



FIRST ANDES SILVER LTD.

Management's Discussion and Analysis

For the year ended February 28, 2025

(Expressed in Canadian Dollars)

Prepared as of June 27, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS ("MD&A")

For the year ended February 28, 2025

The following information, prepared as of June 27, 2025, should be read in conjunction with the consolidated financial statements of First Andes Silver Ltd. (the "Company" or "First Andes") for the year ended February 28, 2025 and the notes thereto. The information provided herein supplements but does not form part of the consolidated financial statements. This discussion covers the year February 28, 2025 and the subsequent period up to the date of issue of this MD&A. Unless otherwise noted, all dollar amounts are stated in Canadian dollars.

The Company's audited consolidated financial statements for year ended February 28, 2025, have been prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and Interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC").

For the purposes of preparing this MD&A, management, in conjunction with the Board of Directors, considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of the Company's common shares; or (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) if it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board of Directors, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

This MD&A is intended to help the reader understand First Andes, its operations, financial performance, current and future business environment and opportunities and risks facing the Company. Certain statements in this report incorporate forward looking information.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This MD&A contains "forward-looking statements". Forward-looking statements reflect the Company's current views with respect to future events, are based on information currently available to the Company and are subject to certain risks, uncertainties, and assumptions, including those discussed elsewhere in this MD&A. Forward-looking statements include, but are not limited to, statements with respect to the success of mining exploration work, title disputes or claims, environmental risks, unanticipated reclamation expenses, the estimation of mineral reserves and resources and capital expenditures. In certain cases, forward-looking statements can be identified by the use of words such as "intends", "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "anticipates" or "does not anticipate", or "believes", or various of such words and phrases or state certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors which may cause the actual results, performance or achievements expressed or implied by the forward-looking statements to differ. Such factors include, among others, risks related to actual results of current exploration activities, changes in project parameters as plans are refined over time, the future price of gold and other precious or base metals, possible variations in minerals resources, grade or recovery rates, accidents, labour disputes, title disputes and other risks of the mining industry, fluctuation of currency exchange rates, delays in obtaining, or inability to obtain, required governmental approvals or financing or in the completion of development or construction activities, claims limitations on insurance coverage, as well as other factors discussed under "Risk Factors". Although the Company has attempted to identify material factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking statements contained in this MD&A are made as of the date of this MD&A. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company does not assume the obligations to update forward-looking statements, except as required by applicable law.

For a description of material factors that could cause the Company's actual results to differ materially from the forward-looking statements in this MD&A, please see "Risks and Uncertainties."

DESCRIPTION OF BUSINESS AND OVERVIEW

First Andes is an exploration stage company that has a 100% interest in the high-grade Santas Gloria silver property. On April 18, 2024, the Company changed its name from Mantaro Precious Metals Corp. to First Andes Silver Ltd. The Company is listed on the TSX Venture Exchange under the symbol "FAS.V", the Frankfurt Stock Exchange under the symbol "9TZ" and are quoted on the OTC Pink Marketplace under the symbol "MSLVF". The Company's head and registered and records office is located at Suite 704, 595 Howe Street, Vancouver, BC V6C 2T5.

The Company has not commenced commercial operations. At present, the Company has no current operating income. Without additional financing, the Company may not be able to fund its ongoing operations and complete its exploration and development activities. The Company intends to finance its future requirements through a combination of debt and/or equity issuance. There is no assurance that the Company will be able to obtain such financings or obtain them on favourable terms. These uncertainties may cast significant doubt on the Company's ability to continue as a going concern. The Company will need to raise sufficient working capital to maintain operations.

Operational Highlights

The following summarizes the Company's operational highlights since February 28, 2023:

1. On April 19, 2023, a corporate update was provided including planned work programs for 2023 at the Golden Hill property and the Santas Gloria silver property.
2. On May 2, 2023, the Company announced it had entered into an agreement to acquire two highly prospective licenses, being the East Trend and Media Sur properties, in the San Ramon Greenstone belt in Bolivia. On June 13, 2023, the Company completed the transaction by issuing 2,000,000 common shares at the fair value of \$130,000. Additional details can be found in the news releases.
3. On June 2, 2023, the Company completed the construction of 10 drill pads at the Santas Gloria Property for a planned diamond drill program. The drill program is subject to the Company completing a financing in the future.
4. On June 28, 2023, the Company announced results from a petrographic study on drill core from the maiden drill program at its former Golden Hill Property.
5. On July 14, 2023, the Company announced a mineral resource estimate on its former Golden Hill Property. The Inferred Mineral Resource Estimate of 857,000 tonnes at 4.4 g/t gold for 121,000 ounces of gold at a 1.5 g/t gold cut-off was based on 14 diamond drill holes totaling 2,405m equivalent to an Inferred Mineral Resources of 50.21 ounces of gold for every metre drilled. See the Company's news release dated July 14, 2023 for additional details and assumptions on the Inferred Mineral Resource Estimate.
6. On August 28, 2023, the Company announced that it had received a notice of termination from Luis Fernando Kinn Cortez (the "Optionor") terminating the option agreement dated August 23, 2021 among the Company, Minera Golden Hill S.R.L. ("MGH") and the Optionor. Under the terms of the option agreement, the Company had the right to earn up to an 80% interest in the Golden Hill Property. Concurrent with the delivery of the notice of termination, Mr. Kinn Cortez also resigned as a director of the Company. See the Company's news release for additional details.
7. On September 1, 2023, the Company filed the Technical Report on the Golden Hill Property which is available on www.sedarplus.ca.

8. On October 2, 2023, the Company announced the appointment of Jacob Garland as CEO and Director. Darren Hazelwood and Donna Humphreys resigned from the Board of Directors.

9. On December 21, 2023, the Company completed a consolidation of its issued and outstanding common shares at a ratio of ten (10) pre-consolidation shares to one (1) post-consolidation shares.

10. On February 27, 2024, the Company announced that it planned to change the name of the Company from Mantaro Precious Metals Corp. to First Andes Silver Ltd., the name change was completed on April 18, 2024. The name change better reflects the Company's focus on the high-grade Santos Gloria Silver Property. The Company also announced the private placement which was completed on April 3, 2024 and the appointment of Mr. Greig Hutton as a director of the Company.

11. On April 3, 2024, the Company completed a non-brokered private placement of 26,000,000 common shares at \$0.05 per share for gross proceeds of \$1,300,000. The Company paid finder's fees in cash totaling \$31,150 and issued 623,000 finders' warrants exercisable at \$0.05 per share up to March 28, 2026. The Company intended to use the net proceeds of the private placement for the initial drill program on the Santos Gloria Silver Property, to repay corporate indebtedness and administrative and maintenance costs on the Santos Gloria Silver Property. The Company used the net proceeds as intended.

12. On May 9, 2024, the Company announced that it had entered into a drill contract for its maiden drill program at the high-grade Santos Gloria Silver Property. The initial diamond drill program was set to commence in July 2024. Refer to the news release for additional details on the drill program and the Santos Gloria Silver Property.

13. On July 29, 2024 the Company announced that it had received authorization from the Ministry of Mines (Peru) to commence its permitted drill program at the Santos Gloria silver property. It had mobilized the drill rig on August 3, 2024 and had started its drilling on August 5, 2024.

14. On October 11, 2024, the Company announced that it had completed its maiden diamond drill program at the Santos Gloria silver property. 12 diamond drill holes were completed for a total of 1175.3 meters at the Tembladera, San Jorge, Paquita and Maribel vein systems. Drilling successfully intercepted silver bearing intermediate sulphidation epithermal veins.

15. On October 29, 2024, the Company announced multiple high-grade silver assays from its recently completed maiden drill program at the Santos Gloria silver property. The assays were set forth in the news release on October 29, 2024.

16. On November 6, 2024, the Company announced a non-brokered private placement financing of up to 12,500,000 common shares at a price of \$0.08 per Share for gross proceeds of \$1,000,000. On January 6, 2025, the Company announced the termination of the proposed financing due to market conditions.

17. On January 6, 2025, the Company announced that Jacob Garland has resigned as Chief Executive Officer and as a director of the Company. The Company also announced that it was seeking out a new Chief Executive Officer and would advise its shareholders once one is appointed.

18. On January 28, 2025, the Company appointed Colin Smith as the Chief Executive Officer and as a Director. In addition, the Company granted 1,750,000 stock options which are exercisable at a price of \$0.05 per option with a life of five years, and 1,750,000 restricted share units which vest 50% one year from the date of grant and 50% two years from date of grant.

19. On February 10, 2025, the Company appointed Ian Stalker as a Director and the Chairman of the Board. The Company granted Ian Stalker 500,000 stock options exercisable at \$0.05 per option with a life of five years, and 500,000 restricted share units which vest 50% from date of grant and 50% two years from date of grant. In addition, the Company had also appointed James Hutton as an advisor.

20. On February 28, 2025, the Company closed an oversubscribed non-brokered private placement financing. The Company issued 21,300,000 common shares at a price of \$0.05 per share for gross proceeds of \$1,065,000. The Company paid cash of \$38,500 for finder's fees and issued 770,000 non-transferable finder's warrants. These warrants are exercisable at \$0.05 per warrant with a life of two years. Ian Stalker, a Director of the Company, had subscribed for 2,000,000 common shares contributing \$100,000 to the private placement. The proceeds of the financing will go towards the new drill program at the Santos Glorias Silver property and general working capital.

21. On April 8, 2025, the Company granted 670,000 stock options to Directors and Officers. These stock options are exercisable at \$0.07 per share and have a life of five years from the date of grant.

22. On May 23, 2025, the Company announced that it had secured SPF Drilling S.A.C for the 2025 Drill Program. The drill campaign will total approximately 2000 meters in 15 to 17 drill holes and is designed as a follow up to First Andes' highly successful 2024 drill program, which returned multiple high-grade, near-surface silver intercepts across key target zones from the Company's 100%-owned Santos Gloria Project in Peru.

23. On June 9, 2025, the Company announced that mobilization has commenced for the upcoming fully permitted 2000-meter diamond drilling program at the Santos Glorias Property.

24. On June 18, 2025, the Company announced that drilling has commenced for the 2000-meter diamond drilling program at the Santos Glorias Property. It is expected to be completed in five weeks and the first batch of assay results to be available in four to five weeks, approximately. For further information related to the update on the drilling program see the news release dated June 18, 2025.

Mineral Properties

During the year ended February 28, 2025, the Company incurred the following exploration and evaluation expenditures:

	Santas Gloria Silver Property \$	Total \$
Assaying	25,613	25,613
Drilling	491,919	491,919
Equipment	25,337	25,337
Field costs	8,754	8,754
Geological	6,962	6,962
License renewal	41,389	41,389
Other project costs	465	465
Permitting and community relations	6,020	6,020
Project management	96,233	96,233
Salary and wages	14,831	14,831
Travel/Accommodations	25,514	25,514
Total exploration costs	743,037	743,037

Santas Gloria Silver Property

The Santos Gloria silver property is 100% owned by the Company. It comprises three mineral concessions totaling 1,100 hectares and is located 55 kilometers east of Lima. Santos Gloria is a silver-base metal vein system otherwise known as Cordilleran silver-base metal type. These deposits have many similarities to intermediate sulphidation vein systems. Such deposits are attractive exploration targets due to their often high-grade nature and the large vertical extent of precious and base metal endowment.

In 2024, the Company relinquished four non-core mineral concessions at the Santos Gloria Silver Property in order to reduce its annual maintenance costs.

Silver is the main target commodity at Santas Gloria. Historical surface sampling reported grades of over 400 oz/t silver from bonanza shoots. Combined lead and zinc values range from 2% to 20% in the high-grade silver zones. Information derived from report on Santas Gloria Mining Project by Dr. Alberto Rios Carranza (2020). There are over 10 kilometers (cumulative strike length) of major intermediate sulphidation veins and to date the Company has identified at least four key target zones. The system has never been drilled and historical exploitation of silver was limited to two areas of the San Jorge and Tembladera veins.

Historical production of silver has been carried out on Santas Gloria since colonial times. To date, an estimated four kilometers of underground workings have exploited 2 of the 22 veins at Santas Gloria. In 2005 and 2006, the San Jorge and Tembladera veins were worked on six levels. A small processing plant at site produced silver concentrates with reported silver recoveries of 85%-90%. Information derived from report on Santas Gloria Mining Project by Dr. Alberto Rios Carranza (2020).

An extensive mapping and channel sampling program at Santas Gloria was undertaken in 2021. Channel samples taken in oxidized outcrop defined a number of significantly silver and gold anomalous intermediate sulphidation veins which are up to 5 metres wide, multiphase, and have strike extensions in excess of 1 km. There are over 12 strike km of untested veins at Santas Gloria. Channel sampling of sulphide material in historical adits returned robust assays of up to >10,000 g/t silver, 56.3 g/t gold, 10.3% lead and 9.07% zinc (see news release dated June 2, 2021).

Metallurgical test work of sulphide samples taken from underground adits supports both bulk flotation flow-path and sequential flotation flow-path, with the bulk flotation flow-path producing a single gold, silver, lead and zinc rougher concentrate (15 minutes of flotation and 8.6% mass pull) with 10,545 g/t silver, 5.38 g/t gold, 5.17% zinc and 13.8% lead and recovering 88.1% of the silver, 80.9% of the gold, 64.4% of the zinc and 79.3% of the lead (see news release dated August 9, 2021).

The Company has undertaken extensive permitting and community work at the Santas Gloria silver property. A community access agreement is in place until 2028.

In November 2022, the Company announced receipt of an Autorizacion de Inicio de Actividades ("AIA") for the Santas Glorias silver property in Peru. The AIA permits the construction of up to 20 drill pads in order to target numerous high-grade silver and gold veins at the Santas Gloria silver property. Accordingly, the Santas Glorias property is now permitted for drilling. The Company's technical team carried out a comprehensive permitting process on Santas Gloria that included, among other things, three archeological certificates (CIRA), approval of the environmental application (Ficha Tecnica Ambiental), water permits and the AIA.

On June 2, 2023, the Company completed the construction of 10 drill pads at the Santas Gloria Property for a planned diamond drill program.

On May 9, 2024, the Company announced that it entered into a drill contract for its maiden drill program at the Santas Gloria Silver Property. Refer to the news release for additional details on the drill program and the Santas Gloria Silver Property.

On July 29, 2024 the Company announced that it had received authorization from the Ministry of Mines (Peru) to commence its permitted drill program at the Santas Gloria silver property. It had mobilized the drill rig on August 3, 2024 and had started its drilling on August 5, 2024. For further information related to the drilling program, click here to [view](#).

On October 11, 2024, the Company announced that it had completed its maiden diamond drill program at the Santas Gloria silver property. 12 diamond drill holes were complete for a total of 1175.3 meters at the Tembladera, San Jorge, Paquita and Maribel vein systems. Drilling successfully intercepted silver bearing intermediate sulphidation epithermal veins. For further information related to the drilling program, click here to [view](#).

On October 29, 2024, the Company announces multiple high-grade silver assays from its recently completed maiden drill program at the Santas Gloria silver property. For further information related to the results, click here to [view](#). Significant silver assay results include:

- 7.43m at 224 g/t AgEq (193 g/t Ag, 0.34% Pb, 0.3% Zn, 0.05 g/t Au) from 86.70m including 0.95m at 754 g/t AgEq (701 g/t Ag, 1.07% Pb, 0.62% Zn, 0.08 g/t Au) and 1.23m at 387 g/t AgEq (356 g/t Ag, 0.34% Pb, 0.39% Zn, 0.12 g/t Au) (San Jorge vein system)
- 3.10m at 155 g/t AgEq (138 g/t Ag, 0.18% Pb, 0.17% Zn, 0.08 g/t Au) from 47.30m (San Jorge vein system)
- 6.40m at 108 g/t AgEq (70 g/t Ag, 0.40% Pb, 0.78% Zn, 0.05 g/t Au) from 138.8m including 2.26m at 162m AgEq (103 g/t Ag, 0.59% Pb, 1.34% Zn, 0.03 g/t Au) (San Jorge vein system)
- 4.40m at 134 g/t AgEq (80 g/t Ag, 0.16% Pb, 0.34% Zn, 0.44 g/t Au) from 42.70m (Maribel vein system)
- 3.30m at 110 g/t AgEq (65 g/t Ag, 0.15% Pb, 0.43% Zn, 0.31 g/t Au) from 35.40m including 0.48 m at 391 g/t AgEq (310 g/t Ag, 0.02% Pb, 0.02% Zn, 0.89 g/t Au) (Paquita vein system)
- 0.87m at 131 g/t AgEq (72.4 g/t Ag, 0.71% Pb, 1.19% Zn, 0.05 g/t Au) from 115.30m including 0.42m at 224.3 g/t AgEq (127 g/t Ag, 1.25% Pb, 2.0% Zn, 0.04 g/t Au)

On June 9, 2025, the Company announced that mobilization has commenced for the upcoming fully permitted 2000-meter diamond drilling program. The 2025 drill program at Santas Gloria will follow up on the strong results of the 2024 drilling campaign. For more details please refer to the May 23, 2025 ([view](#)) and October 29, 2024 ([view](#)) news release.

On June 18, 2025, the Company announced that drilling has commenced at the San Jorge Vein which is located at the Company's 100%-owned Santas Gloria property. A total of 11 holes are planned for drilling. Each hole is estimated to be drilled with an average of 183 meters and is estimated to total to 2015 meters. The 2000-meter drilling program was estimated to be completed within five weeks. The first batch of assay results are expected in four to five weeks. For further information on the drilling program status, click here to [view](#).

The Company was required to incur a total of US\$1,000,000 by June 30, 2023 on the Santas Gloria Property. In June and August 2023, the Company paid US\$20,000 (\$26,754), to extend the exploration expenditures date from June 2023 to December 31, 2023. In November 2023, the Company paid US\$30,000 (\$41,134) to extend the exploration expenditure date from December 31, 2023 to November 30, 2024. By November 30, 2024, the Company completed the US \$1,000,000 exploration expenditures commitment. The Company will also pay a one-time discovery bonus of US\$1,000,000 upon announcement of a resource estimate of 10,000,000 ounces silver equivalent.

Golden Hill Property

Under the terms of an option agreement dated August 23, 2021 (the "Golden Hill Option Agreement"), the Company held an option to acquire up to an 80% interest in Minera Golden Hill S.R.L. ("MGH"), and thereby in the Golden Hill Property. It comprises one mineral concession totaling 5,961 hectares accessed through the historic mining town of San Ramon, Bolivia.

On August 28, 2023, the Company received a notice of termination from the Optionor terminating the Golden Hill Option Agreement as the Company did not pay the US\$500,000 required to earn the additional 19% by August 23, 2023. Accordingly, the Company disposed of the 51% interest in MGH and received a 2% net smelter return royalty on the Golden Hill Property, which may be repurchased at a price of US\$1,000,000.

The following table outlines the net assets disposed of and the loss on disposal of subsidiary:

Net assets disposed	\$
Assets disposed	
Cash	113
Prepaid expenses	21,525
Receivables	44,495
Equipment	94,293
Exploration and evaluation assets	6,020,908
Liabilities disposed	
Accounts payable and other liabilities	(233,913)
Reclamation provision	(403,000)
Net assets disposed	5,544,421
Reclassification of translation of foreign operations	10,912
Non-controlling interest	(1,189,118)
Loss on disposal of subsidiary	4,366,215

East Trend and Media Sur Properties

On May 2, 2023, the Company entered into a Share Purchase Agreement to acquire the East Trend and Media Sur properties by acquiring Minera Meranti Ltda, a Bolivian company that holds title to the East Trend and Media Sur licenses from a third party (the “Vendor”). Under the terms of the Share Purchase Agreement, the Vendor will be entitled to a bonus payment of US\$3 for every one ounce of gold and/or gold equivalent of measure resource, indicated or inferred resource, or any combination therefore, on the mineral properties above 500,000 ounces of gold and/or gold equivalent. The total amount of cash that the Vendor may receive is US\$1,500,000 (the “Maximum Amount”). This bonus is contingent purchase consideration, and no amount has been accrued as a liability due to the inherent uncertainty in an obligation based solely on a future resource estimate on an exploration stage property. The Maximum Amount applies to both the properties and the Vendor is not entitled to the Maximum Amount for each property. On June 12, 2023, the Company issued 2,000,000 common shares at the fair value of \$130,000 to acquire all of the issued and outstanding shares of Minera Meranti Ltda.

As at August 31, 2023, the Company determined not to proceed with this Bolivian property and accordingly, recorded impairment expense of \$130,000.

La Purisima, Cerro Luque and Huaranay Properties

The La Purisima property covers 1,075 hectares and historical assays of up to 8 oz/t silver and 2.5 g/t gold are reported.

The Cerro Luque property covers 1,650 hectares, contains multiple historic adits within its alteration system and historical assays of 11 oz/t silver are reported.

The Huaranay property covers 2,000 hectares and includes two gold prospects (Corrales and Chinchango). It also has a historic silver mine with reported grades of up to 37 oz/t silver.

The Company considers these properties non-core relinquished them by not paying the annual concession fees for these properties in June 2023.

Trends

There are significant uncertainties regarding the prices of precious and base metals and the availability of equity financing for the purposes of mineral exploration and development. For instance, the prices of gold, silver and other minerals have fluctuated widely in recent years and wide fluctuations may continue.

Management is not aware of any trends, commitments, events or uncertainties that could reasonably be expected to have a material adverse effect on the Company's business, financial condition or results of operations.

SELECTED ANNUAL INFORMATION

The Company's fiscal year ends on February 28th or 29th of each year. The following is a summary of certain selected audited financial information for the last three completed fiscal years. All amounts are in Canadian dollars and prepared under IFRS.

	February 28, 2025 (\$)	February 29, 2024 (\$)	February 28, 2023 (\$)
Total Revenues	-	-	-
Net Loss	(482,135)	(5,680,914)	(3,095,660)
Loss per Share (basic and diluted)	(0.02)	(0.80)	(0.50)
Total Assets	4,561,370	2,906,135	9,128,678
Total Liabilities	880,379	985,822	830,684
Dividends Declared	-	-	-

From 2024 to 2025, the Company's assets significantly increased due to the cash proceeds from the closing of the private placements and increased spending on the Santos Glorias property. The Company's net loss significantly decreased from February 29, 2024 as the Company recognized a significant loss of \$4,415,691 as a result of a discontinued operations of the Golden Hill Property.

From February 28, 2023 to February 29, 2024, the Company's assets significantly decreased due to the termination of the Golden Hill Option Agreement and resulting disposal of the Golden Hill Property and the impairment of the East Trend and Media Sur Properties.

SUMMARY OF QUARTERLY RESULTS

The following is selected financial data from the Company's unaudited quarterly financial statements for the last eight quarters ending with the most recently completed quarter, being the three months ended February 28, 2025.

	Three Months Ended (\$)			
	Feb 28, 2025	Nov 30, 2024	Aug 31, 2024	May 31, 2024
Total Revenues	-	-	-	-
Loss	(190,208)	(82,603)	(68,882)	(140,442)
Loss Per Share (basic and diluted) ⁽¹⁾	(0.01)	(0.00)	(0.00)	(0.01)

	Three Months Ended (\$)			
	Feb 29, 2024	Nov 30, 2023	Aug 31, 2023	May 31, 2023
Total Revenues	-	-	-	-
Loss	(323,661)	(121,505)	(4,941,794)	(293,954)
Loss Per Share (basic and diluted) ⁽¹⁾	(0.05)	(0.02)	(0.69)	(0.04)

⁽¹⁾ The basic and diluted calculations result in the same values.

During the quarter ended February 28, 2025, the Company recorded a net loss of \$190,208, which included share-based compensation of \$117,106 from stock options and restricted share units being granted.

During the quarter ended November 30, 2024, the Company recorded a net loss of \$82,603.

During the quarter ended August 31, 2024, the Company recorded a net loss of \$68,882.

During the quarter ended May 31, 2024, the Company recorded a net loss of \$140,442.

During the quarter ended February 29, 2024, the Company recorded a net loss of \$323,661 which included impairment of \$196,224 as a result of relinquishing four non-core concessions at the Santas Gloria Silver Property.

During the quarter ended November 30, 2023, the Company recorded a net loss of \$121,505 which included an additional \$59,539 of loss on disposal of MGH.

During the quarter ended August 31, 2023, the Company recorded a net loss of \$4,941,794 which included \$4,301,776 loss on disposal of MGH and \$130,000 impairment on the East Trend and Media Sur Property.

During the quarter ended May 31, 2023, the Company recorded a net loss of \$293,954.

RESULTS OF OPERATIONS

For the years ended February 28, 2025 and February 29, 2024

The Company incurred a net loss of \$482,135 (\$0.02 per share) for the year ended February 28, 2025, compared to a net of loss of \$5,680,914 (\$0.80 per share) for the year ended February 29, 2024. Details of certain line items are as follows:

In the 2024 period, the Company disposed of the 51% interest in MGH and recorded a loss of \$4,366,215, which accounts for a significant portion of the net loss for fiscal 2024. The Company also determined not to proceed with the other Bolivian property, East Trend and Media Sur, and recorded impairment expense of \$130,000. The Company relinquished four non-core concessions at the Santas Gloria Silver Property and recorded impairment expenses of \$196,224. Excluding the loss on disposal of subsidiary and impairment expense, the adjusted net loss in the 2024 period was \$988,475.

Accounting and audit fees of \$174,740 (2024 - \$208,110) are comprised of audit fees and fees paid for accounting and CFO services.

Directors' fees of \$1,668 (2024 - \$20,189) are monthly fees for directors. The majority of directors fees ceased in October 2022 with the remaining fees ceasing in August 2023.

Legal fees of \$44,711 (2024 - \$102,242), which related to ongoing reporting obligations and other activities.

Management and consulting fees of \$33,876 (2024 - \$100,776) relate to fees to manage the Company and fees from consultants engaged during the years. Additional fees are included as mineral property costs.

Regulatory and transfer agent fees of \$24,668 (2024 - \$36,047) are fees associated with the public company listing.

Shareholder communications of \$28,573 (2024 - \$419,139) are fees to market the Company to current and potential shareholders. The prior year included the engagement of a marketing services provided for potential European shareholders.

Share-based payments of \$117,106 (2024 - \$Nil) were based on the vesting of stock options and RSUs granted during the 2025 period.

Impairment expense of \$Nil (2024 - \$326,224). The prior year included the book value of mineral properties impaired during the years.

Loss from discontinued operations of \$nil (2024 - \$4,415,691) includes the loss on disposal of subsidiary of \$4,366,215, which is the net book value of MGH at the date of disposal, and the net loss of MGH.

During the year ended February 25, 2025, the Company completed a private placement financing of 26,000,000 common shares at \$0.05 per share for gross proceeds of \$1,300,000. The Comparison of expected use and actual use of proceeds of the private placement financing are set forth below:

Proposed Use of Net Proceeds	Actual Use of Net Proceeds
\$450,000 for diamond drill program at Santas Gloria	Approximately \$448,000
\$750,000 for accounts payable and loans payable	Approximately \$746,000
\$100,000 for general and administrative costs	Approximately \$106,000

For the three months ended February 28, 2025 and February 29, 2024

The Company incurred a net loss of \$190,208 (\$0.01 per share) for the three months ended February 28, 2025, compared to a net of loss of \$323,661 (\$0.05 per share) for the three months ended February 29, 2024. Details of certain line items are as follows:

Accounting and audit fees of \$60,226 (2024 - \$82,000) are comprised of audit fees and fees paid for accounting and CFO services.

Directors' fees of \$1,668 (2024 - \$nil) are monthly fees for directors. The majority of directors fees ceased in October 2022 with the remaining fees ceasing in August 2023.

Legal fees of \$4,824 (2024 - (\$7,207)), which related to ongoing reporting obligations and other activities. The prior year included a credit in the 2024 period from Bolivia accrued legal fees.

Management and consulting fees of (\$27,365) (2024 - \$19,835) relate to fees to manage the Company and fees from consultants engaged during the years. The reduction in fees during the 2025 period was due to reversing previously accrued compensation.

Regulatory and transfer agent fees of \$5,776 (2024 - \$9,545) are fees associated with the public company listing.

Shareholder communications of \$7,878 (2024 - \$4,827) are fees to market the Company to current and potential shareholders.

Share-based payments of \$117,106 (2024 - \$Nil) were based on the vesting of stock options and RSUs granted during the 2025 period.

Impairment expense of \$nil (2024 - \$196,224) represents the book value of mineral properties impaired during the years.

LIQUIDITY AND CAPITAL RESOURCES

Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they become due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements.

At February 28, 2025, the Company had not yet achieved profitable operations, had an accumulated deficit of \$14,180,301 since inception and expects to incur further losses in the development of its business. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company. At February 28, 2025, the Company had working capital surplus of \$69,365. The above

factors form a material uncertainty that may cast significant doubt upon the Company's ability to continue as a going concern and, therefore, it may be unable to realize its assets and discharge its liabilities in the normal course of business.

The Company's accounts payable and accrued liabilities have contractual maturities of less than 30 days and are subject to normal trade terms. The Company has no long-term debt.

At present, the Company has no current operating income. Without additional future financing, the Company may not be able to fund its ongoing operations and complete future exploration and development activities. The Company intends to finance its future requirements through a combination of debt and/or equity issuance. There is no assurance that the Company will be able to obtain such financings or obtain them on favourable terms. These uncertainties cast significant doubt on the Company's ability to continue as a going concern. The Company will need to raise sufficient working capital to maintain operations. The capital raised from the private placement financings were used for exploration programs on the Company's mineral properties and for general working capital.

FINANCING ACTIVITIES

During the year ended February 28, 2025, the following financing was completed:

- On April 3, 2024, the Company completed a non-brokered private placement of 26,000,000 common shares at \$0.05 per share for gross proceeds of \$1,300,000. The Company paid finder's fees in cash totaling \$31,150 and issued 623,000 finders' warrants exercisable at \$0.05 per share up to March 28, 2026. In addition, the Company incurred other cash issuance costs including legal fees and filing fees of \$17,169. As at February 29, 2024, the Company had received \$7,500 of subscriptions towards this private placement.
- On October 30, 2024, the Company issued 63,000 common shares at \$0.05 per share for gross proceeds of \$3,150 due to the exercise of finder's warrants.
- On February 28, 2025, the Company completed a non-brokered private placement of 21,300,000 common shares at \$0.05 per share for gross proceeds of \$1,065,000. The Company paid finder's fees in cash totaling \$38,500 and issued 770,000 finders' warrants exercisable at \$0.05 per share up to February 28, 2027. In addition, the Company incurred other cash issuance costs including legal, advisory and filing fees of \$63,124.

During the year ended February 29, 2024, the following financings were completed:

- On March 16, 2023, the Company completed a non-brokered private placement of 730,740 units at \$0.50 per unit for gross proceeds of \$365,370. Each unit consists of one common share and one warrant, with each warrant entitling the holder to acquire one additional common share at a price of \$1.00 per share up to March 16, 2024. In connection with the private placement, the Company issued 34,300 finders' warrants exercisable at \$0.50 per share up to March 16, 2025. In addition, the Company incurred other cash issuance costs including finders' fees, legal fees and filing fees of \$22,278.
- The Company received \$90,000 of non-interest bearing due on demand loans from a corporation controlled by a director of the Company and the Company received additional non-interest bearing due on demand loans from shareholders totaling \$101,917.
- On June 12, 2023, 200,000 common shares at the fair value of \$130,000 pursuant to the acquisition of the East Trend and Media Sur property.
- On August 23, 2022, 100,000 common shares at the fair value of \$75,000 and 50,000 warrants were issued pursuant to the First Option under the Golden Hill Option Agreement.

OUTSTANDING SHARE CAPITAL

Authorized: Unlimited number of common shares without par value.

Issued and outstanding: 54,542,372 common shares as at June 27, 2025.

Options and warrants outstanding as at June 27, 2025:

Security	Number	Exercise Price	Expiry Date
Stock Options	37,500	\$3.50	June 1, 2026
Stock Options	10,000	\$3.50	May 3, 2027
Stock Options	95,000	\$0.50	February 27, 2028
Stock Options	1,750,000	\$0.05	January 28, 2030
Stock Options	500,000	\$0.05	February 10, 2030
Stock Options	670,000	\$0.07	April 8, 2030
TOTAL	3,062,500		

Security	Number	Exercise Price	Expiry Date
Share Purchase Warrants	560,000	\$0.05	March 28, 2026
Share Purchase Warrants	770,000	\$0.05	February 28, 2027
TOTAL	1,330,000		

OFF-BALANCE SHEET ARRANGEMENTS

There are no off-balance sheet arrangements.

TRANSACTIONS WITH RELATED PARTIES

The Company's related parties consist of key management personnel and companies owned directly or indirectly by key management personnel.

Key management personnel include persons having the authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the board of directors and corporate officers.

During the years ended February 28, 2025 and February 29, 2024, the Company incurred the following expenditures charged by directors and officers of the Company, or former directors and officers of the Company, and/or companies they owned or were significant shareholders of:

	2025	2024
	\$	\$
Accounting fees ⁽¹⁾	96,991	96,000
Directors fees and share issuance costs ⁽²⁾	22,668	20,189
Legal fees and share issuance costs ⁽³⁾	62,340	92,702
Management and consulting ⁽⁴⁾⁽⁵⁾	32,928	100,776
Shareholder communications ⁽⁶⁾	-	11,000
Share-based payments – options and RSUs	104,804	-

319,731 320,667

⁽¹⁾ Includes fees billed by Malaspina Consultants Inc., a Company where Matt Anderson, CFO, is a managing director. The agreement may be terminated on 60 days' notice.

⁽²⁾ The 2025 fees includes fees billed by a company controlled by Ian Stalker, Director. The 2024 fees included fees billed by Darren Hazelwood, former Director, Donna-Belen Humphreys, former Director, and Luis Fernando Kinn Cortez, former Director.

⁽³⁾ Includes fees billed by O'Neill Law LLP, a company related to Charles Hethey, a Director of the Company. The business purpose of the transactions was to compensate for legal services provided.

⁽⁴⁾ Includes fees billed by a company controlled by Colin Smith, CEO, and Jacob Garland, former CEO.

⁽⁵⁾ The 2024 fees include fees billed by Darren Hazelwood, former CEO.

⁽⁶⁾ Includes fees billed by Donna-Belen Humphreys, former Director.

The remuneration of key management personnel for the years ended February 28, 2025 and February 2024 is as follows:

	2025	2024
	\$	\$
Short-term benefits	214,927	320,667
Share-based payments – options and RSUs	104,804	-
	319,731	320,667

At February 28, 2025, accounts payable and accrued liabilities include due to current and former related parties of \$349,252 (February 29, 2024 - \$273,709) and demand loans include due to related parties of \$nil (February 29, 2024 - \$90,000) owed to directors and officers of the Company and/or companies they control or of which they were significant shareholders. The amounts owing include amounts related to expenditures charged to the Company and for reimbursements of expenditures paid for on behalf of the Company. The amounts owing are unsecured, non-interest bearing and due on demand. The amounts have been recorded at their exchange amount, being the amount agreed to by the parties.

Financial Instruments

The Company's financial assets and financial liabilities are classified and measured as follows:

Financial Instrument	Category
Cash	Fair value through profit or loss
Accounts receivable	Amortized cost
Accounts payable and other liabilities	Amortized cost
Demand loans	Amortized cost

The carrying values of financial assets and liabilities approximate their fair values due to the short-term maturity of these financial instruments.

Discussions of risks associated with financial assets and liabilities are detailed below:

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk for the Company is associated with its cash. The Company is not exposed to significant credit risk as its cash is placed with a major Canadian financial institution.

Commodity Price Risk

The Company's ability to raise capital to fund exploration or development activities is subject to risks associated with fluctuations in the market price of minerals under exploration.

Liquidity Risk

Liquidity risk is the risk that the Company will not have sufficient funds to meet its financial obligations when they are due. The Company manages liquidity risk by maintaining sufficient cash and cash equivalent balances to enable settlement of transactions on the due date. Management monitors the Company's contractual obligations and other expenses to attempt to ensure adequate liquidity is maintained. Refer to the liquidity and capital resources section of this MD&A for additional disclosures. As at February 28, 2025 and February 29, 2024, the Company had working capital as follows:

	February 28, 2025 \$	February 29, 2024 \$
Current assets	949,744	37,546
Current liabilities	(880,379)	(985,822)
Working capital (deficiency)	69,365	(948,276)

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and price risk.

a) Currency Risk

As at February 28, 2025 and February 29, 2024, most of the Company's cash was held in Canadian dollars, the Company's functional currency. The Company has operations in foreign jurisdictions outside of Canada and as such has currency risk associated with its operations. The Company mitigates this risk by holding a small amount of cash in foreign currencies.

b) Interest Rate Risk

Interest rate risk is the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. As the Company has no interest bearing financial instruments, the Company is not exposed to interest rate risk.

c) Price Risk

Price risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market prices. The Company has no financial instruments subject to price risk.

DISCLOSURE 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 consolidated financial statements for the year ended February 28, 2025 and this accompanying MD&A (together, the "Annual Filings").

In contrast to the full certificate under NI 52-109, the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109. For further information the reader should refer to the Venture Issuer Basic Certificates filed by the Company with the Annual Filings on SEDAR at www.sedarplus.ca.

RISKS AND UNCERTAINTIES

The exploration and development of mineral deposits involves significant risks which even a combination of careful evaluation, experience and knowledge may not be successful in overcoming. Few mineral properties which are explored ultimately develop into producing mines. There has been no commercial production of minerals by the Company to date and there is a high degree of risk that commercial production of minerals will not be achieved.

Locating mineral deposits depends on a number of factors, not the least of which is the technical skill of the exploration personnel involved. The mining industry is intensely competitive. The commercial viability of a mineral deposit depends on a number of factors including the particular attributes of the deposits (principally size and grade), proximity to infrastructure, the impact of mine development on the environment, environmental regulations imposed by various levels of government and the competitive nature of the industry which causes mineral prices to fluctuate substantially over short periods of time. There can be no assurance that the minerals can be marketed profitably or in such a manner as to provide an adequate return on invested capital.

The operations of the Company are subject to all of the risks normally associated with the operation and development of mineral properties and the development of a mine, including encountering unexpected formations or pressures, caving, flooding, fires and other hazards, all of which could result in personal injuries, loss of life and damage to property of the Company and others. In accordance with customary industry practice, the Company is not fully insured against all of these risks, nor are all such risks insurable.

The operations of the Company's properties will be subject to various laws and regulations relating to the environment, prospecting, development, production, waste disposal and other matters. Amendments to current laws and regulations governing activities related to the Company's mineral properties may have material adverse impact on operations.

The Company will need additional funding to complete its long term objectives. The ability of the Company to raise such financing in the future will depend on the prevailing market conditions, competition with other strategic metals exploration stage companies, as well as the business performance of the Company. There

can be no assurances that the Company will be successful in its efforts to raise additional financing on terms satisfactory to the Company. If adequate funds are not available or not available on acceptable terms, the Company may not be able to take advantage of opportunities, to develop new projects or to otherwise respond to competitive pressures.

The Company's working capital and liquidity fluctuate in proportion to its ongoing equity financing activities. The Company requires a certain amount of liquid capital in order to sustain its operations and in order to meet various obligations as specified under its resource property acquisition agreements. Should the Company fail to obtain future equity financing due to reasons as described above, it will not be able to meet these obligations and may lose its interests in the properties covered by the agreements. Further, should the Company be unable to obtain sufficient equity financing for working capital, it may be unable to meet its ongoing operational commitments.

All industries, including the mining industry, are subject to legal claims, with and without merit. The Company may become involved in legal disputes in the future. Defense and settlement costs can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation process, there can be no assurance that the solution of any particular legal proceeding will not have a material adverse effect on the Company's financial position or results of operations.

All of the Company's mineral properties are in the exploration stage. Exploration and development of natural resources involve substantial expenditures and a high degree of risk. Few properties that are explored are ultimately developed into producing properties. Accordingly, the Company has no material revenue, writes off its mineral properties from time to time, and operates at a loss. Continued operations are dependent upon ongoing equity financing activities.

OTHER INFORMATION

Additional information related to the Company is available for viewing on SEDAR at www.sedarplus.ca and at the Company's website at <http://firstandes.com>.

QUALIFIED PERSONS

Dr. Christopher Wilson, Ph. D., FAusIMM (CP), FSEG, a Qualified Person for the purposes of National Instrument 43-101 and a geological consultant to the Company, has reviewed and approved the technical disclosure contained herein as applicable.