INTRODUCTION

The following Management Discussion and Analysis ("MD&A") provides relevant information on the financial condition and financial results of GR Silver Mining Ltd. (the "Company" or "GR Silver") for the three-month period ended March 31, 2026.

The purpose of this MD&A is to provide readers with management's overview of the past performance of, and outlook for, GR Silver. The report also provides information to enhance readers' understanding of the Company's consolidated financial statements and highlights important business trends and risks affecting the Company's financial performance. It is intended to complement and supplement the Company's consolidated financial statements, but it does not form part of those consolidated financial statements. This MD&A should be read in conjunction with the condensed interim consolidated financial statements for the three-month period ended March 31, 2026 (the "Interim Financial Statements") and the audited consolidated financial statements and notes thereto for the years ended December 31, 2025, and 2024 (the "Annual Financial Statements").

All financial information in this document, including the Company's financial position, results of operations and cash flows is prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), unless otherwise stated. Unless otherwise stated, all dollar figures included in this MD&A are expressed in Canadian dollars.

The common shares of the Company trade on the TSX Venture Exchange under the ticker symbol "GRSL", on the OTCQX under the ticker symbol "GRSLF", and on the Frankfurt Stock Exchange under the ticker symbol "GPE". The Company is a reporting issuer in the provinces of British Columbia, Alberta, Saskatchewan, Manitoba and Ontario. All information contained in this MD&A is current as of May 22, 2026, unless otherwise stated.

Forward-Looking Statements

This document contains forward-looking statements, please see section "*Forward-Looking Statements*".

Qualified Person and Quality Control/Quality Assurance

Dr. Gilles Arseneau, P. Geo., a qualified person as defined by NI 43-101, has supervised the preparation of the scientific and technical information that forms the basis for the mineral property disclosure in this MD&A and has approved the disclosure herein. Dr. Arseneau is considered independent of the Company, as he is not a shareholder, officer, or director of the Company.

The Company has implemented QA/QC procedures which include insertion of blank, duplicate, and standard samples in all sample lots sent to SGS de México, S.A. de C.V. laboratory facilities in Durango, Mexico, for sample preparation and assaying. For every sample with results above Ag >100 ppm (over limits), these samples are re-assayed by SGS de Mexico. The analytical methods are Four Acid Digest and Inductively Coupled Plasma Optical Emission Spectrometry with Lead Fusion Fire Assay with gravimetric finish for silver above over limits. For gold assays the analytical methods are Lead Fusion and Atomic Absorption Spectrometry Lead Fusion Fire Assay and gravimetric finish for gold above over limits (>10 ppm).

IN MEMORIAM – MÁRCIO FONSECA

On March 25, 2026, the Company announced the sudden passing of Mr. Márcio Fonseca, the Company's President, Chief Executive Officer, and Director. Mr. Fonseca was not only a founder of GR Silver, but also an integral part of the Company's management team and operations team in Mexico, a friend and a mentor.

Márcio built an extraordinary career spanning more than three decades in the global mining industry, defined by leadership, vision, and a remarkable ability to create value at every stage of a project's life cycle. Mr. Fonseca spent his entire career, working in the mining and mining finance sectors. He was a long-standing member of the Association of Professional Engineers and Geoscientists of the Province of BC, as well as the Australasian Institute of Mining and Metallurgy.

He began his journey as a geologist in Brazil, contributing to exploration, feasibility studies, and the development of major mineral deposits across Latin America. Early in his career, he played a role in advancing world-class projects, as well as completing a Masters in Mineral Project Appraisal at Imperial College in London, building a strong technical foundation that would shape his future success.

Márcio went on to spend nearly a decade with Macquarie Group, where he led and executed complex mining transactions around the world, managing deals ranging from $10 million to $250 million. His expertise in project evaluation, financing, and strategic decision-making made him a trusted leader in the investment community.

He later joined SilverCrest Mines as Vice President of Corporate Development, where he was instrumental in driving growth and positioning the company for its successful acquisition by First Majestic Silver Corp - delivering significant value to shareholders.

Most recently, as Founder, President, and CEO of GR Silver Mining Ltd., Márcio has led the Company with passion and purpose - building strong teams, shaping strategic direction, and unlocking the potential of key assets to pave the way for future growth. Márcio founded GR Silver with a vision of unlocking the untapped potential of a highly prospective geological setting within the Rosario Mining District of Sinaloa, Mexico.

Throughout his career, Márcio earned a reputation for identifying undervalued opportunities, advancing projects toward development, and contributing to significant discoveries and successful transactions worldwide.

Beyond the titles and achievements, Márcio's legacy is one of vision, leadership, mentorship, integrity, and commitment to excellence. He will be remembered fondly by all at GR Silver, and his impact on colleagues, partners, and the mining industry as a whole will be felt for years to come.

DESCRIPTION OF BUSINESS

The Company is primarily in the business of drilling for potential silver resource expansion throughout the Plomosas Project, while advancing the Bulk Sampling Test Mining ("BSTM") program at the Plomosas Property that will include installation of a pilot plant on site. The Plomosas Project is located on the southwestern edge of the Sierra Madre Occidental in Sinaloa, Mexico. Consistent with the Company's business purpose, its focus is on the recently discovered San Marcial Property and the past producing permitted underground mine at the Plomosas Property, which are collectively known as the "Plomosas Project". Together these properties comprise a core land package, along with numerous small-scale historical mine workings indicating potential for future resource growth. The Plomosas Project is located approximately 140 kilometres southwest of the city of Durango, in Durango State, Mexico (Figure 1). The Project covers a prolific mining area with established infrastructure, nearby historical precious metal producers, and other companies progressing development of precious and base metals mining projects.

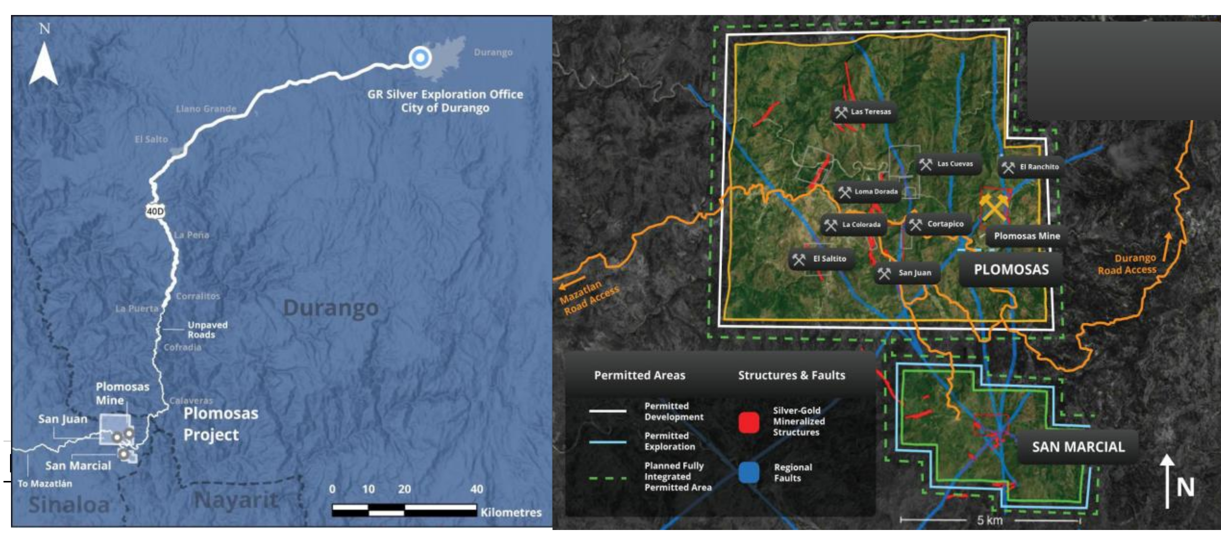
The Company has identified multiple epithermal veins and hydrothermal breccias on the Plomosas Project. The successful 2025 step-out drilling program, together with modern modelling of all data, has delineated a porphyry-style geological setting with multiple targets for resource growth (Figure 2).

The Company's main business activity is exploration through drilling of mineral exploration properties to define economic precious metal (silver and gold) and base metal deposits with the objective of potential mine development. The Company is currently undertaking a 20,000-metre step-out drilling program at shallow depth and along strike from the current San Marcial NI 43-101 mineral resource area ("Resource Area"), to support resource expansion. In addition, the Company continues to investigate a BSTM program on the Plomosas Property, Plomosas Mine, to support the potential installation of a pilot plant on site, which will make use of existing permits, and supported by engineering data completed as part of the BSTM program in 2025.

During the first quarter of 2026, technical and operational work also advanced in support of the BSTM program and the planned integrated PEA. This work included coordination with external consultants on Gap analysis and PEA development, review and confirmation of data availability in the Data Room, evaluation of low-grade mineralized material and tailings at Plomosas, preliminary production scenarios, and review of processing alternatives and pilot plant options.

The Company is a British Columbia corporation. The Company's corporate office address is 1500 – 409 Granville Street, Vancouver, British Columbia, V6C 1T2.

Figure 1: Plomosas Project Location and Access from Durango, Mexico



CORPORATE ACTIVITIES – PERIOD ENDED MARCH 31, 2026, AND TO DATE OF MD&A

Financing Activities

During the period ended March 31, 2026, the Company raised $1,616,498 from the exercise of 7,366,924 warrants with an average exercise price of $0.22 per warrant.

During the period ended March 31, 2026, the Company raised $59,750 from the exercise of 320,000 stock options with an average price of $0.19.

Subsequent to March 31, 2026, and to the date of this MD&A the Company raised $33,000 from the exercise of 150,000 warrants with an exercise price of $0.22 per share.

Corporate Developments

On February 24, 2026, the Company announced the disposition of 100% of the issued and outstanding shares of Goldplay de Mexico, S.A. de C.V. ("Goldplay") held by the Company to an arm's length third party in exchange for a 1% NSR Royalty on the concessions owned by Goldplay. The Company also announced that it had graduated to the OTCQX Market and commenced trading thereon.

On March 26, 2026, GR Silver Mining announced the sudden passing of Mr. Márcio Fonseca, the Company's President, Chief Executive Officer, and Director. The Board of Directors of the Company appointed Mr. Eric Zaunscherb Interim President and Interim CEO; he previously served as the Company's CEO from February 28, 2022, to June 30, 2025.

Following best practices in governance, the Company announced on May 21, 2026, the resignation of Mr. Eric Zaunscherb from his position as Executive Chair of the Board of Directors to focus on the Interim President and Interim CEO roles. Mr. Larry Taddei has been appointed Lead Independent Director.

Equity Compensation Granted

On February 24, 2026, the Company granted 750,000 stock options to consultants exercisable at a price of $0.465 per share for a period of five years from the grant date. Of the total, 450,000 options vested on the grant date and 300,000 shall vest 25% on each of 3, 6, 9, and 12 months from their date of grant.

Exploration Updates

On February 5, 2026, the Company announced positive results from its metallurgical test work studies conducted as part of the BSTM program at the former Plomosas Mine. Highlight conclusions included:

- A return of sampled and composited feed grades of 595 g/t AgEq and 585 g/t AgEq.
- Rougher test work confirmed high precious metals recoveries of 71.5% for Ag and 77.9% for Au into a lead rougher concentrate.
- Cleaner test work successful in achieving an increase in gold recoveries into the lead cleaner concentrate vs the test work conducted in 2021.
- The concentrates produced are within acceptable commercial specifications with little or no concerns over potential penalties or deleterious elements.

On February 18, 2026, the Company announced the mobilization of multiple drill rigs to the San Marcial Area of its wholly owned Plomosas Silver Project to commence the previously announced 20,000-metre step-out drilling program (Figure 2). The program targets resource expansion after the successful 2025 drill campaign. A Mineral Resource Estimate ("MRE") update and Preliminary Economic Assessment ("PEA") are planned after the conclusion of the drill program. The Company's exploration office has been relocated to Durango, with access to the Plomosas Project now managed from Durango State. This relocation addresses recent security challenges in Sinaloa while ensuring the continuation of high operational standards at the Plomosas Project.

Figure 2: 3D Model San Marcial Area – Planned Step-Out Drilling Targets 2026 Program

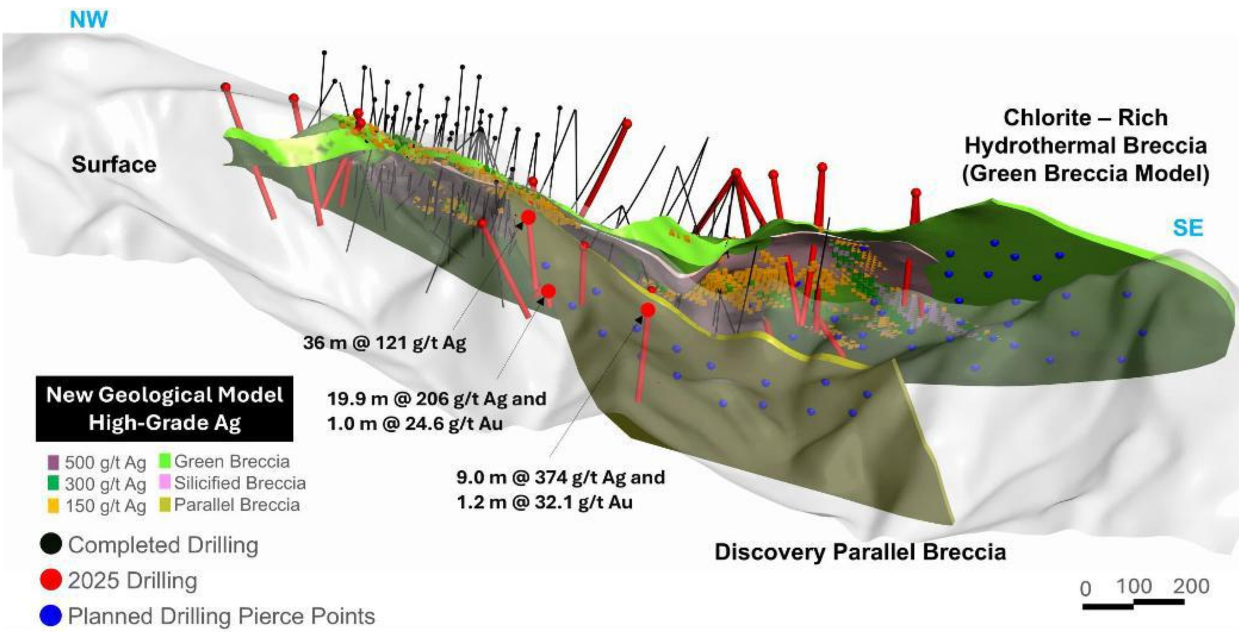
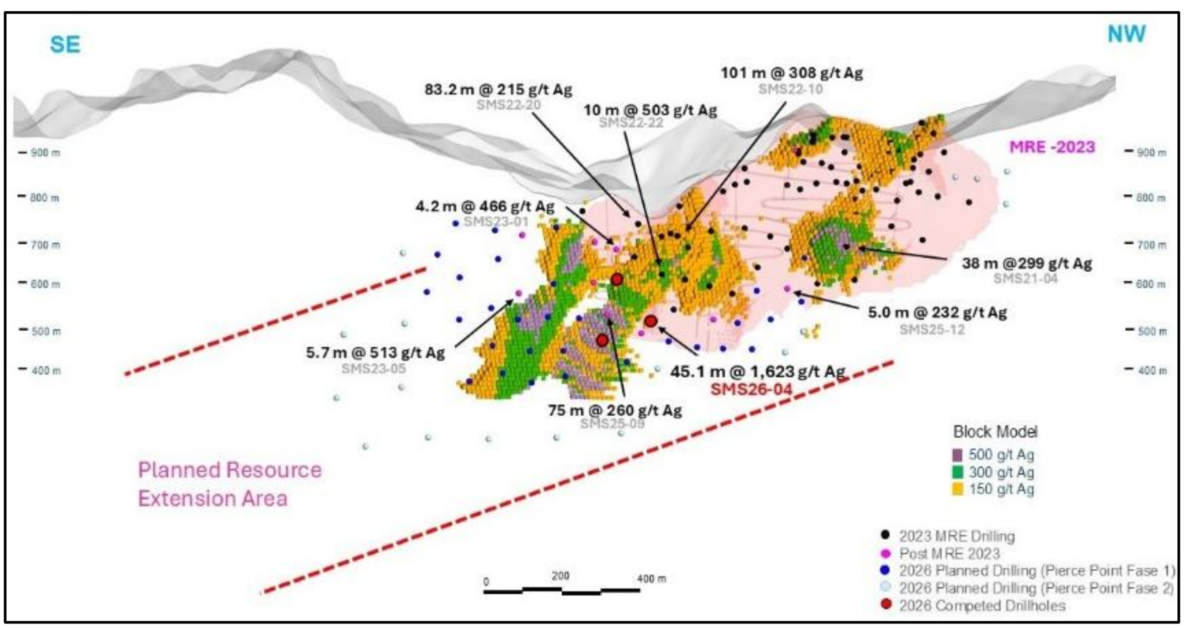


Figure 3: Longitudinal Section – Location SMS26-04 – Potential Resource Expansion

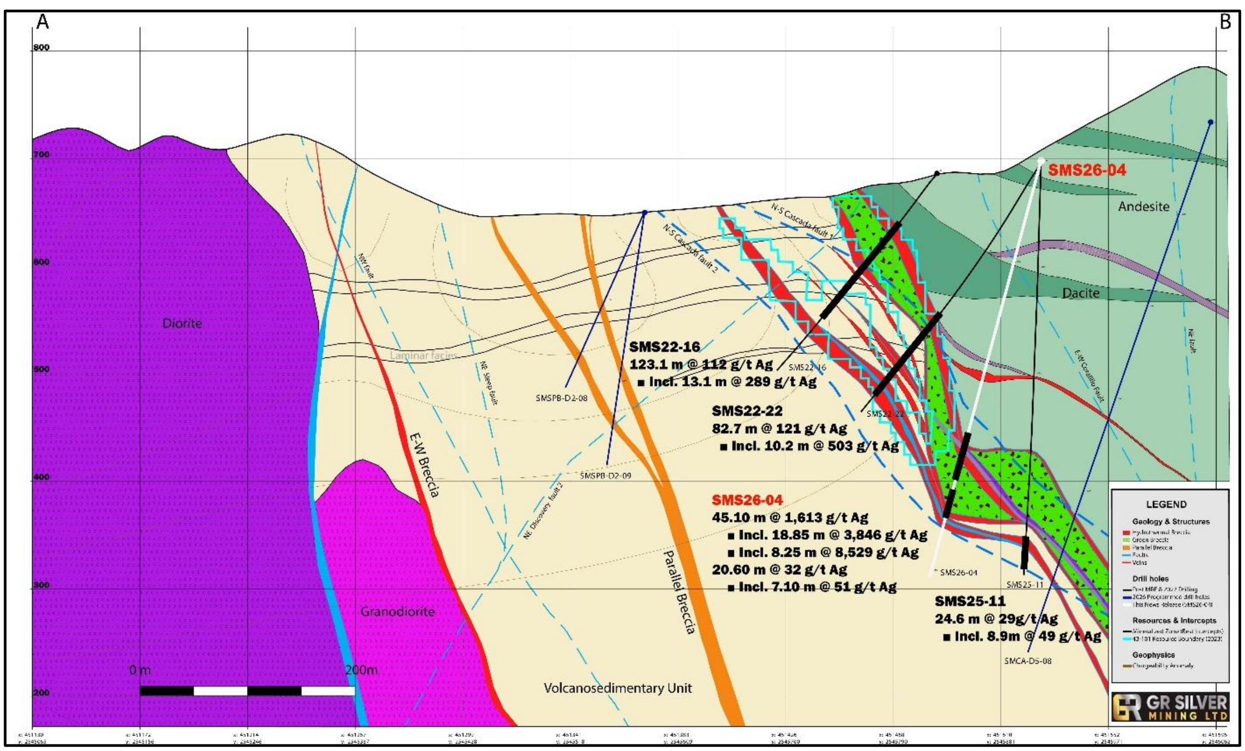


On April 22, 2026, the Company announced results from drill holes SMS26-01 and SMS26-03 in the SE Area of San Marcial that confirm the continuity of high-grade silver mineralization up to 500 metres down dip from surface. Two silver-mineralized zones were intersected, including multiple intervals of high-grade silver, near the 2023 Expansion Drilling Program, and located on the same cross section as SMS25-09, which returned 75.2 m at 260 g/t Ag. SMS26-01 and SMS26-03 represent the first drill holes completed in the SE Area as part of the 2026 Step-Out Drilling Program.

On May 19, 2026, GR Silver Mining reported its best ever drill results at San Marcial, with drill hole SMS26-04 returning 45.1 m true width ("TW") at 1,623 g/t Ag, including 8.25 m TW at 8,579 g/t Ag. The exceptional silver grades encountered in SMS26-04 highlight the strong structural control of the mineralizing system and further support the exploration potential of key inflection zones, including structural jogs and shear zones, as priority targets for additional high-grade mineralization (Figure 4). Results from SMS26-04 also confirm the continuity of near-surface mineralization previously intersected in drill holes SMS22-16, which returned 123.1 m at 112 g/t Ag (see News Release dated October 17, 2022), and SMS22-22, which returned 82.7 m at 121 g/t Ag (see News Release dated January 16, 2023) as shown in Figure 4.

On May 21, 2026, the Company announced receipt from Mexico's Secretaría de Medio Ambiente y Recursos Naturales ("SEMARNAT") notification that production of a new Manifestación de Impacto Ambiental ("MIA"), an Environmental Impact Authorization, for the former Plomosas Mine will not be required. This will allow GR Silver Mining to proceed with its plans for a BSTM program without having to produce a new MIA; only secondary permitting (e.g. reactivating the use of the existing tailings storage facility) is required and is in process.

Figure 4: Cross Section showing SMS26-04 in relation to SMS22-16, SMS22-22 and SMS25-11



OUTLOOK

Our Primary Objectives for 2026: Resource Growth and Pilot Plant Implementation

With its exploration efforts, the Company has continuously increased resources at the San Marcial Property since its acquisition. The Company believes that the recently completed studies in partnership with CODES (University of Tasmania) and UNAM, with awarded publication in internationally recognized geological events, provide recognition of the merit of the discovery of a large silver predominant resource area on the southwestern edge of the Sierra Madre Occidental associated with Laramide intrusive porphyry setting. This partnership, with the supervision of Dr. Paula Montoya, unlocked key information to assist the Company to define new mineralized zones that collectively may be comparable to other major silver districts in the Sierra Madre Occidental. Importantly, fine-tuning of the geological model at San Marcial has already yielded several high-priority targets for further drilling. Four of these targets were selected for step-out and exploration drilling and tested during 2025, supporting the continuity of the drilling program in 2026. The Company is planning to complete approximately 20,000 metres of step-out drilling at the San Marcial Area in 2026.

Management recognizes that the Company’s greatest value driver is the expansion of mineralization at the highly prospective San Marcial Property supported by all studies completed to date. The successful 2025 step-out drilling program has generated key information to support continuity of a much larger drilling program in 2026. The planned additional step-out drilling program could not only expand silver resources in the vicinity of the existing MRE, as well as identify new zones like the recently discovered Parallel Breccia Target. Recent drill results bolster our confidence to significantly expand the silver resource potential at San Marcial.

GR Silver has been engaged in securing the necessary permits to advance the Plomosas Silver Project. On September 9, 2025, GR Silver received a key five-year drill permit for the San Marcial Area authorizing additional step-out and exploration drilling in an extensive area surrounding the current NI 43-101 Resource Area. The five-year *Informe Preventivo* (“IP”) issued by the *Secretaría de Medio Ambiente y Recursos Naturales* (“SEMARNAT”), will allow for the drilling of step-out and exploration holes at 46 new drill sites in the San Marcial Area.

The 5-year surface drilling permit obtained for the San Marcial Area provides the Company unlimited meterage for drilling from 46 sites in the vicinity of the MRE, which will host multiple drill rigs through 2026. This additional step-out drilling is expected to double the total meterage of drilling in the Resource Area and nearby areas creating key elements to support a future resource estimation update upon conclusion of the drill program. We expect to follow this resource update with completion of the first ever PEA for the San Marcial Property, integrated with the Plomosas Property.

Preliminary engineering and cost studies for a pilot plant at the historic Plomosas Mine were completed at the end of 2025 and management is currently assessing alternatives for potential acquisition of a pilot plant and in Mexico and installation on site early in 2027 subject to secure site access. The pilot plant is expected to allow the Company to process mineralized material available in the historic Plomosas Mine. This material can be accessed through existing mine infrastructure that will be rehabilitated as required.

OPERATIONAL HIGHLIGHTS – THE PLOMOSAS SILVER PROJECT

History and Background

GR Silver has, over several years, assembled a portfolio of mining concessions, which are wholly owned but subject to various royalties, in the Rosario Mining District, Sinaloa State, Mexico. The key properties which comprise the Plomosas Project, cover 78 square kilometres, encompass a past producing mine and two camps, and feature excellent road access and power to multiple locations. The Plomosas Project concessions and their applicable royalties are detailed in Tables 1 and 2, respectively.

Table 1: Plomosas Project (San Marcial and Plomosas Properties)

AREA	No.	MINING CONCESSIONS	OWNERSHIP#	TITLE	SURFACE AREA (ha)
San Marcial Property	1	Mina San Marcial	Minera San Marcial	180998	119.0000
	2	Ampliacion San Marcial	Minera San Marcial	211650	1131.0000
Plomosas Property	3	Plomosas	Minera La Rastra	168698	12.0000
	4	Segunda Ampl. de Plomosas	Minera La Rastra	168699	100.0000
	5	Continuacion de Plomosas	Minera La Rastra	168700	12.0000
	6	La Rastra 2	Minera La Rastra	183443	25.4275
	7	San Juan	Minera La Rastra	188174	24.5725
	8	La Estrella	Minera La Rastra	202188	261.6800
	9	Plomosas 3	Minera La Rastra	209251	23.2700
	10	Plomosas 2	Minera La Rastra	210152	83.5000
	11	La Rastra	Minera La Rastra	214304	5396.0027
	12	Plomosas 4	Minera La Rastra	225024	420.9633
	13	Los Arcos	Minera La Rastra	226222	214.1300

Table 2: Royalties applicable to GR Silver concessions

Name of Concession Owner	Concession & Royalty Details	Details of Buy-Back Rights
Minera La Rastra	**<u>Concessions</u>:** "Plomosas", "Segunda Ampl. de Plomosas", "Continuación de Plomosas", "La Rastra 2", "San Juan", "Potrero No. 2", "La Estrella", "El Potrero", "Plomosas 3", "Plomosas 2", "Rosario 4", "La Chispera", "La Rastra", "Rosario I", "Plomosas 4", "La Chispera II", "Los Arcos" and "Rosario II" **<u>Royalty</u>:** Monthly royalties are payable to Industrial Minera Mexico, S.A. de C.V., depending on the price of zinc (Zn), as indicated below: (a) 3.5% when the price of Zn is equal or more than US$1.50 per lb; (b) 3.0% when the price of Zn is equal or more than US$1.20 per lb; (c) 2.5% when the price of Zn is equal or more than US$1.00 per lb; and (d) 1.75% when the price of Zn is less than US$1.00 per lb	N/A
Minera La Rastra	**<u>Concessions</u>:** "Plomosas", "Segunda Ampl. de Plomosas", "Continuación de Plomosas", "La Rastra 2", "San Juan"; "Potrero No. 2", "La Estrella", "El Potrero", "Plomosas 3", "Plomosas 2", "Rosario 4", "La Chispera", "La Rastra", "Rosario I", "Plomosas 4", "La Chispera II", "Los Arcos" and "Rosario II"	Minera La Rastra has the one-time right at any time to buy back half of this royalty (i.e. 1%) for US$1,000,000 plus VAT

Name of Concession Owner	Concession & Royalty Details	Details of Buy-Back Rights
	Royalty: 2.0% NSR royalty payable to Royalty & Streaming Mexico, S.A. de C.V.	
Minera San Marcial	**Concessions**: "Mina de San Marcial" and "Ampliación San Marcial" **Royalty**: 3.0% NSR royalty payable to Met-Sin Industriales, S.A. de C.V.	Minera San Marcial has the right to buy back this royalty for US$600,000 plus VAT per 1%, which right can be exercised at any time and from time to time in whole or in part.
Minera San Marcial	**Concessions**: "Mina de San Marcial" and "Ampliación San Marcial" **Royalty**: 0.75% NSR royalty is payable to EMX Royalty Corporation	Minera San Marcial has the right to buy back this royalty for CAD$1,250,000 plus VAT, which right can be exercised at any time

Mining at the historical Plomosas Mine took place from 1986 to 2000, operated by IMMSA, a subsidiary of Grupo Mexico. A total of 2.5 Mt of ore were processed through a 600 t/d crushing-milling flotation circuit (Table 3). During the 14 years of operation, 67,600 t of lead concentrate and 31,400 t of zinc concentrate, with silver - gold credits, were produced. The historical reports indicate annual average grades for each commodity within the following ranges: zinc (1.85% to 2.66%), lead (1.19% to 3.37%), silver (79 g/t to 338 g/t) and gold (0.76 g/t to 1.74 g/t). The room and pillar underground operation selectively mined, to only 260 metres depth, a polymetallic hydrothermal breccia hosted in a shallow-dipping regional fault. Extensive historical and current drilling data show additional continuity down dip and along strike as well as new mineralized zones on the footwall and hanging wall of the main zone.

Table 3: Plomosas Mine – Production History 1986-2000

Plomasas Historic Production Table 1986-2000

Historic Production. During mining operations, in the Plomosas–La Cruz mine, they extracted lead and zinc minerals with variable silver, gold and copper content, as well as lead and zinc concentrates as shown in the table below.

		Production Years														
Concept	Unit	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
ORE MILLED	tonne	95,133	164,974	164,239	147,611	194,279	202,976	193,729	188,227	172,983	178,282	185,026	189,611	180,884	187,471	94,381
MILL FEED																
Au	g/t	0	0	0	0	0	0	0.64	1.74	1.61	1.06	0.94	0.63	0.75	0.56	1.17
Ag	g/t	338	334	309	220	204	197	195	177	111	97	116.9	79.77	88.73	96.87	103
Pb	%	2.62	1.19	1.4	1.83	2.47	3.08	3.13	3.37	2.25	2.25	2.15	1.79	1.88	1.96	1.67
Cu	%	0.18	0.11	0.13	0	0.12	0	0.16	0.22	0.15	0.13	0.11	0.16	0.16	0.13	0.19
Zn	%	1.58	0.97	1	1.22	1.4	1.83	2.66	2.28	2.28	2.17	1.85	2.02	2.42	2.08	2.57
METAL CONTENT																
Au	g	0	0	0	0	0	0	124	327	279	189	174	120	135	105	110
Ag	g	32,155	55,101	50,750	32,474	39,633	39,986	37,777	33,316	19,201	17,293	21,608	15,130	16,050	18,161	9,674
Pb	t	2,492	1,963	2,299	2,701	4,799	6,252	6,064	6,343	4,359	4,011	3,976	3,404	3,399	3,670	1,572
Cu	t	171	181	214	-	233	-	310	414	259	232	205	312	291	247	177
Zn	t	1,503	1,600	1,642	1,801	2,720	3,714	4,262	5,007	3,944	3,869	3,425	3,836	4,385	3,907	2,429
RECOVERY																
Au in Pb, Cu, Zn Concentrate		0-0-0	0-0-0	0-0-0	0-0-0	0-0-0	0-0-0	48-0-8	0	48-0-9	36-0-14	40-0-12	36-0-15	40-0-18	55-0-44	0
Ag in Pb, Cu, Zn Concentrate		52-0-0	67-0-0	40-0-0	61-0-0	67-0-0	69-0-0	56-0-9	56-0-3	46-0-12	40-0-16	40-0-32	34-0-19	38-0-29	49-0-18	0
Pb in Pb Concentrate		49.5	62	34.5	70	79	67	58	59	56	54	56	57	58	64	0
Cu in Cu Concentrate		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Zn in Zn Concentrate		0	0	0	0	0	0	21	15	36	44	50	51	51	52	0
CONCENTRATE PRODUCTION	t															
Pb		2,856	3,269	4,308	4,995	8,886	9,865	6,915	2,407	3,983	3,484	3,650	3,371	3,280	4,138	2,240
Bulk		381	56	56	0	0	0	0	0	0	0	0	0	0	0	0
Zn		0	0	0	0	0	0	2,190	1,629	3,155	3,884	4,116	4,566	5,053	4,300	2,466

Numbers are rounded

*Source: Internal IMMSA reports

In March 2020, GR Silver completed the acquisition of 100% of Minera La Rastra S.A. de C.V. ("MLR"), the company holding the Plomosas Property and other concessions, from First Majestic Silver Corp. The Plomosas Property includes the past-producing Plomosas Mine. The mine was closed in 2001 due to then prevailing low commodity prices. As a result of the mine's continuous care and maintenance since that time, 7.4 km of underground tunnels and developments have remained in good condition, providing immediate access for exploration and potential future mining activities. MLR also owns 349 hectares of land covering most of the underground mine and vicinity at the Plomosas Mine. As the Plomosas Mine is a past producer, valid surface rights agreements, as well as some other essential permits, remain in place for current and future use by the Company.

In addition, the Plomosas Property includes mineralization at the San Juan-La Colorada Area, located approximately three kilometres west of the Plomosas Mine, and near the eastern margin of a small, third-party held concession that has recently been mined for gold. Artisanal workings are present, as well as shallow underground workings developed on a breccia, known as the San Juan Breccia.

On May 6, 2021, following a successful three-year period of exploration and resource expansion under an option agreement, GR Silver acquired Compañia Minera San Marcial S.A. de C.V., which owns the San Marcial Property.

The Company has integrated the historical databases for the Plomosas Project, obtained through the aforementioned acquisitions, into a single regional database. The Company's Plomosas Project lies in one of the most prolific geological settings for the discovery of high-grade silver-gold epithermal mineralized systems in Mexico, along the western edge of the Sierra Madre Occidental. Several world class deposits have been discovered in this setting, including the San Dimas deposit, just 125 kilometres north of the Plomosas Project, and the El Rosario Mine which historically produced millions of ounces of precious metals.

Geology

The Plomosas Project lies along the southwestern margin of the Sierra Madre Occidental (SMO), a geological province formed through Mesozoic–Cenozoic magmatic and tectonic processes associated with the paleo-subduction of the Pacific Plate beneath North America and the subsequent opening of the Gulf of California. The local geology can be divided into two principal rock packages. The younger sequence consists of bimodal volcanic rocks dominated by andesitic pyroclastic units, tuffs, and lava flows. These units rest unconformably on a basal Jurassic volcaniclastic–sedimentary succession.

Mineralization across the Plomosas Property is expressed as a series of intermediate- to low-sulfidation epithermal systems, observed in the San Marcial Area, the Plomosas Mine Area, and the San Juan–La Colorada Areas. Multiple mineralizing pulses have been documented, each linked to the tectonic evolution of the SMO from the Jurassic through the Cretaceous and into the Miocene.

The San Marcial Property displays characteristics of a long-lived, intermediate- to high-sulfidation, silver-rich epithermal system. Petrographic and mineralogical analyses have identified at least four multi-phase mineralizing events. The main mineralized structure is primarily hosted within tectono-hydrothermal breccias composed of hematite and chlorite, with abundant calcite and subordinate quartz. Silver sulphides occur as fine disseminations, accompanied by crosscutting, multi-stage quartz–calcite veins and stockworks that host polymetallic (Ag–Pb–Zn–Au) mineralization. The San Marcial deposit is strongly structural controlled. Emplacement of mineralization occurred along extensional NW–SE and E–W trends, later overprinted by NE–SW and N–S structures. Intersections between these structural orientations are interpreted to localize high-grade shoots of mineralization.

The SE Area discovery within the San Marcial Property—highlighted by drillholes SMS22-10 and SMS26-04 — confirms an extension of high-grade silver mineralization plunging southeast of the original resource along a NW–SE-trending contact zone. Lithology plays a key role, with hydrothermal breccias developed along the boundary between Jurassic volcano-sedimentary rocks and overlying Oligocene andesite–dacite volcanic sequences.

Drillhole SMS22-10 intersected 101.6 m averaging 308 g/t Ag in hydrothermal breccias and stockwork zones intensely altered to hematite–chlorite–calcite–quartz and hosting silver-rich mineralization with subordinate Pb–Zn–Au. Drillhole SMS26-04 intersected 45.1 m averaging 1,623 g/t Ag in a well-defined mineralized zone located at the upper contacts of the chlorite–hematite-rich breccias, associated with stockwork zones and andesitic to dioritic dykes emplaced along multiple structural intersections.

In 2025, a set of parallel hydrothermal breccias were identified within the basal volcano-sedimentary unit at San Marcial. These features may significantly expand the exploration footprint southwest of the main resource area. Drillhole SMS25-10A intersected high-grade silver with an increased gold component in these parallel breccias. The presence of high-temperature mineral assemblages (quartz–tourmaline–chlorite–actinolite) indicates proximity to a potential intrusive center.

In the Plomosas Mine Area, polymetallic hydrothermal breccia mineralization (Pb–Zn–Au–Ag) occurs mainly as massive to semi-massive sulphides, as well as disseminations, veins, stockworks, and sulphide veinlets hosted within brecciated rhyolitic and andesitic tuffs. These breccias are controlled by a predominantly N–S-oriented, shallow-dipping fault zone that dips to the west. Quartz and calcite are the dominant gangue minerals. The sulphide assemblage includes sphalerite > galena > pyrite, with minor chalcopyrite > bornite > covellite. Silver-bearing minerals such as acanthite, argentite, and jalpaite are common near the top of the system. Late-stage Ag–Au-rich epithermal quartz veins associated with high-angle faults crosscut earlier Pb–Zn–Ag mineralization and locally enrich the system, forming precious-metal-dominant zones.

In the San Juan–La Colorada Areas, a large intermediate- to low-sulfidation epithermal gold–silver system is hosted predominantly in high-angle fault structures, while Pb–Zn–Ag mineralization is preferentially localized within NW–SE-trending, east-dipping, shallow-angle faults.

Exploration Summary

During the quarter ended March 31, 2026, the Company continued to pursue the expansion of silver resources at the San Marcial Area, commencing its 20,000-metre step out drill program as outlined in the foregoing Exploration Updates section. The program has been influenced by the definition of a 2 km long chargeability anomaly (Figure 2) during the Company's extensive ground IP survey. The current mineral resource estimate sits on the NW edge of the anomaly, with indications that 80% of the anomaly remains untested. The focus of the upcoming step-out drilling is to expand silver resources at the San Marcial Property exploiting the Company's better understanding of silver mineralization controls and their continuity down-plunge, along strike, and on the edges of the anomaly. Maintaining the safety and security of the Company's employees and contractors is of paramount importance and a factor in drill program progress, as is water availability. A summary of activities completed is illustrated in Table 4 as follows.

Table 4: Summary of Step-Out Drilling Program Activities at San Marcial in Q1, 2026

Activity	Results	Notes
Step-Out Drilling	1,812 metres drilled	6 holes completed
Core Logging	1,389 metres logged	
Core Sampling	971 metres sampled	

Engineering work continued through the quarter ended March 31, 2026 in support of the Company's BSTM program and in preparation for an integrated PEA. The Company's internal technical services team is working in conjunction with external construction and metallurgical consultants to identify and assess various options to purchase and install a pilot plant. Potential purchase and installation of the pilot plant is also safety and security dependent, as is securing all necessary secondary permits. Delivery of the planned PEA is expected following the MRE update. During Q1 2026, BSTM and PEA support workstreams included the development of mining and metallurgical scenarios for Plomosas at varied throughput rates, preliminary economic and financial evaluations of those scenarios, assessment of pilot processing plant acquisition and rehabilitation alternatives, and preparation of technical and environmental information required for permitting. In March, the team also advanced mine design and reserve estimation work, continued collaboration with external consultants, and submitted the SEMARNAT exemption request related to the proposed pilot plant at Plomosas.

Plomosas Project 2023 NI 43-101 Mineral Resource Estimate

Following successful drilling in 2022, the Company completed an updated mineral resource estimate covering the San Marcial, Plomosas Mine and San Juan-La Colorada Areas. On May 3, 2023, the Company filed on SEDAR an independent technical report ("the Report") prepared in accordance with National Instrument 43-101 – Standards of Disclosure of Mineral Projects ("NI 43-101") by Dr. Gilles Arseneau, P.Geo. of ARSENEAU Consulting Services Inc ("ACS"), supporting the updated resource estimate for the Plomosas Project, previously reported in the Company's news release dated March 20, 2023. This Report was filed in accordance with Section 4.2, Sub Section (5)(b) reconciling differences in the silver equivalent ("AgEq") estimation related to the San Marcial Area.

The combined Mineral Resource Estimate consisted of 85 Moz AgEq (Indicated) and 49 Moz AgEq (Inferred). Details of the combined Plomosas Project Mineral Resource Estimate are shown in Table 5, and the Mineral Resource Estimate is broken down by area in Table 6. Parameters for the estimate are shown in Table 7.

Table 5: Plomosas Project, Mineral Resource Statement, ACS March 15, 2023, by Resource Category

Mineral Resource Class	Type	Tonnage (Mt)	Average Grade						Contained Metal					
			Ag (g/t)	Au (g/t)	Pb (%)	Zn (%)	Cu (%)	AgEq (g/t)	Ag (Moz)	Au (Koz)	Pb (Kt)	Zn (Kt)	Cu (Kt)	AgEq (Moz)
Indicated	OP	11	138	0.07	0.3	0.4	0.01	169	47	22.9	31	43	1	58
Inferred	OP	3	105	0.13	0.4	0.5	0.02	152	9	10.8	11	13	1	13
Indicated	UG	4	62	0.48	0.8	1.2	0.07	204	8	61.6	33	47	3	26
Inferred	UG	6	66	0.49	0.8	1.2	0.04	180	13	97.4	53	78	2	36
Total Indicated		**15**	**117**	**0.18**	**0.4**	**0.6**	**0.03**	**179**	**55**	**84.5**	**64**	**90**	**4**	**85**
Total Inferred		**9**	**78**	**0.38**	**0.7**	**1.0**	**0.03**	**171**	**22**	**108.2**	**64**	**91**	**3**	**49**

Table 6: Plomosas Project, Mineral Resource Statement, ACS March 15, 2023 by Area

Area	Mineral Resource Class	Type	Tonnes (Mt)	Average Grade						Contained Metal					
				Ag (g/t)	Au (g/t)	Pb (%)	Zn (%)	Cu (%)	AgEq (g/t)	Ag (Moz)	Au (Koz)	Pb (Kt)	Zn (Kt)	Cu (Kt)	AgEq (Moz)
San Marcial	Indicated	OP	9	146	0.04	0.2	0.3	0	161	42	10.2	16	28	0	47
	Inferred	OP	2	127	0.03	0.1	0.2	0	136	6	1.4	1	3	0	7
San Marcial	Indicated	UG	1	176	0.06	0.3	0.6	0	206	4	1.5	2	4	0	5
	Inferred	UG	1	164	0.03	0.2	0.4	0	182	8	1.6	3	5	0	9
Plomosas	Indicated	OP	2	93	0.24	1.0	0.9	0.07	193	5	11.9	16	14	1	10
	Inferred	OP	1	66	0.28	1.0	1.0	0.06	174	2	7.8	9	9	1	5
Plomosas	Indicated	UG	3	35	0.57	0.9	1.3	0.08	204	4	58.0	30	42	3	21
	Inferred	UG	2	38	0.57	0.9	1.1	0.06	175	3	39.4	20	23	1	12
San Juan/La Colorada	Indicated	OP	0.1	161	0.29	0.3	0.6	0.02	211	0.4	0.8	0	1	0	1
	Inferred	OP	0.2	103	0.24	0.5	0.8	0.02	159	0.7	1.6	1	2	0	1
	Indicated	UG	0.1	90	0.61	1.1	0.8	0.04	199	0.3	2.1	1	1	0	1
	Inferred	UG	2.6	34	0.69	1.2	1.9	0.04	182	2.8	56.4	31	49	1	15
Total Indicated			**15**	**117**	**0.18**	**0.4**	**0.6**	**0.03**	**179**	**55**	84.5	64	90	**4**	**85**
Total Inferred			**9**	**78**	**0.38**	**0.7**	**1.0**	**0.03**	**171**	**22**	108.2	64	91	**3**	**49**

Numbers are rounded

** AgEq is calculated from the metal prices and recoveries using the equation AgEq = ((Au grade*Au price*Au Recovery) + (Ag grade*Ag Price*Ag Recovery) + (Pb grade*Pb Price*Pb Recovery) + (Cu grade*Cu Price*Cu Recovery) + (Zn grade*Zn Price*Zn Recovery)) / (Ag Price*Ag Recovery)*

(1) Mineral Resources which are not Mineral Reserves, do not have demonstrated economic viability

(2) The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues

(3) The Inferred Mineral Resource in this estimate has a lower level of confidence than that applied to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of the Inferred Mineral Resource could be upgraded to an Indicated Mineral Resource with continued exploration

(4) The Mineral Resources were estimated using the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), CIM Standards on Mineral Resources and Reserves, Definitions and Guidelines prepared by the CIM Standing Committee on Reserve Definitions and adopted by the CIM Council

Table 7: Summary parameters adopted for resource estimation and mineral resource reporting - Plomosas Project (2023)

Plomosas Project				
Metal Prices			Gold US$/oz	$1,750
			Silver US$/oz	$22.00
			Lead US$/lb	$1.10
			Zinc US$/lb	$1.30
			Copper US$/lb	$4.20
Area		San Marcial	Plomosas Mine	San Juan
Metallurgical Recoveries***	Gold	0	86%	79%
	Silver	94%	74%	71%
	Lead	59%	69%	58%
	Zinc	80%	75%	47%
Preliminary Cost Assumptions Mineral Resource Reporting****	Open Pit ("OP")	30 US$/t	30 US$/t	30 US$/t
	Underground ("UG")	60 US$/t	60 US$/t	60 US$/t

*** Based on preliminary metallurgical test work completed in 2021 with samples from both areas investigating potential production of precious metal-rich concentrate

**** Preliminary cost assumptions adopted in the Whittle assessment and MSO are based on similar type deposits in Mexico where underground and open pit operations are in progress for a throughput capacity of 1,000 tpd

The Resource Estimate filed on May 3, 2023, was completed by ACS and Mr. S. T. Crowie (Sr. Metallurgist with JDS Energy & Mining Inc.), both of Vancouver, British Columbia, Canada, and integrates resources for the San Marcial, Plomosas Mine and San Juan-La Colorada Areas within the Plomosas Project.

A total of 70 GR Silver drill holes (10,500 metres) were added to the 52 holes used in the previous resource estimate, totalling 122 holes (~19,000 metres) for the San Marcial Area including the SE Discovery Area. At the Plomosas Mine Area, a total of 223 drill holes (16,380 metres) were drilled in specific areas of the existing underground historical mine as part of the infill drilling program. A total of 424 drill holes (60,020 metres) comprises the Plomosas Mine Area database supporting the Resource Estimate.

The Plomosas Project Resource Estimate adopts the key requirement of having a reasonable prospect of economic extraction, utilizing a combination of open pit and underground assumptions. Capping was applied to the original assay values prior to compositing in the mineral resource estimation process. The reasonable prospect of eventual extraction was defined by generating a Whittle-optimized pit shell based on the metal prices and recoveries given in Table 8, and assuming a total open pit mining cost and processing cost of US$30/t supported by data collected from similar deposits and operations in Sinaloa State. Underground resources were restricted to shapes defined by stope optimizer software assuming combined underground mining and processing costs of US$60/t supported by data collected from similar deposits and operations in Sinaloa State.

Table 8: Recoveries for the San Marcial, Plomosas Mine, and San Juan–La Colorada Areas

Metal	Price (US$)[a]	Recoveries (%)		
		San Marcial	Plomosas	San Juan–La Colorada
Copper	4.20/lb	80	80	26
Lead	1.10/lb	59	69	58
Zinc	1.30/lb	80	75	47
Gold	1,750/oz	80	86	79
Silver	22.00/oz	94	74	71

Notes: [a] Metal prices are derived from *Energy & Metals Consensus Forecasts* long-term pricing (December 2022); oz = troy ounce.

OTHER PROJECTS

GR Silver subsidiaries hold title to the following additional mining concessions (Table 9) in the Rosario Mining District. The Company's non-core concessions remain available for partnership or outright purchase and outreach has been made to encourage potential monetization.

Table 9: Other Mining Concessions

No.	MINING CONCESSIONS	TITLE	SURFACE AREA (ha)
MINERA LA RASTRA, S.A. DE C.V.			
1	Rosario 4	212656	239.78
2	Rosario I	221093	406.69
3	Rosario II	228255	736.18
4	La Chispera	213510	10.00
5	La Chispera II	225866	226.07
6	Potrero No. 2	195916	221.00
7	El Potrero	203534	100.00

SELECTED FINANCIAL INFORMATION AND RESULTS OF OPERATIONS

The following table sets out selected financial information with respect to the Company's Consolidated Interim Financial Statements for the period ended March 31, 2026. The following should be read in conjunction with the Annual Financial Statements for the years ended December 31, 2025, and 2024.

	Three months ended	
Summary of Operations	**March 31, 2026**	**March 31, 2025**
	$	$
Revenue	-	-
Total expenses	3,834,120	1,475,538
Net loss for the period	(2,427,152)	(1,471,048)
Loss per share - basic	(0.01)	(0.00)
Loss per share - diluted	(0.00)	(0.00)

Balance Sheet Summary	**March 31, 2026**	**December 31, 2025**
	$	$
Current assets	28,245,155	29,990,297
Non-current assets	8,391,008	8,147,805
Total assets	36,636,163	38,138,102
Current liabilities	912,473	2,025,882
Non-current liabilities	248,733	245,014
Total liabilities	1,161,206	2,270,896
Working capital	27,332,682	27,964,415

During the three-month period ended March 31, 2026, the Company had a net loss of $2,427,152 (March 31, 2025 – $1,471,048). Total expenses increased to $3,834,120 (March 31, 2025 - $1,475,538), an increase of $2,358,582 or 160%. The increase in total expenses for the period ended March 31, 2026, was primarily attributed to increased exploration and drilling activity at the San Marcial Area of the Plomosas Project.

The Company's operations for the three-month period ended March 31, 2026, were focused on the continued exploration of the San Marcial Area of its Plomosas Project in Mexico. Exploration expenditures for the three-month period ended March 31, 2026, were $1,859,825 (March 31, 2025 - $379,739).

<u>Summary of significant Balance Sheet items for the three-month period ended March 31, 2026</u>

The primary factors affecting the changes to the balance sheet items were as follows:

- Cash decreased to $27,495,259 (December 31, 2025 - $29,503,941), a decrease of $2,008,682, primarily due to cash used in operations of $3,437,995 offset by gross proceeds received from the exercise of warrants totalling $1,586,566.
- Cash of $3,437,995 was utilized in operating activities for operations and exploration activity.
- Value added taxes ("VAT") receivable increased to $645,391 (December 31, 2025 - $415,534) in relation to VAT incurred in relation to exploration activities in Mexico during the period.

- Accounts payable and accrued liabilities increased to $912,473 (December 31, 2025 - $932,337) an increase of $19,864 or 2%.
- Mining concession fees payable decreased to $Nil (December 31, 2025 - $1,093,545) due to the disposition of the Company's subsidiary which occurred on February 23, 2026.
- Reclamation obligation of $248,733 (December 31, 2025 - $245,014) increased by $3,719 due to the accretion charged for the period.

Discussion of results – Three Month Period Ended March 31, 2026

The Company's net loss for the three-month period ended March 31, 2026, was $2,427,152 (March 31, 2025 – $1,471,048). During the period the Company's total expenses were $3,834,120 (March 31, 2025 - $1,475,538). Significant fluctuations during the three-month period included the following:

The Company incurred concession fees of $372,314 (March 31, 2025 - $291,697). Concession fees during the period were paid or accrued as follows:

	Goldplay concessions Mexico	San Marcial Mexico	Plomosas Mexico	Total
	$	$	$	$
Concession fees - March 31, 2026	196,601	22,497	153,216	372,314
Concession fees - March 31, 2025	130,028	19,792	141,877	291,697

On February 23, 2026, the Company closed the disposition of its subsidiary Goldplay de Mexico S.A. de C.V. ("Goldplay") in exchange for a 1% royalty on the mining concessions owned by Goldplay. Accordingly the accrued concession fees related to Goldplay will not be paid by the Company.

Consulting of $103,445 (March 31, 2025 - $42,943) related to fees for accounting, project investigation, and other operational services from independent contractors.

Depreciation of $50,123 (March 31, 2025 - $45,964) related to depreciation of the Company's equipment. The increase during the period was consistent with additional equipment acquired during the period.

Exploration expenditures were $1,859,825 (March 31, 2025 - $379,739) as per the table below:

	March 31 2026	**March 31, 2025**
	$	$
Community relations	16,255	26,637
Consulting	11,248	-
Drilling	1,203,837	122,782
Engineering	92,266	-
Environmental / reclamation	43,231	-
Field	262,016	101,985
Geological	141,259	128,335
Metallurgical	19,397	-
Report preparation	70,316	-
Total	1,859,825	379,739

Exploration activities during the quarter focused on continued step-out drilling, with ongoing data re-processing, geological modelling, and data integration to support continued exploration of the new targets in the vicinity of the San Marcial discovery and resource. The Company also engaged in consulting and engineering activities in relation to the planned commencement of BSTM activities at the Plomosas Mine.

Investor relations of $280,412 (March 31, 2025 - $122,406) related to the Company's engagement with ICP as the Company's Market Maker, corporate content creation, as well as the Company's participation and presentations at corporate investor events.

Office expense of $212,689 (March 31, 2025 - $84,327) related to general corporate administration, insurance, office supplies, and rent. During the period the Company relocated its administrative offices and core shack from Rosario to Mexico City and Durango respectively which resulted in additional costs for the period.

Professional fees of $91,474 (March 31, 2025 - $86,977) were related to Audit, legal, and accounting services.

Salaries and director's fees of $389,760 (March 31, 2025 - $231,387) related to salaries paid to the Interim CEO, former CEO, employees in Mexico, and directors' fees paid in cash. During the current period the Company made additional hires in Mexico to accelerate progress towards achieving corporate milestones.

Share-based compensation of $393,848 (March 31, 2025 - $142,339) related to the grant and vesting of certain equity instruments, including stock options, deferred share units, and performance share units. In the current period a higher number of equity instruments were granted or vested relative to the prior period.

Transfer agent and filing fees of $47,029 (March 31, 2025 - $23,963) related to transfer agent, TSX-V sustaining fees, OTCQX fees, and SEDAR+ filing fees. The increase was related to the Company's movement from OTCQB to OTCQX as well as additional transfer agent fees as compared to the prior period.

Accretion expense on reclamation provision was $3,719 (March 31, 2025 - $Nil) in relation to obligations related to camp reclamation.

Foreign exchange loss of $57,442 (March 31, 2025 – $16,070) was related to the translation of the Company's Mexican operations from Mexican pesos to Canadian dollars as well as foreign currency variances recorded upon the settlement of certain foreign currency-denominated transactions.

Interest income of $160,321 (March 31, 2025 – $1,582) related to interest paid or accrued in relation to deposits held in guaranteed investment certificates.

During the period, the Company closed the disposition of its subsidiary Goldplay de Mexico S.A. de C.V. ("Goldplay") in exchange for a 1% royalty on the mining concessions owned by Goldplay. In relation to the disposition of Goldplay the Company recognized a gain on disposition of $1,307,808 which primarily related to mining concession fees payable on the non-core Goldplay concessions.

Other income of $Nil (March 31, 2025 – $18,978) related to the rental of the Company's equipment in Mexico and other miscellaneous non-recurring items.

LIQUIDITY AND CAPITAL RESOURCES

The Company's approach to managing liquidity risk is to forecast cash flows required for its planned operating, investing and financing activities so that it will have sufficient liquidity to meet liabilities when due. Management expects that cash flows related to operating, general and administrative, and exploration and evaluation activities will be funded by the Company's cash on hand. While the Company's current cash is sufficient to settle its current liabilities, it may be insufficient to finance all currently proposed, planned or anticipated general and administrative and exploration, evaluation and resource development program activities, and the Company could have to seek additional financing in order to further fully evaluate its projects, or modify its planned programs as appropriate. The Company will continue to forecast its cash flows and investigate opportunities to obtain further financing, if necessary, through transactions to maintain liquidity, such as equity placements, debt or joint venture arrangements. The quantity of funds to be raised and the terms of any equity financing that may be undertaken will be negotiated by management as opportunities to raise funds arise. There can be no assurance that such funds will be available on favorable terms, or at all.

As of March 31, 2026, the Company had a working capital of $27,332,682 (December 31, 2025 – working capital of $27,964,415).

On February 23, 2026, the Company closed the disposition of its subsidiary Goldplay de Mexico S.A. de C.V. ("Goldplay") in exchange for a 1% royalty on the mining concessions owned by Goldplay. In relation to the disposition of Goldplay the Company recognized a gain on disposition of $1,307,808 which primarily related to mining concession fees payable on the non-core Goldplay concessions, which are no longer payable by the Company.

During the three-month period ended March 31, 2026, the Company completed the following equity transactions:

- Raised $1,586,567 from the exercise of 7,216,924 warrants with an average exercise price of $0.22 per warrant.
- Raised $59,750 from the exercise of 320,000 stock options with an average price of $0.19 per option.

Subsequent to March 31, 2026, and to the date of this MD&A:

- Raised $33,000 from the exercise of 150,000 warrants with an exercise price of $0.22 per warrant.
- In connection with the passing of the Company's founder and CEO, Márcio Fonseca, the Company received $2,500,000 in proceeds from a key man life insurance policy.

The table below highlights the Company's cash flows during the periods ended:

Net cash provided by (used in)	March 31, 2026	March 31, 2025
	$	$
Operating activities	(3,437,995)	(1,229,332)
Investing activities	(64,175)	-
Financing activities	1,493,488	1,783,778
Cash, beginning	29,503,941	1,162,255
Cash, end	27,495,259	1,716,701

Update on Prior Use of Proceeds Disclosure:

Financing	Principal purpose as previously disclosed to March 31, 2026	Financing Amount, net of share issue costs $	Estimated Actual Expenditures $
Non-brokered private placement September 29, 2024, of 14,807,338 units at a price of $0.16 per unit	General working capital and exploration in the San Marcial Area of the Plomosas Project	2,220,372	2,220,372
Non-brokered private placement May 27, 2025, of 14,190,000 units at a price of $0.13 per unit	Exploration on the San Marcial Area of the Plomosas Project and general working capital.	1,713,217	1,713,217
Underwritten private placement August 13, 2025, of 69,000,000 units at a price of $0.20 per unit	Step-out drilling on the San Marcial Area of the Plomosas Project, Plomosas Mine Area Bulk Sampling, and general working capital.	12,692,995	4,039,746
Underwritten private placement December 17, 2025, of 66,666,832 units at a price of $0.30 per unit	Step-out drilling on the San Marcial Area of the Plomosas Project, Plomosas Mine Area Bulk Sampling, and general working capital.	18,842,010	Nil

SUMMARY OF QUARTERLY RESULTS

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

	March 31, 2026	December 31 2025	September 30, 2025	June 30, 2025
	$	$	$	$
Revenue	-	-	-	-
Net loss	(2,427,152)	(2,500,103)	(2,902,678)	(1,485,223)
Earnings (loss) per share - basic	(0.00)	(0.01)	(0.01)	(0.00)
Earnings (loss) per share - diluted	(0.00)	(0.01)	(0.01)	(0.00)
Total assets	36,636,163	38,138,102	20,966,292	10,525,242
Working capital	27,332,682	27,964,415	11,234,321	981,010

	March 31, 2025	December 31 2024	September 30, 2024	June 30, 2024
	$	$	$	$
Revenue	-	-	-	-
Net income (loss)	(1,471,048)	(1,339,307)	25,735,963	25,598
Earnings (loss) per share - basic	(0.00)	(0.02)	0.08	(0.02)
Earnings (loss) per share - diluted	(0.00)	(0.02)	0.07	(0.02)
Total assets	10,259,903	9,720,304	11,116,943	10,215,975
Working capital (deficiency)	496,694	34,152	635,851	(27,358,404)

During the quarter ended March 31, 2026, the Company recorded a net loss of $2,427,152. During the quarter, the Company's total expenses were $3,834,120. The most significant items were concession fees of $372,314, consulting fees of $103,445, exploration expenditures of $1,859,825, investor relations of $280,412, office of $212,689, professional fees of $91,474, salaries and benefits of $389,760, and share-based compensation of $393,848. The Company also recorded a gain on disposition of Goldplay de Mexico S.A. de C.V. of $1,307,808.

During the quarter ended December 31, 2025, the Company recorded a net loss of $2,500,103. During the quarter the Company's total expenses were $2,378,530, the most significant items were consulting fees of $73,159, exploration expenditures of $979,973, investor relations of $212,146, office of $116,325, professional fees of $147,936, salaries and benefits of $369,938, and share-based compensation of $281,718.

During the quarter ended September 30, 2025, the Company recorded a net loss of $2,822,682. During the quarter the Company's total expenses were $2,821,939, the most significant items were concession fees of $375,121, consulting fees of $154,694, exploration expenditures of $1,362,523, investor relations of $165,235, office of $89,931, professional fees of $126,063, salaries and benefits of $287,290, and share-based compensation of $192,271.

During the quarter ended June 30, 2025, the Company recorded a net loss of $1,485,223. During the quarter the Company's total expenses were $1,472,938, the most significant items were exploration expenditures of $567,750, investor relations of $65,044, professional fees of $74,009, salaries and benefits of $232,730, and share-based compensation of $263,762.

During the quarter ended March 31, 2025, the Company recorded a net loss of $1,471,048. During the quarter the Company's total expenses were $1,475,538, the most significant items were concession fees of $291,697, exploration expenditures of $379,739, investor relations of $122,406, salaries and benefits of $231,387, and share-based compensation of $142,339.

During the quarter ended December 31, 2024, the Company recorded a net loss of $1,339,307. During the quarter the Company's total expenses were $1,048,822, the most significant items were exploration expenditures of $287,608, professional fees of $124,694, and salaries and director fees of $250,322, and share-based compensation of $144,801. Other items included an incremental a gain on disposition of Marlin of $132,054 related to VAT which was considered impaired at the disposition date, and a provision for VAT of $78,499.

The Company recorded a net income of $25,735,963 and incurred expenses of $4,631,301 which included $3,422,935 in concession fees, $446,473 in exploration expenditures, salaries of $222,299, professional fees of $126,942, and share based compensation of $201,649. Other items included foreign exchange expense of $723,347, a gain on disposition of its Marlin subsidiary of $24,266,842, a loss on marketable securities of $113,772, a recovery of VAT of $286,970, retirement of concession fees of $6,496,684, and other income of $149,801.

During the quarter ended June 30, 2024, recovered $623,981 in value added tax and incurred expenses of $2,427,740 which included $374,447 in exploration expenditures, $867,423 in concession fees, salaries of $221,145, professional fees of $348,644, and share based compensation of $395,787. The Company also incurred a foreign exchange gain of $1,957,851 and an unrealized gain on marketable securities of $296,700.

RELATED PARTY TRANSACTIONS

Key management personnel compensation for the periods ended was:

	March 31, 2026	March 31, 2025
	$	$
Salary paid to Marcio Fonseca (Former President and CEO)	71,250	65,000
Salary paid to Eric Zaunscherb (Interim President and CEO, Director)	25,000	25,000
Consulting fees paid to Robert Payment (CFO and Corporate Secretary)	25,750	21,750
Consulting fees paid to Daniel Schieber (VP Corp. Dev. and Corp. Relations)	35,100	-
Salary paid to Luis Coto (VP Exploration)	26,476	-
Director fees paid to Trevor Woolfe	7,500	-
Director fees paid to Larry Taddei	7,500	-
Director fees paid to Jessica Van Den Akker	7,500	-
Director fees paid to Brent McFarlane	7,500	-
Stock based compensation to Directors and Officers	209,493	142,339
Total	423,069	254,089

Share-based compensation	March 31, 2026	March 31, 2025
Marcio Fonseca (Former President and CEO)	95,482	35,478
Eric Zaunscherb (Interim President and CEO, Director)	27,775	35,478
Robert Payment (CFO and Corporate Secretary)	28,457	3,088
Daniel Schieber (VP Corp. Dev. and Corp. Relations)	6,321	-
Blaine Bailey (Former CFO and Corporate Secretary)	-	20,000
Trevor Woolfe (Director)	6,530	17,401
Larry Taddei (Lead Director)	6,530	12,242
Jessica Van Den Akker (Director)	4,345	9,326
Brent McFarlane (Director)	4,345	9,326
Luis Coto (VP Exploration)	21,948	-
Total	201,734	142,339

These transactions were in the normal course of operations and were measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Included in accounts payable and accrued liabilities at March 31, 2026, and December 31, 2025, were the following balances owing to officers and directors of the Company:

	March 31, 2026	December 31, 2025
Marcio Fonseca (Former President and CEO)	-	11,875
Eric Zaunscherb (Interim President and CEO, Director)	-	4,167
Robert Payment (CFO and Corporate Secretary)	-	8,583
Daniel Schieber (VP Corp. Dev. and Corp. Relations)	-	11,400
Luis Coto (VP Exploration)	8,544	-
Trevor Woolfe (Director)	-	7,500
Larry Taddei (Lead Director)	-	7,500
Jessica Van Den Akker (Director)	-	7,500
Brent McFarlane (Director)	-	7,500
Total	8,544	66,025

SHARE CAPITAL

Details of the Company's capitalization are as follows:

	March 31, 2026	**Date of MD&A**
Common shares	508,945,533	509,095,533
Warrants	115,835,657	115,685,657
Stock options	10,523,334	10,523,334
DSUs	684,532	684,532
PSUs	2,590,908	2,590,908

DISCLOSURE OF MANAGEMENT COMPENSATION

In accordance with the requirements of Section 19.5 of TSXV Policy 3.1, the Company provides the following disclosure with respect to the compensation of its directors and officers during the period:

1. During the period ended March 31, 2026, and the year ended December 31, 2025, the Company did not enter any standard compensation arrangements made directly or indirectly with any directors or officers of the Company, for their services as directors or officers, or in any other capacity, with the Company or any of its subsidiaries except as disclosed under "Related Party Transactions".
2. During the period ended March 31, 2026, and the year ended December 31, 2025, officers of the Company were paid for their services as officers by the Company as noted above under "Related Party Transactions".
3. During the period ended March 31, 2026, and the year ended December 31, 2025, the Company did not enter an arrangement relating to severance payments to be paid to an officer of the Company as noted above under "Related Party Transactions".

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS

The following table sets out the following material components for the periods presented:

	Period ended March 31, 2026	Year ended December 31, 2025	Year ended December 31, 2024
	$	$	$
Exploration and evaluation assets or expenditures	1,859,825	3,289,985	1,490,209
Expensed research and development	-	-	-
Intangible assets arising from development	-	-	-
General and administrative expenses	212,689	364,592	322,533
Other material costs expensed or recognized as assets	418,107	4,804,594	(21,097,585)
Total	2,490,621	8,459,171	(19,284,843)

OFF BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements.

INVESTOR RELATIONS

On November 29, 2024, the Company engaged the services of ICP Securities Inc. ("ICP") to provide automated market making services, including use of its proprietary algorithm, ICP Premium™, in compliance with the policies and guidelines of the TSX Venture Exchange and other applicable legislation. ICP will be paid a monthly fee of $7,500, plus applicable taxes. The agreement between the Company and ICP was signed with a start date of November 29, 2024, and is for four (4) months (the "Initial Term") and shall be automatically renewed for subsequent one (1) month terms (each month called an "Additional Term") unless either party provides at least thirty (30) days written notice prior to the end of the Initial Term or an Additional Term, as applicable.

Effective December 1, 2025, the Company entered into an agreement with Oak Hill Financial Inc. ("Oak Hill") to provide investor relations services and capital markets advisory services to the Company, including providing strategic advice with respect to the development and dissemination of marketing materials and advising on initiatives to increase the Company's profile and visibility within the investment community. The agreement is subject to TSX Venture Exchange ("TSXV") approval and is for an initial four-month term, which commenced on December 1, 2025. Thereafter, the Company may, in its sole discretion, extend the term of the agreement on a month-to-month basis. The Company is paying Oak Hill $12,000 per month to provide services under the agreement. The fee paid by the Company to Oak Hill under the agreement is for services only. The Company and Oak Hill act at arm's length. Oak Hill is based in Toronto, Ontario, and specializes in leveraging the most effective investment, growth and exposure strategies for small to mid-size companies through an integrated approach to relationship development and corporate communications.

Effective January 1, 2026, the Company entered into an agreement with Red Cloud Financial Services Inc. ("Red Cloud") to provide marketing services to the Company. The initial term of the agreement is from January 1, 2026 - December 31, 2027, and thereafter will automatically renew on a month-to-month basis. After December 31, 2027, the agreement may be terminated by either party upon one month's written notice to the other. Prior to December 31, 2027, the contract may be terminated by mutual agreement of the parties. The agreement is subject to TSXV approval. The Company is paying Red Cloud $10,000/month to provide services under the agreement. The fee to be paid by the Company to Red Cloud under the agreement is for services only. The Company and Red Cloud act at arm's length. Red Cloud is based in Toronto, Ontario, and has established itself as a leading independent research and equity capital markets (ECM) services provider, specifically focused on the mining industry.

Effective January 1, 2026, the Company entered into a consulting agreement with Redwood Empire Financial Communications LLC ("Redwood") pursuant to which Redwood will provide investor relations services to the Company commencing January 1, 2026 and ending on December 31, 2026, subject to either party being able to terminate the agreement after July 1, 2026 and following any 3-month period thereafter for any reason, or immediately in the event of breach by either party. Redwood focuses on global investor relations for junior and small cap companies specializing at exposing companies to a wide audience of investment professionals.

Pursuant to the agreement, the Company will pay US$7,500/month to Redwood to provide services to the Company, including liaison with the financial community and shareholders, development and implementation of corporate presentations and other communications, and other public relations services. The fee to be paid by the Company to Redwood under the agreement is for services only. The Company and Redwood act at arm's length.

CRITICAL ACCOUNTING ESTIMATES

The preparation of the Company’s consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting year. Areas requiring the use of estimates in the preparation of the Company’s consolidated financial statements include the carrying value and the recoverability of the exploration and evaluation assets included in the consolidated statement of financial position, the assumptions used to determine the fair value of share-based payments in the consolidated statement of comprehensive loss, and the estimated amounts of reclamation and environmental obligations. Management believes the estimates used are reasonable; however, actual results could differ materially from those estimates and, if so, would impact future results of operations and cash flows.

CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

There were no changes in the Company’s material accounting policies during the year ended December 31, 2025, that had a material effect on its consolidated financial statements. The Company’s material accounting policies are disclosed in Note 2 to its consolidated financial statements for the year ended December 31, 2025.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Refer to Note 13 of the Company’s condensed interim consolidated financial statements for the three-month period ended March 31, 2026.

RISKS AND UNCERTAINTIES

The Company's principal business activities are the acquisition, exploration, and definition of potentially economically viable mineral resource deposits on mineral properties, which, by nature, are speculative. Companies in this industry are subject to many and varied kinds of risks, including but not limited to; environmental, fluctuating commodity prices, social, political, financial and economics. Additionally, few exploration projects successfully achieve development due to factors that cannot be predicted or foreseen. While risk management cannot eliminate the impact of all potential risks, the Company strives to manage such risks to the extent possible and practicable. Due to the high-risk nature of the Company's business and the present stage of the Company's various mineral properties, an investment in the Company's common shares should be considered a highly speculative investment that involves significant financial risks, and prospective investors should carefully consider all of the information disclosed in this MD&A and the Company's other public disclosures, including the risk factors disclosed in the "Risks and Uncertainties" section of the Company's MD&A for the year ended December 31, 2025, prior to making any investment in the Company's common shares.

The risk factors described in the "Risks and Uncertainties" section of the Company's MD&A for the year ended December 31, 2025, do not necessarily comprise all of the risks and uncertainties that the Company faces. Additional risks and uncertainties not presently known to the Company or that the Company currently considers immaterial may also adversely affect the Company's business, results of operations, financial results, prospects and price of common shares. These risk factors could materially affect the Company's future operating results and could cause actual events to differ materially from those described in forward-looking statements relating to the Company.

Foreign Country Risk

The Company's sole material property is located in Mexico. The Company is subject to certain risks as a result of conducting foreign operations, including, but not limited to: currency fluctuations; possible political or economic instability that may result in the impairment or loss of mineral titles or other mineral rights; opposition from environmental or other non-governmental organizations; government regulations relating to the mining industry; renegotiation, cancellation or forced modification of existing contracts; expropriation or nationalization of property; changes in laws or policies or increasing legal and regulatory requirements including those relating to taxation, royalties, imports, exports, duties, currency, or other claims by government entities, including retroactive claims and/or changes in the administration of laws, policies and practices; uncertain political and economic environments; war, terrorism, narco-terrorist actions or activities, sabotage and civil disturbances; delays in obtaining or the inability to obtain or maintain necessary governmental or similar permits or to operate in accordance with such permits or regulatory requirements; currency fluctuations; import and export regulations, including restrictions on the export of gold, silver or other minerals; limitations on the repatriation of earnings; and increased financing costs. Any changes in regulations or shifts in political attitudes are beyond the control of the Company and may adversely affect its business. The introduction of new tax laws, regulations or rules, or changes to, or differing interpretation of, or application of, existing tax laws, regulations, or rules in any of the countries in which the Company currently conducts business or in the future may conduct business, could result in an increase in taxes, or other governmental charges, duties, or impositions. No assurance can be given that new tax laws, rules or regulations will not be enacted or that existing tax laws will not be changed, interpreted, or applied in a manner that could otherwise have a material adverse affect on the Company.

Organized Crime Risk

Violence in Mexico is well documented and has, over time, been increasing. Conflicts between the drug cartels and violent confrontations with authorities are not uncommon. Other criminal activity, such as kidnapping and extortion, is also an ongoing concern. Many incidents of crime and violence go unreported and efforts by police and other authorities to reduce criminal activity are challenged by a lack of resources, corruption, and the pervasiveness of organized crime. Incidents of criminal activity have occasionally affected the communities in the vicinity of the Company's operations. Such incidents may prevent access to the Company's property or offices; halt or delay operations; result in harm to employees, contractors, visitors, or community members; increase employee absenteeism; create or increase tension in nearby communities; or otherwise adversely affect the Company's ability to conduct business. The Company can provide no assurance that security incidents, in the future, will not have a material adverse effect on its operations.

Legislative Changes in Mexico

On May 8, 2023, the Mexican Government enacted a decree amending several provisions of the Mining Law, the Law on National Waters, the Law on Ecological Equilibrium and Environmental Protection and the General Law for the Prevention and Integral Management of Waste (the "Decree"), which became effective on May 9, 2023. The Decree amends the mining and water laws, including: (i) the duration of the mining concession titles, (ii) the process to obtain new mining concessions (through a public tender), (iii) imposing conditions on water use and availability for the mining concessions, (iv) the elimination of "free land and first applicant" scheme, (v) new social and environmental requirements in order to obtain and keep mining concessions, (vi) the authorization by the Ministry of Economy of any mining concession's transfer, (vii) new penalties and cancellation of mining concessions grounds due to non-compliance with the applicable laws, (viii) the automatic dismissal of any application for new concessions, and (ix) new financial instruments or collaterals that should be provided to guarantee the preventive, mitigation and compensation plans resulting from the social impact assessments, among other amendments.

These amendments could have an impact on our current and future exploration activities and operations in Mexico. However, the likelihood and extent of such impact is yet to be determined.

GR Silver wholly owns concessions in the Rosario Mining District for which titles and operating permits are held and it is not expected that this will change under the modified legislation, although no assurances can be given as the full impact of the changes are unknown at this time. In addition, while GR Silver has nurtured relationships with in-country stakeholders, enjoyed success in the granting of permits from Mexican authorities and secured long term agreements with neighbouring ejidos, there is no assurance that these relationships and successes will continue. The full impacts of the legislative changes have not yet been completely assessed as the industry waits for the Government to issue changes to the Mining Law Regulations further clarifying the changes. The Company will continue to monitor this closely to best deal with the changes. There is no assurance that these changes will not adversely affect the Company or its Mexican properties and assets.

FORWARD-LOOKING STATEMENTS

This MDA contains forward-looking statements and forward-looking information (collectively, "forward-looking statements") within the meaning of applicable Canadian securities legislation. These statements relate to future events or the future activities or performance of the Company. All statements, other than statements of historical fact, are forward-looking statements. Information concerning mineral resource/reserve estimates and the economic analysis thereof contained in preliminary economic analyses or prefeasibility studies also may be deemed to be forward-looking statements in that they reflect a prediction of the mineralization that would be encountered, and the results of mining that mineralization, if a mineral deposit were developed and mined. Forward-looking statements are typically identified by words such as: believe, expect, anticipate, intend, estimate, postulate, plans and similar expressions, or which by their nature refer to future events. These forward-looking statements include, but are not limited to, statements concerning:

- the Company's strategies and objectives, both generally and in respect of its specific mineral properties or exploration and evaluation assets;
- the timing of decisions regarding the timing and costs of exploration programs with respect to, and the issuance of the necessary permits and authorizations required for, the Company's exploration programs;
- the Company's estimates of the quality and quantity of the resources at its mineral properties;
- the Company's ability to increase through additional drilling the quality and quantity of the resources at its mineral properties;
- the timing and cost of planned exploration programs of the Company and the timing of the receipt of results thereof;
- general business and economic conditions;
- the Company's ability to meet its financial obligations as they come due, and to be able to raise the necessary funds to continue operations; and
- the Company's expectation that it will be able to add additional mineral projects of merit to its existing property portfolio.

The Company can give no assurance that such expectations will prove to be correct. Inherent in forward looking statements are risks and uncertainties beyond the Company's ability to predict or control, including, but not limited to, risks related to the Company's inability to raise the necessary capital to be able to continue in business and to implement its business strategies, to identify one or more economic deposits on its properties, variations in the nature, quality and quantity of any mineral deposits that may be located, variations in the market price of any mineral products the Company may produce or plan to produce, the Company's inability to obtain any necessary permits, consents or authorizations required for its activities, to produce minerals from its properties successfully or profitably, to continue its projected growth, and other risks identified herein under "Risks and Uncertainties".

The Company cautions investors that any forward-looking statements by the Company are not guarantees of future performance, and that actual results are likely to differ, and may differ materially, from those expressed or implied by forward looking statements contained in this MDA. Such statements are based on several assumptions which may prove incorrect, including, but not limited to, assumptions about:

- the level and volatility of the price of commodities;
- general business and economic conditions;
- the timing of the receipt of regulatory and governmental approvals, permits and authorizations necessary to implement and carry on the Company's planned exploration;
- conditions in the financial markets generally;
- the Company's ability to attract and retain key staff;
- the nature and location of the Company's mineral exploration projects, and the timing of the ability to commence and complete the planned exploration programs; and
- the ongoing relations of the Company with its regulators.

These forward-looking statements are made as of the date hereof and the Company does not intend and does not assume any obligation, to update these forward-looking statements, except as required by applicable law. For the reasons set forth above, investors should not attribute undue certainty to or place undue reliance on forward-looking statements.

Historical results of operations and trends that may be inferred from the following discussion and analysis may not necessarily indicate future results from operations. The current state of the global securities markets may cause significant reductions in the price of the Company's securities and render it difficult or impossible for the Company to raise the funds necessary to continue operations.

APPROVAL

The Board of Directors of the Company has approved the disclosures in this MDA.

ADDITIONAL SOURCES OF INFORMATION

Additional disclosures pertaining to the Company, including its most recent, financial statements, management information circular, material change reports, press releases and other information, are available on the SEDAR website at www.sedarplus.ca or on the Company's website at www.grsilvermining.com. Readers are urged to review these materials, including the technical reports filed with respect to the Company's mineral properties.