

OUTCROP SILVER & GOLD CORPORATION

MANAGEMENT DISCUSSION AND ANALYSIS

FOR THE THREE MONTHS ENDED NOVEMBER 30, 2022

The following is management's discussion and analysis of the results of operations and financial conditions ("MD&A") of Outcrop Silver & Gold Corporation. (the "Company", or "Outcrop") and should be read in conjunction with the accompanying condensed interim consolidated financial statements and related notes thereto for the three months ended November 30, 2022 and 2021 (the "Financial Report"), and with the audited consolidated financial statements for the years ended August 31, 2022 and 2021, all of which are available on the SEDAR website at www.sedar.com.

The financial information in this MD&A is derived from the Financial Report prepared in accordance with International Accounting Standard ("IAS") 34 *Interim Financial Reporting* as issued by the International Accounting Standards Board ("IASB"). All dollar amounts are expressed in Canadian dollars unless otherwise indicated.

Additional information relating to the Company is available on SEDAR at www.sedar.com.

The MD&A contains information to January 25, 2023.

Overall Performance

Description of Business and Overview of Projects

Outcrop is an exploration company active in Colombia with an emphasis on generating silver and gold exploration projects with world-class discovery potential.

The highlights of the Company's activities in the three months ended November 30, 2022, and up to the date of this MD&A include:

- a) The Company closed a non-brokered private placement consisting of 22,828,400 units at price of \$0.15 per unit for gross proceeds of \$3,424,260. Each unit is comprised of one common share and one common share purchase warrant, which is exercisable at price of \$0.22 for a period of 36 months.
- b) The Company issued a total of 3,574,000 common shares following the exercise of stock options and warrants for gross proceeds of \$660,380.
- c) After November 30, 2022, the Company issued a total of 774,000 common shares following the exercise of stock options and warrants for gross proceeds of \$110,380.
- d) The Company issued 6,000,000 common shares under its at-the-market equity program (the "ATM Program") for gross proceeds of \$1,682,136.
- e) On November 14, 2022, the Company issued 2,104,054 shares of the company to Activos Mineros De Colombia S.A.S. as part of the purchase price for Santa Ana after the first of the mining concession agreements was registered in Outcrop's name with the National Mining Registry.
- f) The Company advanced six new vein targets south of the Royal Santa Ana Mines along the Aguilar-Guadual vein system with outstanding assays at Topacio (10.98 g Au/t, 3,203 g Ag/t in outcrop and float), Aguilar-Guadual (19.51 g Au/t and 4,259 g Ag/t in float) and Lajas (39.73 g Au/t and 3.477 g Ag/t in float), La Ye (11.39 g Au/t and 4,043 g Ag/t), and Los Mangos (9,380 g eq Ag/t).
- g) Outcrop continued with underground mapping and sampling in historic mine workings at the Frias Mine where vein channel samples assay up to 10,216 g Ag/t.
- h) Drilling continued throughout the period at Santa Ana, expanding and delineating the thirteen high-grade shoots discovered to date.

- i) Drilling in the Maras shoot extended high-grade mineralization to 350 metres depth, where mineralization remains open.
- j) The Company conducted preliminary metallurgical test work on Santa Ana representative core with excellent results. Average recoveries of 94% silver and 96% gold are indicated and a concentrate containing 6,450 grams per tonne of silver and 82.94 grams per tonne of gold can be produced.
- k) Diagnostic mineral characterization and grind grain-size particle distribution and related sulfide liberation support Santa Ana mineral processing of by conventional simple milling and flotation circuits.

Colombia Update

Santa Ana Project

The 100% owned Santa Ana project comprises over 6,400 hectares in titles and approximately 30,000 hectares in applications located in the Municipality of Falan, Tolima Department, Colombia, approximately 15 kilometres southeast of the town of Mariquita and 190 kilometres from Bogota, Colombia's capital city. The Santa Ana Project consists of five regional parallel scale vein systems across a trend 12 kilometres wide and 30 kilometres long, and covers almost the entire Mariquita District. The Mariquita District is the highest-grade primary silver district in Colombia. Under Spanish Colonial era control of the mines, with records dating from 1585, silver grades were reported to be among the highest in Latin America, with the fourteen mines of Santa Ana producing average smelter returns of 4,300 g Ag/t from veins averaging 1.4 metres wide. The colonial era mines are on titles owned by Outcrop.

Historic mining depths, structural controls, host rocks and vein textures support a geologic and exploration model for a composite mesothermal and epithermal vein system having mineralization that likely extends to great depth. Petrography and fluid inclusions studies show at least two mesothermal mineralization events and one epithermal mineralization event. At Santa Ana it is unlikely that there is sharp elevation restriction common to high-grade zones in many epithermal systems with no mesozonal component.

At the core Royal Santa Ana project, located at the northern extent of just one of the regional vein systems controlled by Outcrop, thirteen high-grade shoots have been discovered to date – La Ivana hanging-wall and footwall (La Porfia vein system); San Antonio, Roberto Tovar, San Juan (Royal Santa Ana vein systems); Las Maras (Las Penas vein system); El Dorado, La Abeja (El Dorado vein systems); Megapozo, Paraiso (El Paraiso vein system); Espiritu Santo (Aguilar vein system); La Isabela and Los Naranjos. Each zone commonly contains multiple parallel veins. The veins can show both high-grade silver and high-grade gold mineralization, and low-angle veins appear to connect to more common high-angle veins.

Outcrop currently has three drill rigs in the Santa Ana project focused on delineation of the thirteen high-grade shoots discovered to date, with a current focus on Los Naranjos, Las Maras, El Dorado and Las Abejas shoots. All shoots are open in one or more directions along their surface trace and all are open at depth. It is expected that deeper drilling of each shoot will significantly increase its current size. A total of 323 holes have been drilled on Santa Ana for a total of 55,937 metres.

The greenfield target generation program continues with significant results, identifying a total of fifteen new targets, with five of them ready to be drilled this quarter. Underground mapping and sampling in historical mine workings, most importantly in the Frias Mine have delivered encouraging results and helped refine geologic and exploration models.

Antares Project

Outcrop Gold acquired the Antares Project in 2015 as a result of a grass-roots exploration program using the Gramalote deposit as an exploration model. Antares displays numerous large, historic hydraulically mined excavation of bulk mineralized weathered granite. These excavations align within a northeast-trending structural zone up to hundreds of metres wide. Large excavations of bulk mineralized granite are seen at both Antares and on the Gramalote Project 30 kilometres to the northeast of Antares. Outcrop

Gold made four applications on its own and then subsequently signed a Lease Agreement with Activos Mineros de Colombia S.A.S. to acquire six additional applications contiguous to Outcrop's applications. The combined project area covers 10,500 hectares.

In 2017 and 2018, joint venture partner IAMGOLD conducted surface exploration work on the project. Their work produced a large and significant gold in soils anomaly over four kilometres long that provides a drill-ready target. Importantly, in early 2018, AngloGold Ashanti Limited ("AngloGold"; NYSE: AU) received all operating permits for the Gramalote open pit gold mine. Antares has less environmental and social sensitivities than Gramalote.

Argelia Project

The Argelia Project are mining applications that provide a target for multiple intermediate sulfidation epithermal veins within a structural corridor that extends at least 2.5 kilometres by 2.5 kilometres. At least eight distinct veins are inferred but working suggests more veins remain to be identified. The veins typically range from 0.25 to 3.5 metres in width. Reconnaissance samples range from 0.51 g Au/t to 40 g Au/t. Silver to gold ratio is approximately 5 to 1 or higher.

Public records show that a private British mining company mined and produced gold on the project prior to 1950. The workings presumed to represent this activity have two levels spaced approximately 100 metres apart in elevation. The upper level shows assays of 22.5 g Au/t over a 3.5 metre wide vein. The lower level shows 20 g Au/t over a two-metre-wide vein. The strongly mineralized veins on two levels probably reflect a continuous high-grade shoot providing an immediate drill target.

Oribella Project

Oribella adjoins Orosur Mining Inc.'s ("Orosur"; TSX/AIM: OMI) Anza Project, which contains the APTA vein deposit and the Charrascala porphyry-epithermal anomalies. Orosur recently reported drill results from the APTA vein including 59.55 metres of 9.61 g Au/t (source: Orosur press release dated July 6, 2021). Oribella also extends to within three kilometres of Royal Road's Nuevo Guintar Project where epithermal mineralization is reported in two drill-holes (source: AngloGold Q3-2017, "Exploration Update").

Anza is currently operated as a joint venture between Agnico Eagle Mines Ltd., Newmont Gold Mining Company and Orosur.

The APTA structures are inferred to project onto Oribella. The Oribella mineral system appears to include epithermal veins and replacements superposed on a large breccia and basalt hosted "wall-rock" gold and copper porphyry system. The projects surrounding Oribella appear to also include epithermal and porphyry-style mineralization.

Mallama Project

The Mallama Project is part of a large district that contains more than 30 mapped intermediate sulfidation epithermal veins with strike lengths of over four kilometres. In 1984, the Japanese International Cooperation Agency ("JICA") mapped, sampled, and drilled a portion of the larger vein system, of which the Mallama Project covers a part. The El Diamante Mine is just north of Outcrop's Mallama Project and has been active for more than 30 years. The gold at El Diamante, in particular, is associated with pyrite and quartz and secondarily with sphalerite, and galena. The Diamante Mine veins and Mallama property veins share similar characteristics and Diamante is probably part of the larger Mallama vein system.

Historic sampling presented by the owners of the titles on the Mallama Project shows vein grades ranging from 33 g Au/t to 87 g Au/t with silver occurring on an average ratio of 10 to 1 silver to gold. Limited confirmation sampling assays by Outcrop geologists shows 42 g Au/t over 0.5 metres in an active artisan mine that displays numerous parallel veins.

Preliminary work by Outcrop shows significant mineralization in the Bombona Zone where systematic sampling in an area of sublevel production shows 15 samples with a weighted average grade of 23.2 g Au/t and 182.3 g Ag/t over an average of 0.69 metre vein width. Soil sampling conducted by JICA shows that the Bombona Zone correlates well with gold anomalies in soils, and eight or more parallel veins can be inferred adjacent the Bombona vein. Aligned artisanal workings suggest the Bombona Zone extends for

up to four kilometres in length. Outcrop has done sufficient underground sampling in the Bombona Zone within Mallama to indicate artisan mines are producing at in-situ grades of 22 g Au/t with silver at an approximate 4 to 1 ratio. The Bombona Zone consists of a package of seven or more parallel veins of approximately one metre width, and local informal miners have workings on at least three veins. The Bombona Zone displays production portals on at least three separate veins. The historic mine workings extend within a zone over two kilometres long and drill-ready targets are provided.

Outcrop has initiated a Consulta Previa, an administrative requirement, to consult with indigenous peoples with traditional households on mining concessions, including those that make up Mallama. A portion of the project must also be subtracted from the forestry reserve. Outcrop has initiated joint meetings with the indigenous leaders and informal miners in the Bombona Zone to pursue social license to work on Mallama.

Qualified Person

The data disclosed in this MD&A has been reviewed and verified by Joseph Hebert, B.S.Geo. C.P.G., a Qualified Person as defined by National Instrument 43-101.

Results of Operations

For the three months ended November 30, 2022 and 2021.

Significant or noteworthy expenditure differences between the periods include:

	Three months ended November 30,	
	2022	2021
Loss for the period	\$ (2,625,390)	\$ (2,446,956)
Comprehensive loss for the period	\$ (2,623,203)	\$ (2,445,315)
Expenses for the period	\$ (2,633,435)	\$ (2,448,947)
Exploration and evaluation	1,529,456	1,467,384
	<i>Increase due to the escalation in exploration activity in Colombia at Santa Ana with adding a third drill rig on the project.</i>	
Stock-based compensation	332,857	296,016
	<i>Increase due to more stock option grants in the current period and increased valuation of stock options as compared to the prior period.</i>	
Professional fees	91,817	146,073
	<i>Decrease due to reducing certain legal and accounting related services for the maintenance of the Company's subsidiaries accounting records in Q1 2021.</i>	

Exploration and evaluation expenditure details for the three months ended November 30, 2022 and 2021.

During the three months ended November 30, 2022, the Company was focused on the Santa Ana Project where it increased its drilling efforts through the addition of a third drill rig and increased staffing for its community outreach programs at the project site. During the three months ended November 30, 2021 the Company was also focussed on drilling the Santa Ana Project.

Three months ended November 30, 2022	Santa Ana		Other		Total
Drilling	\$ 684,626		\$ -		\$ 684,626
Payroll	213,341		166,986		380,327
Field Expenses and other	271,606		18,898		290,504
Technical consulting	88,602		85,397		173,999
Total	\$ 1,258,175		\$ 271,281		\$ 1,529,456

Three months ended November 30, 2021	Santa Ana		Other		Total
Drilling	\$ 677,359		\$ -		677,359
Payroll	413,766		55,154		468,920
Field Expenses and other	247,194		4,676		251,869
Technical consulting	68,225		1,010		69,275
Total	\$ 1,406,544		\$ 60,840		\$ 1,467,384

Summary of Quarterly Results

The following is a summary of the Company's financial results for the eight most recently completed quarters:

	Nov 30, 2022 \$	Aug 31, 2022 \$	May 31, 2022 \$	Feb 28, 2022 \$	Nov 30, 2021 \$	Aug 31, 2021 \$	May 31, 2021 \$	Feb 28, 2021 \$
Revenue	nil							
Net loss for the period	(2,625,390)	(3,354,008)	(3,369,270)	(2,237,511)	(2,446,956)	(3,088,474)	(3,622,577)	(3,657,165)
Basic and diluted loss per share	(0.01)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.03)	(0.03)

Outcrop is a mineral exploration company. At this time, any issues of seasonality or market fluctuations have no material impact. Currently, Outcrop defers its mineral property acquisition costs and expenses both its exploration and project investigation, and its general and administration costs, which are included in the net loss for each quarter. The Company's treasury, in part, determines the level of exploration undertaken.

Three months ended November 30, 2022 / November 30, 2021 – During the three months ended November 30, 2022, the Company's net loss of \$2,625,390 was relatively consistent with the net loss incurred for the three months ended November 30, 2021. Stock-based compensation expense increased by \$36,841 due to more stock options being granted in the current period versus the comparative period. Increased exploration activity at the Santa Ana project during the quarter resulted in an additional \$62,072 in exploration expenditures in the current period versus the comparative.

Three months ended August 31, 2022 / August 31, 2021 – During the three months ended August 31, 2022, the Company's net loss decreased by \$15,262 compared to the prior quarter due to a decrease in general and administrative expenses. During the three months ended August 31, 2021, the Company's net loss increased by \$534,103 compared to the prior quarter due to a decrease in general and administrative expenses and investor relations in a cost cutting initiative.

Three months ended May 31, 2022 / May 31, 2021 – During the three months ended May 31, 2022, the Company incurred a net loss of \$3,369,270 as compared to a net loss of \$3,622,577 for the three months ended May 31, 2021. The decrease of \$253,307 period over period is due to a reduction of stock-based compensation of \$362,221 due to fewer stock options being granted in 2022 versus 2021 and a reduction in investor relations expenses of \$259,766 due primarily to current year reduction of outreach costs to attract new global investors and digital advertising, which was offset by an increase in exploration expenditures of \$98,619.

Three months ended February 28, 2022 / February 28, 2021 – During the three months ended February 28, 2022, the Company incurred a net loss of \$2,237,511 as compared to a net loss of \$3,657,165 for the three months ended February 28, 2021. The decrease of \$1,419,654 period over period is due to a reduction of stock-based compensation of \$453,759 due to fewer stock options being granted in 2022 versus 2021 and a reduction in exploration expenditures of \$1,514,761 due to the timing and certain logistical issues of the 2022 Santa Ana drilling campaign.

Liquidity and Capital Resources

The Company's primary source of funds since incorporation has been through issues of its common stock and the exercise of common stock options and common stock share purchase warrants.

The Company applies the joint venture business model to its non-core operations. Through generative exploration it stakes claims on mineral properties or acquires the property by way of an option to lease

agreement and then seeks joint venture partners to the options on its projects in order to have those partners fund the exploration of the project to earn an interest. In some cases, the Company receives common stock and/or cash option payments as a portion of the partner's cost to earn an interest.

The Company records management fees earned for acting as a service contractor to certain exploration funding partners as an offset to expenses. Mineral property option proceeds from properties where all acquisition costs have been recovered further reduce expenses. The Company does not anticipate mining revenues from the sale of mineral production in the near future. The Company's operations consist of the exploration and evaluation of mining properties and, as such, the Company's financial success will be dependent on the extent to which it can discover new mineral deposits. The Company anticipates seeking additional equity investment from time to time to fund its activities that cannot be funded through other means.

The Company has completed the financings set out below during the fiscal 2022 and 2021 years with no variance between projected use of proceeds and actual use of proceeds.

Date	Financing	Funding (Gross)	Funding (Net)	Use of Proceeds	Variance ¹
Sep 2022	Private Placement Units at \$0.15	\$ 3,424,260	\$ 3,239,792	Colombian project exploration and general corporate purposes	Nil
Mar 2022	Brokered Offering Units at \$0.27	\$ 6,900,000	\$ 6,454,286	Colombian project exploration and general corporate purposes	Nil
Mar 2021	Bought Deal Units at \$0.43	\$ 9,202,645	\$ 8,264,707	Colombian project exploration and general corporate purposes	Nil

¹There was no variance between projected use of proceeds and actual use of proceeds.

During the three months ended November 30, 2022, the Company issued 750,000 common shares following the exercise of stock options at a price of \$0.16-\$0.22 per common share for gross proceeds of \$133,000, issued 2,150,000 common shares following the exercise of share purchase warrants at a price of \$0.20 per common share for gross proceeds of \$430,000, and issued 6,000,000 common shares under its at-the-market equity program (the "ATM Program") for gross proceeds of \$1,682,184.

At the date of this MD&A, the Company has 194,752,462 common shares, 14,050,000 stock options (12,900,000 of which are exercisable), and 93,303,620 share purchase warrants outstanding. Additional cash would be raised if stock option holders and share purchase warrant holders chose to exercise these instruments.

The Company began the 2023 fiscal year with cash of \$1,239,346. In the three months ended November 30, 2022, the Company expended \$2,701,701 on operating activities; expended \$43,901 on investing activities and received \$5,480,997 from financing activities; and experienced a \$28,028 negative effect of foreign exchange on cash, and ended on November 30, 2022 with \$3,946,713 in cash.

	Three months ended November 30,	
	2022	2021
Cash used in operating activities	\$ (2,701,701)	\$ (2,092,175)
Cash used in investing activities	\$ (43,901)	\$ (nil)
Cash provided by financing activities	\$ 5,480,997	\$ 61,318
Effect of foreign exchange on cash	\$ (28,028)	\$ (21,132)
Change in cash during the period	\$ 2,707,367	\$ (2,051,992)

Transactions with Related Parties

- a) The Company's related parties consist of companies with directors and officers in common and companies owned in whole or in part by executive officers and directors as follows:

Related Party Name	Nature of Transactions
Calibre Capital Corp. (" Calibre ") & Northhouse Capital Corp. (" Northhouse "), companies related to Alex Tong	Consulting as former CFO (<i>resigned in August 2021</i>)
Farris LLP (" Farris "), a in which Jay Sujir is a partner	Legal services
Slater Corporate Services Corporation (" SCSC "), a company related to Ian Slater	Cost reimbursement, office, Corporate Secretary, corporate compliance services, CFO, accounting, and financial reporting.

The Company incurred the following fees in connection with the related party companies indicated above. Expenses have been measured at the exchange amount, which is determined on a cost recovery basis.

	Three months ended November 30,	
	2022	2021
Consulting fees – Northhouse	-	7,166
Cost reimbursement – SCSC	120,000	94,824
Legal fees – Farris	1,688	3,992
Total	\$ 121,688	\$ 105,982

- b) Amounts owing to related parties are disclosed in Note 9 of the condensed interim consolidated financial statements. All amounts are unsecured, with no specific terms of repayment.
- c) Compensation of directors and members of key management personnel, including amounts disclosed in Note 9(a) and (b) of the condensed interim consolidated financial statements were as follows:

	Three months ended November 30,	
	2022	2021
Exploration	\$ 57,532	\$ 72,954
Legal fees(1)	1,688	3,992
Reimbursement of expenses(2)	21,686	324
Stock-based compensation	215,283	213,930
Wages and benefits	99,995	72,912
Total	\$ 396,184	\$ 364,112

(1) Amount is included in professional fees.

(2) Amount is included in general and administrative expenses and wages and benefits. The prior period comparative has been changed to be consistent with the current period presentation.

Forward-Looking Statements

This MD&A contains forward-looking statements that are based on the Company's current expectations and estimates. Forward-looking statements are frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate", "suggest", "indicate" and other similar words or statements that certain events or conditions "may" or "will" occur. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause actual events or results to differ materially from estimated or anticipated events or results implied or expressed in such forward-looking statements. Such factors include, among others: the actual results of current exploration activities; conclusions of economic evaluations; changes in project parameters as plans to continue to be refined; possible variations in ore grade or recovery rates; accidents, labor disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing; and fluctuations in metal prices. There may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise. Forward-looking statements are not guarantees of future performance and accordingly undue reliance should not be put on such statements due to the inherent uncertainty therein.

This MD&A may contain information about adjacent properties on which we have no right to explore or mine. U.S. investors are advised that the SEC's mining guidelines strictly prohibit information of this type in documents filed with the SEC. U.S. investors are cautioned that mineral deposits on adjacent properties are not indicative of mineral deposits on our properties.

Risks and Uncertainties

The Company is in the business of acquiring, exploring and developing mineral properties. It is exposed to a number of risks and uncertainties that are common to other mineral exploration companies in the same business. The industry is capital intensive at all stages and is subject to variations in commodity prices, market sentiment, exchange rates for currency, inflation and other risks. The Company currently has no source of revenue other than interest income. The Company will rely mainly on equity financing to fund acquisitions and its other activities. The risks and uncertainties described in this section are considered by management to be the most important in the context of the Company's business. The risks and uncertainties below are not inclusive of all the risks and uncertainties the Company may be subject to and other risks may exist.

Foreign Country Risk

The Company's principal mineral properties are located in rural Colombia. Over the past 20 years, the Government of Colombia has made strides in improving the social, political, economic, legal and fiscal regimes. However, operations in Colombia are still subject to risk due to the potential for social, political,

economic, legal and fiscal instability. The government in Colombia faces ongoing problems including, but not limited to, unemployment and inequitable income distribution and unstable neighboring countries. The instability in neighboring countries could result in, but not limited to, an influx of immigrants which could result in a humanitarian crisis and/or increased illegal activities. Colombia is also home to a number of insurgency groups and parts of the countryside are under guerrilla influence. In addition, Colombia experiences narcotics-related violence, kidnapping, extortion and thefts and civil unrest in certain areas of the country. Such instability may require the Company to suspend operations on its properties.

Although the Company is not presently aware of any circumstances or facts which may cause the following to occur, other risks may involve matters arising out of the evolving laws and policies in Colombia, any future imposition of special taxes or similar charges, as well as foreign exchange fluctuations and currency convertibility and controls, the unenforceability of contractual rights or the taking or nationalization of property without fair compensation, restrictions on the use of expatriates in the Company's operations, renegotiation or nullification of existing concessions, licenses, permits and contracts, illegal mining, changes in taxation policies, or other matters.

Foreign Operations

The Company's key asset, the Santa Ana Project, and operations are located in Colombia. Colombia's legal and regulatory requirements in connection with companies conducting mineral exploration activities, banking system and controls as well as local business culture and practices are different from those in Canada. The officers and directors of the Company must rely, to a great extent, on the Company's Colombian legal counsel and local consultants retained by the Company in order to keep abreast of material legal, regulatory and governmental developments as they pertain to and affect the Company's business operations, and to assist the Company with its governmental relations. The Company must rely, to some extent, on the members of management and the Board who have previous experience working and conducting business in Colombia to enhance its understanding of and appreciation for the local business culture and practices in Colombia. The Company also relies on the advice of local experts and professionals in connection with current and new regulations that develop in respect of banking, financing and tax matters in Colombia. Any developments or changes in such legal, regulatory or governmental requirements or in local business practices in Colombia are beyond the control of the Company and may adversely affect its business.

Due to its location in Colombia, the Santa Ana Project depends in part upon the performance of the Colombian economy. As a result, the Company's business, financial position and results of operations may be affected by the general conditions of the Colombian economy, price instabilities, currency fluctuations, inflation, interest rates, regulatory changes, taxation changes, social instabilities, political unrest and other developments in or affecting Colombia over which the Company does not have control. Because international investors' reactions to the events occurring in one emerging market country sometimes appear to demonstrate a "contagion" effect in which an entire region or class of investment is disfavoured by international investors, Colombia could also be adversely affected by negative economic or financial developments in other emerging market countries.

Differing Interpretations in Tax Regimes in Foreign Jurisdictions

Tax regimes in foreign jurisdictions may be subject to sudden changes. The Company's interpretation of taxation law where it operates and as applied to its transactions and activities may be different than that of applicable tax authorities. As a result, tax treatment of certain operations, actions or transactions may be challenged and reassessed by applicable tax authorities, which could result in adverse tax consequences for the Company, including additional taxes, penalties or interest.

Tax Matters

The Company is subject to income taxes and other taxes in a variety of jurisdictions and the Company's tax structure is subject to review by both Canadian and foreign taxation authorities. The Company's taxes are affected by a number of factors, some of which are outside of its control, including the application and interpretation of the relevant tax laws and treaties. If the Company's filing position were to be challenged

for whatever reason, this could have a material adverse effect on the Company's business, results of operations and financial condition.

Conflicts of Interest

Certain directors and officers of the Company are also directors, officers and/or shareholders of other companies that are similarly engaged in the business of natural resource exploration, development and production. Such associations may give rise to conflicts of interest from time to time. The directors of the Company are required by law to act honestly and in good faith with a view to the best interests of the Company and to disclose any interest which they may have in any project or opportunity of the Company.

Foreign Subsidiaries

The Company conducts certain of its operations through foreign subsidiaries and some of its assets are held in such entities. Any limitation on the transfer of cash or other assets between the Company and such entities, or among such entities, could restrict the Company's ability to fund its operations efficiently. Any such limitations, or the perception that such limitations may exist now or in the future, could have an adverse impact on the Company's valuation and stock price.

Government Regulation

The Company's mineral exploration activities in Colombia may be adversely affected in varying degrees by changing government regulations relating to the mining industry or shifts in political conditions that increase royalties or the costs related to the Company's activities or maintaining its properties. Operations may also be affected in varying degrees by government regulations with respect to restrictions on production, price controls, government-imposed royalties, claim fees, export controls, income taxes, and expropriation of property, environmental legislation and mine safety. The effect of these factors cannot be accurately predicted. Although the Company's exploration activities are currently carried out in material compliance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail production or development.

Seizure or Expropriation of Assets

Pursuant to Article 58 of the Colombian constitution, the Government of Colombia can exercise its eminent domain powers in respect of the Company's assets in the event such action is required to protect public interests. According to Law 388 of 1997, eminent domain powers may be exercised through: (i) an ordinary expropriation proceeding (expropiacion ordinaria), (ii) an administrative expropriation (expropiacion administrativa) or (iii) an expropriation for war reasons (expropiacion en caso de guerra). In all cases, the Company would be entitled to a fair indemnification for expropriated assets. However, indemnification may be paid in some cases years after the asset is effectively expropriated. Furthermore, the indemnification may be lower than the price for which the expropriated asset could be sold in a free market sale or the value of the asset as part of an ongoing business.

Risks Associated with Potential Acquisitions

The Company is actively evaluating opportunities to acquire mining assets and businesses. These acquisitions may be material in size, may change the scale of the Company's business and may expose the Company to new geographic, political, operating, financial and geological risks. The Company's success in its acquisition activities depends on its ability to identify suitable acquisition targets, acquire them on acceptable terms and integrate their operations successfully with those of the Company.

Any acquisitions would be accompanied by risks, such as the difficulty of assimilating the operations and personnel of any acquired companies; the potential disruption of the Company's ongoing business; the inability of management to maximize the financial and strategic position of the Company through the successful incorporation of acquired assets and businesses; additional expenses associated with amortization of acquired intangible assets; the maintenance of uniform standards, controls, procedures and policies; the impairment of relationships with employees, customers and contractors as a result of any

integration of new management personnel; and the potential unknown liabilities associated with acquired assets and businesses, including environmental liabilities. In addition, the Company may need additional capital to finance any such acquisitions. Debt financing related to acquisitions would expose the Company to the risk of leverage, while equity financing may cause existing shareholders to suffer dilution. There can be no assurance that the Company would be successful in overcoming these risks or any other problems encountered in connection with such acquisitions.

Competition and Scarcity of Mineral Lands

The mining industry is intensely competitive, with many companies and individuals engaged in the mining business including large, established mining companies with substantial capabilities. There is a limited supply of desirable mineral lands available for claim staking, lease or other acquisition in the areas where the Company contemplates conducting exploration activities. The Company may be at a disadvantage in its efforts to acquire quality mining properties as it must compete with individuals and companies which in many cases have greater financial resources and larger technical staffs than the Company. Accordingly, there can be no assurance that the Company will be able to compete successfully for new mining properties. Increased competition for experienced mining professionals, equipment and other resources could adversely affect the Company's ability to attract necessary capital funding or acquire suitable producing properties or prospects for mineral exploration.

Future Profits/Losses and Production Revenues/Expenses

The Company has no history of operations and expects that its losses will continue for the foreseeable future. The Company does not expect to receive revenues from operations or be profitable in the foreseeable future, if at all. The Company expects to incur losses until such time as a property enters into commercial production and generates sufficient revenues to fund its continuing operations. Development will require the commitment of substantial resources. There can be no assurance that the Company will generate any revenues or achieve profitability. The Company's operating expenses and capital expenditures may increase in subsequent years due to the cost of employees, consultants, service providers and equipment associated with advancing exploration and development. The amounts and timing of expenditures will depend on the progress of ongoing exploration and development, the Company's strategic analyses, the rate at which operating losses are incurred, the execution of any joint venture or other agreements with strategic partners, and the Company's acquisition of additional properties and other factors, many of which factors are beyond the Company's control.

Commodity Prices

In the event that the Company has a producing mine in the future, the profitability of the Company's business will be largely contingent on the market price for the minerals sold by the Company. A significant reduction in the market price of the metals sold by the Company for any extended period could have a materially adverse effect on the Company's profitability and cash flow. Global metal prices fluctuate widely and are affected by numerous factors beyond the Company's control, including global demand and production levels, political and economic conditions, producer hedging activities, speculative activities, inflation, interest rates and currency exchange rates.

Exploration and Mining Risks

There is no assurance that any exploration activities that the Company may undertake in the future will result in the development of an economically viable mine project. Exploration for minerals is highly speculative in nature, involves many risks and frequently is unsuccessful. Among the many uncertainties inherent in any mineral exploration and development program are the location of economic ore bodies, the development of appropriate metallurgical processes, the receipt of necessary regulatory permits and the construction of mining and processing facilities. In addition, substantial expenditures are required to pursue such exploration and development activities. Assuming discovery of an economic ore body, depending on the type of mining operation involved, several years may elapse from the initial phases of drilling until commercial operations are commenced and during such time the economic feasibility of production may change. Substantial expenditures are required to establish mineral resources and mineral reserves through drilling, to develop metallurgical processes to extract the metal from mineral resources, and in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining. The economic viability of a mineral deposit depends on a number of factors, including without

limitation: the characteristics of the orebody and its proximity to infrastructure, costs associated with exploration, development and operation of the mine project, prevailing metal prices, economic and financing conditions.

Dependence on Key Personnel

The Company is heavily dependent on its key personnel and on its ability to motivate, retain and attract highly skilled persons. If, for any reason, any one or more of such key personnel do not continue to be active in the Company's management, the Company could be adversely affected. There can be no assurance that the Company will successfully attract and retain additional qualified personnel to manage its current needs and anticipated growth. The failure to attract such qualified personnel to manage growth effectively could have a material adverse effect on the Company's business, financial condition or results of operations.

Capital Market

Historically the Company has been financed through the issuance of common shares and other equity securities. Although the Company has been successful in the past in obtaining financing, the Company has limited access to financial resources and there is a risk that sufficient additional financing may not be available to the Company on acceptable terms, or at all. The ability of the Company to arrange additional financing will depend, in part, on prevailing debt and equity market conditions, and other factors. As a consequence, global economic and financial conditions could adversely impact the Company's financial status and share price.

COVID-19

The outbreak of COVID-19 has had a significant impact on global economic conditions triggering restrictions on the movement of goods and people. These conditions may impact the Company's ability to access its mineral properties to complete further work. The ability of the Company to fund ongoing exploration or projects development is affected by the availability of financing.

The extent to which COVID-19 impacts the Company's financial position, results of operations and cash flows in future periods is not yet known; however, there may be heightened risk of mineral properties impairment and liquidity or going concern uncertainty.

Critical Accounting Estimates

The preparation of financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual reports could differ from management's estimates.

Additional Disclosure for Venture Issuers without Significant Revenue

The components of mineral properties are described in *Note 6* of the condensed consolidated interim financial statements.

Outstanding Share Data as at the date of this MD&A

Authorized: an unlimited number of common shares without par value	Common Shares Issued and Outstanding	Common Share Purchase Warrants	Stock Options
Outstanding as at August 31, 2021	132,148,953	59,046,838	12,610,000
Stock options exercised – September 1, 2021	500,000	-	(500,000)
Stock options granted – October 25, 2021	-	-	100,000
Stock options exercised – November 10, 2021	25,000	-	(25,000)
Stock options exercised – November 15, 2021	75,000	-	(75,000)

Outcrop Silver & Gold Corp.
Management Discussion and Analysis
For the three months ended November 30, 2022

Stock options cancelled – November 15, 2021	-	-	(750,000)
Stock options granted – November 16, 2021	-	-	300,000
Stock options cancelled – December 5, 2021	-	-	(300,000)
Stock options cancelled – December 15, 2021	-	-	(100,000)
Stock options granted – January 13, 2022	-	-	500,000
Stock options cancelled – January 24, 2022	-	-	(50,000)
Common shares issued – January 25, 2022	150,000	-	(150,000)
Stock options expired – February 25, 2022	-	-	(110,000)
Common shares issued – February 28, 2022	1,341,500	-	-
Stock options cancelled – February 14, 2022	-	-	(300,000)
Common shares issued – March 9, 2022	25,555,555	26,755,556	-
Warrants expired – March 9, 2022	-	(2,751,250)	-
Common shares issued – March 10, 2022	100,000	(100,000)	-
Stock options cancelled – March 14, 2022	-	-	(200,000)
Stock options exercised – March 30, 2022	250,000	-	(250,000)
Stock options cancelled – April 8, 2022	-	-	(750,000)
Stock options granted – April 8, 2022	-	-	3,900,000
Stock options cancelled – April 28, 2022	-	-	(500,000)
Stock options cancelled – June 13, 2022	-	-	(50,000)
Warrants expired – June 17, 2022	-	(10,883,926)	-
Stock options granted – June 23, 2022	-	-	1,300,000
Common shares issued – September 22, 2022	22,828,400	23,560,402	-
Stock options exercised – October 04, 2022	100,000	-	(100,000)
Stock options granted – October 5, 2022	-	-	900,000
Stock options cancelled – October 9, 2022	-	-	(500,000)
Stock options exercised – October 11, 2022	100,000	-	(100,000)
Common shares issued – October 18, 2022	127,000	-	-
Stock options exercised – October 20, 2022	200,000	-	(200,000)
Common shares issued – October 20, 2022	2,883,500	--	--
Common shares issued – October 22, 2022	2,264,000	-	-
Stock options exercised – October 25, 2022	100,000	-	(100,000)
Stock options exercised – October 26, 2022	100,000	-	(100,000)
Common shares issued – October 27, 2022	150,000	(150,000)	-
Stock Options granted – October 31, 2022	-	-	400,000
Common shares issued – November 02, 2022	1,000,000	(1,000,000)	-
Common shares issued – November 03, 2022	1,297,000	-	-
Common shares issued – November 07, 2022	23,500	-	-
Stock options exercised – November 08, 2022	70,000	-	(70,000)
Common shares issued – November 10, 2022	1,000,000	(1,000,000)	-
Common shares issued – November 14, 2022	822,000	-	-

Common shares issued – November 14, 2022	2,104,054	-	-
Stock options exercised – November 15, 2022	80,000	-	(80,000)
Common shares issued – November 17, 2022	794,500	-	-
Common shares issued – November 23, 2022	383,500	-	-
Common shares issued – December 05, 2022	50,000	(50,000)	-
Stock options exercised – December 08, 2022	500,000	-	(500,000)
Common shares issued – December 08, 2022	74,000	(74,000)	-
Common shares issued – December 12, 2022	50,000	(50,000)	-
Stock options exercised – December 19, 2022	100,000	-	(100,000)
Outstanding as at the date of this MD&A	194,752,462	93,303,620	14,050,000

Proposed Transactions

There are no proposed transactions that have not been disclosed herein.

Off-Balance Sheet Transactions

There are no off-balance sheet transactions that have not been disclosed herein.

Internal Controls Over Financial Reporting

Changes in Internal Control over Financial Reporting (“ICFR”)

In connection with National Instrument 52-109 (“NI 52-109”), Certification of Disclosure in Issuer’s Annual and Interim Filings, adopted in December 2008 by each of the securities commissions across Canada, the Chief Executive Officer and Chief Financial Officer of the Company will file a Venture Issuer Basic Certificate with respect to financial information contained in the unaudited interim consolidated financial statements and the audited annual consolidated financial statements and respective accompanying MD&A. The Venture Issue Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109.

Management’s Responsibility over Financial Statements

The information provided in this report, including the financial statements, is the responsibility of management. In the preparation of these statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been properly reflected in the financial statements.

Other Information

Additional information relating to the Company is available for viewing on SEDAR at www.sedar.com and at the Company’s website www.outcropgold.com.