SILVER GRAIL RESOURCES LTD.

Management's Discussion & Analysis
for the Year Ended
March 31, 2022

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MANAGEMENT'S DISCUSSION & ANALYSIS FOR THE YEAR ENDED MARCH 31, 2022

The following management's discussion and analysis of the financial condition of Silver Grail Resources Ltd. ("Silver Grail" or the "Company") and results of operations of the Company, prepared as of July 27, 2022, should be read in conjunction with the audited financial statements and the notes thereto for the year ended March 31, 2022 which were prepared in accordance with International Financial Reporting Standards. All amounts are expressed in Canadian dollars unless otherwise indicated.

OVERALL PERFORMANCE

The Company is currently an exploration stage company engaged in the acquisition and exploration of mineral properties, primarily in the Stewart region of northwestern British Columbia. Emphasis at this point is on exploring for silver and cobalt, and to a lesser degree gold, copper, zinc, and molybdenum deposits.

Subject to the results of ongoing exploration and development activities, the Company may require additional capital in the future to continue these exploration and development programs and the administrative costs associated with them. As much as possible, the Company will continue to seek third parties to undertake options on its remaining properties. Again, in addition to the results of ongoing programs, general trends in the overall conditions of the mining industry will largely dictate the Company's ability to raise capital.

OUR BUSINESS

The Company's primary focus for the last thirty-six years has been exploration for gold and silver on its many claims in the Stewart region of northwestern British Columbia. In 2018, it also acquired two cobalt properties in British Columbia, the Pacifico and Kobold.

The Stewart region, which forms the most prospective portion of the Golden Triangle of northwestern British Columbia, has seen several important developments in the past five years. Foremost among these is Pretium Resources' decision to develop its $1 billion gold-silver mine at Brucejack Lake. After five years of production Pretium Resources was acquired by Newcrest Mining for $3.5 billion. Closer to Stewart, IDM Mining received federal and provincial approval for start-up of its Red Mountain gold property and was subsequently acquired by Ascot Resources. Ascot, in turn, owns the previously producing Premier Gold mine as well as the neighboring Silver Coin gold deposit; it is presently preparing to place into production the properties in and adjoining the former Premier mine. Fury Gold, which owns the Homestake gold and silver property and which is surrounded by several of Silver Grail's properties, recently sold the Homestake property to Dolly Varden Silver Corp. (which, in turn, owns the former Torbrit mine, Canada's 3rd largest silver producer in the 1950's). Two of the Company's properties, the Tonga and the Fiji, lie very close to an exciting new mineral discovery made by Goliath Resources at its Golddigger property, located west of the Homestake property..

In 2021, the Company carried out further geochemical sampling on its Pacifico cobalt property in northern Vancouver Island and followed that up with petrographic studies. The Company also drilled two ZTEM anomalies on its 50%-owned Konkin Silver property and on its adjoining Midas property (25% Silver Grail – 75% Teuton). Although a large zone of sulphides (chiefly pyrite) was intersected on the Konkin Silver property, no economic precious metal values were present.

EXPLORATION

Stewart Region Properties

<u>Clone Property</u>

The Clone property was originally owned 50-50 with Teuton Resources Corp. ("Teuton") and then owned 50% by Makena Resources and 25% each by the Company and Teuton. In September of 2017, Silver Grail's and Teuton's interest in the Clone property were both optioned out to Sunvest Ventures. Terms of the option call for 5,000,000 shares of Sunvest to be issued to Silver Grail/Teuton and $200,000 cash paid to Silver Grail/Teuton, collectively, over a two year period. Work commitments totaling $1.95 million were also to be carried out over three years. Silver Grail/Teuton, collectively, would share a 2% NSR, one-half of which can be repurchased for $1,500,000. At the same time, Makena sold its 50% interest to Sunvest.

Sky Gold Corp., formerly Sunvest Ventures, conducted a large-scale exploration program in 2019 on the Clone, including drilling of several prospects. Various targets were drilled, including some within the Main zone on the property which producing encouraging results.

On November 6, 2019, Sky Gold served notice on the Company that it was not continuing with the option. Present ownership of the Clone property is now Silver Grail 25% and Teuton Resources Corp. 75% (Teuton recently purchased 50% of the property from private interests).

The Clone property is located about 16 kilometers southeast of Stewart, British Columbia. High-grade gold and gold-cobalt shear structures were identified on the Clone property in 1995 and subsequently drilled in 1996-7. Although several high-grade intersections were obtained in the drilling, continuity of mineralization was erratic. A structural study carried out in 1998 has helped to elucidate controls for the gold mineralization.

An Aeroquest EM-Mag survey flown over the Clone property in early 2006 disclosed a number of geophysical anomalies. The most promising, dubbed the Derby zone, lies 800m northeast of the Main zone and consists of a number of parallel EM conductors. During the 2006 field season, all seven holes drilled into the Main Zone intersected gold mineralization. One of the better holes returned 35.5 feet grading 0.178 oz/ton gold. Lingering snow at high elevations precluded a thorough investigation of the geophysical conductors detected during the airborne survey carried out earlier in the year. For details, please refer to the News Release dated November 9, 2006 on file with SEDAR.

A 3,000 ft. drill program was carried out by Elite Diamond Drilling of Revelstoke, BC for the 2008 program. Ten holes were drilled and results were reported on SEDAR on October 19, 2008. A two-phase drilling program was carried out in 2009, funded by optionee Canasia Industries. In the first phase 20 holes were drilled with fair to excellent results as detailed in the News Release dated October 5, 2009 on file with Sedar. In the second phase a further 15 holes were drilled with generally excellent results. Results for this second phase are outlined below:

Drill Hole #	From (m)	From (ft.)	To (m)	To (ft.)	Interval (m)	Interval (ft.)	True Width Coeff.	Gold (g/t)	Gold (oz/t)
21 incl.	11.89 11.89	39 39	19.81 13.72	65 45	7.92 1.83	26 6	0.94 0.94	30.37 115.80	0.886 3.377
22	15.85	52	19.81	65	3.96	13	0.87	26.23	0.765
24	20.42	67	23.47	77	3.05	10	0.77	4.04	0.118
25	12.50	41	16.15	53	3.65	12	0.85	3.68	0.107
26	12.19 21.03	40 69	16.46 26.21	54 86	4.27 5.18	14 17	0.78 0.78	26.39 15.83	0.770 0.462
27	15.85	52	17.98	59	2.13	7	0.85	10.81	0.315
28 incl.	10.67 10.67	35 35	23.47 15.54	77 51	12.80 4.87	42 16	0.92 0.92	44.75 76.80	1.305 2.240
29	20.12	66	26.21	86	6.09	20	0.69	4.81	0.140
30	13.41	44	23.77	78	10.36	34	0.92	6.40	0.187
31	18.29	60	20.12	66	1.83	6	0.85	42.07	1.227
32	19.51	64	24.08	79	4.57	15	0.75	3.96	0.115
33	18.29	60	24.99	82	6.70	22	0.85	11.04	0.322
34	25.30	83	27.43	90	2.13	7	0.78	60.31	1.759
35	24.99	82	29.88	98	4.87	16	0.69	3.81	0.111

The holes were drilled between Trenches 4, 14 and 15 on the H-1 structure and were designed to guide a bulk sampling program. Dip angles for the holes were either minus 20, 30 or 40 degrees. For the purposes of calculating the true width coefficient, the zone was estimated to be vertically dipping.

Mineralization is localized within highly silicified semi-massive to massive hematite-specularite and gold occurs as fine disseminations and is associated with the oxide mineralization. The major lithology is observed to be light grey to green andesitic pyroclastics intercalated with fine grained to aphanitic andesite.

Clasts are subangular to angular, matrix supported, and range in size from 1-3cm. Quartz-calcite stockwork pervades the unit in moderate abundance.

In 2010, the Company carried out a 16 hole drilling program on the Clone and undertook a bulk sampling program, paid for by optionee Canasia Industries Inc. Results of the drilling program were encouraging and are on file with SEDAR, dated October 15 and 28, 2010. Altogether 38 tons were airlifted out of the property during the bulk sampling program with each ton carefully assayed. Average for the 38 tons came out to 2.0 oz/ton gold.

The 2011, the bulk sampling program consisted of 102 tons with an average grade of 4.0 oz/gold per ton which was removed from the site and shipped to Stewart by helicopter. Metallurgical studies have been completed which show that up to 76% of the gold can be liberated by a fine grind followed by gravity separation. An abbreviated continuation of the ongoing bulk sampling program was carried out on the Clone property in 2012. The Company has sent some of the bulk sample for processing and payment was received during the quarter ended September 30, 2014.

In 2016, a diamond drilling program consisting of 7 holes was completed on the Clone property targeting two separate areas. Several of the holes had significant values in gold, the two best of which contained intersections averaging 6.43 metres of 17.83 g/t gold and 7.01 metres of 10.38 g/t gold (please refer to sedar.com, February 20, 2017, for full details).

No work was carried out on the Clone in 2020 or 2021. Recent successes from extensive drilling conducted on a shear-hosted mineralized system (gold, silver and base metal values) on the Surebet property (owned by Goliath Resources) located southeast of the Clone property, has enhanced the prospectivity of the Clone property for a possible option.

Konkin Silver Property

The Konkin Silver property is located 29 kilometers east of Stewart, British Columbia. Present access is by helicopter. Silver Grail and Teuton acquired the Konkin Silver property by staking in 1993-94, as part of a joint acquisition and exploration effort in the region surrounding the Red Mountain gold prospect. Prospecting in 1994 uncovered the central “Konkin Silver” showing, a bow-shaped structure carrying high silver values. It consists of carbonate, quartz, barite, galena, sphalerite and rare ruby silver and native silver in an arcuate structure spanning 35 metres. High silver values are most closely associated with galena which occurs as fine coatings on fractures, as coarse crystalline blebs and as disseminated grains. Maximum thickness of the feature appears to be in excess of 10 metres. Trenching of the Konkin Silver showing returned values up to 9.0m grading 34.94 oz/ton silver, 2.30% lead and 2.02% zinc.

Other similar, but smaller zones were found nearby. The Konkin Silver showing was drill-tested by Silver Standard under option in 1995, but several short holes failed to encounter high-grade silver mineralization conformable with surface results. The following year the property was returned to Teuton/Silver Grail. In 2002 a small program of rock sampling uncovered a new zone of low-grade, but extensive, silver mineralization.

After a brief property visit in 1998, Ross Sherlock, PhD, confirmed that the Konkin Silver prospect was located within a VMS environment.

Teuton and Silver Grail acquired by purchase two additional claims within the boundaries of the Konkin Silver property. These claims cover two silver-bearing showings similar to those on the original ground.

During the 2007 field season, Teuton and Silver Grail resumed drilling on the Konkin Silver property, targeting the King Konk and Konkin Silver structures. The program has been completed and results are presented in the News Release on file with SEDAR dated March 5, 2008. In 2008, minor surface sampling was carried out on the property with mixed results. One day was spent on the property by a prospecting crew in 2017, but they were not able to reach the target area due to steepness of the ground.

A Geotech crew in 2018 flew a ZTEM survey over the Konkin Silver property as part of a larger survey including properties to the north. The Geotech report indicates that two areas on the property are prospective for the discovery of gold mineralization (Targets A-9 and A-10) and one area prospective for porphyry mineralization (Target P-3). No work was carried out in 2019.

The Company drilled four holes on the Konkin Silver in 2021 testing a prominent geophysical anomaly, three of which intersected lengthy intervals of pyritic mudstones. Assays of core samples did not report economic levels of gold and silver.

Midas Property

The Midas claims, originally jointly owned with Teuton Resources, are situated 28 km east of Stewart, BC, and adjoin the Konkin Silver property to the north, and the Del Norte property of Teuton to the south.

The claims cover part of a long, northerly-trending contact zone between volcanic and sedimentary rocks which recent exploration has shown to be related to multiple zones of gold-silver mineralization. Willoughby Creek, which cuts through the property is a well-known placer gold bearing stream.

Prospecting in the 3-ounce area near the border of the Del Norte/Midas claims resulted in the 2003 discovery of quartz float boulders grading up to 3 oz/ton gold, near the same volcanic-sediment contact which hosts the LG mineralization some 6 miles to the north. One day of trenching in 2004 partially exposed a quartz vein mineralized with tetrahedrite.

In 2005, when Teuton optioned its northerly adjoining Del Norte property to Sabina Silver Corp. ("SBB"-TSX), the Midas claims were also included in the agreement.

In 2006, Sabina Silver drilled three holes into the 3-Oz showing on the Midas property, encountering promising intercepts of bulk tonnage-type gold mineralization spatially related to a gold-rich vein. The best result was in Hole SDN-06-02 which returned a wide interval of gold mineralization grading 2.52 g/t gold (0.07 oz/ton) over 32.4 meters. True width is estimated at 29.2 meters or 96 feet. Within this intersection, a sub-interval ran 26.77 g/t gold (0.78 oz per ton) over 0.7 meters.

In 2007, Sabina Silver drilled an additional 9 holes into the 3-Oz showing. Results are detailed in the News Release on file with SEDAR dated December 3, 2007. By spending $2,500,000 on the combined Del Norte-Midas property, Sabina earned a 50 interest.

In July of 2014, Sabina entered into a purchase and sale agreement with Teuton whereby Teuton purchased all of Sabina's 50% interest in the Del Norte-Midas property. Ownership of the Midas property is now 75% Teuton, 25% Silver Grail.

A Geotech crew in 2018 flew a ZTEM survey over the Midas property as part of a larger survey including properties to the north. The Geotech report indicates that two areas on the property are prospective for the discovery of gold mineralization (Targets A-7 and A-8) and one area prospective for porphyry mineralization (Target P-2). No work was undertaken in 2019. A drill program was scheduled for the Midas and possibly also the adjoining Konkin Silver property in 2020. A drill permit was received for the combined properties too late in the season to safely complete a program. The property was drilled during the 2021 season but the hole was stopped at 565m for mechanical reasons before reaching target depth at 800m.

Tonga-Fiji Property

The Company and Teuton jointly own the Tonga-Fiji property situated 24 kilometers north of Alice Arm, British Columbia. In 2005, a helicopter airborne EM-Mag survey was commissioned over the Tonga property, as a precursor to diamond drilling. Due to inclement weather, this survey was postponed until early January-February 2006. Results show a large zone of anomalous EM responses that is coincident with silver and molybdenum geochemical anomalies obtained in earlier soil, silt and talus fine surveys.

In September 2006, a drilling program was started on the Tonga property and completed in early October. Seven holes were drilled at various sites, testing geochemical and geophysical targets. Results are detailed in a News Release dated January 16, 2007, on file with SEDAR.

To the north of the Tonga, on the adjoining Fiji property surface prospecting in 2006 disclosed two promising zones containing gold and silver mineralization. This area was tested by drilling in 2007. Assay results were received and are detailed in the News Release on file with SEDAR dated March 5, 2008. During the 2019 field season, Company personnel discovered a new structure at least 300m long that had been exposed by retreating ice on the Fiji property. One sample taken from a lower portion of the zone returned encouraging silver values.

However, Homestake Resources (formerly Bravo Gold), owners of the adjoining Homestake property, continue to add tonnage to the resource on the two deposits occurring east of the common boundary between the Fiji and Homestake properties. In 2012, Homestake reported discovery of a new zone which lies only a few hundred meters east of the common boundary. This new zone was drilled by Homestake in 2012 with positive results. On July 11, 2016 Homestake was officially taken over by Auryn Resources which subsequently changed its name to Fury Gold Mines. The Homestake property was then purchased from Fury Gold by Dolly Varden Silver Corp., which completed the transaction in February of 2022.

Silver Crown 6 Property

On January 17, 2007 (see News Release of same date, on file with Sedar), the Company and Teuton optioned out a single claim from the southern portion of the Silver Crown property (Silver Crown 6 claim) to Decade Resources.

The claim optioned out to Decade Resources has become important owing to the discovery of gold-bearing mineralization on Decade's Red Cliff property which adjoins the Silver Crown 6 claim to the south. Decade reported several long intervals of gold-bearing mineralization on its Montrose zone, which has been interpreted as striking into the Silver Crown 6 claim. Decade has constructed roads into the Silver Crown 6 in 2012 and has taken surface samples. The Company, along with Teuton, has granted Decade an extension until December 31, 2019 in order to carry out the $1,500,000 work expenditure requirement under the option. In return for granting the extension, Decade agreed to forego the buyback on ½ of the NSR payable to Teuton and Silver Grail and also to pay Teuton and Silver Grail $10,000 prior to August 31, 2019 which was received by the Company during the year. During the year ended March 31, 2020, Decade informed the Company that through inadvertence it had not filed assessment work on the property in time and the property had come open and was staked by another party. Negotiations are underway with Decade to compensate the Company for its lost rights under the option agreement.

Royalty properties in the Stewart Region

A number of properties have now been acquired by various optionees, leaving the Company with an NSR (Net Smetler Royalty) interest or a share in a NSR interest. These are as follows:

Bay Silver Property

The Bay Silver property controls the old United Empire mine from which limited production of high-grade silver was seen in the 1920's. Ore from the mine was shipped to the valley floor below by way of a tramline, portions of which still remain on the property. The property contains numerous silver-rich showings some of them developed by hundreds of feet of tunnels. In 1983 and 1984, high-grade ore was trenched from silver-lead-zinc veins, first explored in 1919. The No. 4 zone consists of a 1.2-metre-wide vein which strikes northeast and dips 20 degrees southeast. The vein contains 0.6 metres of massive galena, sphalerite and tetrahedrite in the hanging wall and 0.6 metres of quartz with disseminated sulphides in the footwall.

In previous assessment reports, a 0.61-metre chip sample across the vein assayed two grams per tonne gold, 8679.7 grams per tonne silver, 20.3 per cent lead and 20.2 per cent zinc. The No. 3 zone is reported as being located about 100 metres south of the No. 4 zone. This shear zone contains long lenses of quartz mineralized with pyrite, pyrrhotite, galena and sphalerite. These lenses are up to 1.8 metres wide associated with a stockwork of sulphide stringers and are hosted in schist which has a strike of 150 degrees.

The lower showings, 300 metres east of the No. 4 zone, consist of two quartz-sulphide veins. The southernmost vein lies along the contact between a large granodiorite dike on the east and hornfelsed argillite to the west. The vein contains lenses of pyrrhotite, sphalerite, galena and tetrahedrite in a gangue of quartz. In a previous assessment report, a 0.91-metre chip sample across the vein assayed 42.30 grams per tonne gold and 1,273 grams per tonne silver. A second vein 120 metres to the north assayed 15.96 grams per tonne gold and 2,268 grams per tonne silver over a narrow width.

The property was originally jointly owned by Silver Grail Resources and Teuton Resources Corp. In August 2018, it was optioned to AUX Resources (formerly Auramex Resources). To acquire a 100% interest in the Bay Silver property, AUX Resources was required to make an initial payment of $10,000 and to issue 20,000 shares upon Exchange acceptance, to be divided equally between Teuton and Silver Grail. To complete the option, payments aggregating a further $110,000 and 80,000 shares are required over the next four years, again to be divided equally. Teuton and Silver Grail will retain a collective 2% NSR, one half of which can be bought down for $1,000,000, with a minimum advance annual royalty of $50,000 to begin after 7 years. Auramex has now satisfied all of the payments.

Silver Crown Property

The Company originally owned a 50% interest in eleven claims in the Bear River Ridge area known as the Silver Crown property, Teuton Resources owned the other 50% interest. These were optioned to AUX Resources (formerly Auramex Resources) in 2019 in a deal allowing AUX Resources to earn a 100% interest by paying Teuton and Silver Grail $120,000 and 100,000 shares of AUX Resources over a four year period. A 2% NSR is payable, one half of which can be purchased for $1,000,000; a $50,000 annual advance royalty is payable after 7 years. Auramex has now satisfied all of the payments and will only be responsible for the NSR and advance royalty payments.

Mt. Boy Property

Silver Grail acquired the key claims of the historic Mountain Boy property in the early 1990's. The property is situated 12 miles north of Stewart, BC, on American Creek. Several small, high-grade shipments of silver-bearing ore were shipped from the property in the 1920's and 30's. Two veins, the Main and High-Grade, have been explored by a network of tunnels.

In the late 1990's, Silver Grail optioned the property to Mountain Boy Minerals Ltd. ("Mountain Boy") who subsequently earned a 50% interest by making substantial cash payments to Silver Grail. Mountain Boy constructed a road into the property from the highway, rehabilitated several adits, took large bulk samples and carried out diamond drilling programs.

In January 2004, the Company granted Mountain Boy an option to earn its remaining 50% interest for cash payments totaling $237,500 over four years. Subsequently, the Company revised its previous agreement with Mountain Boy and accepted $25,000 and 250,000 shares of Mountain Boy as a final payment on Mountain Boy's purchase of the Company's 50% interest in the Mt. Boy property. The Company retains a 2% Net Smelter Royalty, which can be purchased by Mountain Boy for $1,000,000 until 18 months following the commencement of commercial production.

Additional Stewart region properties

The Company, jointly with Teuton, owns interests in several other properties throughout the Stewart region that were acquired in the previous years by staking. Minor prospecting was carried out on certain of these claims in 2004. Among these properties, the Silver Baron (formerly Silver Bell property), Gold Mountain (formerly called the Bud) and Ram claims were all the subject of airborne geophysical surveys in early 2006. Several interesting targets were detected during the surveys and these were to be followed up by ground-truthing and sampling during the 2006 field season, but this was precluded by lack of finances.

Silver Grail participated in a small way in Teuton Resources' option of its King Tut and Tuck properties to Pretium Resources in July of 2015. Pretium requested that one of the Silver Crown claims be included in the option property because it needed surface rights under the Silver Crown claim for its powerline running from Brucejack Lake to the powerhouse at Divide Lake. It was agreed that the extra claim be added for an additional $100,000, bringing total consideration from $1,700,000 to $1,800,000. Silver Grail owns half of this claim jointly with Teuton, so it received its pro rata share of the $100,000 over the term of the option and has now been fully paid.

New Westminster Division

Harrison Lake Property

The Roman property is owned 50-50 with Teuton Resources Corp. It was first acquired by staking in 1998 and subsequently optioned to Leader Mining in 2001. Leader was interested in examining the magnesium potential as the Roman property covers the western portion of 10km long ultramafic intrusive known to host the metal. Five holes drilled into the property all encountered magnesium with the best result equaling 44.5m of 25.79% Mg (or 42.77% MgO). All holes bottomed in mineralization.

Magnesium has currently risen dramatically in value due to shortages caused by production cutbacks in China, a country which produces 85% of the world's magnesium. Presently prices are above $4.00/lb which is more than triple the long-term rate. Magnesium is considered a critical metal and both the Canada and the US are looking to have local, i.e., North American, sources of the metal to cut the dependency of China.

The Roman property also has considerable potential for the discovery of nickel and cobalt deposits, also within the ultramafic intrusive. A 3D IP survey was conducted over an area previously disclosed as having several soil geochem Ni and Co anomalies. Three anomalous areas of chargeability were defined during the survey, related to the nickel soil geochemical anomalies.The Company and Teuton completed soil geochemical surveys and prospecting on the Roman property in 2018. This was designed to expand known anomalous areas of nickel and cobalt. Assay results were consistent with work done in earlier years (previously, cobalt values in soils have run from trace to over 1,300 ppm). The cobalt price has recently risen again to $26US/lb. on the strength of increased demand primarily related to use in batteries for electrical cars.

Cobalt Properties in British Columbia

In 2018, the Company acquired two cobalt properties located in British Columbia, based on the presence of highly anomalous levels of cobalt in stream geochemistry (as reported by BC Regional Geochemistry Surveys), including the highest value in the province. The claims were acquired for cost of staking from a private company owned by the President of Silver Grail; the private company will retain a 2% NSR

Preliminary silt sampling and prospecting has been carried out on the Pacifico property which confirmed the presence of anomalous cobalt as defined by regional geochemical surveys. An expanded geochem survey and rock geochem program was undertaken in 2019-20 and results confirmed anomalous cobalt values along a stream course. In addition, three separate areas on the property were found to contain anomalous copper values. Further work including follow-up surface sampling, silt and soil geochemical sampling and an airborne magnetometer surveys was completed later in 2020.

Stream cobalt values on the Pacifico property are among the highest recorded in the province of British Columbia. The property was visited in early 2021 by a geologist with petrographic expertise who wrote a favourable report as to its potential.

A small prospecting program carried out over the Company's Kobald claims in 2018 returned values that were anomalous in both copper and cobalt. No work has been carried out on the Kobald since.

SELECTED ANNUAL INFORMATION

This discussion should be read in conjunction with the Company's annual audited financial statements Dated March 31, 2022, which are incorporated by reference.

The following table sets forth selected annual audited financial information of Silver Grail from the last three completed financial years:

	2022	2021	2020
Total assets	837,596	1,497,753	1,101,583
Net income (loss)	(829,328)	85,370	(53,914)
Net earnings (loss) per share, basic and diluted	(0.03)	(0.00)	(0.00)

The net earnings (loss) in the three years has ranged from a gain of $85,370 to a loss of $829,328. The net loss in 2022 of $829,328 is primarily due to a share-based compensation charge of $101,895 and impairment of exploration and evaluation asset of $682,944 in fiscal 2022 as opposed to $Nil in both fiscal 2020 and 2021. Losses have been kept low due to the Company's cost-cutting policy initiated several years ago, the principal point of which has been that management does not take any salary---a policy which may be reviewed once market conditions improve.

RESULTS OF OPERATIONS

For the three month period ended March 31, 2022 compared to the three month period ended March 31, 2021

Net loss for the three months ended March 31, 2022 totaled $698,941 [or ($0.03) per share] versus net income of $57,951 (or $nil per share) for the three months ended March 31, 2021. The unusually high loss of $698,941 in the three months ended March 31, 2022 is due to an impairment of exploration and evaluation assets of $682,944 in that quarter.

In comparison to other venture companies, administrative costs are very much on the low end of the scale. In those periods where the Company shows earnings, it is almost always because of receipt of option proceeds in excess of capitalized costs (as happened during the three month period ended March 31, 2021).

For the year ended March 31, 2022 compared to the year ended March 31, 2021

Net loss for the year ended March 31, 2022 totaled $829,328 [or ($0.03) per share] versus a net income of $85,370 (or $nil per share) for the comparable period in fiscal 2021. The primary reason for the difference can be explained by two factors: option proceeds in excess of capitalized costs of $108,000 in the year ended March 31, 2021 as compared to $Nil in the year ended March 31, 2022; and, share-based compensation costs of $101,895 and impairment of exploration and evaluation asset of $682,944 in the year ended March 31, 2022 as compared to $Nil in the year ended March 31, 2021. Administrative items were generally much the same during the two years.

SUMMARY OF QUARTERLY RESULTS

The following is a summary of our company's financial results for the eight most recently completed quarters:

	March 31, 2022 $	December 31, 2021 $	September 30, 2021 $	June 30, 2021 $
Total revenues	–	–	–	–
Net income (loss)	(698,941)	(10,755)	(124,437)	4,805
Earnings (loss) per share – basic and diluted	(0.03)	–	–	–

	March 31, 2021 $	December 31, 2020 $	September 30, 2020 $	June 30, 2020 $
Total revenues	–	–	–	–
Net income (loss)	57,951	(1,380)	14,010	14,789
Earnings (loss) per share – basic and diluted	–	–	–	–

Beginning in September 2013, management began a cost-cutting initiative which sharply reduced quarterly costs. Management and staff volunteered to forego their salaries in order to preserve capital. This cost-cutting initiative has been extended to the past eight quarters. For the most part, administrative expenses have been kept to under $20,000 a quarter. During those quarters where option proceeds and/or unrealized gains on marketable securities exceed administrative expenses, it is possible to show a small net income. In the quarters where share-based compensation charges are applied a net loss in excess of the $20,000 average amount can occur.

The unusually high loss of $698,941 in the three months ended March 31, 2022 is due to an impairment of exploration and evaluation assets of $682,944 in that quarter.

LIQUIDITY

As at March 31, 2022, the Company had current assets of $135,329 compared to current assets of $427,405 as at March 31, 2021. The Company had current liabilities of $23,941 at March 31, 2022 compared to $19,665 as at March 31, 2021, which resulted in working capital of $111,388 as at March 31, 2022 compared to a working capital of $407,740 as at March 31, 2021. The reduction in working capital is largely due to the Company's share of exploration funds spent on the Midas and Konkin Silver properties during fiscal 2022.

The Company anticipates it may need additional capital in the near future to finance ongoing exploration of its properties, such capital to derive from mineral property option payments and the completion of further private placements.

Year ended March 31, 2022 compared to the year ended March 31, 2021:

Operating activities

During the year ended March 31, 2022, the Company used cash of $276,965 in operating activities compared to the use of $143,335 during the year ended March 31, 2021. Overall, the Company had limited operating activity and there was no significant change in business operations.

Investing activities

During the year ended March 31, 2022, the Company received $32,761 from mineral property option payment proceeds/cost recoveries compared to $10,000 received during the year ended March 31, 2021. The Company used cash of $39,920 during the year ended March 31, 2022 for exploration and evaluation expenditures compared to $65,796 in the year ended March 31, 2021.

Financing activities

During the year ended March 31, 2022, the Company received $63,000 for proceeds from the issuance of shares compared to $425,000 in the year ended March 31, 2021.

Capital Management

The Company manages its capital to maintain its ability to continue as a going concern and to provide returns to shareholders and benefits to other stakeholders. The capital structure of the Company consists of cash, marketable securities, and equity comprised of issued capital and share-based payment reserve.

The Company manages its capital structure and makes adjustments to it in light of economic conditions. The Company, upon approval from its Board of Directors, will balance its overall capital structure through new share issues or by undertaking other activities as deemed appropriate under the specific circumstances.

The Company is not subject to externally imposed capital requirements and the Company's overall strategy with respect to capital risk management remains unchanged from the year ended March 31, 2022.

OFF BALANCE SHEET ARRANGEMENTS

There are no off-balance sheet arrangements to which the Company is committed.

TRANSACTIONS WITH RELATED PARTIES

(a) As at March 31, 2022, the amount of $799 (March 31, 2021 - $246) was owed to the President of the Company, Dino Cremonese, P.Eng, which is non-interest bearing, unsecured and due on demand.

(b) As at March 31, 2022, the amount of $8,716 was owed to Teuton (March 31, 2021 - $74,174 was owed from Teuton) which is non-interest bearing, unsecured and due on demand. The Company carries on joint exploration activity with Teuton and has done so for the past 30 years.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

Fair Values

Assets and liabilities measured at fair value on a recurring basis were presented on the Company's statement of financial position as at March 31, 2022 as follows:

	Fair Value Measurements Using			
	Quoted prices in active markets for identical instruments (Level 1) $	Significant other observable inputs (Level 2) $	Significant unobservable inputs (Level 3) $	Balance, March 31, 2022 $
Cash	65,731	–	–	65,731
Marketable securities	49,023	–	–	49,023

The fair values of other financial instruments, which include cash, accounts payable and accrued liabilities, and amounts due to related parties, approximate their carrying values due to the nature and relatively short-term maturity of these instruments.

Credit Risk

Financial instruments that potentially subject the Company to a concentration of credit risk consist primarily of cash and marketable securities. The Company limits its exposure to credit loss by placing its cash and marketable securities with high credit quality financial institutions. The carrying amount of financial assets represents the maximum credit exposure.

Foreign Exchange Rate and Interest Rate Risk

The Company is not exposed to any significant foreign exchange rate or interest rate risk.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company currently settles its financial obligations out of cash. The ability to do this relies on the Company raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs.

Price Risk

The Company is exposed to price risk with respect to commodity prices. The Company's ability to raise capital to fund exploration and development activities is subject to risks associated with fluctuations in the market price of commodities.

ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

A number of new standards, and amendments to standards and interpretations, are not yet effective for the year ended March 31, 2022, and have not been early adopted in preparing these financial statements.

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

LEGAL PROCEEDINGS

There are no legal proceedings.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

An analysis of material components of the Company's general and administrative expenses is disclosed in the audited financial statements for the year ended March 31, 2022. An analysis of material components of the Company's exploration and evaluation assets is disclosed in the audited financial statements for the year ended March 31, 2021 to which this MD&A relates.

During the year ended March 31, 2022, the Company expended $347,822 on mineral property expenditures, allocated as follows:

	$
Pacifico property, BC	30,730
Midas property, BC	64,968
Konkin Silver property, BC	249,038
Roman property, BC	368
Others	2,718
Total	347,822

DISCLOSURE OF OUTSTANDING SHARE DATA

Share Capital

As at July 27, 2022, the Company has 33,094,622 shares issued and outstanding.

Share Purchase Warrants

As at July 27, 2022, the Company had no share purchase warrants outstanding.

Stock Options

As of July 27 2022, the Company had the following stock options outstanding:

Number of options outstanding	Exercise price $	Expiry date
1,650,000	0.07	September 21, 2022
877,000	0.15	July 13, 2026
2,527,000		

RISK FACTORS

On March 11, 2020, the World Health Organization declared COVID-19 a global pandemic. The current outbreak of COVID-19 and any future emergence and spread of similar pathogens could have an adverse impact on global economic conditions, which may adversely impact the Company's operations, and the operations of its suppliers, contractors, and service providers, the ability to obtain financing and maintain necessary liquidity. The outbreak of COVID-19 and political upheavals in various countries have caused significant volatility in commodity prices. While these effects are expected to be temporary, the duration of the business disruptions internationally and related financial impact cannot be reasonably estimated at this time.

The Company cannot estimate whether or to what extent this outbreak and the potential financial impact may extend to countries outside of those currently impacted. Travel bans and other government restrictions may also adversely impact the Company's operations. At this point, the impact on the Company has been minimal. The Company continues to monitor the situation and is taking all necessary precautions in order to follow rules and best practices as set out by the federal and provincial governments.

OTHER

Additional information relating to the Company's operations and activities can be found by visiting the Company's website at www.silvergrail.com and by accessing the Company's news releases and filings on SEDAR at www.sedar.com.

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CORPORATE INFORMATION

DIRECTORS	**OFFICERS**
Dino Cremonese, P.Eng., *Victoria, BC*	Dino Cremonese, P.Eng. President and CEO
Robert Smiley, *West Vancouver, BC*	Robert Smiley,CFO
Alexandra Cremonese, *Toronto, Ontario*	Deborah Shilling Secretary
Barry Holmes, *Crofton, BC*	

Registered Office & Corporate Counsel	Morton & Co. 1750 - 750 West Pender Street Vancouver, BC V6C 2T8
Transfer Agent	Computershare Investor Services Inc. 3rd Floor, 510 Burrard Street Vancouver, BC V6C 3B9
Auditors	Manning Elliott LLP 1700 – 1030 West Georgia Street Vancouver, BC V6E 2Y3
Trading Symbol	SVG (TSX Venture Exchange) KD7 (Frankfurt Stock Exchange)