Cascada Silver Corp.

Management's Discussion & Analysis

For the Six Months Ended December 31, 2022

Introduction

The following interim management's discussion & analysis ("**MD&A**") of Cascada Silver Corp. (the "**Company**") has been prepared to provide material updates to the Company's business operations, liquidity and capital resources.

This MD&A has been prepared in compliance with section 2.2.1 of Form 51-102F1, in accordance with National Instrument 51-102 – Continuous Disclosure Obligations.The MD&A of the Company's operating results and financial condition for the six months ended December 31, 2022 should be read in conjunction with the Company's audited consolidated financial statements for the year ended June 30, 2022 and the Company's unaudited condensed interim consolidated financial statements for the six months ended December 31, 2022. The Company's unaudited condensed interim consolidated financial statements and the financial information contained in this MD&A are prepared in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board and interpretations of the IFRS Interpretations Committee. The unaudited condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. Information contained herein is presented as of February 22, 2023, unless otherwise indicated.

For the purposes of preparing this MD&A, management, in conjunction with the Board of Directors, considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in a significant change in the market price or value of the Company's common shares; (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board of Directors, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

Further information about the Company and its operations can be obtained from the Company's website at https://www.cascadasilver.com or from www.sedar.com.

Caution Regarding Forward Looking Statements

This MD&A contains forward-looking statements, including predictions, projections and forecasts. Forward-looking statements include, but are not limited to: plans for the evaluation of exploration properties; the success of evaluation plans; the success of exploration activities; mine development prospects; and, potential for future metals production. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "planning", "expects" or "does not expect", "continues", "scheduled", "estimates", "forecasts", "intends", "potential", "anticipates", "does not anticipate", or describes a "goal", or variation of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

Forward-looking statements involve known and unknown risks, future events, conditions, uncertainties and other factors which may cause the actual results, performance or achievements to be materially different from any future results, prediction, projection, forecast, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others: changes in economic parameters and assumptions; all aspects related to the timing of exploration activities and receipt of exploration results; the interpretation and actual results of current exploration activities; changes in project parameters as plans continue to be refined; the results of regulatory and permitting processes; future metals price; possible variations in grade or recovery rates; failure of equipment or processes to operate as anticipated; labour disputes and other risks of the mining industry; the results of economic and technical studies; delays in obtaining governmental approvals or financing or in the completion of exploration; as well as those factors disclosed in the Company's publicly filed documents.

Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. 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. Accordingly, readers should not place undue reliance on forward-looking statements.

NI 43-101 Technical Disclosure

The Qualified Person, as defined by National Instrument 43-101 of the Canadian Securities Administrators, for the Company's exploration activities is Sergio Diaz, a resident of Santiago, Chile. Mr. Diaz is a Public Registered Person for Reserves and Resources N° 51, in Chile and is also registered in the Colegio de Geólogos de Chile under N° 315.

Description of Business

The Company was incorporated under the Ontario Business Corporations Act on August 25, 2020. On October 2, 2020, the Company continued its incorporation to the province of British Columbia.

The Company is in the business of exploration and evaluation of mineral properties in South America. The address of the Company's corporate office and principal place of business is 25 Adelaide Street East, Suite 1900, Toronto, Ontario, Canada.

The Company's common shares began trading on the Canadian Securities Exchange on March 12, 2021 under the symbol "CSS".

Overall Performance

The Company is an exploration stage issuer engaged in the business of acquisition, exploration and, if warranted, development of mineral properties. As such, the Company has not had any revenues since inception. The Company does not expect to generate any revenues in the foreseeable future. The Company expects to continue to incur expenses as work is performed to review, explore and develop mineral properties.

The Company is in the process of acquiring and exploring mineral properties and has not yet determined whether the mineral properties contain reserves that are economically recoverable. The Company's future performance is largely tied to the outcome of future exploration and the overall financial markets.

The recoverability of minerals from the Company's mineral properties is dependent upon, among other things, the discovery of mineral reserves, the Company's ability to obtain necessary financing to continue to explore and develop its property, and upon future profitable production. Uncertainty in financial markets may lead to difficulties in raising funds. As a result, the Company may have difficulties raising equity financing for the purposes of exploration and development of the Company's mineral properties, without unduly diluting the interests of Company's current shareholders.

On October 19, 2022, the Company announced that it had staked the Golden Lake property (the "Golden Lake Property") located 1,350 kilometers south of Santiago in Chile's Region XI. The Golden Lake Property, located adjacent to the western border of concessions owned by Minera Newmont Chile Ltda, overlies a portion of the Pollux Gold District which hosts of series of eroded gold-silver bearing veins identified by Homestake Chile SA ("Homestake") in the early 1990's.

The Pollux Gold District was initially explored by Homestake who reportedly undertook geophysical surveys, collected 2,300 surface samples and completed 32 drill holes outlining two north-east trending, low-sulphidation vein systems. Homestake stopped work on the Pollux concession in 1993 to focus on the company's Volcan discovery in Chile's Region III. From 1994 through 1998, Aur Resources Chile Ltda. explored the vein systems, reportedly drilling 11 holes. In the early 2000's, privately-held Patagonia Gold, completely 2,000 metres of reverse circulation drilling. Results are unknown.

Effective January 20, 2023, the Company entered in an option agreement with a third party Chilean vendor to acquire a 100% interest in the Angie Project. The Angie Project is a 1,500 hectare property located in Chile. The Company made an initial payment of US$15,000 to the vendor and a series of increasing annual payments are payable to the Vendor with US$35,000, US$300,000, US$750,000, and US$2,500,000 payable upon the first, second, third and fourth anniversary dates of the signing of the agreement, respectively, for total payments of US$3,600,000. The second through fourth anniversary payments may be paid 50% in cash and 50% in common shares at the Company's choice. In addition to the annual payments, upon the Company earning a 100% interest in the Angie Project, the vendor will receive a 1.5% net smelter royalty, two thirds of which may be purchased by the Company for US$5,000,000 for a period of up to one year from the start of commercial production.

The Angie Project is located in Region III, Chile, approximately 75 kilometers east of the City of Copiapo. The Angie Project is located at lower altitudes (2,800 to 3,200 metres) with good road access. Historical geochemical rock chip sampling on the Angie Project outlined a +50 parts per million ("ppm") molybdenum anomaly encompassing an area of approximately 1,000 by 1,500 meters with molybdenum assays of up to 1,150 ppm. The undrilled molybdenum anomaly is associated with anomalous tin and tungsten assay. Molybdenum anomalies commonly occur as halos around Chilean copper porphyry systems. Two lines of induced polarization geophysics completed over the area covered by the molybdenum anomaly outlined a strong chargeability anomaly and resistivity anomaly. The majority of the molybdenum anomaly is hosted within a granodiorite, cut by abundant quartz veins, through which erosion has exposed a narrow potassic-altered, dacitic porphyry with local tourmaline and oxidized sulphide remnants. It is interpreted that the molybdenum anomaly and concomitant induced polarization anomalies are associated with a mineralized porphyry system at depth. Preliminary exploration plans will consist of confirmation geological and structural mapping followed by reverse circulation drilling to test the zone of high chargeability lying beneath the molybdenum anomaly.

Results of Operations

	Three Months Ended Dec. 31, 2022	Three Months Ended Dec. 31, 2021	Six Months Ended Dec. 31, 2022	Six Months Ended Dec. 31, 2021
	$	$	$	$
Expenses				
Management fees	**120,000**	150,468	**240,000**	263,319
General and administrative	**22,544**	15,740	**30,221**	97,548
Professional fees	**35,889**	39,074	**43,629**	46,286
Transfer agent	**11,855**	10,662	**13,351**	13,778
Filing fees	**3,025**	2,598	**5,275**	5,043
Share-based payments	**-**	57,300	**-**	57,300
Investor relations	**1,170**	1,050	**2,340**	3,749
Exploration expenses	**1,608**	74,331	**84,295**	205,900
Foreign exchange (gain) loss	**(144,270)**	9,183	**(46,779)**	(34,378)
Interest income	**(117)**	(368)	**(300)**	(829)
Net loss for the period	**51,704**	**360,038**	**372,032**	**657,716**

Management fees relate to services provided by key management and are described below under "Related Party Transactions". The general and administrative costs, professional fees, transfer agent expenses and filing fees relate to general corporate matters and accounting services. Investor relations costs are associated with the Company's promotional activities. Exploration expenses relate to the Company's exploration activities in South America after the write-off of exploration and evaluation assets associated with the Agua Amarga Project and Gema Properties. The foreign exchange gain and loss is associated with holding US dollar cash balances as the Canadian dollar weakened or strengthened vis à vis the US dollar.

Exploration and Evaluation Assets Written Off

The Agua Amarga Project comprised 1,465 hectares located approximately 30 kilometres south of the City of Vallenar in the Atacama Region in northern Chile. No historical resource or mineral reserve estimates were present on the property. In June 2021, a reverse circulation drilling program was completed with four drill holes targeting the down dip extensions of the silver-bearing veins which had been mined during the 1800's. As announced on July 21, 2021, the reverse circulation drilling program returned elevated zinc assay results including 3.4% zinc over 2 metres in drill hole RCAA-03 but returned no significant silver results. Drill hole RCAA-03 cut the targeted mineralized structure at a depth of 120 metres; however the system had transitioned from the near surface, historically mined silver mineralization to base metal mineralization (zinc) at depth. On August 31, 2021, the Company terminated the Agua Amarga option agreement after a review of the results from its recent exploration activities determined that the historically mined silver-rich veins had minimal economic potential. Accordingly, the Company wrote of the capitalized exploration and evaluation assets associated with the Agua Amarga Project of $713,988 as at June 30, 2021.

The three Gema Properties (Guanaca, Marlin and El Gringo) were located northeast of Copiapo, Chile. Historically, all were exploited by small scale artisanal miners. There were no records of drilling activities on any of the concessions. No historical resource or mineral reserve estimates were present on the properties. After a review of the project's potential, the low priority Guanaca project, was returned to the vendor on June 15, 2021. The Company had not conducted any significant fieldwork on the project. At the Marilin project, an underground exploration adit was driven along 40 metres of the Marilin vein structure exposing a 0.90 to 1.50 metre wide zone of oxidized quartz carbonate veining in June 2021. No significant assay results were obtained and these results likely defined the lower depositional limit of the Marilin gold silver copper vein mineralization between the level of the underground exploration. On September 15, 2021, the Gema concessions option agreement was allowed to expire. While the Company's work identified significant mineralization on the Marilin project, the potential for the discovery of an economic mineral deposit was considered limited at both the Marilin project and El Gringo project. Accordingly, the Company wrote off the capitalized exploration and evaluation assets associated with the Gema concessions of $390,782 as at June 30, 2021.

Selected Quarterly Information

A summary of selected information for each of the quarters presented below is as follows:

Period Ended	Net Loss ($)	Per Share ($)	Total Assets ($)
December 31, 2022 (1)	(51,704)	(0.00)	827,710
September 30, 2022 (2)	(320,328)	(0.01)	1,293,410
June 30, 2022 (3)	(193,528)	(0.00)	1,436,254
March 31, 2022 (4)	(223,358)	(0.00)	1,613,034
December 31, 2021 (5)	(360,038)	(0.01)	1,823,139
September 30, 2021 (6)	(297,678)	(0.00)	2,079,560
June 30, 2021 (7)	(1,235,776)	(0.04)	2,642,798
March 31, 2021 (8)	(423,440)	(0.02)	4,044,245

1. Net loss of $51,704 consisted primarily of: consulting fees of $120,000 and exploration expenditures of $1,608. All other expenses related to general working capital purposes or foreign exchange gains.

2. Net loss of $320,328 consisted primarily of: consulting fees of $120,000 and exploration expenditures of $84,295. All other expenses related to general working capital purposes or foreign exchange gains.

3. Net loss of $193,528 consisted primarily of: consulting fees of $120,000 and exploration expenditures of $55,170. All other expenses related to general working capital purposes or foreign exchange gains and losses.

4. Net loss of $223,358 consisted primarily of: consulting fees of $120,000 and exploration expenditures of $69,674. All other expenses related to general working capital purposes or foreign exchange gains and losses.

5. Net loss of $360,038 consisted primarily of: consulting fees of $150,468; exploration expenditures of $74,331; and stock-based compensation of $57,300 on the grant of stock option on October 15, 2021. All other expenses related to general working capital purposes or foreign exchange gains and losses.

6. Net loss of $297,678 consisted primarily of: consulting fees of $112,851; exploration expenditures of $131,569; and general and administrative expenses of $81,808. All other expenses related to general working capital purposes.

7. Net loss of $1,235,776 consisted primarily of: write-off of exploration assets of $1,168,147. All other expenses related to general working capital purposes.

8. Net loss of $423,440 consisted primarily of: share-based payments of $174,200; professional fees of $153,746. All other expenses related to general working capital purposes.

The Company has not had any revenue or paid any dividends.

Liquidity and Capital Resources

As at December 31, 2022, the Company had working capital of $779,406

As at December 31, 2022, the Company had cash on hand to meet its relatively limited operational expenditures. As well, there are no major planned exploration expenditures in the immediate future.

Share Capital

As described in note 8 to the Company's unaudited condensed interim consolidated financial statements for the six months ended December 31, 2022, the Company share capital is as follows:

	Common Shares
Common shares issued June 30, 2022 and December 31, 2022	**64,660,100**
Warrants @ $0.15 expiring March 11, 2024	64,660,000
Options @ $0.15 expiring March 30, 2024	3,625,000
Options @ $0.05 expiring October 15, 2024	2,225,000
Fully diluted common shares	**135,170,100**

Related Party Transactions

Key management personnel are persons responsible for the planning, directing and controlling activities of the entity. The Company's key management personnel include Directors and officers.

As described in note 9 to the Company's unaudited condensed interim consolidated financial statements for the six months ended December 31, 2022, during the six months ended December 31, 2022, key management were paid management fees of $150,000.

Off-Balance Sheet Arrangements

The Company did not have any off-balance sheet arrangements as at December 31, 2022 or as of the date of this MD&A.

Proposed Transactions

As of the date of this MD&A, there were no proposed transactions.

Subsequent Events

Effective January 20, 2023, the Company entered in an option agreement with a third party Chilean vendor to acquire a 100% interest in the Angie Project. The Angie Project is a 1,500 hectare property located in Chile. The Company made an initial payment of US$15,000 to the vendor and a series of increasing annual payments are payable to the Vendor with US$35,000, US$300,000, US$750,000, and US$2,500,000 payable upon the first, second, third and fourth anniversary dates of the signing of the agreement, respectively, for total payments of US$3,600,000. The second through fourth anniversary payments may be paid 50% in cash and 50% in common shares at the Company's choice. In addition to the annual payments, upon the Company earning a 100% interest in the Angie Project, the vendor will receive a 1.5% net smelter royalty, two thirds of which may be purchased by the Company for US$5,000,000 for a period of up to one year from the start of commercial production.

Disclosure Controls and Procedures

Management has assessed the effectiveness of the Company's disclosure controls and procedures used for the financial statements and MD&A as at December 31, 2022. Although certain weaknesses such as lack of segregation of duties are inherent with small office operations, management has implemented certain controls such as frequent reviews and regular preparations of reconciliations of transactions and budgets to ensure absence of material irregularities. Management has concluded that the disclosure controls are effective in ensuring that all material information required to be filed has been made known to it in a timely manner. The required information was effectively recorded, processed, summarized and reported within the time period necessary to prepare the annual filings. The disclosure controls and procedures are designed to ensure effective information required to be disclosed pursuant to applicable securities laws are accumulated and communicated to management as appropriate to allow timely decisions regarding required disclosure.

Limitations of Controls and Procedures

It must be recognized that any implemented system of disclosure controls and procedures or internal controls over financial reporting can only provide reasonable and not absolute assurance that the objectives of the control system are met. While designing such control systems, resource constraints cannot be ignored and the benefits of controls must be considered relative to their costs. All control systems are subject to limitations and as such, they cannot provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been prevented or detected. Breakdowns within the system can occur due to simple human error or mistakes. Furthermore, controls can be circumvented by individual acts of some persons, by collusion of two or more people, or by unauthorized override of the control. The design of any systems of controls is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Accordingly, because of the inherent limitations in a cost effective control system, misstatements due to error or fraud may occur and not be detected.

Risk Factors

The Company is engaged in mineral exploration and related activities which, by their nature, are speculative due to the high-risk nature of the business and the present stage of its properties. The Company's operations and financial performance are subject to the normal risks of mineral exploration and are subject to various factors which are beyond the control of the Company. The Company is engaged in mineral exploration activities which, by their nature, are speculative due to the high-risk nature of the Company's business. Consequently, the Company's common shares should be considered a highly speculative investment due to the nature of the Company's business. Such risk factors could materially affect the Company's future financial results and could cause actual results and events to differ materially from those described in forward-looking statements and forward-looking information relating to the Company or the business, property or financial results, any of which could cause investors to lose part or all of their investment in the Company.

Please refer to the section entitled "Risk Factors" in the Company's filing statement dated March 11, 2021 and filed under the Company's issuer profile on www.sedar.com.