



REYNA SILVER CORP.
(An Exploration Stage Company)

**MANAGEMENT'S DISCUSSION AND ANALYSIS – QUARTERLY HIGHLIGHTS
FOR THE SIX MONTHS ENDED JUNE 30, 2024**

OVERVIEW AND INTRODUCTORY COMMENT

Reyna Silver Corp. (“Reyna” or the “Company”) is a growth-oriented junior exploration and development company listed on the TSX Venture Exchange (“TSXV”) under the trading symbol “RSLV”. The Company focuses on exploring for high-grade, district-scale silver deposits in Mexico and the USA.

Reyna’s principal properties are the optioned Medicine Springs property and the optioned Gryphon Summit property in Nevada, USA, and the 100% owned Guigui Property (including 80% interest in the contiguous La Chinche property) and the 100% owned Batopilas mineral property in Mexico.

On August 7, 2024, the Company announced a merger with Reyna Gold Corp. (“Reyna Gold”) – see “Quarterly Financial Condition – Corporate” session.

This MD&A is dated August 29, 2024 and discloses specified information up to that date. Unless otherwise noted, all currency amounts are expressed in Canadian dollars. The following information should be read in conjunction with the unaudited condensed consolidated interim financial statements and the related notes for the six months ended June 30, 2024 and the Company’s audited consolidated financial statements for the year ended December 31, 2023 and the related notes thereto.

Additional information relevant to the Company and the Company’s activities can be found on SEDAR+ at www.sedarplus.ca, and/or on the Company’s website at www.reynasilver.com.

MAJOR QUARTERLY OPERATING MILESTONES

Exploration activities

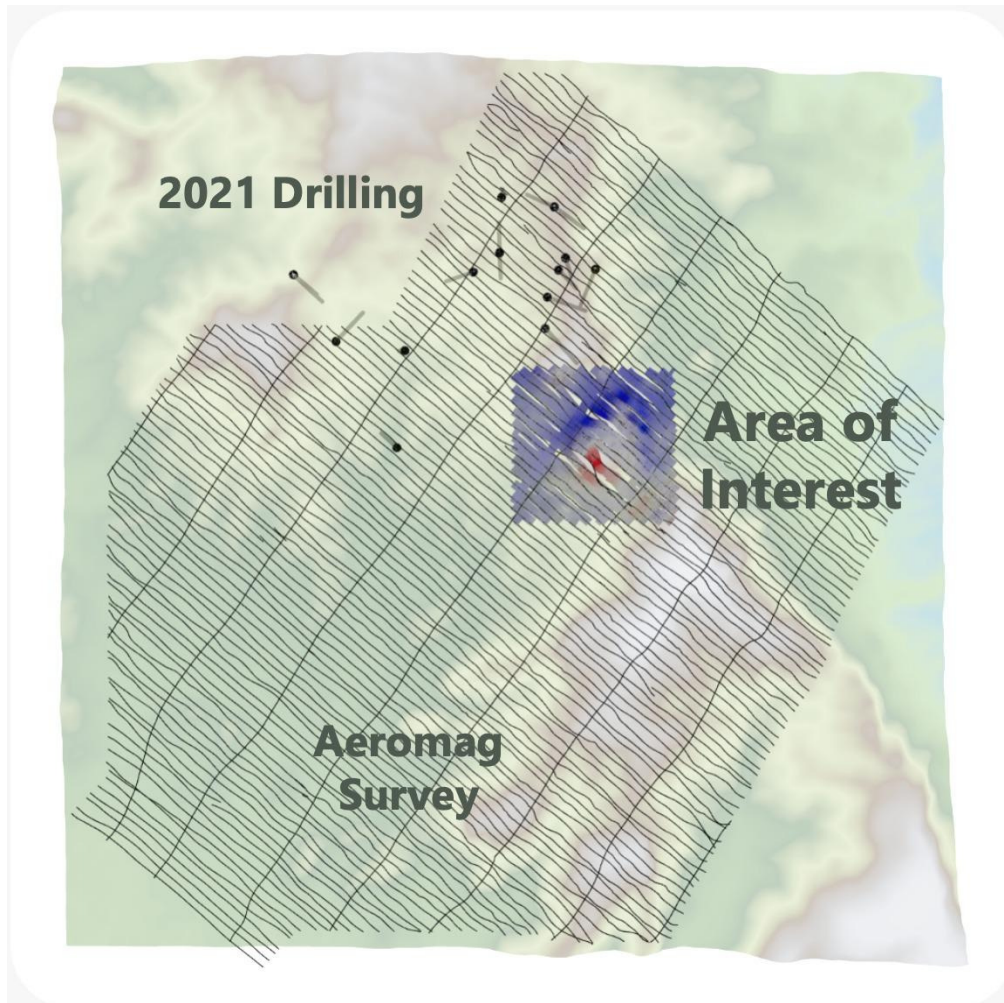
(a) Guigui Property (Mexico)

The Company's CRD exploration model indicates that the intrusive source and proximal mineralized skarn for the system remain to be found. In late 2023, the Company contracted ExploreTech to apply their proprietary Artificial Intelligence (AI) approach to model existing geophysical data specifically to complement surface-based geological work to locate that intrusive source beneath extensive, but thin, pre-mineral volcanic rock cover. In January 2024, the Company released results from ExploreTech's Artificial Intelligence (AI) optimization of existing geophysical data from the Guigui Project (See Press Release from January 22, 2024). ExploreTech's proprietary AI algorithms highlight a strong, multi-layered magnetic anomaly southeast of the 0.5 sq. kilometre sulphide-mineralized skarn footprint identified in 2022 drilling (See Press Release from April 7, 2022). The results reinforce existing geological thinking that



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the intrusive source for the district lies in that area and greatly enhances the area's potential (Figure 1). Pads to drill the target are already permitted and accessible.



(b) Medicine Springs Property (Nevada, USA)

The Optionors and the Company agreed to amend the underlying option agreement pursuant to amending agreements dated March 30, 2023, September 14, 2023, November 10, 2023 and January 31, 2024. Per the terms of the amended option agreement, in order to exercise the option and acquire a 100% interest in the property, the Company is required to fulfill the following:

- (i) Make a cash payment of US \$150,000 to the Optionors within 3 days of the execution of the amendment dated March 30, 2023 (paid);
- (ii) Make a cash payment of US \$150,000 to the Optionors on or before September 15, 2023 (paid);
- (iii) Pay to the Optionors an amendment fee in the aggregate amount of US \$5,000 (paid);



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- (iv) Make a cash payment of US \$150,000 to the Optionors on or before March 1, 2024 (paid);
- (v) Make a cash payment of US \$150,000 to the Optionors on or before October 1, 2024;
- (vi) Make a cash payment of US \$225,000 to the Optionors and issue to the Optionors such number of common shares of the Company having a market value equal to US \$300,000 (based on the 30-day VWAP (volume-weighted average price) of Reyna's common shares on the TSXV prior to the date of issuance subject to a floor price of \$0.12375 per common share) on or before February 1, 2025;
- (vii) Make a cash payment of US \$150,000 to the Optionors on or before October 1, 2025;
- (viii) Incur additional expenditures on the development of the property such that the total aggregate expenditures on the property is not less than US \$2,700,000 on or before December 31, 2023 (Incurred);
- (ix) Paying such amount as is required to maintain the mineral claims included in the property in good standing on or before July 15, 2023 (paid).

The Company recently ran an aerial Magneto Telluric (MT) survey at Medicine Springs that revealed a conductive anomaly underlying the altered and silicified carbonates that yielded the strongest surface copper geochemical anomaly in the project area (See Press Release of January 22, 2024). This combination of anomalies is interpreted as reflecting a possible intrusive center hidden under alluvial cover just northeast of the reconnaissance drilling area. This target will be included in the next round of drilling on the property.

(c) Gryphon Summit Property (Nevada, USA)

The Gryphon Summit Gold, Silver and Critical Metals project came with 39 kilometres of IP, 17 kilometres of CSAMT and NSAMT, gravimetric, hyperspectral, and lidar-like surveys. The Company has contracted ExploreTech, whose AI approach has already been applied to the Guigui Project (See Press Release of January 22, 2024) to apply their AI capability to quickly process these large datasets. This is expected to enable Reyna Silver's technical team to optimize the incorporation of these geophysics datasets into its 2024 drilling program. Targeting will focus on the intrusion-centered porphyry-CRD mineralization, the Carlin-type and the stratabound nickel mineralization that previous work indicates overlap on the property.

In April 2023, a team composed of eight experienced CRD and Carlin Gold geologists spent 12 days systematically reviewing and relogging all of the existing core (23 holes) drilled historically on the property prior to this summer's field mapping and drilling programs. The team confirmed and revised the historical stratigraphic assignments and documented mineralization and alteration features typical of both CRD and Carlin style gold mineralization. Finally, the team considered and prioritized the initial drill targets for the 2024 summer drilling program. Most of the chosen targets can be readily drilled from existing permitted pads.

Given the merge with Reyna Gold, the Company will assume all of Reyna Gold's rights, titles, interests and obligations, including those subject to the property option agreement with respect to the Gryphon Summit Property.

On July 31, 2024, the Company entered into an option agreement (the "Agreement") with Minqwest Ltd. ("Minqwest") acquire a 100% interest in the Mineral Hill Project (the "Option"),

located in Eureka County, Nevada. This historic district was an inlier comprising 8 patented claims and 20 unpatented claims within the overall Gryphon Project (Figure 2.)

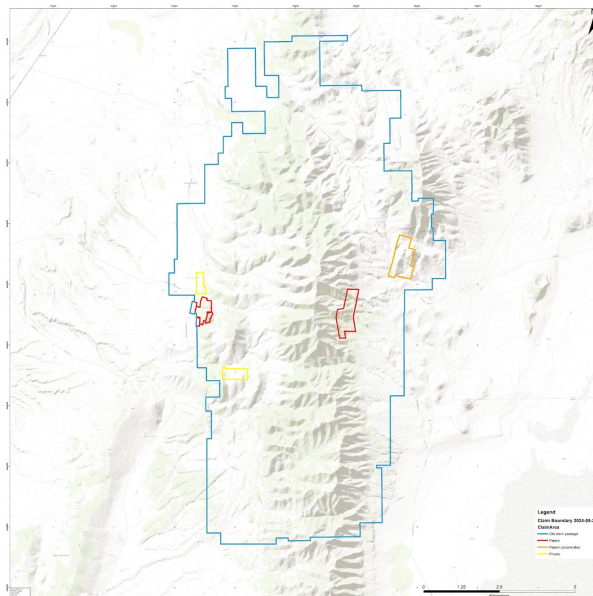


Figure 1. Map of Gryphon claims with the 8 Mineral Hill patented claims and surrounding 20 unpatented claims noted in red on the western side of the property. The blue outline delineates the 10,300 ha existing claims package encompassing the Gryphon Project.

The Option is subject to the Company performing the following by July 31, 2030:

- (i) incurring aggregate exploration expenditures of US\$1,550,000 on the Project; and
- (ii) making cash payments to Minquest in the aggregate amount of US\$1,810,000. On exercise of the Option by the Company, the Company will grant Minquest a 2.5% net smelter return ("NSR") royalty.

To complete its full 100% earn-in under the Agreement, the Company must complete the following:

Date/Period	Cash Payments	Expenditures
Within 5 days of the Effective Date	US\$10,000 (subsequently paid)	None
On or before July 31, 2025	US\$10,000	None
On or before July 31, 2026	US\$40,000	US\$200,000
On or before July 31, 2027	US\$75,000	US\$200,000
On or before July 31, 2028	US\$125,000	US\$300,000
On or before July 31, 2029	US\$150,000	US\$350,000
On or before July 31, 2030	US\$1,400,000	US\$500,000



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The Company will have the option to repurchase half (1.25%) of the 2.5% NSR royalty at any time by paying Minquest US\$2,500,000.

Mineral Hill was a significant historic Ag-Pb-Zn CRD producer with an average grade of 3,968 g/t Ag (140 oz/ton Ag) production during its prime in the 1870s with average grades lowering to 680 g/t Ag (24 oz/ton Ag) towards the end of mine life. Studying this portion of the Gryphon system allows the technical team to understand the geometry of the mineralization and begin following it towards source and potentially more mineralization.

On August 2, 2024, the Company entered into an option agreement (the "Agreement") with Aulode LLC. ("Aulode") on the Union Hill Project (the "Project") located in Eureka County, Nevada. The Union patented claim group has 10 newly staked claims (81 hectares) at the Company's 70% optioned Gryphon Summit project.

Like the Mineral Hill claim group, the Union Patented Claims group encompasses an entire historical high-grade Silver-Lead-Zinc producing district. Mineralization was mined to the base of oxidation leaving the underlying sulfides untouched.

The Agreement gives the Company the right (the "**First Option**") to earn a 100% ownership interest in the mineral rights and rights to prospect and explore the Project; and the further right (the "**Second Option**") to earn a 100% ownership interest in all remaining rights (including without limitation surface rights) in the Project and to become the fee simple title owner of the Project. The First Option is subject to the Company making cash payments to Aulode in the aggregate amount of US\$1,000,000 on or before August 2, 2030.

Cash Payment Date	Cash Payment Amount
On execution of this Agreement (the "Execution Date")	US\$27,500 (subsequently paid)
On or before February 2, 2025	US\$27,500
On or before August 2, 2025	US\$27,500
On or before February 2, 2026	US\$27,500
On or before August 2, 2026	US\$25,000
On or before February 2, 2027	US\$25,000
On or before August 2, 2027	US\$120,000
On or before February 2, 2028	US\$120,000
On or before August 2, 2028	US\$120,000
On or before February 2, 2029	US\$120,000
On or before August 2, 2029	US\$120,000
On or before February 2, 2030	US\$120,000
On or before August 2, 2030	US\$120,000

The Second Option is subject to the Company making a production decision and making further cash payments to Aulode as follows:

- (i) US\$500,000 within thirty (30) days after the Company receives all construction, environmental and other permits required in order to proceed with construction on the Project; and



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- (ii) US\$2,000,000 no later than three months prior to the estimated date of commencement of construction on the Project.

If the Company has not made a production decision by August 2, 2030, it may extend the date for exercise of the Second Option by up to a further three years by making further cash payments of US\$250,000 in respect of each such one-year extension.

On exercise of the Second Option, the Company will grant Aulode a 2.5% net smelter return ("NSR") royalty over the Project. The Company will have the option to repurchase half (1.25%) of the 2.5% NSR royalty at any time by paying Aulode US\$2,500,000.

If the Company has not made a production decision by August 2, 2033, the Company will quitclaim and transfer its rights in the Project to Aulode and Aulode will grant the Company a 2.0% NSR royalty over the Project. Aulode will have the option at any time to repurchase 1.00% of such 2.0% NSR royalty by paying Reyna Silver US\$1,000,000, and to repurchase the remaining half (1.00%) of the 2.0% NSR royalty by paying the Company a further US\$1,000,000.

Adding the Union patented claim group to the recently announced Mineral Hill claim group acquisition plus 233 unpatented claims (1900 hectares) staked by the Company, completes the Company's control of 12,058.98 hectares of claims covering all of the Gold, Silver and Critical Metals potential ground identified to date at [Gryphon](#).

Gryphon Exploration Strategy

The major deposits of the Lander and Eureka county area, including the Battle Mountain - Eureka trend and the Carlin trend, were notable CRD deposits prior to discovery of the massive Carlin gold systems in the 1960s. Ralph Roberts, famous Carlin trailblazer, cited CRDs as significant historical deposits in his papers in 1960 and 1966 including Eureka, Railroad and Cortez which are now collectively known for producing over 60 Moz of Gold. The association of CRDs and Carlin deposits has been recognized for years though the relationship is not yet fully understood (Figure 2).

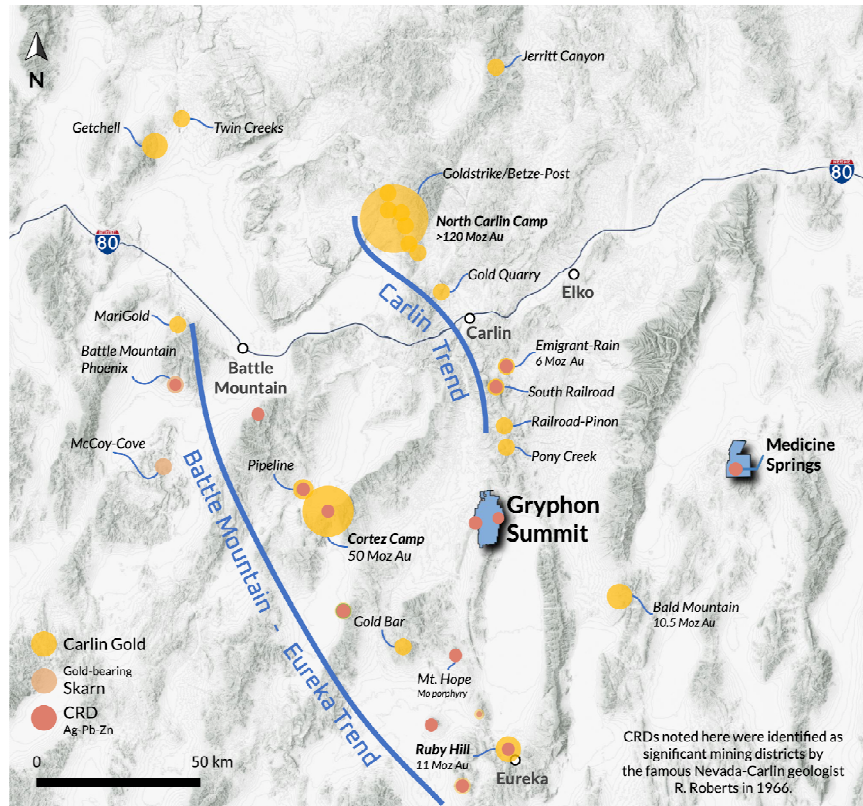


Figure 2. Map of the major Carlin deposits noted in gold (scaled relative to production) and Ag-Pb-Zn CRDs noted red as identified by R. Roberts in his famous 1960 "Alignment of Mining Districts in North-Central Nevada" (USGS Professional Paper 400-B) and 1966, Metallogenic provinces and mineral belts in Nevada (Nevada Bureau of Mines Report 13, pt. A, p. 47-72).

CRD systems are continuous, zoned, polymetallic deposits and following known CRD mineralization back towards its interpreted porphyry source is a key exploration element. Historic production in the Gryphon region occurred prior to the advent of contemporary high-recovery selective flotation metallurgy and focused almost exclusively on oxidized mineralization. This means unoxidized sulfide mineralization beneath the historical production zones remains to be followed through the balance of the CRD-Skarn-Porphyry continuum model the Company follows. The Company plans to immediately use the geometry and geochemistry of the historic Union and Mineral Hill CRD workings to vector towards underlying sulfide Ag-Pb-Zn mineralization. Notably, CRDs in in this part of Nevada, like the Eureka district 70km South of Gryphon and the Cortez Camp 50km to the west, are also known for their significant gold credits, generally believed to stem from a later overprint of Carlin-type gold mineralization. Both mineralization types are documented at Gryphon and the two mineralizing events exploited the same structural plumbing, so understanding the controls on CRD mineralization should enhance understanding the geometry of the entire system, including where concentrated Carlin-type gold may occur.

The Company's technical teams depth of experience exploring and discovering major CRDs provides the opportunity to take a serious look at Gryphon from a new angle. Leveraging the CRD system to reveal all the ore-systems contained within Gryphon.

Drilling will commence imminently targeting the framework of this extensive system including identifying the depth of oxidation, major potentially mineralized structures and critical ore-system exploration vectors.

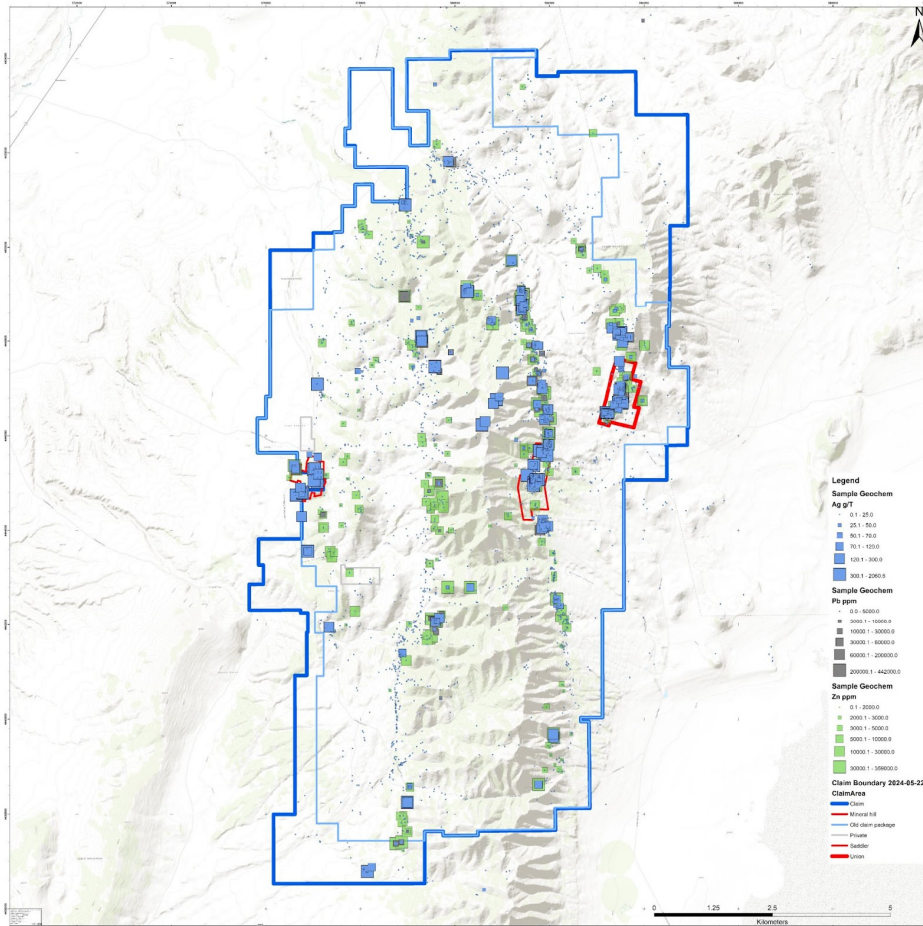


Figure 3. Updated claim map of the 12,058.98 ha project with new boundaries in bold blue and previous boundaries in narrow blue. Patented Claims are delineated in reds. Union is shown in bold red and Mineral Hill on the east side in narrow red (See [Press Release of August 1, 2024](#)). Selective sampling results for Silver are shown in blue with Lead in grey and Zinc in green.

QUARTERLY FINANCIAL CONDITION

Corporate

On June 15, 2024, the Company appointed Lauren Megaw as Vice President of Corporate Development and Bethany Terracina as the Vice President of Investor Relations.

On August 7, 2024, the Company announced that the Company and Reyna Gold (TSXV-REYG) entered into an arrangement agreement, pursuant to which the Company has agreed to acquire all of the issued and outstanding common shares of Reyna Gold by way of a statutory plan of arrangement under the Business Corporations Act (British Columbia) (the “Transaction”).



Under the terms of the Agreement, each holder of REYG Shares (a “REYG Shareholder” and, collectively, the “REYG Shareholders”) will receive one (1) common share of Reyna Silver (a “RSLV Share”) for every three (3) REYG Shares held (the “Consideration”). The value of the Consideration represents an approximate 48% premium to REYG Shareholders, based on the 20 day VWAP on the TSXV of the RSLV Shares and the REYG Shares as of August 2, 2024. Upon completion of the Transaction, REYG Shareholders will hold approximately 10% of the issued and outstanding RSLV Shares and existing RSLV Shareholders will hold approximately 90% of the issued and outstanding RSLV Shares, excluding any shares issued in connection with the Debt Conversion (as defined below).

As part of the Transaction, all outstanding options of Reyna Gold will vest immediately and be exchanged for the number of options to purchase RSLV Shares based on the exchange ratio outlined in the Agreement.

In connection with the Transaction, Reyna Gold will assign and Reyna Silver will assume all of Reyna Gold’s right, title, interest and obligations, including under the Property Option Agreement dated August 29, 2023 among Golden Gryphon USA Inc. (the “Gryphon Option Agreement”), Reyna Silver and Reyna Gold with respect to the Gryphon Summit Project.

In addition, it is expected that immediately prior to the Transaction, up to \$117,000.00 in accrued amounts payable by Reyna Gold (including accrued amounts owing, directly or indirectly, to certain directors and officers of Reyna Gold for accrued directors’ fees and management fees) will be converted (the “Debt Conversion”) into REYG Shares at a price of \$0.05 per REYG Share. Further, all change of control payments payable to officers of Reyna Gold under executive compensation agreements will be waived in connection with the Transaction.

Completion of the Transaction will, among other things, require the approval of: (i) at least two-thirds of the votes cast by the REYG Shareholders; and (ii) if required, a simple majority of the votes cast by REYG Shareholders, excluding for this purpose the votes of “related parties” and “interested parties” and other votes required to be excluded under Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions, with all votes to occur at a special meeting of REYG Shareholders expected to take place in September 2024 (the “Reyna Gold Meeting”). No shareholder vote is required by RSLV Shareholders. The Agreement includes covenants typical for transactions of this nature, including non-solicitation covenants. The Transaction is expected to close in September of 2024, subject to the satisfaction (or waiver) of a number of precedent conditions, including, but not limited to receipt of all regulatory approvals, including the approval of the Supreme Court of British Columbia and the TSXV, assignment of the Gryphon Option Agreement and completion of the Debt Conversions.

Capital Resources

On February 26, 2024, the Company completed the first tranche of a non-brokered private placement by issuing 13,934,367 units (“Unit”) at a price of \$0.12 per Unit for gross proceeds of \$1,672,124. On March 6, 2024, the Company completed the second tranche of a brokered private placement by issuing 20,642,276 Units for gross proceeds of \$2,477,073 and on March 13, 2024, the Company completed the third and final tranche of a brokered private placement by



issuing 3,756,691 Units for gross proceeds of \$450,803. Each Unit consists of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one additional common share at a price of \$0.20 until February 26, 2027 for the first tranche, until March 6, 2027 for the second tranche, and until March 13, 2027 for the third tranche. Under the residual value approach, \$69,672 was assigned to the warrant component of the Units.

In connection with the three tranches of the private placements, the Company paid a total of \$269,464 cash finder's fee and issued the following compensation warrants exercisable into one common share at a price of \$0.12 for a period of 3 years: 926,336 compensation warrants until February 26, 2027, 1,080,490 compensation warrants until March 6, 2027, and 238,712 compensation warrants until March 13, 2027. The value of the compensation warrants was determined to be \$133,752 calculated using the Black-Scholes option pricing model. Another \$73,553 paid in cash was also included as share issue costs.

On May 3, 2024, the Company completed the first tranche of a non-brokered private placement by issuing 9,078,750 units ("Unit") at a price of \$0.16 per Unit for gross proceeds of \$1,452,600, and on May 9, 2024, the Company completed the second tranche of a non-brokered private placement by issuing 1,987,500 Units for gross proceeds of \$318,000. Each Unit consists of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one additional common share at a price of \$0.24 until May 3, 2026 for the first tranche and until May 9, 2026 for the second tranche. Under the residual value approach, \$65,269 was assigned to the warrant component of the Units.

In connection with the two tranches of the private placements, the Company paid a total of \$117,222 cash finder's fee and issued the following compensation warrants exercisable into one common share at a price of \$0.16 for a period of 2 years: 597,013 compensation warrants until May 3, 2026 and 135,625 compensation warrants until May 9, 2026. The value of the compensation warrants was determined to be \$52,147 calculated using the Black-Scholes option pricing model. Another \$92,900 paid in cash was also included as share issue costs.

During the six months ended June 30, 2024, 45,000 finder's warrants were exercised at the price of \$0.12.

On June 28, 2024, the Company granted 2,950,000 Restricted Share Units (RSUs) to its directors, vesting 25% every year starting on June 28, 2025. The Company also granted 1,300,000 stock options to its directors and officers expiring on June 28, 2029 and 400,000 stock options to its consultants expiring on June 28, 2026, all with an exercise price of \$0.135 per option.

The Company is aware of the current conditions in the financial markets and has planned accordingly. The Company's current treasury and the future cash flows from warrants, finders' warrants, advisors' options and options, along with the planned developments within the Company are sufficient to carry out its activities throughout 2024. The Company would consider future equity financings if such financings are beneficial to the Company. If the market conditions change, the Company will make adjustment to its budgets accordingly.



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Liquidity

As at June 30, 2024, the Company had a working capital of \$3,453,718 (December 31, 2023 – working capital deficiency of \$407,686). With respect to working capital, \$3,636,004 was held in cash and cash equivalents (December 31, 2023 – \$96,110). The increase in cash was mainly due to (a) net proceeds of \$5,864,664 from the issuance of shares; while being offset by (b) operating expenses including exploration expenses totaling \$1,977,553; (c) exploration and evaluation assets expenditures of \$285,945; (d) exploration deposit of \$50,993; and (e) purchase of equipment of \$10,279.

Operations

For the three months ended June 30, 2024 compared with the three months ended June 30, 2023:

The Company's exploration expenses amounted to \$396,877 (2023 - \$1,225,383), a decrease of \$828,506.

Excluding the non-cash share-based compensation of \$27,576 (2023 - \$Nil) and foreign exchange gain of \$17,827 (2023 – foreign exchange loss of \$9,637), the Company's administrative expenses amounted to \$545,718 (2023 - \$645,043), a decrease of \$99,325 mainly due to: (a) marketing and shareholders communication of \$70,622 (2023 - \$302,248) as the Company has been closely monitoring its use of cash; while being offset by the increases in (b) consulting of \$183,552 (2023 - \$68,574); and (c) legal fees of \$59,307 (2023 - \$30,576) as the Company incurred these expenses to support the exploration program.

The other major items for the three months ended June 30, 2024, compared with June 30, 2023, was:

- Write-off of exploration and evaluation assets of \$Nil (2023 - \$359,153); and
- property investigation costs of \$2,418 (2023 - \$47,558).

During the three months ended June 30, 2024, the Company reported a loss of \$954,762 (2023 – \$2,286,774), a decrease of \$1,332,012.

For the six months ended June 30, 2024 compared with the six months ended June 30, 2023:

The Company's exploration expenses amounted to \$601,001 (2023 - \$1,863,488), a decrease of \$1,262,487.

Excluding the non-cash share-based compensation of \$27,576 (2023 - \$Nil) and foreign exchange gain of \$8,131 (2023 – foreign exchange loss of \$9,942), the Company's administrative expenses amounted to \$989,228 (2023 - \$1,244,189), a decrease of \$254,961 mainly due to: (a) marketing and shareholders communication of \$242,718 (2023 - \$510,079); (b) legal fees of \$63,557 (2023 - \$126,677); (c) transfer agent, listing and filing fees of \$33,321 (2023 - \$61,159) as the Company has been closely monitoring its use of cash; while being



offset by (d) consulting of \$265,415 (2023 - \$139,405) as the Company incurred these expenses to support the exploration program.

The other major items for the six months ended June 30, 2024, compared with June 30, 2023, was:

- Write-off of exploration and evaluation assets of \$Nil (2023 - \$359,153); and
- property investigation costs of \$21,239 (2023 - \$85,160).

During the six months ended June 30, 2024, the Company reported a loss of \$1,630,913 (2023 – \$3,561,932), a decrease of \$1,931,019.

SIGNIFICANT RELATED PARTY TRANSACTIONS

During the quarter, there was no significant transaction between related parties other than the normal course of business. On August 7, 2024, the Company announced a merger with Reyna Gold Corp. (“Reyna Gold”) – see “Quarterly Financial Condition – Corporate” session.

COMMITMENTS, EXPECTED OR UNEXPECTED, OR UNCERTAINTIES

The Company is committed to issue a total of 1,188,681 common shares to its directors, officers and consultants over the next 9 months for consulting and geological consulting services.

On December 16, 2022, the Company entered into a Collaborative Research Agreement with the University of British Columbia pursuant to which the Company is required to make the payments as follows:

- \$31,000 on the Effective date of the agreement (paid);
- \$31,000 on the first anniversary of the Effective date; and
- \$31,000 on the second anniversary of the Effective date.

Other than disclosed in this MD&A – Quarterly Highlights, the Company does not have any commitments, expected or unexpected, or uncertainties.

RISK FACTORS

In our MD&A filed on SEDAR April 26, 2024 in connection with our annual financial statements (the “Annual MD&A”), we have set out our discussion of the risk factors which we believe are the most significant risks faced by the Company. An adverse development in any one risk factor or any combination of risk factors could result in material adverse outcomes to the Company’s undertakings and to the interests of stakeholders in the Company including its investors. Readers are cautioned to take into account the risk factors to which the Company and its operations are exposed. To the date of this document, there have been no significant changes to the risk factors set out in our Annual MD&A.



DISCLOSURE OF OUTSTANDING SHARE DATA

The authorized share capital of the Company consists of an unlimited number of common shares without par value. The following is a summary of the Company's outstanding share data as at June 30, 2024:

	Issued and outstanding	
	June 30, 2024	August 29, 2024
Common shares outstanding	199,681,254	199,681,254
Options	6,529,900	6,529,900
Restricted share units	2,950,000	2,950,000
Warrants	76,105,304	76,105,304
Finder's warrants	4,786,368	4,786,368
Warrants associated with finder's warrants	1,853,192	1,853,192
Fully diluted common shares outstanding	291,906,018	291,906,018

QUALIFIED PERSON

Dr. Peter Megaw, Ph.D., C.P.G., is the Company's Qualified Person, reviewing the technical aspects of exploration projects described herein and is responsible for the design and conduct of the exploration programs and the verification and quality assurance of analytical results. Dr. Megaw is not independent as he and/or companies with which he is affiliated hold Net Smelter Royalties on the Guigui and Batopilas Projects that predate Reyna Silver acquiring them.

Cautionary Statements

This document contains "forward-looking statements" within the meaning of applicable Canadian securities regulations. All statements other than statements of historical fact herein, including, without limitation, statements regarding exploration results and plans, and our other future plans and objectives, are forward-looking statements that involve various risks and uncertainties. Such forward-looking statements include, without limitation, our estimates of exploration investment, the scope of our exploration programs, and our expectations of ongoing administrative costs. There can be no assurance that such statements will prove to be accurate, and future events and actual results could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from our expectations are disclosed in the Company's documents filed from time to time via SEDAR with the Canadian regulatory agencies to whose policies we are bound. Forward-looking statements are based on the estimates and opinions of management on the date the statements are made, and we do not undertake any obligation to update forward-looking statements should conditions or our estimates or opinions change, except as required by law. Forward-looking statements are subject to risks, uncertainties and other factors, including risks associated with mineral exploration, price volatility in the mineral commodities we seek, and operational and political risks. Readers are cautioned not to place undue reliance on forward-looking statements.