OUTCROP SILVER & GOLD CORPORATION

MANAGEMENT DISCUSSION AND ANALYSIS

FOR THE THREE MONTHS ENDED NOVEMBER 30, 2023

The following is management's discussion and analysis of the results of operations and financial conditions ("MD&A") of Outcrop Silver & Gold Corporation (the "Company", or "Outcrop") and should be read in conjunction with the accompanying condensed interim consolidated financial statements and related notes thereto for the three months ended November 30, 2023 and 2022 (the "Financial Report"), and with the audited consolidated financial statements for the years ended August 31, 2023 and 2022, all of which are available on the SEDAR+ website at www.sedarplus.ca.

Additional information relating to the Company is available on SEDAR+ at www.sedarplus.ca.

The MD&A contains information to January 29, 2024.

Overall Performance

Description of Business and Overview of Projects

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

The highlights of the Company's activities in the three months ended November 30, 2023, and up to the date of this MD&A include:

a) On November 21, 2023, the Company completed the acquisition of Zacapa Resources Ltd ("Zacapa") through the issuance of 30,017,474 common shares at $0.21 per share, 7,727,630 warrants, 2,537,500 options and 75,000 DSU in exchange for all the issued and outstanding equity of Zacapa for a total fair value of $7,274,311. Zacapa had two common directors and two common officers with the company. As a result of the transaction, Zacapa Resources Ltd merged with a wholly-owned subsidiary of Outcrop to become Outcrop US Ltd ("Outcrop US"), a wholly-owned subsidiary of the Company.

b) The Company issued 3,512,000 common shares under its at-the-market equity program (the "ATM Program") for gross proceeds of $743,175. The ATM Program was established during the three months ended November 30, 2023, and allows the Company to issue and sell, at its discretion, up to $5,000,000 of common shares in the capital of the Company to the public from time to time at the prevailing market price when the common shares are issued.

c) A total of 1,691 metres were drilled at Santa Ana for Q1 of 2024, bringing the total metres drilled by the Company to 61,992 metres.

Santa Ana Project

The 100% owned Santa Ana project comprises 27,000 hectares, 190 kilometres from Bogota, Colombia. Santa Ana consists of regional scale parallel vein systems across a trend 12 kilometres wide and 30 kilometres long covering a majority of the Mariquita District. The Mariquita District is Colombia's highest-grade primary silver district, where mining records date to at least 1585, with historic silver grades reported to be among the highest in Latin America from dozens of mines.

Santa Ana maiden resource estimate contains an estimated indicated resource of 24.2 million ounces silver equivalent at a grade of 614 grams per tonne silver equivalent and an inferred mineral resource of 13.5 million ounces silver equivalent at a grade of 435 grams per tonne silver equivalent, based on the NI 43-101 Technical Report titled "Santa Ana Property Mineral Resource Estimate," dated June 8, 2023, and prepared by AMC Mining Consultants. The resource is comprised of the seven vein systems (commonly containing multiple parallel veins and multiple ore shoots) discovered to date: Santa Ana (San Antonio, Roberto Tovar, San Juan shoots); La Porfida (La Ivana); El Dorado (El Dorado, La Abeja shoots); Paraiso (Megapozo); Las Maras; Los Naranjos and La Isabela.

Veins of comparable high-grade and thickness exist southwards, creating a robust trend of high-grade silver enrichment that extends for 30 kilometers. Outcrop Silver's exploration team has identified several additional veins based on high-grade samples from outcrop and historical workings that have yet to be drill tested. The company remains focused on identifying new vein targets with high-grade potential and adding substantially derisked mineralized silver-bearing veins that will increase the published maiden resource.

Kramer Project

Acquired on the acquisition of Zacapa in November 2023, the Kramer Hills ("Kramer") gold project centered on the past producing Shaharald oxide gold mine located on patented claims. Historical resources include five near-surface open pit oxide gold deposits that were permitted for exploitation in the late-1980's and contained approximately 7,500,000 tons at reported grades of 1.65 g/t gold for 375,000 ounces of oxide gold, at a stripping ratio of 0.55:1. Gold occurrences at Kramer extend over an area measuring 7.5 kilometres (northeast-southwest) by 8.5 kilometres (northwest-southeast) with a concentrated central area containing more than 54 historic shafts, 2.4 kilometres of tunnels, and numerous pits and trenches.

South Bullfrog Project

Acquired on the acquisition of Zacapa in November 2023, the South Bullfrog Project is located in Beatty, Nevada and comprised of 488 unpatented mining claims (40 square kilometers) in the increasingly active Bullfrog Mining District near the town of Beatty. The Bullfrog District has seen rapid increases in gold resources over the past two years with total resources now in excess of 8.6 million ounces of gold. Zacapa's project area is 5 kilometres south of AngloGold Ashanti's North Bullfrog development project, and 11 kilometres west of AngloGold Ashanti's Motherlode, Merlin, and Silicon projects. AngloGold Ashanti holds a major land position in the district after acquiring Corvus Gold and Coeur Mining and is actively drilling the Silicon and Merlin projects (3.4 million ounces of gold).
AngloGold Ashanti anticipates initial gold production in 2025 at North Bullfrog followed by Silicon and potentially Merlin (AngloGoldAshanti-BMO Global 2022). Kinross and Augusta, are also active in the district, with Augusta having recently acquired the Reward Project from Waterton to compliment redevelopment of the Bullfrog mine. Augusta Gold's Bullfrog and Montgomery-Shoshone Mines adjacent to the South Bullfrog project have produced 2.26 million ounces of gold.

Qualified Person

The technical information disclosed in this MD&A has been reviewed and verified by Edwin Naranjo Sierra, a Qualified Person within the meaning of the National Instrument 43-101 ("NI 43-101"). Mr. Naranjo has an MSc degree in Earth Science and is a Fellow of the Australasian Institute of Mining and Metallurgy (FAusIMM) and the Society of Economic Geologist.

Results of Operations

For the three months ended November 30, 2023 and 2022.

Significant or noteworthy expenditure differences between the periods include:

		Three months ended November 30,		
		2023		2022
Loss for the period	$	**(2,592,989)**	$	(2,625,390)
Comprehensive loss for the period	$	**(2,575,903)**	$	(2,623,203)
Expenses for the period	$	**(2,592,029)**	$	(2,633,435)
Exploration and evaluation		**1,253,332**		1,529,456
	Decrease due to less exploration activities at Santa Ana.			
Investor relations		**148,604**		171,783
	Decrease due to reduction in outreach activities.			
Stock-based compensation		**538,214**		332,857
	Increase due to a higher fair value of options that vested in current period versus the comparative period.			
Professional fees		**156,619**		91,817
	Increase in accounting and legal fees.			

Exploration and evaluation expenditure details for the three months ended November 30, 2023 and 2022.

During the three months ended November 30, 2023, the Company was focused on the Santa Ana Project where it continued its drilling efforts and maintained its community outreach programs at the project site.

Three months ended November 30, 2023		**Santa Ana**		**Other**		**Total**
Drilling	$	418,743	$	-	$	**418,743**
Payroll		484,671		9,785		**494,456**
Field Expenses and other		288,771		25,035		**313,806**
Technical consulting		26,327		-		**26,327**
Total	**$**	**1,218,512**	**$**	**34,820**	**$**	**1,253,332**

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

Summary of Quarterly Results

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

	Nov 30, 2023 $	Aug 31, 2023 $	May 31, 2023 $	Feb 28, 2023 $	Nov 30, 2022 $	Aug 31, 2022 $	May 31, 2022 $	Feb 28, 2022 $
Revenue	nil	nil	nil	nil	nil	nil	nil	nil
Net loss for the period	(2,592,989)	(2,349,007)	(1,575,672)	(2,888,319)	(2,625,390)	(3,354,008)	(3,369,270)	(2,237,511)
Basic and diluted loss per share	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	(0.02)	(0.02)	(0.02)

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

Three months ended November 30, 2023 / November 30, 2022 – During the three months ended November 30, 2023, the Company's net loss of $2,592,989 was consistent with the net loss incurred for the three months ended November 30, 2022, with cost increases in professional fees and stock based compensation offset by reductions in exploration and investor relations costs. Professional fees increased by $64,802 due primarily to the Zacapa acquisition. Stock-based compensation expense increased by $205,357 due to a higher fair value of options that vested in current period versus the comparative period. Exploration costs decreased by $276,124 due to decreased activity at the Santa Ana Project during the period. Investor relations costs decreased by $23,179 due to lower outreach activity during the current period.

Three months ended August 31, 2023 / August 31, 2022 – During the three months ended August 31, 2023, the Company incurred a net loss of $2,349,007 as compared to a net loss of $3,354,008 for the three months ended August 31, 2022. The decrease of $1,005,001 period over period is due primarily to a decrease in exploration activities at Santa Ana, as well as a reduction in investor relations expenses of $202,959 due primarily to current year reduction of outreach costs. These reductions were offset by increased stock-based compensation of $312,480 due to more stock options being granted during the current period.

Three months ended May 31, 2023 / May 31, 2022 – During the three months ended May 31, 2023, the Company incurred a net loss of $1,575,672 as compared to a net loss of $3,369,270 for the three months ended May 31, 2022. The decrease of $1,793,598 period over period is due primarily to a decrease in exploration activities at Santa Ana, as well as reduction of stock-based compensation of $323,023 due to fewer stock options being granted during the current period and a reduction in investor relations expenses of $32,529 due primarily to current year reduction of outreach costs.

Three months ended February 28, 2023 / February 28, 2022 – During the three months ended February 28, 2023, the Company's net loss of $2,888,319 was relatively consistent with the net loss incurred for the three months ended February 28, 2022. Stock-based compensation expense increased by $53,921 due to more stock options being granted in the current period versus the comparative period. Increased exploration activity at the Santa Ana project during the quarter resulted in an additional $554,149 in exploration expenditures in the current period versus the comparative.

Liquidity and Capital Resources

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

The Company does not anticipate mining revenues from the sale of mineral production in the near future. The Company's operations consist of the exploration and evaluation of mining properties and, as such, the Company's financial success will be dependent on the extent to which it can discover new mineral deposits. The Company anticipates seeking additional equity investment from time to time to fund its activities that cannot be funded through other means.

The Company has completed the financings set out below during the fiscal 2023 and 2022 years with no variance between projected use of proceeds and actual use of proceeds.

Date	Financing	Funding (Gross)	Funding (Net)	Use of Proceeds	Variance[1]
May 2023	Private Placement Units at $0.25	$ 4,524,250	$ 3,900,684	Santa Ana project exploration and general corporate purposes	Nil
Sep 2022	Private Placement Units at $0.15	$ 3,424,260	$ 3,239,792	Santa Ana project exploration and general corporate purposes	Nil
Mar 2022	Brokered Offering Units at $0.27	$ 6,900,000	$ 6,454,286	Santa Ana project exploration and general corporate purposes	Nil

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

During the three months ended November 30, 2023, the Company Issued 3,512,000 common shares under its at-the-market equity program (the "ATM Program") for gross proceeds of $743,175 and acquired Zacapa through the issuance of 30,017,474 common shares at $0.21 per share, 7,727,630 warrants, 2,537,500 options and 75,000 DSUs in exchange for all the issued and outstanding equity of Zacapa for a total fair value of $7,274,311.

At the date of this MD&A, the Company has 254,314,136 common shares, 24,237,500 stock options (21,581,250 of which are exercisable), 95,845,689 share purchase warrants outstanding, and 75,000 DSUs. Additional cash would be raised if stock option holders and share purchase warrant holders chose to exercise these instruments.

The Company began the 2024 fiscal year with a cash balance of $3,230,315. During the three months ended November 30, 2023, the Company expended $2,493,565 on operating activities, $106,505 on investing activities, and received $610,275 from financing activities, ending on November 30, 2023, with $1,261,554 in cash.

	Three months ended November 30, 2023	2022
Cash used in operating activities	**$ (2,493,565)**	$ (2,701,701)
Cash used in investing activities	**$ (106,505)**	$ (43,901)
Cash provided by financing activities	**$ 610,275**	$ 5,480,997
Effect of foreign exchange on cash	**$ 21,034**	$ (28,028)
Change in cash during the period	**$ (1,968,761)**	$ 2,707,367

Transactions with Related Parties

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

Related Party Name	Nature of Transactions
Farris LLP ("**Farris**"), a company in which Jay Sujir is a partner	Legal services
Slater Corporate Services Corporation ("**SCSC**"), a company related to Ian Slater	Cost reimbursement, Corporate Secretary, CFO, corporate compliance services, accounting, and financial reporting
Slater Capital Corporation ("**SCC**"), a company related to Ian Slater	Loans

a) The Company incurred the following fees in connection with companies owned or partially owned by directors. Expenses have been measured at the exchange amount, which is determined on a cost recovery basis.

		Three months ended November 30,		
		2023		2022
Cost reimbursement - SCSC		**150,000**		120,000
Legal fees – Farris		**128,861**		1,688
Total	**$**	**278,861**	$	121,688

b) Amounts owing to related parties are disclosed in Note 8 and 9. Other than the loans payable, all amounts are unsecured, with no specific terms of repayment.

c) Compensation of directors and members of key management personnel, including amounts disclosed in Note 12(a) and (b) were as follows:

		Three months ended November 30,		
		2023		2022
Exploration	**$**	**88,506**	$	57,332
Legal fees(1)		**128,861**		1,688
Reimbursement of expense(2)		**1,780**		21,686
Stock-based compensation		**418,226**		215,283
Wages and benefits		**63,750**		99,995
Total	**$**	**701,123**	$	395,984

(1) *Amounts are included in professional fees and share issuance costs.*
(2) *Amount is included in general and administrative expenses and wages and benefits.*

Critical Accounting Estimates and Judgments

The preparation of the consolidated financial statements in conformity with IFRS requires management to make estimates, judgments and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

a) Critical Accounting Estimates

Critical accounting estimates are estimates and assumptions made by management that may result in a material adjustment to the carrying amount of assets and liabilities within the next financial year and include, but are not limited to, the following:

Stock-based compensation and valuation of warrants

The fair value pricing of stock options and warrants issued are subject to the limitations of the Black-Scholes Option-Pricing Model that incorporates market data and involves uncertainty in estimates used by management in the assumptions. Because the Black-Scholes Option-Pricing Model requires the input of highly subjective assumptions, including the volatility of share prices, changes in subjective input assumptions can materially affect the fair value estimate.

b) Critical Accounting Judgments

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements include, but are not limited to, the following:

Going concern presentation

Management has determined that the going concern presentation of the condensed interim consolidated financial statements, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations as they come due as discussed in Note 1, is appropriate.

Asset acquisition

The determination of whether a set of assets acquired and liabilities assumed constitute a business requires the Company to make certain judgments, taking into account all facts and circumstances. A business is presumed to be an integrated set of activities and assets capable of being conducted and managed for the purpose of providing a return in the form of dividends, lower costs, or economic benefits. The acquisitions of Malew Overseas S.A. and Zacapa were determined to constitute an acquisition of assets.

Carrying value and the recoverability of mineral properties

Management has determined that mineral property costs that have been capitalized may have future economic benefits and may be economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefits including geological and other technical information, scoping and feasibility studies, accessibility of facilities, and existing permits. Further, management exercises judgment in determining whether or not impairment indicators exist for its mineral properties. The capitalized mineral property costs for the Lyra and Kuntur projects were written off during the year ended August 31, 2021 due to an inability to meet the criteria in its assessment.

Determination of functional currency

In accordance with IAS 21, The Effects of Changes in Foreign Exchange Rates, management has determined that the functional currency of the Company, its Canadian subsidiaries, and its Colombian branch operations and subsidiaries is the Canadian dollar, while the functional currency of its US subsidiary is the US dollar.

New Standards, Interpretations and Amendments Not Yet Effective

A number of new standards, amendments to standards and interpretations are not yet effective as of November 30, 2023 and have therefore not been applied in preparing these consolidated financial statements. None are expected to have a material effect on the financial statements of the Company.

Financial Instruments and Risk Management

Financial assets

Financial assets are classified at initial recognition as: amortized cost, fair value through profit or loss (“FVTPL”), or fair value through other comprehensive income (“FVOCI”). The classification depends on the

Company's business model for managing the financial assets and the contractual cash flow characteristics. For assets measured at fair value, gains and losses will either be recorded in profit and loss or other comprehensive income.

- Amortized cost – A financial asset is measured at amortized cost if the objective of the business model is to hold the financial asset for the collection of contractual cash flows, and the asset's contractual cash flows are comprised solely of payments of principal and interest. They are classified as current assets or non-current assets based on their maturity date and are initially recognized at fair value and subsequently carried at amortized cost less any impairment.

- FVTPL – Financial assets carried at FVTPL are initially recorded at fair value and transaction costs are expensed in profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial asset held at FVTPL are included in profit or loss in the period in which they arise. Derivatives are also categorized as FVTPL unless they are designated as hedges.

- FVOCI – Investments in equity instruments at FVOCI are initially recognized at fair value plus transaction costs. Subsequently, they are measured at fair value, with gains and losses arising from changes in fair value recognized in other comprehensive income. There is no subsequent reclassification of the fair value gains and losses to profit or loss following derecognition of the investment.

- Derivatives embedded in contracts where the host is a financial asset are never separated. Instead, the hybrid financial instrument as a whole is assessed for classification.

Impairment

An "expected credit loss" impairment model applies which requires a loss allowance to be recognized based on expected credit losses. The estimated present value of future cash flows associated with the asset is determined and an impairment loss is recognized for the difference between this amount and the carrying amount as follows: the carrying amount of the asset is reduced to the estimated present value of the future cash flows associated with the asset, discounted at the financial asset's original effective interest rate, either directly or through the use of an allowance account, and the resulting loss is recognized in profit or loss for the period.

In a subsequent period, if the amount of the impairment loss related to financial assets measured at amortized cost decreases, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

Financial liabilities

Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL, or the Company has opted to measure at FVTPL.

Fair Value Hierarchy

The Company's financial instruments recorded at fair value require disclosure about how the fair value was determined based on significant levels of inputs described in the following hierarchy:

Level 1 – Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and value to provide pricing information on an ongoing basis.

Level 2 – Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the marketplace.

Level 3 – Valuations with inputs for the asset or liability that are not based on observable market data.

The recorded amounts for cash and cash equivalents, receivables, reclamation bond, accounts payable and accrued liabilities and loans payable approximate their fair value due to their short-term nature. The carrying value of the Company's lease liability approximates its fair value due to being discounted with a rate of interest that approximates market rates.

Risk Management

The Company's risk exposures and the impact on the Company's financial instruments are summarized as follows:

Credit Risk

Credit risk is the risk of potential loss to the Company if a counter-party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets, including cash and receivables. The Company limits the exposure to credit risk in its cash by only investing its cash with high-credit quality financial institutions in business and savings accounts, in guaranteed investment certificates, and in government treasury bills which are available on demand by the Company for its programs. Credit risk surrounding the Company's receivables is limited due to the nature of the receivables as they are primarily due from governmental agencies.

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. These fluctuations may be significant.

a) Interest Rate Risk – The Company is exposed to interest rate risk to the extent that its cash balances bear variable rates of interest. The interest rate risks on cash and on the Company's obligations are not considered significant.

b) Foreign Currency Risk – The Company has identified its functional currencies as the Canadian dollar and the US dollar. Business is transacted in Canadian dollars, US dollars, and Colombian pesos ("COP"). The Company maintains US dollar bank accounts in Canada and the United States and maintains COP bank accounts in Colombia to support the cash needs of its foreign operations. Management does not hedge its foreign exchange risk. As at November 30, 2023, one Canadian dollar was equal to $0.74 US dollars and $2,996,55 COP.

c) Commodity Price Risk – While the value of the Company's mineral properties is related to the price of gold and silver and the outlook for these minerals, the Company does not currently have any operating mines and therefore does not have any hedging or other commodity-based risks with respect to its operating activities.

   Historically, the price of gold and silver has fluctuated significantly and is affected by numerous factors outside of the Company's control including, but not limited to, industrial and retail demand, central bank lending, forward sales by producers and speculators, levels of worldwide production, short-term changes in supply and demand because of speculative hedging activities, and certain other factors related specifically to gold and silver.

Forward-Looking Statements

This MD&A contains forward-looking statements that are based on the Company's current expectations and estimates. Forward-looking statements are frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate", "suggest", "indicate" and other similar words or statements that certain events or conditions "may" or "will" occur. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause actual events or results to differ materially from estimated or anticipated events or results implied or expressed in such forward-looking statements. Such factors include, among others: the actual results of current exploration activities;

conclusions of economic evaluations; changes in project parameters as plans to continue to be refined; possible variations in ore grade or recovery rates; accidents, labor disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing; and fluctuations in metal prices. There may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise. Forward-looking statements are not guarantees of future performance and accordingly undue reliance should not be put on such statements due to the inherent uncertainty therein.

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

Risks and Uncertainties

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

Foreign Country Risk

The Company's principal mineral properties are located in rural Colombia. Over the past 20 years, the Government of Colombia has made strides in improving the social, political, economic, legal and fiscal regimes. However, operations in Colombia are still subject to risk due to the potential for social, political, economic, legal and fiscal instability. The government in Colombia faces ongoing problems including, but not limited to, unemployment and inequitable income distribution and unstable neighboring countries. The instability in neighboring countries could result in, but not limited to, an influx of immigrants which could result in a humanitarian crisis and/or increased illegal activities. Colombia is also home to a number of insurgency groups and parts of the countryside are under guerrilla influence. In addition, Colombia experiences narcotics-related violence, kidnapping, extortion and thefts and civil unrest in certain areas of the country. Such instability may require the Company to suspend operations on its properties.

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

Foreign Operations

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

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

Differing Interpretations in Tax Regimes in Foreign Jurisdictions

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

Tax Matters

The Company is subject to income taxes and other taxes in a variety of jurisdictions and the Company's tax structure is subject to review by both Canadian and foreign taxation authorities. The Company's taxes are affected by a number of factors, some of which are outside of its control, including the application and interpretation of the relevant tax laws and treaties. If the Company's filing position were to be challenged for whatever reason, this could have a material adverse effect on the Company's business, results of operations and financial condition.

Conflicts of Interest

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

Foreign Subsidiaries

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

Government Regulation

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

Seizure or Expropriation of Assets

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

Risks Associated with Potential Acquisitions

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

Any acquisitions would be accompanied by risks, such as the difficulty of assimilating the operations and personnel of any acquired companies; the potential disruption of the Company's ongoing business; the inability of management to maximize the financial and strategic position of the Company through the successful incorporation of acquired assets and businesses; additional expenses associated with amortization of acquired intangible assets; the maintenance of uniform standards, controls, procedures and policies; the impairment of relationships with employees, customers and contractors as a result of any integration of new management personnel; and the potential unknown liabilities associated with acquired assets and businesses, including environmental liabilities. In addition, the Company may need additional capital to finance any such acquisitions. Debt financing related to acquisitions would expose the Company to the risk of leverage, while equity financing may cause existing shareholders to suffer dilution. There can be no assurance that the Company would be successful in overcoming these risks or any other problems encountered in connection with such acquisitions.

Competition and Scarcity of Mineral Lands

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

Future Profits/Losses and Production Revenues/Expenses

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

Commodity Prices

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

Exploration and Mining Risks

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

Dependence on Key Personnel

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

Capital Market

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

COVID-19

There are many external factors that can adversely affect general workforces, economies and financial markets globally. Examples include, but are not limited to, the COVID-19 global pandemic from March 2020, political conflict in other regions, and supply chain disruptions. It is not possible for the Company to predict the duration or magnitude of adverse results of such external factors and its effect on the Company's business or ability to raise funds.

Critical Accounting Estimates

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

Additional Disclosure for Venture Issuers without Significant Revenue

The components of mineral properties are described in *Note 7* of the condensed interim consolidated financial statements.

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

Authorized: an unlimited number of common shares without par value	**Common Shares Issued and Outstanding**	**Common Share Purchase Warrants**	**Stock Options**	**DSU**
Outstanding as at August 31, 2022	**160,146,008**	**72,067,217**	**14,600,000**	**-**
Common shares issued – September 22, 2022	22,828,400	23,560,400	-	-
Stock options exercised – October 04, 2022	100,000	-	(100,000)	-
Stock options granted – October 5, 2022	-	-	900,000	-
Stock options cancelled – October 9, 2022	-	-	(500,000)	-
Stock options exercised – October 11, 2022	100,000	-	(100,000)	-
Common shares issued – October 18, 2022	127,000	-	-	-
Stock options exercised – October 20, 2022	200,000	-	(200,000)	-
Common shares issued – October 20, 2022	288,500	-	-	-
Common shares issued – October 22, 2022	2,264,000	-	-	-
Stock options exercised – October 25, 2022	100,000	-	(100,000)	-
Stock options exercised – October 26, 2022	100,000	-	(100,000)	-
Common shares issued – October 27, 2022	150,000	(150,000)	-	-
Stock Options granted – October 31, 2022	-	-	400,000	-
Common shares issued – November 02, 2022	1,000,000	(1,000,000)	-	-
Common shares issued – November 03, 2022	1,297,000	-	-	-
Common shares issued – November 07, 2022	23,500	-	-	-
Stock options exercised – November 08, 2022	70,000	-	(70,000)	-
Common shares issued – November 10, 2022	1,000,000	(1,000,000)	-	-
Common shares issued – November 14, 2022	822,000	-	-	-
Common shares issued – November 14, 2022	2,104,054	-	-	-

Stock options exercised – November 15, 2022	80,000	-	(80,000)	-
Common shares issued – November 17, 2022	794,500	-	-	-
Common shares issued – November 23, 2022	383,500	-	-	-
Common shares issued – December 05, 2022	50,000	(50,000)	-	-
Stock options exercised – December 08, 2022	500,000	-	(500,000)	-
Common shares issued – December 08, 2022	74,000	(74,000)	-	-
Common shares issued – December 12, 2022	50,000	(50,000)	-	-
Stock options exercised – December 19, 2022	100,000	-	(100,000)	-
Common shares issued – January 26, 2023	750,000	(750,000)	-	-
Common shares issued – February 09, 2023	100,000	(100,000)	-	-
Common shares issued – February 28, 2023	200,000	(200,000)	-	-
Warrants expired – March 26, 2023	-	(11,947,179)	-	-
Common shares issued – March 13-28, 2023	1,804,000	-	-	-
Common shares issued – March 28, 2023	6,000	(6,000)	-	-
Common shares issued – April 10, 2023	200,000	(200,000)	-	-
Common shares issued – April 12, 2023	150,000	(150,000)	-	-
Common shares issued – April 14, 2023	1,966,700	(1,966,700)	-	-
Common shares issued – April 19, 2023	100,000	-	(100,000)	-
Common shares issued – May 10, 2023	18,097,000	10,134,320	-	-
Stock options expired – May 26, 2023	-	-	(50,000)	-
Stock Options granted – July 20, 2023	-	-	8,000,000	-
Common shares issued – October 20-November 20, 2023	1,286,000	-	-	-
Amalgamation with Zacapa Resources Ltd – November 21, 2023	30,017,474	7,727,631	2,537,500	75,000
Common shares issued – November 21-30, 2023	2,226,000	-	-	-
Common shares issued – December 1-22, 2023	2,658,500	-	(200,000)	-
Outstanding as at the date of this MD&A	**254,314,136**	**95,845,689**	**24,237,500**	**75,000**

Proposed Transactions

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

Off-Balance Sheet Transactions

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

Internal Controls Over Financial Reporting

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

In connection with National Instrument 52-109 (“NI 52-109”), Certification of Disclosure in Issuer’s Annual and Interim Filings, adopted in December 2008 by each of the securities commissions across Canada, the Chief Executive Officer and Chief Financial Officer of the Company will file a Venture Issuer Basic Certificate with respect to financial information contained in the unaudited interim consolidated financial statements and the audited annual consolidated financial statements and respective accompanying MD&A. The

Venture Issue Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109.

Management's Responsibility over Financial Statements

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

Other Information

Additional information relating to the Company is available for viewing on SEDAR+ at www.sedarplus.ca and at the Company's website www.outcropsilverandgold.com.