Discoverymetals

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the three and nine months ended September 30, 2019 and 2018

Dated November 27, 2019

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

This Management's Discussion and Analysis ("MD&A") of Discovery Metals Corp. and its wholly-owned subsidiaries (together referred to as the "Company" or "Discovery Metals"), has been prepared to enable a reader to assess material changes in financial condition and results of operations as at and for the three and nine months ended September 30, 2019 ("Q3 2019" and "Q3 YTD 2019" , respectively). This MD&A, and the discussion of performance, financial condition and future prospects contained herein, should be read in conjunction with the Company's audited annual consolidated financial statements for the year ended December 31, 2018, the four-month period ending December 31, 2017 and the year ended August 31, 2017 and accompanying notes (the "consolidated financial statements"), prepared in accordance with International Financial Reporting Standards ("IFRS") and the Company's unaudited condensed interim consolidated financial statements for the three and nine months ended September 30, 2019 (the "interim financial statements"), prepared in accordance with International Accounting Standard 34 – *Interim Financial Reporting* ("IAS 34"). The information provided herein supplements, but does not form part of, the interim financial statements and includes financial and operational information from the Company's subsidiary. This discussion also covers the three and nine-month comparative periods ended September 30, 2018 ("Q3 2018" and "Q3 YTD 2018", respectively) and the subsequent period up to the date of this MD&A.

All dollar amounts are presented in Canadian dollars ("CAD"), the Company's functional currency, except where otherwise noted. References to United States dollars are denoted as "USD$" and to Mexican pesos as "MXP". Additional information relating to the Company is available on SEDAR at www.sedar.com and on the Company's website at www.dsvmetals.com.

The Company's certifying officers, based on their knowledge and having exercised reasonable diligence, are also responsible to ensure that this MD&A and related interim financial statements do not contain any untrue statement of material fact and do not omit any required statement of material fact with respect to the periods reported. The interim financial statements, together with the other financial information included in this MD&A present fairly in all material respects the financial condition, results of operations and cash flows of the Company, as at the date of and for the periods presented in this MD&A. This MD&A contains forward looking information that is subject to risk factors set out in the cautionary note herein.

The Company's Board of Directors' (the "Board") review is accomplished principally through the Company's Audit Committee, which meets periodically to review all financial reports, prior to filing. The Board has approved the interim financial statements and this MD&A, as well as ensured that the Company's management ("Management") has discharged its financial responsibilities. Information in this MD&A is prepared as at November 27, 2019.

DESCRIPTION OF BUSINESS

Discovery Metals is a mineral exploration company whose main objective is to identify and successfully define and develop mineral deposits, primarily in Mexico.

The Company was incorporated on October 10, 1986 under the laws of British Columbia as Ayubowan Capital Ltd. On June 13, 2017, the Company's name was changed to Discovery Metals Corp. On March 21, 2017 the Company incorporated a 100% wholly owned subsidiary in Mexico, Discovery Metals, S.A. de C.V. ("Discovery Mexico"). On August 2, 2019, the Company acquired Levon Resources Ltd. The Company is listed on the TSX

Venture Exchange (the "Exchange" or "TSXV") under the symbol "DSV" and the OTCQX Market® under the symbol "DSVMF". The Company's head office is located at Suite 701 - 55 University Avenue, Toronto, Ontario, M5J 2H7.

Q3 2019 HIGHLIGHTS

Cordero

On September 10, 2019, the Company announced the mobilization for a "Phase 1" diamond drilling program on its 100%-owned Cordero project ("Cordero"), acquired on August 2, 2019 as part of the Plan of Arrangement with Levon Resources Ltd. Cordero is located in Chihuahua State, Mexico. Discovery's plan is to drill approximately 30,000-35,000m over the next 12 months with the focus of: (1) delineating and discovering the highest-grade phases and domains of the mineralized system; and (2) testing new high priority areas.

Refer to the Press Releases dated August 2, 2019 and September 10, 2019 available on SEDAR at www.sedar.com and on the Company's website at www.dsvmetals.com.

Stock option grant

On August 16, 2019, the Company, pursuant to the Company's stock option plan, granted an aggregate 5,300,000 options to certain management, employees, consultants and directors. The Options have an exercise price of $0.48 per share, have a five-year term from the date of grant, and vest according to the following schedules:

- **Management and employees**: annually in equal thirds beginning on the date of grant;
- **Consultants**: quarterly in equal eighths beginning three months after the date of grant; and
- **Directors**: immediately on the date of grant.

Any common shares issuable upon exercises of Options will, in accordance with applicable securities laws, be subject to a hold period expiring four months and one day from the date of grant.

Refer to the Press Release dated August 16, 2019 available on SEDAR at www.sedar.com and on the Company's website at www.dsvmetals.com.

Minerva

On August 8, 2019, the Company announced results from underground sampling at the Minerva project.

Highlights include:
- First-ever documented underground channel sampling program at the Minerva.
- At the Mina Minerva area, 78 samples were taken; 53 samples (68%) returned grades greater than 500 g/t AgEq, averaging 1,804 g/t AgEq.
- Select samples include:
  - 0.4 m of 8,880 g/t Ag, 8.7% Zn, 43.2% Pb, 2.3% Cu (11,420 g/t AgEq)

  - 0.6 m of 2,429 g/t Ag, 2.5% Zn, 32.3% Pb, 0.24% Cu (3,907 g/t AgEq)
  - 1.0 m of 34 g/t Ag, 37.8% Zn, 3.0% Pb (2,438 g/t AgEq or 40.4% ZnEq)
  - 1.4 m of 131 g/t Ag, 22.2 % Zn, 2.7% Pb (1,586 g/t AgEq or 26.3% ZnEq)
  - 1.0 m of 190 g/t Ag, 10.6% Zn, 7.7% Pb, 0.11% Cu (1,150 AgEq)
  - 0.9 m of 517 g/t Ag, 5.7% Zn, 3.3% Pb, 0.07% Cu (1,000 g/t AgEq)
- Geophysics results are being finalized and preparation for the Project's first drill program ever is underway.

Refer to the Press Release dated August 8, 2019 available on SEDAR at www.sedar.com and on the Company's website at www.dsvmetals.com.

Acquisition of Levon Resources Ltd.

On August 2, 2019, the Company announced the closing of the acquisition of Levon Resources Ltd ("Levon") by way of a statutory plan of arrangement, as previously announced on May 30, 2019. Pursuant to the Acquisition, Levon shareholders exchanged all issued and outstanding common shares, warrants and options for common shares, warrants and options of Discovery at a ratio of 0.55 Discovery common share, warrant or option for one common share, warrant or option of Levon. The total transaction consideration paid to securityholders of Levon was $26,376,175 in aggregate value of common shares of Discovery and replacement warrants and options, based on the opening price of Discovery common shares on the Toronto Venture Stock Exchange ("TSXV") of $0.395 on August 2, 2019.

The activity of Levon does not constitute a business, as defined by IFRS 3, and consequently, Discovery has accounted for the acquisition of Levon as an asset acquisition.

Refer to note 6 of the interim financial statements for details on the purchase price allocation and to the Press Releases dated May 30, 2019 and August 2, 2019 available on SEDAR at www.sedar.com and on the Company's website at www.dsvmetals.com.

Non-brokered private placement

On July 25, 2019, the Company announced it had closed a non-brokered private placement raising $9,004,770 through the issuance of 23,216,174 common shares at a price of $0.23 per common share and 15,935,000 subscription receipts at a price of $0.23 per subscription receipt. Discovery paid finders fees totalling $17,500 to arms' length parties who introduced Discovery to investors.

The proceeds of the Private Placement will be used primarily to fund Discovery's continuing exploration program at Cordero, following the closing of the Levon Transaction, and the Coahuila projects (Puerto Rico, Minerva and Monclova). A portion of the proceeds will be used for general working capital purposes.

Refer to the Press Release dated July 25, 2019 available on SEDAR at www.sedar.com and on the Company's website at www.dsvmetals.com.

Monclova

On July 11, 2019, the Company announced it had been granted drilling permits for Monclova and that an exploration plan is currently being developed with multiple high-potential drill targets delineated for testing in 2019. This will be the first drilling ever carried out at Monclova.

Refer to the Press Release dated July 11, 2019 available on SEDAR at www.sedar.com and on the Company's website at www.dsvmetals.com.

Warrant Extension

On July 8, 2019, the Company announced it had received approval from the TSX Venture Exchange to extend the term of an aggregate 31,237,000 outstanding common share purchase warrants that were issued pursuant to a non-brokered private placement as described in the Company's news releases dated July 17, 2017, July 19, 2017 and June 17, 2019.

Each Warrant entitles its holder to acquire one common share of the Company (a "Common Share") at an exercise price of $1.00 per Common Share. The original expiry date of each Warrant was August 17, 2019. The Company received approval from the TSXV to extend the expiry date of the Warrants by an additional 18 months, such that each Warrant will expire on February 17, 2021. The exercise price of all Warrants will remain unchanged, at the current exercise price of $1.00 per Common Share. No Warrants under the Private Placement have been exercised to date.

Refer to the Press Release dated July 8, 2019 available on SEDAR at www.sedar.com and on the Company's website at www.dsvmetals.com.

RECENT DEVELOPMENTS

OTCQX® Best Market

On November 18, 2019, the Company announced its common shares began trading on the OTCQX® Best Market in the United States under the symbol DSVMF.

Refer to the Press Release dated November 18, 2019 available on SEDAR at www.sedar.com and on the Company's website at www.dsvmetals.com.

Non-brokered private placement

On November 5, 2019, the Company announced it had closed an oversubscribed non-brokered private placement previously announced on October 10, 2019, raising $19,000,000 through the issuance of 38,911,108 common shares at a price of $0.45 per common share and 3,311,111 subscription receipts at a price of $0.45 per subscription receipt. Discovery paid finders fees totalling $972,450 to arms' length parties who introduced Discovery to investors and issued 1,063,833 broker warrants with an exercise price of $0.50 and a 24-month expiry.

The proceeds of the Private Placement will be used primarily to fund Discovery's continuing exploration program at Cordero, following the closing of the Levon Transaction, and the Coahuila projects (Puerto Rico, Minerva and Monclova). A portion of the proceeds will be used for general working capital purposes.

As a result of the private placement, the Company will be holding a Special meeting of it's shareholders on December 11, 2019 to approve the creation of a 'Control Person' as defined in the policies of the TSX Venture Exchange for a shareholder who will own 21.1% of the outstanding common shares of the Company once the subscription receipts are converted. On conversion, the Company will receive $1,490,000 in cash.

Refer to the Press Releases dated October 10, 2019 and November 5, 2019 available on SEDAR at www.sedar.com and on the Company's website at www.dsvmetals.com.

2019 OUTLOOK

The Company is focused on exploring and advancing Cordero, a 37,000-hectare property in Chihuahua State, Mexico, that covers an entire porphyry district that hosts numerous exploration targets for bulk tonnage diatreme-hosted, porphyry-style, and carbonate replacement deposits. In addition, the Company is focused on discovering and advancing high-grade silver-zinc-lead deposits in a land package of approximately 150,000 hectares covering a historic mining district in northern Coahuila State, Mexico. The portfolio of three large-scale, drill-ready projects and several earlier-stage prospects, all with shallow, high-grade mineralization, is situated in a world-class carbonate replacement deposit belt that stretches from southeast Arizona to central Mexico. The land holdings contain numerous historical direct-ship ore workings with several kilometers of underground development, but there was no modern exploration or drill testing on the properties prior to the work carried out by Discovery.

Based on previous exploration work and drilling completed at Cordero, Management is currently undertaking a drill program to better define the high-grade core of the resource and to test new property-wide targets. Mobilization was announced and the drill program began in September 2019, approximately five weeks ahead of anticipated commencement. In addition, based on extensive surface exploration work (geology, geochemistry, geophysics) completed during 2018, Management has prioritized three projects in Coahuila (Puerto Rico, Minerva, Monclova) to be phase 1 drill tested. The mineralized widths and grades in combination with the interpreted mineralization models from these three projects indicate that economically robust polymetallic mineralization potentially occurs on the projects. The Company plans to drill at Minerva and Monclova during the first half of 2020. Both Minerva and Monclova are fully permitted for drilling. At Puerto Rico, the Company is in the final stages of having the land re-designated and, once completed, will submit its drill permit application. Phase 1 drill targets have been defined at Puerto Rico.

While the Company's main focus for the remainder of 2019 will be on further developing drill programs for Cordero, and its Coahuila projects, other activities will include testing its earlier-stage properties with surface exploration work. In addition, the Company continues to evaluate other strategic and accretive business opportunities. There are no present plans for any material capital expenditures in the next twelve months. With the addition of the gross $28.0 million cash inflow from the private placements which closed on July 25 (with subscription receipt portion having closed on August 2, 2019) and November 5, 2019 (with the subscription receipt portion expected to close on December 11, 2019), the Company is sufficiently capitalized to support the budgeted forecast.

(Expressed in Canadian dollars, except where otherwise noted)

SUMMARY OF CONSOLIDATED QUARTERLY RESULTS

	Q3 2019	Q2 2019	Q1 2019	Q4 2018
Net loss				
(a) Total	**$ (3,876,582)**	$ (807,897)	$ (793,684)	$ (1,384,584)
(b) basic and diluted per share	**$ (0.03)**	$ (0.01)	$ (0.01)	$ (0.02)
Net loss and total comprehensive loss	**$ (4,017,681)**	$ (914,483)	$ (704,463)	$ (1,179,158)
Cash and cash equivalents	**$ 9,974,045**	$ 3,139,279	$ 3,952,973	$ 4,691,676
Total assets[(1)]	**$ 39,074,676**	$ 5,802,632	$ 6,601,720	$ 7,216,714
Total current liabilities[(1)]	**$ 514,414**	$ 220,488	$ 142,402	$ 230,090
Total weighted average shares outstanding	**134,258,418**	65,043,998	65,043,998	65,043,998

(1) Due to the adoption of IFRS 16 – Leases on January 1, 2019, opening balances of assets and liabilities were each increased by $176,073 as a result of the creation of a right-of-use asset and associated liability related to the Company's office lease. Refer to the IFRS 16 transition adjustment discussion in the "Review of Quarterly Consolidated Financial Results" section and the "Changes in Accounting Policies" section of this MD&A.

	Q3 2018	Q2 2018	Q1 2018	4-Months Dec. 31, 2017[(2)]
Net loss				
(a) Total[(1)]	$ (1,983,699)	$ (2,115,844)	$ (1,546,500)	$ (1,901,029)
(b) basic and diluted per share	$ (0.03)	$ (0.03)	$ (0.02)	$ (0.03)
Net loss and total comprehensive loss	$ (1,934,797)	$ (2,027,768)	$ (1,645,433)	$ (2,247,458)
Cash and cash equivalents	$ 5,928,552	$ 8,060,078	$ 10,317,254	$ 12,234,811
Total assets	$ 8,341,816	$ 10,097,337	$ 12,137,236	$ 13,697,402
Total current liabilities	$ 254,985	$ 218,076	$ 358,225	$ 442,391
Total weighted average shares outstanding	65,043,998	65,043,998	65,043,998	65,043,998

(2) As a result of the change in year-end from August 31 to December 31, the transition period was the four-month period ended December 31, 2017.

REVIEW OF QUARTERLY CONSOLIDATED FINANCIAL RESULTS

Q3 2019 vs. Q3 2018

Net loss and total comprehensive loss

The Company had a net and total comprehensive loss of $4,017,681 for Q3 2019, compared to a net and total comprehensive loss of $1,934,797 for Q3 2018 with expenses in the prior year comparative period. The $2,100,384 increase over prior period is primarily due to the recognition of higher non-cash share-based compensation expense from the granting of stock options in the current quarter ($1,472,249) and an impairment charge recognized on the Company's IVA receivable balance ($1,000,710). These increases were offset by a decrease in exploration and project evaluation expenses of $955,238. The net and total comprehensive loss for Q3 2019 includes a non-cash currency translation adjustment ("CTA") loss of $141,099 as a result of the translation of Discovery's Mexican subsidiaries MXP functional currency financial statements to the Company's presentation currency of CAD on consolidation (Q3 2018 – a CTA gain of $48,902).

Share-based compensation expense

The Company incurred non-cash share-based compensation expenses of $1,614,616 during Q3 2019, compared to $142,367 during Q3 2018. This increase is the direct result of the granting of 5,300,000 stock options to certain directors, officers, employees and consultants during the current quarter. Share-based compensation expense reflects the natural vesting of stock options granted which results in a higher expense in the earlier stage of a stock option's life.

Exploration and project evaluation expense

The Company incurred exploration and project evaluation costs of $798,360 during Q3 2019 compared to $1,544,467 during Q3 2018. This decrease is the direct result of the majority of mapping, sampling and assay work being performed on the Company's three main properties during 2018. This work during Q3 2018 included $859,973 spent on Puerto Rico (comprised primarily of $447,373 for permitting and $131,629 on mapping and sampling and assays and $135,145 on salaries and benefits), $324,266 spent on Monclova (comprised primarily of $182,463 on mapping and sampling and assays, $34,407 on surface access rights, and $22,991 for salaries and benefits), approximately $351,040 spent on Minerva (comprised primarily of $245,448 for mapping and sampling and assays, and $40,320 for salaries and benefits) with remainder having been spent on mining duties across all properties and general project expenses.

The spend during Q3 2019 primarily relates to expenditures at the Cordero project including drilling of $317,503, geophysics of $128,990, surface access rights of $65,111 and salaries and benefits of approximately $65,814. Exploration and evaluation expenses for Cordero include spend incurred from the period of acquisition on August 2, 2019 to September 30, 2019.

General office and other expenses

During Q3 2019, the Company incurred general office and other expenses of $453,295 compared to $231,708 during Q3 2018. This change is primarily the result of an increase in both shareholder communication and investor relations expenses and filing and transfer agent fees of $29,928 and $55,206, respectively as a result of the acquisition of Levon Resources Ltd and the non-brokered private placement, and an increase in salaries and benefits of $97,158 related to the Company's strengthening of its management team and board of directors. These were offset by a decrease of $18,707 in rent expense as a result of the adoption of IFRS 16, and a reduction of $11,079 in travel as a result of the stabilization of exploration operations with the hiring of a country manager.

Professional fees

During Q3 2019, the Company incurred professional fees of $83,237 compared to $98,355 during Q3 2018. This change is primarily the result of a decrease in legal fees of $27,352, partially offset by an increase in consulting fees of $16,654 as a result of the consultants retained after the acquisition of Levon Resources.

Impairment of IVA receivable

At September 30, 2019, the Company had an aggregate Mexican value added tax ("IVA") recoverable balance of $2,743,721 including $1,743,011 acquired in the Levon transaction. Due to the current political environment and changes in Mexico resulting from the government's ongoing internal restructuring process, the Company evaluated the balance of IVA receivable for indicators of impairment. Due to the short period of operation in Mexico, the Company does not have a history of IVA collection. In addition, there is a high degree of uncertainty surrounding the timing of repayment by the Mexican government. As a result of this assessment, on acquisition of Levon, no value was allocated to the IVA receivable and at September 30, 2019, the Company recognized a provision for 100% of the outstanding IVA receivable balance of $1,000,710.

The Company believes that the total IVA receivable balance at September 30, 2019 is legally recoverable in full and is therefore currently assessing options for collection. The Company will continue to provide for 100% of the balance until such time that there are sufficient indicators of collectability.

Foreign exchange (gain) loss

The company incurred a foreign exchange gain of $36,881 during Q3 2019 compared to a foreign exchange gain of $6,903 during Q3 2018. The change is the result of a devaluation of the MXP against the CAD combined with an appreciation of the USD against the CAD during the period. The Company remains unhedged with respect to foreign currency.

<u>Q3 YTD 2019 vs. Q3 YTD 2018</u>

Net loss and total comprehensive loss

The Company had a net and total comprehensive loss of $5,636,627 for Q3 YTD 2019, compared to a net and total comprehensive loss of $5,607,998 for Q3 YTD 2018 with expenses in the prior year comparative period. The $28,629 increase over prior period is primarily due to the recognition of higher non-cash share-based compensation expense from the granting of stock options in the current quarter ($1,278,686) and an impairment charge recognized on the Company's IVA receivable balance ($1,000,710). These increases were offset by a decrease in exploration and project evaluation expenses of $2,507,655. The net and total comprehensive loss for Q3 YTD 2019 includes a non-cash currency translation adjustment ("CTA") loss of $158,464 as a result of the translation of Discovery's Mexican subsidiaries MXP functional currency financial statements to the Company's presentation currency of CAD on consolidation (Q3 YTD 2018 – a CTA gain of $38,045).

Share-based compensation expense

The Company incurred non-cash share-based compensation expenses of $1,718,504 during Q3 YTD 2019, compared to $439,818 during Q3 YTD 2018. This increase is the direct result of the granting of 5,300,000 stock options to certain directors, officers, employees and consultants during Q3 YTD 2019. Share-based compensation expense reflects the natural vesting of stock options granted which results in a higher expense in the earlier stage of a stock option's life.

Exploration and project evaluation expense

The Company incurred exploration and project evaluation costs of $1,544,863 during Q3 YTD 2019 compared to $4,062,518 during Q3 YTD 2018. This decrease is the direct result of the majority of mapping, sampling and assay work being performed on the Company's three main properties during 2018. This work during Q3 YTD 2018 included $2,366,729 spent on Puerto Rico (comprised primarily of $1,455,273 for permitting, $359,350 on mapping and sampling and assays, $47,931 for mining duties and $283,492 for salaries and benefits), approximately $211,683 spent on La Kika (comprised primarily of $149,862 for drilling and $17,064 for salaries and benefits), $769,465 spent on Monclova (comprised primarily of $409,121 for mapping and sampling and assays, $45,072 for mining duties, $40,240 for surface access rights and $68,046 for salaries and benefits), and approximately $707,154 spent on Minerva (comprised primarily of $397,067 for mapping and sampling and assays, $24,479 surface access rights, and $85,375 for salaries and benefits) with remainder having been spent on mining duties across all properties and general project expenses.

The spend during Q3 YTD 2019 primarily relates to expenditures at the Cordero project including drilling of $317,503, geophysics of $128,990, surface access rights of $65,111 and salaries and benefits of approximately $65,813. Exploration and evaluation expenses for Cordero include spend incurred from the period of acquisition on August 2, 2019 to September 30, 2019. Exploration expenses incurred on the Coahuila projects include $137,528 in mining duties, $322,341 in salaries and benefits, $24,294 in surface access, $53,714 in site access with the remainder having been spent across all properties and general project expenses.

General office and other expenses

During Q3 YTD 2019, the Company incurred general office and other expenses of $1,059,226 compared to $1,049,139 during Q3 YTD 2018. This change is primarily the result of a decrease in salaries and benefits of $83,700 related to the Company's optimization of its workforce and no short-term incentive payout in the current year, a decrease of $36,918 in travel as a result of the stabilization of exploration operations with the hiring of a country manager and a $68,628 decrease in rent expense as a result of the adoption of IFRS 16. These decreases were partially offset by an increase in both shareholder communication and investor relations expenses and filing and transfer agent fees of $14,435 and $57,138, respectively as a result of the acquisition of Levon Resources Ltd. and the non-brokered private placement, and an increase of $62,258 in depreciation expense on the property and equipment purchased subsequent to Q3 YTD 2018.

Professional fees

During Q3 YTD 2019, the Company incurred professional fees of $206,444 compared to $217,034 during Q3 YTD 2018. This change is primarily the result of a decrease in legal fees of $46,616, partially offset by an increase in consulting fees of $11,327 as a result of the consultants retained after the acquisition of Levon Resources, and audit and accounting fees of $24,699 related to additional services provided for, and after the acquisition.

Impairment of IVA receivable

At September 30, 2019, the Company had an aggregate Mexican value added tax ("IVA") recoverable balance of $2,743,721 including $1,743,011 acquired in the Levon transaction. Due to the current political environment and changes in Mexico resulting from the government's ongoing internal restructuring process, the Company evaluated the balance of IVA receivable for indicators of impairment. Due to the short period of operation in Mexico, the Company does not have a history of IVA collection. In addition, there is a high degree of uncertainty surrounding the timing of repayment by the Mexican government. As a result of this assessment, on acquisition of Levon, no value was allocated to the IVA receivable and at September 30, 2019, the Company recognized a provision for 100% of the outstanding IVA receivable balance of $1,000,710.

(Expressed in Canadian dollars, except where otherwise noted)

The Company believes that the total IVA receivable balance at September 30, 2019 is legally recoverable in full and is therefore currently assessing options for collection. The Company will continue to provide for 100% of the balance until such time that there are sufficient indicators of collectability.

Foreign exchange (gain) loss

The company incurred a foreign exchange loss of $8,565 during Q3 YTD 2019 compared to a foreign exchange gain of $30,201 during Q3 YTD 2018. The change is the result of an appreciation of the MXP against the CAD combined with a depreciation of the USD against the CAD during the period. The Company remains unhedged with respect to foreign currency.

IFRS transition adjustments

The Company has applied IFRS 16 using the modified retrospective approach which requires the cumulative effect of the initial application to be recognized in retained earnings at January 1, 2019. The Company determined the impact to opening retained earnings to be immaterial and no adjustment was made.

On adoption of IFRS 16, the Company recognized lease liabilities for leases previously classified as operating leases under IAS 17. These liabilities were measured at the present value of the remaining lease payments, discounted using the applicable incremental borrowing rate as of January 1, 2019 of 3.95%. The company did not have any leases previously classified as finance leases under IAS 17.

The Company applied certain practical expedients and exemptions permitted under IFRS 16 as follows:

- The accounting for operating leases with a remaining lease term of less than 12 months as at January 1, 2019 as short-term leases;
- The accounting for operating leases of low-value assets to remain as operating leases; and
- The use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

The following table summarizes the difference between operating lease commitments disclosed immediately preceding the date of initial application and the lease liabilities in the statement of financial position at the date of initial application:

Operating lease commitments at December 31, 2018	$	361,243
Less: short-term and low-value operating leases		(4,600)
Operating lease commitments subject to IFRS 16	$	356,643
Discounted using the incremental borrowing rate of 3.95%		**176,073**
Lease liabilities recognized at January 1, 2019		**176,073**
Less: current portion		**43,232**
Non-current portion	**$**	**132,841**

The associated ROU asset was measured at the amount equal to the lease liabilities and included in Property and equipment on the statement of financial position.

CASH FLOW

Q3 2019 vs. Q3 2018

The Company had net cash used in operating activities of $1,421,300 for Q3 2019 compared to net cash used in operating activities of $2,044,810 for Q3 2018. Although exploration activities during Q3 2019 were significantly less than the spend in Q3 2018 on mapping, sampling and assays, this was partially offset by the mobilization for the drill program at Cordero that occurred during the quarter and increases in costs associated with the acquisition of Levon and the non-brokered private placement.

The Company had net cash used in investing activities of $429,486 for Q3 2019 compared to net cash used in investing activities of $90,065 for Q3 2018. Investing activities for the current year include the payment of transaction costs of $594,795 (capitalized to mineral properties) offset by the receipt of cash of $193,358 from the acquisition of Levon. Investing activities for the prior period included the acquisition of the Mina Minerva claim and office and computer equipment.

The Company's cash provided by financing activities of $9,005,445 during Q3 2019 relates almost entirely to proceeds the non-brokered private placement (refer to the "Q3 2019 Highlights" section of this MD&A). The Company did not have any financing activities during Q3 2018.

Q3 YTD 2019 vs. Q3 YTD 2018

The Company had net cash used in operating activities of $2,909,817 for Q3 YTD 2019 compared to net cash used in operating activities of $6,065,677 for Q3 YTD 2018. Minimal exploration activities occurred during Q3 YTD 2019 while a significant amount of mapping, sampling and assays occurred during Q3 YTD 2018 as the Company continued exploration activities.

The Company had net cash used in investing activities of $431,261 for Q3 YTD 2019 compared to net cash used in investing activities of $234,054 for Q3 YTD 2018. Investing activities for the current period include the payment of transaction costs of $594,795 (capitalized to mineral properties) offset by the receipt of cash of $193,358 from the acquisition of Levon. Investing activities for the prior period included the acquisition of the Mina Minerva claim, a vehicle in Mexico, and office and computer equipment.

The Company's cash provided by financing activities of $8,984,042 during Q3 YTD 2019 relates almost entirely to proceeds the non-brokered private placement (refer to the "Q3 2019 Highlights" section of this MD&A). The Company did not have any financing activities during Q3 YTD 2018.

CAPITAL MANAGEMENT AND LIQUIDITY

The Company defines capital as its shareholder's equity (comprised of issued share capital, contributed surplus and deficit). The Company's objectives when managing capital are to support the Company's main activities of identifying, defining and developing mineral deposits, thus creating shareholder value, as well ensuring that the Company will be able to meet its financial obligations as they become due.

(Expressed in Canadian dollars, except where otherwise noted)

The Company manages its capital structure to maximize its financial flexibility to enable the Company to respond to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. The Company does not presently utilize any quantitative measures to monitor its capital, but rather relies on the expertise of the Company's management to sustain the future development of the business. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

As at September 30, 2019, aside from the long-term portion of the lease liability (refer to "IFRS Transition Adjustment" section of this MD&A) the Company does not have any long-term debt outstanding and is not subject to any externally imposed capital requirements or debt covenants. There was no change to the Company's approach to capital management during Q3 2019 or Q3 YTD 2019.

As at September 30, 2019, the Company had working capital (defined as current assets less current liabilities) of $9,722,187 (December 31, 2018 – $5,483,006), shareholders' equity of $38,460,983 (December 31, 2018 – $6,986,625) and an accumulated deficit of $34,107,479 (December 31, 2018 – $28,629,316). The Company is sufficiently capitalized to complete planned initial exploration programs on its properties for the current fiscal year. However, the Company will likely require additional financing to accomplish its long-term strategic objectives. Future funding may be obtained by means of issuing share capital, debt financing or a combination of both and will be assessed by Management at that time.

SHARE CAPITAL

A summary of the shares issued and outstanding as at September 30, 2019 is as follows:

	Common Shares		Amount
As at December 31, 2018	65,043,998	$	23,539,388
Shares issued on Acquisition of Levon Resources Ltd.[1]	**64,412,942**		**25,443,112**
Shares issued on Private placement[1]	**39,151,174**		**9,004,770**
Finders' fees on Private placement[1]	**-**		**(17,500)**
Shares issued on exercise of options	**100,000**		**47,184**
As at September 30, 2019	**168,708,114**	**$**	**58,016,954**

(1) Refer to "Q3 2019 Highlights" section of this MD&A and note 6 of the interim financial statements for details on changes in share capital.

OUTSTANDING SHARE DATA

As at November 27, 2019 the Company had the following equity securities and convertible securities outstanding:

	Authorized	Number and Type Outstanding[2]
Voting or Equity Securities Issued and Outstanding	Unlimited Common Shares	207,619,210 Common Shares
Securities convertible or exercisable into voting or equity securities-stock options	Stock Options to acquire up to 10% of outstanding Common Shares	Stock options to acquire 15,159,300 Common Shares

(Expressed in Canadian dollars, except where otherwise noted)

Securities convertible or exercisable into voting or equity securities-warrants(1	Warrants to acquire 34,142,501 Common Shares	Warrants to acquire 34,142,501 Common Shares

(1) 1,244,460 private placement warrants expired unexercised on February 17, 2019.

(2) Refer to "Q3 2019 Highlights" and "Recent Developments" sections of this MD&A for discussion on changes to outstanding share, option and warrant data. Changes are a result of the two private placements during Q3 and Q4 2019 and the acquisition of Levon Resources Ltd. during Q3 2019.

RELATED PARTY TRANSACTIONS

Key management personnel

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

A company partially owned by one of the directors of the Company provides access to administrative and exploration personnel and has made certain payments on behalf of the Company on an as-needed basis. There is no fee charged to the Company, as all expenses are allocated at cost. Reimbursed expenses for Q3 2019 and Q3 YTD 2019 totaled $1,917 and $20,365, respectively (Q3 2018 and Q3 YTD 2018 – $13,243 and $44,865 respectively). The Company had $1,939 in expenses payable to this company as at September 30, 2019 (December 31, 2018 – $5,772). These expenses are not included in the table below.

Under similar arrangements, during Q3 and Q3 YTD 2019 the Company reimbursed expenses of $145 and $5,472 (Q3 and Q3 YTD 2018 – $nil and USD$756) to other companies which have a Director in common. There was $14,291 in expenses payable at September 30, 2019 (December 31, 2018 – USD$707).

Transaction Type	**Nature of Relationship**	**Q3 2019**	Q3 2018
Share-based payments	Directors and officers	**$ 868,115**	$ 86,099
Salaries and benefits	Officers	**162,451**	156,231
Consulting fees	Director	**26,162**	-
Directors fees	Directors	**43,750**	43,750
		$ 1,100,478	$ 286,080

Transaction Type	**Nature of Relationship**	**Q3 YTD 2019**	Q3 YTD 2018
Share-based payments	Directors and officers	**$ 931,148**	$ 251,870
Salaries and benefits	Officers	**494,675**	422,051
Consulting fees	Director	**26,162**	-
Directors fees	Directors	**148,333**	131,250
		$ 1,600,318	$ 805,171

(Expressed in Canadian dollars, except where otherwise noted)

A summary of amounts due to related parties:

Transaction Type	**Nature of Relationship**		**September 30, 2019**		December 31, 2018
Accounts payable and accrued liabilities	A director and a company with a director/officer in common with the Company	**$**	**1,554**	$	1,554
		$	**1,554**	$	1,554

A director of the Company is also party to the mineral exploration and option agreements and amendments thereto, between the Company and the Vendors. Refer to the Company's management information circular dated June 5, 2019 available on SEDAR at www.sedar.com.

FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash and cash equivalents, other receivable and deposits, accounts payable and accrued liabilities and lease liabilities.

Accounts receivable and deposits are classified as receivables and are measured at amortized cost using the effective interest method. Accounts payable and accrued liabilities are classified as other financial liabilities and are measured at amortized cost. These financial instruments approximate their fair value due to their short-term nature.

The fair value estimates are made at a specific point in time, based on relevant market information and information about the financial instrument. These estimates are subjective in nature and involve uncertainties and matters of significant judgment and, therefore, cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

Financial instruments are classified into one of three levels in the fair value hierarchy according to the degree to which the inputs used in the fair value measurement are observable.

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2 Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
Level 3 Inputs that are not based on observable market data.

As at September 30, 2019 the Company had no financial instruments classified as Level 2 or 3.

RISK FACTORS

The operations of the Company are speculative due to the high-risk nature of its business, which is the acquisition, financing, exploration and development of mining properties. For a detailed discussion of risks, refer to the Company's MD&A for the year ended December 31, 2018 dated April 26, 2019, which is incorporated by reference herein and available on SEDAR at www.sedar.com and on the Company's website at www.dsvmetals.com. For additional risks, refer to the Company's Filing Statement in Respect of a Change of Business dated August 3, 2017, available on SEDAR at www.sedar.com.

This MD&A also contains forward-looking information that involve risks and uncertainties. The Company's actual results could differ materially from those anticipated in these forward-looking statements as a result of the risks faced by the Company as described in the documents incorporated by reference herein. Refer to the "Cautionary Statement Regarding Forward-Looking Information".

Additional risks not currently known to the Company, or that the Company currently deems immaterial, may also impair the Company's operations. If any of the following risks occur, the Company's business, financial condition and operating results could be adversely affected.

Financial Risk Factors

The Company's has exposure to certain risks resulting from its use of financial instruments.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at September 30, 2019, the Company had a cash and cash equivalents balance of $9,974,045 (December 31, 2018 – $4,691,676) to settle current liabilities of $514,414 (December 31, 2018 – $230,090). The Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

As at September 30, 2019, the Company has no sources of revenue to fund its operating expenditures. Since inception the Company has relied solely on the gross proceeds of $15,618,500 received through a non-brokered private placement of 31 million common shares at a price of $0.50 per share during the year ended December 31, 2017 to fund its operating expenditures. On July 25, 2019, the Company announced a non-brokered private placement through which gross proceeds of $9,004,770 were raised at a price of $0.23 per share (refer to note 13b). On November 4, 2019, the Company announced another non-brokered private placement through which gross proceeds of $19,000,000 were raised at a price of $0.45 (refer to note 25).

Management believes these financings will fund the Company's initial exploration work on the properties in Coahuila and Chihuahua, Mexico as well as the existing administrative needs for the near term. However, the Company will require additional financing to accomplish the Company's long-term strategic objectives. Future funding may be obtained by means of issuing share capital, or debt financing. If the Company is unable to continue to finance itself through these means, it is possible that the Company will be unable to continue as a going concern. Consequently, the Company is currently exposed to a moderate level of liquidity risk.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to fulfill an obligation and cause the other party to incur a financial loss. The Company's cash and cash equivalents, accounts receivable and prepaids and deposits are exposed to credit risk. The Company has assessed the credit risk on its cash and cash equivalents as low as its funds are held in highly rated Canadian financial institutions. Management deems the credit risk associated with other receivables and deposits to be at an acceptable level.

The Company's maximum exposure to credit risk related to certain financial instruments as identified below, approximates the carrying value of these assets on the Company's consolidated statements of financial position.

		September 30, 2019		December 31, 2018
Cash and cash equivalents	**$**	**9,974,045**	$	4,691,676
Other receivables		**7,871**		12,428
Deposits		**10,589**		10,693
	$	**9,992,505**	**$**	4,714,797

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and equity prices.

Interest rate risk

The Company has significant cash balances and no interest-bearing debt. The Company's current policy is to invest excess cash in high-yield savings accounts. The Company regularly monitors its cash management policy. Management has determined interest rate risk to be low.

Foreign currency risk

The Company's functional currency is the Canadian dollar. At September 30, 2019, cash balances were held primarily in Canadian dollars. Foreign currency risk is the risk that the value of the Company's financial instruments denominated in foreign currencies will fluctuate due to changes in foreign exchange rates. Changes in the exchange rate between foreign currencies and the Canadian Dollar could have a significant impact on the Company's financial position, results of operations, and cash flows. The Company does not use derivative instruments to reduce its exposure to foreign currency risk.

The Company is mainly exposed to foreign currency risk on financial instruments (consisting of trade payables) denominated in USD and MXP.

As at September 30, 2019, the Company had the following foreign currency denominated trade payables:

		September 30, 2019		December 31, 2018
United States dollar	**$**	**395**	$	38,077
Mexican Peso		**9,773**		108,625
	$	**10,168**	$	146,702

It is estimated that a 10% fluctuation in the United States Dollar and Mexican Pesos against the Canadian dollar would affect net loss at September 30 by approximately $4,721 (December 31, 2018: $19,035).

As at September 30, 2019, Management has determined the Company's exposure to foreign currency risk to be at an acceptable level.

Price risk

The Company is exposed to price risk with respect to commodity prices and prices of equity securities. Equity security price risk is defined as the potential adverse impact on the Company's net income or loss due to movements in individual prices of equity securities or price movements in the stock market generally. Commodity price risk is defined as the potential adverse impact on net income or loss and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices, particularly as they relate to base metals, and movement in the price of individual equity securities movements and the stock market generally, to determine the appropriate course of action to be taken by the Company.

As at September 30, 2019, Management has determined the Company's exposure to price risk to be at an acceptable level.

COMMITMENTS AND CONTRACTUAL OBLIGATIONS

Puerto Rico project

On completion of the permitting for the Puerto Rico project, the Company will have to pay USD$300,000 over 15 months, beginning 30 calendar days after the receipt of the permit (refer to note 14 of the interim financial statements).

During the year ended December 31, 2017, the Company contracted an environmental engineering consultancy firm to assist in the preparation and filing of all environmental and technical reports required by various governmental agencies with respect to the permitting process at Puerto Rico. The contract totaled USD$1.2 million of which the remaining USD$100 thousand will be paid upon receipt of all permits.

Monclova project

During the year ended December 31, 2018, the Company contracted an environmental engineering consultancy firm to assist in the preparation and filing of all environmental and technical reports required by various governmental agencies with respect to the permitting process at Monclova. The contract totalled USD$90 thousand which will be paid upon receipt of all permits.

Other commitments

Effective January 1, 2019, the Company adopted IFRS 16 – Leases which brings operating leases onto the statement of financial position while allowing for certain exemptions based on duration of the lease and total dollar value of the contract. As a result of the adoption of IFRS 16, the Company determined that the office premise lease previously accounted for as an operating lease, matched the criteria under IFRS 16 for setting up a right-of-use asset and associated liability (refer to the "IFRS transition adjustments" section of this MD&A).

The Company has operating leases for rent and certain office equipment that fall within the IFRS exemption criteria. Total payments made during the three and nine months ended September 30, 2019 for these operating leases were $5,370 and $6,750 respectively (three and nine months ended September 30, 2018 - $690 and $2,070, respectively).

(Expressed in Canadian dollars, except where otherwise noted)

Total future minimum lease payments, under non-cancellable operating leases as at September 30, 2019 and December 31 ,2018 are as follows:

Year	**September 30, 2019**	December 31, 2018
2019	**$ 7,710**	$ 2,760
2020	**8,860**	1,840
	$ 16,570	$ 4,600

SIGNIFICANT ACCOUNTING POLICIES

The Company's interim financial statements were prepared using the same accounting policies and methods of application as those disclosed in note 3 of the consolidated financial statements, except as noted in the "Changes in Accounting Policies" section below.

CHANGES IN ACCOUNTING POLICIES

Application of new and revised accounting standards effective January 1, 2019

The Company has adopted certain new IFRS standards, amendments to standards and interpretations effective for annual periods beginning January 1, 2019. The Company deemed the adoption of IFRS 16 – *Leases* ("IFRS 16") to have a material impact on the interim financial statements.

IFRS 16

In January 2016, the IASB issued IFRS 16, replacing *IAS 17 – Leases*. IFRS 16 provides a single lessee accounting model and requires the lessee to recognize assets and liabilities for all leases on its balance sheet, providing the reader with greater transparency of an entity's lease obligations. IFRS 16 is effective for annual periods beginning on or after January 1, 2019. The transitional adjustments arising from the adoption are recognized in the opening balance sheet (refer to the "IFRS 16 Transition Adjustment" section of this MD&A).

At inception of a contract, the Company assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a specified period of time in exchange for consideration. If the determination is made that the contract is, or contains, a lease, the Company recognizes a lease liability and a right-of-use asset ("ROU asset") at the lease commencement date.

The Company has elected to apply certain exemption and does not recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less, and leases of low-value assets. For these leases, the Company recognizes the lease payments as an expense in net earnings on a straight-line basis over the term of the lease.

Lease liability

The lease liability is initially measured at the present value of future lease payments discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, at the Company's incremental borrowing rate which is the rate which the Company would have to pay to borrow the funds necessary to obtain an asset of similar value to the ROU asset, over a similar term and in a similar economic environment.

Lease payments included in the measurement of the lease liability comprise the following (if applicable):

- Fixed payments, including in-substance fixed payments, less any lease incentives receivable;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable by the Company under residual value guarantees;
- The exercise price of a purchase option if the Company is reasonably certain to exercise that option; and
- Payments of penalties for terminating the lease, if the Company expects to exercise an option to terminate the lease.

The lease liability is subsequently measured by:

- Increasing the carrying amount to reflect interest on the lease liability;
- Reducing the carrying amount to reflect the lease payments made; and
- Remeasuring the carrying amount to reflect any reassessment or lease modifications.

Right-of-use asset

The ROU asset is initially measured at cost, which comprises the following (if applicable):

- The amount of the initial measurement of the liability;
- Any lease payments made at or before the commencement date, less any lease incentives received;
- Any initial direct costs incurred by the Company; and
- An estimate of costs to be incurred by the Company in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

The ROU asset is subsequently measured at cost, less any accumulated depreciation and any accumulated impairment losses, and adjusted for any remeasurement of the lease liability. It is depreciated in accordance with the Company's accounting policy for property and equipment, from the commencement date to the earlier of the end of its useful life or the end of the lease term.

Each lease payment is allocated between the lease liability and finance cost. The finance cost is charged to net earnings over the lease period to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

On the statement of financial position, the ROU assets are presented in 'Property and equipment' and the lease liabilities are presented in 'Lease liabilities'.

Details of other accounting standards deemed to have no impact upon adoption at January 1, 2019 are disclosed in note 4(a) of the interim financial statements.

Adoption of accounting standards as a result of the acquisition of Levon Resources Ltd.

Reclamation provision

The Company records the present value of estimated costs of legal and constructive obligations required to restore mineral properties in the period in which the obligation is incurred. The nature of these restoration activities include dismantling and removing structures, rehabilitating mines and restoration, reclamation and revegetation of affected areas.

The fair value of the liability for a rehabilitation provision is recorded when it is incurred. When the liability is initially recognized, the present value of the estimated cost is capitalized by increasing the carrying amount of the related exploration and evaluation assets. Over time, the discounted liability is increased for the change in present value based on the discount rates that reflect current market assessments and the risks specific to the liability, which is accreted over time through periodic charges to profit or loss. Additional disturbances or changes in rehabilitation costs will be recognized as additions or charges to the corresponding assets and rehabilitation liability when they occur.

CRITICAL ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of the interim and consolidated financial statements in conformity with IFRS requires management to make estimates, judgments and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Critical accounting judgments and estimates include but are not limited to the Company's determination of: functional currency, the economic recoverability and probability of future economic benefits of exploration, evaluation and development costs, determination of useful lives, impairment charges, income taxes and share-based payments. The estimates of non-cash share-based payments expense involve considerable judgment and are, or could be, affected by significant factors that are out of the Company's control. Actual results could differ from those estimates. During Q3 2019, there have been no changes to these critical accounting judgments and estimates.

For details on the Company's critical accounting judgments and estimates, refer to note 5 of the Company's consolidated financial statements for the year ended December 31, 2018 available on SEDAR at www.sedar.com or on the Company's website at www.dsvmetals.com.

OFF-BALANCE SHEET ARRANGEMENTS

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

QUALIFIED PERSON

The technical information in this MD&A was reviewed and approved by Gernot Wober, P. Geo., Vice President Exploration of the Company, who is recognized as a Qualified Person ("QP") under the guidelines of NI 43-101.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This MD&A includes "forward-looking statements", within the meaning of applicable securities legislation, which are based on the opinions and estimates of Management and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. While these forward-looking statements, and any assumptions upon which they are based, are made in good faith and reflect our current judgment regarding the direction of our business, actual results could differ materially from any estimates, forecasts, predictions, projections, assumptions, or other future performance suggested herein.

Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "budget", "plan", "continue", "estimate", "expect", "forecast", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar words suggesting future outcomes or statements regarding an outlook. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements.
These forward-looking statements may include but are not limited to statements concerning:

- The Company's success at completing future financings;
- The Company's strategies and objectives;
- The Company's receipt of permits for the Puerto Rico Property;
- The availability of qualified employees for business operations;
- General business and economic conditions;
- The Company's ability to meet its financial obligations as they become due; and
- The Company's ability to identify, successfully negotiate and/or finance an acquisition of a new business opportunity.

Readers are cautioned that the preceding list of risks, uncertainties, assumptions and other factors are not exhaustive. Events or circumstances could cause actual results to differ materially from those estimated or projected and expressed in, or implied by these forward-looking statements. Due to the risks, uncertainties and assumptions inherent in forward-looking statements, investors in securities of the Company should not place undue reliance on these forward-looking statements.

ADDITIONAL INFORMATION

Additional information relating to the Company is available on the Company's website at www.dsvmetals.com or on SEDAR at www.sedar.com.