

A copy of this preliminary short form base shelf prospectus has been filed with the securities regulatory authorities in every province of Canada except Quebec, but has not yet become final for the purpose of the sale of securities. Information contained in this preliminary short form base shelf prospectus may not be complete and may have to be amended. The securities may not be sold until a receipt for the short form base shelf prospectus is obtained from the securities regulatory authorities. This prospectus is a base shelf prospectus. This short form base shelf prospectus has been filed under legislation in every province of Canada, except Quebec, that permits certain information about these securities to be determined after this prospectus has become final and that permits the omission from this prospectus of that information. The legislation requires the delivery to purchasers of a prospectus supplement containing the omitted information within a specified period of time after agreeing to purchase any of these securities.

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This short form base shelf prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities in these jurisdictions.

Information has been incorporated by reference in this short form base shelf prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Corporate Secretary of Kuya Silver Corporation at 40440 Thunderbird Ridge B1831, Garibaldi Highlands, B.C., V0N 1T0 (Telephone (604) 377-0403), and are also available electronically at www.sedar.com.

PRELIMINARY SHORT FORM BASE SHELF PROSPECTUS

New Issue

October 31, 2022

KUYA SILVER CORPORATION



\$100,000,000

**Common Shares
Warrants
Subscription Receipts
Debt Securities
Units**

Kuya Silver Corporation (“**Kuya Silver**” or the “**Corporation**”) may offer and sell from time to time common shares of the Corporation (“**Common Shares**”), warrants (“**Warrants**”) to purchase any of the other securities that are described in this short form base shelf prospectus (the “**Prospectus**”), subscription receipts (“**Subscription Receipts**”), debt securities (“**Debt Securities**”), units (“**Units**”) comprising one or more of any of the other securities that are described in this Prospectus, or any combination of such securities (all of the foregoing collectively, the “**Securities**” and individually, a “**Security**”) for up to an aggregate offering price of \$100,000,000 (or its equivalent in United States dollars or any other currencies), in one or more transactions during the 25-month period that this Prospectus, including any amendments hereto, remains effective.

The Corporation will provide the specific terms of any offering of Securities, including the specific terms of the Securities with respect to a particular offering and the terms of such offering, in one or more prospectus supplements (each a “**Prospectus Supplement**”) to this Prospectus. The Securities may be offered separately or together or in any combination, and as separate series.

In addition, Securities may be offered and issued in consideration for the acquisition of other businesses, assets or securities by the Corporation or a subsidiary of the Corporation. The consideration for any such acquisition may consist of any of the Securities separately, a combination of Securities or any combination of, among other things, Securities, cash and assumption of liabilities.

An investor should read this Prospectus and the applicable Prospectus Supplement carefully before investing in any Securities.

All dollar amounts in this Prospectus are in Canadian dollars, unless otherwise indicated. See “Currency Presentation and Exchange Rate Information”.

All information permitted under applicable securities laws to be omitted from this Prospectus will be contained in one or more Prospectus Supplements that will be delivered to purchasers together with this Prospectus. For the purposes of applicable securities laws, each Prospectus Supplement will be incorporated by reference into this Prospectus as of the date of the Prospectus Supplement and only for the purposes of the distribution of the Securities to which that Prospectus Supplement pertains.

The Securities may be sold pursuant to this Prospectus directly to investors or through underwriters, dealers or agents designated from time to time, at amounts and prices and other terms determined by the Corporation. A Prospectus Supplement will set out the names of any underwriters, dealers or agents involved in the sale of the Securities, the amounts, if any, to be purchased by underwriters, the plan of distribution for such Securities, including the net proceeds the Corporation expects to receive from the sale of such Securities, if any, the amounts and prices at which the Securities are sold and the compensation of such underwriters, dealers or agents. See “Plan of Distribution”.

The Common Shares are listed and posted for trading on the Canadian Securities Exchange (the “CSE”) under the symbol “KUYA”. On October 28, 2022, the last trading day prior to the date of this Prospectus, the closing price of the Common Shares on the CSE was \$0.39. **Unless otherwise specified in the applicable Prospectus Supplement, Securities other than Common Shares will not be listed on any securities exchange. There is currently no market through which such Securities may be sold and purchasers may not be able to resell any such Securities purchased under this Prospectus and the Prospectus Supplement relating to such Securities. This may affect the pricing of such Securities in the secondary market, the transparency and availability of trading prices, the liquidity of such Securities and the extent of issuer regulation. See “Risk Factors”.**

Purchasers of Securities should be aware that the acquisition of Securities may have tax consequences. Such consequences for purchasers who are resident in the United States may not be described fully herein. Purchasers of Securities should read the tax discussion contained in the applicable Prospectus Supplement with respect to a particular offering of Securities.

Directors of the Corporation residing outside of Canada have appointed Kuya Silver at 150 King Street West, Suite 200, Toronto, Ontario, M5J 1J9 as agent for service of process. Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person that resides outside of Canada, even if the person has appointed an agent for service of process.

An investment in Securities involves significant risks that should be carefully considered by prospective investors before purchasing Securities. The risks outlined in this Prospectus and in the documents incorporated by reference herein, including the applicable Prospectus Supplement, should be carefully reviewed and considered by prospective investors in connection with any investment in Securities. See “Cautionary Statement On Forward-Looking Information” and “Risk Factors”.

As of the date of this Prospectus, no underwriter or dealer is in a contractual relationship with the Corporation requiring the underwriter or dealer to distribute under this Prospectus.

The Corporation’s head office is located at Suite 200 – 150, King Street West, Toronto, Ontario, M5H 1J9 and registered office is located at 40440 Thunderbird Ridge B1831, Garibaldi Highlands, B.C., V0N 1T0.

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ABOUT THIS SHORT FORM PROSPECTUS

In this Prospectus, the Corporation and its subsidiaries are collectively referred to as the “Corporation” or “Kuya Silver”, unless the context otherwise requires. The Corporation has not authorized anyone to provide readers with information different from that contained in this Prospectus prepared by the Corporation. The Corporation takes no responsibility for, and can provide no assurance as to the reliability of any other information that others may give readers of this Prospectus. The Corporation is not making an offer of Securities in any jurisdiction where the offer is not permitted.

Readers should not assume that the information contained or incorporated by reference in this Prospectus is accurate as of any date other than the date of this Prospectus or the respective dates of the documents incorporated by reference herein, unless otherwise noted herein or as required by law. It should be assumed that the information appearing in this Prospectus, any Prospectus Supplement and the documents incorporated by reference herein and therein are accurate only as of their respective dates. The business, financial condition, results of operations and prospects of the Corporation may have changed since those dates.

This Prospectus shall not be used by anyone for any purpose other than in connection with an offering of Securities as described in one or more Prospectus Supplements. The Corporation does not undertake to update the information contained or incorporated by reference herein, including any Prospectus Supplement, except as required by applicable securities laws. Information contained on, or otherwise accessed through, the website of the Corporation, www.kinross.com, shall not be deemed to be a part of this Prospectus and such information is not incorporated by reference herein.

CAUTIONARY STATEMENT ON FORWARD-LOOKING INFORMATION

All statements, other than statements of historical fact, contained or incorporated by reference in this Prospectus including, but not limited to, any information as to the future financial or operating performance of Kuya Silver, constitute “forward-looking information” or “forward-looking statements” within the meaning of certain securities laws, including the provisions of the *Securities Act* (British Columbia) and are based on expectations, estimates and projections as of the date of this Prospectus, or in the case of any documents incorporated by reference herein, as of the date of such documents.

Forward-looking statements contained or incorporated by reference in this Prospectus, include, but are not limited to, statements with respect to the Corporation’s ability to obtain funding on favourable terms or at all; anticipated exploration activities and the results of those activities; identification and definition of mineral deposits; the Corporation’s plans in respect of development and operations; schedules and budgets for the Corporation’s development projects; anticipated capital requirements and capital expenditures; estimates and the realization of such estimates; potential mining and processing scenarios; anticipated operating costs, revenues, and cash flow; the timing and amount of estimated future production; the future price of silver; currency fluctuations; anticipated business trends; government regulation; permit applications; and environmental risks. The words “advance”, “anticipate”, “assumption”, “believe”, “budget”, “consideration”, “continue”, “develop”, “enhancement”, “estimates”, “expand”, “expects”, “explore”, “extend”, “focus”, “forecast”, “forward”, “future”, “goal”, “guidance”, “indicate”, “initiative”, “intend”, “measures”, “mitigation”, “on budget”, “on schedule”, “opportunity”, “optimize”, “outlook”, “phase”, “plan”, “possible”, “potential”, “proceeding”, “progress”, “project”, “prospective”, “schedule”, “seek”, “study”, “target”, or variations of or similar such words and phrases or statements that certain actions, events or results may, could, should or will be achieved, received or taken, or will occur or result and similar such expressions identify forward-looking statements.

Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by Kuya Silver as of the date of such statements, are inherently subject to significant business, economic

and competitive uncertainties and contingencies. The estimates, models and assumptions of Kuya Silver referenced, contained or incorporated by reference in this Prospectus, which may prove to be incorrect, include, but are not limited to, the various assumptions set forth in this Prospectus and in the AIF (as defined below), 2021 MD&A (as defined below) and Q2 2022 MD&A (as defined below), as well as: (1) there being no significant disruptions affecting the operations of the Corporation, whether due to extreme weather events or other natural disasters, labour disruptions (including but not limited to strikes or workforce reductions), supply disruptions, power disruptions, protests, blockades, damage to equipment, or otherwise; (2) permitting, development, and operations at or in respect of the Corporation's development projects being consistent with the Corporation's current expectations, including without limitation the maintenance or modification of existing permits, licenses, consents, authorizations, and approvals (each, a "Permit," and collectively, "Permits") and the timely receipt of all Permits necessary for the development of and commencement of production at the Bethania Silver Project, and the successful completion of exploration consistent with the Corporation's expectations at the Corporation's projects; (3) political and legal developments in any jurisdiction in which the Corporation operates being consistent with its current expectations, including without limitation the impact of any political developments in the Republic of Peru, and penalties imposed, or actions taken, by any government, including but not limited to amendments or other changes to laws, regulations, rules, and policies relating to mining, environmental protection, water use, labour and employment, safety, customs, and taxation (including, but not limited to, the interpretation, implementation, application, and enforcement of any such laws, regulations, rules, and policies, and any amendments thereto); (4) the completion of studies on the timelines currently expected, and the results of those studies being consistent with the Corporation's current expectations; (5) the exchange rate between the Canadian dollar and the Peruvian nuevo sol being approximately consistent with current levels; (6) certain price assumptions for silver; (7) prices for diesel, electricity, and other key supplies being approximately consistent with the Corporation's expectations; (8) the accuracy of the current Mineral Resource estimate of the Corporation for the Bethania Silver Project; (9) access to capital markets consistent with the Corporation's expectations, and sufficient to fund the activities of the Corporation for the twelve months ending December 31, 2022; (10) potential direct or indirect operational impacts resulting from infectious diseases or pandemics such as the ongoing COVID-19 pandemic; and (11) the effectiveness of preventative actions and contingency plans put in place by the Corporation to respond to the COVID-19 pandemic.

Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements. Such factors include, but are not limited to: the inaccuracy of any of the foregoing assumptions; the Corporation's ability to obtain financing; the speculative nature of mineral exploration and development, including but not limited to the risks associated with obtaining and renewing necessary Permits; political or economic developments in Canada, Peru, or other countries in which the Corporation does business or may do business; the security of personnel and assets; operating or technical difficulties in connection with mining or development activities; changes in legislation, taxation (including but not limited to income tax, stamp tax, withholding tax, capital tax, tariffs, value-added or sales tax, capital outflow tax, capital gains tax, windfall or windfall profits tax, production royalties, excise tax, customs/import or export taxes/duties, asset taxes, asset transfer tax, property use, and other real estate tax, together with any related fine, penalty, surcharge, or interest imposed in connection with such taxes), controls, policies, and regulations; litigation or other claims against, or any regulatory investigations, enforcement actions, administrative orders, or sanctions in respect of, the Corporation, its directors, officers, or employees, including but not limited to securities class action litigation, environmental litigation, or regulatory proceedings, or any investigations, enforcement actions, or sanctions under any applicable anti-corruption laws; fluctuations in the currency markets, or in the spot or forward price of silver or certain other commodities (such as fuel and electricity); employee relations; contests over title to properties, particularly undeveloped properties; and business opportunities that may be presented to, or pursued by, the Corporation. These uncertainties and contingencies may cause the Corporation's actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, Kuya Silver. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Forward-looking statements are provided for the purpose of providing information about management's expectations and plans relating to the future.

All of the forward-looking statements made in this Prospectus are qualified by these cautionary statements and those made in our other filings with the securities regulators of Canada including, but not limited to, the

cautionary statements made in the “Risk Factors” section of this Prospectus, the “Risk Factors” section of our AIF and the “Risk Factors” sections in the 2021 MD&A and Q2 2022 MD&A. These factors are not intended to represent a complete list of the factors that could affect Kuya Silver. Kuya Silver disclaims any intention or obligation to update or revise any forward-looking statements or to explain any material difference between subsequent actual events and such forward-looking statements, except to the extent required by applicable law. The Corporation’s public filings with the securities commissions or similar authorities in each of the provinces of Canada, other than Quebec, can be found through the System for Electronic Document Analysis and Retrieval (“SEDAR”) on the Corporation’s profile at www.sedar.com.

CURRENCY PRESENTATION AND EXCHANGE RATE INFORMATION

All references to “\$” in this Prospectus are to Canadian dollars and all references to “US\$” are to United States dollars. On October 28, 2022, the Bank of Canada daily rate of exchange was Cdn\$1.00 = US\$0.7345 or US\$1.00 = Cdn\$1.3615.

DOCUMENTS INCORPORATED BY REFERENCE

Information has been incorporated by reference in this Prospectus from documents filed with the securities commissions or similar authorities in each of the provinces of Canada other than Quebec. Copies of the documents incorporated by reference herein may be obtained on request without charge from the Corporate Secretary of the Corporation at 40440 Thunderbird Ridge B1831, Garibaldi Highlands, B.C., V0N 1T0 (Telephone (604) 377-0403) and are also available electronically at www.sedar.com. The filings of the Corporation through SEDAR are not incorporated by reference in this Prospectus except as specifically set out herein.

The information incorporated by reference is considered part of this Prospectus, and information filed with the securities commission or similar authorities in each of the provinces of Canada, except Quebec, subsequent to this Prospectus and prior to the termination of a particular offering of Securities referred to in any Prospectus Supplement will be deemed to update and, if applicable, supersede this information. Except as may be set forth in a Prospectus Supplement, the following documents, filed by the Corporation with the securities commissions or similar authorities in each of the provinces of Canada, are specifically incorporated by reference into, and form an integral part of, this Prospectus:

- (a) annual information form of the Corporation for the year ended December 31, 2021 dated April 20, 2022 (the “**AIF**”);
- (b) audited consolidated financial statements of the Corporation as at and for the years ended December 31, 2021 and 2020, together with the notes thereto and the auditor’s report thereon;
- (c) management’s discussion and analysis of financial condition and result of operations of the Corporation for the year ended December 31, 2021 (the “**2021 MD&A**”);
- (d) management information circular of the Corporation dated May 26, 2022 in connection with the annual and special meeting of shareholders held on June 29, 2022;
- (e) unaudited interim condensed consolidated financial statements of the Corporation as at June 30, 2022 and for the six months ended June 30, 2022 and 2021, together with the notes thereto;
- (f) management’s discussion and analysis of financial condition and result of operations of the Corporation for the six months ended June 30, 2022 (the “**Q2 2022 MD&A**”);
- (g) material change report of the Corporation filed on January 24, 2022, with respect to the appointment of Mr. Javier Del Rio to the Corporation’s board of directors;

- (h) material change report of the Corporation filed on May 12, 2022, with respect to the closing of the first tranche of a non-brokered private placement of Units (“**May Unit Financing**”) for aggregate gross proceeds of \$588,000.60;
- (i) material change report of the Corporation filed on June 30, 2022, with respect to the closing of the second tranche of the May Unit Financing for gross proceeds of \$135,900, and, together with the first tranche, aggregate gross proceeds of \$723,900.60.
- (j) material change report of the Corporation filed on July 22, 2022, with respect to the entering into of a term-loan financing for \$300,000 and issuance of 450,000 Warrants;
- (k) material change report of the Corporation filed on August 15, 2022, with respect to the closing of a “best efforts” private placement of Units for aggregate gross proceeds of \$3,167,100 (the “**August Unit Financing**”); and
- (l) section 1, entitled “Summary”, of the technical report entitled “Bethania Silver Project – NI 43-101 Technical Report (Preliminary Economic Assessment prepared for Kuya Silver Corporation), Huancavelica, Peru” having an effective date of April 9, 2022 (the “**PEA Report**”).

Any document of the type referred to in section 11.1 of Form 44-101F1 of National Instrument 44-101 – *Prospectus Distributions* (excluding confidential material change reports), if filed by the Corporation with a securities commission or similar regulatory authority in Canada after the date of this Prospectus and all Prospectus Supplements (only in respect of the offering of Securities to which that particular Prospectus Supplement relates) disclosing additional or updated information including the documents incorporated by reference therein, filed pursuant to the requirements of applicable securities legislation in Canada and during the period that this Prospectus is effective, shall be deemed to be incorporated by reference in this Prospectus. The documents incorporated or deemed to be incorporated herein by reference contain meaningful and material information relating to the Corporation and readers should review all information contained in this Prospectus, the applicable Prospectus Supplement and the documents incorporated or deemed to be incorporated by reference herein and therein.

The PEA Report was prepared by Mining Plus. The PEA Report is subject to certain assumptions, qualifications and procedures described therein. Reference should be made to the full text of the PEA Report, which has been filed with Canadian securities regulatory authorities pursuant to National Instrument 43-101 – Standards of Disclosure for Mineral Projects (“**NI 43-101**”) and is available for review on SEDAR under the Corporation’s profile at www.sedar.com. If, after the date of this Prospectus, the Corporation is required by Section 4.2(1)(j) of NI 43-101 to file a technical report to support scientific or technical information that relates to a mineral project on a property that is material to the Corporation, the Corporation will file such technical report in accordance with Section 4.2(5)(a)(i) of NI 43-101 as if the words “preliminary short form prospectus” refer to a “shelf prospectus supplement”. If such technical report relates to the Bethania Silver Project, such technical report shall supersede the PEA Report, which shall be deemed to no longer be incorporated by reference into this Prospectus.

Upon a new annual information form and annual consolidated financial statements (and accompanying management’s discussion and analysis of financial condition and results of operations) being filed by the Corporation with the applicable Canadian securities commissions or similar regulatory authorities in Canada during the period that this Prospectus is effective, the previous annual information form, the previous annual consolidated financial statements and all interim consolidated financial statements and in each case the accompanying management’s discussion and analysis of financial condition and results of operations, and material change reports, filed prior to the commencement of the financial year of the Corporation in which the new annual information form is filed shall be deemed to no longer be incorporated into this Prospectus for purpose of future offers and sales of Securities under this Prospectus. Upon interim consolidated financial statements and the accompanying management’s discussion and analysis of financial condition and results of operations being filed by the Corporation with the applicable Canadian securities commissions or similar regulatory authorities during the period that this Prospectus is effective, all interim consolidated financial statements and the accompanying management’s discussion and analysis of financial condition and results of

operations filed prior to such new interim consolidated financial statements and management's discussion and analysis of financial condition and results of operations shall be deemed to no longer be incorporated into this Prospectus for purposes of future offers and sales of Securities under this Prospectus. In addition, upon a new management information circular for an annual meeting of shareholders being filed by the Corporation with the applicable Canadian securities commissions or similar regulatory authorities during the period that this Prospectus is effective, the previous management information circular filed in respect of the prior annual meeting of shareholders shall no longer be deemed to be incorporated into this Prospectus for purposes of future offers and sales of Securities under this Prospectus.

A Prospectus Supplement containing the specific terms of an offering of Securities and other information relating to the Securities will be delivered to prospective purchasers of such Securities, together with this Prospectus, and will be deemed to be incorporated into this Prospectus as of the date of such Prospectus Supplement but only for the purpose of the offering of the Securities covered by that Prospectus Supplement.

Any statement contained in this Prospectus or in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded, for purposes of this Prospectus, to the extent that a statement contained herein or in any other subsequently filed document that also is, or is deemed to be, incorporated by reference herein modifies, replaces or supersedes such statement. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Prospectus. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document or statement that it modifies or supersedes.

The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made.

KUYA SILVER CORPORATION

Kuya Silver is a mineral exploration and development company with a focus on acquiring, exploring and advancing precious metals properties in Peru and Canada, focusing on silver deposits containing gold, cobalt, lead, zinc, and copper by-products. The Corporation's main area of focus is the development and execution of an expansion project to optimize production from twelve mineral properties located primarily in the department of Huancavelica, Peru (with some properties extending into the departments of Lima and Junín) (collectively, the "**Bethania Silver Project**"). Exploration and development of the Kerr property package, the Sunrise property package, and the Silver Kings joint venture property package, all in the vicinity of Cobalt, Ontario (collectively, the "**Silver Kings Project**") is the Corporation's other area of focus.

As part of its growth strategy, Kuya Silver continues to seek new acquisition opportunities in Peru, Canada, and elsewhere, including both past-producing mines and exploration and development opportunities, with a focus on silver.

Recent Developments

Preliminary Economic Assessment on the Bethania Silver Project

On June 17, 2022, Kuya Silver filed the PEA Report summarizing the results of its preliminary economic assessment on the Bethania Silver Project.

Non-brokered Private Placement of Units

On June 30, 2022, Kuya Silver closed the final tranche of the May Unit Financing. Together with the first tranche, Kuya Silver issued 804,334 Units for aggregate gross proceeds of \$723,900.60.

Grant of Restricted Share Units

On June 30, 2022, Kuya Silver granted 700,000 restricted share units to certain officers and employees.

Debt Settlement

On June 30, 2022, Kuya Silver completed a debt settlement with an arm's-length creditor, which resulted in an aggregate of US\$18,000 of indebtedness being retired in consideration for the issuance of 26,000 Units at a price of \$0.90 per Unit, with each Unit consisting of one Common Share and one-half of one Warrant, and each Warrant exercisable at a price of \$1.20 per Warrant until June 30, 2024.

Term Loan

On July 22, 2022, Kuya Silver agreed to a term loan financing with two non-arm's-length related party creditors for aggregate proceeds of \$300,000 to be used for general working capital purposes in Peru and Canada. In connection with the loan, 450,000 Warrants were issued to the creditors, proportionate to their loan amount, exercisable at \$0.47 per Warrant until July 22, 2023. Kuya Silver repaid the loan, with interest waived, on August 31, 2022.

Update on the Bethania Silver Project

On July 22, 2022, Kuya Silver provided an update on the Bethania Silver Project. Although the Corporation's goal remains to build a 350-tpd processing facility (as contemplated in the PEA Report), in the immediate future, the Corporation's management has decided to focus on reviewing options that will add further value to the Bethania Silver Project, until conditions are supportive for raising the required funds and making a construction decision. The Corporation's management is evaluating the opportunity to conduct toll-milling (i.e., processing ore from the Bethania Silver Project at a third-party mill into saleable concentrate) prior to construction in order to generate near-term cash flow with a view to de-risking the mining operation by providing valuable production experience, and advancing the underground development required for eventual full-scale production.

Best Efforts Private Placement

On August 9, 2022, Kuya Silver closed the August Unit Financing at a price of \$0.45 per Unit for aggregate gross proceeds of \$3,167,100. The August Unit Financing was comprised of a brokered tranche, led by Canaccord Genuity Corp. and Research Capital Corporation, pursuant to which gross proceeds of \$2,573,100 were raised, and a non-brokered tranche, pursuant to which gross proceeds of \$594,000 were raised.

Grant of Equity Incentives

On August 19, 2022, Kuya Silver granted 250,000 incentive stock options to acquire Common Shares to independent directors at an exercise price of \$0.57.

Amendment to the terms of the Carmelitas Acquisition

On September 21, 2022, Kuya Silver amended the terms of its agreement to acquire the Carmelitas concessions, by advancing the date by which the Common Shares comprising part of the purchase price are to be issued, changing the timing for the cash payments comprising part of the purchase price, and increasing the aggregate cash consideration.

CONSOLIDATED CAPITALIZATION

The applicable Prospectus Supplement will describe any material change, and the effect of such material change, on the share and loan capitalization of the Corporation that will result from the issuance of Securities pursuant to such Prospectus Supplement. Except as disclosed elsewhere in this prospectus or in the documents incorporated by

reference in this prospectus, there have been no material changes to the Corporation's share and loan capitalization on a consolidated basis since June 30, 2022.

PLAN OF DISTRIBUTION

The Corporation may offer and sell Securities directly to one or more purchasers, through agents, or through underwriters or dealers designated by the Corporation from time to time. The Corporation may distribute the Securities from time to time in one or more transactions at a fixed price or prices (which may be changed from time to time), at market prices prevailing at the times of sale, at prices related to prevailing market prices or at negotiated prices. A description of such pricing will be disclosed in the applicable Prospectus Supplement. The Corporation may offer Securities in the same offering or in separate offerings.

In addition, Securities may be offered and issued in consideration for the acquisition of other businesses, assets or securities by the Corporation or one of its subsidiaries. The consideration for any such acquisition may consist of any of the Securities separately, a combination of Securities or any combination of, among other things, Securities, cash and assumption of liabilities.

A Prospectus Supplement will describe the terms of each specific offering of Securities, including (i) the terms of the Securities to which the Prospectus Supplement relates, including the type of Security being offered; (ii) the name or names of any agents, underwriters or dealers involved in such offering of Securities; (iii) the purchase price of the Securities offered thereby and the proceeds to, and expenses borne by, the Corporation from the sale of such Securities; (iv) any agents' commission, underwriting discounts and other items constituting compensation payable to agents, underwriters or dealers; and (v) any discounts or concessions allowed or re-allowed or paid to agents, underwriters or dealers.

If underwriters are used in an offering, the Securities offered thereby will be acquired by the underwriters for their own account and may be resold from time to time in one or more transactions at a fixed public offering price or at varying prices determined at the time of sale. Securities may be either offered to the public through underwriting syndicates represented by managing underwriters or by underwriters without a syndicate. Only underwriters named in the Prospectus Supplement are deemed to be underwriters in connection with the Securities offered thereby. The obligations of the underwriters to purchase Securities will be subject to the conditions precedent agreed upon by the parties and outlined in the applicable Prospectus Supplement and the underwriters will be obligated to purchase all Securities under that offering if any are purchased. Any public offering price and any discounts or concessions allowed or re-allowed or paid to agents, underwriters or dealers may be changed from time to time.

The Securities may also be sold: (i) directly by the Corporation at such prices and upon such terms as agreed to by the Corporation and the purchaser of such Securities; or (ii) through agents designated by the Corporation from time to time. Any agent involved in the offering and sale of the Securities in respect of which this Prospectus is delivered will be named, and any commissions payable by the Corporation to such agent will be set forth, in the Prospectus Supplement. Unless otherwise indicated in the Prospectus Supplement, any agent is acting on a "best efforts" basis for the period of its appointment.

The Corporation may agree to pay the underwriters a commission for various services relating to the issue and sale of any Securities offered under any Prospectus Supplement. Agents, underwriters or dealers who participate in the distribution of the Securities may be entitled under agreements to be entered into with the Corporation to indemnification by the Corporation against certain liabilities, including liabilities under securities legislation, or to contribution with respect to payments which such underwriters, dealers or agents may be required to make in respect thereof.

In connection with any offering of Securities, underwriters may over-allot or effect transactions which stabilize or maintain the market price of the offered Securities at a level above that which might otherwise prevail in the open market. Such transactions may be commenced, interrupted or discontinued at any time.

The Corporation may authorize agents or underwriters to solicit offers by eligible institutions to purchase Securities from the Corporation at the public offering price set forth in the applicable Prospectus Supplement under delayed delivery contracts providing for payment and delivery on a specified date in the future. The conditions to these contracts and the commissions payable for solicitation of these contracts will be set forth in the applicable Prospectus Supplement.

Each class or series of Securities, other than the Common Shares, will be a new issue of Securities with no established trading market. Subject to applicable laws, any underwriter may make a market in such Securities, but will not be obligated to do so and may discontinue any market making at any time without notice. There may be limited liquidity in the trading market for any such Securities.

USE OF PROCEEDS

The net proceeds to the Corporation from any offering of Securities, the proposed use of those proceeds and the specific business objectives which the Corporation expects to accomplish with such proceeds will be set forth in the applicable Prospectus Supplement relating to that offering of Securities.

There may be circumstances where, on the basis of results obtained or for other sound business reasons, a re-allocation of funds may be necessary or prudent. Accordingly, management of the Corporation will have broad discretion in the application of the proceeds of an offering of Securities. The actual amount that the Corporation spends in connection with each intended use of proceeds may vary significantly from the amounts specified in the applicable Prospectus Supplement and will depend on a number of factors, including those referred to under “Risk Factors” and any other factors set forth in the applicable Prospectus Supplement.

DESCRIPTION OF COMMON SHARES

Kuya Silver is authorized to issue an unlimited number of Common Shares and 54,632,805 Common Shares were issued and outstanding as of October 31, 2022. There are no limitations contained in the articles of Kuya Silver on the ability of a person who is not a Canadian resident to hold Common Shares or exercise the voting rights associated with Common Shares. The Corporation may issue Common Shares separately or together, with Warrants, Subscription Receipts, Debt Securities or Units or any combination thereof, as the case may be. A summary of the rights of the Common Shares is set forth below.

Dividends

Holders of Common Shares are entitled to receive equally, share for share, dividends when, as and if declared by the board of directors of Kuya Silver out of funds legally available therefor.

Liquidation

In the event of the dissolution, liquidation, or winding up of Kuya Silver, holders of Common Shares are entitled to share ratably in any assets remaining after the satisfaction in full of the prior rights of creditors, including holders of Kuya Silver’ indebtedness.

Voting

Holders of Common Shares are entitled to receive notice of and to attend all meetings of shareholders of the Corporation and are entitled to one vote for each share on all matters voted on by shareholders, including the election of directors.

Other Rights

The holders of Common Shares have no pre-emptive, redemption or conversion rights, sinking or purchase fund provisions, provisions permitting or restricting the issuance of additional securities or provisions requiring a securityholder to contribute additional capital.

DESCRIPTION OF WARRANTS

As of the date of this Prospectus, the Corporation has 10,746,771 Warrants outstanding. The Corporation may issue Warrants, separately or together, with Common Shares, Subscription Receipts, Debt Securities or Units or any combination thereof, as the case may be.

The Warrants will be issued under a separate Warrant agreement or indenture. A copy of the Warrant agreement or indenture relating to an offering of Warrants will be filed by the Corporation with securities regulatory authorities in Canada after it has been entered into by the Corporation. The statements made hereunder relating to any warrant indenture or agreement and the Warrants to be issued thereunder are summaries of certain anticipated provisions thereof and do not purport to be complete and are subject to, and are qualified in their entirety by reference to, all provisions of the applicable warrant indenture.

The following describes the general terms that will apply to any Warrants that may be offered by the Corporation pursuant to this Prospectus. The terms and provisions of any Warrants offered under a Prospectus Supplement may differ from the terms described below, and may not be subject to or contain any or all of the terms described below.

The specific terms and provisions of the Warrants, and the extent to which the general terms of the Warrants described in this Prospectus apply to those Warrants, will be set forth in the applicable Prospectus Supplement. This description will include, where applicable:

- the number of Warrants offered;
- the title and designation of the Warrants;
- the number of Securities purchasable upon exercise of the Warrants;
- the price or prices, if any, at which the Warrants will be issued;
- the exercise price of the Warrants;
- the currency at which the Warrants will be offered and in which the exercise price under the Warrants may be payable;
- the procedure for exercise of the Warrants;
- upon exercise of the Warrant, the events or conditions under which the amount of securities may be subject to adjustment;
- the date on which the right to exercise such Warrants shall commence and the date on which such right shall expire;
- any terms, procedures and limitations relating to the transferability, exchange or exercise of the Warrants;
- if applicable, the identity of the Warrant agent;
- whether the Warrants will be listed on any securities exchange;

- whether the Warrants will be issued with any other securities and, if so, the amount and terms of these securities;
- any minimum or maximum subscription amount;
- whether the Warrants are to be issued in registered form, “book-entry only” form, non-certificated inventory system form, bearer form or in the form of temporary or permanent global securities and the basis of exchange, transfer and ownership thereof;
- material Canadian federal income tax consequences of owning, holding or disposing of the Warrants (if any);
- any material risk factors relating to such Warrants and the securities to be issued upon exercise of the Warrants;
- any other rights, privileges, restrictions and conditions attaching to the Warrants and the securities to be issued upon exercise of the Warrants; and
- any other material terms or conditions of the Warrants and the securities to be issued upon exercise of the Warrants.

Prior to the exercise of any Warrants, holders of such Warrants will not have any of the rights of holders of the securities purchasable upon such exercise, including the right to receive payments of dividends or the right to vote such underlying securities.

DESCRIPTION OF SUBSCRIPTION RECEIPTS

As of the date of this Prospectus, the Corporation has no Subscription Receipts outstanding. The Corporation may issue Subscription Receipts, separately or together, with Common Shares, Warrants, Debt Securities or Units or any combination thereof, as the case may be.

The Subscription Receipts will be issued under one or more subscription receipt agreements. A copy of the subscription receipt agreement relating to an offering of Subscription Receipts will be filed by the Corporation with securities regulatory authorities in Canada after it has been entered into by the Corporation. The following describes the general terms that will apply to any Subscription Receipts that may be offered by the Corporation pursuant to this Prospectus. The terms and provisions of any Subscription Receipts offered under a Prospectus Supplement may differ from the terms described below, and may not be subject to or contain any or all of the terms described below.

The specific terms and provisions of the Subscription Receipts, and the extent to which the general terms of the Subscription Receipts described in this Prospectus apply to those Subscription Receipts, will be set forth in the applicable Prospectus Supplement. This description will include, where applicable:

- the number of Subscription Receipts offered;
- the manner of determining the offering price(s);
- the price or prices at which the Subscription Receipts will be offered and whether the price is payable in installments;
- the terms, conditions and procedures relating to the transferability or, the exchange or conversion of the Subscription Receipts into securities and the consequences of such conditions not being satisfied;

- the number of securities that may be issued upon the exchange of each Subscription Receipt and the price per security or the aggregate principal amount, denominations and terms of the series of debt securities that may be issued upon exchange of the Subscription Receipts, and the events or conditions under which the amount of securities may be subject to adjustment;
- the dates or periods during which the Subscription Receipts may be exchanged;
- the circumstances, if any, which will cause the Subscription Receipts to be deemed to be automatically exchanged;
- provisions applicable to any escrow of the gross or net proceeds from the sale of the Subscription Receipts plus any interest or income earned thereon, and for the release of such proceeds from such escrow;
- if applicable, the identity of the Subscription Receipt agent;
- whether the Subscription Receipts will be listed on any securities exchange;
- whether the Subscription Receipts will be issued with any other securities and, if so, the amount and terms of these securities;
- any minimum or maximum subscription amount;
- whether the Subscription Receipts are to be issued in registered form, “book-entry only” form, non-certificated inventory system form, bearer form or in the form of temporary or permanent global securities and the basis of exchange, transfer and ownership thereof;
- any entitlement of the holders of Subscription Receipts to receive distributions declared on Units or distribution-equivalent payments;
- any material risk factors relating to such Subscription Receipts and the securities to be issued upon exchange of the Subscription Receipts;
- material Canadian federal income tax consequences of owning the Subscription Receipts and the securities to be issued upon exchange of the Subscription Receipts;
- any other rights, privileges, restrictions and conditions attaching to the Subscription Receipts and the securities to be issued upon exchange of the Subscription Receipts; and
- any other material terms or conditions of the Subscription Receipts and the securities to be issued upon exchange of the Subscription Receipts.

Prior to the exchange of any Subscription Receipts, holders of such Subscription Receipts will not have any of the rights of holders of the securities for which the Subscription Receipts may be exchanged, including the right to receive payments of dividends or the right to vote such underlying securities.

DESCRIPTION OF DEBT SECURITIES

The Corporation may issue Debt Securities, separately or together, with Common Shares, Warrants, Subscription Receipts or Units or any combination thereof, as the case may be.

The Debt Securities will be issued under one or more indentures, in each case between the Corporation and a trustee to be determined by the Corporation and named in a Prospectus Supplement. A copy of the trust indenture relating to an offering of Debt Securities will be filed by the Corporation with securities regulatory authorities in Canada after it has been entered into by the Corporation. The Debt Securities will be direct obligations of the Corporation and may be guaranteed.

The Debt Securities may be senior or subordinated to, or rank the same as, other indebtedness of the Corporation and may be secured or unsecured, all as will be described in the relevant Prospectus Supplement. Unless otherwise provided in the applicable Prospectus Supplement, a series of Debt Securities may be reopened for the issuance of additional Debt Securities of such series. The following describes the general terms that will apply to any Debt Securities that may be offered by the Corporation pursuant to this Prospectus. The terms and provisions of any Debt Securities offered under a Prospectus Supplement may differ from the terms described below, and may not be subject to or contain any or all of the terms described below.

The specific terms and provisions of the Debt Securities, and the extent to which the general terms of the Debt Securities described in this Prospectus apply to those Debt Securities, will be set forth in the applicable Prospectus Supplement. This description will include, where applicable:

- the designation of the series of the Debt Securities, which will distinguish the series of the Debt Securities from all other series of Debt Securities;
- any limit upon the aggregate principal amount of the series of the Debt Securities that may be certified and delivered under a trust indenture or supplement to a trust indenture and authorized denominations of such Debt Securities;
- the manner of determining the offering price(s);
- the currency in which the Debt Securities may be purchased and the currency in which the principal and any interest is payable;
- the percentage of the principal amount at which such Debt Securities will be issued;
- the date or dates on which the principal and any premium of the series of the Debt Securities is payable;
- the rate or rates (which may be fixed or variable) at which the series of the Debt Securities shall bear interest, if any, the date or dates from which such interest shall accrue, on which such interest shall be payable and on which a record, if any, shall be taken for the determination of holders to whom such interest shall be payable and/or the method or methods by which such rate or rates or date or dates shall be determined;
- the place or places where the principal of and any interest on the series of the Debt Securities shall be payable or where any series of the Debt Securities may be surrendered for registration of transfer or exchange;
- the right, if any, of the Corporation to redeem the series of the Debt Securities, in whole or in part, at its option and the period or periods within which, the price or prices at which and any terms and conditions upon which, the series of the Debt Securities may be so redeemed, pursuant to any sinking fund or otherwise;
- the obligation, if any, of the Corporation to redeem, purchase or repay the series of the Debt Securities pursuant to any mandatory redemption, sinking fund or analogous provisions or at the option of a holder thereof and the price or prices at which, the period or periods within which, the date or dates on which, and any terms and conditions upon which, the series of the Debt Securities shall be redeemed, purchased or repaid, in whole or in part, pursuant to such obligations;

- the form of consideration for payment of any interest and/or principal payments (whether by cash, Common Shares or other securities, or a combination thereof);
- the trustee, depositary, authenticating or paying agent, transfer agent or registrar or any other agent under the indenture pursuant to which the series of the Debt Securities are to be issued;
- the denominations in which the series of the Debt Securities shall be issuable;
- whether or not the Debt Securities will be guaranteed and the terms of such guarantee
- the terms of the series of the Debt Securities;
- whether and under what circumstances the series of the Debt Securities will be convertible into or exchangeable for securities of the Corporation;
- any provisions relating to any security provided for the Debt Securities;
- any event of default provisions or covenants contained in the indenture pursuant to which the series of the Debt Securities are to be issued;
- the currency or currencies in which the series of the Debt Securities are issuable;
- whether the Debt Securities will be senior or subordinated to other liabilities of the Corporation;
- whether the Debt Securities will be listed on any securities exchange;
- whether the Debt Securities will be issued with any other securities and, if so, the amount and terms of these securities;
- any minimum or maximum subscription amount;
- whether the Debt Securities are to be issued in registered form, “book-entry only” form, non-certificated inventory system form, bearer form or in the form of temporary or permanent global securities and the basis of exchange, transfer and ownership thereof;
- if applicable, that the series of the Debt Securities shall be issuable in whole or in part as one or more global Debt Securities and, in such case, the depositary or depositaries for such global Debt Securities in whose name the global Debt Securities will be registered;
- any material risk factors relating to such Debt Securities;
- material Canadian federal income tax consequences of owning, holding or disposing of the Debt Securities (if any);
- any other rights, privileges, restrictions and conditions attaching to the Debt Securities; and
- any other material terms or conditions of the series of the Debt Securities.

If the Corporation denominates the purchase price of any of the Debt Securities in a currency or currencies other than Canadian dollars or a non-Canadian dollar unit or units, or if the principal of and any premium and interest on any Debt Securities is payable in a currency or currencies other than Canadian dollars or a non-Canadian dollar unit or

units, the Corporation will provide investors with information on the restrictions, elections, general tax considerations, specific terms and other information with respect to that issue of Debt Securities and such non-Canadian dollar currency or currencies or non-Canadian dollar unit or units in the applicable Prospectus Supplement.

Each series of Debt Securities may be issued at various times with different maturity dates, may bear interest at different rates and may otherwise vary. All Debt Securities of any one series shall be substantially identical, except as may otherwise be established pursuant to a resolution of the board of trustees, in a trustee's certificate, or in the trust indenture or supplement to the trust indenture for the Debt Securities.

The terms on which a series of Debt Securities may be convertible into or exchangeable for Common Shares or other securities will be described in the applicable Prospectus Supplement. These terms may include provisions as to whether conversion or exchange is mandatory, at the option of the holder or at the option of the Corporation, and may include provisions pursuant to which the number of Common Shares or other securities to be received by the holders of such series of Debt Securities would be subject to adjustment.

To the extent any Debt Securities are convertible into other securities, prior to such conversion the holders of such Debt Securities will not have any of the rights of holders of the securities into which the Debt Securities are convertible, including the right to receive payments of dividends or the right to vote such underlying securities.

The Debt Securities offered pursuant to this Prospectus and any Prospectus Supplement may be represented by instalment receipts, the particular terms and provisions of which will be described in the applicable Prospectus Supplement and set out in an instalment receipt and pledge agreement or similar agreement. Any such instalment receipt will evidence, among other things: (i) the fact that a first instalment payment has been made in respect of the Debt Securities represented thereby, and (ii) the beneficial ownership of the Debt Securities represented by the instalment receipt, subject to a pledge of such Debt Securities securing the obligation to pay the balance outstanding under such Debt Securities on or prior to a certain date. A copy of any such instalment receipt and pledge agreement or similar agreement, once executed, will be made available on SEDAR at www.sedar.com.

DESCRIPTION OF UNITS

As of the date of this Prospectus, the Corporation has no Units outstanding. The Corporation may issue Units, separately or together, with Common Shares, Warrants, Subscription Receipts or Debt Securities or any combination thereof, as the case may be.

Each Unit will be issued so that the holder of the Unit is also the holder of each Security comprising the Unit. Thus, the holder of a Unit will have the rights and obligations of a holder of each Security. The following describes the general terms that will apply to any Units that may be offered by the Corporation pursuant to this Prospectus. The terms and provisions of any Units offered under a Prospectus Supplement may differ from the terms described below, and may not be subject to or contain any or all of the terms described below.

The specific terms and provisions of the Units, and the extent to which the general terms of the Units described in this Prospectus apply to those Units, will be set forth in the applicable Prospectus Supplement. This description will include, where applicable:

- the number of Units offered;
- the price or prices, if any, at which the Units will be issued;
- the manner of determining the offering price(s);
- the currency at which the Units will be offered;

- the securities comprising the Units;
- whether the Units will be issued with any other securities and, if so, the amount and terms of these securities;
- any minimum or maximum subscription amount;
- whether the Units and the Securities comprising the Units are to be issued in registered form, “book-entry only” form, non-certificated inventory system form, bearer form or in the form of temporary or permanent global securities and the basis of exchange, transfer and ownership thereof;
- any material risk factors relating to such Units or the Securities comprising the Units;
- material Canadian federal income tax consequences of owning the Securities comprising the Units (if any);
- any other rights, privileges, restrictions and conditions attaching to the Units or the Securities comprising the Units; and

any other material terms or conditions of the Units or the Securities comprising the Units, including whether and under what circumstances the Securities comprising the Units may be held or transferred separately.

EARNINGS COVERAGE RATIOS

The applicable Prospectus Supplement will provide, as required, the earnings coverage ratios with respect to the issuance of Securities pursuant to such Prospectus Supplement.

PRIOR SALES

During the 12-month period before the date of this Prospectus, the Corporation has issued Common Shares and securities that are convertible into Common Shares as follows:

<u>Date</u>	<u>Issuance Type</u>	<u>Total Number of Securities Issued</u>	<u>Issue or Exercise Price per Security</u> (\$Cdn)
<i>Common Shares</i>			
September 1, 2021	Share purchase and option agreement	671,141	1.49
October 29, 2021	Exercise of options	100,000	0.90
May 12, 2022	Private placement of Units	653,334	0.90
June 30, 2022	Private placement of Units	151,000	0.90
June 30, 2022	Settlement of accounts payable	26,000	0.90
August 9, 2022	Private placement of Units	7,038,000	0.45
August 10, 2022	Vesting of Restricted share units (“RSUs”)	400,000	0.60
September 19, 2022	Property Issuance	1,084,490	0.49
<i>Warrants</i>			
May 12, 2022	Private placement of Units	326,666	1.20
June 30, 2022	Private placement of Units	75,500	1.20

<u>Date</u>	<u>Issuance Type</u>	<u>Total Number of Securities Issued</u>	<u>Issue or Exercise Price per Security</u> (Cdn\$)
June 30, 2022	Settlement of accounts payable	13,000	1.20
July 22, 2022	Loan financing	450,000	0.47
August 9, 2022	Private placement of Units	7,038,000	0.70
August 9, 2022	Broker warrants	422,280	0.45
Stock Options			
January 31, 2022	Options granted pursuant to the Corporation's stock option plan ("Stock Option Plan")	577,500	0.94
August 19, 2022	Options granted pursuant to the Corporation's equity incentive plan (the "Plan")	250,000	0.57
RSUs			
June 30, 2022	RSUs granted pursuant to the Plan	700,000	N/A

TRADING PRICE AND VOLUME

The Common Shares are currently listed on the CSE under the trading symbol "KUYA." On October 28, 2022, the last trading day prior to the date of this Prospectus, the closing price of the Common Shares on the CSE was \$0.39.

The following table sets forth the reported price range and the trading volume for the Common Shares on the CSE for the 12-month period prior to the date of this Prospectus.

<u>Period</u>	<u>High</u> (Cdn\$)	<u>Price Range</u> <u>Low</u> (Cdn\$)	<u>Trading Volume</u>
2021			
October	1.46	1.03	987,974
November	1.41	0.89	1,269,200
December	1.07	0.76	1,662,683
2022			
January	1.26	0.87	891,425
February	1.20	0.92	486,118
March	1.35	1.01	937,680
April	1.15	0.79	1,113,422
May	1.00	0.60	757,141
June	0.76	0.54	242,880
July	0.60	0.41	1,166,456
August	0.65	0.45	840,208
September	1.46	0.41	10,909,331
October 1 – 28	0.465	0.385	940,735

RISK FACTORS

Before making an investment decision, prospective purchasers of Securities should carefully consider the information described in this Prospectus and the documents incorporated by reference herein, including the applicable Prospectus Supplement. There are certain risks inherent in an investment in the Securities, including any risk factors described herein or in a document incorporated by reference herein, which investors should carefully consider before investing. Additional risk factors relating to a specific offering of Securities will be described in the applicable Prospectus Supplement. Some of the factors described herein, in the documents incorporated by reference herein, and/or the applicable Prospectus Supplement are interrelated and, consequently, investors should treat such risk factors as a whole. If any of the risks described herein, in the AIF, in another document incorporated by reference herein or in the applicable Prospectus Supplement occur, it could have a material adverse effect on the business, financial condition and results of operations of the Corporation. Additional risks and uncertainties of which the Corporation currently is unaware or that are unknown or that it currently deems to be immaterial could have a material adverse effect on the Corporation's business, financial condition and results of operation. The Corporation cannot assure you that it will successfully address any or all of these risks. There is no assurance that any risk management steps taken will avoid future loss due to the realization of the risks described herein, in the AIF, in the other documents incorporated by reference herein or in the applicable Prospectus Supplement or other unforeseen risks.

ENFORCEMENT OF JUDGMENTS AGAINST FOREIGN PERSONS

One of our directors, Javier Del Rio, resides outside of Canada. Mr. Rio has appointed Kuya Silver, 150 King Street West, Suite 200, Toronto, Ontario, M5J 1J9, as agent for service of process in Canada. Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person or company that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, even if the party has appointed an agent for service of process.

LEGAL MATTERS

Unless otherwise specified in the Prospectus Supplement relating to the Securities, the issue and sale of the Securities will be passed upon for the Corporation as to matters of Canadian law by Osler, Hoskin & Harcourt LLP. As at the date of this Prospectus, the partners and associates of Osler, Hoskin & Harcourt LLP, as a group, beneficially own, directly or indirectly, less than 1% of any class of securities of the Corporation.

EXPERTS

Information of a scientific or technical nature regarding the Bethania Silver Project included in this Prospectus is excerpted or derived from the PEA Report, a technical report with an effective date of April 9, 2022 and a report date of June 13, 2022, prepared by Scott Jobin-Bevans (PhD., P.Geo.), Principal Geoscientist at Caracle Creek International Consulting Inc., Simon James Atticus Mortimer (MSc., FAIG), Principal Consulting Geologist at Atticus Geoscience Consulting S.A.C., Edgard Vilela (MAusIMM, CP), Principal Mining Consultant at Mining Plus Peru S.A.C., Donald Hickson (P.Eng.), Managing Partner – Tailings and Mine Waste at Envis Perú S.A.C., Laurie M. Tahija (Q.P., MMSA), Senior Vice President at M3 Engineering & Technology Corp., and John W. Woodson (P.E.), Chief Financial Officer, Senior Vice President, and Project Manager of M3 Engineering and Technology Corporation, each of whom is a “qualified person” (“**Qualified Person**”) within the meaning of NI 43-101. Information of a scientific or technical nature regarding the Silver Kings Project included in this Prospectus is excerpted or derived from a technical report with an effective date of September 5, 2021 and an issue date of December 3, 2021, prepared by Alain Carrier, P.Geo., M.Sc. (the “**Silver Kings Technical Report**”), who is a Qualified Person. As at the date hereof, the authors of the Bethania Technical Report and Silver Kings Technical Report beneficially own, directly or indirectly, less than 1% of the outstanding securities of the Corporation.

AUDITORS, TRANSFER AGENT AND REGISTRAR

The auditors of Kuya Silver are Davidson & Company LLP, 609 Granville St #1200, Vancouver, BC V7Y 1G6.

Davidson & Company LLP has confirmed that they are independent with respect to the Corporation within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulation.

The transfer agent and registrar for the Common Shares is Computershare Investor Services Inc. at its principal office in Toronto.

PURCHASERS' STATUTORY AND CONTRACTUAL RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces of Canada, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages, if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal adviser.

In addition, original purchasers of Subscription Receipts, Warrants, or convertible or exchangeable Debt Securities (or Units comprising any such Securities) will have a contractual right of rescission against the Corporation in respect of the conversion, exchange or exercise of a Subscription Receipt, Warrant, or a convertible or exchangeable Debt Security. The contractual right of rescission will entitle such original purchasers to receive both the original amount paid for such Securities as well as the amount paid upon conversion, exchange or exercise, upon surrender of the underlying securities acquired thereby, in the event that this Prospectus (as supplemented or amended) contains a misrepresentation, provided that: (i) the conversion, exchange or exercise takes place within 180 days of the date of the purchase of the convertible, exchangeable or exercisable Security under this Prospectus; and (ii) the right of rescission is exercised within 180 days of the date of the purchase of the convertible, exchangeable or exercisable Security under this Prospectus.

In an offering of Subscription Receipts, Warrants, or convertible or exchangeable Debt Securities (or Units comprising any such Securities), investors are cautioned that the statutory right of action for damages for a misrepresentation contained in the Prospectus is limited, in certain provincial securities legislation, to the price at which Subscription Receipts, Warrants, or convertible or exchangeable Debt Securities (or Units comprising any such Securities) are offered to the public under the prospectus offering. This means that, under the securities legislation of certain provinces, if the purchaser pays additional amounts upon the conversion, exchange or exercise of the security, those amounts may not be recoverable under the statutory right of action for damages that applies in those provinces. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of this right of action for damages or consult with a legal adviser.

CERTIFICATE OF THE CORPORATION

Dated: October 31, 2022

This short form prospectus, together with the documents incorporated in this prospectus by reference, will, as of the date of the last supplement to this prospectus relating to the securities offered by this prospectus and the supplement(s), constitute full, true and plain disclosure of all material facts relating to the securities offered by this prospectus and the supplement(s) as required by the securities legislation of each of the provinces of Canada other than Quebec.

(Signed) DAVID STEIN
President and Chief Executive Officer

(Signed) ANNIE SISMANIAN
Chief Financial Officer

On behalf of the Board of Directors
(Signed) MAURA LENDON
Director

(Signed) DALE PENIUK
Director