' Agreement.

In 2017 the Company and Adventus also entered into an exploration alliance agreement (the "Exploration Alliance") to jointly explore in Ecuador. The Exploration Alliance company, Minera Dos Gemas M2G S.A. ("Dos Gemas"), was formed in 2017, owned 80% by Adventus and 20% by the Company with Adventus funding all activities incurred up to a construction decision.

On July 31, 2024 Silvercorp Metals Inc. ("Silvercorp") completed its transaction to acquire all of the outstanding common shares of Adventus not already owned. Adventus is now a wholly-owned subsidiary of Silvercorp.

On December 23, 2024 the Company signed a binding Letter Agreement for the purchase, from Silvercorp, of the balance of the Exploration Alliance properties owned by Adventus as well as certain other exploration properties in Ecuador. The consideration for the acquisitions was limited to NSR's on the subject properties. In July 2025 the company and Silvercorp signed definitive agreements for the acquisition and in March 2026 the acquisition closed. The Company acquired interests in the Santiago, Pijilí & Tarqui-Quimi projects, in exchange for a 1.5% net smelter return royalty.

Change of Year-End

In November 2024 the Company changed its fiscal year-end from December 31st to March 31st. The Company determined that a March 31st financial year-end is preferable as this change in year-end will synchronize the Company's financial reporting with that of Silvercorp, the Company's new partner at the Curipamba project. As a result, the Company reported on July 29, 2025, the audited financial results for a transitional financial period for the 15 months ending March 31, 2025, with comparative financial statements as at and for the year ended December 31, 2023. The Company has now reverted to a quarterly reporting calendar based on a March 31st financial year-end, with reporting periods ending on the last day of June, September, December and March each year.

Property Assets and Exploration Activities

Investment in Associate - Curipamba Project

On July 31, 2024, with the completion of Silvercorp's acquisition of Adventus, Silvercorp became the Company's joint venture partner, holding a 75% indirect interest in Salazar Holdings Ltd. ("Salazar Holdings"). The principal asset of Salazar Holdings remains the El Domo Project. This marked a significant milestone in the Company's growth trajectory and a commitment to advancing the El Domo deposit. With the acquisition of Adventus by Silvercorp, a proven mine operator is now managing the project and has made substantial progress in advancing the construction of the El Domo Project.

The El Domo Project is a permitted, construction stage copper-gold project, 75% owned by Silvercorp and 25% owned by the Company. The El Domo Project is located in central Ecuador, approximately 150 km northeast of the major port city of Guayaquil (about a three hour drive). The El Domo Project spans low-lying hills and plains between 300 to 900 m above sea level.

On April 23, 2025, Silvercorp announced the construction plan, schedule, and estimated costs for the development of the El Domo Project. On April 16, 2026, the Company issued an updated construction plan and schedule. The total estimated costs remained unchanged from the US $283,600,000 previously announced on February 4, 2026.

The El Domo mine construction continued to move forward in Q4/2026, maintaining steady progress. Approximately 400,000 cubic metres of material were moved during the quarter despite a much heavier and prolonged rainy season. During fiscal 2026 approximately 2,700,000 cubic metres of material were removed, with US $45,800,000 of expenditures incurred and capitalized by Silvercorp. Throughout fiscal 2026 activities focused on haul road development, non-contact water channels, and tailings storage facility ("TSF") starter dam foundation excavation.

During fiscal 2026 construction contracts for three sections of the external power lines and three substations were awarded to Ecuadorian qualified contractors and at the beginning of calendar 2026 formal approval from the Corporation Nacional de Electricidad ("CNEL") was received.

Infrastructure development remains on schedule, highlighted by the timely completion of the run-of-mine ("ROM") ore shed in February 2026. Earthworks and site preparation for the process plant were completed during fiscal 2026 in line with the updated budget and schedule, supported by continuous rock blasting and site leveling operations.

In February 2026 Silvercorp finalized a definitive mining contract with China Railway 19th Bureau Group Co., Ltd. ("CRCC 19"). This fixed-unit-rate agreement consists of two key components: i) a $35,000,000 Construction Phase for pre-stripping and earthworks, and ii) a five-year Operations Phase valued at approximately $63,000,000 for ongoing ore and waste mining. In addition, the contract includes the construction and management of the multi-stage raising of the TSF dam ($8 million). CRCC19 has a regional headquarter in Quito with over ten years operating experience in Ecuador building a large open pit copper-gold mine and ongoing mining and stripping. In advance of executing the contract CRCC 19 began mobilizing personnel to the El Domo site in January 2026 and equipment mobilization began in February 2026.

Silvercorp has a precious metals purchase agreement ("PMPA") with Wheaton Precious Metals International Ltd. ("Wheaton") for the El Domo Project, that provides access to a cash consideration of US $175,500,000, available in four installments during construction, subject to certain customary conditions precedent being satisfied. In October 2025 the first drawdown of US $43,875,000 was made and received by Silvercorp.

Under the PMPA, Wheaton will purchase 50% of the payable gold production until 145,000 ounces have been delivered, thereafter dropping to 33% for the life of mine; and 75% of the payable silver production until 4,600,000 ounces have been delivered, thereafter dropping to 33% for gold and 50% for silver for the life of mine.

Wheaton will make ongoing payments for the gold and silver ounces delivered equal to 18% of the spot prices ("Production Payment") until the value of gold and silver delivered less the Production Payment is equal to the upfront consideration of US $175,500,000, at which point the Production Payment will increase to 22% of the spot prices.

In June 2024, an action seeking to void the environmental license of the El Domo Project was brought in the local court in Las Naves Canton, Bolívar Province, Ecuador (the "Court") by a group of plaintiffs alleging defects in the environmental consultation process for the El Domo Project. The Court rejected the litigation on July 24, 2024 ruling that the Ecuadorean government correctly discharged its environmental consultation obligations prior to issuing an environmental license for the El Domo Project. The plaintiffs filed an appeal (the "Appeal") to the provincial court, and the Appeal was heard by the provincial court of Bolívar Province on October 17, 2024, and the Appeal was dismissed by the provincial court on November 12, 2024, affirming the lower court decision that the Ministry of Environment, Water, and Ecological Transition of Ecuador ("MAATE") correctly discharged its environmental consultation obligations prior to issuing an environmental licenses of the El Domo Project. The plaintiffs subsequently filed an Extraordinary Protection Action ("EPA") before the Constitutional Court of Ecuador. On February 26, 2025, the Constitutional Court issued a decision declining to admit the EPA. On March 3, 2025, the plaintiffs filed a motion for clarification. A clarification motion may proceed where disputed issues have not been fully resolved. On July 24, 2025, the Constitutional Court unanimously rejected the clarification motion.

On August 15, 2025, a constitutional protection action was filed challenging the validity of the environmental license and related mining rights for the El Domo project. Although the case was initially dismissed by a Quito judge for lack of jurisdiction on August 19, 2025, the plaintiffs appealed the decision. Subsequently, on April 29, 2026, the Provincial Court of Pichincha accepted the appeal and remanded the case back to the lower court for a formal hearing.

Despite anti-mining groups having failed at every level of Ecuador's judiciary - including the Constitutional Court – they continue to engage in unlawful and disruptive activities aimed at obstructing the lawful development of the El Domo Project. These actions have created safety concerns and threaten the rule of law but have not materially impacted advancement to date. Silvercorp remains committed to advancing the El Domo Project responsibly and in full compliance with Ecuadorian law.

On July 15, 2026 the Company provided an update on the El Domo Project. The update is based on an independent NI 43-101 Technical Report prepared by SRK Consulting (China) Ltd. ("SRK") for Silvercorp, with an effective date of December 31, 2025 and issued on May 31, 2026 (the "2025 Technical Report"), and includes a comparison with the October 26, 2021 feasibility study (the "2021 FS"). Salazar retains a 25% carried interest in the El Domo Project, while Silvercorp holds the remaining 75% interest and serves as the operator.

Key Highlights

Mineral Resource:

- **Measured + Indicated (M+I) Mineral Resources** increased by 27%, from 9 Mt to 11.4 Mt, grading 1.85% Cu, 2.11 g/t Au, 2.42% Zn, 0.22% Pb, and 41.69 g/t Ag.
- **Inferred Mineral Resources** increased by 245%, from 1.1 Mt to 3.8 Mt, grading 0.46% Cu, 0.97% Zn, 0.13% Pb, 0.80 g/t Au, and 28.49 g/t Ag.

El Domo Project Mineral Reserves:

- **Mineral Reserves (Proven + Probable)**: 7.13 Mt, an increase of 10% compared to the 6.48 Mt reserves reported in the 2025 Technical Report.
- The metal content of the reserves increased by 10% for copper (137.7 kt), 11% for gold (584 koz), 16% for zinc (187.7 kt), 14% for lead (18.4 kt), and 15% for silver (11.0 Moz).

Update on the Analysis of Economic Data for the El Domo Project:

- After-Tax NPV (8% discount rate) is US$573 million, representing a 121% increase compared to the October 2021 Feasibility Study. After-Tax NPV (5% discount rate), is US$ 705.6 million according to the updated economic analysis.
- Construction of El Domo is fully funded, and production of the first commercial concentrates is expected to begin in mid-2027.
- The El Domo Project is currently under construction, with a mine life of 13 years processing 666,000 metric tons of mineralized material per year. This mine life includes the approximately 1.5 years of mine construction.
- Salazar's 25% interest is fully carried through to commercial production, with no additional development or construction financing obligations.

Project Overview

SRK, an independent consulting firm, was engaged by Silvercorp to prepare an update to the mineral resource estimate and the 2021 FS published on October 26, 2021, for the El Domo polymetallic project, located in Las Naves Canton, Bolívar Province, Ecuador. SRK commenced work in November 2025 and delivered the independent Technical Report in May 2026.

Updated Mineral Resource Estimate as of December 31, 2025

The current mineral resource estimate is based on information obtained from 427 diamond drill holes, totaling 79,357 metres, completed between 2007 and 2024. This updated mineral resource estimate (since the latest NI 43-101 Technical Report dated October 26, 2021) includes 28 additional infill drill holes completed within the open pit and underground areas, as well as 8 drill holes completed for metallurgical testing.

Measured + Indicated (M+I) Mineral Resources total 11.4 Mt, grading 1.85% Cu, 0.22% Pb, 2.42% Zn, 2.11 g/t Au, and 41.69 g/t Ag (containing 211.6 kt Cu, 25.2 kt Pb, 275.9 kt Zn, 775 koz Au, and 15.3 Moz Ag). In addition, Inferred Mineral Resources total 3.8 Mt, grading 0.46% Cu, 0.13% Pb, 0.97% Zn, 0.80 g/t Au, and 28.49 g/t Ag (containing 17.6 kt Cu, 5.0 kt Pb, 37.1 kt Zn, 98.0 koz Au, and 3.5 Moz Ag).

Table 1 below has a full summary of mineral resource statement for El Domo Project, as of December 31, 2025.

Table 1. Mineral Resource Statement for El Domo Project, as of December 31, 2025

Resource Category	Tonnes	Grade					Contained Metal				
		Cu	Pb	Zn	Au	Ag	Cu	Pb	Zn	Au	Ag
	(Mt)	(%)	(%)	(%)	(g/t)	(g/t)	(kt)	(kt)	(kt)	(koz)	(koz)
Open Pit Resources											
Measured	3.6	2.67	0.25	2.59	3.09	46.77	97.3	9.0	94.2	362	5,473
Indicated	7.5	1.42	0.21	2.36	1.66	39.67	105.5	15.8	176.2	397	9,504
M+I	**11.1**	**1.83**	**0.22**	**2.44**	**2.13**	**42.00**	**202.8**	**24.8**	**270.4**	**759**	**14,978**
Inferred	3.5	0.48	0.12	1.00	0.72	22.10	16.7	4.3	34.7	80	2,472
Underground Resources											
Indicated	0.3	2.73	0.12	1.72	1.58	31.14	8.8	0.4	5.5	16	321
Inferred	0.4	0.25	0.20	0.67	1.53	89.06	0.9	0.7	2.5	18	1,051
Total Mineral Resources											
Measured	3.6	2.67	0.25	2.59	3.09	46.76	97.4	9.0	94.2	362	5,474
Indicated	7.8	1.47	0.21	2.34	1.66	39.32	114.2	16.1	181.7	414	9,825
M+I	**11.4**	**1.85**	**0.22**	**2.42**	**2.11**	**41.69**	**211.6**	**25.2**	**275.9**	**775**	**15,299**
Inferred	3.8	0.46	0.13	0.97	0.80	28.49	17.6	5.0	37.1	98	3,524

Notes:
1. CIM (2014) definitions were followed for Mineral Resources.
2. Mineral Resources are reported above an NSR cut-off value of US$38/t for potential open pit Mineral Resources, and the underground portion are reported using an NSR cut-off value of US$100/t NSR.
3. The NSR value is based on estimated processing recoveries, assumed metal prices, and smelter terms, which include payable factors treatment charges, penalties, and refining charges： 84.9 *[Cu] (%) +46.9*[Au] (g/t) + 0.6*[Ag] (g/t) + 3.4 *[Pb] (%) + 19.8*[Zn] (%)
4. Mineral Resources are estimated using the metal price assumptions: USD 10,700/t Cu, USD 3,000/ oz Au, USD40/oz Ag, USD 2,300/t Pb, and USD3,220/t Zn.
5. Mineral Resources are inclusive of Mineral Reserves.
6. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.
7. Numbers may not add due to rounding.

Table 2 and 3 below shows a comparison of mineral resource tonnage, grades, and contained metal between the 2021 FS published in October 2021 and the 2025 Technical Report in December 2025.

Table 2. Comparison of Measured + Indicated (M+I) Mineral Resources, October 2021 (2021 FS) and December 2025 (2025 Technical Report)

Parameter	FS 2021	SRK 2025	Variation
Measured + Indicated Tonnage and Grades			
Tonnage (Mt)	9.0	11.4	+27%
Cu Grade (%)	2.11	1.85	- 12%
Au Grade (g/t)	2.36	2.11	- 11%
Zn Grade (%)	2.59	2.42	- 7%
Pb Grade (%)	0.24	0.22	- 8%
Ag Grade (g/t)	45.00	41.69	- 7%

Parameter	FS 2021	SRK 2025	Variation
Contained Metal			
Contained Cu (kt)	189.4	211.6	+12%
Contained Au (koz)	680	775	+14%
Contained Zn (kt)	231.7	275.9	+19%
Contained Pb (kt)	21.6	25.2	+17%
Contained Ag (koz)	12,969	15,299	+18%

Table 3. Comparison of Inferred Mineral Resources, October 2021 (2021 FS) and December 2025 (2025 Technical Report)

Parameter	FS 2021	SRK 2025	Variation
Inferred			
Tonnage (Mt)	1.1	3.8	+245%
Cu Grade (%)	1.72	0.46	- 73%
Au Grade (g/t)	1.62	0.80	- 51%
Zn Grade (%)	2.18	0.97	- 56%
Pb Grade (%)	0.14	0.13	- 7%
Ag Grade (g/t)	32	28.49	- 11%
Contained Metal			
Contained Cu (kt)	18.5	17.6	−5%
Contained Au (koz)	57	98	+72%
Contained Zn (kt)	23.6	37.1	+57%
Contained Pb (kt)	1.5	5.0	+233%
Contained Ag (koz)	1,118	3,524	+215%

While reported grades for the mineral resources are lower than in the 2021 FS, total contained metal increased across all payable metals. The change in grade primarily reflects: (i) a higher open-pit NSR cut-off value (US $38/t versus US $29/t in 2021); (ii) materially higher metal price assumptions, which brought additional lower-grade material into the resource envelope; and (iii) the incorporation, at higher metal prices, of material previously modelled as a separate underground resource into the open-pit envelope. Grades for the Mineral Reserves are unchanged to slightly higher than in the 2021 FS.

Mineral Reserve Statement for El Domo Project (Open Pit) as of December 31, 2025

Above a cut-off value of US $55/t, there are 7.13 Mt of Proven and Probable Mineral Reserves at an average NSR grade of US $312/t.

Proven and Probable Mineral Reserves total 7.13 Mt, grading 2.55 g/t Au, 47.82 g/t Ag, 1.93% Cu, 0.26% Pb, and 2.63% Zn, containing 584 koz Au (+11%), 11.0 Moz Ag (+15%), 137.7 kt Cu (+10%), 18.4 kt Pb (+14%), and 187.7 kt Zn (+16%).

Note: The percentages shown in parentheses represent the increase in Mineral Reserves and contained metal relative to the Feasibility Study dated October 26, 2021.

Table 4 shows the Mineral Reserve Statement For El Domo Project, as of December 31, 2025.

Table 4. Mineral Reserve Statement For El Domo Project, as of December 31, 2025

Category	Ore Re-serve (kt)	NSR (USD/t)	Au (g/t)	Ag (g/t)	Cu (%)	Pb (%)	Zn (%)	Con-tained Au (koz)	Contained Ag (koz)	Con-tained Cu (kt)	Con-tained Pb (kt)	Con-tained Zn (kt)
Proven	2,667	392	3.33	48.42	2.60	0.26	2.63	285	4,153	69.34	6.99	70.18
Probable	4,462	263	2.08	47.45	1.53	0.26	2.63	299	6,807	68.38	11.44	117.47
Sub Total	**7,129**	**312**	**2.55**	**47.82**	**1.93**	**0.26**	**2.63**	**584**	**10,960**	**137.72**	**18.44**	**187.65**

Sources: El Domo Project, SRK summarized

Notes:
1. Any differences between totals and sum of components are due to rounding.
2, A Cut-off Value (COV) of US $55 /t was applied.
3. The COV estimates are based on the forecast prices us $2,600/oz gold, US $31 /oz silver, US $9,250 /t copper, US $2,000 /t lead, and US $2,800/t zinc.
4. The Mineral Reserves are reported on a metric dry tonne basis.
5. Mineral Resources are inclusive of Mineral Reserves.
6. The Mineral Resources are effective as of December 31, 2025.

Table 5 shows a comparison of Mineral Reserve tonnage, grades, and contained metal between the October 2021 Feasibility Study and the December 2025 update.

Table 5. Comparison of Minerals Reserves, October 2021 (2021 FS) and December 2025 (2025 Technical Report)

Parameter	FS, DRA Oct 26, 2021	SRK Dec 31, 2025	Variation
Tonnage and Grades			
Tonnage (Mt)	6.48	7.13	+10%
Cu Grade (%)	1.93	1.93	0
Au Grade (g/t)	2.52	2.55	+1%
Zn Grade (%)	2.49	2.63	+6%
Pb Grade (%)	0.25	0.26	+4%
Ag Grade (g/t)	45.7	47.82	+5%
Contained Metal			
Contained Cu (kt)	124.9	137.7	+10%
Contained Au (koz)	524.6	584	+11%
Contained Zn (kt)	161.4	187.7	+16%
Contained Pb (kt)	16.2	18.4	+14%
Contained Ag (koz)	9,516.7	10,960	+15%

Update on the Analysis of Economic Data for the El Domo Project, as of December 31, 2025

The cash flow estimate includes only the revenue, costs, taxes, and other factors directly associated with El Domo Project. The assumptions are as follows:

The ROM (run-of-mine) and final products of El Domo Project, which are lead, zinc, and copper concentrates, are based on the LOM schedule. The local currency for El Domo Project is USD and is used for technical-economic analysis. The effective date is December 31, 2025.

The technical-economic analysis was conducted using conventional Discounted Cash Flow ("DCF") techniques. The projection for El Domo Project operation shows a positive economic prospect. At a discount rate of 8%, the NPV of the Project is US $573 million. The net present values ("NPVs") at different discount rates were estimated by SRK through DCF model, presented in Table 6.

The economic analysis was conducted for 7.13 Mt, classified as reserves at the El Domo open pit mine, see in Table 7. An additional approx. 8 million tonnes of mineralized material remain within the Measured & Indicated and Inferred Mineral Resource categories, representing meaningful upside potential to extend mine life and increase future production as these resources advance toward Reserve classification.

Table 6. Estimated NPVs at Different Discount Rate, NPV in US $ millions

Discount Rate	5%	6%	7%	8%	9%	10%	11%	12%	13%	14%	15%
NPV	705.59	657.8	613.7	572.9	535.0	499.9	467.2	436.8	408.5	382.0	357.3

Sources: SRK

Table 7. Analysis of Economic Data for the El Domo Project

Open-pit, economic data update	DRA, October 26, 2021	SRK, December 31, 2025	Variation
Study Type	Feasibility Study Results and Updated Mineral Resources	Technical Report on Curipamba-El Domo Polymetallic	—
After-Tax NPV (US$ million, 8% discount rate)	US$259	US$573	+121%
After-Tax IRR (%)	32%	45%	+41%—
Payback Period (years)	2.6	3	—
Initial Capital Cost (US$ M)	US$248	US$283.7	+14%
Total Estimated LOM operating cost (US$ million)	US$364	US$416.3	+ 14%
Average Unit Cost (US$/t -milled)	US$56.21N/A	US$58.39	+ 4%
Sustaining Capex (US$ million)	US$29	US$72.5	+ 150%
Closure Cost (US$ million)	US$24	US$17.3	- 28%
Total LOM Capital	US$ 323M (incl. US$ 22M Pre-Construction)	US$373.5	+16%
Mine life (years)	10	13 total (≈11.5 operating + 1.5 construction)	+1.5 operating years
Proven + Probable Reserves	6.48 Mt	7.13 Mt	+10%
Nominal processing capacity (tpd/ tpy-annual)	1,850 tpd	666k tpy	—

Prices Assumed, DRA, October 26, 2021: *US $1,700 Oz of Gold, US $23 Oz of Silver, 7,716 US $/t copper (US $3.5/lb), US $0.95 /lb of lead, US $1.20/lb of zinc*

Prices Assumed, SRK, December 31, 2025: *US $2,600 Oz of Gold, US $31 Oz of Silver, 9,250 US $/t copper, 2,000 US$/t lead, 2,800 US$/t zinc*

Qualified Person

The scientific and technical information contained in this news release is derived from the 2025 Technical Report entitled "Technical Report on the Curipamba–El Domo Polymetallic Project, in Ecuador", prepared by SRK Consulting (China) Ltd. for Silvercorp Metals Inc., with an effective date of December 31, 2025. The independent Qualified Persons for the 2025 Technical Report include Ms. Yanfang Zhao (MAIG), responsible for the Mineral Resource estimate, and Mr. Falong Hu (FAusIMM), responsible for the Mineral Reserve estimate. The estimates have been classified in accordance with the 2014 CIM Definition Standards. The 2021 comparative figures are derived from the Feasibility Study dated October 26, 2021 (the "2021 Technical Report"). Dorota El-Rassi, M.Sc., P.Eng, was responsible for the Mineral Resource estimate in the 2021 Technical Report and Daniel M. Gagnon, P.Eng was responsible for the Mineral Reserve estimate in the 2021 Technical Report.

Mr. Falong Hu (FAusIMM), a qualified person under NI 43-101 who is independent of Salazar, has reviewed and approved the scientific and technical disclosure in this news release,

References

[1] DRA (2021). NI 43-101 Technical Report – Feasibility Study Curipamba-El Domo Project
[2]News Release (2021). Adventus and Salazar announce Feasibility Study Results and Updated Mineral Resources for the Curipamba Copper-Gold Project
[3]SRK Consulting China Ltd. (2026). Technical Report on Curipamba-El Domo Polymetallic Project, in Ecuador.

Exploration Alliance and Other Acquisitions

In fiscal 2017 and 2018 the Company entered into various agreements (the "Exploration Alliance Agreements") with Adventus to jointly explore in Ecuador (the "Exploration Alliance"). Pursuant to definitive agreements the Company held a 20% interest in Dos Gemas and certain other companies (the "Entities") which hold mineral concessions in Ecuador (collectively the "Exploration Alliance Concessions"). The principal concessions in the Exploration Alliance are Pijili and Santiago.

In December 2024 the Company was advised by Silvercorp that it wished to abandon all exploration assets held in the Exploration Alliance, initially established with Adventus, and focus on completing construction at El Domo and initiating mining operations. Accordingly on December 23, 2024 the Company entered into a binding letter agreement (the "Silvercorp LOI") to acquire the Entities holding the Exploration Alliance Concessions. In addition to the Exploration Alliance Concessions, the Company also agreed to purchase another entity and its mineral projects, Tarqui and Quimi, wholly owned by Silvercorp, on similar acquisition terms to the Exploration Alliance Concessions. On July 23, 2025 the Company and Silvercorp finalized and signed the purchase and sale agreement formalizing the acquisitions under the Silvercorp LOI. The Company and Silvercorp subsequently completed the closings of the acquisitions on March 18, 2026 and the Company now holds a 100% interest in the entities.

The Company agreed to acquire the properties in exchange for NSR royalties in such properties as follows:

(i) the portion of the Santiago Project Silvercorp owns to the Company in exchange for a 1.5% NSR royalty on the entire project, subject to a US $3,000,000 repurchase option;
(ii) the portion of the Pijilí Project Silvercorp owns to the Company in exchange for a 1.5% NSR royalty on the entire project, subject to an option to repurchase a 1% NSR royalty in exchange for US $1,000,000;
(iii) the Tarqui Project in exchange for a 1.5% NSR royalty on the entire project, subject to an option to repurchase a 1% NSR in exchange for US $1,000,000; and
(iv) the Quimi Project in exchange for a 1.5% NSR royalty on the project, subject to an option to repurchase a 1% NSR royalty in exchange for US $1,000,000.

WHOLLY-OWNED PORTFOLIO

The following section summarizes exploration activities conducted on the Company's 100%-owned properties during the year ended March 31, 2026, and up to the date of this MD&A. Exploration expenditures are presented on a property-by-property basis in the notes to the financial statements.

Effective March 18, 2026, the Company consolidated full ownership of the Santiago, Pijilí, Tarqui and Quimi projects through the closing of the acquisition from Silvercorp in exchange for a 1.5% net smelter return royalty on those projects. Following this consolidation, the Company's 100%-owned portfolio comprises the Monja, Santiago, El Tigre, Pijilí, Tarqui and Quimi projects.

Monja Copper-Gold Project

Location:	Loja Province, Ecuador
Concession Area:	9,088 hectares across two mineral concessions
Ownership:	100% Salazar Resources
Target Type:	Copper-gold porphyry

Property Description

The Monja Project is located on the northeast margin of the Lancones Basin, within a Paleocene-Miocene metallogenic belt prospective for porphyry copper-gold deposits. The basin hosts analogous systems regionally, including the Tambo Grande volcanic-hosted massive sulphide district and the Rio Blanco porphyry in Peru, and is in close proximity to Sunstone Metals' Bramaderos porphyry project in Ecuador.

Work Completed During the Period

The Company identified the Monja Project as a cornerstone asset and focused its initial exploration programs there. The following work was completed during the fiscal year and through to the date of this MD&A:

April 2026 - Initial Sampling and Target Identification (press release April 8, 2026)

Surface geological mapping defined a copper-gold porphyry system with a 2 km × 1 km central core. Mineralization indicators identified include hydrothermal breccias with pyrite-chalcopyrite matrix, quartz-sulphide stockwork veining, locally occurring bornite and tourmaline breccias, and evidence of historical small-scale gold extraction from peripheral epithermal veins.

A total of nine rock chip samples were collected from mineralized outcrops. Three returned encouraging results:

- Sample 51584: 4.77% Cu, 1.12 g/t Au, 19.5 g/t Ag, 74 ppm Mo
- Sample 51583 and 51587 also returned elevated copper and gold values

June 2026 - Extended Rock and Soil Sampling, Detailed Geological Mapping (press release June 30, 2026)

Following the initial identification of the porphyry target, the Company conducted an expanded rock and soil sampling program and detailed geological mapping over the central area of the 2 km × 1 km porphyry core. A total of 99 rock samples (chip and channel) and 23 soil samples were collected.

Rock Sampling Results:

Of 99 rock samples, 64 samples (64%) returned copper values greater than 300 ppm and 20 samples (20%) exceeded 1,000 ppm Cu. Selected high-grade results are presented in Table 1 below.

Table 1. Rock Sample Results - highlights

Sample	Au (ppm)	Ag (ppm)	Cu (ppm)	Mo (ppm)	Notes
200101	0.989	10.3	17,070	162	Highest Cu-Au
200079	0.613	2.7	10,940	10	
51744	0.608	10.4	12,910	9	
51748	0.644	1.5	6,250	4	
700154 (channel)	0.252	1.2	5,363	4	

Note: Rock chip samples are selective in nature and may not be representative of the overall mineralization.

Soil Sampling Results:

A total of 23 soil B-horizon samples were collected along three north-south oriented lines on a 100 m × 100 m grid. Sixteen samples (70%) returned copper values exceeding 100 ppm, suggesting lateral continuity of copper mineralization over an area of approximately 180,000 m². Individual soil values ranged up to 2,242 ppm Cu.

Detailed Geological Mapping:

Detailed mapping along a 150-metre southwest-to-northeast trending creek ("Creek 1") provided continuous exposure of the mineralized system. Stockwork veining was mapped at densities averaging approximately 10 veins per metre, with a dominant northwest-southeast structural orientation. Observed veins are predominantly quartz-rich Type B veins containing chalcopyrite, pyrite, and bornite, with sericite alteration halos indicative of an overprinting phyllic (Type D) signature.

Collectively, these results confirm porphyry-style mineralization over an area of approximately 1.5 km × 0.5 km within the broader 2 km × 1 km porphyry core identified in April 2026. The alteration distribution - propylitic to phyllic and argillic assemblages with localized K-feldspar and magnetite - is consistent with a vertically and laterally zoned porphyry system.

Current Status and Next Steps

The boundaries of the Monja mineralized system are not yet fully defined. Planned activities include:

- Continued surface geochemical work and geological mapping across the remaining portions of the porphyry core
- Infill soil sampling to further constrain the extent of the copper anomaly
- Ground geophysical surveys to support drill target refinement
- Design of a high-impact ground geophysics program to advance the project toward a drill-ready target

The Company considers Monja its highest-priority early-stage exploration asset and intends to allocate a significant portion of its fiscal 2027 exploration budget to advancing this project.

Santiago Copper-Gold Project

Location:	Loja Province, southern Ecuador, approximately 37 km north of the city of Loja
Concession Area:	2,350 hectares (single concession)
Ownership:	100% Salazar Resources (consolidated effective March 18, 2026)
Target Type:	Copper-gold porphyry with near-surface epithermal overprint

Property Description

The Santiago Project is located within the Western Cordillera of the Ecuadorian Andes, on the eastern margin of the Cangrejos-Zaruma Intrusive Belt. The local geology comprises Oligocene volcanic formations (Saraguro Formation) of andesitic and dacitic lavas and tuffs, intruded by granodioritic dikes. The alteration and mineralization assemblage is consistent with a medium- to high-sulphidation epithermal system with underlying porphyry potential estimated at 200-700 m depth.

Exploration at Santiago spans several decades and operators including the United Nations Development Program (1964-1972), Prospection Panama S.A. (1971-1981), Newmont Overseas Exploration Limited (1993-1994), and a Salazar/Adventus Mining exploration alliance (2018-2022).

Work Completed During the Period

Prior to the March 18, 2026 ownership consolidation, the project was held 20% by the Company and 80% by Adventus (subsequently Silvercorp). Upon closing of the acquisition, the Company consolidated 100% ownership. A comprehensive update on the exploration history and current target definition was released on April 22, 2026.

The most significant exploration program at Santiago was conducted under the Adventus/Salazar Exploration Alliance in 2021-2022:

- Systematic rock chip sampling on a 100 m × 100 m grid, with infill to 50 m × 50 m spacing in anomalous areas; a total of 1,477 samples collected
- Results defined a combined Au-Cu geochemical anomaly of approximately 3 km × 2 km: 23% of all 1,477 samples returned >250 ppm Cu (to 0.9% Cu) and 17% returned >0.11 g/t Au, with 45 samples exceeding 0.5 g/t Au and a maximum of 21.1 g/t Au
- Within the anomalous core (599 samples): 47% returned >250 ppm Cu and 34% returned >0.11 g/t Au
- Alteration mapping (141 Terraspec samples and field mapping) confirmed quartz-alunite, phyllic, and propylitic assemblages consistent with a preserved porphyry system
- Integration of results defined a 3 km × 2 km target area with coincident geochemistry, hydrothermal alteration, and MobileMT geophysics

The airborne MobileMT geophysical survey completed in 2019 defined:

- A low-frequency apparent conductivity anomaly of approximately 3,000 m × 2,000 m, interpreted as a sulphide-rich porphyry system at depth
- A TMI-RTP magnetic low of approximately 2,000 m × 1,500 m, encircled by higher magnetic responses, consistent with magnetic mineral destruction from hydrothermal alteration

Historical Drilling (Newmont, 1993-1994)

Newmont completed approximately 4,500 metres of drilling across 18 holes, targeting the near-surface lithocap. Selected key results are shown in Table 2 below. All historical drilling tested only the near-surface lithocap; the porphyry core at depth has not been drill-tested and remains the primary exploration objective.

Table 2. Highlight of Historical Drill Results -Newmont

Drill Hole	From (m)	To (m)	Thickness (m)	Cu (%)	Au (g/t)	CuEq (%)*
FUD-01	0.61	323.70	323.09	0.23	0.40	0.61
incl.	127.65	138.45	10.80	0.58	0.40	0.96
ncl.	188.65	209.90	21.25	0.65	0.18	0.82
FUD-02	32.20	300.00	267.80	0.24	0.43	0.65
incl.	129.05	300.00	170.95	0.33	0.55	0.85
FUD-09	5.06	300.23	295.17	0.22	0.20	0.41
incl.	152.59	300.23	147.64	0.41	0.21	0.61
incl.	213.39	281.25	67.86	0.79	0.27	1.05

Notes: (1) Historical data have not been independently verified by the Company's Qualified Person; accordingly, investors should not place undue reliance on these results.

(2) No original drill core or drilling records are available. Results have been summarized from the Minera Climax del Ecuador report dated September 1996.

*(3)*Copper equivalent (CuEq) values are calculated using metal prices of US$12,359.50/tonne Cu and US$4,672.68/oz Au (LME long-term pricing, March 7, 2026), and assumed metallurgical recoveries of 90% for copper and 80% for gold. The CuEq formula is: CuEq (%) = Cu (%) + 0.945× Au (g/t). The recovery assumptions are consistent with metallurgical recovery ranges reported for comparable Cu-Au porphyry operations, including Oyu Tolgoi, Mount Milligan, and Cadia Valley. These assumptions have not been verified by project-specific metallurgical testwork, and actual recoveries may differ. CuEq values are presented for comparison purposes only and should not be interpreted as an indication of economic viability.*

(4) The true thickness of the reported intervals cannot be estimated at this stage.

The Española vein system, located peripheral to the porphyry, has historically returned high-grade epithermal values from rock chip samples including 2.0 m @ 28.10 g/t Au and 231 g/t Ag, and 1.0 m @ 26.00 g/t Au and 242 g/t Ag. These results relate to historical data and have not been independently verified by the Company's Qualified Person.

Current Status and Next Steps

The porphyry core at depth remains entirely untested by drilling. Planned activities include:

- Integration and 3D reinterpretation of all available technical datasets to develop a targeted drill program
- Assessment of the best strategy to realize value for shareholders, including potential joint venture arrangements
- Continued road maintenance and site access work

Santiago is considered a high-priority target within the Company's portfolio.

El Tigre Project

Location: Loja Province, southern Ecuador, within the Alamor-Lancones Basin
Concession Area: 288 hectares
Ownership: 100% Salazar Resources
Target Type: VMS-style gold-silver and epithermal mineralization

Property Description

The El Tigre Project is located within the Alamor-Lancones Basin, prospective for both epithermal gold and VMS-style mineralization. The property lies along the same regional trend as the Tambo Grande VMS district in northern Peru (TG1: 109 Mt @ 1.6% Cu, 1.0% Zn, 0.5 g/t Au, 22 g/t Ag; TG3: 82 Mt @ 1.0% Cu, 1.4% Zn, 0.8 g/t Au, 25 g/t Ag) within correlative Lancones Formation stratigraphy. This comparison remains conceptual and insufficient work has been completed to confirm a direct analogue.
Historical work at El Tigre identified VMS-style high-grade gold-silver mineralization in silica-barite breccia bodies and mineralized pillow lavas, with previous rock chip samples returning up to 29.60 g/t Au and gold-in-soil anomalies up to 9.94 g/t Au.

Work Completed During the Period

Between March and June 2026, the Company conducted a rock chip sampling and geological mapping program at El Tigre (press release June 16, 2026). A total of 66 rock chip samples were collected, following exposed outcrops along horse trails (traverses T1-T4) and a ravine (T5). Fifteen samples (23% of total) returned values above 0.4 g/t Au, all associated with hydrothermal breccia.

Fifteen samples were aligned with historical rock chip samples to form trench-like intervals:

- T2 Zone: 45 m at 8.94 g/t AuEq (weighted average from semi-continuous rock chip samples)
- T3 Zone: 50 m at 2.02 g/t AuEq (weighted average from semi-continuous rock chip samples)

These intervals are weighted averages over total sampled lengths and do not represent true widths; the geometry and continuity of mineralization at depth have not yet been established. The Au-bearing barite zone is interpreted to be horizontally continuous at surface (manto-style), and the intersections are considered possible representative grades of that horizon.

Integrated with prior datasets, these results define a laterally extensive gold-bearing barite-rich hydrothermal breccia horizon exposed at surface over approximately 650 m × 500 m with up to 60 m of vertical relief. Geological characteristics are considered to show similarities to the gold-bearing barite cap and oxide zones at the TG1 deposit in the Tambo Grande district; this comparison remains conceptual.

Ground-based magnetic and gravity surveys completed in late 2020 provide additional geological support. Magnetic data define an anomaly underlying the central portion of the property coincident with gold-in-soil anomalies; gravity data outline a relative low-density zone coincident with mapped hydrothermal brecciation. These geophysical features are considered preliminary and require further validation.

Current Status and Next Steps

El Tigre is considered a priority drill target. Planned activities include:

- Additional mapping and systematic channel sampling where outcrop exposure permits
- Refinement of priority drill targets
- Design of a scout drilling program to test surface mineralization and potential subsurface sulphide mineralization at depth

Tarqui and Quimi Concessions

Location:	Morona Santiago Province, Ecuador, approximately 15 km from Gualaquiza
Concession Area:	7,547 hectares across the Tarqui and Quimi concessions
Ownership:	100% Salazar Resources (consolidated effective March 18, 2026)
Target Type:	Copper-molybdenum porphyry (Tarqui); copper porphyry (Quimi); high-grade gold-silver epithermal veins (Yumi)

Property Description

The Tarqui and Quimi concessions are located within Ecuador's Zamora Metallogenic Belt, host to major deposits including the Mirador Mine, Panantza-San Carlos, the Warintza project, and Fruta del Norte 48 km to the south. The Tarqui concession is approximately 20 km from Mirador Norte; Quimi is approximately 5 km from that deposit. The project area is underlain by Jurassic-aged intrusive rocks of the Zamora Batholith with porphyry-style hydrothermal alteration assemblages.

Prior exploration was conducted by Luminex Resources (2018) and BHP Billiton (2019-2022) under an earn-in agreement, comprising 1,015 rock chip samples, 2,815 soil samples, 349 line-km of airborne VTEM geophysics, and 6,862 metres of diamond drilling across 13 holes. The project was acquired from Silvercorp, with closing effective March 18, 2026.

Work Completed During the Period

Following the acquisition, Salazar conducted a technical review of all historical data and completed its own sampling program at Tarqui (press release June 1, 2026).

Tarqui Copper-Molybdenum Porphyry

The Tarqui porphyry target is defined by an approximately 1.8 km × 1.0 km geochemical soil anomaly coincident with a magnetic and conductive geophysical signature. Rock samples returned up to 16,450 ppm Cu and soil samples up to 10,100 ppm Cu. BHP drilling confirmed copper-molybdenum mineralization with potassic alteration and quartz-sulphide A- and M-type veining. The Company's technical review concludes that historical drilling has only partially tested the system, with the porphyry core open in all directions. Key historical drill intersections are presented in Table 3:

Table 3. Highlight of Drill Results - BHP

Hole	From (m)	To (m)	Length (m)	Cu (%)	Au (g/t)	Ag (g/t)	Mo (ppm)	CuEq (%)*
TARQ1D	0	685	685	0.19	0.02	0.40.	17.60	0.21
incl.	0	186	186	0.29	0.02	0.58	10.50	0.32
TARQ2D	56	238	182	0.15	0.02	0.41	18.90	0.17
TARQ3D	36	416	380	0.15	0.02	0.46	19.80	0.18
TARQ4D	4	222	218	0.29	0.03	0.70	5.97	0.34
incl.	16	130	114	0.32	0.04	0.82	7.20	0.37
incl.	16	24	8	0.46	0.04	1.80	14.70	0.49

*Notes: Intervals calculated using a 0.10% Cu cut-off with maximum 8 m internal dilution. *CuEq calculated by the Company using: Au US\$4,724/oz, Cu US\$6.07/lb, Mo US\$27.85/lb, Ag US\$75.87/oz. and assumed metallurgical recoveries of 90% for Cu, 80% for Au, 70% for Ag, and 85% for Mo. The CuEq formula is: CuEq (%) = CuEq=Cu+1.009xAu+0.0142xAg+0.000433xMo (ppm). The recovery assumptions are consistent with metallurgical recovery ranges reported for comparable Cu-Au porphyry operations, including Oyu Tolgoi, Mount Milligan, and Los Pelambres Mine. These assumptions have not been verified by project-specific metallurgical testwork, and actual recoveries may differ. CuEq values are presented for comparison purposes only and should not be interpreted as an indication of economic viability. Historical data generated by BHP Billiton; not independently verified by the Company's Qualified Person.* ***This information should not be relied upon as an indication of future exploration results.***

Yumi High-Grade Gold-Silver Epithermal Veins

The Yumi Vein system is located on the southern flank of the Tarqui Porphyry and comprises at least three NW-SE trending low- to intermediate-sulphidation epithermal veins over approximately 100 m in length with vein widths of 0.3 to 2 m. The Company collected 77 rock chip samples across the porphyry anomaly and Yumi vein system. Selected results are presented in Table 4:

Table 4. Rock Sample results – Tarqui-Yumi

Sample	Type	Width (m)	Au (ppm)	Ag (ppm)	Notes
400344	Chips	0.4	7.07	81.4	
400345	Chips	0.3	80.90	824.0	High-grade
400362	Chips	0.5	>100.00	>1,000.0	Over-limit; pending

Sample	Type	Width (m)	Au (ppm)	Ag (ppm)	Notes
400363	Chips	0.3	8.99	133.2	
400367	Chips	0.3	9.58	266.0	
700095	Chips	0.4	17.40	318.0	

Notes: Rock chip samples are selective in nature and may not be representative of overall grade or mineralization extent. Sample 400362 is over the upper detection limit; over-limit analysis is pending. Samples submitted to Bureau Veritas, Quito/Lima; 44-element aqua regia digestion with ICP-AES finish; gold by lead collection fire assay with AAS finish.

Quimi Copper Target

The Quimi concession hosts a surface copper anomaly delineated by BHP Billiton in 1990, covering approximately 1.8 km × 0.8 km with soil values ranging from 300 to 1,401 ppm Cu, hosted in quartz dioritic intrusions with associated quartz veining, malachite, pyrite, and copper-molybdenum sulphides. No systematic follow-up work has been completed by the Company to date.

Current Status and Next Steps

Planned activities at Tarqui-Quimi include:

- Integrated geological and geophysical reinterpretation to refine drill targeting at Tarqui, with emphasis on higher-grade zones adjacent to and below historical BHP drilling
- Systematic mapping and channel sampling of the Yumi vein system to define strike continuity, width, and structural controls
- Drill program design to test the reinterpreted porphyry core and the high-grade epithermal vein system along strike and at depth
- Detailed mapping and geochemical sampling at Quimi to further define the copper surface anomaly

Pijilí Project

Location: Azuay Province, southwestern Ecuador
Ownership: 100% Salazar Resources (consolidated effective March 18, 2026)
Target Type: Copper-gold-molybdenum porphyry; tungsten

Property Description

The Pijilí Project is located in the copper-molybdenum porphyry belt of southwestern Ecuador's Azuay province, approximately 5 km from the Chaucha copper-molybdenum project. The project hosts porphyry-style copper-gold-molybdenum mineralization with the presence of tungsten.

Historical Exploration

The project was previously explored under the Salazar/Adventus Exploration Alliance:

- Hole MERC-001: 20.6 m grading 1.13% CuEq (Salazar/Adventus joint press release, October 26, 2020)
- Hole MERC-011: 151.81 m grading 0.35% CuEq, including 18.55 m at 0.99% Cu, 0.25 g/t Au, 0.03% Mo, 189.8 g/t Ag, and 0.23% W (Salazar/Adventus joint press release, April 20, 2021)

These results are historical and relate to work conducted prior to the current reporting period. The Company has not independently verified this historical data.

Current Status and Next Steps

No new exploration work was conducted at Pijilí during the reporting period. The Company is reviewing historical datasets and evaluating further exploration work to expand and delineate the porphyry system.

Qualified Person

Kieran Downes, Ph.D., P.Geo., a Qualified Person ("QP") as defined by National Instrument 43-101, is the Company's QP for the Company's wholly-owned properties and has reviewed and verified the technical information provided.

Administrative Levy ("Tasa")

On June 20, 2025, the Government of Ecuador, through the Board of the Mining Regulation and Control Agency ("ARCOM"), has issued a resolution to implement a Mining Oversight and Control Fee ("TASA") to strengthen oversight and combat illegal mining efforts. As initially drafted this new fee imposed an unsustainable burden on exploration companies.

The Company supported the constitutional challenges against the new administrative fees and there was widespread criticism of this new fee and its impact on exploration activities.

On June 23, 2026 the Ecuadorian government amended its mining regulations to exempt projects in the exploration stage from the TASA for calendar 2026. Any further decision whether or not to accept the claims with respect to the 2025 TASA may be prolonged and, if accepted, the constitutional challenges could take several years. In the meantime, if the claims are accepted, ARCOM may or may not be directed to halt the collection of the fees. In addition, there is uncertainty as to whether non-payment of the 2025 TASA could affect the status of the Company's mining concessions.

The Company will continue to monitor information and legal developments as it becomes available.

Selected Financial Data

Due to the Company's change in year-end, fiscal 2025 includes five "quarters" instead of the customary four. Fiscal 2025 commences January 1, 2024 and ends March 31, 2025. Fiscal 2026 commences April 1, 2025 and ends March 31, 2026.

	Fiscal 2026	Fiscal 2025	Fiscal 2023
	Twelve Months Ended March 31, 2026 $	Fifteen Months Ended March 31 2025 $	Twelve Months Ended December 31, 2023 $
Operations:			
Revenues	Nil	Nil	Nil
Expenses	(2,666,306)	(3,538,192)	(3,180,970)
Other items	737,203	(1,994,424)	(2,494,352)
Net loss	(1,929,103)	(5,532,616)	(5,675,322)
Other comprehensive income (loss)	(422,297)	659,957	(368,276)
Comprehensive income (loss)	(2,351,400)	(4,872,659)	(6,043,598)
Basic and diluted loss per share	(0.01)	(0.03)	(0.03)
Balance Sheet:			
Working capital (deficit)	(298,614)	2,149,782	1,335,748
Total assets	25,579,858	23,382,645	23,832,397
Total long-term liabilities	Nil	Nil	Nil

Fiscal 2026

During the twelve months ended March 31, 2026 ("fiscal 2026") the Company incurred a net loss of $1,929,103 as compared to a net loss of $5,532,616 for the fifteen months ended March 31, 2025 ("fiscal 2025"). The March 31, 2026 results cover a period of twelve months whereas the March 31, 2025 results cover a period of fifteen months.

The ongoing corporate expenses average $222,192 per month for fiscal 2026 compared to $235,879 for fiscal 2025. Two of the larger costs were drill and other services expenses and share-based compensation. There was a significant decrease in costs for drill and other service expenses, but this was due to limited activities in fiscal 2026 compared to fiscal 2025. While there was lot of work that could be done the funds were lacking in order to proceed with active drill programs. The other significant cost was the increase in share based compensation. This cost is established based on option grants and RSUs awarded, and such were more significant in fiscal 2026. Excluding both drill and other service expenses and share based compensation the average of all other costs were approximately $110,000 in fiscal 2025 and $113,000 in fiscal 2026. Not a significant difference.

Other items incurred are outside the daily operating costs. In fiscal 2026 there were two items which had a substantial impact on reducing costs, this included $321,289 other income from a fee received and $699,620 from the sale of a subsidiary. These are non-recurring items which had a positive impact on decreasing net loss.

Fiscal 2025

During the fifteen months ended March 31, 2025 (the "fiscal 2025") the Company incurred a net loss of $5,532,616 as compared to a net loss of $5,675,322 for the twelve months ended December 31, 2023 ("fiscal 2023"). The March 31, 2025 results cover a period of fifteen months and the December 31, 2023 results, a period of twelve months. The main expense items incurred were drill and other service expenses, share-based compensation and impairment of exploration and evaluation assets. Other than drill and other service costs these items do not vary based on time period. Excluding these costs the expenses were $1,643,061 for fiscal 2025 compared to $1,198,432 for fiscal 2023. The expenses per month, excluding above mentioned costs, were about $104,000 in fiscal 2025 versus about $100,000 in fiscal 2023. The majority of costs shown as other items, in both fiscal 2025 and fiscal 2023, were for impairment charges.

Fiscal 2023

During fiscal 2023 the Company incurred a net loss of $5,675,322 as compared to $3,904,786 in fiscal 2022. A number of factors contributed to the increase in net loss of $1,770,536 for 2023. The Company fully impaired its investment in Santos Resources Ltd. through which the Company was earning up to a 100% interest in the Los Santos concession. The results from work programs did not justify maintaining the option. The loss on impairment was $2,474,365.

During fiscal 2023 the Company conducted a detailed review of the Los Osos property and determined that the carrying value would not be recovered. Accordingly the Company recorded an impairment charge of $1,605,532. The impairment charges in fiscal 2023 were $1,252,487 less compared to fiscal 2022.

In fiscal 2023 the Company recorded income of $482,436 from insurance proceeds recovery. During fiscal 2023 a drill rig was destroyed and the Company was able to recover substantially all of loss incurred. The drill rig has not been replaced. Other income was down by $237,855 in 2023. This decrease was substantially attributable to the contractual termination of management fees from the Curipamba Project.

During fiscal 2023 drilling activities were substantially curtailed due primarily to lack of drilling at Curipamba. In fiscal 2022 drilling activities contributed positively a total of $743,343 towards operations whereas in 2023 drilling activities, resulted in a loss of $787,439.

During fiscal 2023 the Company made efforts to cut back expenditures due to a decrease in cash resources. Corporate development costs decreased by $117,523, community relations decreased by $123,789 and director and officer compensation decreased by $164,496. General exploration, primarily geared to the new resource properties increased by $291,230.

The following selected financial information is derived from the unaudited condensed consolidated interim financial statements of the Company.

	Fiscal 2026				**Fiscal 2025**				
Three Months Ended	**Mar. 31 2026 $**	**Dec. 31 2025 $**	**Sep. 30 2025 $**	**Jun. 30 2025 $**	**Mar. 31 2025 $**	**Dec. 31 2024 $**	**Sep. 30 2024 $**	**Jun. 30 2024 $**	**Mar. 31 2024 $**
Operations:									
Revenues	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Expenses	(1,258,081)	(417,236)	(460,811)	(530,178)	(833,819)	(480,301)	(516,232)	(1,114,923)	(592,917)
Other items	356,352	518,041	(49,874)	(87,316)	(62,243)	91,449	(1,959,920)	(29,057)	(34,653)
Net income (loss)	(901,729)	100,805	(510,685)	(617,494)	(896,062)	(388,852)	(2,476,152)	(1,143,980)	(627,570)
Other comprehensive (loss) income	(233,059)	(32,891)	173,833	(330,180)	117,895	366,473	(105,515)	82,491	198,613
Comprehensive income (loss)	(1,134,788)	67,914	(336,852)	(947,674)	(778,167)	(22,379)	(2,581,667)	(1,061,489)	(428,957)
Basic and diluted income (loss) per share	(0.01)	0.00	(0.00)	(0.00)	(0.01)	(0.00)	(0.01)	(0.01)	(0.00)

	Fiscal 2026				Fiscal 2025				
Three Months Ended	**Mar. 31 2026 $**	**Dec. 31 2025 $**	**Sep. 30 2025 $**	**Jun. 30 2025 $**	**Mar. 31 2025 $**	**Dec. 31 2024 $**	**Sep. 30 2024 $**	**Jun. 30 2024 $**	**Mar. 31 2024 $**
Balance Sheet:									
Working capital (deficit)	(298,614)	621,042	749,356	1,595,047	2,149,782	1,158,236	1,737,287	1,735,747	809,032
Total assets	25,579,858	25,420,340	22,434,027	22,598,312	23,382,645	22,384,301	22,581,100	24,493,743	23,557,784
Total long-term liabilities	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

As at the date of this MD&A, the Company has not earned any production revenue, nor found proved reserves on any of its unproven mineral interests; therefore, the expenses are not subject to seasonal fluctuations or general trends. The Company's expenses and cash requirements will fluctuate from quarter to quarter depending on the level of activity and, therefore, lack some degree of comparability. The Company's quarterly results may be affected by many factors such as timing of exploration activities, share-based payment costs, marketing activities and other factors that affect Company's exploration and financing activities. Furthermore, the Company's net loss/income may also be affected by interest rates received on cash and foreign exchange fluctuations. In addition to the above factors, the significant increase in net loss during the September 30, 2024 quarter was primarily attributed to the recognition of a $2,143,748 impairment charge with regards to the Company's El Potro concession.

Results of Operations

Three Months Ended March 31, 2026 Compared to the Three Months Ended March 31, 2025

During the three months ended March 31, 2026 ("Q4/2026") the Company recorded a net loss of $901,729 compared to a net loss of $896,062 for the three months ended March 31, 2025 ("Q5/2025"), an increase in loss of $5,667 primarily due to the following:

(i) a $424,262 decrease in general and administrative expenses, from $833,819 during Q5/2025 to $1,258,081 during Q4/2026;
(ii) a $146,426 decrease in drill and other services income, from $184,578 during Q5/2025 to $38,152 during Q4/2026; and
(iii) partially offset by other income of $321,289 in Q4/2026 from fees received and a gain on sale of subsidiary on the disposition of the Los Osos Concession.

Twelve Months Ended March 31, 2026 Compared to the Fifteen Months Ended March 31, 2025

Comparatives for fiscal 2025 and fiscal 2026 are influenced by fiscal 2026 comprising twelve months and fiscal 2025 comprising fifteen months.

During the twelve months ended March 31, 2026 ("fiscal 2026") the Company recorded a net loss of $1,929,103 compared to a net loss of $5,532,616 for the fifteen months ended March 31, 2025 ("fiscal 2025"), a decrease in loss of $3,603,513 primarily due to the following:

(i) recorded impairment of exploration and evaluation assets of a $2,143,748 during fiscal 2025. No impairment indicators were present during fiscal 2026;
(ii) during fiscal 2025 the Company recorded drill and other services income of $488,582 compared to $98,532 during fiscal 2026;
(iii) a $871,886 decrease in expenses, from $3,538,192 during fiscal 2025 to $2,666,306 during fiscal 2026. Specific fluctuations in expenses are as follows:

- ◊ recorded share-based compensation of $996,317 during fiscal 2026 on the granting and vesting of share options and RSUs compared to $722,065 during fiscal 2025;
- ◊ a $861,322 decrease in drill and other services expenses, from $1,173,066 in fiscal 2025 to $311,744 in fiscal 2026; and
- ◊ a $70,344 decrease in general exploration and maintenance, from $631,262 in fiscal 2025 to $560,918 in fiscal 2026.

Exploration and Evaluations Assets

During fiscal 2026 the Company incurred a total of $3,540,492 (2025 - $1,115,610) for exploration and evaluation assets.

Details of the exploration and acquisition expenditures for fiscal 2026 are as follows:

	El Tigre $	Monja $	Other $	Total $
Balance at March 31, 2025	5,946,288	-	197,381	6,143,669
Exploration costs				
Assay analysis	22,627	-	-	22,627
Camp supervision and personnel	15,313	3,916	-	19,229
Camp supplies	52,687	8,427		61,114
Community relations	46,167	6,357	-	52,524
Depreciation	6,169	-	-	6,169
Exploration site	201,844	17,597	45,944	265,385
Geological	175,934	11,125		187,059
Salaries	451,155	50,030	-	501,185
	971,896	97,452	45,944	1,115,292
Acquisition costs				
Property/concession/option payments	329,082	123,563	346,840	799,485
TASA fee and interest	167,711	-	1,380,293	1,548,004
Legal	-	-	77,711	77,711
	496,793	123,563	1,804,844	2,425,200
Other				
Foreign exchange movement	(114,152)	(3,402)	(29,992)	(147,546)
Balance at March 31, 2026	7,300,825	217,613	2,018,177	9,536,615

Financing Activities

Fiscal 2026

During fiscal 2026 the Company completed a non-brokered financing and issued a total of 11,003,830 common shares at $0.13 per share, for proceeds of $1,430,498.

Fiscal 2025

During fiscal 2025 the Company completed non-brokered private placement financings as follows:

(i) in April 2024 the Company issued a total of 30,600,000 common shares at $0.05 per share, for proceeds of $1,530,000;
(ii) in August 2024 the Company issued a total of 7,140,000 common shares at $0.07 per share, for proceeds of $499,800; and
(iii) in January 2025 the Company issued 25,000,000 common shares at $0.07 per share, for gross proceeds of $1,750,000.

Financial Condition / Capital Resources

As at March 31, 2026 the Company had a working capital deficit of $298,614. To date the Company has not earned any revenues from its mineral interests and the Company's operations are primarily funded from equity financings which are dependent upon many external factors and may be difficult to impossible to secure or raise when required. The Company requires additional funding to maintain its current levels of overhead for the next twelve months and to fund existing levels of planned exploration expenditures. While the Company has been successful in securing financings in the past there can be no assurance that it will be able to do so in the future.

Mining Inspection Fee

On June 20, 2025, ARCOM published a resolution imposing an administrative levy ("TASA") applicable to mining and exploration companies in Ecuador to strengthen oversight and combat illegal mining efforts. On June 27, 2025 ARCOM issued regulations detailing the payment mechanism for this fee. Under the resolution, the Company has been assessed an annual service fee of $1,838,450 payable in two semi-annual instalments on July 31st and January 31st , in respect of the six-month periods ending June 30th and December 31st, respectively. The first installment of $252,403 was due on July 31, 2025, corresponding to the period from June 1, 2025 (the implementation date of the TASA), to June 30, 2025 and the second installment of $1,542,474, corresponding to the period July 1, 2025 to December 31, 2025, was due on January 31, 2026 (collectively the ("2025 TASA").

The Company is collaborating with various chambers and associations in the Ecuadorian mining sector and all other mining/exploration companies in Ecuador, to ensure that relevant authorities understand the damage that this fee will do to the Ecuadorian Mining Industry and to the reputation of the Country as an investment destination. The ARCOM resolution places an unsustainable cost burden on companies operating within the sector and undermines confidence in Ecuador's regulatory consistency and commitment to mining development.

The Company has reached out to the Ecuadorian Government at the highest levels and will continue in discussions with the Mining Chamber of Ecuador and the Company's respective legal counsels as joint industry efforts are taking place to rescind this regulation. The Company will assess options for further courses of action.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Proposed Transactions

The Company has no proposed transactions.

Critical Accounting Estimates

The preparation of consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenditures during the reporting period. Examples of significant estimates made by management include the determination of mineralized reserves, plant and equipment lives, estimating the fair values of financial instruments, impairment of long-lived assets, reclamation and rehabilitation provisions, valuation allowances for future income tax assets and assumptions used for share-based compensation. Actual results may differ from those estimates.

A detailed summary of the Company's critical accounting estimates and sources of estimation is included in Note 3 to the March 31, 2026 audited consolidated financial statements.

Changes in Accounting Policies

There are no changes in accounting policies. A detailed summary of the Company's accounting policies is included in Note 3 to the March 31, 2026 audited consolidated financial statements.

Transactions with Related Parties

A number of key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities. Certain of these entities transacted with the Company during the reporting period.

(a) *Transactions with Key Management Personnel*

During fiscal 2026 and 2025 the following amounts were incurred with respect to the Company's President and CEO, Fredy Salazar and the CFO, Pablo Acosta:

	2026 $	2025 $
Mr. Salazar		
- Salaries and compensation	49,791	100,441
- Health benefits	3,749	1,858
- Share-based compensation (share options)	245,000	122,010
- Share-based compensation (RSUs)	5,706	-
	304,246	224,309
Mr. Acosta		
- Salaries and compensation	43,146	57,429
- Health benefits	2,517	1,248
- Share-based compensation (share options)	70,000	30,618
- Share-based compensation (RSUs)	1,826	-
	117,489	89,295
	421,735	313,604

As at March 31, 2026 $7,528 (2025 - $2,156) remained unpaid.

(b) *Transactions with Other Related Parties*

(i) During fiscal 2026 and 2025 the following consulting expenses were incurred with respect to non-executive directors of the Company:

	2026 $	2025 $
Consulting fees		
- Etienne Walter(1)	-	5,611
- Nick DeMare	13,144	19,132
- Mr. Marr-Johnson	9,000	11,250
- Jennifer Wu(2)	12,439	8,641
- Mary Gilzean(3)	-	6,128
- Freddy Salazar Jr.(4)	17,977	14,725
Share-based compensation (share options)		
- Etienne Walter	-	403
- Nick DeMare	70,000	30,387
- Jennifer Wu	70,000	-
- Mr. Marr-Johnson	70,000	31,546
- Mary Gilzean	-	35,856
- Freddy Salazar Jr.	175,000	75,560
Share-based compensation (share options)		
- Nick DeMare	730	-
- Jennifer Wu	1,826	-
- Mr. Marr-Johnson	1,826	-
- Freddy Salazar Jr.	3,423	-
	445,365	239,239

(1) Mr. Walter resigned as a director July 19, 2024.
(2) Ms. Wu was appointed as a director on July 26, 2024.
(3) Ms. Gilzean resigned as a director on July 22, 2024.
(4) Mr. Salazar Jr. was appointed corporate secretary on June 19, 2024.

As at March 31, 2026 $6,939 (2025 - $4,500) remained unpaid.

(ii) During fiscal 2026 the Company incurred a total of $95,788 (2025 - $73,258) to Chase Management Ltd. ("Chase"), a private corporation owned by Mr. DeMare, for accounting and administration services provided by Chase personnel, excluding Mr. DeMare. As at March 31, 2026 $4,879 (2025 - $nil) remained unpaid.

During fiscal 2026 the Company also recorded $28,000 (2025 - $15,000) share-based compensation for share options granted to Chase.

(c) During fiscal 2026 the Company incurred $131,290 (2025 - $146,396) for professional services provided by La Orquidea Lorsa S.A., a private corporation controlled by the President of the Company.

During fiscal 2025 the Company also recorded $42,000 share-based compensation for share options granted to the private corporation controlled by the President of the Company

(d) During fiscal 2026 the Company incurred $22,388 (2025 - $37,441) for storage facility provided by Agrosamex S.A. ("Agrosamex"), a private corporation controlled by family members of the President of the Company. As at March 31, 2026 $nil (2025 - $4,891) remained unpaid.

(e) During fiscal 2026 the Company incurred $54,749 (2025 - $32,588) for consulting services provided by Sthjobs Services S.A. a private corporation controlled by the CFO of the Company.

(f) During fiscal 2026 the Company paid $12,438 (2025 - $24,961) to an unregistered foundation of which a director of the foundation is a family member of the President of the Company, to fund ongoing community costs in Ecuador.

During fiscal 2026 the Company also recorded $9,800 (2025 - $19,764) share-based compensation for share options granted to the foundation.

(g) During fiscal 2026 directors, officers and a spouse of a director of the Company purchased a total of 1,939,600 (2025 - 15,831,697) common shares of the non-brokered private placement.

(h) The Company has made advances to private corporations controlled by the President of the Company or family members. The advances are non-interest bearing and are without fixed terms of repayment. During fiscal 2026 the Company advanced $79,665 (fiscal 2025 - $49,751) and was repaid $104,698. As at March 31, 2026 $24,717 (fiscal 2025 - $49,751) remained unpaid and has been included in amounts receivable.

(i) The Company holds an interest in the Macara Project pursuant to an agreement dated November 6, 2017 with an Ecuadorian individual (the "Macara Vendor") whereby the Company was granted an option (the "Macara Option") to acquire a 100% interest in one concession (the "Macara Concession"). The Macara Vendor is currently an employee of the Company however, at the time the Macara Vendor acquired the Macara concessions they were at arm's length to the Company. See "Macara Project" for details of the agreement.

The Macara Vendor has entered into a participation agreement with an employee of the Company and the son of the Company's President to share the option proceeds equally.

Risks and Uncertainties

The Company competes with other mining companies, some of which have greater financial resources and technical facilities, for the acquisition of mineral concessions, claims and other interests, as well as for the recruitment and retention of qualified employees.

The Company is in compliance in all material regulations applicable to its exploration activities. Existing and possible future environmental legislation, regulations and actions could cause additional expense, capital expenditures, restrictions and delays in the activities of the Company, the extent of which cannot be predicted. Before production can commence on any properties, the Company must obtain regulatory and environmental approvals. There is no assurance that such approvals can be obtained on a timely basis or at all. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations.

The Company's material mineral properties are located in Ecuador and consequently the Company is subject to certain risks, including currency fluctuations and possible political or economic instability which may result in the impairment or loss of mining title or other mineral rights, and mineral exploration and mining activities may be affected in varying degrees by political stability and governmental regulations relating to the mining industry.

Outstanding Share Data

The Company's authorized share capital is unlimited common shares with no par value. As at July 29, 2026, there were 265,083,597 issued and outstanding common shares, 120,000 share purchase warrants outstanding at an exercise price of $0.13 per share, 18,282,900 share options outstanding at exercise prices ranging from $0.08 to $0.29 per share, and 1,662,000 restricted share units.