(An exploration stage business)

TIER ONE SILVER INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the three and nine months ended September 30, 2025

Dated: November 26, 2025

1. HIGHLIGHTS FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2025 AND SUBSEQUENT EVENTS UP TO THE DATE OF FILING

1.1 Operational Highlights

- During the nine months ended September 30, 2025, Tier One Silver Inc. ("Tier One" or the "Company") primarily focussed on progressing its Curibaya project in southern Peru. In connection with the Company's September 2025 recapitalization financing described below, a portion of the financing proceeds were intended for new project investigation. As at September 30, 2025, the Company was evaluating an opportunity involving another South American project and subsequent to the end of Q3, the Company entered into an exclusivity agreement with the project owners to support further project evaluation and exclusive negotiations based on a term sheet for an option. The Company has engaged independent geological consultants to support its technical review and local counsel to assist with negotiations. At this time, there is no certainty that a binding legal option agreement will be reached, and any such agreement would not be expected before early 2026 at which time it will be subject to TSX Venture Exchange ("TSXV") review and acceptance.

- On June 9, 2025, the Company announced the renewal and notarization of a six-month social access agreement with the Chipispaya community at its Curibaya project. As of the date hereof, the agreement, which expires December 11, 2025, is in the process of being renewed, subject to community assembly approval, and the Company has committed to continue to support local employment and training initiatives.

1.2 Corporate Highlights

- On September 17, 2025, the Company announced that it had completed the second and final tranche of its non-brokered private placement (the "September 2025 Offering"). An aggregate of 81,250,000 units were issued at $0.08 per unit for gross proceeds to the Company of $6,500,000, after upsizing from the targeted raise of $5,600,000 as originally announced on September 3, 2025. Each unit consists of one common share and one full common share purchase warrant, with each warrant entitling the holder thereof to purchase one common share of the Company at a price of $0.11 for up to 36 months from the date of issuance.

  In connection with the closing of the September 2025 Offering, the Company paid cash finders' fees of $231,134 and issued 2,889,180 non-transferable finders' warrants. In addition, the Company paid a corporate finance fee (the "Corporate Finance Fee") to 3L Capital Inc. who acted as financial advisor in relation to the September 2025 Offering which included $140,000 in cash, 1,250,000 units and 1,750,000 warrants. Each of the finders' warrants, and the Corporate Finance Fee units and warrants have the same terms as the units and unit warrants outlined above, as applicable. The proposed use of proceeds from the Offering is to fund exploration at Curibaya, new project investigation and general working capital.

- On August 21, 2025, the Company announced that its previously announced, proposed $4.1 million private placement equity offering, pursuant to a listed issuer financing exemption ("LIFE") offering document filed on June 23, 2025, would not be proceeding.

- On June 23, 2025, the Company announced that it had obtained a $175,000 unsecured bridge loan from a director in order to pay Peruvian governmental mineral project concession fees due June 30, 2025. The bridge loan, which was repaid in full on September 12, 2025, together with $4,775 of interest, was subject to 12% simple annual interest. The Company was not obligated to pay any other fees or issue any securities in connection with the bridge loan.

- On January 3, 2025, the Company closed a non-brokered private equity placement for total gross proceeds of $388,750 in which 5,183,333 units were issued at a price of $0.075 per unit ("January 2025 Placement"). Each offered unit consisted of one common share of the Company and one full common share purchase warrant of the Company. Each warrant entitles the holder thereof to purchase one common share of the Company at a price of $0.15 until January 3, 2028. The Company paid aggregate cash finders' fees of $12,825 and issued 171,000 finders' warrants, with each finder's warrant exercisable on the same terms as the unit warrants. The proceeds were used to fund general working capital and Curibaya project related costs.

2. DATE AND FORWARD-LOOKING STATEMENTS

This Management's Discussion and Analysis ("MD&A") of Tier One has been prepared by management to assist the reader in assessing material changes in the condensed consolidated interim financial statements and results of operations of the Company as at September 30, 2025 (the "financial statements") and for the nine months then ended.

This MD&A should be read in conjunction with the financial statements of the Company. All financial information has been prepared in accordance with IFRS accounting standards and all dollar amounts presented are Canadian dollars unless otherwise stated. United States readers should be aware that the Company uses mineral terminology based on the Canadian Institute of Mining and Metallurgy ("CIM"). Applicable CIM standards may not be the same as those accepted by the US Securities Exchange Commission for US domestic mining company disclosure. Further details of these differences can be found in our Annual Information Form filings.

The effective date of this MD&A is November 26, 2025.

2.1 Forward-looking statements and risk factors

Certain statements made in this MD&A contain forward-looking information within the meaning of applicable Canadian and United States securities laws ("forward-looking statements"). These forward-looking statements are presented for the purpose of assisting the Company's shareholders and prospective investors in understanding management's intentions and views regarding future outcomes and are inherently uncertain and therefore should not be heavily relied upon. When used in this MD&A, the words "may", "would", "could", "will", "intend", "plan", "anticipate", "believe", "seek", "propose", "estimate", "expect", and similar expressions, as they relate to the Company, identify such forward-looking statements. Specific forward-looking statements in this MD&A may include, but are not limited to: the Company's ability to execute on its exploration and financing plans, the likelihood of discovering resources; the potential for access to and exploration of the Company's projects, permitting timelines; government regulation of mining operations; environmental and climate-related risks; the possible impairment of mining interests; any objectives, expectations, intentions, plans, results, levels of activity, goals or achievements; the timing and amount of estimated exploration expenditures and capital raises for the Company; the liquidity of the common shares in the capital of the Company and other events or conditions that may occur in the future; the Company's intention to grow its business and its operations; the Company's competitive position; and changes to government regulation, in particular Peruvian.

The forward-looking statements contained in this MD&A represent the Company's views as of the date hereof. The assumptions related to these plans, estimates, projections, beliefs and opinions may change without notice and in unanticipated ways. Many assumptions may prove to be incorrect, including the Company's ability to achieve its financing and budgeting plans, expected costs, assumptions regarding market conditions and other factors upon which the Company has based its expenditure and funding expectations; the Company's ability to obtain or renew the licenses and permits necessary for exploration; the Company's ability to complete and successfully integrate acquisitions; the possible effects of climate change, extreme weather events, water scarcity, and seismic events, and the effectiveness of strategies to deal with these issues; the Company's expectations regarding the future demand for, and supply and price of, precious metals; the Company's ability to recruit and retain qualified personnel; the Company's ability to comply with current and future environmental, safety and other regulatory requirements and to obtain and maintain required regulatory approvals.

Inherent in the forward-looking statements are known and unknown risks, uncertainties and other factors beyond the Company's ability to control or accurately predict, that may cause the actual results, performance or achievements of the Company, or developments in the Company's business or in its industry, to differ materially and adversely from the anticipated results, performance, achievements or developments expressed or implied by such forward-looking statements. Some of the risks and other factors which could cause results to differ materially from those expressed in the forward-looking statements and information contained in this MD&A include, but are not limited to: risks in investigating, optioning or otherwise acquiring interests in mineral projects of merit followed by the high risk of exploration failure, risks in our ability to secure governmental permits and a social license to explore the projects, risks that the financial markets will lose their appetite to finance junior resources issuers; fluctuations in the current and projected prices for precious and base metals; technical risks and hazards associated with the mineral exploration including environmental hazards, potential unintended releases of contaminants, industrial accidents, unusual or unexpected geological or structural formations, and flooding; the uncertainty in the process of estimation and valuation of any mineral resources that may be discovered, changes in Peruvian tax, title and mining laws and regulations impacting exploration activities; the risk of the Company's mineral properties being subject to unknown prior unregistered agreements, transfers or claims and other defects in title; general opposition to mining activities and attendant legal and litigation risks; statutory and regulatory compliance; insurance and uninsurable risks; the Company's limited business history and history of losses and negative cash flow, which will continue into the foreseeable future, and its inability to pay dividends; the continued involvement of the key management team and the Company's ability to secure the specialized skill and knowledge necessary to operate in the mining industry; relations with and potential demands and claims by local communities and non-governmental organizations, including indigenous populations and affected local communities with whom the Company is required to pursue local community surface access agreements in order to explore; the expenses and other requirements of being a public company; risks associated with the significant resources required to maintain regulatory compliance as a public company; the effectiveness of the Company's internal control over financial reporting; cybersecurity risks; risks relating to the Company's reputation; general business, economic, competitive, political and social uncertainties; and public health crises such as the COVID-19 pandemic and other uninsurable risks. While the Company has sought to provide a list of the principal risks, these are the known risks and hence cannot be an exhaustive list of the risks and other factors that may affect any of the Company's forward-looking statements as there are likely also unknown risks. Additional disclosure documents with information relating to the Company and its operations is available on SEDAR+ at www.sedarplus.ca and on the Company's website at www.tieronesilver.com. These documents are for supplemental information purposes only and not incorporated by reference in this MD&A.

The Company's management periodically reviews information reflected in forward-looking statements. The Company has and continues to disclose in its MD&A and other publicly filed documents, changes to material factors or assumptions underlying the forward-looking statements and to the validity of the statements themselves, in the period the changes occur. Historical results of operations and trends that may be inferred from the following discussions and analysis may not necessarily indicate future results from operations.

3. DESCRIPTION OF THE BUSINESS

The Company is a junior resource exploration issuer seeking to create significant value for shareholders through the exploration for silver, gold and copper deposits in South America. The focus of the Company is on its 100% owned Curibaya project, located in Southern Peru, which consists of approximately 17,000 hectares (ha) approximately 48 km north-northeast of the provincial capital, Tacna, accessible by road. The Company is also actively reviewing other resource projects in South America with a longer-term goal of selectively rebuilding a pipeline of prospects for future exploration.

Figure 1 – Location of Tier One's Curibaya property within Peru.

Beyond having title to its mineral properties, the Company must secure environmental permits and local community access agreements in order to conduct its exploration activities. Therefore, building and maintaining relationships with its key stakeholders, namely governmental bodies and local communities, among others, is crucial to the Company's continued success. In this regard, the Company believes that it conducts itself to the highest standards around environmental and social responsibility and corporate governance.

As a normal part of the exploration process, Tier One enters into access and use agreements with the local communities. The process requires achieving local community consensus though positive dialogue with the communities. As at the date hereof, the Company has a community agreement which allows for surface work and drilling on the area of focus of the Curibaya project. The agreement is effective until December 11, 2025, and allows for an extension through assembly approval. The Company is currently working with the community towards an extension.

The Company's common shares trade on the TSXV under the symbol "TSLV" and on the OTCQB Venture Market under the symbol "TSLVF" and are listed in the Unofficial Market of the Frankfurt Stock Exchange and the Stuttgart Stock Exchange under the symbol "TOV0".

3.1 Peruvian projects

3.1.1 Curibaya Project

The Curibaya property is currently comprised of approximately 17,000 ha. Tier One has a 100% interest in the Curibaya project, which is comprised of numerous concessions acquired through staking efforts, mostly by the Company's corporate predecessor, and the Sambalay and Salvador concessions, which were acquired in 2019. The Sambalay concessions are subject to a 1.5% net smelter return ("NSR") royalty in favor of each of Teck Peru, S.A.C. ("Teck") and Compañia de Exploraciones Orion S.A. One third or 0.5% of the Teck NSR royalty is buyable for US$1.0 million. The Salvador concessions are subject to a 2.0% NSR royalty and a US$2.0 million production payment, payable at the time a production decision is made, and to secure payment of such consideration, a legal mortgage in favor of Teck is recorded in the registry files of the Salvador concessions.

Located on a prolific copper porphyry belt that hosts some of Peru's largest porphyry deposits, the Curibaya project hosts both high-grade silver, gold and copper exploration potential. Despite extensive mineralization indicators, only a fraction of the property has been explored. Six distinct silver-gold mineralized corridors, and a compelling porphyry copper target have been identified.

<u>Q4 2025 and 2026 Plans</u>

The Company is now preparing for its next drill campaign, planned to focus on expanding its highest-priority silver-gold target: the Cambaya area. The Cambaya structural corridors are located in the northeast area of the project, which is the highest target in topographic elevation (2,400 metres ("m") above sea level) and within the epithermal system with highly elevated arsenic values, indicating that the potential precious metals horizon is being preserved at shallow depth (see news release dated September 26, 2022). The Company's 2024 surface exploration campaign at Cambaya (see news release dated October 21, 2024) was designed to strengthen the hypothesis that this area represents the optimal zone within a well-preserved epithermal system. Channel sampling and geological mapping successfully delineated new drill targets, and through its work to date, the Company has identified 20 drill pad locations for future drilling that would test several new targets as well as expand on intercepts from the inaugural drill program in 2021 (see news release dated March 14, 2022 for summary of significant 2021 drill results). The Company anticipates that its next phase of drilling will start with approximately 1,200 m, first targeting the most prospective of the identified drill pads, to follow-up on the high-grade silver-gold epithermal mineralization defined at surface in the Cambaya area.

Having a drill plan in place and with funds raised in the September 2025 Offering, the Company is now working to extend its community agreement so that the required infrastructure can be put in place and equipment mobilized to site, before resuming drilling in Q1 2026. Subject to results and additional financing, the Company will look to expand its second phase of drilling.

During the three and nine months ended September 30, 2025, the Company incurred $85,560 and $317,884, respectively, of exploration and evaluation costs on Curibaya ($344,120 and $593,766, respectively, for the three and nine months ended September 30, 2024).

3.1.2 Other Non-Material Projects

Corisur claims

The Corisur claims, covering approximately 1,300 ha, consisted of the Tacora, Tacora Sur and Andamarca concessions which are located in the Peru designated border zone, and as a result unconditional ownership could only be achieved in the future by obtaining a Supreme Decree.

During the nine months ended September 30, 2024, the Company made the decision to relinquish the non-core Corisur project and recorded an impairment charge of $881,622 to write off all capitalized costs associated with these claims.

During the nine months ended September 30, 2024, the Company reversed a provision and recorded an expense recovery in the amount of $162,473 (US$120,000). The provision had been recorded in 2021 in relation to anticipated final costs for the orderly closure of the Huilacollo option and permit, all of which have been completed. No further costs are anticipated.

Coastal Batholith

During the nine months ended September 30, 2025, the Company relinquished the remaining 3,500 ha that made up the Coastal Batholith project, a wholly owned project on the Pacific Ocean coast of Peru acquired through staking. All costs related to the staking of the Coastal Batholith project were impaired in 2023 as the plan for the early stage, non-core asset was uncertain, and therefore there was no financial statement impact of dropping the remaining claims as at September 30, 2025.

Hurricane

During the nine months ended September 30, 2024, the Company recorded an expense recovery in the amount of $123,854 related to the reversal of a provision that had been recorded for estimated final costs to complete the termination of the Hurricane option, which was initiated in October 2023 and completed in June 2024.

Exploration and evaluation costs incurred on other properties

During the three and nine months ended September 30, 2025, the Company recorded an exploration and evaluation cost recovery of $14,210, respectively, on the Coastal Batholith claims resulting from the reversal of previously accrued 2024 and 2025 concession fees after the Company made the decision to relinquish the remaining concessions (exploration and evaluation expense of $3,862 and $9,701, respectively, on its properties grouped as other during the three and nine months ended September 30, 2024).

3.2 Qualified person and technical disclosures

Christian Rios, P.Geo., SVP of Exploration of the Company, is the Qualified Person who has prepared or supervised the preparation of the technical disclosures in this MD&A.

4. DISCUSSION OF OPERATIONS

4.1 Three months ended September 30, 2025 and 2024 (Q3 2025 vs Q3 2024)

During the three months ended September 30, 2025, the Company reported a loss of $461,495 compared to a loss of $840,323 for the comparable period in 2024. Significant variances within operating expenses and other expenses, which in combination resulted in the $378,828 decrease in the current period's loss, are discussed as follows:

- Exploration and evaluation costs in Q3 2025 decreased to $85,560 from $347,982 in Q3 2024. The significant reduction reflects the Company's focus on cash preservation and expenditure reduction initiatives. During the current quarter, activities at the Curibaya project were scaled back to support only essential work, including maintaining the good standing of the Company's concessions and community relationships. In the comparable quarter, the Company completed a surface work program focusing on the high-priority silver-gold corridors, Cambaya I and Cambaya II.

- Fees, salaries and benefits, marketing and investor relations, and office and administration costs were all lower in Q3 2025 compared to Q3 2024. The decrease reflects reduced administrative and marketing support requirements, along with the Company's continued efforts to reduce and contain expenditures during a period of lower activity. Costs were further reduced as the corporate team transitioned to remote work following UMS Canada's sublease of the shared office space in Q4 2024.

- Regulatory, transfer agent and shareholder information costs decreased to $15,057 in Q3 2025 compared to $32,063 in Q3 2024. The decrease was primarily driven by the deferral of the Company's 2025 annual general meeting to Q4 2025 thereby deferring the meeting related costs as well, whereas the 2024 annual general meeting and related costs occurred in Q3 2024.

- Project investigation costs increased to $74,014 in Q3 2025 compared to $27,303 in Q3 2024. The increase reflects the reallocation of the Company's technical team efforts away from exploration, instead working to identify, review and evaluate projects for acquisition as the Company seeks to rebuild a pipeline of projects for future exploration.

4.2 Nine months ended September 30, 2025 and 2024 (YTD 2025 vs YTD 2024)

During the nine months ended September 30, 2025, the Company reported a net loss of $1,525,095 compared to a net loss of $2,851,386 for the comparable period in 2024, representing a decrease of $1,326,291. Variances for the comparable nine-month periods are generally attributable to the same factors discussed above for the three-month period. However, the prior year comparative period also included one-off items that increased the loss for the period including a mineral property impairment charge on the Corisur concessions of $881,622, and the expense of $156,925 of financing costs that had been deferred and capitalized but no longer represented a future economic benefit to the Company when its shelf prospectus expired in August 2024. These additional costs were partially offset by the $286,327 expense recovery recorded upon reversal of costs that had been provided for in relation to the Huilacollo and Hurricane option terminations.

For the three and nine months ended September 30, 2025 (In Canadian dollars, unless otherwise noted)

4.3 Summary of Quarterly Results

Quarter ended	Interest income	Loss for the period	Comprehensive loss for the period	Net loss per share
September 30, 2025	**$1,255**	**$ 461,495**	**$ 458,141**	**$0.00**
June 30, 2025	1,271	544,348	547,410	0.00
March 31, 2025	1,845	519,252	519,532	0.00
December 31, 2024	2,246	832,804	812,510	0.00
September 30, 2024	10,527	840,323	845,237	0.00
June 30, 2024	11,619	664,113	666,575	0.00
March 31, 2024	8,207	1,346,950	1,326,548	0.01
December 31, 2023	5,196	1,041,762	1,035,521	0.01

During the last eight quarters, the Company's net loss has ranged between $461,495 and $1,346,950. Quarterly losses are closely correlated to the level of exploration activity in any given quarter, which can fluctuate significantly. Additionally, the Company incurs expenditures on administrative activities, professional fees, corporate outreach and communications, and regulatory compliance, to support its exploration activities, public listings and to promote the Company's activities in the market. These expenses fluctuate to a significant degree depending on the funding opportunities available to the Company to pursue exploration.

In addition to the quarterly loss trends discussed above, the Company also recognized impairment charges in Q4 2023 in relation to its investment in UMS Peru, in Q1 2024 after the decision was made to relinquish the remaining Corisur claims, in Q4 2024 in relation to its decommissioning of equipment and again in Q2 2025 in relation to the dissolution of its foreign subsidiary. Beyond the fluctuations driven by activity levels, the impairment charges resulted in increased losses during those periods.

4.4 Summary of Project Costs

During the nine months ended September 30, 2025, the Company incurred $303,674 in exploration and evaluation costs on its projects.

Mineral property interests	Curibaya	Other	Total
Balance as at December 31, 2023	$ 1,376,162	$ 861,211	$ 2,237,373
Mineral property impairment	-	(881,622)	(881,622)
Recognition of provision for site reclamation and closure	(2,969)	-	(2,969)
Currency translation adjustment	75,419	20,411	95,830
Balance as at December 31, 2024	**$ 1,448,612**	**$ -**	**$ 1,448,612**
Currency translation adjustment	**(30,253)**	**-**	**(30,253)**
Balance as at September 30, 2025	**$ 1,418,359**	**$ -**	**$ 1,418,359**

Exploration and evaluation costs (recoveries)	Curibaya	Other	Total
Surface exploration	$ 32,092	$ -	$ 32,092
Camp and project support	33,676	-	33,676
Concession holding	52,819	(14,210)	38,609
Permitting, environmental and community	198,535	-	198,535
Share-based payments	762	-	762
Total for the period ended September 30, 2025	**$ 317,884**	**$ (14,210)**	**$ 303,674**

4.5 Future Operations

Current financial resources are expected to be primarily directed at continuing progress at Curibaya and any new projects will likely require new financing initiatives. The Curibaya project is drill ready and assuming a community agreement extension is obtained in the near term, the Company expects to initiate drilling activity. Initial work will be comprised of construction of access roads and drill platforms. The Company's second drill program is expected to start with approximately 1,200 m to initiate testing of the Cambaya target area. The Company estimates that this work would cost approximately $2.5 million. The Company plans to prioritize and start drilling only a few of the 20 drill pad locations identified to date and then, subject to results and additional funding, would extend the program to continue testing from more of the identified drill pads.

For the three and nine months ended September 30, 2025 (In Canadian dollars, unless otherwise noted)

While the Company believes there are multiple opportunities at the significantly unexplored Curibaya project, having relinquished its non-core properties, the Company is also actively reviewing other resource projects for acquisition to rebuild a portfolio of projects for future exploration, and is currently in exclusive negotiations over a project of interest in South America.

During Q3 2025, the Company closed the September 2025 Placement, raising gross proceeds of $6,500,000 to fund exploration at Curibaya, new project investigation and general working, and while the Company has been successful in raising capital in the past, its ability to fund continued drilling at Curibaya and other work programs, including potential future project acquisitions, will depend on raising additional funds through the sale of common shares. There can be no assurance that the Company will be able to raise sufficient funds to finance its future plans.

5. FINANCIAL POSITION, LIQUIDITY, AND CAPITAL RESOURCES

5.1 Financial position and liquidity

	September 30, 2025	December 31, 2024
Cash	**$ 4,665,116**	$ 171,294
Amounts receivable	**23,473**	31,562
Current other assets	**116,294**	206,945
Non-current other assets	**98,270**	100,588
Mineral property interests	**1,418,359**	1,448,612
Current liabilities	**(557,697)**	(955,829)
Non-current liabilities	**(397,838)**	(500,193)

As at September 30, 2025, the Company had cash of $4,665,116 (December 31, 2024, $171,294) and a working capital surplus of $4,247,186 (December 31, 2024 – working capital deficit of $546,028).

As at September 30, 2025, the Company had current liabilities, due to be paid within 12 months, consisting of accounts payable and accrued liabilities totaling $557,697 which include 2025 Curibaya government concession fees and 2024 penalty fees, due by June 30, 2026, totaling $164,021. Penalties are legislated fees payable to the government, in the event that the Company does not expend the government mandated minimum investment amount on exploration properties. In the case that adequate amounts are expended on the exploration properties and the minimum investment is met, penalty fees are eliminated. In 2024, the Company did not meet the minimum investment expenditures in three of its concessions and therefore, penalties have been accrued in relation to those concessions in that year.

In addition, the Company has a non-current reclamation and closure provision of $397,838 and certain commitments in relation to its share of the UMS Canada lease obligation as disclosed in Note 5 of the financial statements.

During the nine months ended September 30, 2025, the Company used cash of $1,797,090 in operating activities compared to $1,981,370 during the comparative period in 2024. The lower cash outflow during 2025 reflects reduced activity levels and continued cost-reduction initiatives as discussed above. Cost savings in the current period were partially offset by the negative cash impact of changes in working capital.

During the nine months ended September 30, 2025, the Company generated cash from investing activities of $4,371 compared to $30,353 during the comparative period in 2024. Cash inflows in both periods were related to interest earned on cash balances, with the higher amount in 2024 reflecting the Company's higher average cash balance and higher interest rates during the comparable period.

During the nine months ended September 30, 2025, cash provided by financing activities was $6,285,036 which primarily consisted of combined net proceeds of $6,289,811 from the January 2025 Private Placement and September 2025 Offering. In comparison, financing activities generated cash of $1,440,634 during the nine months ended September 30, 2024, from share issuances including $25,000 on the exercise of share options.

Capital markets have been challenging in recent years for junior exploration companies hence during this time the Company has made significant efforts to minimize and contain expenditures. As of the date of this MD&A, the Company currently projects to require $1.6 million annually to cover corporate compliance and overhead costs, including corporate communications and marketing, and $0.7 million for project related costs to maintain its Curibaya project, permits and community relationships in good standing. The estimated annual cash requirements outlined above, do not include the funds required to undertake exploration activities, the amount of which is dependent on the size and extent of the planned program(s), or costs related to project investigation and potential acquisitions. The Company has currently budgeted $2.5 million in Q4 2025-Q1 2026 to conduct drilling at the Cambaya target as discussed above, as well as $0.4 million in legal and technical due diligence costs and advance option payments in connection with the Company's ongoing exclusive agreement negotiations to obtain an option on a South American mineral project.

For the three and nine months ended September 30, 2025 (In Canadian dollars, unless otherwise noted)

Despite having some ability to limit and contain its expenditures, the Company has incurred operating losses to date and does not generate operating revenue to support its activities. With no source of operating revenue, there can be no assurance that sufficient funding will be available to conduct further exploration of its mineral properties. The ability to continue as a going concern remains dependent upon the Company's ability to obtain the financing necessary to continue to fund its mineral properties and exploration programs, the realization of future profitable production, proceeds from the disposition of its mineral interests, and/or other sources. These conditions create a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern and expose the Company to liquidity risk, being the risk that it will have difficulty in meeting obligations associated with its financial liabilities. While the Company has been successful in completing financings in the past and as of September 30, 2025, had sufficient cash on hand to discharge its financial liabilities as they become due, it will require additional funding to continue operations for the next twelve months and execute on its planned exploration and other activities.

5.2 Capital Resources

On June 20, 2025, a Board director of the Company loaned $175,000 to the Company under an unsecured promissory note arrangement to pay government concession fees in June 2025 to maintain its current mineral properties. On September 12, 2025, the Company repaid the loan to the Board director.

Additionally, as at June 30, 2025, the Company had received subscription receipts totalling $119,008 in relation to the LIFE offering, which was subsequently terminated and therefore these funds were returned to subscribers in Q3 2025.

On September 16, 2025, the Company closed the September 2025 Placement, for gross proceeds of $6,500,000. The intended use of proceeds from the Offering is to fund exploration at Curibaya, new project investigation and general working capital. A reconciliation of the net proceeds is as follows:

	Number of common shares		**Proceeds**
Units issued at $0.08 per unit	81,250,000	$	6,500,000
Share issuance costs			(421,171)
Net proceeds		$	6,078,829

A summary of the funds on hand at June 30, 2025, and how funds were used during the three months ended September 30, 2025, is as follows:

Promissory note proceeds remaining at June 30, 2025	$	51,362
LIFE offering share subscriptions received		119,008
Proceeds remaining at June 30, 2025	**$**	**170,370**
Actual use of proceeds – Q3 until repayment date		
Expenditures on the Curibaya project		(1,299)
General working capital		(24,973)
Return of funds on terminations of LIFE offering		(119,008)
Proceeds remaining at September 11, 2025	**$**	**25,090**
Net proceeds from September 2025 Placement	$	6,078,829
Actual use of proceeds – Q3		
Repayment of promissory note and interest		(179,775)
Expenditures on the Curibaya project		(220,001)
General working capital		(965,013)
Expenditures on project investigation		(74,014)
Proceeds remaining at September 30, 2025	**$**	**4,665,116**

6. OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have off-balance sheet arrangements. Earn-in arrangements are not viewed as off-balance sheet arrangements, and there are no other commitments held by the Company at the balance sheet date other than as disclosed in Note 5 to the financial statements in respect of future lease payments on the UMS Canada shared office.

For the three and nine months ended September 30, 2025 (In Canadian dollars, unless otherwise noted)

7. RELATED PARTY TRANSACTIONS

Related party transactions, as defined by IFRS, are those with entities over which the Company has control or significant influence and with key management personnel, being persons having the authority and responsibility for planning, directing, and controlling the Company. Due to the Company having a 25% and 50% ownership interest in UMS Canada and UMS Peru, respectively, they are classified as related parties. For avoidance of doubt the following are not "related party transactions" as defined by the Canadian Securities laws in relation to protection of minority shareholders (Multi-lateral Instrument 61-101).

7.1 Universal Mineral Services Canada and Universal Mineral Services Peru

Universal Mineral Services Ltd. ("UMS Canada") is a shared service provider company in which the Company holds a 25% equity interest which it acquired for nominal consideration, with the remaining 75% balance being shared equally by three other non-related junior resource explorers certain of which have some directors in common. UMS Canada provides administrative, geological, accounting, and other advisory services to the Company on a cost recovery basis.

Universal Mineral Services Peru S.A.C. ("UMS Peru") is a company incorporated under Peruvian law, which in the past provided administrative and geological services to Corisur and Magma Minerals S.A.C. and to the Peruvian subsidiary of a non-related company. During Q4 2023, UMS Peru stopped providing services to the Company and is now in the final steps of being wound up.

All transactions have occurred in the normal course of operations. All amounts are unsecured, non-interest bearing and have no specific terms of settlement, unless otherwise noted.

		Three months ended September 30,				Nine months ended September 30,		
		2025		2024		**2025**		2024
Exploration and evaluation cost (recovery)	$	**17,749**	$	35,529	$	**(25,990)**	$	37,239
General and administration		**140,419**		128,255		**308,100**		354,464
Project investigation		**7,364**		187		**17,134**		1,434
Total transactions for the period	$	**165,532**	$	163,971	$	**299,244**	$	393,137

As at September 30, 2025, $94,505 (December 31, 2024 - $157,109) was included in accounts payable and accrued liabilities and $46,030 (December 31, 2024 - $65,237) in prepaid expenses, deposits and other relating to transactions with UMS Canada. Including the initial deposit of $150,000 advanced to UMS Canada for working capital purposes, the Company had a net deposit of $101,525 with UMS Canada as at September 30, 2025.

At the time UMS Peru stopped operating in Q4 2023, the Company had a working capital deposit with UMS Peru in the amount of $65,707 (US$47,200). The full amount had been written down to $nil as at December 31, 2023, as it was not expected to be recovered; however, in April 2025, $35,940 (US$25,000) was repaid to the Company. As at September 30, 2025, the windup of UMS Peru is substantially complete and the Company expects to recover an additional amount of $13,652 (US$9,807) in Q4 2025, and as such, this deposit amount has been reinstated and included within prepaids expenses, deposits and other as at September 30, 2025.

7.2 Key management transactions

In addition to the transactions disclosed above, the Company provided or accrued the following compensation to key management members, being its three executives, of which one is a Board director, and five (six until August 7, 2024) non-executive independent directors:

		Three months ended September 30,				Nine months ended September 30,		
		2025		**2024**		**2025**		**2024**
Executive salaries and benefits	$	**139,602**	$	144,719	$	**427,422**	$	**448,449**
Non-executive independent director fees		**39,824**		42,034		**120,314**		**137,438**
Share-based payments		**-**		16,200		**3,588**		**79,077**
Total transaction for the period	$	**179,426**	$	202,953	$	**551,324**	$	**664,964**

The Company's Chief Financial Officer provides services, on a less than full-time basis, under a secondment employment arrangement between the Company and UMS Canada. As at September 30, 2025, the Company had an accounts payable balance with all key management personnel of $2,411 ($242,752 as at December 31, 2024).

The Company grants options to certain UMS employees, including key management personnel of the Company. The Company recognized share-based payments of $nil and $1,311 for the three and nine months ended September 30, 2025, respectively, in respect of share options granted to UMS employees ($5,616 and $26,294 for the three and nine months ended September 30, 2024).

On June 20, 2025, a Board director of the Company loaned $175,000 to the Company under an unsecured promissory note arrangement at an annualized interest rate of 12%. The funds were repaid by the Company on September 12, 2025, upon closing of the first tranche of the September 2025 Placement, together with accrued interest of $4,775.

On October 24, 2025, 3,553,000 share options were granted to directors and officers of the Company.

8. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of the financial statements in conformity with IFRS accounting standards requires management to select accounting policies and make estimates and judgments that may have a significant impact on the financial statements. Estimates are continuously evaluated and are based on management's experience and expectations of future events that are believed to be reasonable under the circumstances. Actual outcomes may differ from these estimates.

In preparing the Company's financial statements, the Company applied the significant accounting estimates and judgments disclosed in Note 3 of the audited consolidated financial statements for the year ended December 31, 2024.

9. CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

The accounting policies followed in the financial statements are the same as those applied in the Company's most recent audited annual consolidated financial statements for the year ended December 31, 2024, as disclosed in Note 3 therein, with the exception of those new and amended standards discussed below.

Application of new and amended accounting standards

The Company adopted the following amendments to accounting standards, effective January 1, 2025:

On August 14, 2023, the IASB issued amendments to IAS 21 "Lack of Exchangeability" which contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not. The amendments to IAS 21 are effective for annual periods beginning on or after January 1, 2025. The adoption of the new standard did not have an impact on the financial statements of the Company.

Standards issued but not yet effective

On April 9, 2024, the IASB issued a new standard, IFRS 18 Presentation and Disclosure in Financial Statements, to improve the reporting of financial performance. IFRS 18 introduces categories and defined subtotals in the statement of profit or loss, disclosures on management-defined performance measures, and requirements to improve the aggregation and disaggregation of information in the financial statements. As a result of IFRS 18, amendments to IAS 7 were also issued to require that entities use the operating profit subtotal as the starting point for the indirect method of reporting cash flows from operating activities and also to remove presentation alternatives for interest and dividends paid and received. IFRS 18 replaces IAS 1 Presentation of Financial Statements and will be effective for annual reporting periods beginning on or after 1 January 2027, and is to be applied retrospectively, with early adoption permitted. The Company is in the process of assessing the impact of this new accounting standard on the consolidated financial statements.

On May 30, 2024, the IASB issued Amendments IFRS 9 and IFRS 7 which clarify the date of initial recognition or derecognition of financial liabilities, including financial liabilities that are settled in cash using an electronic payment system. The amendments also introduce additional disclosure requirements to enhance transparency regarding investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features. These amendments are effective for annual periods beginning on or after January 1, 2026, with early adoption permitted. The Company is currently assessing the impact, if any, of the amendments on the consolidated financial statements.

For the three and nine months ended September 30, 2025 (In Canadian dollars, unless otherwise noted)

10. FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

As at September 30, 2025, the Company's financial instruments consist of cash, amounts receivable, deposits, and accounts payable and accrued liabilities which are classified as and measured at amortized cost. The fair values of the current financial instruments approximate their carrying values due to their short-term nature. The Company's financial instruments are exposed to certain financial risks including credit risk, liquidity risk and currency risk. Details of the primary risks that the Company is exposed to are further laid out in Note 11 to the Company's financial statements.

11. OTHER REQUIRED DISCLOSURES

11.1 Proposed transactions

As of the date of this MD&A, the company is conducting project due diligence and exclusive agreement negotiations to obtain an option on a South American mineral project. Any binding option agreement, if ultimately reached, is not expected to be achieved before early 2026 and would be subject to TSXV approval before becoming effective.

11.2 Capital structure

The capital structure of the Company consists of:

Authorized: Unlimited number of common shares.

The following common shares, share options and share purchase warrants were outstanding as at September 30, 2025, and at the date of this MD&A:

	As at September 30, 2025	As at date of M&DA
Common shares	258,732,856	258,732,856
Share options	9,820,000	14,633,000
Share purchase warrants	102,542,753	102,542,753

11.3 Disclosure controls and procedures

As defined in National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings, disclosure controls and procedures require that controls and other procedures be designed to provide reasonable assurance that material information required to be disclosed is duly gathered and reported to senior management in order to permit timely decisions and timely and accurate public disclosure.

Management is responsible for the establishment and maintenance of a system of internal control over financial reporting. This system has been designed to provide reasonable assurance that assets are safeguarded and that the financial reporting is accurate and reliable. The consolidated financial statements have been prepared by management in accordance with IFRS and in accordance with accounting policies set out therein.

Management of the Company, with the participation of the Chief Executive Officer and the Chief Financial Officer, have evaluated the design of the Company's disclosure controls and procedures and the design of internal controls over financial reporting as required by Canadian securities laws, and have concluded that such procedures are adequate to ensure accurate and complete disclosures in public filings.

There are inherent limitations in all control systems, and no disclosure controls and procedures can provide complete assurance that no future errors or fraud will occur. An economically feasible control system, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

Additional disclosures pertaining to the Company's management information circulars, material change reports, press releases and other information are available on the SEDAR+ website at www.sedarplus.ca under Tier One Silver Inc.'s profile.

On behalf of the Board of Directors,

"Peter Dembicki"
Peter Dembicki
President, Chief Executive Officer and Director
November 26, 2025