MANAGEMENT DISCUSSION AND ANALYSIS

For the three months ended March 31, 2024

(Expressed in United States dollars)

This Management Discussion and Analysis ("MD&A") is intended to help the reader understand Mako Mining Corp. (the "Company" or "Mako"), the operations, financial position, and current and future business environment. This MD&A is intended to supplement and complement Mako's condensed interim consolidated financial statements for the three months ended March 31, 2024, which have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards ("IFRS accounting standards") applicable to the preparation of interim financial statements, including International Accounting Standard 34, Interim Financial Reporting.

Additional information regarding Mako, including the risks related to the business and those that are reasonably likely to affect Mako's financial statements in the future, is contained in the continuous disclosure materials, including the most recent audited consolidated financial statements and Management Information Circular, which is available on the Company's website at www.makominingcorp.com and under the Company's profile on the SEDAR+ website at www.sedarplus.ca.

This MD&A has been prepared as of May 17, 2024. All amounts are expressed in United States (US) dollars ("$"), unless otherwise stated. References to "C$" are to the Canadian dollar.

BUSINESS OVERVIEW

Mako Mining Corp. was incorporated on April 1, 2004, under the laws of the Yukon Territory and continued into British Columbia under the *British Columbia Corporations Act.* The Company is listed on the TSX Venture Exchange ("TSX-V") under the symbol "MKO" and the OTCQX under the symbol "MAKOF". The Company's principal business activities are the production of gold and the exploration of its mineral interests in Nicaragua.

The Company's main assets are the San Albino and the Las Conchitas gold deposit, located within the San Albino-Murra Property, located in Nueva Segovia, Nicaragua (collectively, the "San Albino Project"). It was a historical small-scale underground gold producer, commencing production in the early 1900's and operating on and off until approximately 1940. Mako's management brought the San Albino Mine into commercial production on July 1, 2021.

The projected free cash flow from the San Albino Project is anticipated to fund exploration on Mako's prospective 188 square kilometer ("km") land package in Nicaragua.

FINANCIAL HIGHLIGHTS, MAJOR ACTIVITIES AND SIGNIFICANT SUBSEQUENT EVENTS

- Revenues of $19.2 million (Q1 2023 - $15.9 million) for the three months ended March 31, 2024 ("Q1 2024").
- Sales of 9,267 ounces ("oz") (Q1 2023 – 8,721 oz) of gold in Q1 2024 from the San Albino Project.
- Net income of $5.3 million (Q1 2023 – $1.4 million) for Q1 2024.
- Production of 9,404 oz (Q1 2023 – 8,683 oz) of gold at the San Albino Project in Q1 2024; 5,764 oz (Q1 2023 – 9,329 oz) of silver were produced at the San Albino Project for Q1 2024.
- Cash generated from operating activities of $5.2 million (Q1 2022 – $1.4 million) in Q1 2024.
- Delivered 40,500 oz of silver on the Sailfish Silver Loan during Q1 2024.
- On February 15, 2024, the Company entered into an agreement with GR Silver Mines Ltd. ("GR Silver") to settle all liabilities and responsibilities, including but not limited to the outstanding reclamation and rehabilitation obligations, of Mako, related to the sale of Mako's Mexican operations to GR Silver in March 2021 ("Settlement and Release Agreement").

  Pursuant to the terms of the Settlement and Release Agreement, Mako must make a total payment of $1.0 million to GR Silver comprised of $0.5 million cash (paid in February 2024) and the issuance of 296,710 common shares of Mako (issued in March 2024).
- On March 25, 2024, the Company and Goldsource Mines Inc. ("Goldsource") entered into an arrangement agreement, pursuant to which Mako will acquire all of the issued and outstanding common shares of Goldsource, in exchange for 0.22 common shares of Mako, by way of a plan of arrangement. Refer to PROPOSED TRANSACTIONS for additional details.

- On March 27, 2024, the Wexford Loan was further amended to extend the maturity date from March 31, 2025 to March 31, 2029. The accrued interest and cash bonus interest outstanding now accrues interest at a rate of 10% compounded seme-annually.

Subsequent to March 31, 2024:
- Delivered 13,500 oz of silver on the Sailfish Silver Loan for the April 2024 instalments.
- The Company purchased 1.2 million common shares under the NCIB for C$3.8 million.

RESULTS OF OPERATIONS

Financial Performance (in $000's)	Three months ended Mar 31, 2024	Mar 31, 2023	Change
Revenue	$ 19,211	$ 15,916	$ 3,295
Income for the period	5,349	1,387	3,962
Operating cash inflows before changes in non-cash working capital	8,519	6,478	2,041
Net cash from operating activities	$ 5,235	$ 1,439	$ 3,796

Financial Condition (in $000's)	As at Mar 31, 2024	As at Dec 31, 2023	Change
Cash and cash equivalents	$ 4,523	$ 1,498	$ 3,025
Working capital (i)	12,103	7,056	5,047
Total assets	50,070	41,809	8,261
Equity	$ 28,962	$ 20,628	$ 8,334

(i) Working capital calculated as current assets less current liabilities.

San Albino Property, Nueva Segovia, Nicaragua

The Company holds 100% of four mineral concessions in Nueva Segovia, Nicaragua for a total land package of approximately 18,817 hectares (188 km^2). The San Albino gold deposit, located within the San Albino-Murra Property, is the Company's mine located in Nueva Segovia, Nicaragua. It was a historical small-scale underground gold producer, commencing production in the early 1900's and operating on and off until approximately 1940.

On August 24, 2020, the Nicaraguan Ministry of Environmental and Natural Resources ("MARENA") amended the environmental permit granted to the Company in 2017 (see press release dated September 12, 2017) to allow for the processing of up to 1,000 tonne per day ("tpd") at the San Albino-Murra Property. The amendment is initially effective for a period of five years and can be renewed indefinitely so long as the Company complies with the conditions set forth by MARENA. All other provisions contained in the environmental permit granted in 2017 remain in force and are fully applicable apart from the increased throughput from 500 tpd to 1,000 tpd; total capacity of the two mills on site is 1,000 tpd.

Pre-development work commenced in May 2019 at the San Albino Property; on October 19, 2020, the Company reported the results of an updated mineral resource estimate (*Technical Report and Estimate of Mineral Resources* for The San Albino Project, Nueva Segovia, Nicaragua), the objective of achieving a thorough understanding of the geology of the area and affirming the continuity and grade of the "in-pit" resources. During 2021 and 2022 extensive drilling was conducted to redefine the San Albino project, resulting in 1232 diamond drill holes and 105,073 meters ("m") drilled in the San Albino area and 718 diamond drill holes and 78,100 m drilled in the Las Conchitas area; with this new information, on October 31, 2023, the Company reported an updated mineral resource estimate for both areas. In October 2020 and 2023 RESPEC, led by Principal Geologist Steve Ristorcelli, developed the resource. In 2023, Mr. Ristorcelli reflected the selective open pit mining methods presently being utilized at San Albino, with a fully diluted open pit grade 11.61 grams per tonne ("g/t") gold ("Au") in the Measured and Indicated categories.

On July 1, 2021, the Company declared commercial production.

The table below shows the main variables used by management to measure operating performance of the mine: throughput, grade, recovery metal production and cost.

Operating data		Three months ended	
		Mar 31, 2024	Mar 31, 2023
Tonnes Mined		1,612,365	1,760,982
Tonnes Milled		52,478	49,675
Mill availability		97%	94%
Avg Tonnes per day		599	587
Recoverability		81%	83%
Gold sold (ounces)		9,267	8,721
Average realized gold price ($/oz sold)		2,073	1,829
Cash Cost ($/oz sold)(1)	$	858	793
AISC ($/oz sold)(1)	$	1,043	1,410
EBITDA (in $000's)(1)	$	8,265	6,054
Adjusted EBITDA (in $000's)(1)	$	9,207	7,638

(1) Refer to *Non-IFRS Measures*

For the three months ended March 31, 2024:
Tonnes mined: decrease in tonnes mined during Q1 2024 is attributed to the decrease in stripping ratio in the West Pit as the Company reached the ore body and less waste being moved in Q1 2024.

Tonnes milled: the increase in the tonnes milled in Q1 2024 is attributed to an increase in mineral material to be processed thereby increasing the average tonnes per day compared to Q1 2023 as the Company maximizes the capacity limits of the mill throughput and takes advance of the current high gold prices.

The lower cash cost per gold ounce sold in Q1 2023 is driven by the deferral of the stripping expenditure which when compared to Q1 2024 results in an increase in cash costs per gold ounce sold of $65 in Q1 2024.

The Company's AISC per gold ounce sold decreased by $367 to $1,043 in Q1 2024 when compared to Q1 2023, as Q1 2023 included deferred stripping expenses of $3.8 million, whereas in Q1 2024, $0.4 million in drilling expenditure in the permitted area is being deferred.

EXPLORATION UPDATE

During Q1 2024, there were two operating reverse circulation ("RC") drill rigs at the San Albino-Murra Concession, 2,677 m were drilled in the Las Conchitas South area as part of the exploration drilling program to gain better understanding of the Las Conchitas geology.

Within the Las Conchitas permitted area, the Company drilled two zones – El Limon 19 RC drill holes totaling 1,753.3m and Las Dolores 17 RC drill holes totaling 924m totaling 36 RC drill holes and 2,677.3 m.

The Company also completed geotechnical drilling at two waste dumps at Las Conchitas, 14 diamond drill holes totaling 1,436.2m.

During the same period the Company conducted regional and detailed mapping and sampling at all four concessions (San Albino-Murra, Potrerillos, La Segoviana and El Jicaro), collecting 1,804 samples.

The program consisted of prospecting and surface and underground mapping. Channel sampling and mapping on both, veins in underground workings, dug out by locals, and on the surface have assisted in determining grade potential and extent of mineralized zones. The goal of this program is to validate structural and grade continuity of each vein or prospect, determine mineralization and mining potential and to help in prioritizing targets. A subsequent exploration program will include a RC drilling program to examine the potential at depth and extent of the outlined veins; additional diamond drilling of the veins would be required to validate the RC drilling results.

Las Conchitas Area

Las Conchitas is situated between two past-producers, the San Albino Mine and the El Golfo Mine. It lies only 2 km south of the mine site for the San Albino Mine.

The Las Conchitas area covers approximately 3.75 km^2 and is situated immediately to the south of San Albino Mine, where the Company is currently operating a 500 tpd mining and milling operation and immediately to the north of the historical El Golfo Mine located within the Company's El Jicaro Concession.

Las Conchitas contains numerous mineralized structures over a 1,700 m by 800 m area and it has been subdivided into three primary areas: Las Conchitas norte ("LC-North"), Las Conchitas central ("LC-Central") and Las Conchitas sur ("LC-South"). Each of these areas are comprised of multiple subparallel, northeast-southwest striking and gently dipping mineralized veins.

As with the San Albino deposit, the conceptual model for the Las Conchitas mineralization consists of multiple parallel quartz veins that dip gently to the northwest, associated with extensive shear and fault systems which represent possible feeders for mineralized fluids and a favorable environment for precious metal deposition. These characteristics are consistent with the model for orogenic gold-bearing veins, which can extend to depths in excess of a km. Drilling at Las Conchitas has confirmed down-dip continuity of highly mineralized zones identified by trenching; as demonstrated by results of drilling reported on August 18, 2021; gold mineralization is not restricted solely to quartz veins, but also occurs in the host rock (phyllite/schist) containing quartz veinlets.

On June 19, 2023, the Company announced that it received approval to begin processing material from Las Conchitas, and that the material would be processed at the Company's San Albino plant.

On July 27, 2023, the Company announced that it had intersected 30.45 g/t Au over 4.5 m at Las Conchitas, 13 m from surface; at the same time the Company announced that materials from Las Conchitas were starting to be processed at the San Albino plant.

On August 2, 2023, the Company announced additional results from the RC infill drilling at Las Conchitas, reporting intersects of 12.09 g/t Au over 11.5 m, 15 m from surface.

On October 31, 2023, the Company announced an updated and extended mineral resource for the San Albino Project which includes the Las Conchitas deposit.

On January 24, 2024, the Company announced interceptions of 51.78 g/t Au over 3.9 m at Las Conchitas, 62 m from Surface, outside of current mineral resource estimate.

On March 13, 2024, the Company announced intercepts of 13.43 g/t Au and 36.8 g/t Ag over 9 m, at Las Conchitas, 57 m from surface, outside of current mineral resource estimate.

El Jicaro Concession

El Jicaro encompasses the southwest extension of the mineralized structures identified on the Corona de Oro Gold Belt. It covers an area of 5,071 hectare ("ha") (51 km^2). Several good exploration targets have been outlined there. The mapping and prospecting programs completed to date have defined four parallel zones of mineralization. During Q4 2022, 410 m were drilled at El Jicaro.

Potrerillos Concession

In December 2019, the Company purchased the Potrerillos exploration and exploitation concession ("Potrerillos Concession") formerly owned by a subsidiary of Condor Gold Plc ("Condor"). The Potrerillos Concession comprises 12 km2 of subsurface mineral rights and is contiguous to and along strike from the San Albino gold project. The Potrerillos Concession is valid until December 2031 with the ability to renew for an additional 25 years by the Company.

The property was explored by Condor between 2007 and 2009, with a number of channel samples taken on trenches and former mine adits. Recent drilling at San Albino indicates that the Potrerillos mineralization is an extension of the San Albino deposit; 1,109 m have been drilled during the 2022 drilling campaign. The Company plans to begin exploration work to evaluate whether the San Albino Mine can be expanded into this area.

La Segoviana Concession

On April 7, 2020, the Company announced that its wholly-owned Nicaraguan subsidiary, Nicoz Resources, S.A., was granted a new concession by Nicaraguan Ministry of Mines and Energy. The new concession, called La Segoviana, covers an area of 3,845.80 ha (approximately 38.5 km2) and is contiguous to the north and northwest of the Company's San Albino-Murra concession in Nueva Segovia, Nicaragua. The La Segoviana concession allows for both exploration and exploitation and is valid for a period of 25 years, until March 12, 2045.

On March 24, 2022, the Company reported the results from a follow-up reconnaissance exploration program. A total of 367 channel and grab samples were collected within the concession from quartz veins exposed in prospects and historical workings with 169 samples yielding more than 1.0 g/t Au, and one of them yielding 105.7 g/t Au over 1.5 m ETW; details can be found in the respective press release.

On May 30, 2023, the Company reported a discovery in the La Segoviana Concession, specifically 17 km from the San Albino area, highlighting intercepts of 41.99 g/t Au and 28.7 g/t Ag over 1.4 m, 34 m from surface, confirming the orogenic nature of gold mineralization across the 28 km of strike contained within the Company's 188 km2 land package in Northern Nicaragua.

For details on all previously-reported drill results, please see the Company's filings on SEDAR+.

TREND ANALYSIS
Summary of Quarterly Results

	2024	2023				2022		
(in $000's *excluding per share*)	Jan-Mar	Oct - Dec	Jul - Sept	Apr - Jun	Jan - Mar	Oct - Dec	Jul - Sept	Apr - Jun
Revenue	19,211	26,472	10,707	12,853	15,916	16,087	13,637	16,373
Cost of sales	(10,148)	(12,680)	(8,057)	(10,951)	(11,424)	(11,693)	(14,608)	(14,537)
Gross profit (loss)	9,063	13,792	2,650	1,902	4,492	4,394	(971)	1,836
E&E expenses	(696)	(988)	(1,178)	(1,498)	(692)	(3,054)	(3,878)	(2,718)
G&A expenses	(1,794)	(1,573)	(1,895)	(2,235)	(1,491)	(1,283)	(1,613)	(1,593)
Other income (expenses)	(664)	(900)	(719)	(360)	(423)	(405)	(36)	(113)
Income taxes	(560)	(817)	(330)	(438)	(499)	(451)	(492)	(610)
Net income (loss)	5,349	9,514	(1,472)	(2,629)	1,387	(799)	(6,990)	(3,198)
Basic & diluted income (loss) per share	0.08	0.14	(0.02)	(0.04)	0.02	(0.01)	(0.10)	(0.05)
The sum of the quarters may not equal the annual results due to rounding.								
Gold ounces produced	*9,404*	*11,566*	*7,937*	*6,575*	*8,683*	*10,010*	*8,370*	*9,018*
Gold ounces sold	*9,267*	*13,481*	*5,767*	*6,727*	*8,721*	*9,956*	*8,327*	*9,027*
Average realized gold price ($/oz)	$ 2,073	$ 1,963	$ 1,857	$ 1,911	$ 1,829	$ 1,616	$ 1,665	$ 1,814
Ore Mined (tonnes)	*67,961*	*52,399*	*47,731*	*46,452*	*47,239*	*50,883*	*52,084*	*47,220*
Ore Milled (tonnes)	*52,478*	*51,745*	*51,578*	*54,284*	*49,675*	*49,204*	*44,452*	*49,332*
Grade milled (g/t Au)	*7.31*	*8.19*	*6.86*	*5.27*	*5.74*	*7.34*	*7.66*	*7.36*
Recovery %	*80.6%*	*84.5%*	*78.1%*	*71.8%*	*80.7%*	*82.3%*	*76.5%*	*74.8%*

Revenue: During Q1 2024, increase in revenue compared to Q1 2023 is as a result of increased ounces produced mainly from ore mined in the West and SW Pit area and sold during the quarter together with an increase in the average realized gold price per ounce sold when compared to the previous quarters.

Cost of sales: Cost of sales is comprised of production cost and depreciation, depletion and amortization of the mine asset and the plant. During Q1 2024, the production cost per ounce produced were higher than Q1 2023, as Q1 2023 mining costs were primarily reduced with the removal of deferred striping costs. Decrease of the depreciation, depletion and amortization expense during Q1 2024, is attributed to the majority of the mine assets being fully depleted as of Q2 2023 given the then short mine life and the subsequent extension of the estimated useful life of the plant assets as the Company began processing from the Las Conchitas mining operation and the publication of the updated resource model in Q4 2023.

G&A expenses: During Q1 2024, the increase in G&A is mainly attributed to the increase in legal advice sought on corporate matters including the potential merger, increase tax consulting fees and an increase in stock-based compensation expense for the RSU and DSU granted in Q4 2023.

Revenue: During Q4 2023, increase in revenue is as a result of increased ounces produced mainly from ore mined in the SW Pit area where additional ore was identified and sold during the quarter together with an increase in the average realized gold price per ounce sold when compared to the previous quarters.

Cost of sales: Cost of sales is comprised of production cost, depreciation, depletion and amortization of the mine asset and the plant and the write-down of inventories. During Q4 2023, the production costs increased, as the ounces of gold sold was higher when compared to previous quarters. Decrease of the depreciation, depletion and amortization expense during Q4 2023, is attributed to the majority of the mine assets being fully depleted as of Q2 2023 given the then short mine life and the subsequent extension of the estimated useful life of the plant assets as the Company began processing from the Las Conchitas mining operation and the publication of the updated resource model.

E&E expenses: During Q4 2023, the expansion drilling program at the Las Conchitas area was coming to an end as the Company published the resource model.

G&A expenses: During Q4 2023, the decrease in G&A is mainly attributed to the decrease in legal advice sought on corporate matters which is offset by an increase in salaries and benefits and stock-based compensation expense. Salaries and benefits for Q4 2022 included a reversal of $0.5 million of excess accrued bonuses for non-executive staff not paid out.

Revenue: During Q3 2023, decrease in revenue is as a result of a decrease in ounces sold during the quarter offset with an increase in the average realized gold price per ounce sold when compared to the previous quarters.

Cost of sales: During Q3 2023, the cost of sales decreased, as the ounces of gold sold was lower when compared to previous quarters. Decrease of the depreciation, depletion and amortization expense during Q3 2023, is attributed to the majority of mine assets being fully depleted as of Q2 2023 and the extension of the useful life of the plant assets as the Company began processing from the Las Conchitas mining operation.

E&E expenses: During Q3 2023, the expansion drilling program at the Las Conchitas area was coming to an end as the Company prepared the data to develop the resource model.

G&A expenses: During Q3 2023, the decrease in G&A is mainly attributed to the decrease in headcount due to staff turnover and legal advice sought on corporate matters which is offset by the withholding taxes incurred on the Sailfish Loan payments.

Revenue: During Q2 2023, decrease in revenue is as a result of a decrease in ounces produced and ounces sold during the quarter offset with an increase in the average realized gold price per ounce sold when compared to the previous quarters.

Cost of sales: During Q2 2023, the cost of sales increased, although the production costs and depreciation and depletion and amortization remained consistent with the prior quarter, the ounces of gold sold was lower when compared to previous quarters. Write-down of inventories increased during Q2 2023, arising from the higher costs of mining to access phase 3 of the West Pit, resulting in higher levels of depletion. The higher costs related to phase 3 of the West Pit were incurred as the Company transitioned and prepared for the Las Conchitas mining operation.

E&E expenses: During Q2 2023, the expansion drilling program at the Las Conchitas area was coming to an end as the Company prepares the data to develop the resource model.

G&A expenses: During Q2 2023, increase in G&A is mainly attributed to the increase in salaries and benefits expenditure for bonuses and an increase in legal fees as legal advice was sought on corporate matters.

E&E expenses: During Q1 2023, the expansion drilling program at the Las Conchitas area was coming to an end as the Company prepared the data to develop the resource model.

G&A expenses: During Q1 2023, decrease in G&A is mainly contributed to the decrease in salaries and benefits expenditure and stock-based compensation offset by an increase in legal fees as legal advice sought on corporate matters increased.

Revenue: During Q4 2022, increase in revenue is as a result of an increase in ounces produced and ounces sold during the quarter together with the decrease in the average realized gold price per ounce sold when compared to the previous quarters in 2022.

Cost of sales: During Q4 2022, the cost of sales decreased partially due to a lower depreciation charge and a decrease in production costs largely due to deferred stripping costs related to the West Pit phase 3 which is expected to start extracting ore in the second quarter of 2023 when compared to previous quarters.

G&A expenses: Decrease during Q4 2022 is contributed by the reversal of an accrual of $0.5 million for non-executive staff bonuses.

Other income (expenses): Decrease during Q4 2022, arises from the change in the provision for reclamation and rehabilitation and the increase in the foreign exchange loss weakening of the exchange rate between the Canadian dollar and US dollar.

Revenue: During Q3 2022, decrease in revenue is related to the decrease in ounces produced and the ounces sold during the quarter together with the decrease in the average realized gold price per ounce sold when compared to the previous quarters in 2022.

Cost of sales: During Q3 2022, the cost of sales increased due largely to a combination of mining costs, with increased hauling costs, as the distances covered are now longer, and mill processing costs increases following the metal recovery issues experienced during the quarter where preg-robbing material going through the mill was high, the Company conducted a number of tests using different methodologies, reagent quantities and studies, that resulted in a considerable increase in cost of sales, compared to previous quarters in 2022.

The Q3 2022 cost of sales includes a write-down of stockpiled ore of $0.8 million related to historical dump material containing 2.75 g/t of gold that is not being utilized in the current mine plan but management anticipates incorporating this historical dump material in the revised expanded San Albino Mine plan expected to be released in 2023.

During Q3 2022, the expansion drilling program at the Las Conchitas area contributed to the increase in exploration and evaluation expenses.

Revenue

	Three months ended		
	Mar 31, 2024	**Mar 31, 2023**	**Change**
Revenue (in $000s)	$ 19,211	$ 15,916	$ 3,295
Gold sold (ozs.)	9,267	8,721	546
Average realized gold price ($ per oz.)	$ 2,073	$ 1,718	$ 355

The Company's revenue for Q1 2024 and Q1 2023 came entirely from the San Albino Project.

The increase in revenue of $3.3 million (increase of 20.7%) for Q1 2024 compared to Q1 2023 is a result of selling 546 more ounces of gold in Q1 2024 and realizing a higher average gold price by $355 (increase of 20.7%) per ounce of gold.

The Company sells gold at the spot rate. The average spot gold price for Q1 2024 was $2,070 (Q1 2023 - $1,890), up 9.5% over Q1 2023, and closed on March 31, 2024, at $2,214 per oz, up 11.9% from the closing price on March 31, 2023.

Exploration and evaluation expenses

Expenses by property (in $000s)	Three months ended Mar 31, 2024	Mar 31, 2023	Change
El Jicaro	$ 76	$ 52	$ 24
San Albino	183	243	(60)
Las Conchitas	397	359	38
Other	40	38	2
	$ 696	$ 692	$ 4

During Q1 2024, expenses continued to be primarily associated with the expansion drilling program at the Las Conchitas property 2 km to the South of San Albino with the aim to extend the life of mine.

During Q1 2023, the expansion drilling program at the Las Conchitas area was coming to an end as the Company prepared the data to develop the resource model which was completed and published in December 2023.

General and administrative expenses

(in $000s)	Three months ended Mar 31, 2024	Mar 31, 2023	Change
Accounting and legal	$ 255	$ 143	$ 112
Consulting fees	10	8	$ 2
Directors' fees	57	93	$ (36)
Depreciation	28	27	$ 1
General office expenses	46	50	$ (4)
Insurance	113	138	$ (25)
Investor relations and communications	63	41	$ 22
Rent	2	1	$ 1
Salaries and benefits	873	840	$ 33
Stock-based compensation	246	71	$ 175
Telephone and IT services	36	31	$ 5
Transfer agent fees and regulatory fees	31	27	$ 4
Travel	34	21	$ 13
	$ 1,794	$ 1,491	$ 303

Accounting and legal fees: Q1 2024 increased compared to Q1 2023, in Q1 2024 additional legal advice sought on corporate matters and for the upcoming merger with Goldsource (refer to PROPOSED TRANSACTIONS for additional details) which was not required in Q1 2023. In Q1 2024, additional tax consulting fees were incurred related to tax matters.

Director fees: decrease in Q1 2024 compared to Q1 2023 arises from a decrease in the special committee fee from $8,000 to $2,000 per month, for each of the two members of this committee.

Insurance expenses: Q1 2024 includes certain insurance policies with a short term, so as to be able to be renewed at the same time with the majority of the other insurance policies.

The increase in stock-based compensation during Q1 2024 compared to Q1 2023 is as a result of the 975,000 RSUs and 275,000 DSUs that were granted in the Q4 2023, that are being expensed using the graded vesting method. No stock-based compensation was granted during Q1 2024.

Other (expense) income

(in $000s)	Three months ended Mar 31, 2024	Mar 31, 2023	Change
Accretion and interest expense	$ 131	$ 443	$ (312)
Change in provision for reclamation and rehabilitation	-	4	(4)
Change in fair value of derivative liability	375	3	372
Gain (loss) on gold stream derivative asset	(10)	(38)	28
Loss on settlement of liability	94		94
Foreign exchange gain (loss)	87	13	74
Interest income	(13)	(2)	(11)
	$ 664	$ 423	$ 241

Accretion and interest expense primarily relates to interest on the Wexford Loan and finance costs on the Sailfish Loan derivative liability. The Sailfish Loan was extinguished in Q3 2023 and the Wexford Loan principal was fully repaid in Q1 2023 which accounts for the decrease in the accretion and interest expense in Q1 2024.

The decrease in the change in provision for reclamation and rehabilitation arises from the asset retirement obligation on the La Trinidad mine in Mexico which was retained following the disposal of the Marlin Group to GR Silver and disposed of to GR Silver in Q1 2024.

The Company's derivative liabilities include the Sailfish Loan and the Sailfish Silver Loan. The Q1 2024 change in fair value of the derivative liability relates to the Sailfish Silver Loan whereas the Q1 2023 relates to the Sailfish Loan.

During Q1 2024, the Company entered into an agreement with GR Silver to settle all liabilities and responsibilities, including but not limited to the outstanding reclamation and rehabilitation obligations, of the Company, related to the sale of Mako's Mexican operations to GR Silver in March 2021 and recorded a loss of the settlement of the liability of $0.1 million.

Foreign exchange gains and losses arise from the translation of foreign-denominated transactions and balances into the relevant functional currencies of the Company and its subsidiaries. There are significant foreign-denominated intercompany balances held by certain subsidiaries of the Company. Fluctuations between the functional currency of the subsidiary and the currency of the intercompany balance result in significant non-cash, unrealized foreign exchange gains and losses. These unrealized gains and losses are recognized in the consolidated net income of the Company.

LIQUIDITY AND CAPITAL RESOURCES

Financial condition

(in $000s)	Mar 31, 2024	Dec 31, 2023	Change
Cash and cash equivalents	$ 4,523	$ 1,498	$ 3,025
Working capital	$ 12,103	$ 7,056	$ 5,047

Cash and cash equivalents increased by $3.0 million during Q1 2024. Funds generated from operating activities were utilized to make repayment installments of $0.8 million on the Sailfish Loan, pay GR Silver $0.5 million for the Settlement and Release Agreement, purchase the Company's common shares under the NCIB at a cost of $0.2 million and fund the investing and operating activities.

The working capital increased during Q1 2024 primarily due to realizing a higher average gold price per ounce sold, increased inventory levels, and the Wexford Loan extending the maturity to March 31, 2029.

Cash flows

(in $000s)	Three months ended		
	Mar 31, 2024	Mar 31, 2023	Change
Operating cash flows before changes in working capital	$ 8,519	$ 6,478	$ 2,041
Changes in working capital	(3,284)	(5,039)	1,755
Net cash flows provided by (used in) operating activities	5,235	1,439	3,796
Net cash flows provided by (used in) investing activities	(989)	(365)	(624)
Net cash flows provided by (used in) financing activities	(1,208)	(971)	(237)
Effect of foreign exchange on cash and cash equivalents	(13)	15	(28)
Change in cash and cash equivalents	$ 3,025	$ 118	$ 2,907

The Company generated positive cash flow from operations of $5.2 million during Q1 2024, an increase of $3.8 million compared to Q1 2023. The increase in cash flows provided by operating activities is primarily driven by the increase in the gold selling price and increased quantity of gold ounces sold during Q1 2024.

The cash used in investing activities during Q1 2024 increased by $0.6 million compared to Q1 2023; investing activities relate to development activities at the San Albino Property in Nicaragua including the purchase of land and equipment.

Financing activities during Q1 2024 increased by $0.2 million compared to Q1 2023 and primarily reflects the installment payments of $0.8 million on the Sailfish Silver Loan, the $0.5 million payment made to GR Silver for the Settlement and Release Agreement, $0.2 million to purchase the Company's common shares under the NCIB which was offset with the proceeds of $0.3 million received on the exercise of 287,150 options.

Liquidity risk

The condensed interim consolidated financial statements have been prepared on the basis that the Company will continue as a going concern, which assumes that it will be able to meet its existing obligations and commitments and fund ongoing operations in the normal course of business for at least twelve months from March 31, 2024. As at March 31, 2024, the Company has cash and cash equivalents of $4.5 million and working capital of $12.1 million.

For Q1 2024, the Company generated operating cash inflows from operating activities of $5.2 million (Q1 2023 - $1.4 million) and generated net income of $5.3 million (Q1 2023 –$1.4 million).

During 2020, the Company secured a credit arrangement from its controlling shareholder for $15.15 million ("Wexford Loan"). On March 27, 2024, the Company entered into an eighth amending agreement for the Wexford Loan wherein the Company and the Lenders agreed to further extend the maturity date from March 31, 2025 to March 31, 2029. Due to the substantial modification of the terms of the agreement, management accounted for this transaction as an extinguishment of the original financial liability and replacement with a new financial liability (the "Revised Wexford Loan"). The Revised Wexford Loan accrues interest at a rate of 10% per annum, compounded semi-annually. Due to the substantial modification of the terms of the agreement, management accounted for this transaction as an extinguishment of the original financial liability and replacement with a new financial liability.

The Company used an effective interest rate of 18.0%, the estimated market interest rate for non-related parties based on comparable debt when valuing the Revised Wexford Loan upon initial recognition; as a result, the Company recorded a capital contribution from a related party of $2.2 million directly in contributed surplus during the three months ended

March 31, 2024. The Revised Wexford Loan is measured at amortized cost and will be accreted to maturity over the term using the effective interest method.

On May 24, 2023, the Company entered into an agreement with Sailfish, whereby Sailfish advanced $6 million (received) for the delivery of a fixed number of ounces of silver (13,500), on the last day of the month or the gold equivalent, for a period of 24 months ("Silver Loan"). Interest on the Silver Loan is accrued at US Prime (8.25%) plus four percent per annum, calculated daily on the undelivered ounces. Sailfish also has the option, exercisable after 12 months from entering the Silver Loan, to purchase all remaining future silver production from all the Company's concessions for an additional $1 million. For the three months ended March 31, 2024, the Company delivered 40,500 ounces of which 34,737 oz of silver were purchased and 5,764 oz of silver were produced. Subsequent to March 31, 2024, the Company delivered an additional 13,500 ounces of silver for the April 2024 installment.

The Company's financial performance is dependent upon many external factors. Exploration, development and mining precious metals involve numerous inherent risks including but not limited to metal price risk as the Company derives its revenue from the sale of gold and silver, currency risks as the Company reports its financial statements in US dollars whereas the Company operates in jurisdictions where it conducts its business in other currencies. Although the Company minimizes these risks by applying high operating standards, including careful planning and management of its facilities, hiring highly qualified personnel and giving adequate training, these risks cannot be eliminated.

GR SILVER MINING LTD ("GR SILVER")

On March 31, 2021, the Company completed the transaction with GR Silver pursuant to which GR Silver acquired 100% of the common shares of Mako's wholly-owned subsidiary, Marlin, from the Company. Marlin (incorporated in Canada) is the parent company of Marlin Gold Trading Inc (incorporated in Barbados) and of Oro Gold de Mexico, S.A. de C.V. (incorporated in Mexico) ("Oro Gold"), that owns the La Trinidad mine facilities (collectively, the "Marlin Group"). The Company will continue to be responsible for all necessary reclamation obligations until it receives an acknowledgement from SEMARNAT (the Mexican environmental authority) that Oro Gold's closure plan is complete.

Pursuant to the terms of the Settlement and Release Agreement, Mako made a total payment of $1.0 million to GR Silver comprised of $0.5 million cash (paid in February 2024) and the issuance of 296,710 common shares of Mako (issued in March 2024).

OUTSTANDING SECURITIES

As of the date of this MD&A, the Company had 64,858,967 common shares issued and outstanding, plus 1,032,010 RSUs, 386,264 DSUs and 3,389,354 options outstanding.

TRANSACTIONS WITH RELATED PARTIES

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company, and comprise the Company's Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, and Directors. The compensation to key management was as follows:

Key management compensation

	Three months ended		
(in $000s)	**Mar 31, 2024**	**Mar 31, 2023**	**Change**
Director fees	$ 57	$ 93	$ (36)
Salaries, consulting and management fees	212	221	(9)
Share-based compensation	195	57	138
Total	$ 464	$ 371	$ 93

As at	**Mar 31, 2024**	**Dec 31, 2023**
Amount included in accounts payable	$ 86	$ 23

The decrease in the special committee monthly rate payable to two directors is associated with the decrease in the director fees in Q1 2024.

The increase in the share-based compensation expense arises from RSUs and DSUs granted in Q4 2023.

Other related party transactions

(a) Tes-Oro Mining Group, LLC ("Tes-Oro")
Tes-Oro is a private company controlled by the Company's Chief Operating Officer. Tes-Oro is a full-service engineering, procurement and construction management firm working with the Company. During Q1 2024, the Company expensed fees relating to consulting services of $501 (Q1 2023 - $683), reclamation and rehabilitation expenses of $nil (Q1 2023 - $7,389) and $6,265 (Q1 2023 - $8,543) in general office expenses, respectively. Amounts payable to Tes-Oro as at March 31, 2024, were $nil (December 31, 2023 - $nil).

(b) Sailfish Royalty Corp. ("Sailfish")
Sailfish is a publicly traded company related by common shareholders, and a director. In addition to the Sailfish Loan and the Sailfish Silver Loan, during the year ended December 31, 2023, the Company's subsidiary Nicoz:

Gold sales

i. received advances of $0.2 million (Q1 2023 - $0.2 million) for the purchase of gold ounces;
ii. sold 91 (Q1 2023 – 338) ounces of gold to Sailfish for $48,509 (Q1 2023 - $0.2 million) of which $48,509 (Q1 2023 - $0.1 million) is recorded as production services revenue and $9,584 (Q1 2023- $37,737) is included in the gain on gold stream derivative asset disclosed in the statement of income and comprehensive income; and

As at March 31, 2024, the balance remaining from the advance received from Sailfish was $47,038 (December 31, 2023, a balance of $0.3 million was receivable from Sailfish as is included in receivables).

Royalty

Sailfish is entitled to a two percent net smelter royalty of the production of all gold and silver ounces, excluding the area of interest, as defined in the amended gold stream agreement entered into in November 2018.

During the three months ended March 31, 2024, a royalty fee of $0.2 million was owing to Sailfish and is included in production costs in the consolidated statement of income and comprehensible income.

As at March 31, 2024, a balance of $0.1 million (December 31, 2023 - $0.2 million) was payable to Sailfish and is included in accounts payable and accrued liabilities.

PROPOSED TRANSACTIONS

Mako and Goldsource entered into an arrangement agreement (the "Arrangement Agreement"), pursuant to which Mako will acquire all of the issued and outstanding common shares of Goldsource (the "Goldsource Shares"), in exchange for 0.22 common shares of Mako (the "Mako Shares") for each share of Goldsource held (the "Exchange Ratio"), by way of a plan of arrangement (the "Transaction").

Goldsource stock options ("Goldsource Options") that are outstanding immediately prior to the completion of the Transaction shall immediately vest and be exchanged for replacement options of Mako exercisable to acquire Mako Shares in accordance with the Exchange Ratio ("Replacement Options"). Outstanding warrants of Goldsource will become exercisable, based on the Exchange Ratio, to purchase Mako Shares on substantially the same terms and conditions ("Replacement Warrants"). The Transaction will be carried out by way of a court-approved plan of arrangement under the *Business Corporations Act* (British Columbia).

The issuance of up to 15.2 million Mako Shares is expected (comprised of 13.2 million Mako Shares to be issued in exchange for outstanding Goldsource Shares; 1.2 million Mako Shares to be issued upon the exercise of the Replacement Options; 0.8 million Mako Shares to be issued upon the exercise of the Replacement Warrants.

The Transaction will create a company that will combine Mako's Nicaraguan gold operations with Goldsource's Eagle Mountain Gold Project in Guyana, South America.

Upon completion of the Transaction, Mako will continue to be listed on the TSXV under the same name and ticker symbol (MKO), and its common shares will continue to be quoted on the OTCQX under the same ticker symbol (MAKOF). Upon completion of the Transaction, the existing shareholders of Mako will own approximately 84% of Mako and the existing shareholders of Goldsource will own approximately 16% of Mako. As a result of the Transaction, Wexford's current ownership of Mako will be reduced from approximately 54.5% to approximately 45.6%.

The Arrangement Agreement contains customary deal-protection provisions including mutual non-solicitation covenants and a right of either party to match a superior proposal as defined in the Arrangement Agreement. Under certain circumstances, Mako or Goldsource may be entitled to a termination fee of C$1.4 million.

Officers and directors of Goldsource which hold approximately 4.5% of the outstanding Goldsource Shares and approximately 67.8% of the outstanding Goldsource Options, have entered into voting support agreements pursuant to which they have agreed, among other things, to vote their Goldsource Shares and Goldsource Options in favour of the Transaction.

The completion of the Transaction is subject to a number of terms and conditions, including without limitation the following: (a) approval of the Goldsource securityholders, as described below; (b) approval of the TSXV; (c) approval of the British Columbia Supreme Court; (d) there being no material adverse changes in respect of either Mako or Goldsource; and other standard conditions of closing for a transaction of this nature. There can be no assurance that all of the necessary approvals will be obtained or that all conditions of closing will be satisfied.

The Transaction is subject to the approval at a special meeting of Goldsource securityholders by (i) 66⅔% of the votes cast by Goldsource shareholders, (ii) 66⅔% of the votes cast by Goldsource shareholders and optionholders, voting as a single class, and (iii) a simple majority of the votes cast by Goldsource shareholders, excluding the votes cast by certain persons as required by Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions.*

ACCOUNTING CHANGES AND CRITICAL ESTIMATES

Estimates and judgments

The preparation of financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed at each period end. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Significant assumptions and judgments about the future and other sources of estimation uncertainty that management has made at the end of the reporting period, which could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to the following areas:

- Estimated mineral resources;
- Ore in process;
- Judgment and estimates as to the future taxable earnings, expected timing of reversals of deferred tax assets and liabilities, and interpretation of laws in the countries in which the Company operates ;

- Estimation of the fair value of the Sailfish Silver Loan;
- Estimation of the effective interest rate for the Wexford Loan;
- Judgement in determining that the Sailfish Silver Loan is a derivative;
- Judgement in determining whether non-current assets are impaired; and
- Estimation of the reclamation and remediation provision.

Refer to Note 5 of the consolidated financial statements for the year ended December 31, 2023, for a detailed discussion of these accounting estimates and judgments.

CONTROLS AND PROCEDURES

In connection with National Instrument 52-109 (Certificate of Disclosure in Issuer's Annual and Interim Filings ("NI 52-109"), the Chief Executive Officer and Chief Financial Officer of the Company have filed a Venture Issuer Basic Certificate with respect to the financial information contained in the financial statements and the respective accompanying Management's Discussion and Analysis.

DISCLOSURE CONTROLS

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 IFRS.

TSX-V 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 NI 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 time 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 IFRS.

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.

NON-IFRS MEASURES

The Company has included non-IFRS measures in this MD&A such as adjusted EBITDA, cash cost per ounce sold, AISC per ounce sold. These non-IFRS measures are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. These measures do not have any standardized meaning prescribed under IFRS and therefore may not be comparable to other issuers. In the gold mining industry, this is a common performance measure but does not have any standardized meaning. The Company believes that, in addition to conventional measures prepared in accordance with IFRS, certain investors use this information to evaluate the Company's underlying performance of its core operations and its ability to generate cash flow. Accordingly, it is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

"Adjusted EBITDA" represents earnings before interest (including non-cash accretion of financial obligations and lease obligations), income taxes and depreciation, depletion and amortization ("EBITDA"), adjusted to exclude exploration activities, share-based compensation and change in provision for reclamation and rehabilitation.

"Cash costs per ounce sold" is production costs, calculated by deducting revenues from silver sales and dividing the sum of mining, milling and mine site administration costs excluding the amounts included in write downs of inventory.

"AISC per ounce sold" includes cash costs (as defined above) and adds the sum of G&A, sustaining capital and certain exploration and evaluation ("E&E") costs, sustaining lease payments, provision for environmental fees, if applicable, and rehabilitation costs paid, all divided by the number of gold ounces sold. As this measure seeks to reflect the full cost of gold production from current operations, capital and E&E costs related to expansion or growth projects are not included in the calculation of AISC per ounce. Additionally, certain other cash expenditures, including income and other tax payments, financing costs and debt repayments, are not included in AISC per ounce.

The following table provides a reconciliation of production costs to cash costs and AISC:

(in $000's)		***Three months ended March 31, 2024***		***Three months ended March 31, 2023***
Production costs (GAAP)	**$**	**7,950**	**$**	**6,911**
Supporting general and administrative expenses		*490*		*522*
Cash costs (non-GAAP)	**$**	**8,440**	**$**	**7,433**
General and administrative expenses		*600*		*937*
Sustaining capital expenditures		*200*		*110*
Accretion of the asset retirement costs (ARO) (Non-cash)		*29*		*19*
Capitalized exploration expenses		*394*		-
Deferred stripping expenses		-		*3,798*
Total AISC ($)	**$**	**9,663**	**$**	**12,297**
Ounces of gold sold	*$*	*9,267*	*$*	*8,721*
Cash cost per gold ounce sold	$	858	*$*	*793*
AISC per gold ounce sold	$	1,043	*$*	*1,410*

Earnings before interest (including non-cash accretion of financial obligations and lease obligations), income taxes and depreciation, depletion, and amortization ("EBITDA") Calculations:

(in 000's)		**Three months ended Mar 31, 2024**		**Mar 31, 2023**
Net income (loss) after taxes	$	5,349	$	1,387
Income tax expense		560		499
Finance cost, net of finance income		131		443
Depreciation and amortization		2,225		3,725
EBITDA [(1)]	$	8,265	$	6,054
Share-based compensation expense		246		72
Exploration activities		696		692
Write-down of inventories		-		816
Change in provision for reclamation and rehabilitation		-		4
ADJUSTED EBITDA [(1)]	$	9,207	$	7,638

(1) Refer to *Non-IFRS Measures*

RISK AND UNCERTAINTIES

The Company's principal activity of mineral exploration and exploitation is generally considered to have high risk. It is exposed to a number of risks and uncertainties that are common to other mining exploration and development companies. The industry is capital intensive at all stages and is subject to variations in commodity prices, market sentiment, inflation and other risks. Until completion of the Marlin Transaction in early November 2018, the Company had no source of revenue other than interest income. Moving forward, the San Albino Property is expected to be largely financed by debt and equity financings. The Company's mineral properties are located in Nicaragua, which exposes the Company to risks associated with possible political or economic instability, changes to applicable laws, and impairment or loss of mining title or other mineral rights.

Some of the other significant risks are:

- Implementation of additional directives, following the October 24, 2022, announcement by the United States Department of the Treasury's Office of Foreign Assets Controls relating to new U.S. sanctions imposed on the General Directorate of Mines in Nicaragua pursuant to Executive Order 13851, as well as the issuance of EO 14088.
- Maintaining the Company's operating and development permits, title, rights and licenses in good standing.
- Mineral resource amounts are estimates only and may be unreliable. The Company cannot be certain that any specified level of recovery of minerals from mineralized material will, in fact, be realized or that any of its mineral property interests or any other mineral deposit will ever qualify as a commercially mineable ore body that can be economically exploited. Material changes in the quantity of mineralization, grade or stripping ratio or gold price volatility and foreign exchange risks may affect the economic viability of the properties.
- The junior resource market where the Company raises funds is extremely volatile, companies are subject to high level of competition for the same pool of investment dollars, and there is no guarantee that the Company will be able to raise adequate funds in a timely manner to conduct its business.
- Although the Company has taken steps to verify title to its exploration and evaluation assets there is no guarantee that the exploration and evaluation assets will not be subject to title disputes or undetected defects.
- The Company is subject to laws and regulations related to environmental matters, including provisions for reclamation, discharge of hazardous material and other matters. The Company conducts its activities in compliance with applicable environmental legislation and is not aware of any existing environmental problems related to its mineral property interests that may be the cause of material liability to the Company.
- There is no assurance that any countries in which Mako operates or may operate in the future will not impose restrictions or taxes on the repatriation of earnings to foreign entities.
- Nicaraguan political and economic risks including social unrest.
- Communication and customs risk associated with working in Nicaragua,
- Loss of key personnel and dependence on key personnel.
- Nicaragua is susceptible to hurricanes, earthquakes and volcanoes which could materially impact the Company's operations in the future.

An investment in the Company's common shares is highly speculative and subject to a number of risks and uncertainties. Only those persons who can bear the risk of the entire loss of their investment should participate. An investor should carefully consider the risks described above and the other information filed with the Canadian securities regulators before investing in the Company's common shares. The risks described are not the only ones faced. Additional risks that the Company currently believes are immaterial may become important factors that affect the Company's business. If any of these risks occur, or if others occur, the Company's business, operating results and financial condition could be seriously harmed, and investors may lose all of their investment.

FORWARD-LOOKING INFORMATION

This MD&A contains "forward-looking information" (also referred to as "forward-looking statements") within the meaning of applicable Canadian securities legislation. Forward-looking statements are provided for the purpose of providing information about management's current expectations and plans and allowing investors and others to get a better understanding of the Company's operating environment. All statements, other than statements of historical fact, are forward-looking statements.

In this MD&A, forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company at this time, are inherently subject to significant business, economic and competitive uncertainties and contingencies that may cause the Company's actual financial results, performance, or achievements to be materially different from those expressed or implied herein. Some of the material factors or assumptions used to develop forward-looking statements include, without limitation, the uncertainties associated with: regulatory and permitting considerations, financing of the Company's acquisitions and other activities, exploration, development and operation of mining properties and the overall impact of misjudgments made in good faith in the course of preparing forward-looking information as well as other risks and uncertainties referenced under "Risks and Uncertainties" in this MD&A.

Forward-looking statements involve risks, uncertainties, assumptions, and other factors including those set out below and including those referenced in the "Risks and Uncertainties" section of this MD&A, and, as a result they may never materialize, prove incorrect or materialize other than as currently contemplated which could cause the Company's results to differ materially from those expressed or implied by such forward-looking statements. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, identified by words or phrases such as "expects", "is expected", "anticipates", "believes", "plans", "projects", "estimates", "assumes", "intends", "strategy", "goals", "objectives", "potential", "possible" or variations thereof or stating that certain actions, events, conditions or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved, or the negative of any of these terms and similar expressions) are not statements of fact and may be forward-looking statements.

Numerous factors could cause actual results to differ materially from those in the forward-looking statements, including without limitation:

- financing, capitalization and liquidity risks;
- mineral exploitation and exploration program cost estimates;
- the nature and impact of drill results and future exploration;
- regulatory risks relating to mineral tenure, permitting, environmental protection, taxation, and royalties;
- volatility of currency exchange rates, metal prices and metal production;
- other factors referenced under "Risks and Uncertainties"; and
- other risks normally incident to the acquisition, exploration, development and operation of mining properties.

This list is not exhaustive of the factors that may affect any of the Company's forward-looking statements. Investors are cautioned not to put undue reliance on forward-looking statements, and investors should not infer that there has been no change in the Company's affairs since the date of this report that would warrant any modification of any forward-looking statements made in this document, other documents periodically filed with or furnished to the relevant securities regulators or documents presented on the Company's website. All subsequent written and oral forward-looking statements attributable to the Company or persons acting on its behalf are expressly qualified in their entirety by this notice. The Company disclaims any intent or obligation to update publicly or otherwise revise any forward-looking statements or the foregoing list of assumptions or factors, whether as a result of new information, future events or otherwise, subject to the Company's disclosure obligations under applicable Canadian securities regulations. Investors are urged to read the Company's filings with Canadian securities regulatory agencies, which can be viewed online at www.sedarplus.ca.