Management's Discussion and Analysis
For the Nine Months Ended May 31, 2023

This management's discussion and analysis ("MD&A") is management's interpretation of the financial condition and results of operations of Summa Silver Corp. (the "Company" or "Summa Silver") for the nine-month period ended May 31, 2023. This MD&A should be read in conjunction with the audited financial statements of the Company for the fiscal year ended August 31, 2022 and condensed consolidated interim financial statements for the nine months ended May 31, 2023, prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). This MD&A complements and supplements, but does not form part of, the Company's financial statements. All forward-looking statements, including those not specifically identified herein, are made subject to cautionary language on page 9. Readers are advised to refer to the cautionary language when reading any forward-looking statements.

All dollar amounts contained herein are expressed in Canadian dollars unless otherwise indicated. This MD&A has been prepared as of July 25, 2023.

BUSINESS OVERVIEW

The Company was incorporated under the *Business Corporations Act* (British Columbia) on March 7, 2018 as Cure Capital Corp. and changed its name to Pinnacle North Gold Corp. and further to Summa Silver Corp. on October 8, 2019 and April 30, 2020, respectively. The Company is listed on the TSX Venture Exchange under the trading symbol "SSVR", the OTCQX under "SSVRF", and the Frankfurt Stock Exchange under the symbol "48X" (collectively, the "Exchange").

The Company is a junior mineral exploration stage company in the business of acquiring, exploring, and evaluating natural resource properties. As at the date of this MD&A, the Company has a 100% in the Hughes Property located in the Tonopah mining district in central Nevada, United States and an option to acquire 100% of the Mogollon Property located in southwestern New Mexico, United States.

Mogollon Property, New Mexico

On August 24, 2020 the Company signed a definitive agreement with Allegiant Gold Ltd. ("Allegiant") to earn up to a 100% interest in the Mogollon silver-gold mining district. The Company may earn up to a 100% interest in two phases:

- Phase I is an option to earn a 75% interest over three years for staged payments totaling US$350,000 in cash, 200,000 shares, US$1,450,000 of value in shares, and a final payment of US$1,000,000 which may be paid in cash or shares, at the election of the Company. Phase I also includes a US$3,000,000 work commitment on the property. During the year ended August 31, 2022, the Company paid $129,280 (US$100,000) and issued 1,010,169 shares with a fair value of $639,450 (US$500,000) to Allegiant.
- After the 75% earn in, the Company can elect to either form a 75/25 joint venture with Allegiant or purchase the remaining 25% interest for US$3,000,000 in cash or shares.

Additionally, the Company has mining lease agreements on the Mogollon property with certain lessors, which were renegotiated on September 20, 2021. The payment terms of the mining lease agreements are as follows:

- USD$63,042 ($82,240) on signing of the amended agreement (paid);
- An additional USD$99,067 on or before the 12 month anniversary, and each successive anniversary thereafter. Of the annual payments, as much as 75% may be paid in shares at least six months prior to the anniversary date, at the option of the Company. The Company issued 27,400 common shares with a fair value of $34,010 under this mining lease agreement during the year ended August 31, 2022 and paid an additional $2,321. During the nine months ended May 31, 2023, the Company made a cash payment to these lessors for the balance of the annual payment of $94,041 and issued 57,049 common shares with a fair value of $36,785.

The Company has an additional lease agreement on the Mogollon property which was initially negotiated on April 9, 2009. Pursuant to this lease, the Company owes an annual base payment of USD$10,000, which is adjusted to an amount equal to the change in the Production Price Index for industrial commodities as published by the United State Bureau of Labour Statistics on each anniversary. The Company paid USD$15,215 ($20,734) pursuant to this lease during the nine months ended May 31, 2023.

The Company will also be subject to a production royalty on certain portions of the property of 4%. Portions of this royalty area may be bought down to 2% for staged payments of USD$3,000,000.

On November 22, 2021, the Company signed an additional option agreement to earn a 100% interest in two patented mining claims (the "Patents") covering the Eberle Mine immediately adjacent to the Mogollon property. The Company may earn a 100% interest in the Patents by making cash payments totaling US$700,000 over four years as follows:

- US$100,000 ($128,884) on signing of the option agreement (paid);
- An additional US$150,000 ($199,230) on or before the 12 month anniversary (paid during the period ended May 31, 2023);
- An additional US$150,000 on or before the 24 month anniversary;
- An additional US$150,000 on or before the 36 month anniversary; and
- An additional US$150,000 on or before the 48 month anniversary.

After completion of the payments with respect to the Eberle Mine, the Company will not be subject to any underlying royalties or other encumbrances.

During the nine months ended May 31, 2023, the Company staked additional claims surrounding the Mogollon property for a total cost of $84,790.

Hughes Property, Nevada

On April 14, 2020, the Company entered into a share purchase agreement whereby it acquired a 100% interest in 1237025 BC Ltd. in exchange for the issuance of 10,453,267 of its common shares. The option to acquire 100% of the Hughes property, through a wholly owned subsidiary of 1237025 BC Ltd., was transferred to the Company on acquisition. The Hughes Property is located in central Nevada and consists of 57 patented mining claims and 103 unpatented mining claims.

Summa Silver earned 100% of the property in exchange for US$400,000 in cash and US$400,000 in share payments originally payable in semi-annual instalments over a five-year period but accelerated at the Company's option during the period ended November 30, 2021. There was an additional obligation to incur $1.5 million of expenditures over the same five-year period ending March 8, 2025. The property is subject to a 1% net smelter royalty which may be reduced to 2.5% for additional payments of US$4 million. On October 5, 2021, the Company completed all remaining option payments to the vendor to earn a 100% interest in the project, subject to the 1% net smelter royalty. The accelerated payments included $376,274 (US$300,000) in cash and the issuance of 395,232 common shares of the Company with a fair value of $352,768.

Costs incurred with respect to the properties are summarized below:

	Hughes Property	Mogollon Property	Total
Acquisition Costs			
Balance, August 31, 2021	$ 1,282,899	$ 1,018,586	$ 2,301,485
Additions	729,042	1,016,185	1,745,227
Balance, August 31, 2022	2,011,941	2,034,771	4,046,712
Additions	-	435,670	435,670
Balance, May 31, 2023	$ 2,011,941	$ 2,470,441	$ 4,482,382
Deferred Exploration Costs			
Balance, August 31, 2021	$ 10,489,630	$ 572,892	$ 11,062,522
Drilling	5,398,940	1,647,579	7,046,519
Consulting	388,040	432,460	820,500
Fuel	206,036	436	206,472
Materials	-	30,266	30,266
Assays	177,258	103,886	281,144
Permitting	-	93,068	93,068
Data purchase	-	157,500	157,500
Currency translation adjustment	384,483	-	384,483
Balance, August 31, 2022	17,044,387	3,038,087	20,082,474
Drilling	587,469	2,935,303	3,522,772
Consulting	465,581	840,255	1,305,836
Fuel	78,284	-	78,284
Materials	69,295	200,032	269,327
Assays	26,161	68,958	95,119
Currency translation adjustment	625,297	96,830	722,127
Balance, May 31, 2023	$ 18,896,474	$ 7,179,465	$ 26,075,939
Total			
Balance, August 31, 2022	$ 19,056,328	$ 5,072,858	$ 24,129,186
Balance, May 31, 2023	$ 20,908,415	$ 9,649,906	$ 30,558,321

FINANCIAL REVIEW

For a discussion of the factors affecting the Company's losses see "Results of operations" and "Summary of quarterly results" below.

Results of operations for the three months ended May 31, 2023

The Company incurred comprehensive loss of $969,714 during the three months ended May 31, 2023, a decrease in loss of $191,162 as compared to the net loss and comprehensive loss of $1,160,876 for the three months ended May 31, 2022. The decrease in total comprehensive loss was primarily driven by:

- Professional fees decreased by $109,127 as the Company spent less on such activity.
- Stock-based compensation expense decreased by $13,613 which is due to less options vesting in the current period.
- Shareholder information and marketing expenses decreased by $36,728 and investor relations, travel and conferences decreased by $33,622 due to a significant amount of shareholder-related activity in the prior period.
- Foreign exchange loss on translation of foreign operations increased by $75,946 related to fluctuations of the Canadian dollar relative to the US dollar in the current period.
- The decrease in loss was offset by increases to general and administrative costs of $59,440, and consulting fees of $8,884 incurred within the three months to May 31, 2023. These increases were driven by increased activity.

Results of operations for the nine months ended May 31, 2023

The Company incurred comprehensive loss of $1,603,544 during the nine months ended May 31, 2023, a decrease in loss of $1,479,288, as compared to the net loss and comprehensive loss of $3,082,832 for the nine months ended May 31, 2022. The decrease in total comprehensive loss was primarily driven by:

- Investor relations expenses decreased by $119,344 driven primarily by high levels of activity incurred in the comparative quarter.
- Stock-based compensation expense decreased by $302,736 which is due to less options vesting in the current period.
- Foreign exchange gain on translation of foreign operations increased by $747,777 related to a weakening of the Canadian dollar relative to the US dollar in the current period, as compared to the nine months up to May 31, 2022.
- Shareholder information and marketing expenses decreased by $379,225 due to a significant amount of shareholder-related activity in the prior period.
- Consulting fees decreased nominally by $13,482, due to activity.
- The decrease in loss was offset by an increase to general and administrative costs of $212,158 which is driven by activity and certain one-time expenses.

Summary of quarterly results

The following table provides a summary of financial data for the Company's most recent eight quarters derived from the Company's unaudited condensed interim financial statements prepared in accordance with IAS 34:

	Quarter ended	Revenue	Loss (income) before other income and expenses	Total comprehensive loss (income)	Basic and diluted loss (income) per common share
Q3/23	May 31, 2023	$ -	$ 966,846	$ 969,714	$ 0.01
Q2/23	February 28, 2023	$ -	$ 819,322	$ 669,198	$ 0.01
Q1/23	November 30, 2022	$ -	$ 547,176	$ (35,368)	$ (0.01)
Q4/22	August 31, 2022	$ -	$ 650,929	$ 10,029	$ 0.00
Q3/22	May 31, 2022	$ -	$ 1,082,062	$ 1,160,876	$ 0.02
Q2/22	February 28, 2022	$ -	$ 1,354,845	$ 1,455,986	$ 0.02
Q1/22	November 30,2021	$ -	$ 627,948	$ 465,970	$ 0.01
Q4/21	August 31, 2021	$ -	$ 905,031	$ 529,897	$ 0.03

The primary factors affecting the magnitude and variations of the Company's losses are as follows:

- Q3 2023: The net loss incurred within the third quarter of 2023 was a result of increased share-based compensation incurred during the period.
- Q1 2023: The net loss incurred during the first quarter of 2023 was lower than previous quarters, a result of reduced corporate activity and overhead costs. The comprehensive income for the period was a result of the foreign exchange revaluation, driven by fluctuations in the Canadian dollar compared to US dollar.
- Q4 2022: During the fourth quarter of 2022, the Company decreased its expenditures, driven by reduced corporate activity, resulting in lower overhead and marketing and investor relations costs. The Company also incurred a gain on foreign exchange revaluation, driven by fluctuations in foreign currencies, resulting in the decreased comprehensive loss

- Q3 2022: During the three-month period, the Company maintained relatively consistent expenditures when compared to previous periods with changes primarily driven by stock based compensation, which is driven by terms and vesting period which are at management's discretion.
- Q2 2022: During the three-month period ended February 28, 2022, the Company paid bonuses totaling $184,200, resulting in a higher consulting fees expense. Additionally, the Company ran significant marketing campaigns, resulting in a higher shareholder information and market expense.
- Q4 2021 and Q1 2022: During the three-month period ended August 31, 2021, and the three-month period ended November 30, 2021, the Canadian dollar weakened relative to the US dollar, resulting in a foreign exchange gain on the translation of foreign operations, as opposed to losses in prior quarters, resulting in a lower total comprehensive loss. The loss before other items was consistent comparative to past periods, only seeing fluctuations in costs expected under the normal course of operations.
- Q1, Q2 and Q3 2021: The Company continues to have increased level of overall activity as a result of increasing exploration work on the Hughes Property, work related to the Mogollon property, and recent capital raises. Additionally, the Company granted stock options in the quarter resulting in stock-based compensation expense of $644,541 in Q2, 2021 and incurred stock-based compensation expense of $856,307 in Q3.

LIQUIDITY AND CAPITAL RESOURCES

The Company's financial statements for the fiscal period ended May 31, 2023 have been prepared on a going concern basis, which assumes that the Company will continue in operation in the foreseeable future and will be able to realize its assets and settle its liabilities in the normal course of business. At May 31, 2023, the Company had cash of $9,818,912 (August 31, 2022- $6,795,646) and its current assets exceed its current liabilities by $9,037,543 (August 31, 2022 - $6,742,245). The Company currently has no active business and is not generating any revenues. It has incurred losses and negative cash flows from operations since inception and had an accumulated deficit of $12,188,385 as at May 31, 2023 (August 31, 2022 - $10,268,701).

The Company is dependent on external financing, including equity issuances and debt financing, to fund its activities and will need to raise additional funding in the near future. Even with the recent financing, circumstances that could impair the Company's ability to raise future additional funds include general economic conditions, the climate for mineral exploration investment and the Company's track record. There is no guarantee that the Company will be able to secure additional financing in the future on terms that are favourable, or at all.

Cash flows

Cash used in operating activities for the nine months ended May 31, 2023 was $1,653,173 compared to $2,153,423 for the nine months ended May 31, 2022.

Cash used in investing activities for the nine months ended May 31, 2023 was $4,960,808 compared to investing activities of $7,189,432 in the comparative period ended May 31, 2022. Investing activities relate primarily to the exploration activities at the Hughes and Mogollon Properties.

Cash provided by financing activities for the nine months ended May 31, 2023 was $9,637,247 compared to $11,049,584 for the nine months ended May 31, 2022. The cash from financing activities in the period is a result of proceeds from the exercise of stock options.

Previous financings and use of funds

On May 27, 2020 and August 5, 2020, the Company completed two non-brokered private placements for gross proceeds of $5,000,000 and $8,000,000, respectively.

On February 19, 2021, the Company completed a non-brokered private placement for gross proceeds of $10,168,000.

On February 10, 2022, the Company completed a brokered private placement for gross proceeds of $9,339,989 as well a non-brokered private placement for gross proceeds of $2,160,000.

On December 29, 2022, the Company completed a brokered private placement for gross proceeds of $10,312,300.

The intended use of the proceeds is towards exploration, corporate development, and general working capital purposes.

As at May 31, 2023 the Company had incurred approximately $7.8 million towards operating expenditures and general working capital purposes and approximately $25.5 million towards exploration activities.

TRANSACTIONS WITH RELATED PARTIES

The Company's related parties consist of its key management personnel, including its directors and officers. The Company's related parties include its management personnel and companies owned, directly or indirectly, by key management and the transactions are as follows:

Name	Nature of Transactions
101252098 Saskatchewan Ltd.	Consulting services
1950 Consulting Services Ltd.	Consulting services
Rangefront Consulting, LLC	Geological consulting services

101252098 Saskatchewan Ltd. is owned and operated by the Company's CEO, Galen McNamara.

1950 Consulting Services Ltd. is owned and operated by the Company's CFO, Martin Bajic.

Brian Goss, a director of the Company, is a shareholder of Rangefront Consulting, LLC.

During the normal course of business, the Company enters into transactions with its related parties that are considered to be arm's length transactions and made at normal market prices and on normal commercial terms.

During the three and nine months ended May 31, 2023, the Company paid $75,000 and $325,000 (2022 - $75,000 and $375,000) respectively for CEO consulting services to 101252098 Saskatchewan Ltd. Of the total, for the three and nine months ended May 31, 2023, $37,500 and $212,500 was recorded to consulting fees and $37,500 and $112,500 was capitalized to exploration and evaluation assets.

During the three and nine months ended May 31, 2023, the Company paid $22,500 and $70,000 (2022 - $15,000 and $55,000) respectively for CFO consulting services to 1950 Consulting Services Ltd.

During the three and nine months ended May 31, 2023, the Company incurred $281,326 and $671,854 (2022 - $187,866 and $526,441) respectively for geological consulting services provided by Rangefront Consulting, LLC, which were capitalized in exploration and evaluation assets.

During the three and nine months ended May 31, 2023, the Company incurred directors fees of $13,931 and $41,620 which were recorded to consulting fees.

During the three and nine months ended May 31, 2023, the Company incurred share-based compensation of $249,489 and $409,536 (2022 - $240,155 and $604,525) respectively for options granted to officers and directors of the Company.

At May 31, 2023 and August 31, 2022, the Company had $121,756 and $103,439, respectively, owing to related parties.

CRITICAL JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The critical judgements and estimates that management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the condensed consolidated interim financial statements for the nine months ended May 31, 2023 are consistent with those applied in the preparation of the Company's condensed consolidated interim financial statements for the nine months ended May 31, 2023 and audited annual financial statements for the year ended August 31, 2022 and include the following:

Critical judgments

The critical judgments, apart from those involving estimations, that management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the consolidated financial statements are as follows:

Going concern

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay for its ongoing operating expenditures and meet its liabilities for the ensuing year involves significant judgment based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

Key sources of estimation uncertainty

The key assumptions management has made about the future and other major sources of estimation uncertainty at the date of the statement of financial position that have significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

Income Taxes

The Company recognizes deferred tax assets for deductible temporary differences, unused tax losses and other income tax deductions only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and other income tax deductions can be utilized. In assessing the probability of realizing the income tax benefits of deductible temporary differences, unused tax losses and other income tax deductions, management makes estimates related to expectations of future taxable income, applicable tax planning opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. The likelihood that tax positions taken will be sustained upon examination by applicable tax authorities is assessed based on individual facts and circumstances of the relevant tax position evaluated in light of all available evidence.

As at May 31, 2023 and August 31, 2022, the Company has not recognized any deferred tax assets for deductible temporary differences. Changes in any of the above-mentioned estimates can materially affect the amount of income tax assets recognized. In addition, where applicable tax laws and regulations are either unclear or subject to varying interpretations, changes in these estimates can occur that materially affect the amounts of income tax assets recognized. The Company reassesses unrecognized income tax assets at the end of each reporting period.

OFF-BALANCE SHEET ARRANGEMENTS

The Company did not enter into any off-balance sheet arrangements during the nine months ended May 31, 2023.

PROPOSED TRANSACTIONS

The Company did not enter into any proposed transactions during the nine months ended May 31, 2023.

FINANCIAL INSTRUMENTS AND RELATED RISKS

Classifications

The Company's financial assets and liabilities are classified as follows:

		May 31, 2023		August 31, 2022
Financial assets:				
Fair value through profit or loss				
Cash	$	9,818,912	$	6,795,646
Financial liabilities:				
At amortized cost				
Accounts payable	$	1,041,462	$	140,716

The amount of accounts payable and accrued liabilities includes amounts due to related parties.

The fair values of the Company's cash, receivables, restricted cash and accounts payable approximate their carrying amounts due to the short-term nature of these instruments.

Financial instrument risk exposure

The Company's financial instruments expose the Company to certain financial risks, including credit risk, liquidity risk, interest rate risk and foreign currency risk.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. At May 31, 2023, the Company was exposed to credit risk on its cash and receivables.

The Company's cash is held with a high credit quality financial institution in Canada and as at May 31, 2023, management considers its exposure to credit risk for its receivables to be low. The Company's receivables consist of mining tax credits and GST receivable from the Government of Canada.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities. The Company manages liquidity risk by maintaining adequate cash and managing its capital and expenditures.

At May 31, 2023, the Company had cash of $9,818,912 (August 31, 2022 - $6,795,646) and accounts payable and accrued liabilities of $1,068,322 (August 31, 2022 - $346,489) with contractual maturities of less than one year. The Company had sufficient cash to meet its current liabilities at February 28, 2023. The Company assessed its liquidity risk as low as at May 31, 2023.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates.

The Company's financial assets and financial liabilities are not exposed to interest rate risk due to their short-term nature and maturity. The Company is not exposed to interest rate risk at May 31, 2023.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is exposed to foreign currency risk to the extent that it has monetary assets and liabilities denominated in foreign currencies.

As at May 31, 2023, the Company is exposed to foreign currency risk as it has cash and accounts payable denominated in US Dollars, as follows:

		May 31, 2023		**August 31, 2022**
Cash	$	209,142	$	1,670,477
Prepaid expenses		132,000		150,000
Accounts payable		(751,616)		(97,332)
Net exposure		(410,474)		1,723,145
Canadian dollar equivalent	$	(558,368)	$	2,259,215

As of May 31, 2023, a 5% change in the exchange rate between US dollars and Canadian dollars would impact the Company's net assets by $(27,918) (August 31, 2022 - $112,961). The Company assessed its foreign currency risk as moderate as of May 31, 2023.

OUTSTANDING SHARE CAPITAL DATA

At the date of this MD&A, there were 91,324,869 common shares, 8,012,500 stock options and 23,434,158 warrants issued and outstanding. The Company has authorized an unlimited number of common shares without par value.

Set forth below are details regarding the outstanding stock options.

Number of options	Exercise price	Expiry date	Exercisable
1,750,000	$0.25	May 7, 2025	1,750,000
300,000	$0.50	June 9, 2025	300,000
100,000	$0.92	June 30, 2025	100,000
2,150,000	$1.41	October 13, 2025	2,150,000
200,000	$1.09	March 25, 2026	200,000
1,377,500	$0.94	January 7, 2027	1,377,500
50,000	$0.74	July 19, 2023	50,000
200,000	$0.74	June 14, 2027	200,000
1,635,000	$0.80	February 1, 2028	408,750
250,000	$0.67	June 19, 2024	-

Set forth below are details regarding the outstanding warrants.

Number of warrants	Exercise price	Expiry date	Exercisable
4,000,000	$1.75	August 5, 2023	4,000,000
5,084,000	$1.75	February 19, 2024	5,084,000
6,388,882	$1.20	February 10, 2025	6,388,882
742,666	$0.90	February 10, 2025	742,666
6,445,187	$1.20	December 29, 2025	6,445,187
773,423	$0.80	December 29, 2025	773,423

OUTLOOK

The Company requires additional funding for its corporate and overhead expenses in the immediate future, as any increase in corporate activity or material acquisition will require additional financing. Many factors influence the Company's ability to raise funds, including the health of the capital market and the Company's track record. There is no guarantee that the Company will be able to secure additional financings in the future at terms that are favourable, or at all.

RISKS AND UNCERTAINTIES

The Company's business remains mineral property acquisition, exploration and development business and as a result it may be exposed to a number of operational, financial, regulatory and other risks and uncertainties that are typical in the natural resource industry and common to other companies in the exploration and development stage. These risks may not be the only risks faced by the Company. Additional risks and uncertainties not presently known by the Company or which are presently considered immaterial could adversely impact the Company's business, results of operations, and financial performance in future periods.

COVID-19 Pandemic

On March 11 2020, the World Health Organization characterized the outbreak of a strain of the novel coronavirus ("COVID-19") as a pandemic which has resulted in a series of public health and emergency measures that have been put in place to combat the spread of the virus. The duration and impact of COVID-19 is unknown at this time and it is not possible to reliably estimate the impact that the length and severity of these developments will have on the financial results and condition of the Company in future periods.

Need for Additional Funding

Further funding may be required by the Company to continue as a going concern. There is no guarantee that the Company will be able to raise sufficient funds. In addition, any future financing may be dilutive to existing shareholders of the Company. Many factors influence the Company's ability to raise funds, including the health of the capital markets, the climate for mineral exploration investment and the Company's track record. Actual funding requirements may vary from those planned due to a number of factors, including the acquisition of new projects. Management is continually assessing the Company's cash needs and potential sources of financing but recognizes there may be some difficulty obtaining such financing due to the current market conditions. There is no guarantee that the Company will be able to secure additional financing in the future at terms that are favourable, or at all.

Share Price Fluctuations

Securities markets have at times in the past experienced a high degree of price and volume volatility, and the market price of securities of many companies, particularly those considered to be exploration stage companies such as the Company, have experienced wide fluctuations in share prices which have not necessarily been related to their operating performance, underlying asset values or prospects. There can be no assurance that these kinds of share price fluctuations will not occur in the future, and if they do occur, how severe the impact may be on the Company's ability to raise additional funds through equity issues.

Exploration stage risks

Exploration for mineral resources involves a high degree of risk, the cost of conducting programs may be substantial and the likelihood of success is difficult to assess.

Resource exploration and development is a highly speculative business, characterized by a number of significant risks including, but not limited to, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits that, though present, are insufficient in quantity and quality to return a profit from production. Few exploration projects successfully achieve development due to factors that cannot be predicted or anticipated, and even one such factor may result in the economic viability of a project being detrimentally impacted such that it is neither feasible nor practical to proceed. The Company closely monitors its activities and those factors that could negatively impact it and employs experienced consultants and key management to assist in its risk management and to make timely decisions regarding future property expenditures.

Other risks associated with projects in the exploration and development stage which could cause delays or prohibit the progress of the overall project include delays in obtaining required government approvals and permits and the inability to obtain suitable or adequate machinery, equipment, road access, power or labour.

Metal price risk

The Company is exposed to commodity price risk. Declines in the market price of gold, base metals and other minerals may adversely affect the Company's ability to raise capital in order to fund its ongoing operations. Commodity price declines could also reduce the amount the Company would receive on the disposition of any its mineral property interests to a third party.

Operating Hazards and Risks

The Company's operations are subject to hazards and risks normally associated with the exploration of mineral properties, any of which could cause delays in the progress of the Company's exploration plans, damage to or destruction of property, loss of life and/or environmental damage. Some of these risks include, but are not limited to, unexpected or unusual geological formations; rock bursts, cave-ins, fires, flooding and earthquakes; unanticipated changes in metallurgical characteristics and mineral recovery, unanticipated ground or water conditions, industrial or labour disputes, hazardous weather conditions, cost overruns, land claims and other unforeseen events may occur. A combination of experience, knowledge and careful evaluation may not be able to overcome these risks.

The nature of these risks is such that liabilities might exceed any insurance policy limits, the liabilities and hazards might not be insurable, or the Company might not elect to insure itself against such liabilities due to high premium costs or other factors. Such liabilities may have a materially adverse effect on the Company's financial condition and operations and could reduce or eliminate any future profitability and result in increased costs and a decline in the value of the securities of the Company.

Environmental risk

The Company seeks to operate within environmental protection standards that meet or exceed existing requirements in the country in which the Company operates. Present or future laws and regulations and third party opposition, however, may affect the Company's operations. Future environmental costs may increase due to changing requirements or costs associated with exploring, developing, operating and closing of mines. Programs may also be delayed or prohibited in certain areas. The costs of complying with changes in governmental regulations can negatively impact the Company's financial performance.

Reliance on key personnel

The success of the Company's operations and activities is dependent to a significant extent on the efforts and abilities of its senior management team, as well as outside contractors, experts and its partners. The loss of one or more members of senior management, key employees, contractors or partners, if not replaced, could have a material adverse effect on the Company's business, results of operations and financial performance.

CONFLICTS OF INTEREST

The Company's directors and officers may serve as directors or officers, or may be associated with, other reporting companies, or have significant shareholdings in other companies. To the extent that such other companies may participate in business or asset acquisitions, dispositions, or ventures in which the Company may participate, the directors and officers of the Company may have a conflict of interest in negotiating and concluding on terms with respect to the transaction. If a conflict of interest arises, the Company will follow the provisions of the BC *Business Corporations Act* ("BCBCA") dealing with conflict of interest. These provisions state that where a director has such a conflict, that director must, at a meeting of the Company's directors, disclose his or her interest and refrain from voting on the matter unless otherwise permitted by the BCBCA. In accordance with the laws of the Province of British Columbia, the directors and officers of Summa Silver are required to act honestly, in good faith, and in the best interest of Summa Silver.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This MD&A includes "forward-looking statements" and "forward-looking information" within the meaning of Canadian securities legislation. All statements included in this MD&A, other than statements of historical fact, are forward-looking statements. When used in this MD&A, words such as "may", "would", "could", "will", "intend", "expect", "believe", "plan", "anticipate", "estimate", "scheduled", "forecast", "predict", "foresee" and other similar terminology, or sentences/statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved are intended to identify forward-looking statements, which, by their very nature, are not guarantees of the Company's future operational or financial performance.

These statements reflect the Company's current expectations regarding future events, performance and results, and is accurate only at the time of this MD&A and may be superseded by more current information. Forward-looking statements also involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements of the Company or its mineral projects to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements or information.

In making such statements, the Company has made assumptions regarding, among other things: general business and economic conditions; the availability of additional, the supply and demand for, inventories of, and the level and volatility of the prices of metals; the timing and receipt of governmental permits and approvals; changes in regulations; political factors; the accuracy of the Company's interpretation of the geology of the Company's properties and prospective properties; the availability of equipment, skilled labour and services needed for the exploration of mineral properties; and currency fluctuations.

Although the forward-looking statements or information contained in this MD&A are based upon what management of the Company believes are reasonable assumptions, the Company cannot assure investors that actual results will be consistent with these forward-looking statements. They should not be read as guarantees of future performance or results. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements, including, but not limited to: the factors discussed under "Risks and Uncertainties"; unanticipated changes in general business and economic conditions or conditions in the financial markets; fluctuations in the price of metals; stock market volatility; the availability of exploration capital and financing generally; changes in national and local government legislation; changes to taxation; changes in interest or currency exchange rates; loss of key personnel; inaccurate geological assumptions; competition; unavailability of materials and equipment; government action or delays in the receipt of permits or government approvals; and unanticipated events related to health, safety and environmental matters, including the impact of epidemics.

Forward-looking information is designed to help readers understand management's current views of the Company's near and longer-term prospects, and it may not be appropriate for other purposes. The Company will not update any forward-looking statements or forward-looking information unless required to by applicable securities laws.