TIER ONE SILVER

(An exploration stage business)

MANAGEMENT'S DISCUSSION AND ANALYSIS
TIER ONE SILVER INC.
For the three and nine months ended September 30, 2024

Dated: November 28, 2024

1. HIGHLIGHTS FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2024 AND SUBSEQUENT EVENTS UP TO THE DATE OF FILING

1.1 Operational Highlights

- On October 21, 2024, Tier One Silver Inc. ("Tier One" or the "Company") reported new channel sampling results from its priority silver-gold corridors Cambaya I and Cambaya II at its flagship Curibaya project, located in Southern Peru. The Cambaya structural corridors, located in the northeast area of the property, represent highly prospective precious metals target areas, identified through extensive surface sampling. In comparison with other targets within the property, Cambaya is higher in topography, (approximately 2,400 metres above sea level), higher in stratigraphy (Toquepala volcanics) and is believed to be located in the upper part of the epithermal system due to the occurrence of more extensive high grade precious metal samples and high arsenic anomalies (>100ppm). This is accompanied by the presence of lower temperature silica and quartz vein colloform textures. The Company's recent surface exploration program was designed to expand the highly prospective precious metals targets and enhance the thesis that Cambaya sits at the preferred zone of an epithermal system. The program consisted primarily of channel sampling and mapping and was successful in delineating additional drill targets for a possible future drill program, to be planned subject to financing.

- On July 15, 2024, the Company announced that it had resumed exploration activities at its Curibaya project. The exploration program was planned to cover three main project zones within the Company's high-priority silver-gold corridors that have been underexplored to date: Cambaya I, Cambaya II and the recently identified polymictic breccia in Zone 1. The program would consist of approximately two to three months of field work, including sampling and geological mapping, with the aim of expanding and defining the potential of the precious metal epithermal corridors and the porphyry target based on existing geochemical and Controlled-Source Audio-Frequency Magnetotellurics ("CSAMT") geophysical anomalies, to delineate drill targets for a possible future drill program.

- On July 3, 2024, the Company announced that it had renewed and received notarization of its social access agreement with the local Chipispaya community at its Curibaya project. The renewed agreement is effective until June 11, 2025, and allows for an extension by an additional year through assembly approval. Under the renewed agreement, Tier One has committed to providing new employment opportunities and training at the project for local community members.

1.2 Corporate Highlights

- On November 20, 2024, the Company announced that it is undertaking a private placement financing of up to 15,000,000 equity units of the Company each consisting of a common share and a two-year share purchase warrant at an offering price of C$0.10 per unit. Each warrant is exercisable at a price of C$0.20 and is subject to an accelerated expiry if the shares trade at a certain premium to the exercise price. The proposed use of proceeds from the offering is to fund further exploration work at its flagship, Curibaya project and general working capital. At the date hereof there can be no certainty that the financing will complete in whole or in part or on the announced terms.

- On August 13, 2024, the Company announced the voting results for the election of its Board of Directors (the "Board") at the Annual General Meeting of Shareholders held on August 7, 2024, in Vancouver, British Columbia. The director nominees as listed in the Company's Information Circular (the "Circular") dated July 26, 2024, and SEDAR+ filed July 28, 2024, were elected as directors of the Company at the Meeting to serve until the next Meeting. Shareholders also voted in favour of the Company's long-term incentive plan ("LTI Plan"), which was authorized by the Board June 11, 2024, and summarized in the Company's Circular.

- On May 29, 2024, the Company announced the engagement of two capital markets and communications firms, namely Strike Communications to assist with the creation, coordination and implementation of the Company's targeted capital markets strategy and investor relations objectives, and GRA Enterprises LLC DBA National Inflation Association to provide communications and media services.

- On April 30, 2024, the Company closed a non-brokered private placement for total gross proceeds of $1,484,504 in which 10,603,600 units were issued at a price of $0.14 per unit (the "April 2024 Private 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 $0.25 for a period of 12 months from the date of issuance subject to an accelerated expiry if the shares trade at a certain premium to the exercise price. The Company paid aggregate cash finders' fees of $45,037 and issued 321,691 finders' warrants, with each finder's warrant exercisable on the same terms as the unit warrants. The intended use of proceeds from the April 2024 Private Placement was to fund general working capital (see section 5.2 for actual use of proceeds).

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, 2024 (the "financial statements") and for the nine months then ended (certain specified information is current to the date of filing).

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 28, 2024.

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 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, pressures, cave-ins 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; our inability to pay dividends, the continued involvement of our key management team and our 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 we are 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 public perception; general business, economic, competitive, political and social uncertainties; and public health crises such as the COVID-19 pandemic and other uninsurable risks. While we have 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 information relating to the Company and its operations, including its Annual Information Form, 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 Peru. The primary 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.

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.

For the three and nine months ended September 30, 2024 (In Canadian dollars, unless otherwise noted)

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 covering a portion of the Curibaya project, which is effective until June 11, 2025, and allows for an extension by an additional year through assembly approval.

3.1 Peruvian projects

3.1.1 Curibaya Project

The Curibaya property is currently comprised of approximately 17,000 ha and is situated in a copper porphyry belt that hosts some of Peru's largest porphyry deposits. 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.

<u>2024 Activity and Plans</u>

On June 11, 2024, the Company renewed and received notarization of its social access agreement with the local Chipispaya community, which is effective until June 11, 2025, and allows for an additional one-year extension and the recommencement of surface work and drilling.

During Q3 2024, the Company completed a surface exploration program at Curibaya which focused on the Company's high-priority silver-gold corridors, Cambaya I and Cambaya II, that have been underexplored to date and are both within the current drill permitted area. The Cambaya structural corridors, located in the northeast area of the property, represent highly prospective precious metals target areas, identified through extensive surface sampling.

The recent program was designed to expand the highly prospective precious metals targets and enhance the thesis that Cambaya sits at the preferred zone of an epithermal system. The program consisted primarily of channel sampling and mapping and was successful in delineating additional drill targets for a future drill program. At Cambaya I, 48 samples were taken from 10 trenches in 200m x 200m areas. At Cambaya II, 53 samples were taken from 17 trenches, in 250m x 500m areas. The table below reflects highlights from the exploration work:

Channel ID		From (m)	To (m)	Length (m)	AgEQ (g/t)	Ag (g/t)	Au (g/t)
24CRT-164		1	2	1	158.7	151.5	0.09
	Incl.	**1**	**1.5**	**0.5**	**291.2**	**280.0**	**0.14**
24CRT-167		**0.5**	**2**	**1.5**	**3233.7**	**3095.6**	**1.72**
	Incl.	**1**	**1.5**	**1**	**9280.4**	**8950.0**	**4.13**
24CRT-168		1	1.5	0.5	229.8	185.0	0.56
24CRT-169		0.5	1.5	1	170.5	161.7	0.11
	Incl.	**0.5**	**1**	**0.5**	**305.6**	**292.0**	**0.17**
24CRT-172		**1**	**1.5**	**0.5**	**392.4**	**262.0**	**1.63**
24CRT-173		**0.5**	**1**	**0.5**	**258.6**	**233.0**	**0.32**

Internals >= 75ppm AgEQ
Metal price used for Eq calculations: Ag US$25/oz, Au US$2,000oz. AgEq figures are before any reduction for metallurgical recoveries

The Company has identified 20 drill pad locations and anticipates that the next phase of drilling will comprise between 2,000 – 5,000 metres, from 5 of the identified drill pads, to follow-up on the high-grade silver-gold epithermal mineralization defined at surface. Despite having a drill plan in place, the Company will not be in a position to execute its second phase of drilling at the Curibaya project until it raises sufficient capital, at which point it will commence work to implement the required infrastructure and mobilize equipment to site, before resuming drilling activities.

During the three and nine months ended September 30, 2024, the Company incurred $344,120 and $593,766, respectively, of exploration and evaluation costs on Curibaya ($427,259 and $1,212,849 for the three and nine months ended September 30, 2023, respectively).

3.1.2 Hurricane

On October 20, 2023, the Company gave notice to Pembrook Copper Corp. ("Pembrook") that it was terminating the share purchase option agreement (the "Hurricane Option") which gave the Company the option to acquire Pembrook's Peruvian subsidiary, Compañia Minera Tororume S.A.C. ("Tororume") which owns the Hurricane project located approximately 66 km north of the city of Cusco in southeastern Peru. As a result, during the year ended December 31, 2023, the Company impaired all previously capitalized costs and as of September 30, 2024, there are no costs capitalized in relation to this project.

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 is now complete. No further material costs are anticipated.

The Company incurred $nil of exploration and evaluation expenses on the Hurricane project during the three and nine months ended September 30, 2024 ($36,698 and $262,523 for the three and nine months ended September 30, 2023, respectively).

3.1.3 Other Non-Material Projects

Corisur claims

The Corisur claims, covering 1,300 ha, consisted of the Tacora, Tacora Sur and Andamarca concessions which are located in the Peru 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, consequently, the Company 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

Coastal Batholith is a wholly-owned project on the coast of Peru acquired through staking and covers approximately 3,500 ha after relinquishing many of the concessions in each of 2022 and 2023 to keep only what the Company considers the most prospective areas. All costs related to the staking of the Coastal Batholith project were impaired in 2023 as the plan for this early stage, non-core asset was uncertain then, and still is, and therefore, as at September 30, 2024, the balance remains $nil.

Exploration and evaluation costs incurred on other properties

On the Company's properties that are grouped as other, which included the Coastal Batholith and Corisur claims, the Company recorded net exploration and evaluation expenses of $3,862 and $9,701 during the three and nine months ended September 30, 2024, respectively, (net exploration and evaluation expenses of $11,536 and $3,565 for the three and nine months ended September 30, 2023, respectively). The amounts reported in both the 2024 and 2023 nine-month periods, included the reversal of the prior year's validity fees that were accrued for the concessions that were subsequently relinquished.

3.2 Qualified person and technical disclosures

Christian Rios, P.Geo., SVP of Exploration of the Company, is the Qualified Person with respect to the technical disclosures in this MD&A.

2024 Channel Sampling – Curibaya

Analytical samples were taken from each 0.5-1.0 metre interval of channel floor resulting in approximately 2-5 kg of rock chips material per sample. Collected samples were sent to ALS Lab in Arequipa, Peru for preparation and then to ALS Lima, Peru for analysis. All samples are assayed using 30 g nominal weight fire assay with atomic absorption finish (Au-AA25) and multi-element four acid digestion ICP-AES/ICP-MS method (ME-MS61). Where MS61 results were greater or near 10,000 ppm Cu, 10,000 ppm Pb or 100 ppm Ag the assay was repeated with ore grade four acid digestion method (Cu, Pb, Ag-OG62). Where OG62 results were greater or near 1500 ppm Ag the assay was repeated with 30 g nominal weight fire assay with gravimetric finish (Ag-GRA21). QA/QC program for 2024 channel samples using internal standard and blank samples; field and lab duplicates indicate good overall accuracy and precision.

4. DISCUSSION OF OPERATIONS

4.1 Three months ended September 30, 2024 and 2023 (Q3 2024 vs. Q3 2023)

During the three months ended September 30, 2024, the Company reported a loss of $840,323 compared to a loss of $1,601,030 for the comparable period in 2023. Significant variances within operating expenses and other expenses, which in combination resulted in the $760,707 decrease in the current period's loss, are discussed as follows:

- Exploration and evaluation costs in Q3 2024, decreased to $347,982 from $475,493 in Q3 2023. Despite having completed similar sized surface exploration programs in each of the comparable periods, the costs incurred in the current period benefited from the expenditure reduction initiatives that were implemented in 2023, which included the relinquishing of the Company's Hurricane and non-core properties, right sizing the technical team and minimizing the camp at Curibaya to base levels for periods of inactivity. For the current period program, the Company was able to supplement its team and camp, as needed, for the duration of the program.

- Fees, salaries, and other employee benefits of $225,105 in Q3 2024 were lower than the $469,648 incurred in Q3 2023 as the Company required less administrative support services during the period of reduced activity and as a result reduced its administrative headcount both in Peru and Canada in Q4 2023. Additionally, share based payments included in fees, salaries and other employee benefits in the current quarter were $15,760 compared to $65,612 in the prior year quarter.

- Marketing and investor relations expenses in Q3 2024 increased to $107,383 from $37,741 in Q3 2023, mainly due to the engagement of two capital markets and communications firms in Q2 2024 to assist with the creation, coordination and implementation of the Company's targeted capital markets, investor relations and communications strategies and objectives. Further to this, the allocation of share-based compensation from the grant of 300,000 share options to a marketing service provider in the current quarter resulted in the inclusion of a non-cash expense of $21,225 compared to $874 in Q3 2023.

- Project investigation costs in Q3 2024 decreased to $27,303 from $91,540 in Q3 2023 again due to the reduced technical team headcount.

- In addition to the factors mentioned above, the Company recorded a mineral property impairment of $368,643 and termination costs of $31,070 in Q3 2023 in relation to the termination of the Hurricane Option. No such amounts were recorded in Q3 2024.

4.2 Nine months ended September 30, 2024 and 2023 (YTD 2024 vs YTD 2023)

During the nine months ended September 30, 2024, the Company reported a loss of $2,851,386 compared to a loss of $4,437,594 for the comparable period in 2023, reflecting a decrease of $1,586,208. Significant variances for the comparable nine-month period generally reflect the aforementioned cost reduction efforts implemented throughout 2023, which resulted in lower expenses in the nine-month 2024 period. Other factors that impacted the loss for the nine months ended September 30, 2024, were as follows:

- the recognition of a mineral property impairment on the Corisur concessions of $881,622 compared to a mineral property impairment of $430,747 in the 2023 period which primarily related to the Hurricane Option termination;
- the $286,327 expense recovery of the Huilacollo and Hurricane option termination costs; and
- the recognition of $156,925 of previously deferred financing costs, which consisted of legal and regulatory filing fees, incurred on the filing of the 2022 short form shelf prospectus which expired in the current period.

For the three and nine months ended September 30, 2024 (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, 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
September 30, 2023	11,238	1,601,030	1,598,427	0.01
June 30, 2023	11,271	1,364,128	1,389,882	0.01
March 31, 2023	14,695	1,472,436	1,473,366	0.01
December 31, 2022	23,465	1,592,730	1,610,414	0.01

During the last eight quarters, the Company's net loss has ranged between $664,113 and $1,601,030. 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 Q2 2023 upon dropping additional Coastal Batholith claims, in Q3 2023 as related to the termination of the Hurricane Option, in Q4 2023 in relation to its investment in UMS Peru, and again in Q1 2024 after the decision was made to relinquish the remaining Corisur claims. 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, 2024, the Company incurred $603,467 in exploration and evaluation costs on its projects and recorded an impairment charge of $881,622 after making the decision to relinquish the Corisur claims.

Mineral property interests	Curibaya	Hurricane	Other	Total
Balance as at December 31, 2022	$ 1,398,690	$ 368,683	$ 945,220	$ 2,712,593
Mineral property addition	1,671	-	-	1,671
Mineral property impairments	-	(368,643)	(62,104)	(430,747)
Recognition of provision for site reclamation and closure	(3,453)	-	-	(3,453)
Currency translation adjustment	(20,746)	(40)	(21,905)	(42,691)
Balance as at December 31, 2023	$ 1,376,162	$ -	$ 861,211	$ 2,237,373
Mineral property impairment	**-**	**-**	**(881,622)**	**(881,622)**
Currency translation adjustment	**17,704**	**-**	**20,411**	**38,115**
Balance as at September 30, 2024	**$ 1,393,866**	**$ -**	**$ -**	**$ 1,393,866**

Exploration and evaluation costs (recovery)	Curibaya	Other	Total
Surface exploration	$ 169,320	$ -	$ 169,320
Camp and project support	158,542	-	158,542
Concession holding	48,562	(23,816)	24,746
Permitting, environmental and community	203,090	33,517	236,607
Share-based payments	14,252	-	14,252
Total for the nine-month period ended September 30, 2024	**$ 593,766**	**$ 9,701**	**$ 603,467**

4.5 Future Operations

Resources have been and will continue to be primarily directed at continuing progress at Curibaya. With the renewal of the community agreement completed on June 11, 2024, the Company recommenced surface exploration at the project in July 2024, focusing work in the Cambaya target area.

For the three and nine months ended September 30, 2024 (In Canadian dollars, unless otherwise noted)

The Curibaya project is drill ready and once sufficient capital has been raised the Company plans 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 consist of between 2,000 - 5,000 m to test the Cambaya target area. The Company estimates that this work would cost between $2.5 and $5.0 million. While the Company believes there are multiple opportunities at the much unexplored Curibaya project, having relinquished its non-core properties, the Company is also reviewing other projects with a longer-term goal of selectively rebuilding a pipeline of prospects for future exploration.

On November 20, 2024, the Company announced its plans to raise $1.5 million in order to fund further exploration work at Curibaya project and general working capital. While the Company has been successful at raising capital in the past, the ability of the Company to fund Curibaya drilling and other work programs, including potential future project acquisitions, will be subject to 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, including retention of its principal concessions.

5. FINANCIAL POSITION, LIQUIDITY, AND CAPITAL RESOURCES

5.1 Financial position and liquidity

	September 30, 2024	December 31, 2023
Cash	**$ 314,881**	$ 825,589
Amounts receivable	**9,005**	48,535
Current other assets	**275,220**	393,021
Non-current other assets	**120,652**	159,586
Mineral property interests	**1,393,866**	2,237,373
Current liabilities	**(820,170)**	(1,030,294)
Non-current liabilities	**(161,576)**	(249,025)

As at September 30, 2024, the Company had cash of $314,881 (December 31, 2023, $825,589) and a working capital deficit of $221,064 (December 31, 2023, $236,851). None of the Company's cash is restricted.

As at September 30, 2024, the Company had current liabilities which include accounts payable and accrued liabilities totalling $612,132 (December 31, 2023 - $546,311) and the Company's current provision of $208,038 (December 31, 2023 - $483,983) recorded in relation to obligations it has at Curibaya for reclamation and closure activities. Additionally, the Company has a non-current reclamation and closure provision of $161,576 (December 31, 2023 - $150,284). The Company also has certain commitments related to the office premises it occupies on a shared basis under the UMS Canada lease obligation disclosed in Note 5 of the financial statements.

During the nine months ended September 30, 2024, the Company used cash of $1,981,370 in operating activities compared to $3,559,920 during the comparative period in 2023. The lower cash outflow during the nine months of 2024 was primarily the result of the lower activity level, specifically exploration and related support costs, as discussed above.

During the nine months ended September 30, 2024, the Company generated cash from investing activities of $30,353 compared to $35,533 during the comparative period in 2023. The cash inflow in both periods related to interest earned on cash balances.

During the nine months ended September 30, 2024, cash provided by financing activities was $1,440,634 compared to $2,528,033 in the nine months ended September 30, 2023. The cash inflow during the nine months of 2024 related to the April 2024 Private Placement and $50,000 from share options exercised.

Capital markets have been challenging in recent years for junior exploration companies and 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 $1.4 million annually to cover corporate compliance and overhead costs, $0.4 million for corporate communications and marketing, and $1.0 million for project related costs to keep 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).

Despite having some ability to limit 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, as at September 30, 2024 the Company did not have sufficient cash on hand to discharge its financial liabilities as they become due, and will require additional funding to continue operations for the upcoming year.

For the three and nine months ended September 30, 2024 (In Canadian dollars, unless otherwise noted)

5.2 Capital Resources

On April 30, 2024, Tier One completed the April 2024 Private Placement for gross proceeds of $1,484,504. The intended use of proceeds from the April 2024 Private Placement was to fund general working capital. A reconciliation of the net proceeds and a summary of how the funds have been used as of September 30, 2024, is as follows:

	Number of common shares		Proceeds
Units issued at $0.14 per unit	10,603,600	$	1,484,504
Share issuance costs			(93,870)
Net proceeds		$	1,390,634
Actual use of proceeds – 2024			
Expenditures on the Curibaya project			(436,160)
General working capital			(600,086)
Expenditures on other projects and project investigation			(39,507)
Proceeds remaining at September 30, 2024		**$**	**314,881**

On December 15, 2023, the Company closed the December 2023 Private Placement for total gross proceeds of $985,100 through the issuance of 9,851,000 equity units (each $0.10 unit consists of a common share and a share purchase warrant exercisable at $0.35 for a two-year period from the date of issuance). The Company's intended use of net proceeds was for general working capital purposes. A reconciliation of the net proceeds and a summary of how the funds have been used as of September 30, 2024, is as follows:

	Number of common shares		Proceeds
Units issued at $0.10 per unit	9,851,000	$	985,100
Share issuance costs			(40,165)
Net proceeds		$	944,935
Actual use of proceeds – 2023			
Expenditures on the Curibaya project			(26,872)
General working capital			(83,802)
Expenditures on other projects and project investigation			(8,672)
Proceeds remaining at December 31, 2023		$	825,589
Actual use of proceeds – 2024			
Expenditures on the Curibaya project			(244,838)
General working capital			(533,085)
Expenditures on other projects and project investigation			(47,666)
Proceeds remaining at September 30, 2024		**$**	**-**

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.

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 an ownership interest in both UMS Canada and UMS Peru 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).

For the three and nine months ended September 30, 2024 (In Canadian dollars, unless otherwise noted)

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 head office premises, 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 provides administrative and geological services to Corisur S.A.C and Magma Minerals S.A.C. and to the Peruvian subsidiary of a non-related company. In order to comply with Peruvian transfer pricing rules, UMS Peru charges its services at cost plus a markup of 5% for administrative services and 7% for geological services. During Q4 2023, UMS Peru stopped providing services to the Company and is now in the process of being wound up. As a result, the Company recorded a total impairment of $104,402 through the statement of loss for the year ended December 31, 2023, in relation to its investment in UMS Peru, being $41,976, and the $62,426 (US$47,200) deposit held by UMS Peru, which is not expected to be recovered.

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,	
	2024	2023	**2024**	2023
Exploration and evaluation	**$ 35,529**	$ 117,217	**$ 37,239**	$ 465,996
General and administration	**128,255**	195,918	**354,464**	768,722
Marketing and investor relations	**-**	11,435	**-**	45,834
Project investigation	**187**	51,027	**1,434**	80,793
Total for the period	**$ 163,971**	$ 375,597	**$ 393,137**	$ 1,361,345

As at September 30, 2024, $63,442 (December 31, 2023 - $86,215) was included in accounts payable and accrued liabilities and $42,356 (December 31, 2023 - $60,486) in prepaid expenses, deposits and other relating to transactions with UMS Canada. Including the original deposit of $150,000 advanced to UMS Canada for working capital purposes, the Company had a net deposit balance of $128,914 with UMS Canada as at September 30, 2024.

As at September 30, 2024, the Company had a working capital deposit with UMS Peru in the amount of $62,426 (US$47,200, unchanged since December 31, 2023); however, the amount was written down to $nil as at December 31, 2023 as it is not expected to be recovered and there has been no change as of September 30, 2024.

7.2 Key management compensation

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,	
	2024	2023	**2024**	2023
Salary and benefits, for executives	**$ 144,719**	$ 296,205	**$ 448,449**	$ 610,160
Fees, for non-executive independent directors	**42,034**	51,564	**137,438**	136,682
Share-based payments	**16,200**	67,189	**79,077**	108,113
Total for the period	**$ 202,953**	$ 414,958	**$ 664,964**	$ 854,955

For the three and nine months ended September 30, 2024 (In Canadian dollars, unless otherwise noted)

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, 2024, the Company had an accounts payable balance with key management personnel of $149,058 ($122,058 as at December 31, 2023) which primarily related to the approved, but deferred and unpaid, 2022 short-term compensation awarded by the Company's Board of Directors in 2023.

The Company grants options to certain UMS employees, including key management personnel of the Company. The Company recognized share-based payments of $5,616 and $26,294 for the three and nine months ended September 30, 2024, respectively, in respect of share options granted to UMS employees ($42,747 and $71,366 for the three and nine months ended September 30, 2023, respectively).

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 consolidated 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 judgements disclosed in Note 3 of its audited consolidated financial statements for the year ended December 31, 2023.

9. CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

The Company has reviewed new and revised accounting pronouncements that are effective for periods after December 31, 2023, and noted that these did not have an impact on the financial statements of the Company.

The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective and they have not been early adopted. The Company is currently assessing the new and amended standards, which are not expected to have a material impact on the Company's consolidated financial statements.

10. FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

As at September 30, 2024, the Company's financial instruments consist of cash, amounts receivable, deposits, as well as accounts payable and accrued liabilities, which are classified as and measured at amortized cost. The fair values of these 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 laid out in Note 10 to the Company's financial statements.

11. OTHER REQUIRED DISCLOSURES

11.1 Proposed transactions

As at September 30, 2024 and as at the date of this MD&A, the Company had no material proposed and pending transactions.

11.2 Capital structure

The capital structure of the Company is as follows:

Authorized: Unlimited number of common shares

The following common shares, share options and share purchase warrants were outstanding as at September 30, 2024 and at the date of this MD&A:

	As at September 30, 2024	As at date of M&DA
Common shares	171,049,523	171,049,523
Share options	9,895,000	9,895,000
Share purchase warrants	45,551,397	45,551,397

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 28, 2024