Form 51-102F1

BAROYECA GOLD & SILVER INC.

MANAGEMENT DISCUSSION & ANALYSIS

For the Six Months Ended November 30, 2021

Background

The following discussion and analysis, prepared as of January 31, 2022, should be read together with the unaudited condensed interim consolidated financial statements for the six months ended November 30, 2021 (the "Financial Statements") and related notes attached thereto, which are prepared in accordance with International Financial Reporting Standards. All amounts are stated in Canadian dollars unless otherwise indicated.

These unaudited condensed interim consolidated financial statements include the accounts of the Company and its wholly owned subsidiary, Boroyeca Gold & Silver de Mexico S.A. de C.V. All inter-company transactions and balances have been eliminated. .

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

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

Overview

Baroyeca Gold & Silver Inc. (the "Company") was incorporated on February 17, 2006 and commenced business at that time. The Company is a mineral exploration and evaluation company with no revenue generating operations, other than some incidental revenue from the sale of gold from its Colombian Properties which is reported as a recovery of costs incurred on those properties. Accordingly, any funds raised for the Company's operations are through the sale of shares of its capital stock or from debt financing. The Company's fiscal year end is May 31. The Company is listed on the TSX Venture Exchange under the symbol **BGS**.

During the 2012 fiscal year, the Company reviewed and acquired certain patented mineral claims and unpatented lode claims situated near Tombstone, Arizona, U.S.A. (the "Tombstone Property"). During the 2018 fiscal year, the Company granted an option to Aztec Minerals Corp. to acquire up to a 75% undivided interest in the Tombstone Property. The Company's remaining interest in the Tombstone Property was transferred to the lender pursuant to the Loan Payable (See Note 11 to the 2020 Financial Statements) on September 25, 2020.

During the fiscal year ended May 31, 2021, the Company entered into two agreements, each to acquire a 100% interest in a mineral property located in Colombia, South America and known respectively as the Santa Barbara Property and the Atocha Property (collectively the "Colombian Properties"). (The Atocha Property was previously referred to as the Falan Property.)

Results of Operations

Description of Colombian Properties

The Santa Barbara Property

The Santa Barbara Property consists of 110.86 hectares located in the Municipality of San Martín de Loba, in Bolivar Department, Colombia. The purchase includes a facility that is being used to carry out bulk sampling on the Property. All permits are in place to conduct the sampling activities on the Property. The Property is subject to a 2.5% NSR retained by the optionor. The purchase of the option to acquire the Santa Barbara Property closed in early February 2021, following acceptance for filing by the TSX Venture Exchange.

Pursuant to the terms of the option agreement, to earn a 100% interest in the Santa Barbara Property, subject to the royalty, the Company must make cash payments totalling $1,750,000 ($450,000 paid) and issue 7,000,000 common shares in the capital of the Company (3,500,000 shares issued) to the optionor, and must incur expenditures of $500,000 on the Santa Barbara Property in the first year of the option.

In December 2021, the Company entered into a Letter of Intent ("LOI") with a third party (the "Vendor") to acquire a 200 hectare property contiguous to the Company's Santa Barbara Property and situated on strike with the identified veins that the Company is currently bulk sampling. (See Note 17 (a) to the Financial Statements prepared as of November 30, 2021 for further particulars.) The proposed cost of the additional property is US$250,000 in cash and US$250,000 worth of shares in the capital of the Company on terms as set out in the Financial Statements.

The Atocha Property

The Atocha Property (formerly referred to as the Falan Property) consists of 2,585.94 hectares, located in the Municipality of Falan, in Tolima Department, Colombia. Although substantially larger than the Santa Barbara Property, the Atocha Property is less advanced, work being at the exploration stage. The Atocha Property is subject to a 3.5% NSR payable to an underlying vendor of the Property to the optionor.

Pursuant to the terms of the option agreement, to earn a 100% interest in the Atocha Property, the Company must make cash payments totalling $1,050,000 ($250,000 paid) and issue 5,000,000 common shares in the capital of the Company (2,500,000 shares issued) to the optionor over the term of the option. The Company will have to conduct, at a minimum, sufficient exploration work on the Property to keep it in good standing under the Colombian regulatory requirements.

See "Note 6 - Exploration and Evaluation Assets" to the Company's November 30, 2021 Financial Statements for further particulars of the terms of the two agreements.

Expenditures

The Santa Barbara Property

During the year ended May 31, 2021, the Company closed the acquisition of the Option on the Santa Barbara Property and assumed the operation of the exploration program on the Property that had been ongoing by Malabar Gold Corp., who granted the Option to the Company. The exploration expenses incurred on the Property to May 31, 2021 are set out in the table in Note 6 to the Financial Statements which shows that the Company incurred expenses, net of acquisition costs, of $126,912. This amount was reduced by gold sample recoveries realized in the period, so the actual expenses incurred towards the $500,000 work commitment under the Option was $184,220.

In the six months ended November 30, 2021, pursuant to the table in Note 6 of the Financial Statements, the Company incurred a further $289,435 in exploration expenses bringing the total to November 30, 2021 to $473,655, or 94% of the required work commitment with three months remaining in the first year of the Option. For further particulars of the work conducted and results received please see the Company's news releases dated September 14, October 18 and December 7, 2021 filed as part of the Company's disclosure on SEDAR at www.sedar.com.

The Atocha Property

During the year ended May 31, 2021, the Company closed the acquisition of the Option on the Atocha Property and commenced a prospecting program on the property stepping out from known historic vein showings and testing a series of major vein exposures found during the first reconnaissance traverses on the Property. Exploration expenses incurred on the Atocha Property to May 31, 2021 as set out in the table to Note 6 of the Financial Statements amounted to $162,455.

In the six months ended November 30, 2021, the Company's geological staff expanded the prospecting program over the Property, stepping out from the identified vein structures, and located a number of additional and, at times, parallel vein outcroppings. (For further particulars of the work conducted and the results obtained please see the Company's news releases dated July 6, August 4, August 12, August 30 and October 6, 2021 filed as part of the Company's disclosure on SEDAR at www.sedar.com.) The results of this work were sufficiently encouraging that the Company planned and has commenced a preliminary drill program for a target of 2,500 metres of drilling on the Atocha Property. (See the Company's news release dated October 28 and November 16, 2021 and January 5, 2022 for progress results.) Exploration expenses for the six months ended November 30, 2021 as set out in the table in Note 6 of the Financial Statements amounted to $463,596 for a total expenditure for the first nine months of the Option of $626,051, which more than satisfies the $250,000 work commitment required under the Option agreement for the Atocha Property.

SELECTED FINANCIAL DATA

The following table presents audited selected financial information for the years indicated and unaudited information for the stub periods indicated.

	Six Months Ended		Years Ended May 31		
	November 30 2021 $	November 30 2020 $	2021 $	2020 $	2019 $
OPERATIONS:					
Revenue	Nil	Nil	Nil	Nil	Nil
Net Income (Loss) for the Period	(383,095)	(154,845)	(2,243,213)	143,657	(164,094)
Comprehensive Income (Loss) for the Period	(388,584)	(154,847)	(2,242,559)	150,039	(162,236)
Basic and diluted income (loss) per share	(0.01)	(0.02)	(0.13)	(0.04)	(0.07)
BALANCE SHEET:					
Working capital (deficit)	681,894	(656,631)	1,972,299	(690,075)	(2,989,216)
Total assets	4,680,644	348,517	5,141,205	129,182	564,150
Total exploration and evaluation assets	3,422,398	154,210	2,669,367	-	500,000

The financial information presented in the table above is from the Company's financial statements prepared in accordance with International Financial Reporting Standards. The reporting currency for all periods is Canadian dollars.

General and Administrative

Discussion of Operating Results – six months ended November 30, 2021

During the six months ended November 30, 2021, the Company incurred a net loss from operations of $383,095 as compared with a net loss of $154,845 for the six months ended November 30, 2020. The increased loss for the 2021 period is due to: an increase of $158,701 in consulting fees as the Company has increased its activity, appointed a new President to work with the Chief Executive Officer, both being compensated as consultants, and engaged additional consultants to provide financial and marketing services; an increase of $43,192 in office and miscellaneous due to the additional office and administration costs associated with the Company's exploration activities in Colombia; an increase of $32,616 in website, marketing and promotion expenses representing the Company's increase in activity and communication with its investors through establishing and maintaining a website; an unrealized loss of $30,440 in the value of certain securities held by the Company at that time, with no such losses in the 2021 period; an increase of $26,883 in professional fees as the Company's annual audit occurs in this period and the Company experienced a change in auditors in the period due to the more complex accounting considerations with the Company incorporating its Colombian operations, resulting in an increase in audit fees; and miscellaneous increases of $6,869 in insurance expenses and $3,516 in bank charges, net of miscellaneous interest income, due to the increased activity of the Company; as offset by: a decrease of $15,485 in transfer agent and filing fees due to the higher expenses experienced in the 2020 period resulting from the reactivation activities undertaken by the Company in that period.

SUMMARY OF QUARTERLY RESULTS

The following table presents unaudited selected financial information for each of the last eight quarters ended November 30, 2021.

	Nov. 30 2021 $	**Aug. 31 2021 $**	**May 31 2021 $**	**Feb. 28 2021 $**	**Nov. 30 2020 $**	**Aug. 31 2020 $**	**May 31 2020 $**	**Feb. 29 2020 $**
Total Revenues		-	-	-	-	-	-	-
Net Income (Loss)	(193,237)	(189,858)	(2,049,941)	(37,773)	(212,919)	58,074	N/A	(50,019)
Basic and Diluted (Income)Loss/Share	(0.01)	(0.02)	(0.12)	(0.02)	(0.03)	0.01		(0.01)

The financial information presented in the table above is from the Company's consolidated financial statements prepared in accordance with International Financial Reporting Standards.

Discussion of Operating Results – three months ended November 30, 2021

During the three months ended November 30, 2021, the Company incurred a net loss from operations of $193,237 as compared with a net loss of $212,919 for the three months ended November 30, 2020. The net loss experienced in the 2020 period was primarily due to an unrealized loss of $142,440 in the value of certain securities held by the Company at that time, with no such losses in the 2021 period. Removing that loss from the results for the 2020 period, the Company would have experienced a loss of $70,479 as compared to the loss of $193,237 for the 2021 period. This increased loss for the 2021 period is due to: an increase of $63,651 in consulting fees as the Company has increased its activity, appointed a new President to work with the Chief Executive Officer, both being compensated as consultants, and engaged additional consultants to provide financial and marketing services; an increase of $25,046 in professional fees as the Company's annual audit occurs in this period and the Company experienced a change in auditors in the period due to the more complex accounting considerations with the Company incorporating its Colombian operations, resulting in an increase in audit fees; an increase of $23,736 in website, marketing and promotion expenses representing the Company's increase in activity and communication with its investors through establishing and maintaining a website; an increase of $22,478 in office and miscellaneous due to the additional office and administration costs associated with the Company's exploration activities in Colombia; and miscellaneous increases of $2,877 in insurance expenses and $1,800 in management and directors fees due to the increased activity of the Company; as offset by: a decrease of $21,855 in transfer agent and filing fees due to the higher expenses experienced in the 2020 period resulting from the reactivation activities undertaken by the Company in the 2020 period

Discussion of Operating Results – three months ended August 31, 2021

During the three months ended August 31, 2021, the Company incurred a net loss from operations of $189,858 as compared with net income of $58,074 for the three months ended August 31, 2020. The net income experienced in the 2020 period was primarily due to an unrealized gain of $112,000 in the value of certain securities held by the Company at that time, with no such gains in the 2021 period. Removing that gain from the results for the 2020 period, the Company would have experienced a loss of $53,926 as compared to the loss of $189,858 for the 2021 period. This increased loss for the 2021 period is due to: an increase of $110,050 in consulting fees as the Company has increased its activity, appointed a new President to work with the Chief Executive Officer, both being compensated as consultants, and engaged additional consultants to provide financial and marketing services; an increase of $20,714 in office and miscellaneous due to the additional office and administration costs associated with the Company's exploration activities in Colombia; an increase of $8,880 in website, marketing and promotion expenses representing the Company's increase in activity and communication with its investors through establishing and maintaining a website; an increase of $6,370 in transfer agent and filing fees resulting from the increased activity of the Company; an increase of $3,992 in insurance expense due to the increased activity of the Company; and miscellaneous increases of $1,837 in professional fees and $326 in bank charges due to the increased activity of the Company; as offset by: a decrease of $14,400 in management and director fees as a result of compensation to management being made as consulting fees in the current period.

Discussion of Operating Results - three months ended May 31, 2021

Management, for the following reasons, does not believe that the results for the quarters ended May 31, 2021 and May 31, 2020 are really comparable. In 2020, the Company was discontinuing its operations in Tombstone, Arizona, and deconsolidating the financial results of the Tombstone subsidiaries from its financial statements. In 2021, the Company moved forward in its new direction acquiring two mineral property interests in Colombia, filing for and having the property acquisitions approved by the TSX Venture Exchange, carrying out four private placement financings to raise working capital for the Company and moving forward with the exploration of the new property interests. Management believes that comparing the results for the 2020 period with the 2021 period is not a meaningful exercise and believes that the results for the 2021 period will be more representative of ongoing operations for the Company.

Discussion of Operating Results – three months ended February 28, 2021

As a result of the deconsolidation of the Company's Tombstone operations during 2020, comparison of the results of the two quarters is not meaningful.

Investor Relations

No investor relations activities were undertaken by or on behalf of the Company during the period and no investor relations arrangements or contracts were entered into by the Company during the period.

Liquidity and Capital Resources

The Company has no revenue generating operations and finances its operations principally through the sale of shares in its capital. In the short-term, directors of the Company have, in the past, provided cash advances to meet urgent operating needs. At June 1, 2021, the Company had working capital of $1,972,299.

During the six months ended November 30, 2021, the Company expended $383,095 in cash on its operating activities, incurred $753,030 in exploration expenditures on its Colombian properties, placed $50,000 of its cash in an investment account at its bank as security for the issuance of credit cards to the Company, realized $93,697 in proceeds from the sale of marketable securities and received $20,625 in cash from the exercise of 125,000 warrants previously issued by the Company.

As a result of the foregoing activities, amongst other things, at November 30, 2021, the Company had working capital of $681,894.

The Company has ongoing work obligations pursuant to its two property option agreements of $500,000 in the first year of the Option on the Santa Barbara Property and $250,000 in the first year of the Option on the Atocha Property. As at November 30, 2021, the Company had incurred $473,655 in expenditures on the Santa Barbara Property and $626,051 on the Atocha Property. The Company needs roughly $25,000 in working capital to complete its work commitment on the Santa Barbara Property and the Company has commenced a drilling program on the Atocha Property that is estimated to incur a minimum expenditure of approximately $500,000. Ongoing corporate administration is expected to be in the order of $200,000 per quarter. In addition to these working capital requirements, the Company has further cash payments due to the Optionor of the Colombian Properties that come due on the first anniversary of the closing of the acquisition of the Options in mid February, 2022. These payments amount to $825,000 with respect to the Santa Barbara Property and $500,000 with respect to the Atocha Property.

The Company will require additional financing to provide all the working capital necessary to meet these requirements. On January 20, 2022, the Company announced that it was undertaking a private placement of up 8,600,000 units of its securities with a view to raising in the order of $3,000,000 in working capital for the Company. (Please refer to Note 17 b in the November 20, 2021 Financial Statements for further particulars of the proposed private placement.) There can be no assurance that the Company will be able to sell any further, or sufficient, securities by way of private placement to raise the required additional working capital.

Off Balance Sheet Arrangements

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

Transactions with Related Parties

The Company had the following related party transactions during the six months ended November 30, 2021:

a) Consulting fees of $45,000 plus GST were paid or accrued to Richard Wilson, a director of the Company;

b) Consulting fees of $70,000 plus GST were paid or accrued to a private company wholly-owned by Raul Sanabria, a director of the Company; and

c) Professional fees of $43,000 were paid or accrued to a law firm of which Douglas Eacrett, a director of the Company, is principal.

Financial Instruments

The Company's financial instruments consist of cash, amounts receivable, accounts payable and accrued liabilities, due to related parties, loan payable and advance payable. The fair value of the Company's accounts payable and accrued liabilities, due to related parties, line of credit and loan payable, are estimated by management to approximate their carrying values based on the immediate or short-term maturity of these instruments. Cash is recorded at fair value using Level 1 quoted prices in active markets for identical assets or liabilities and, in management's opinion, the Company is not exposed to significant interest or credit risk from these financial instruments. Please refer to Note 8 of the unaudited condensed interim consolidated financial statements for detailed discussion of the financial risk factors.

Accounting standards, amendments and interpretations not yet effective

There are no significant material new standards, amendments to standards and interpretations that have been issued but are not effective during the six months ended November 30, 2021 that are applicable to the Company.

Particulars of Outstanding Securities of the Issuer

As at the dates noted below, the Company had the following securities outstanding:

Common Shares

Date	Number Outstanding
November 30, 2021	37,507,028
January 31, 2022	37,657,028

Share Purchase Warrants

The following Share Purchase Warrants, each entitling the holder to acquire one previously unissued common share of the Company at the prices and for the periods of time set out in the table below are outstanding at November 30, 2021 and January 31, 2022:

Date	Number of Share Purchase Warrants Outstanding	Exercise Price per Share	Expiry Date
November 30, 2021	2,700,000	$0.165	09/15/22
January 31, 2022	2,550,000	$0.165	09/15/22
November 30, 2021	8,343,089	$0.30	01/14/23
November 30, 2021	856,911	$0.30	01/25/23
January 31, 2022	8,343,089	$0.30	01/14/23
January 31, 2022	856,911	$0.30	01/25/23
November 30, 2021	207,382	$0.30	23/04/22
January 31, 2022	207,382	$0.30	23/04/22
November 30, 2021	2,815,017	$0.45	23/04/22
January 31, 2022	2,815,017	$0.45	23/04/22

Incentive Stock Options

The following Incentive Stock Options, each entitling the holder to acquire one previously unissued common share of the Company at the prices and for the periods of time set out in the table below are outstanding August 31, 2021 and November 1, 2021:

Date	Number of Incentive Stock Options Outstanding	Exercise Price per Share	Expiry Date
November 30, 2021:	3,350,000	$0.215	24/06/26
	150,000	$0.265	15/07/26
January 31, 2022:	3,350,000	$0.215	24/06/26
	150,000	$0.265	15/07/26