



**REYNA GOLD CORP.**  
*(An Exploration Stage Company)*

**MANAGEMENT'S DISCUSSION AND ANALYSIS – QUARTERLY HIGHLIGHTS  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023**

**OVERVIEW AND INTRODUCTORY COMMENT**

The principal business of Reyna Gold Corp. (“Reyna Gold” or the “Company”) is the acquisition, exploration and development of resource properties for the mining of precious or base metals with a focus in Mexico and USA. The Company’s key objective is to advance exploration at the La Gloria Project in Mexico with the objective of determining whether the property contains commercially exploitable deposits of precious or base metals. The Company’s other properties include Don Porfirio, La Centella and El Durazno properties in Mexico as well as the optioned property of Gryphon Summit in Nevada, USA. On January 11, 2022, the Company began trading on the TSX Venture Exchange under the symbol “REYG”. On March 15, 2022, the Company began trading on the OTCQB Market Exchange in the United States under the symbol “REYGF”.

Reyna Gold recognizes environmental, social and governance (“ESG”) best practices as key components to a responsible mineral exploration and mining sector. The Company’s exploration programs are conducted to meet or exceed environmental regulations, while respecting the communities and environments in which we operate. Reyna Gold strives to earn its social license wherever it is active, endeavoring to meet regularly with local communities, regulators and other concerned parties before, and during, exploration work to understand issues important to local and Indigenous communities. Reyna Gold’s approach is based on transparency, open communication, inclusivity and respect, to better enable social and economic benefit for communities as well as value for investors.

This MD&A is dated November 29, 2023 and discloses specified information up to that date. Unless otherwise noted, all currency amounts are expressed in Canadian dollars. The following information should be read in conjunction with the unaudited condensed consolidated interim financial statements and the related notes for the nine months ended September 30, 2023 and the Company’s audited consolidated financial statements for the year ended December 31, 2022 and the related notes thereto.

Additional information relevant to the Company and the Company’s activities can be found on SEDAR at [www.sedar.com](http://www.sedar.com).

Steve Robertson, BSc., P.Geo, is the Qualified Person as defined under National Instrument 43-101 responsible for the technical disclosure in this document. Mr. Robertson is a director of the Company.



REYNA GOLD

## MAJOR QUARTERLY OPERATING MILESTONES

### La Gloria:

On January 19, 2023, the Company announced more sample results from its continuing district-scale exploration that commenced in 2022. Results were returning high grades of precious metals, base metals and critical metals and substantially increasing the size of the mineralization.

### Highlights:

- Main area (potential enrichment zone) at Las Carmelitas expanded to one-kilometre length by 250-metre average width;
- Major conglomerate and agglomerate zone discovered at Las Carmelitas -- 2.5-kilometre length by 1.7-kilometre average width;
- Disseminated mineralization identified within conglomerate, agglomerate and sandstone host rocks at Las Carmelitas;
- New La Republicana North zone discovered, expanding known mineralization footprint at La Republicana to 2.67 square kilometres (267 hectares);
- Western target mineralization footprint expanded to 1.5-kilometre length by 450-metre average width, with high-grades of tellurium found throughout the Western mineral system.

Surface Samples Highlights:

Table 1 - Las Carmelitas:

LAS CARMELITAS TARGET										
Sample Number	Sample Type	Width (m)	Cu	Ag	Au	Zn	Sb	Hg	Ba	Sr
			%	g/t	g/t	%	ppm	ppm	ppm	ppm
242914	Chip	1.00	9.47	202.00	1.67	0.015	2350.00	104.00	60.00	248.00
242947	Dump	1.00 x 1.00	7.03	272.00	0.064	0.10	4200	869.00	1280.00	521.00
242619	Grab	1.00	4.38	177.00	0.11	0.001	24400.00	3010.00	610.00	267.00
242612	Grab	1.00	4.34	123.00	0.25	0.001	7980.00	940.00	1090.00	383.00
242611	Grab	1.00	3.54	134.00	0.20	0.001	12400.00	1790.00	220.00	555.00
242624	Grab	1.00	3.44	198.00	0.13	0.001	16500.00	455.00	180.00	253.00
242925	Grab	1.00 x 1.00	3.31	64.80	0.13	0.009	26.00	3.00	180.00	704.00
242629	Grab	1.00	3.04	179.00	0.15	0.001	14700.00	673.00	220.00	507.00
242623	Grab	1.00	2.90	171.00	0.38	0.001	6850.00	437.00	770.00	320.00
242615	Grab	1.00	2.47	99.30	0.03	0.001	2370.00	141.00	430.00	160.00
242628	Grab	1.00	2.29	104.00	0.26	0.001	7950.00	148.00	740.00	152.00
242613	Grab	1.00	2.28	63.40	0.07	0.001	968.00	107.00	930.00	113.00
242617	Grab	1.00	2.16	108.00	0.006	0.001	10400.00	72.00	230.00	206.00
242622	Grab	1.00	2.15	122.00	0.58	0.001	5730.00	351.00	1180.00	236.00
242915	Chip	2.00	2.15	83.80	0.24	0.003	191.00	7.00	510.00	81.00
242945	Chip	1.00	2.05	45.90	0.019	0.051	2050	504.00	980.00	429.00
242946	Dump	1.00 x 1.00	1.96	83.70	0.014	0.024	5290	145.00	440.00	322.00
242621	Grab	1.00	1.88	83.00	0.21	0.001	9700.00	914.00	740.00	157.00
242626	Grab	1.00	1.87	175.00	2.24	0.001	1190.00	36.00	350.00	261.00
242627	Chip	0.50	1.74	66.30	0.23	0.001	6600.00	148.00	800.00	299.00
242618	Grab	1.00	1.37	66.50	0.005	0.001	6510.00	28.00	860.00	315.00
242948	Dump	1.00 x 1.00	1.32	63.60	0.021	0.015	1825	41.00	2160.00	1325.00
242939	Grab	1.00 x 1.00	1.19	46.30	0.061	0.002	319.00	15.00	500.00	58.00
242923	Grab	1.00 x 1.00	1.16	54.50	<0.005	0.037	4000.00	2110.00	730.00	229.00
242625	Grab	1.00	1.00	99.00	0.07	0.001	5270.00	47.00	1400.00	169.00
242924	Chip	0.50	0.96	7.30	0.01	0.005	8.00	4.00	1010.00	302.00
242930	Dump	1.50 x 1.50	0.91	2.80	0.006	0.011	2.00	<1	30.00	31.00
242909	Grab	1.00	0.82	5.30	0.005	0.001	266.00	31.00	1550.00	450.00
242944	Grab	0.30 x 0.30	0.78	43.60	0.007	0.040	3190.00	1305.00	480.00	546.00
242950	Grab	1.00 x 1.00	0.59	19.70	0.007	0.014	641.00	32.00	770.00	224.00
242912	Grab	0.30 x 0.30	0.57	3.90	0.022	0.002	3.00	<1	2390.00	996.00
242935	Grab	0.50 x 0.50	0.51	30.90	0.20	0.78	6.00	<1	50.00	86.00
242938	Grab	0.30 x 0.30	0.49	19.80	<0.005	0.003	81.00	1.00	320.00	91.00
242616	Channel	1.00	0.34	12.40	0.006	0.001	807.00	5.00	1170.00	260.00

Table 2 - Western:

WESTERN TARGET (Au-Te)					
Sample Number	Sample Type	Width (m)	Au	Ag	Te
			g/t	g/t	g/t
242553	Channel	0.60	0.01	27.70	135.00
242868	Floated	1.00 x 1.00	11.35	3.60	50.80
242848	Floated	1.00 x 1.00	5.03	2.50	22.30
242865	Channel	1.10	4.77	1.50	83.50
243132	Channel	0.70	4.76	1.70	10.80
242655	Chip	0.90 x 0.90	3.91	1.60	17.15
242852	Channel	0.40	3.24	2.60	18.15
242710	Channel	0.50	2.89	1.80	23.30
243054	Channel	0.60	2.89	1.10	7.31
242488	Channel	0.50	2.41	1.40	8.96
242781	Channel	0.50	2.29	0.60	12.00
242854	Channel	1.00	2.07	0.50	12.55
243069	Channel	0.60	2.05	1.10	9.89
242867	Channel	0.60	1.94	1.70	16.00
242432	Channel	0.50	1.71	0.80	13.00
243119	Channel	0.50	1.67	1.70	9.56
242705	Channel	0.70	1.66	0.70	9.06
242442	Channel	0.50	1.63	1.50	3.49
243136	Channel	0.50	1.60	1.20	3.38
242853	Channel	0.50	1.25	1.10	7.63
242476	Channel	0.50	1.20	0.80	5.58
242451	Channel	0.50	1.11	0.80	5.29
242732	Channel	1.00	1.11	1.90	8.75
242449	Channel	0.50	1.01	0.40	5.32

Te HIGHLIGHTS GRADES FROM PREVIOUS REPORTED SAMPLES					
Sample Number	Sample Type	Width (m)	Au	Ag	Te
			g/t	g/t	g/t
240843	Dump	0.50 x 1.00	16.60	249.00	54.90
242171	Channel	0.70	3.88	3.50	26.70
242276	Channel	0.90	2.23	1.00	20.90
242157	Channel	0.80	6.00	1.70	17.05
242190	Grab	1.00 x 0.50	2.51	2.50	15.45
240846	Channel	0.70	0.09	1.10	14.90
241781	Channel	0.50	3.42	1.70	14.15
242551	Chip	1.00	0.27	35.30	13.00
241778	Channel	0.80	4.06	2.30	12.70
242535	Channel	0.80	0.005	15.50	12.40
242703	Channel	0.80	0.94	0.70	10.65
241749	Channel	0.50	2.97	4.10	9.98
242529	Channel	1.00	0.03	36.60	9.36
242693	Channel	0.50	0.88	0.80	9.26
242194	Grab	1.00 x 0.50	0.99	0.30	8.62
242725	Channel	0.50	0.52	0.70	8.51
242668	Channel	0.50	0.65	4.70	8.49
241779	Channel	0.50	1.88	1.30	8.33
241785	Channel	0.50	0.59	3.70	8.12
241718	Channel	0.80	0.007	1.80	7.86
242706	Channel	0.50	0.93	1.10	7.84
242265	Channel	0.80	0.93	0.30	7.73
241721	Channel	0.90	1.50	0.70	7.26
242427	Channel	0.50	0.96	0.90	7.11
242439	Channel	0.50	0.78	0.40	6.76
242793	Channel	0.50	0.09	4.60	6.47
242274	Channel	0.50	1.03	1.00	6.45
242564	Channel	0.50	0.007	0.50	6.44
242783	Channel	0.50	0.45	3.20	6.27
242110	Grab	1.00 x 0.50	2.16	0.90	6.03
241752	Grab	1.00	1.26	0.60	5.98
242654	Channel	0.50	0.75	2.60	5.79
242711	Channel	0.50	0.77	0.50	5.79
242297	Channel	0.60	0.89	0.60	5.78
242566	Channel	0.50	0.07	0.90	5.78
241782	Channel	0.60	0.97	2.60	5.75
242285	Channel	0.50	0.80	0.60	5.68
243006	Channel	0.50	0.75	0.80	5.66
242773	Channel	0.80	0.53	3.40	5.49
242298	Channel	0.60	1.47	0.70	5.47
242695	Channel	0.60	0.56	1.40	5.40
242405	Channel	0.50	1.38	0.60	5.39
242496	Channel	0.50	0.91	0.30	5.39
242453	Channel	0.70	0.18	0.60	5.27
242108	Grab	1.00 x 0.50	1.85	1.30	5.04

Table 3 - La Republicana:

LA REPUBLICANA TARGET						
Sample Number	Sample Type	Width (m)	Au	Ag	Cu	Pb
			g/t	g/t	%	%
242375	Floated	0.50	<b>11.90</b>	<b>107.00</b>	0.0027	<b>0.32</b>
242812	Channel	0.40	<b>4.29</b>	6.10	0.187	0.14
242811	Channel	0.40	<b>2.37</b>	<b>90.40</b>	0.0227	<b>5.33</b>
242829	Dump	1.00 x 1.00	<b>1.22</b>	28.40	0.0264	0.058
242816	Dump	1.00 x 1.00	0.28	14.30	<b>1.03</b>	0.0029
242814	Floated	1.00 x 1.00	0.10	8.40	<b>0.598</b>	0.02
242822	Grab	1.00 x 1.00	0.02	4.90	<b>0.804</b>	0.037

On March 30, 2023, the Company announced that it started mobilizing for 5,500 metre phase 2 drilling at La Gloria across four target areas: La Republicana, Western, Las Carmelitas, and Main zone:

- Drilling is planned to start at La Republicana, with 20 holes planned for 2,500 metres;
- La Republicana drilling will test extensions to the La Republicana Main vein, which produced a diamond drill result of 59.00 metres grading 1.45 grams per tonne gold in phase 1 drilling (see news release dated September 7, 2022) and test new intrusive-hosted targets;
- The La Republicana Main vein had been mapped for one kilometre at surface; this had been corroborated by the induced polarization (IP) survey, which also showed potential parallel structures that widen the target to 600 metres;
- Intrusive hosted targets had been identified at depth through the IP survey on the western side of La Republicana;
- Diamond drill rig was on site and drilling started in early April after the initial access road and drill pads were completed.

On July 27, 2023, the Company announced results from the first 10 drill holes for a total of 1,328 metres of a planned 5,500 m from phase 2 drilling at its La Gloria property:

- Initial successful stepout drill holes at La Republicana zone around discovery hole LG-22-30 (59 metres of 1.45 grams per tonne (g/t) gold).
- LG-23-39: 21.10 m of 1.09 g/t gold;
- LG-23-32: 19.90 m of 0.96 g/t gold and 10.10 m of 0.46 g/t gold;
- LG-23-40: 19.05 m of 0.76 g/t gold;
- Two initial holes into Western zone targeting a large induced polarization anomaly produced long intersections of anomalies of zinc and molybdenum with high levels of sulphides (pyrite, pyrrhotite and chalcopyrite) and multiple gold intersections correlated with bismuth, adding to the evidence of potential proximity to a mineralized porphyry system.

Gryphon Summit:

On August 29, 2023, the Company and Reyna Silver Corp (“Reyna Silver”) have entered into a property option agreement (the “Agreement”) with Golden Gryphon USA Inc. (“Gryphon”), subject to the completion of due diligence, to jointly earn up to a 70% interest in the Gryphon Summit Property, located in Eureka and Elko counties, Nevada. The Gryphon property comprises 1286 unpatented and 8 patented lode mining claims located in the Diablo Range, which lies in an area of excellent infrastructure between the Carlin and Eureka-Battle Trends of north-central Nevada.

The Company and Reyna Silver have formed an unincorporated joint venture for the purpose of holding the option (the “Reyna JV”). The option is subject to the Reyna JV performing the following by April 30, 2027:

- (i) Expend a total of US\$9,500,000 on the property.
- (ii) Make cash payments to Gryphon jointly in the aggregate amount of US\$1,100,000; and
- (iii) Issue a total of 1,200,000 common shares in the capital of the Company and 1,200,000 common shares in the capital of Reyna Silver to Gryphon. Upon completion of the option, Gryphon and Reyna JV will enter a joint venture to continue exploration and development of the Project.

To complete its full 70% earn-in under the Agreement, Reyna JV must complete the following:

Date/Period	Cash Payments	The Company Shares	Expenditures
On the Effective Date	US\$100,000 (paid)	None	None
With 5 business days of the acceptance of the agreement	None	125,000	None
On or before April 30, 2024	US\$100,000	None	US\$500,000
On or before October 31, 2024	US\$100,000	None	None
On or before April 30, 2025	US\$150,000	125,000	US\$2,000,000
On or before October 31, 2025	US\$150,000	None	None
On or before April 30, 2026	US\$250,000	200,000	US\$3,000,000
On or before October 31, 2026	US\$250,000	None	None
On or before April 30, 2027	None	750,000	US\$4,000,000

Gryphon will be granted a 2% net smelter returns royalty on the Project (subject to a 50% buy down right to a 1% royalty), except that the part of the property comprising the eight patented mining claims will be subject only to a 1% net smelter returns royalty (not subject to further buy-down) (the “NSR Agreement”). The terms of the NSR Agreement will be negotiated on or before April 30, 2025.

The 10,300-hectare Gryphon project covers 8 by 16 kilometres of ground laced by well-developed, variably mineralized structures. The structures show strong evidence of having sequentially controlled multiple mineralizing events, including Carlin-style Gold; Silver, Lead, Zinc, Copper, Gold Carbonate Replacement veins (CRDs); and stratabound Nickel-Zinc mineralization (See Figure 2). This style of overlapping mineralizing events is a key element of





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significant deposits like Ruby Hill, which lies just 70 km along trend southeast of the Gryphon project in the famous Eureka District, now known for its overlapping Carlin-style gold and historic CRD Pb-Zn-Ag deposits (See Figure 1). In addition, the Gryphon project contains an interpreted stratabound Nickel-Zinc sequence, providing a critical mineral opportunity in one of the best jurisdictions in the world (See Figure 3).

Historic exploration at Gryphon Summit was by Majors who focused on the gold and undertook extensive geological, geochemical, and geophysical programs. These resulted in localized shallow drilling programs, several of which showed strong results that were never followed up. Golden Gryphon Exploration subsequently recognized multiple superimposed silver-lead-zinc-copper and nickel mineralization events combined with a possible porphyry driver. The Company and Reyna Silver plan to deploy the first-ever integrated ore-systems approach here to unravel the individual components of this large, composite district-scale project.

### The Project

The project lies in the Basin and Range province of Nevada between the Battle Mountain-Eureka and Carlin trends, along the eastern boundary of the Roberts Mountain thrust. This area's north-south to north-northwest high-angle horst-graben structures provided excellent pathways for mineralizing fluids generated by a series of metallogenic events. Calcareous lithologies dominate the geologic sequence, including limestone, dolostone and calcareous shale, as well as clastics and quartzite. Particular rock units of interest include the Pogonip group (the host rock for the Carlin-style mineralization in Eureka), Devil's Gate limestone (a major host for Eureka CRD mineralization) and the Vinini formation (a major host for gold mineralization in the Horse Canyon Carlin gold mine).

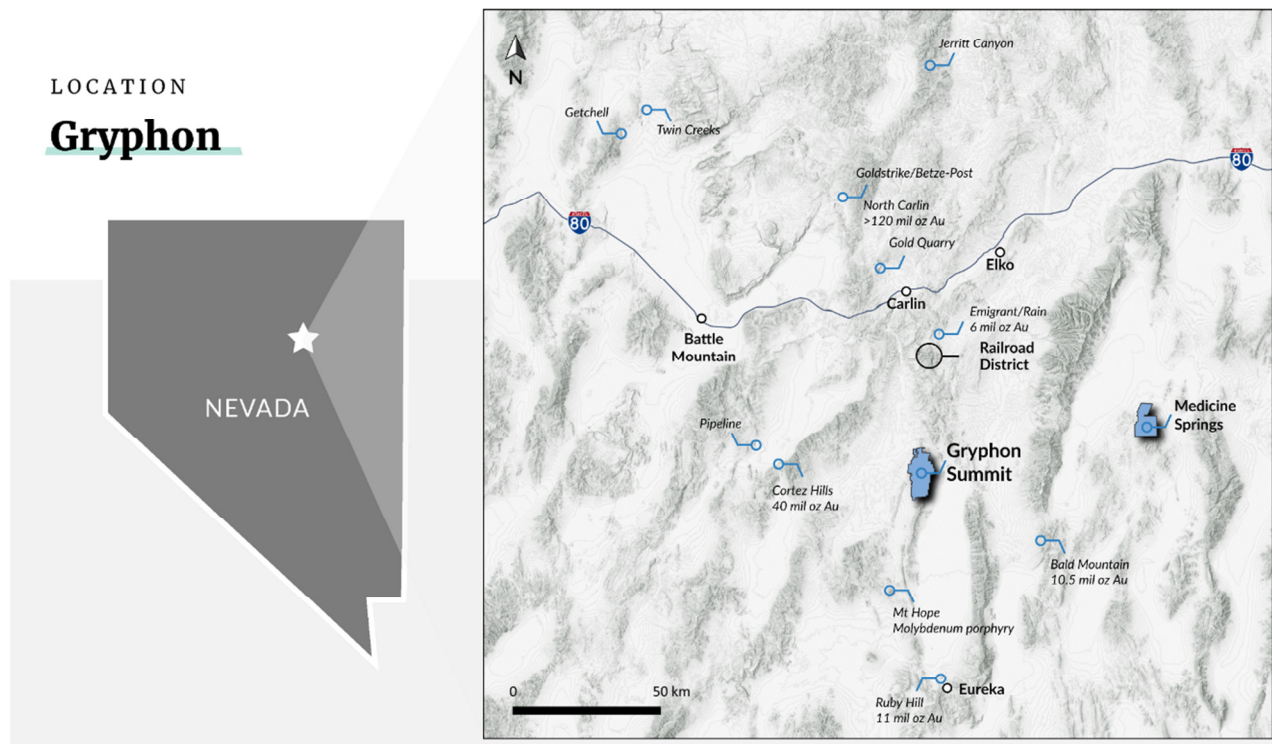




Figure 1. Gryphon Summit is located in Northeastern Nevada, 70 km NW of the Eureka district and 54 km from Carlin. The project is 73 km west of Reyna Silver's Medicine Springs CRD Project.

Gryphon Summit exhibits both the key features indicative of a Carlin-style system and at least eight out of the 13 key features associated with major CRDs. Extensive systematic sampling revealed gold grades up to 15 to 24 grams per tonne Au, silver grades up to 300 to 2,060 g/t Ag, nickel grades up to 0.2 to 0.4 per cent Ni and zinc grades up to 3 to 35 per cent Zn. The exceptional zinc grades concentrate along structures and associate with stratiform Ni-Zn mineralization.

Exploration will build on extensive earlier work conducted by Golden Gryphon Exploration (GGE) or its prior optionees, including 133 reverse circulation holes (11,620 m with most under 100 m depth; the companies have complete data for 73 of these holes), 11 core holes (4,862 m) and, most recently, Agnico Eagle's 12 diamond drill holes (2,987 m; 250 m average depth). In addition, the Reynas inherit over \$2-million (U.S.) of geochemical and geophysical data, including over 3,000 analyzed rock samples with a curated reference sample library, magnetic, gravimetric, 39 km of induced polarization, controlled-source audio-magnetotelluric and 17 km of natural source audio-magnetotelluric geophysics. The project is crossed by 35 km of well-maintained roads connecting all the key areas and existing permitted drill targets.

These combined elements make Gryphon primed for the Reyna's disciplined, systematic, ore systems approach to exploration.



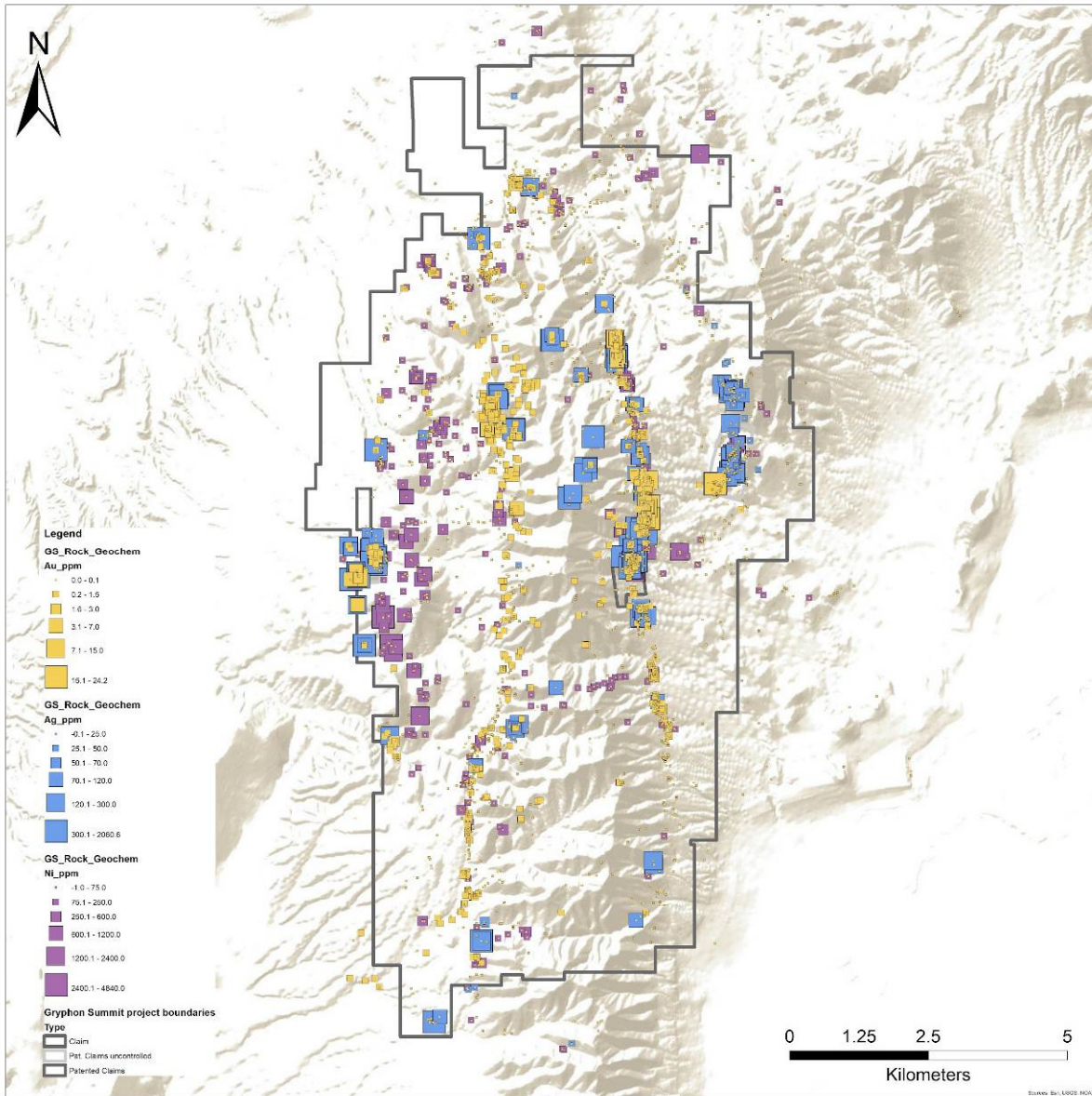


Figure 2: Anomalous geochemical results from outcrop and grab samples. Gold is yellow, Silver is blue, and Nickel is purple. Claim boundary delineated by the grey line. (Data generated/compiled by Golden Gryphon USA).

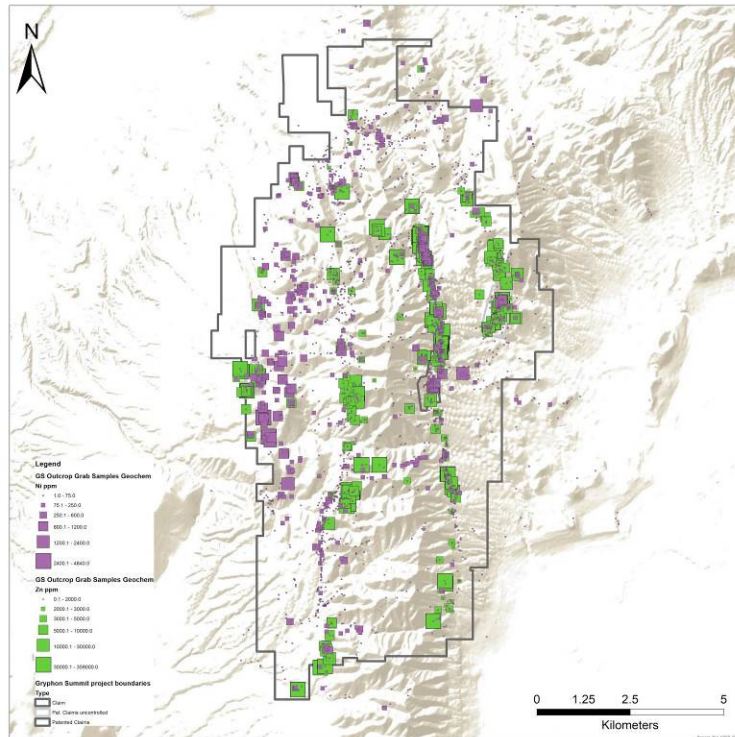


Figure 3. Nickel and Zn mineralization. Nickel is in purple, with grades up to 0.2-0.48%. Zinc is in green with grades up to 3-35%. (Data generated/compiled by Golden Gryphon USA).

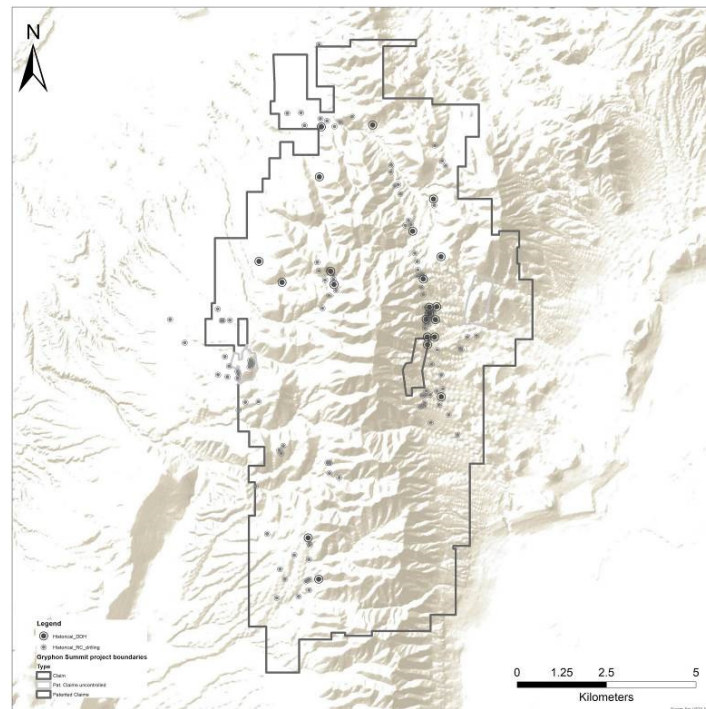


Figure 4. Historic Drilling at Gryphon. The previous drilling consisted of 133 RC holes displayed in grey and 23 Core holes displayed in dark grey. (Data generated/compiled by Golden Gryphon USA)

- CRD INITIAL CHECKLIST  
Features common to all large known CRD deposits
- Location - Main Street CRD/Porphyry belt
  - Location- Top of carbonate section (room to grow)
  - Ag (+400 g/t), Au, Zn, Pb, Cu, +Mn, As, W...
  - Multiple mineralization and alteration stages
  - Large scale zoning
  - Presence of Felsite dikes
  - Presence of Skarn
  - Discordant geometry (= not syngenetic)
  - Replacement mineralization
  - High iron sphalerite
  - Pyrite pseudomorphs after pyrrhotite
  - Molybdenum mineralization
  - Granitic Stock Contact Skarn = Target

Megaw, et al., 1996, 1998, 2020

Figure 5. The CRD Initial Checklist, with the 13 key features common to all large known CRD deposits. Gryphon exhibits 8 out of 13 to date

On November 29, 2023, the Company announced that together with Reyna Silver, the two companies are undertaking an independent NI43-101 compliant technical report incorporating over 30 years of technical data from generally shallow-focused gold exploration on the property. Reyna Silver is leading the process and their exploration team is already working with the enormous database assembled by the vendors. A joint technical team will be deployed soon for re-logging and strategic re-assay of all historical sampling and drilling. This includes the recent (2021-2022) 12-hole, 3,090 metre drilling program by Agnico Eagle that cut gold over significant widths in 9 out of the 12 holes drilled. Older drilling results will be reported once the NI43-101 report is complete and filed. The project came with valid permits for a number of drill pads in areas with strong prior results that can be readily reoccupied. For more details, please refer to the news release on November 29, 2023.

#### Corporate Update:

On April 20, 2023, the Company announced that Bethany Terracina joined as the vice-president of investor relations.



## QUARTERLY FINANCIAL CONDITION

### Capital Resources

On July 13, 2023, 100,000 Restricted Share Units were vested and the Company issued 100,000 common shares.

From December 31, 2019, the outbreak of the novel strain of coronavirus, specifically identified as “COVID-19”, resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which included the implementation of travel bans, self-imposed quarantine periods and physical distancing, caused material disruption to business globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. The full impact of the COVID-19 outbreak is unknown at this time. It is not possible to reliably estimate the severity of these developments and the impact on the financial results and condition of the Company in the future. Thus far in 2023, in the wake of the easing of COVID-19 pandemic restrictions, the Company has been able to complete its exploration program as well as connecting with its investors and shareholders via attending various conferences in person. In case of future global outbreaks of other contagious diseases, they might potentially lead to another economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of such outbreak and its effects on the Company’s business or ability to raise funds.

The Company is aware of the current conditions in the financial markets and has planned accordingly. The Company’s current treasury and the future cash flows from warrants, finders’ warrants, advisors’ options and options, along with the planned developments within the Company are sufficient to carry out its activities throughout 2023 and 2024. The Company would consider future equity financings if such financings are beneficial to the Company. If the market conditions change, the Company will make adjustment to its budgets accordingly.

### Liquidity

As at September 30, 2023, the Company had a working capital of \$1,418,009 (December 31, 2022 – \$5,853,059). With respect to working capital, \$1,366,210 was held in cash and cash equivalents (December 31, 2022 – \$5,771,307). The decrease in cash was mainly due (a) operating activities, including exploration expenses, totaling \$4,180,280, and (b) expenditures on the exploration and evaluation assets of \$238,656.

### Operations

#### **For the three months ended September 30, 2023 compared with the three months ended September 30, 2022:**

The Company’s exploration expenses amounted to \$1,137,224 (2022 - \$537,001), an increase of \$600,223. During both periods, the Company was actively exploring on its La Gloria property. The Company also had some exploration work at the newly optioned Gryphon Summit property during the current quarter.





Excluding the foreign exchange loss of \$5,117 (2022 – foreign exchange gain of \$4,540) and share-based payments of \$6,900 (2022 - \$19,138), the Company's administrative expenses amounted to \$388,291 (2022 - \$344,366), an increase of \$43,925 mainly due to increases in: (a) consulting of \$74,000 (2022 - \$6,700), (b) management and director fees of \$181,248 (2022 - \$142,003) and (c) marketing of \$74,691 (2022 - \$65,948). The increase was offset by decreases in: (e) office expense of \$19,698 (2022 - \$82,266), (f) legal of \$4,620 (2022 - \$9,818) and (g) listing fees of \$nil (2022 - \$2,433) as the Company incurred more of these three types of costs while getting itself listed in fiscal 2022. The other administrative expenses vary as the Company incurred those expenses to support the exploration activities.

During the three months ended September 30, 2023, the Company reported a loss of \$1,537,532 (2022 – \$895,965), an increase of \$641,567.

**For the nine months ended September 30, 2023 compared with the nine months ended September 30, 2022:**

The Company's exploration expenses amounted to \$2,694,616 (2022 - \$2,143,639), an increase of \$550,977. During both periods, the Company was actively exploring on its La Gloria property. The Company also had some exploration work at the newly optioned Gryphon Summit property during the current period.

Excluding the foreign exchange loss of \$42,358 (2022 – foreign exchange gain of \$768) and share-based payments of \$13,001 (2022 - \$83,016), the Company's administrative expenses amounted to \$1,249,124 (2022 - \$1,740,769), a decrease of \$491,645 mainly due to decreases in: (a) marketing of \$403,958 (2022 - \$646,194); (b) office expense of \$79,124 (2022 - \$221,012); (c) consulting of \$164,665 (2022 - \$177,470) ; (d) legal of \$11,795 (2022 - \$41,166), and (e) listing fees of \$35,949 (2022 - \$51,464) as the Company incurred more of these five types of costs while getting itself listed in fiscal 2022. During the current period, the Company incurred less management and director fees of \$433,744 (2022 - \$484,497) as the Company paid out bonuses in fiscal 2022. The other administrative expenses vary as the Company incurred those expenses to support the exploration activities.

During the nine months ended September 30, 2023, the Company reported a loss of \$3,991,625 (2022 – \$3,966,518), an increase of \$25,107.



## SIGNIFICANT RELATED PARTY TRANSACTIONS

The aggregate value of transactions and outstanding balances relating to key management personnel and entities over which they have control or significant influence were as follows:

	Cash payments	Shares issued	Share-based payments	TOTAL
Jorge Ramiro Monroy <sup>(1)</sup> Director	\$ 174,994	\$ -	\$ -	\$ 174,994
Michael Wood <sup>(2)</sup> Chief Executive Officer, Director	\$ 210,000	\$ -	\$ -	\$ 210,000
Winnie Wong <sup>(3)</sup> Chief Financial Officer	\$ 90,000	\$ -	\$ -	\$ 90,000
Alex Langer <sup>(4)</sup> Director	\$ 15,000	\$ -	\$ -	\$ 15,000
Steve Robertson <sup>(5)</sup> Director	\$ 15,750	\$ -	\$ -	\$ 15,750
Castulo Molina Sotelo <sup>(6)</sup> Director	\$ 11,250	\$ -	\$ -	\$ 11,250
Peter Jones <sup>(7)</sup> Director	\$ 11,250	\$ -	\$ -	\$ 11,250

### Related party transactions and balances:

Amounts included in Trade and other payables:	Services for:	For the nine months ended		As at	As at
		September 30, 2023	September 30, 2022	September 30, 2023	December 31, 2022
Emerging Markets Capital <sup>(1)</sup>	Management fee and rent	\$ 174,994	\$ 199,992	\$ 1,567	\$ -
Athena Jade Limited <sup>(2)</sup>	Management fee	210,000	240,000	-	-
Pacific Opportunity Capital Ltd. <sup>(3)</sup>	Accounting	90,000	90,000	10,500	21,000
Andros Capital Corp. <sup>(4)</sup>	Director's fee	15,000	15,000	-	-
Western Blue Sky Management Corp. <sup>(5)</sup>	Consulting and director's fee	15,750	11,250	-	-
San Miguel Exploration SC. <sup>(6)</sup>	Director's fee	11,250	11,250	-	-
Peter Jones <sup>(7)</sup>	Director's fee	11,250	45,105	-	-
<b>Total</b>		<b>\$ 528,244</b>	<b>\$ 612,597</b>	<b>\$ 12,067</b>	<b>\$ 21,000</b>

<sup>(1)</sup> Jorge Ramiro Monroy's cash payments were paid through Emerging Markets Capital, a company of which Mr. Monroy has control.

<sup>(2)</sup> Michael Wood's cash payments as the Chief Executive Officer were paid through Athena Jade Limited, a private company owned by Mr. Wood.

<sup>(3)</sup> Winnie Wong was appointed as the Chief Financial Officer on May 1, 2021 and her cash payments were paid through Pacific Opportunity Capital Ltd., a private company where she is the vice president.

<sup>(4)</sup> Alex Langer's director fee was paid to his company Andros Capital Corp.

<sup>(5)</sup> Steve Robertson's consulting and director fee was paid to his company Western Blue Sky Management Corp.





<sup>(6)</sup> Cacho Molina Sotelo's director fee was paid to his company San Miguel Exploration SC.

<sup>(7)</sup> Peter Jones became a director of the Company on April 13, 2022.

All related party transactions are in the normal course of operations and have been measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

## **COMMITMENTS, EXPECTED OR UNEXPECTED, OR UNCERTAINTIES**

Other than disclosed in this MD&A – Quarterly Highlights, the Company does not have any commitments, expected or unexpected, or uncertainties.

## **RISK FACTORS**

In our MD&A filed on SEDAR April 14, 2023 in connection our annual financial statements (the “Annual MD&A”), we have set out our discussion of the risk factors which we believe are the most significant risks faced by the Company. An adverse development in any one risk factor or any combination of risk factors could result in material adverse outcomes to the Company's undertakings and to the interests of stakeholders in the Company including its investors. Readers are cautioned to take into account the risk factors to which the Company and its operations are exposed. To the date of this document, there have been no significant changes to the risk factors set out in the Prospectus.

## **DISCLOSURE OF OUTSTANDING SHARE DATA**

The authorized share capital of the Company consists of an unlimited number of common shares without par value. The following is a summary of the Company's outstanding share data as at September 30, 2023:

	Issued and outstanding	
	September 30, 2023	November 29, 2023
Common shares outstanding	67,106,221	67,106,221
Options	6,445,000	6,445,000
Warrants	13,092,394	13,092,394
Fully diluted common shares outstanding	86,643,615	86,643,615

### **Cautionary Statements**

This document contains “forward-looking statements” within the meaning of applicable Canadian securities regulations. All statements other than statements of historical fact herein, including, without limitation, statements regarding exploration results and plans, and our other future plans and objectives, are forward-looking statements that involve various risks and uncertainties. Such forward-looking statements include, without limitation, our estimates of exploration investment, the scope of our exploration programs, and our expectations of ongoing administrative costs. There can be no assurance that such statements will prove to be accurate, and future events and actual results could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from our expectations are disclosed in the Company’s documents filed from time to time via SEDAR with the Canadian regulatory agencies to whose policies we are bound. Forward-looking statements are based on the estimates and opinions of management on the date the statements are made, and we do not undertake any obligation to update forward-looking statements should conditions or our estimates or opinions change, except as required by law. Forward-looking statements are subject to risks, uncertainties and other factors, including risks associated with mineral exploration, price volatility in the mineral commodities we seek, and operational and political risks. Readers are cautioned not to place undue reliance on forward-looking statements.