ARGENTUM
SILVER CORPORATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

NINE MONTH PERIOD ENDED MARCH 31, 2020

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*The following is management's discussion and analysis ("**MD&A**") of Argentum Silver Corp. ("**Argentum**" or the "**Company**"), prepared as of May 26, 2020. This MD&A should be read together with the unaudited consolidated interim financial statements for the three and nine months ended March 31, 2020 and 2019 and related notes, and the audited financial statements for the years ended June 30, 2019 and 2018 and related notes. Financial amounts are expressed in Canadian dollars unless otherwise specified.*

Certain information included in this MD&A may constitute forward-looking statements. Statements in this report that are not historical facts are forward-looking statements involving known and unknown risks and uncertainties, which could cause actual results to vary considerably from these statements. Readers are cautioned not to put undue reliance on forward-looking statements.

*The Company's unaudited interim consolidated financial statements for the three and nine month periods ended March 31, 2020 and 2019 have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("**IASB**") using accounting policies consistent with IFRS as issued by the IASB and interpretations of the International Financial Reporting Interpretations Committee.*

Additional information related to Argentum is available for view on SEDAR at www.sedar.com.

The Company's Business

The Company was incorporated on March 21, 2007 as Silex Ventures Ltd. pursuant to the *Business Corporations Act* of British Columbia. The Company was formed as a "Capital Pool Company" as defined by policy 2.4 of the TSX Venture Exchange (the "**TSX-V**"). In February 2011, the Company completed a qualifying transaction and changed its name to Argentum Silver Corp. The Company's shares trade on the TSX-V under the symbol "ASL".

Properties

Cochavara Project – Peru

On January 15, 2020, the Company acquired all of the issued and outstanding shares of Norsemont II ("Norsemont"). Norsemont owns a 100-per-cent interest in the Cochavara silver-lead-zinc project in northern Peru.

The transaction was executed by way of a three-cornered amalgamation under the *Business Corporations Act* (British Columbia) pursuant to which 1208350 B.C. LTD., a wholly-owned subsidiary of Argentum, amalgamated with Norsemont.

Under the terms of the Amalgamation, shareholders of Norsemont received 0.165343 common shares in the capital of Argentum for every common share held of Norsemont. As a result of the Amalgamation, Argentum issued 2,777,778 Argentum Shares. In addition, holders of convertible securities of Norsemont received 400,000 common share purchase warrants of Argentum, each Argentum Warrant entitling the holder thereof to acquire one additional Argentum Share at an exercise price of $0.25 on or before the date that is three years following the closing of the Amalgamation.

The Cochavara project consists of six concessions totalling 3,479 hectares located in the department of La Libertad in northern Peru, approximately 70 kilometres east of the city of Trujillo.

Vanadium Ridge Project – British Columbia

On July 2, 2018, the Company entered into a mining claim acquisition agreement (the "Agreement") with Lithium Energy Products Inc. (the "Vendor") pursuant to which the Company has agreed to purchase 80% of the Vendor's right, title and interest in the Vanadium Ridge Property (the "Property").

The Company agreed to purchase the interest in the Property, in exchange for the payment of $150,000 (paid) and the issuance of 1,250,000 common shares ("Common Shares") (issued) of the Company to the Vendor. The TSX Venture Exchange granted approval of the transaction on July 26, 2018.

The Vanadium Ridge Project is located at the southern end of the Quesnel Trough approximately 50 km north of Kamloops, British Columbia. The property consists of 20 mining claims covering 2,151 hectares near the town of Barriere. In 2008, American Creek Resources conducted mapping, geochemical sampling, soil sampling and ground geophysics on the property, focused on a large magnetic anomaly identified in a previously flown airborne survey by the British Columbia government. Initial results had indicated potential for an iron ore deposit as three separate zones consisting of massive parallel high-grade magnetite seams and pods in gabbro and diorite intrusions and related skarns. In 2009 American Creek drilled 7 holes totaling of 650 metres to test the continuity at depth of vanadium-rich magnetite surface exposures located within well-defined magnetic anomalies. The program was successful in proving that multiple massive magnetite seams and pods continued at depth. Advanced metallurgical testing of drill-core composites was also performed. Initial metallurgical testing of the magnetite/vanadium produced concentrate averaging 67% iron, 93% magnetite, and 0.74% vanadium. This test-work indicates that the magnetite is coarse-grained and soft, and that silica is not bound in magnetite.

The Vanadium Ridge Project, with its near-surface exposure is attractive as a potential quarry extraction operation that may not require an extended mine-permitting process. With its near-surface mineralization it would not require chemical processing for the liberation of a magnetite concentrate. Conventional blasting for quarry excavation, and processing via crushing, milling and magnetic separation could potentially be the only requirements to produce a final vanadium-rich magnetite direct shipping ore concentrate. It is anticipated that the project would not require large infrastructure and offer potential upside for growth.

Financial

All financial amounts have been determined in accordance with IFRS.

SELECTED ANNUAL INFORMATION

During the most recent three fiscal years, the Company has not incurred any loss from discontinued operations or extraordinary items or declared any dividends.

	June 30,		
	2019 $	2018 $	2017 $
Revenue	Nil	Nil	Nil
Income (loss) for the year	(828,724)	70,406	(341,363)
Basic and diluted loss per share	(0.03)	0.00	(0.01)
Total assets	163,241	501,604	759,790
Long term financial liabilities	-	-	-

SUMMARY OF QUARTERLY RESULTS

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

Quarter Ended	Total expenses	Income (loss) for the period	Basic and diluted loss per share
	$	$	$
June 30, 2018	52,303	(46,278)	0.00
September 30, 2018	799,039	(799,057)	(0.03)
December 31, 2018	73,326	(72,586)	(0.00)
March 31, 2019	51,604	(51,164)	(0.00)
June 30, 2019	48,681	94,083	0.00
September 30, 2019	74,009	(72,561)	(0.00)
December 31, 2019	93,585	(92,480)	(0.00)
March 31, 2020	1,428,379	(1,426,721)	(0.03)

The Company has not generated any revenue.

RESULTS OF OPERATIONS

Three Months Ended March 31, 2020

The Company incurred a net loss of $1,426,721 for the three months ended March 31, 2020 as compared to a loss and comprehensive loss of $51,164 for the three months ended March 31, 2019.

Trends in expenses and the composition of expenses during the three months ended March 31, 2020 were:

- Management and consulting fees are fees paid for services not normally provided by employees. Management and consulting fees increased to $42,502 during the three months ended March 31, 2020 (2019 - $33,750). The amount increased due to management and consulting in Peru with the acquisition of the Cochavara project.

- Exploration and evaluation expenditures of $1,352,806 during the three months ended March 31, 2020 (2019 - $2,700). The increase was due to the acquisition and work at the Company's Cochavara project that was acquired on January 15, 2020. The Company incurred $1,313,177 in acquisition costs incurred on the date of acquisition via the issuance of shares and warrants.

- Office expenses consist of costs associated primarily with maintaining the Canadian head office and offices in Peru. During the three months ended March 31, 2020, office costs were $3,527 (2019 - $3,615). Costs were consistent with the prior period.

- Professional fees comprise legal, accounting and audit fees. Professional fees increased to $14,072 for the three months ended March 31, 2020 (2019 - $3,171). The amount was higher in the period due to legal and accounting fees in Peru with the acquisition of the Peru operations.

- Shareholder communication costs include the cost of consultants hired to manage investor relations, web-based initiatives and news releases. These costs remained consistent, amounting to $8,164 during the three months ended March 31, 2020 (2019 - $8,368).

Nine Months Ended March 31, 2020

The Company incurred a net loss of $1,591,762 for the nine months ended March 31, 2020 as compared to a loss and comprehensive loss of $922,807 for the nine months ended March 31, 2019.

Trends in expenses and the composition of expenses during the nine months ended March 31, 2020 were:

- Management and consulting fees are fees paid for services not normally provided by employees. Management and consulting fees were consistent at $110,002 during the nine months ended March 31, 2020 (2019 - $101,250). The amount increased slightly compared with the prior period due to the addition of management staff in Peru.

- Exploration and evaluation expenditures of $1,422,656 during the nine months ended March 31, 2020 (2019 - $461,431). The increase was due to work at the Company's Cochavara project that was acquired on January 15, 2020. The Company incurred $1,313,177 in acquisition costs incurred on the date of acquisition via the issuance of shares and warrants. During the comparative quarter, the bulk of the $461,431 in expenditures resulted from acquisition costs via the issuance of cash and shares of $412,500.

- Share-based compensation was $nil during the nine months ended March 31, 2020 compared to $297,000 in 2018 as 1,650,000 options were granted in the prior period. See notes 8 and 9 of the unaudited interim consolidated financial statements for the three and nine months ended March 31, 2020 and 2019 for details on valuation of stock options granted.

- Office expenses consist of costs associated primarily with maintaining the Canadian head office and Peru office. During the nine months ended March 31, 2020, office costs were $8,399 (2019 - $13,910) as the Company incurred minimal costs during the period.

- Professional fees comprise legal, accounting and audit fees. Professional fees decreased to $29,710 for the nine months ended March 31, 2020 (2019 - $33,489). The amount was higher in the prior period due to high billings by the Company's previous auditors.

- Shareholder communication costs include the cost of consultants hired to manage investor relations, web-based initiatives and news releases. These costs remained consistent, amounting to $17,898 during the nine months ended March 31, 2020 (2019 - $16,889). Year Ended June 30, 2019

Year Ended June 30, 2019

The Company incurred a net loss and comprehensive loss of $828,724 for the year ended June 30, 2019 as compared to a net income and comprehensive income of $70,406 for the year ended June 30, 2018. The increase in net loss is primarily due to a one-time gain of $313,666 from the sale of the Mexican subsidiaries which occurred in the prior year.

Trends in expenses and the composition of expenses during the year ended June 30, 2019 were:

- Management and consulting fees are fees paid for services not normally provided by employees. Management and consulting fees decreased to $135,000 during the year ended June 30, 2019 (2018 - $200,699). The decrease is due primarily to higher fees incurred for consultants in the prior year in connection with the evaluation of strategic opportunities, and for research reports in connection with potential business opportunities.

- Exploration and evaluation expenditures of $461,431 during the year ended June 30, 2019 (2018 - $nil) increased due primarily to expenditures incurred on the newly acquired Vanadium Ridge Property.

- Office expenses consist of costs associated primarily with maintaining the Canadian head office and Mexican office. During the year ended June 30, 2019, the Company began to wind down operations in Mexico resulting in a lower office costs of $17,554 for the year ended June 30, 2019 (2018 - $14,559) which were offset by additional costs related to the transaction with Norsemont II Resources.

- Professional fees comprise legal, accounting and audit fees. Professional fees increased to $44,211 for the year ended June 30, 2019 (2018 - $31,676). The increase is due to legal and accounting fees incurred in relation to the transaction with Norsemont II Resources.

- Shareholder communication costs include the cost of consultants hired to manage investor relations, web-based initiatives and news releases. These costs decreased, amounting to $17,454 during the year ended June 30, 2019 (2018 - $20,707). The decrease is due to timing of various press releases and corporate filings.

LIQUIDITY AND CAPITAL RESOURCES

As at March 31, 2020, the Company had cash and cash equivalents of $1,105,892 (June 30, 2019 - $45,152) and working capital of $994,828 (June 30, 2019 – working capital of $74,648). Some of the factors affecting the Company's liquidity are:

- The Company will have to incur ongoing costs to maintain its properties and plans to undertake exploration programs that will consume cash.

Based on its current operating plan, management estimates that the Company has enough cash to support operations for at least 12 months. Since there is no assurance that the Company will be able to generate cash from its operations in the foreseeable future, the Company will have to rely on the issuance of shares or debt to fund ongoing operations and investment. There are options and warrants outstanding to purchase common shares that could be exercised in the near term; however, their exercise cannot be guaranteed and therefore the Company cannot rely solely on this as a means of generating cash. The ability of the Company to raise capital will depend on market conditions and it may not be possible for the Company to raise money on acceptable terms or at all.

RELATED PARTY TRANSACTIONS AND DISCLOSURES

The Company entered into transactions with related parties as follows:

Nine months ended March 31,	2020 $	2019 $
Key management personnel compensation		
Management fees		
Gary Nassif, CEO	56,250	56,250
Jim Fairbairn, CFO	45,000	45,000
Share-based payments		
Gary Nassif, CEO	-	72,000
Jim Fairbairn, CFO	-	54,000
David Donato, Director	-	27,000
Albert Contardi, Director	-	27,000
Geoff Balderson, Director	-	27,000
	101,250	308,250

The Company considers its President, Chief Executive Officer and Chief Financial Officer and its directors to be key management.

Accounts payables and accrued liabilities at March 31, 2020 included $nil due to related parties (June 30, 2019 - $49,000).

Financial Instruments

Information about the Company's financial instruments and risk management is included in Note 3 of the Company's March 31, 2020 unaudited interim consolidated financial statements.

Risks and Uncertainties

The more significant risks and uncertainties not discussed elsewhere in this MD&A include:

Financing Risk

The Company will need to continue raising funds to finance its operations and exploration activities. There is no certainty that the Company will be able to raise money on acceptable terms or at all.

Exploration Risk

Exploration for mineral resources involves a high degree of risk. The cost of conducting exploration programs may be substantial and the likelihood of success is difficult to assess. Few explored properties are ultimately developed into producing mines. The Company attempts to mitigate its exploration risk by maintaining a diversified portfolio that includes several different exploration prospects in a number of favorable geologic environments.

Metal Price Risk

Even if the Company's exploration programs are successful in locating economic deposits of minerals or precious metals, factors beyond the Company's control may affect the value and marketability of such deposits. Natural resource prices have wide historic fluctuations due to many factors, including inflation, currency fluctuations, interest rates, consumption trends and local and worldwide financial market conditions. The prices of such natural resources greatly affect the value of the Company and the potential value of its properties. This, in turn, greatly affects its ability to form joint ventures and the structure of any joint ventures formed.

Environmental Risk

The Company seeks to operate within environmental protection standards that meet or exceed existing requirements in the countries in which the Company operates. Present or future laws and regulations, however, may affect the Company's operations. Future environmental costs may increase due to changing requirements or costs associated with exploration and the developing, operating and closing of mines. Programs may also be delayed or prohibited in some areas. Although minimal at this time, site restoration costs are a component of exploration expenditures.

Novel Coronavirus ("COVID-19")

The Company's operations could be significantly adversely affected by the effects of a widespread global outbreak of a contagious disease, including the recent outbreak of respiratory illness caused by COVID-19. The Company cannot accurately predict the impact COVID-19 will have on its operations and the ability of others to meet their obligations with the Company, including uncertainties relating to the ultimate geographic spread of the virus, the severity of the disease, the duration of the outbreak, and the length of travel and quarantine restrictions imposed by governments of affected countries. In addition, a significant outbreak of contagious diseases in the human population could result in a widespread health crisis that could adversely affect the economies and financial markets of many countries, resulting in an economic downturn that could further affect the Company's operations and ability to finance its operations.

Share Capital

STOCK OPTIONS

The Company has a rolling 10% stock option plan that allows for the issuance of options equal to 10% of the number of issued shares. Option grants are subject to the policies of the TSX-V. Options are exercisable for a period of up to ten years from the date of grant but must generally be exercised within 90 days of the optionee ceasing to hold a position with the Company.

OUTSTANDING SHARE DATA

As at the date of this MD&A there were:

- A total of 48,278,543 common shares issued and outstanding.
- Share purchase warrants authorizing the purchase of 400,000 shares at a price of $0.25 per share expiring January 15, 2023.
- Share purchase warrants authorizing the purchase of 2,680,000 shares at a price of $0.10 per share expiring October 23, 2020.
- Share purchase warrants authorizing the purchase of 1,000,000 shares at a price of $0.10 per share expiring November 20, 2020.
- Stock options authorizing the purchase of 1,650,000 shares at a price of $0.24 per share expiring July 11, 2023