SABLE RESOURCES LTD.

Management's Discussion and Analysis
For the year ended December 31, 2023

MANAGEMENT DISCUSSION AND ANALYSIS AS OF APRIL 24, 2024

The purpose of this Management's Discussion and Analysis ("MD&A") is to provide management's point of view regarding the performance of Sable Resources Ltd. ("Sable" or the "Company"). This MD&A also provides information to improve the readers' understanding of the consolidated financial statements and related notes as well as important trends and risks affecting the Company's financial performance and should therefore be read in conjunction with the consolidated financial statements of the Company for the year ended December 31, 2023 ("Financial Statements"). This MD&A contains forward-looking information and statements which are based on the conclusions of management. The forward-looking information and statements are only made as of the date of this MD&A.

All financial information in this MD&A has been prepared in accordance with International Financial Reporting Standards ("IFRS") and all dollar amounts are expressed in Canadian dollars unless otherwise indicated.

The Company's certifying officers, based on their knowledge, having exercised reasonable diligence, are also responsible to ensure that these filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by these filings, and these financial statements together with the other financial information included in these filings. The Board of Directors approves the Financial Statements and MD&A and ensures that management has discharged its financial responsibilities. The Board's review is accomplished principally through the Audit Committee, which meets to review all financial reports, prior to filing.

FORWARD LOOKING INFORMATION

This MD&A contains certain statements that may be deemed "forward-looking statements," as defined by Canadian securities laws. Forward-looking statements relate to management's expectations or beliefs about future performance, events, or circumstances that include, but are not limited to, future production, costs of production, prices of gold, reserve or resource potential, exploration and operational activities, and events or developments that the Company expects or targets. Forward-looking statements can usually be identified by words such as: "future", "plans", "scheduled", "expects", "intends", "estimates", "forecasts", "will", "may", "could", "would", and variations thereof. Although the Company believes that these statements are based on reasonable assumptions, all forward looking statements involve known and unknown risks and uncertainties that may cause the actual performance, events, or circumstances of the Company to be materially different than anticipated. The Company and its operations are also subject to a large number of risks, including: the Company's liquidity and financing capability, economic and political instability in foreign jurisdictions, fluctuations in gold prices, market conditions, results of current exploration activities, the possibility of a labour stoppage or shortage, evolving environmental standards, delays in obtaining government permits and approvals, and such other risks as discussed herein and in other publicly filed disclosure documents. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause performance, events, or circumstances to differ materially from those described in forward-looking statements. There can be no assurance that forward-looking statements will prove to be accurate. Accordingly, readers should not place undue reliance on forward-looking statements contained in this MD&A. Forward-statements are made based on management's beliefs, estimates and opinions on the date the statements are made, and the Company undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change, except as required by applicable law.

QUALIFIED PERSON

The scientific and technical information contained in this MD&A has been reviewed and approved by Luis Arteaga, Sable's Vice President, Exploration, who is a "Qualified Person" ("QP") as defined in National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*.

COMPANY OVERVIEW

The Company is a Canadian listed public company with its shares traded on the TSX Venture Exchange ("TSXV") under the symbol "SAE" and on the OTC Venture Market (OTCQB) under the symbol "SBLRF". The Company is engaged in the acquisition, exploration, and development of mineral resource properties through its phase exploration methodology in the countries of Argentina and Mexico.

Sable started exploration in San Juan, Argentina in 2018, becoming one of the most active players in the province with four active projects and a total of 163,969 hectares controlled. San Juan is home of the world-class Veladero Mine (Barrick Gold), the Gualcamayo mine (Mineros S.A.), as well as large and important exploration projects such as Filo del Sol (Filo Mining), Josemaria (Lundin Mining), Hualilan (Challenger Exploration), among others.

RECENT DEVELOPMENTS

On February 24, 2023, the Company signed an addendum to the Earn-In Agreement with South32 (the "EIA") whereby 35% of any excess contributions above US$8.5 million over five years or US$10 million over six years made by South32 during the EIA period can be used as a credit by South32 for their portion of the first approved program and budget of the Joint Venture Period. The credit has a maximum value of US$1.75 million.

Q4 2023 OPERATING HIGHLIGHTS

Mineral Properties

Argentina

- As at the date of this MD&A, the 2023-2024 field season at the Don Julio project has been finalized. The 2023-2024 season was dedicated to surface work, including mapping, rock sampling, review of WorldView-3 anomalies, soil sampling of the Tocota target and acquisition of IP surveys along the Chita valley.

- On March 1, 2024, the Company announced exploration results from the Cerro Negro project, part of the San Juan regional program where magnetic and chargeability anomalies combined with Au, Ag, Cu, Mo and pathfinder anomalies in MMI (Mobile Metal Ion) soil sampling suggest the presence of a concealed porphyry system underneath Quaternary gravels.

Don Julio Project

- The Company finished the field season at Don Julio covering several areas of mapping. Work completed included the collection of 507 rock samples to be analyzed for Au, multi-elements, and Terraspec; soil grid of 628 samples at the Tocota target; reviewing several WorldView-3 anomalies generated by South32; and acquiring 21km of IP survey along the Chita valley.

- The field season was highly productive and provided a better definition of known targets and generated two new targets: Colorado and Morro. These new targets represent a combination of historical data with new observations and geophysical information from this season.

El Fierro Project

- No exploration work was conducted in Q4 2023 at El Fierro. The Company is actively looking for a partner to advance the Pyros Au-Cu-Mo porphyry target.

- During the year ended December 31, 2023, the Company terminated one of the option agreements at El Fierro. This resulted in an abandonment loss of $165,325.

La Poncha Project

- After drilling Poncha North in 2022 and conducting extensive regional exploration within the land package, the Company concluded that the La Poncha project was not strategic for its portfolio and the option agreement was terminated, which resulted in an abandonment loss of $186,470.

San Juan Regional

- Sable's exploration work at the Cerro Negro project has resulted in finding targets where magnetic and chargeability anomalies coincide with solid MMI anomalies of Au, Cu, Ag, Mo and multiple pathfinders.

- The Company has recently staked the Potrerillo property comprising 19,000 hectares surrounding a larger magnetic anomaly located 24km NW of Cerro Negro which is also covered by Quaternary gravels. Preliminary field review of Potrerillo will be conducted during the Argentinian winter to determine future exploration activities for the property.

Mexico

Due to increasing costs, the Company decided to drop all its mineral titles in Mexico including the title with the Vinata project. The Company will continue to hold its mineral title applications, however no exploration expenditures are planned in the near term for these titles under application. This resulted in an impairment loss of $3,642,666.

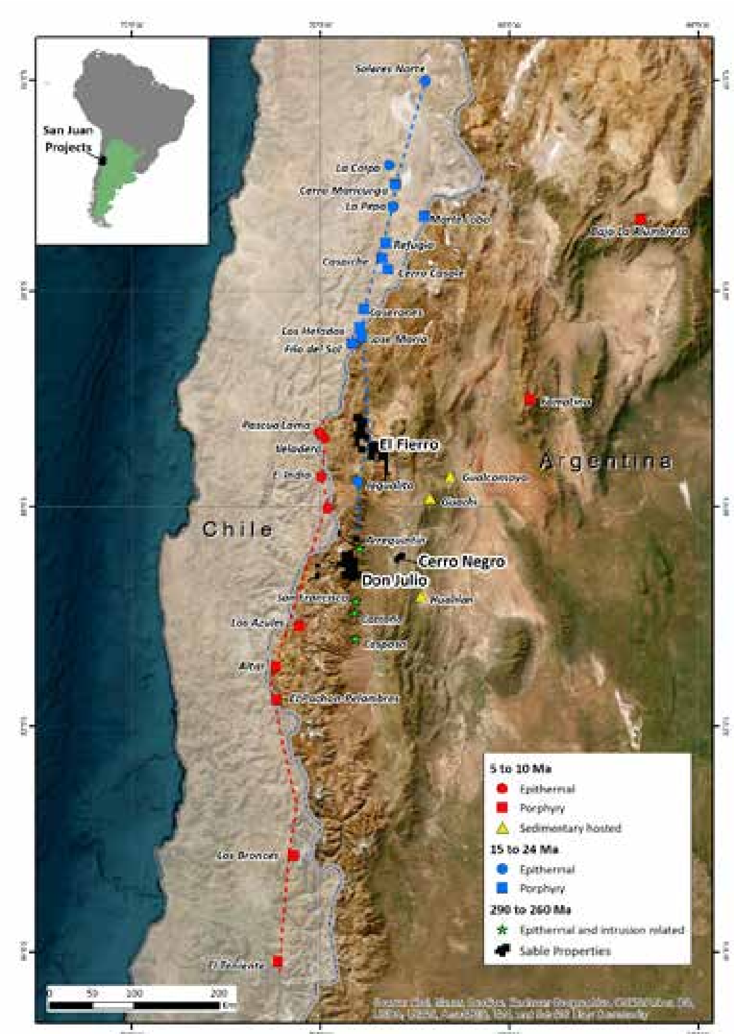
OUTLOOK

The Company continues its discussions with South32 for a workplan and budget for the Don Julio project for the 2024-2025 exploration season. The Don Julio project now has multiple known and new drill ready targets.

During the Argentinian winter season, the geology team will conduct preliminary reconnaissance of the new Potrerillo property, looking for evidence of Miocene magmatism within the extensive gravel cover.

EXPLORATION PROPERTIES

ARGENTINA



The Company has four active projects in Argentina:

- Don Julio
- Don Julio Regional (including Los Pumas)
- El Fierro
- San Juan Regional - Cerro Negro

Don Julio Projects

Through its option agreement and staking, Sable controls more than 69,000 hectares at its Don Julio, Don Julio Cluster, and other associated regional properties ("Don Julio Regional"), collectively "Don Julio" or the "Don Julio Projects" which properties are subject to the EIA with South32. Located in the pro-mining province of San Juan, the mineral claims are 62 km south of Barrick's Alturas gold deposit. Under the EIA, South32 and the Company jointly explore the Don Julio Projects. The main targets within the Don Julio Cluster are described below.

Don Julio - La Gringa Target

La Gringa target has become the focus of exploration within Don Julio. During the last two exploration seasons, the Company drilled 12 holes at La Gringa extending its footprint to 1.6 by 1.2km and defining several styles of mineralization such as Cu-Mo porphyry; high-grade Cu-Au in high-sulfidation "mantos"; and finally mineralized breccias with diatreme style. The Gringa porphyry centre is a 7.3 Ma system that has only been drilled to the depth of its "Moly halo"; a zone with biotite alteration in host rock with abundant B-type veinlets and Mo>Cu.

Don Julio – Poposa/Morro Target

For the 2024-2025 field season, Sable is consolidating the Poposa and Morro zones, combining historical data with new observations. In 2022, the Company drilled holes DJ-DH-22-01, 02, and 03, which did not reach the planned depth due to technical drilling issues. Hole DJ-DH-22-02 showed B veinlets with Mo mineralization. Prospecting work completed during the 2023-2024 field season found several magmatic hydrothermal breccias containing porphyry veinlets fragments east of the historical hole ATW-05 drilled through a Miocene diatreme, which also contains biotite altered fragments. The combination of all these observations strongly suggests the presence of a magmatic-hydrothermal centre with porphyry mineralization at depth.

Don Julio – Colorado Target

In the 2023-2024 field season, 21km of IP survey were completed along the main Chita valley, located 3km east of La Gringa target significantly expanding the size of the known hydrothermal system at Don Julio. One of the main achievements of this geophysical program was the Colorado chargeability anomaly which identified that the IP anomaly seems to be connected to the Colorado breccia, a structurally controlled breccia with high grade Cu-Au containing advanced argillic alteration and high-sulfidation mineralization. The chargeability anomaly is covered by Quaternary gravels on the valley and represents a high-potential target at lower elevation.

Don Julio - Tocota Target

Tocota is an outcropping porphyry centre located on the SE part of the Don Julio cluster. A diorite intrusive with B-type and Maricunga veinlets is outcropping and subcropping in an area of approximately 400m by 400m. Au-Cu mineralization reaches values up to 0.4 g/t and 0.4% respectively. The porphyry mineralization at Tocota coincides with a very strong, and vertically continuous magnetic anomaly. A soil grid of 628 samples was completed in the 2023-2024 season covering the Tocota target showing a strong coincidence of Cu and Au with the mineralized area; a large NW tending anomaly of As, Sb, Mo, Te, Bi is located NW of the mineralized area at higher elevation and may suggest additional porphyry mineralization at depth. With road access completed, the target is drill ready for the 2024-2025 season.

Don Julio - Punta Cana Target

The Company discovered the Punta Cana porphyry in November 2021. The Punta Cana Au-Cu porphyry is located approximately 1.5km west of the southern margin of the known lithocap over an area of approximately 400m by 400m. Surface samples collected over the porphyry zone are as high as 3.2 g/t Au; and 0.53% Cu. During the 2022-2023 exploration season, the Company drilled one hole at the Punta Cana target (DJ-DH-23-16), results from this hole were released on April 26, 2023 and are included below.

DJ-DH-23-16

- 0.32 g/t AuEq (6.39 g/t Ag; 0.11 g/t Au; 0.086% Cu; 32 ppm Mo) over 156.0m from 281.0 to 437.0m Including
  - 0.45 g/t AuEq (11.05 g/t Ag; 0.14 g/t Au; 0.11% Cu; 39 ppm Mo) over 55.0m from 330.0 to 385.0m *Including*
    - 1.05 g/t AuEq (46.68 g/t Ag; 0.13 g/t Au; 0.15% Cu; 0.17% Pb; 0.14% Zn; 51 ppm Mo) over 12.0m from 330.0 to 342.0m

The Punta Cana porphyry is a significant gold-copper anomaly with only three holes drilled. The target requires additional drilling in future seasons.

Don Julio - Fermin Target

Fermin is a Zn-Pb-Ag-Cu skarn that was discovered in 2020 and drill tested for the first time during the 2022-2023 exploration season with two holes (DJ-DH-23-20 and DJ-DH-23-21) intercepting the targeted calcareous unit. Hole DJ-DH-23-20 returned 2.45% ZnEq (1.6% Zn; 1.01% Pb; 2.73 g/t Ag) over 5.0m from 165.0 to 170.0m; including 3.85% ZnEq (2.49% Zn; 1.7% Pb; 2.09 g/t Ag) over 1.0m from 165.0 to 166.0m; and 5.33% ZnEq (3.64% Zn; 1.95% Pb; 7.9 g/t Ag) over 0.5m from 168.5 to 169.0m.

Additional to the Punta Cana, La Gringa, Poposa and Fermin targets, the Don Julio cluster includes several intermediate sulfidation vein systems such as San Gabriel, Lodo and Colorado, all of which are untested.

Don Julio Regional - Los Pumas Project

In January 2021, Sable announced geochemical sampling results from the Los Pumas Project located 21 km south of the Don Julio Cluster where the Company collected 260 rock samples that returned values of up to 103 g/t Au; 2,650 g/t Ag; and 2.9% Cu.

Exploration work in the 2021-2022 exploration season included 23km of road construction, 1.6km of trenching; mapping, prospection, and 294 rock samples. Trenching at the "Main zone" returned encouraging values including 35.2m @ 0.71 g/t AuEq (19.93 g/t Ag, 0.067 g/t Au, 0.29% Cu) in trench 9; 31.4m @ 0.3 g/t AuEq (5.7 g/t Ag, 0.015 g/t Au, 0.16% Cu) in trench 8; and 33.4m @ 0.35 g/t AuEq (15.45 g/t Ag, 0.032 g/t Au, 0.072% Cu, 86 ppm Mo) in trench 12. Sable will define with its partner South32 the timing and budget for an initial drill test at Los Pumas.

In addition to the Los Pumas Project, the Company holds large unexplored areas within the regional block of Don Julio. All the exploration work at Don Julio, Los Pumas, and Don Julio Regional are fully financed by South32**.**

El Fierro Project

El Fierro Project is located 250 km northwest of San Juan city and 120 km north of Sable's Don Julio Project. El Fierro is a historical small-scale mining district where silver, lead and zinc were intermittently mined from the late 1800s until the 1960's decade. The area had not seen any modern exploration and had never been drilled before Sable's first drill program conducted in 2021.

El Fierro is a large (approximately 10 km by 10 km) magmatic hydrothermal system located on the eastern margin of an interpreted Miocene caldera. Magmatism as currently understood is centered on the Pyros porphyry stock and the Antenna Hill diorite stock. Peripheral to these intrusive centres and distributed in four main zones there are several sub-epithermal polymetallic veins that were the initial focus of Sable's exploration and yielded very significant intercepts of Ag, Au, Cu, Pb, Zn mineralization in multiple holes drilled in 2021. The discovery of the Pyros porphyry shifted Sable's exploration focus to the discovery of a large Cu-Au-Mo porphyry deposit.

El Fierro - Pyros Target

The Pyros porphyry target was discovered by Sable in the 2021-2022 drilling campaign. Sable drilled 13 holes at Pyros in 2022, discovering a large multiphase Miocene stock hosted within Permian granitic rocks. Several of the holes intercepted significant intervals of Cu-Mo-Au mineralization. After extensive trenching and interpretation of geochemistry, and spectral data, the Company believes that higher-grade Cu-Au-Mo mineralization is present at deeper and lateral levels associated to "early halo" style mineralization, and later SCC alteration. The Company is actively looking for a partner to advance the Pyros porphyry drilling zones of potential higher grades of Cu and testing the northern part of the target which remains untested.

San Juan Regional – Cerro Negro

The Company advanced exploration work at the Cerro Negro prospect where a small Miocene dacitic intrusion is fully surrounded by Quaternary gravels. The outcropping intrusive is the centre of a large magnetic anomaly. In August 2023, two IP lines revealed a chargeability anomaly located on the SW of the Mag anomaly, close to Paleozoic metasediments. Small Cu occurrences have been found in the sedimentary country rock with values up to 0.15 Cu and 64 ppm Mo. These anomalies are interpreted as distal geochemical leaking from a concealed mineralized system. In the 2024-2025 exploration season, the Company plans on conducting soil sampling on the post mineral gravels looking for Cu anomalies through weak acid digestion techniques.

DISCUSSION OF OPERATIONS

For the three months ended December 31, 2023 and 2022:

Net loss for the three month period ended December 31, 2023 was $5,578,935 compared with $3,039,012 for the three month period ended December 31, 2022. Changes period over period are attributable to the one-time abandonment and impairment of mineral property assets of $3,829,136. The removal of this one-time item would have resulted in a net loss of $1,749,799 for the three month period ended December 31, 2023.

Comparing the periods without the one-time loss relating to the write-down of mineral property acquisition costs, the variances between the two periods include:

- Exploration expenditures were $1,318,024 for the three month period ended December 31, 2023 (December 31, 2022 - $3,659,443). The decrease is due primarily to reduced activity at the El Fierro and Don Julio project.

- General and administrative expenses were $532,482 for the three month period ended December 31, 2023 (December 31, 2022 - $736,708). The decrease is due to lower general office and other costs as a result of reduced exploration activities required to support the exploration objectives.

- Provision of $201,981 for value-added tax receivables for the three month period ended December 31, 2023 (December 31, 2022 – $568,336). The decrease is due to lower exploration expenditures at our Argentina projects that are subject to value-added tax.

- Gain of $435,616 on use of marketable securities for the three month period ended December 31, 2023 (December 31, 2023 – $1,645,748). The decrease is due to reduced funding requirements for exploration expenditures in Argentina, as well as the trend in the Argentine Peso versus the Canadian and US dollars during the respective periods.

For the years ended December 31, 2023 and 2022:

Net loss for the year ended December 31, 2023 was $14,221,653 compared with $13,810,792 for the year ended December 31, 2022. Changes period over period are attributable to the one-time abandonment and impairment of mineral property assets of $3,994,461. The removal of this one-time item would have resulted in a net loss of $10,227,192 for the year ended December 31, 2023.

Comparing the periods without the one-time loss relating to the write-down of mineral property acquisition costs, the variances between the two periods include:

- Exploration expenditures were $10,740,699 for the year ended December 31, 2023 (December 31, 2022 - $16,866,598). The decrease is due primarily to significantly reduced activity at the El Fierro and La Poncha project, refer to the tables below for a breakdown of the activities and expenses.

- General and administrative expenses were $1,868,210 for the year ended December 31, 2023 (December 31, 2022 - $2,240,486). The decrease is due to lower general office and other costs as a result of reduced exploration activities required to support the exploration objectives.

- Provision of $1,892,783 for value-added tax receivables for the year ended December 31, 2023 (December 31, 2022 – $3,253,857). The decrease is due to lower exploration expenditures at our Argentina projects that are subject to value-added tax.

- Interest income of $939,506 for the year ended December 31, 2023 (December 31, 2022 - $706,323). The increase is due higher interest rates offered by the Canadian and Argentinian financial institutions with which the Company holds funds.

- Gain of $3,685,375 on use of marketable securities for the year ended December 31, 2023 (December 31, 2022 – $8,375,087). The decrease is due to reduced funding requirements for exploration expenditures in Argentina, as well as the trend in the Argentine Peso versus the Canadian and US dollars during the respective periods.

Property Related Expenditures

Exploration expenditures by type

		Three months ended December 31, 2023		2022
Exploration expenditures				
Employee compensation	**$**	**59,526**	$	60,174
Camp and transportation		**105,729**		337,999
Consultants, geochemistry, and geophysics		**685,956**		1,205,051
Drilling		**-**		346,929
Fuel		**56,797**		235,602
Field supplies		**69,398**		206,954
Lease and rentals		**228,724**		1,019,301
Office and general and administrative		**58,950**		121,108
Insurance, bank fees and taxes (non-income)		**32,134**		78,008
Depreciation		**20,180**		48,317
Total exploration expenditures	**$**	**1,318,024**	$	3,659,443

		Year ended December 31, 2023		2022
Exploration expenditures				
Employee compensation	**$**	**231,119**	$	258,129
Camp and transportation		**508,286**		903,448
Consultants, geochemistry, and geophysics		**3,669,916**		4,210,122
Drilling		**3,124,537**		5,061,169
Fuel		**435,473**		840,900
Field supplies		**436,571**		1,580,970
Lease and rentals		**1,677,812**		2,990,968
Office and general and administrative		**375,610**		427,181
Insurance, bank fees and taxes (non-income)		**205,417**		542,021
Depreciation		**75,958**		51,690
Total exploration expenditures	**$**	**10,740,699**	$	16,866,598

Exploration expenditures by project

		Three months ended December 31, 2023		2022
Exploration expenditures				
Don Julio	$	**809,016**	$	2,189,113
El Fierro		**59,313**		1,328,793
La Poncha		**148,559**		82,050
San Juan Regional		**289,772**		-
Mexico Regional		**11,364**		59,487
Total exploration expenditures	**$**	**1,318,024**	$	3,659,443

		Year ended December 31, 2023		2022
Exploration expenditures				
Don Julio	$	**7,641,996**	$	7,051,085
Don Julio Regional		**-**		30,091
El Fierro		**1,805,039**		7,193,724
La Poncha		**583,633**		2,231,296
San Juan Regional		**521,198**		-
Mexico Regional		**188,833**		360,402
Total exploration expenditures	**$**	**10,740,699**	$	16,866,598

General and administrative expenditures by type

		Three months ended December 31, 2023		2022
General and administrative expenditures				
Salaries and director fees	**$**	**269,057**	$	308,080
Travel		**3,627**		13,511
Shareholder communication and investor relations		**29,137**		91,830
Filing and transfer agent fees		**5,393**		39,124
Professional fees		**168,066**		173,745
Lease and rentals		**5,468**		4,005
Office and general administrative		**22,871**		49,514
Insurance, bank fees and taxes (non-income)		**21,648**		49,684
Depreciation		**7,215**		7,215
Total general and administrative expenditures	**$**	**532,482**	$	736,708

		Year ended December 31, 2023		2022
General and administrative expenditures				
Salaries and director fees	**$**	**813,374**	$	842,768
Travel		**55,059**		62,537
Shareholder communication and investor relations		**228,585**		298,733
Filing and transfer agent fees		**85,286**		176,637
Professional fees		**355,850**		423,810
Lease and rentals		**23,235**		21,848
Office and general administrative		**110,275**		139,604
Insurance, bank fees and taxes (non-income)		**167,685**		245,688
Depreciation		**28,861**		28,861
Total general and administrative expenditures	**$**	**1,868,210**	$	2,240,486

SELECTED FINANCIAL INFORMATION

	As at and for the year ended December 31, 2023	As at and for the year ended December 31, 2022	As at and for the year ended December 31, 2021
Net loss	(14,221,653)	(13,810,792)	(10,139,585)
Net loss per share - basic and diluted	(0.05)	(0.05)	(0.02)
Current assets	12,163,527	17,300,146	23,913,391
Non-current assets	1,912,659	5,499,163	4,556,152
Current liabilities	14,226,634	1,034,310	1,181,120
Non-current liabilities	26,810	8,158,962	1,927,931

Current assets at December 31, 2023 were $12,163,527 versus $17,300,146 at December 31, 2022. The decrease is primarily the result of $10,392,349 of cash flows used in operating activities, offset by the receipt of $5,506,737 from South32 under the EIA.

Non-current assets at December 31, 2023 were $1,912,659 versus $5,499,163 at December 31, 2022. The decrease is the result of the write down of mineral property acquisition costs during the period.

Current liabilities at December 31, 2023 were $14,226,634 versus $1,034,310 at December 31, 2022. The increase is primarily due to the inclusion of the deferred exploration recovery as a current liability, as South32 has completed the requirements to exercise its right to earn 65% ownership in Olivares S.A., the Company's subsidiary that holds the Don Julio project.

Non-current liabilities at December 31, 2023 were $26,810 versus $8,158,962 at December 31, 2022. The decrease is primarily due to the deferred exploration recovery being classified as a current liability, as discussed above.

SUMMARY OF QUARTERLY RESULTS

The following table sets forth selected quarterly financial information for each of the last eight quarters.

Quarter Ending	Total Assets $	Total Liabilities $	Net Loss $	Net Loss per share $
December 31, 2023	14,076,186	14,253,444	(5,578,935)	(0.02)
September 30, 2023	18,493,413	13,559,131	(1,429,469)	(0.01)
June 30, 2023	19,471,244	12,994,752	(1,475,147)	(0.01)
March 31, 2023	20,706,959	12,827,024	(5,738,102)	(0.02)
December 31, 2022	22,799,309	9,193,272	(3,039,012)	(0.01)
September 30, 2022	22,680,766	6,018,255	(1,397,111)	(0.01)
June 30, 2022	22,678,217	5,929,109	(5,361,251)	(0.02)
March 31, 2022	28,342,405	7,077,079	(4,013,418)	(0.02)

The net losses incurred are a result of ongoing exploration work at the Company's projects in Argentina. Due to the geographical location of the Company's mineral properties, the Company's business activities generally fluctuate with the exploration seasons, through increased exploration expenditures during the summer months in Argentina.

LIQUIDITY AND CAPITAL RESOURCES

The Company has no known mineral resources and is not in commercial production on any of its properties and accordingly, the Company does not generate cash from operations. The Company finances exploration activities by raising capital from equity markets, the sale of mineral properties and the sale of royalties from time to time. As at December 31, 2023, the Company had a cash and cash equivalents position of $12,017,894 (December 31, 2022 - $17,152,362).

The Company's capital management objectives are to raise the necessary funds for its exploration projects and to manage these funds to best optimize its exploration and mining programs in the interests of its shareholders and other stakeholders at an acceptable risk.

In the management of capital, the Company includes shareholders' equity and cash and cash equivalents in the definition of capital.

The Company manages its capital structure and makes adjusts it based on changes in economic conditions and the risk characteristics of its underlying assets. To maintain or adjust the capital structure, the Company may raise additional equity funds and acquire new exploration properties as circumstances dictate. There is no assurance that future equity capital will be available to the Company in the amounts or at the times desired by the Company or on terms that are acceptable to it, if at all. See "Risk Factors" below.

Management believes that the Company's cash resources are sufficient to meet its working capital and mineral exploration requirements for its next fiscal year, as these expenditures are considered discretionary by management.

Management regularly monitors economic conditions and estimates their impact on the Company's operations and incorporates these estimates in both short-term operating and longer-term strategic decisions. Apart from these and the risk factors noted under the heading "Risk Factors", management is not aware of any other trends, commitments, events, or uncertainties that would have a material effect on the Company's business, financial condition, or results of operations.

OUTSTANDING SHARE DATA

Issued Capital

The Company's authorized share capital consists of an unlimited number of common shares. As at December 31, 2023 an aggregate of 286,564,898 common shares were issued and outstanding and as at the date of this MD&A.

Stock Options

The Company had 22,210,000 options as of December 31, 2023 and 21,760,000 as of the date of this MD&A.

Restricted Shares Units ("RSUs")

The Company had 1,300,000 RSUs outstanding as of December 31, 2023 and as of the date of this MD&A.

Warrants

The Company had no warrants outstanding as of December 31, 2023 and as at the date of this MD&A.

OFF-BALANCE SHEET TRANSACTIONS

The Company did not have any off-balance sheet arrangements as at December 31, 2023 or as of the date of this MD&A.

RELATED PARTY TRANSACTIONS

The following is a summary of the Company's related party transactions during the years ended December 31, 2023 and 2022:

- The Company incurred exploration costs in the amount of $5,241 (December 31, 2022 - $13,751) paid to Talisker Exploration Services Ltd., a private company with shared directors and officers.

- The Company incurred general and administrative expenses in the amount of $17,824 (December 31, 2022 - $11,256) paid to JDS Energy & Mining Inc., a private company with a shared director.

- The Company was remunerated for shared general and administrative costs of $nil (December 31, 2022 - $7,541) by Talisker Resources Ltd., a public company with shared directors and officers.

- The Company incurred general and administrative expenses in the amount of $2,691 (December 31, 2022 - $nil) paid to Talisker Resources Ltd., a public company with shared directors and officers.

Compensation of key management personnel of the Company

In accordance with IAS 24, key management personnel, including companies controlled by them, are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company.

The remuneration of directors and key executives is determined by the compensation committee.

The remuneration of directors and other members of key management personnel during the three and nine month periods ended September 30, 2023 and 2022 were as follows:

		2023		2022
Salaries and director fees	**$**	**990,643**	$	1,129,260
Share based expense		**142,450**		264,600
	$	**1,133,093**	$	1,393,860

As at December 31, 2023, an amount of $56,569 (December 31, 2022 - $199,662) due to key management personnel, was included in payables and accruals. This amount is unsecured, non-interest bearing and without fixed terms of repayment.

COMMITMENTS

The Company entered into a shared lease agreement for its Toronto office premises for corporate and technical purposes for a total term of six and a half years. This lease obligation has been recorded in accordance with IFRS 16. Future minimum lease payments are as follows:

		1 year		2-3 years		4-5 Years		More than 5 years
Lease obligation	$	32,652	$	27,209	$	-	$	-

CRITICAL ACCOUNTING ESTIMATES, JUDGEMENTS AND UNCERTAINTIES

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on the historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

Critical Accounting Estimates and Assumptions

Critical accounting estimates are estimates and assumptions made by management that may result in material adjustments to the carrying amount of assets and liabilities within the next financial year.

Share-based Payments

The Company applies the Black-Scholes pricing model to estimate the fair value of stock options granted and warrants issued, which is expensed to the statement of loss and comprehensive loss over each option award's vesting period. Under this model, the Company must estimate the term, volatility, the forfeiture rate of options granted, and warrants issued. Changes in these input assumptions can significantly affect the fair value estimate.

Critical Accounting Judgments

Critical accounting judgments are accounting policies identified as being complex or involving subjective judgments or assessments.

Functional Currency

The functional currency for the Company and its subsidiaries is the currency of the primary economic environment in which each operates. The Company has determined that its functional currency is the Canadian dollar. The determination of functional currency may require certain judgements to determine the primary economic environment. The Company reconsiders the functional currency used when a change in events and conditions determines the primary economic environment.

Determination of Cash Generating Unit (CGU)

In determining a CGU, management had to examine the smallest identifiable group of assets that generates cash inflows largely independent of cash inflows from other assets or groups of assets. The Company has determined that each important geographic location of its mineral interest qualifies as a CGU. Each of these assets generates or will have the ability to generate cash inflows that are independent of the other assets and therefore qualifies as an individual asset for impairment testing purposes.

Amortization Rates

The application of determining the useful lives of equipment is estimated by management based on assumptions about future events. Estimates and assumptions made may change if new information becomes available. New information may become available during the use of the equipment that causes the Company to adjust its estimate.

Title to Mineral Property Interests

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

Impairment of Non-financial Assets

The Company reviews and evaluates tangible and intangible assets, including mineral property interests, for indications of impairment when events or changes in circumstances indicate that the related carrying amount may not be recoverable or at least at the end of each reporting period. An impairment test is conducted if an indication of impairment is found to exist.

Income Taxes

The Company recognizes deferred tax assets relating to tax losses carried forward only to the extend there are sufficient taxable temporary differences relating to the same taxation authority and the same taxable entity against which the unused tax losses can be utilized. However, utilization of the tax losses also depends on the ability of the taxable entity to satisfy certain tests at the time the losses are recouped.

Recoverability of Value-Added Tax Receivables

The Company reviews and evaluates assumptions regarding the recoverability of value-added tax ("VAT") receivables in Argentina and Mexico at the end of each reporting period considering the relevant facts and circumstances, including past collectability and the general economic environment of the country to determine if a provision for the VAT receivable is required. As the amount receivable depends on performance by the government in Mexico and Argentina, including the Mexican properties moving into commercial production, the timing and amount of collection for the VAT receivables may be materially different from the amount recorded in the consolidated financial statements.

Deferred Exploration Recoveries

Management considered the facts and circumstances surrounding the receipt of deferred exploration recoveries in determining that it represents a liability to the Company. The payment represents a portion of the funding that will form the consideration for South32's investment in Olivares S.A., should South32 exercise its right to acquire a 65% direct interest in Olivares S.A. In management's view, as the Company continues to operate the Don Julio Project, this payment for the future sale of a controlling interest in Olivares S.A. is considered to be a present obligation of the Company.

Going Concern

The interim condensed consolidated financial statements have been prepared on a going concern basis and do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Management has applied judgment in the assessment of the Company's ability to continue as a going concern, considering all available information, and concluded that the going concern assumption is appropriate for a period of at least twelve months following the Auditor's report date. Given the judgment involved, actual results may lead to a materially different outcome.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

The Company has not entered into any specialized financial agreements to minimize its investment risk, currency risk or commodity risk. As of the date hereof, the Company's investment in resource properties has full exposure to commodity risk, both upside and downside. As commodity price moves so too does the underlying value of the Company's gold projects. The Company monitors gold and silver prices to determine the appropriate course of action to be taken by the Company.

An impairment loss is recognized when the carrying amount of an asset, or its cash generating unit ("CGU"), exceeds its recoverable amount. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Impairment losses are recognized in profit and loss for the period. Impairment losses recognized in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to CGUs and then to reduce the carrying amount of the other assets in the unit on a pro-rata basis. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the CGU to which the asset belongs.

An impairment loss is reversed if there is an indication that there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. An impairment loss with respect to goodwill is never reversed.

FINANCIAL RISK FACTORS

The Company's risk exposure and the impact on the Company's financial instruments are summarized below. There have been no material changes in the risks, objectives, policies and procedures from the previous period.

Credit risk

The Company's credit risk is primarily attributable to cash and cash equivalents. Management believes that the credit risk concentration with respect to the cash and cash equivalents is minimal.

Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company's liquidity and operating results may be adversely affected if the Company's access to capital markets is hindered, whether as a result of a downturn in stock market conditions generally or related to matters specific to the Company.

As at December 31, 2023, the Company had a cash and cash equivalents balance of $12,017,794 (December 31, 2022 - $17,152,362) to settle current liabilities (excluding deferred exploration recovery, a non-monetary liability) of $618,973 (December 31, 2022 - $1,034,310).

Market risk

(a) Interest rate risk

The Company has significant cash balances. The Company's current policy is to invest excess cash in high-yield savings accounts or other highly liquid interest-bearing short-term investments. Management has determined interest rate risk to be low.

(b) Foreign currency risk

The Company's reporting currency is the Canadian dollar. The functional currency of the Company is the Canadian dollar. The Company is exposed to foreign currency risk on fluctuations related to cash, accounts payable and accrued liabilities denominated in US dollars, Argentine Peso and the Mexican Peso.

Based on the foreign currency balances at December 31, 2023, a 10% change in foreign exchange rates between the Canadian dollar and these foreign currencies over the next year would affect the net comprehensive loss by approximately $31,477. This analysis only addresses the impact on financial instruments with respect to currency movement and excludes other economic or geopolitical implications of such currency fluctuation. In practice, actual results will likely differ from this analysis and the difference may be material.

(c) Commodities price risk

The Company is exposed to price risk with respect to commodity prices. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices, particularly as they relate to gold and silver to determine the appropriate course of action to be taken by the Company.

Other price risk

From time to time, as part of the funding process to its subsidiary, the Company holds equity instruments for periods of two to three business days with the intention of trading. During these holding periods, the Company is exposed to changes in share prices which result in gains or losses being recognized in profit and loss. The Company does not hold these equity instruments at period end and therefore had no exposure to price risk as of December 31, 2023.

RISKS FACTORS

There are many risk factors facing companies involved in the mineral exploration industry. Risk management is an ongoing exercise upon which the Company spends a substantial amount of time. While it is not possible to eliminate all the risks inherent to the industry, the Company strives to manage these risks, to the greatest extent possible. The following risks are most applicable to the Company but may not be the only risks faced by the Company. Risks and uncertainties not presently known by the Company, or which are presently considered immaterial may also adversely affect the Company's business, projections, results of operations and/or conditions (financial or otherwise).

Industry and Mineral Exploration Risk

Mineral exploration is highly speculative in nature, involves many risks and frequently is non-productive. There is no assurance that the Company's exploration efforts will be successful. At present, the Company's projects do not contain any proven or probable mineral reserves. Success in establishing reserves is a result of several factors, including the quality of the project itself. Substantial expenditures are required to establish reserves through drilling, to develop processes to extract the resources and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining. Because of these uncertainties, no assurance can be given that planned exploration programs will result in the establishment of mineral resources or reserves.

The long-term profitability of the Company's operations will be in part directly related to the cost and success of its exploration programs, which may be affected by a number of factors beyond the Company's control.

The marketability of minerals acquired or discovered by the Company may be affected by numerous factors which are beyond the control of the Company and which cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection, the combination of which factors may result in the Company not receiving an adequate return of investment capital.

The Company may be subject to risks that could not reasonably be predicted in advance. Events such as labour disputes, environmental issues, natural disasters, or estimation errors are prime examples of industry-related risks. The Company attempts to balance this risk through ongoing risk assessments conducted by its technical team.

No Assurance of Profitability

The Company has no history of earnings and due to the nature of its business, there can be no assurance that the Company will ever be profitable. The Company has not paid dividends on its shares since incorporation and does not anticipate doing so in the foreseeable future. The only sources of funding presently available to the Company are from the sale of its securities (including common shares) or from the sale or optioning of a portion of its interest in its resource properties. Even if the results of exploration are encouraging, the Company may not have sufficient funds to conduct the further exploration that may be necessary to determine whether a commercial deposit exists. While the Company may generate additional working capital through further equity offerings or through the sale or syndication of its properties, there can be no assurance that any such funds will be available on favorable terms, or at all. At present, it is impossible to determine what amounts of additional funds, if any, may be required. Failure to raise such additional capital could put the continued viability of the Company at risk. See "Sources of Funds and Share Price Fluctuation Risks" below.

Operating Hazards Risks

Exploration for natural resources involves many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Operations in which the Company has a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration, development and production of mineral resources, any of which could result in work stoppages, damage to persons or property and possible environmental damage. Unusual or unexpected formations, formation pressures, fires, power outages, labour disruptions, flooding, explosions, cave-ins, landslides, weather conditions and the inability to obtain suitable or adequate machinery, equipment or labour are other risks involved in extraction operations and the conduct of exploration programs. The Company's exploration activities will be subject to the availability of third-party contractors and equipment. There are also physical risks to the exploration personnel.

The Company maintains insurance for amounts that it considers adequate, however, the nature of these risks is such that liabilities might exceed policy limits, the liabilities and hazards might not be insurable against, or the Company might not elect to insure itself against such liabilities due to high premium costs or other reasons, in which event the Company could incur significant costs that could have a material adverse effect upon its financial condition.

Geopolitical Risk

The Company may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on future exploitation and production, price controls, export controls, currency availability, income taxes, delays in obtaining or the inability to obtain necessary permits, opposition to mining from environmental and other non-governmental organizations, expropriation of property, ownership of assets, environmental legislation, labour relations, limitations on mineral exports, increased financing costs, and site safety. In addition, legislative enactments may be delayed or announced without being enacted and future political action that may adversely affect the Company cannot be predicted. Any changes in regulations or shifts in political attitudes that may result, among other things, in significant changes to mining laws or any other national legal body of regulations or policies are beyond the control of the Company and may adversely affect its business.

Foreign Operations Risk

The Company conducts exploration activities in foreign countries, including Argentina and Mexico. Each of these countries exposes the Company to risks that may not otherwise be experienced if all operations were in Canada. The risks vary from country to country and can include, but are not limited to, civil unrest or war, terrorism, illegal mining, changing political conditions, fluctuations in currency exchange rates, expropriation or nationalization without adequate compensation, changes to royalty and tax regimes, high rates of inflation, labour unrest and difficulty in understanding and complying with the regulatory and legal framework respecting ownership and maintenance of mineral properties, as well as the revocation or suspension of previously issued mining permits. Changes in mining or investment policies or shifts in political attitudes may also adversely affect the Company's existing assets and operations. Real and perceived political risk may also affect the Company's ability to finance exploration programs and attract joint venture or option partners, and future mine development opportunities.

Numerous countries have introduced changes to mining regimes that reflect increased government control or participation in the mining sector, including, but not limited to, changes of law affecting foreign ownership, mandatory government participation, taxation and royalties, exploration licensing, export duties, and repatriation of income or return of capital. There can be no assurance that industries, which are deemed of national or strategic importance in countries in which the Company has assets, including mineral exploration, will not be nationalized. There is a risk that further government limitations, restrictions, or requirements, not presently foreseen, will be implemented. Changes in policy that alter laws regulating the mining industry could have a material adverse effect on the Company. There can be no assurance that the Company's assets in these countries will not be subject to nationalization, requisition, or confiscation, whether legitimate or not, by an authority or body.

In addition, in the event of a dispute arising from foreign operations, the Company may be subject to the exclusive jurisdiction of foreign courts or may not be successful in subjecting foreign persons to the jurisdiction of courts in Canada. The Company also may be hindered or prevented from enforcing its rights with respect to a governmental instrumentality because of the doctrine of sovereign immunity. It is not possible for the Company to accurately predict such developments or changes in laws or policy or to what extent any such developments or changes may have a material adverse effect on the Company.

Non-compliance with applicable laws, regulations and permitting requirements (including allegations of such) may result in enforcement actions, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed or causing the withdrawal of permits or mining licenses, and the imposition of corrective measures requiring material capital expenditure or remedial action resulting in materially increased cost of compliance, reputational damage and potentially impaired ability to secure future approvals and permits. The Company may be required to compensate third parties for loss or damage and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Economic and Political Instability in Argentina

The Company has projects located in San Juan Province, Argentina. There are risks relating to an uncertain or unpredictable political and economic environment in Argentina, especially as there is social opposition to mining operations in certain parts of the country. During an economic crisis in 2001 to 2003 and again in 2014 and 2020, Argentina defaulted on foreign debt repayments and on the repayment on several official loans to multinational organizations. In addition, the Argentinean government has renegotiated or defaulted on contractual arrangements. The current government, which took office in December 2019, has reinstated currency controls previously lifted by the opposition government, which, among other things, restricts the ability of companies and its citizens to obtain United States dollars, in each case requiring Central Bank approval (resulting in, at times, a limitation on the ability of multinational companies to distribute funds abroad in United States dollars). In 2023, Argentina's annual inflation rate was above 100% for the first time since the end of hyperinflation in 1991.

On November 19, 2023, the Country held its final presidential election. Javier Milei, the winner with 56% of the vote, is a far-right libertarian economist. He has promised to abolish the Central Bank of Argentina and dollarize economy, as well as eliminate duty exports on mining and currency restrictions.

While the political environment in Argentina continues to develop, and the status of currency controls and restrictions remains fluid, past actions indicate that the Argentinean government may from time to time alter or impose additional requirements or policies that may adversely affect the Company's activities in Argentina, or in its ability to obtain financing for its projects in the future.

Mining Law Reforms in Mexico

On May 8, 2023, the Mexican Government completed a decree reforming various provisions of the mining law (the 'Decree"), which was published in the Official Gazette and became law on May 9, 2023. The Decree makes significant changes to the current mining laws, including but not limited to: reducing mining license concession terms; restricting the granting of mining concessions requiring public auctions; imposing conditions on water use and availability; imposing regulations on mining concession transfers;

imposing additional grounds for cancellation of mining concessions and further limitations on mining in protected areas; granting preferential rights to mining strategic minerals to state owned enterprises; imposing additional requirements for financial instruments to be provided to guarantee preventative, mitigation, and compensation measures resulting from the social impact assessment, as well as potential damages that may occur during mining activities; and the rejection of all applications in process for new exploration concessions.

The full impact of the mining law reform is uncertain and is subject to legal challenges in Mexico. We currently anticipate that should the changes to the mining law remain in place upon conclusion of any legal challenges, it will have impacts on our current and future exploration activities in Mexico, as it will make it more challenging to obtain, maintain and develop mining concessions. Furthermore, the Decree could directly impact our current applications for new exploration concessions. The extent that investors perceive Mexico as being less attractive to mining investment, it may be more difficult and expensive for us continue with our future exploration plans.

Sources of Funds and Share Price Fluctuation Risks

The only sources of funds presently available to the Company are the sale of equity/debt capital or the sale by the Company of an interest in its properties to be earned by another party or parties carrying out exploration or development thereof. There is no assurance that such sources will continue to be available, in the short term or at all. Failure to obtain additional financing on a timely basis could cause the Company to reduce or terminate its proposed operations and the loss of some or all the value of an investment in the securities.

Securities markets have at times in the past experienced a high degree of price and volume volatility, and the market price of securities of many companies, particularly those considered to be exploration stage companies such as the Company have experienced wide fluctuations in share prices which have not necessarily been related to their operating performance, underlying asset values or prospects. There can be no assurance that these kinds of share price fluctuations will not occur in the future, and if they do occur, how severe the impact may be on the Company's ability to raise additional funds through equity issues and the corresponding effect on the Company's financial position.

Possible Dilution to Present and Prospective Shareholders

The Company's operating plans, in part, contemplate the financing of its business by the issuance of securities and possibly incurring debt. Any transaction involving the issuance of previously authorized but unissued common shares, or securities convertible into common shares, would result in dilution, possibly substantial, to present and prospective shareholders. The Company has sought a joint venture partner to fund the exploration of the Don Julio Project. Offering an interest in its Don Julio Project to a partner would dilute the Company's interest in the project.

Permits and Licenses Risks

The operations of the Company will require licenses and permits from various governmental authorities. The Company believes it will be able to obtain in the future all necessary licenses and permits to carry on the activities which it intends to conduct and intends to comply in all material respects with the terms of such licenses and permits. There can be no guarantee, however, that the Company will be able to obtain and maintain, at all times, all licenses and permits required to undertake its proposed exploration or to place its properties into commercial production and to operate mining facilities if its exploration programs are successful. Amendments to current laws and regulations governing the operating and activities of the Company and the more stringent implementation thereof could have a substantial adverse impact on the business, financial condition and the results of operations of the Company. Obtaining necessary permits, leases and licenses can be a complex, time-consuming process and the Company cannot be certain that it will be able to obtain necessary permits on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining necessary permits, leases and licenses and complying with these permits and applicable laws and regulations could stop, delay or restrict the Company from proceeding with the development of an exploration project or the development and operation of a mine. Any failure to comply with applicable laws and regulations or permits could result in interruption or closure of exploration, development or mining operations, or fines, penalties or other liabilities. The Company could also lose its licenses or permits under the terms of its existing agreements.

Title Matters Risk

While the Company has followed and intends to follow standard industry-accepted due diligence procedures with respect to the title for any mineral claims in which it has or will acquire a material interest, there is no guarantee that title to such properties will not be challenged or impugned. There is no guarantee of title to any of the Company's properties. The Company's properties may be subject to prior unregistered agreements or transfers and may also be affected by undetected defects or the rights of indigenous peoples. Surveys have not been carried out on the Company's mineral properties, and their boundaries and areas could be in doubt. The rules governing mining concessions in Mexico and Argentina are complex and any failure by the Company to meet requirements would have a material adverse effect on the Company. Any defects in the title to the Company's properties could have a material and adverse effect on the Company.

No assurance can be given that applicable governments will not revoke or significantly alter the conditions of the applicable exploration and mining authorizations nor that such exploration and mining authorizations will not be challenged or impugned by third parties. Although the Company has not had any problem renewing its licenses in the past there is no guarantee that it will always be able to do so. Inability to renew a license could result in the loss of any project located within that license.

Surface Rights and Access

Although the Company acquires the rights to some or all of the mineral resources in the ground subject to the tenures that it acquires or has a right to acquire, in most cases it does not thereby acquire any rights to, or ownership of, the surface to the areas covered by its resource tenures. In such cases, applicable laws usually provide for rights of access to the surface for the purpose of carrying on exploration activities, however, the enforcement of such rights can be costly and time-consuming. In areas where there are no existing surface rights holders, this does not usually cause a problem, as there are no impediments to surface access. However, in areas where there are local populations or land owners, it is necessary, as a practical matter, to negotiate surface access. There can be no guarantee that, despite having the right at law to access the surface and carry-on exploration activities, the Company will be able to negotiate a satisfactory agreement with any such existing landowners/occupiers for such access, and therefore it may be unable to carry out exploration activities. In addition, in circumstances where such access is denied, or no agreement can be reached, the Company may need to rely on the assistance of local officials or the courts in such jurisdiction.

Commodity Price Risk

The Company is subject to commodity price risk for the sale of gold and silver. Mineral prices fluctuate widely and are affected by numerous factors beyond the Company's control such as the sale or purchase of commodities by various central banks, financial institutions, expectations of inflation or deflation, currency exchange fluctuations, interest rates, global or regional consumptive patterns, international supply and demand, speculative activities and increased production due to new mine developments, improved mining and production methods and international economic and political trends. The Company's revenues, if any, are expected to be in large part derived from the extraction of mineral products. As such, the effect of these factors on the price of future product sales, and therefore the economic viability of any of the Company's exploration projects, cannot accurately be predicted. There can be no assurance that the price of any commodities will be such that any of the properties in which the Company has, or has the right to acquire, an interest may be mined at a profit.

Currency Risk

Foreign currency risk is the risk that the fair value of the Company's financial assets and liabilities will fluctuate due to changes in foreign exchange rates. The Company is exposed to foreign currency risk with respect to cash balances and transactions as a portion of these amounts are denominated in US dollars, Argentine Pesos, and Mexican Pesos. The Company has not entered any foreign currency contracts to mitigate this risk.

Option, Joint Venture and Earn In Agreements

The Company has and may continue to enter into option agreements, joint ventures, and/or earn in agreements (collectively "Partner Agreements") as a means of gaining property interests and raising funds. Any failure of any partner to meet its obligations to the Company or other third parties, or any disputes with respect to third parties' respective rights and obligations, could have a negative impact on the Company.

Under the terms of such Partner Agreements the Company may be required to comply with applicable laws, which may require the payment of maintenance fees and corresponding royalties in the event of exploitation/production. The costs of complying with Partner Agreements are difficult to predict with any degree of certainty; however, were the Company forced to suspend operations on any of its concessions or pay any material fees, royalties, or taxes, it could result in a material adverse effect to the Company's business, financial results and condition.

Under the terms of such Partner Agreements, in the event a partner decided to cease funding and terminate the Partner Agreement, the Company may be subject to the payment of income tax in the local jurisdiction. The termination of a Partner Agreement could also result in other material adverse effects to the Company's business, financial results, and condition.

The Company may be unable to exert direct influence over strategic decisions made in respect of properties that are subject to the terms of these agreements, and the result may be a materially adverse impact on the strategic value of the underlying concessions.

Community Relations and Public Opposition to Mining Activities

The Company's relationships with the communities in which it operates are critical to the future success of its existing operations and the construction and development of its projects. In recent years, there has been ongoing and potentially increasing public concern relating to the effects of resource extraction on the natural landscape, communities and the environment. Certain non-governmental organizations, public interest groups and reporting organizations ("NGOs") who oppose globalization and resource development can be vocal critics of the mining industry and its practices, including the use of cyanide and other hazardous substances in processing activities. In addition, there have been many instances in which local community groups have opposed resource extraction activities, resulting in disruption and delays to the relevant operations. Adverse publicity generated by such NGOs or others related to the mining industry or to the extractive industries generally, could have an adverse effect on the Company's reputation or financial condition and may impact its relationship with the communities in which it operates. While the Company seeks to operate in a socially responsible manner and believes it has good relationships with local communities in the regions in which it operates, there is no guarantee that its efforts in this respect will mitigate this potential risk. NGOs or local community groups could direct adverse publicity against and/or disrupt the operations of the Company in respect of one or more of its properties, despite the Company's successful compliance with social and environmental best practices. Any such actions and the resulting media coverage could have adverse effects on the reputation and financial condition of the Company or its relationships with the communities in which it operates, which could have a material adverse effect on the business, financial condition, results of operations, cash flows or prospects of the Company.

Environmental Risk

Exploration projects or operations are subject to the environmental laws and applicable regulations of the jurisdiction in which the Company operates. Environmental standards continue to evolve, and the current trend is moving toward a longer, more complete and rigid process. The Company reviews environmental matters on an ongoing basis. When appropriate, the Company will make appropriate provisions in its financial statements for any potential environmental liability. However, there is no assurance that existing or future environmental regulations will not materially adversely affect the Company's business, financial condition and results of operations. Environmental hazards may exist on the properties on which the Company holds interests that are unknown to the Company at present and which have been caused by previous or existing owners or operators of the properties.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, and installation of additional equipment, or remedial actions. Parties engaged in mining operations, including the Company, may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations. Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in exploration expenses, capital expenditures or production costs, reduction in levels of production at producing properties, or abandonment or delays in the development of new mining properties.

In parts of Argentina, there is environmental opposition to both mineral exploration and mining. Accordingly, there may be a certain degree of anti-mining sentiment that could potentially affect the risk of successfully developing the Company's mineral projects.

The Argentine Congress has passed legislation designed to protect the country's glaciers. This law would restrict development on and around glaciers. The detailed regulations that will govern the implementation of the law have not yet been written. Although not anticipated, this legislation could affect the Company's ability to develop parts of its mineral projects.

Geopolitical and Economic Risk

In recent years, in addition to impacts of COVID-19, events such as the invasion of Ukraine by Russia, the Israeli–Palestinian conflict and the collapse of financial institutions such as the Silicon Valley Bank, have severely impacted many local economies around the globe. Global stock markets also experienced significant volatility, with governments and central banks having responded with monetary and fiscal interventions to stabilize economic conditions.

The continued impacts from such events and the resulting inflation and interest rate measures experienced globally, as well as the effects of certain countermeasures taken by central banks have, and are expected to continue to, adversely affect the Company. Although it is difficult for the Company to accurately predict the extent to which it might be so affected, the Company will continue to monitor all developments.

Competition and Marketability Risks

The resource industry is intensely competitive in all its phases, and the Company competes with many companies possessing greater financial resources and technical facilities than itself. Competition could adversely affect the Company's ability to acquire suitable properties for exploration in the future.

Key Management Risk

The success of the Company's future business is mainly dependent on a relatively small number of key members of management. The loss of any key member could be detrimental if a suitable replacement could not be found at a comparable compensation level.

Risk of Legal Proceedings in the Ordinary Course of Business

Due to the nature of its business, the Company may be subject to regulatory investigations, claims, lawsuits and other proceedings in the ordinary course of its business. The Company's operations are subject to the risk of legal claims by employees, unions, contractors, lenders, suppliers, joint venture partners, shareholders, governmental agencies or others through private actions, class actions, administrative proceedings, regulatory actions or other litigation. Plaintiffs may seek recovery of very large or indeterminate amounts, and the magnitude of the potential loss relating to such lawsuits may remain unknown for substantial periods. Defense and settlement costs can be significant, even with respect to claims that have no merit. The results of these legal proceedings cannot be predicted with certainty due to the uncertainty inherent in litigation, including the effects of the discovery of new evidence or advancement of new legal theories, the difficulty of predicting the decisions of judges and juries and the possibility that decisions may be reversed on appeal. The litigation process could, as a result, take away from the time and effort of the Company's management and could force the Company to pay substantial legal fees or penalties. There can be no assurances that the resolutions of any such matters will not have a material adverse effect on the Company's business, financial condition and results of operations.

Compliance with Anti-Corruption Laws

The Company is subject to various anti-corruption laws and regulations, such as the *Canadian Corruption of Foreign Public Officials Act*. In general, these laws prohibit a company and its employees and intermediaries from bribing or making other prohibited payments to foreign officials or other persons to obtain or retain business or gain some other business advantage. In recent years, there has been a general increase in both the frequency of enforcement and the severity of penalties under such laws, resulting in greater scrutiny and punishment of companies convicted of violating anti-corruption and anti-bribery laws. Furthermore, a company may be found liable for violations by not only its employees but also by its contractors and third-party agents.

The Company's projects are located in Argentina and Mexico. The Company cannot predict the nature, scope or effect of future anti-corruption regulatory requirements to which the Company's operations might be subject or how existing laws might be administered or interpreted. Failure to comply with the applicable legislation and other similar foreign laws could expose the Company and/or its senior management to civil and/or criminal penalties, other sanctions and remedial measures, legal expenses and reputational damage, all of which could materially and adversely affect the Company's business, financial condition and results of operations. Likewise, any investigation of any alleged violations of the applicable anti-corruption legislation by Canadian or foreign authorities could also have an adverse impact on the Company's business, financial condition and results of operations.

INTERNAL CONTROLS OVER FINANCIAL REPORTING AND DISCLOSURE

Disclosure controls and procedures ("DC&P") are intended to provide reasonable assurance that information required to be disclosed is recorded, processed, summarized and reported within the time periods specified by securities regulations and that information required to be disclosed is accumulated and communicated to management. Internal controls over financial reporting ("ICFR") are intended to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Canadian generally accepted accounting principles.

TSXV-listed companies are not required to provide representations in the annual filings relating to the establishment and maintenance of DC&P and ICFR, as defined in National Instrument 52-109. In particular, the CEO and CFO certifying officers do not make any representations relating to the establishment and maintenance of (a) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the periods specified in securities legislation, and (b) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP. The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in their certificates regarding the absence of misrepresentations and fair disclosure of financial information. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in

Multinational Instrument 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Additional information on the Company can be found on the Company's website at www.sableresources.com or at SEDAR at www.sedarplus.ca.