NSX SILVER INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE QUARTER ENDED SEPTEMBER 30, 2015

Background

This Management's Discussion and Analysis (MD&A) of NSX Silver Inc. ("NSX Silver" or "the Company") is dated November 29, 2015 and provides an analysis of the financial operating results for the quarters ended September 30, 2015 and September 30, 2014. This MD&A should be read in conjunction with the unaudited interim financial statements and accompanying notes for the quarters ended September 30, 2015 and 2014 which have been prepared in accordance with International Financial Reporting Standards (IFRS) for financial statements. This MD&A should also be read in conjunction with the audited annual financial statements and accompanying notes for the year ended December 31, 2014. All amounts are in Canadian dollars unless otherwise specified. The financial statements and additional information, including news releases and technical reports referenced herein, are available on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com under the Company's profile. The common shares of NSX Silver are traded on the TSX Venture Exchange under the symbol "NSY". More extensive information on NSX Silver can be found on its website at www.nsxsilver.com.

Forward-Looking Information

Certain statements in this MD&A are forward-looking statements or information (collectively- forward-looking statements). NSX Silver is hereby providing cautionary statements identifying important factors that could cause the actual results to differ materially from those projected in the forward-looking statements. Any statements that express, or involve discussions as to, expectations, beliefs, plans, objectives, assumptions or future events or performance (often, but not always, through the use of words or phrases such as "may", "is expected to", "anticipates", "estimates", "intends", "plans", "projection", "could", "vision", "goals", "objective" and "outlook") are not historical facts and may be forward-looking and may involve estimates, assumptions and uncertainties which could cause actual results or outcomes to differ materially from those expressed in the forward-looking statements. In making these forward-looking statements, NSX Silver has assumed that the current market for silver will continue and grow and that the risks listed below will not adversely impact the business of NSX Silver.

By their nature, forward-looking statements involve numerous assumptions, inherent risks and uncertainties, both general and specific, which contribute to the possibility that the predicted outcomes may not occur or may be delayed. The risks, uncertainties and other factors, many of which are beyond the control of NSX Silver, that could influence actual results include, but are not limited to: limited operating history; exploration, development and operating risks; regulatory risks; substantial capital requirements and liquidity; financing risks and dilution to shareholders; competition; reliance on management and dependence on key personnel; fluctuating mineral prices and marketability of minerals; title to properties; local resident concerns; no mineral reserves or mineral resources; environmental risks; governmental regulations and processing licenses and permits; management inexperience in developing mines; conflicts of interest of management; uninsurable risks; exposure to potential litigation; dividends; and other factors beyond the control of NSX Silver.

Further, any forward-looking statement speaks only as of the date on which such statement is made, and, except as required by applicable law, NSX Silver undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events. New factors emerge from time to time, and it is not possible for management to predict all such factors and to assess in advance the impact of each such factor on the business of NSX Silver or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement. See "Risk and Uncertainties".

Company Overview

NSX Silver Inc. was incorporated on August 9, 2011 under the Canada Business Corporations Act as a wholly-owned subsidiary of NSGold Corporation (NSGold).

NSGold, the former parent company of NSX Silver, is a mineral exploration company with gold and base metal properties located in Nova Scotia, Canada. In April 2011, NSGold signed an agreement whereby it secured the option to acquire a 100% ownership interest in the three mining concessions comprising the Dios Padre Property, including the historic Dios Padre Silver Mine, located in Sonora State, Mexico. In July 2011, NSGold announced that it commenced the process to separate its Nova Scotia gold and base metal assets and its Mexican silver assets into two separate public companies so that NSGold could devote itself solely to exploration for gold and other metals. NSX Silver was incorporated in August 2011 as a wholly-owned subsidiary of NSGold, with the intention of taking over NSGold's exploration properties in Mexico.

On August 5, 2011, NSGold completed a private placement of 8,627,451 common shares at a price of $0.51 per share, for gross proceeds of $4.4 million. Sprott Asset Management LP, acting on behalf of certain Sprott funds and managed accounts, subscribed for the 8,627,451 common shares issued in the private placement, representing 19.9% of the common shares of NSGold issued and outstanding after the placement. The net proceeds from this financing were allocated to funding the activities of NSX Silver and working capital.

On October 21, 2011, NSX Silver and NSGold, as promoter, filed a preliminary prospectus with the securities commissions of each of the provinces of Canada in connection with a distribution of NSX Silver common shares to the shareholders of NSGold. A special meeting of shareholders of NSGold was held on December 22, 2011, at which the shareholders approved a special resolution reducing NSGold's paid-up capital in connection with the "spin-out" of the shares of NSX Silver to the shareholders of NSGold. The reduction of NSGold's paid-up capital is intended to result in the distribution of the shares of NSX Silver being treated as non-taxable for most of NSGold's shareholders.

On March 1, 2012, NSX Silver obtained a receipt from the securities commissions of each of the provinces of Canada for a final prospectus dated February 28, 2012. The prospectus qualified shares of NSX Silver to be distributed by NSGold to its shareholders by way of distribution in kind.

In March 2012, NSX Silver completed the acquisition from NSGold of all of the shares of Compania Minera Oso Blanco SA de CV (CMOB) for which NSGold received one million common shares of NSX Silver. Also in March 2012, NSGold completed a share subscription agreement whereby NSGold acquired 44,428,571 common shares of NSX Silver for gross proceeds of $4,665,000. Upon closing of the transaction, the amounts due to NSGold by each of NSX Silver for reorganization costs and CMOB for Dios Padre exploration costs were repaid and the net amount disbursed by NSGold was $3,474,063. Contemporaneously the Dios Padre Option Agreement, complete with all its rights and obligations, was assigned to NSX Silver.

NSGold then completed the distribution of the common shares of NSX Silver to the NSGold shareholders whereby the shareholders received one share of NSX Silver for each share of NSGold held on the record date of March 16, 2012. A total of 43,553,767 shares of NSX Silver were distributed with the distribution, effected by way of a distribution of paid up capital.

The common shares of NSX Silver commenced trading on the TSX Venture Exchange on March 14, 2012 as a Tier 2 Mining Issuer under the trading symbol "NSY".

During the third quarter of 2013, the Company completed a strategic review of its Mexican exploration property portfolio, taking into consideration the exploration results generated to date and an evaluation of the risk-reward profile associated with undertaking further exploration for each of its mining concessions. As a result of this review, the directors of NSX Silver determined that the Company's future exploration efforts would be best positioned by focusing on its three wholly-owned mining concessions (Oso Blanco, Oso Blanco 2 and Piedras del Norte) comprising approximately 6,000 hectares and located in Sonora State. The work completed on these concessions to date has identified several mineralized zones which NSX Silver's technical consultants consider to have excellent potential for further discoveries.

With respect to the Dios Padre Property, comprised of the Dios Padre, Dos Carlos and Alajandro mining concessions totaling 285 hectares, while the 2012 and 2013 drill campaigns generated multiple high grade silver intercepts, they did not return the makings of an economic deposit and accordingly NSX Silver informed the property owner that it was terminating the option agreement. As a result, the Company recorded a write-down on its Dios Padre resource property in the amount of $4.6 million in 2013.

On January 23, 2015, the Company completed a one-for-ten share consolidation which was previously approved by the Company's shareholders at its last annual general meeting. As a result the Company has 4,592,957 issued and outstanding common shares.

On November 17, 2015 the Company announced it had entered into a binding letter of agreement with an arm's-length purchaser whereby it has agreed to sell the shares of its Mexican subsidiary company, Compania Minera Oso Blanco SA de CV (CMOB), to the purchaser. Additional information is included in the section titled "Proposed disposition of Mexican subsidiary".

Resource Properties – Oso Blanco Project

NSX Silver holds a 100% interest in three contiguous mining concessions (Oso Blanco, Oso Blanco 2 and Piedras del Norte) comprising approximately 5,600 hectares of prospective ground located in Sonora State, Mexico. Collectively these concessions are referred to as the Oso Blanco Property. Geological mapping and geochemical sampling has identified several anomalous zones. Sampling has returned impressive precious and base metals values with the highest precious metal values being 2,030 gpt silver and 9.4 gpt gold. None of the mineralized showings have yet been drill tested.

The Oso Blanco Property is situated approximately midway between the cities of Hermosillo and Chihuahua in the Sierra Madre Occidental ("SMO") in a cretaceous volcanic suite, which is regionally denoted as the "Lower Volcanic Sequence". These rocks are overlain and completely covered to the East by a tertiary sequence of rhyolite tuffs and basalts regionally known as the "Upper Volcanic Sequence". The interface between these sequences, and in particular the upper parts of the Lower Volcanic Sequence, is the host environment for several significant gold and silver districts including the nearby Sahuaripa, Mulatos, Dolores and Ocampo Districts and further south the El Sauzal discovery. The geologic setting of these deposits varies but they all occur at or within this highly prospective interface.

During July 2012 NSX Silver initiated a geochemical sampling survey over a large portion of these three concessions. In particular, the Company was attracted to the previously unexplored **Huerigo Zone** on the Oso Blanco II concession by alteration in surface rocks that is similar to the Dios Padre Property. The Huerigo area comprises 8 km^2 of highly prospective ground in the western portion of the Oso Blanco II concession and is located approximately 5 kilometers west-southwest of the historic Dios Padre Silver Mine. A total of five highly prospective areas (i.e. anomalous zones) have been identified in the Huerigo area. Silver values up to 545 grams per tonne were returned from the rock chip samples in this area and four large poly-metallic anomalies were also discovered.

In December 2012, the Company completed its Phase 2 geochemical survey conducted on the Oso Blanco II concession. The survey covered the Huerigo Zone and other silver-lead-copper anomalies discovered during the Phase I geochemical survey. The Phase 2 program successfully delineated the Huerigo Zone in detail and confirmed the internal consistency and intensity of the silver anomaly.

The Phase 2 program covered 800 hectares of the Oso Blanco II concession and was designed to increase sample density and provide detailed information regarding the size, shape, and intensity of the anomalies. A total of 941 rock chip surface samples were taken during the two programs. In known anomalous zones rock chip samples were taken on a 50 meter grid with 25 meter sample spacing and at any changes in lithology or alteration. Previously unexplored ground was sampled on a 100 meter grid with 50 meter sample spacing and at any change in lithology or alteration.

Anomalous zones were defined by elevated silver-lead-copper assay values supported by multi-element assay values that exceed the statistical background populations. Background levels for silver, lead, and copper are 1.3, 18, and 20 ppm respectively. The main Huerigo metal anomaly occurs as an arcuate 900X300 meter multi-point silver anomaly, supported by coincident anomalous lead and copper values. Silver values range from background to a maximum of 545 grams per tonne, with lead values reaching 2.05% and copper reaching 2.1% Of the total 941 samples tested, an impressive 302 samples (32%) contained anomalous silver, copper, and lead.

The Phase 2 program also identified additional silver-lead-copper anomalies on the concession. Certain of these zones were evaluated by trenching, geologic mapping, and detailed geochemical sampling.

In May 2013, the Company announced the initial results from its ongoing detailed mapping and sampling program on the **Santa Rosalita Zone** located on the Oso Blanco concession and the **La Prieta Zone** located on the Piedras del Norte concession. In June, 2013, the Company reported results from its ongoing geochemical sampling and mapping program on the Huerigo area. These efforts focussed on two zones; the **Los Tajos Zone** to the south and the **Chipahuiri Zone** to the north. These zones are located approximately 5 kilometers apart and both have had only limited exploration conducted in the past.

Future Exploration

The Company has been unable to conduct the recommended follow-up exploration activities on the various mineral occurrences on the Oso Blanco properties in 2013 and 2014, as a result of not securing financing. The equity markets for early stage exploration properties remain very challenging. The Company’s financial position has been further impacted by the nonpayment of its VAT receivable by the Mexican authorities. Future exploration activities are dependent upon raising new equity financing, securing a joint venture arrangement and/or the sale of one or more of its mining concessions.

Proposed disposition of Mexican subsidiary

The Company has entered into a binding letter of agreement with an arm's-length purchaser whereby it has agreed to sell the shares of its Mexican subsidiary company, Compania Minera Oso Blanco SA de CV (CMOB), to the purchaser. The binding letter of agreement provides that upon closing, the purchaser will be responsible for all of CMOB's liabilities and that CMOB will grant to NSX Silver a 2-per-cent net smelter return royalty on any future mineral production from the 11 mining concessions that CMOB presently owns.

As the proposed sale of CMOB constitutes a sale or exchange of all or substantially all the assets of NSX Silver, NSX Silver shareholder approval for the sale will be required under Section 189 of the Canada Business Corporations Act by way of special resolution. To approve a special resolution, a majority of not less than two-thirds of the votes cast in person or by proxy by those shareholders who vote in respect of the special resolution is required. The special meeting of NSX Silver shareholders will be held on December 16, 2015. The proposed sale is also subject to the approval of the TSX Venture Exchange.

Assuming that the sale transaction is approved at the special meeting and subsequently completed according to the terms, NSX Silver will not have any ongoing business operations. The Board of Directors of NSX Silver intends to explore potential strategic alternatives following the closing of the proposed transaction. There can be no assurance that such exploration of strategic alternatives will result in a transaction being pursued, entered into or consummated.

Qualified Person

John E. Hiner, Licensed Geologist and Registered Member of SME, a qualified person as defined by National Instrument 43-101, has reviewed and approved the information provided in this Management and Analysis for the quarter ended September 30, 2015.

Selected Financial Information

Summary of Quarterly Operating Results

NSX Silver's consolidated net income for the quarter ended September 30, 2015 was $14,851 or $0.003 per share as compared to a loss of $14,436 or $0.003 per share for the quarter ended September 30, 2014. During the current quarter ended the Company recorded a gain on the write-down of an account payable relating to an amount owed to a director/officer of the Company. The following table contains selected financial information for the last eight quarters ended September 30, 2015:

Quarter ended Operating expenses	Sept 30, 2015 $	June 30, 2015 $	Mar 31, 2015 $	Dec 31, 2014 $	Sept 30, 2014 $	June 30, 2014 $	Mar 31, 2014 $	Dec 31, 2013 $
Consulting fees	**-**	**-**	-	10,260	**6,000**	6,613	10,500	19,488
Insurance	**1,250**	1,250	1,250	1,544	**595**	4,300	4,301	5,000
Professional fees	**-**	-	3,055	(135)	**4,260**	11,744	998	13,826
Business dues and fees	**1,915**	734	2,955	6,362	**1,010**	5,550	5,475	-
Stock-based compensation	**-**	-	-	-	**-**	-	-	-
Wages and benefits	**-**	-	-	-	**16,823**	3,093	14,281	20,587
Investor communications	**-**	-	-	-	**-**	-	-	3,000
Property investigation	**-**	-	-	-	**-**	1,840	13,510	16,824
Foreign exchange loss (gain)	**2,347**	4,223	5,770	5,572	**(3,382)**	5,167	(4,760)	(2,390)
Office and other	**4,637**	8,299	1,239	(184)	**5,428**	18,303	16,150	18,830
Recovery of accounts payable	**(25,000)**	-	-	(13,000)	**-**	-	-	-
Write-down (recovery) of resource property	**-**	-	-	-	**(16,298)**	-	-	8,323
Provision for recoverable VAT	**-**	-	-	50,000	**-**	-	-	-
Total operating expenses (income)	**(14,851)**	14,506	14,269	60,419	**14,436**	56,610	60,455	103,488
Interest income	**-**	-	-	-	**-**	(300)	(380)	(581)
Net loss (income) for the period	**(14,851)**	14,506	14,269	60,419	**14,436**	56,310	60,075	102,907
Basic and diluted net loss per share after 1 for 10 share consolidation	**($0.003)**	$0.003	$0.003	$0.01	**$0.003**	$0.01	$0.01	$0.02

In light of the continued challenging financing conditions relating to the funding of early stage exploration projects, coupled with the ongoing delays in the collection of refundable value-added tax in Mexico, the Company implemented significant reductions in corporate expenses during 2014. Costs decreased further in the first three quarters of 2015 during which the Company incurred very few general and administrative expenses. The majority of the office and other expenses relate to the annual general meeting. The Company also experienced certain foreign exchange losses relating to outstanding amounts payable with the decline in the Canadian dollar against both the US dollar and the Mexican Peso. The Company discontinued any non critical expenditures including wages and salaries, consulting fees and property investigation.

During the year ended December 31, 2014, the Company incurred total expenses of $154,240 compared to $375,122 for the prior year after adjusting both years for significant non-cash items. The 2014 non-cash item related to a provision for non-recoverable VAT in the amount of $50,000 and the 2013 non-cash expenses were comprised of stock-based compensation of $38,000 and the write-down of the Dios Padre Property of $4,565,004. Significant cost reductions were realized in all other areas including consulting fee expenses ($33,373 compared to $85,636), investor communications expenses ($nil compared to $44,500) wages and benefits ($34,197 compared to $72,449) and all other general and administrative costs. The Company also recovered $13,000 on the elimination of certain accounts payable in 2014 and $16,298 on the recovery of resource property expenditures. Since 2014, the Company has incurred a minimal amount of expenditures.

Liquidity and Capital Resources

The following table contains selected financial information as at June 30, 2015 and December 31, 2014 and 2013:

	As at September 30, 2015 $	As at December 31, 2014 $	As at December 31, 2013 $
Total current assets	54,726	62,358	231,086
Resource properties	320,076	304,077	291,025
Total assets	384,723	384,856	548,426
Total liabilities	148,752	134,961	107,291
Shareholder equity	235,971	249,895	441,135

As at September 30, 2015, the Company had a net working capital deficiency of $94,026 compared to a net working capital deficiency of $72,603 at December 31, 2014. Current assets include $54,726 ($104,726 less a provision of $50,000) of recoverable Mexican value-added tax, however, over the past several months the government has been slow to process sales tax refunds and accordingly this has negatively impacted the liquidity position of NSX Silver's Mexican subsidiary company.

The Company finances its operations through the issuance of equity securities. The Company is dependent on raising additional funding through the issuance of equity securities in order to fund future exploration programs and to meet its ongoing general and administrative requirements. Given the continuing down-turn in the junior mining equity markets there is no assurance that the Company will be able to do secure equity financing in the near term.

During the year ended December 31, 2014, the Company received advances from Van Hoof Industrial Holdings Ltd. aggregating $20,000. During the period ended September 30, 2015, the Company received advances from other shareholders aggregating $16,500. These advances are non-interest bearing and are payable upon demand.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Related Party Transactions

During the period ended September 30, 2015, the Company incurred legal fees aggregating $2,425 (year ended December 31, 2014 - nil) from a law firm of which one of the officers is a partner.

During the year ended December 31, 2014, the Company received advances from Van Hoof Industrial Holdings Ltd. aggregating $20,000. During the period ended September 30, 2015, the Company received advances from other shareholders aggregating $16,500. These advances are non-interest bearing and are payable upon demand.

Outstanding Share Data

On January 23, 2015 the Company completed a one-for-ten share consolidation which was approved at the Company's annual general meeting. All references to capital stock, warrants and options have been adjusted retrospectively to reflect the one-for-ten share consolidation. As a result, the Company has 4,592,957 issued and outstanding common shares as at September 30, 2015 and November 29, 2015.

During the quarter ended June 30, 2015, the Company, with agreement from the optionees, cancelled all of the outstanding options. As a result, there are no outstanding options at September 30, 2015 and November 29, 2015.

New and Amended Standards Adopted by the Company

The following standard has been adopted by the Company for the financial year which began on January 1, 2014:

i) IFRIC 21, Levies

IFRIC 21 “Levies” (“IFRIC 21”) has been amended to require entities to recognize a liability when payment is triggered under the terms of the relevant legislation. The Company adopted IFRIC 21 on January 1, 2014 on a retrospective basis. The adoption of IFRIC 21 had no impact on these consolidated financial statements.

New Standards and Interpretations Not Yet Adopted

A number of new standards and amendments to standards and interpretations are effective for annual periods beginning on or after January 1, 2015, and have not been applied in preparing these consolidated financial statements. Accordingly, the Company expects to adopt these standards as set forth below.

i) IFRS 9, Financial Instruments

IFRS 9, "Financial instruments" introduces new requirements for the classification and measurement of financial assets. IFRS 9 requires all recognized financial assets that are within the scope of IAS 39 Financial Instruments: Recognition and Measurement to be measured at amortized cost or fair value in subsequent accounting periods following initial recognition. Specifically, financial assets that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortized cost at the end of subsequent accounting periods. All other financial assets including equity investments are measured at their fair values at the end of subsequent accounting periods.

Requirements for classification and measurement of financial liabilities were added in October 2010 and they largely carried forward existing requirements in IAS 39, Financial Instruments – Recognition and Measurement, except that fair value changes due to credit risk for liabilities designated at fair value through profit and loss would generally be recorded in other comprehensive income.

IFRS 9 was amended in November 2013 to (i) include guidance on hedge accounting, (ii) allow entities to early adopt the requirement to recognize changes in fair value attributable to changes in an entity’s own credit risk, from financial liabilities designated under the fair value option, in other comprehensive loss, without having to adopt the remainder of IFRS 9, and (iii) remove the previous mandatory effective date for adoption of January 1, 2015, although the standard is available for early adoption.

The final version of IFRS 9 was issued in July 2014 and includes: (i) a third measurement category for financial assets – fair value through other comprehensive income; (ii) a single, forward-looking expected loss impairment model; and (iii) a mandatory effective date for IFRS 9 of annual periods beginning on or after January 1, 2018, with early adoption permitted. The Company is currently evaluating the impact of the new standard on its financial statements.

Risks and Uncertainties

The following are certain factors relating to the business of the Company. These risks and uncertainties are not the only ones facing the Company. Additional risks and uncertainties not currently known to the Company, or that the Company currently deems immaterial, may also impair the operations of the Company. If any such risks actually occur, the financial condition, liquidity and results of operations of the Company could be materially adversely affected and the ability of the Company to implement its growth plans could be adversely affected.

The following is a description of certain risks and uncertainties that may affect the business of the Company.

i. Limited Operating History

The Company is a relatively new company with limited operating history and no history of business or mining operations, revenue generation or production history. The Company was incorporated August 9, 2011 and has yet to generate a profit from its activities. The Company will be subject to all of the business risks and uncertainties associated with any new business enterprise, including the risk that it will not achieve its growth objective. The Company anticipates that it may take several years to achieve positive cash flow from operations.

ii. Exploration, Development and Operating Risks

The exploration for and development of minerals involves significant risks, which even a combination of careful evaluation, experience and knowledge may not eliminate. Few properties which are explored are ultimately developed into producing mines. There can be no guarantee that the estimates of quantities and qualities of minerals disclosed will be economically recoverable. With all mining operations there is uncertainty and, therefore, risk associated with operating parameters and costs resulting from the scaling up of extraction methods tested in pilot conditions. Mineral exploration is speculative in nature and there can be no assurance that any minerals discovered will result in an increase in the Company's resource base.

The Company's operations are subject to all of the hazards and risks normally encountered in the exploration, development and production of minerals. These include unusual and unexpected geological formations, rock falls, seismic activity, flooding and other conditions involved in the extraction of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability. Although precautions to minimize risk will be taken, operations are subject to hazards that may result in environmental pollution and consequent liability that could have a material adverse impact on the business, operations and financial performance of the Company.

iii. Substantial Capital Requirements and Liquidity

Substantial additional funds for the establishment of the Company's current and planned mining operations will be required. No assurances can be given that the Company will be able to raise the additional funding that may be required for such activities, should such funding not be fully generated from operations. Mineral prices, environmental rehabilitation or restitution, revenues, taxes, transportation costs, capital expenditures, operating expenses and geological results are all factors which will have an impact on the amount of additional capital that may be required. To meet such funding requirements, the Company may be required to undertake additional equity financing, which would be dilutive to shareholders. Debt financing, if available, may also involve restrictions on financing and operating activities. There is no assurance that additional financing will be available on terms acceptable to the Company or at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations or anticipated expansion.

iv. Fluctuating Mineral Prices

The economics of mineral exploration is affected by many factors beyond the Company's control, including commodity prices, the cost of operations, variations in the grade of minerals explored and fluctuations in the market price of minerals. Depending on the price of minerals, it may be determined that it is impractical to continue the mineral exploration operation.

Mineral prices are prone to fluctuations and the marketability of minerals is affected by government regulation relating to price, royalties, allowable production and the importing and exporting of minerals, the effect of which cannot be accurately predicted. There is no assurance that a profitable market will exist for the sale of any minerals found on the Company's properties.

v. Regulatory Requirements

The current or future operations of the Company require permits from various governmental authorities, and such operations are and will be governed by laws and regulations governing exploration, development, production, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, site safety and other matters. Companies engaged in the exploration and development of mineral properties generally experience increased costs and delays in development and other schedules as a result of the need to comply with applicable laws, regulations and permits. There can be no assurance that all permits which the Company may require for the facilities and conduct of exploration and development operations will be obtainable on reasonable terms or that such laws and regulation would not have an adverse effect on any exploration and development project which the Company might undertake.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in exploration and development operations may be required to compensate those suffering loss or damage by reason of the exploration and development activities and may have civil or criminal fines or penalties imposed upon them for violation of applicable laws or regulations. Amendments to current laws, regulation and permits governing operations and activities of mineral companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or exploration and development costs or require abandonment or delays in the development of new properties.

vi. Financing Risks and Dilution to Shareholders

The Company has limited financial resources, no operations and no revenues. If the Company's exploration program on its exploration properties is successful, additional funds will be required for the purposes of further exploration and development. There can be no assurance that the Company will be able to obtain adequate financing in the future or that such financing will be available on favourable terms or at all. It is likely such additional capital will be raised through the issuance of additional equity, which will result in dilution to the Company's shareholders.

vii. Title to Properties

Acquisition of title to mineral properties is a very detailed and time-consuming process. Title to, and the area of, mineral properties may be disputed. The Company cannot give an assurance that title to its exploration properties will not be challenged or impugned. Mineral properties sometimes contain claims or transfer histories that examiners cannot verify. A successful claim that NSX Silver does not have title to its exploration properties could cause the Company to lose any rights to explore, develop and mine any minerals on that property, without compensation for its prior expenditures relating to such property.

viii. Requirement for Permits and Licenses

A substantial number of permits and licenses may be required should the Company proceed beyond exploration; such licenses and permits may be difficult to obtain and may be subject to changes in regulations and in various operational circumstances. It is uncertain whether the Company will be able to obtain all such licenses and permits.

ix. Competition

There is competition within the mining industry for the discovery and acquisition of properties considered to have commercial potential. The Company competes with other mining companies, many of which have greater financial, technical and other resources than the Company, for, among other things, the acquisition of minerals claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees and other personnel.

x. Reliance on Management and Dependence on Key Personnel

The success of the Company will be largely dependent upon on the performance of its directors and officers and the ability to attract and retain key personnel. The loss of the services of these persons may have a material adverse effect on the Company's business and prospects. The Company will compete with numerous other companies for the recruitment and retention of qualified employees and contractors. There is no assurance that the Company can maintain the service of its directors and officers or other qualified personnel required to operate its business. Failure to do so could have a material adverse effect on the Company and its prospects.

xi. No Mineral Reserves

Mineral reserves are, in the large part, estimates and no assurance can be given that the anticipated tonnages and grades will be achieved or that the indicated level of recovery will be realized. Reserve estimates for properties that have not yet commenced production may require revision based on actual production experience. Market price fluctuations of metals, as well as increased production costs or reduced recovery rates, may render mineral reserves containing relatively lower grades of mineralization uneconomic and may ultimately result in a restatement of reserves. Moreover, short-term operating factors relating to the mineral reserves, such as the need for orderly development of the ore bodies and the processing of new or different mineral grades, may cause a mining operation to be unprofitable in any particular accounting period.

xii. Environmental Risks

The Company's exploration and appraisal programs will, in general, be subject to approval by regulatory bodies. Additionally, all phases of the mining business present environmental risks and hazards and are subject to environmental regulation pursuant to a variety of international conventions and federal, provincial and municipal laws and regulations. Environmental legislation provides for, among other things, restrictions and prohibitions on spills, releases or emissions of various substances produced in association with mining operations. The legislation also requires that wells and facility sites be operated, maintained, abandoned and reclaimed to the satisfaction of applicable regulatory authorities. Compliance with such legislation can require significant expenditures and a breach may result in the imposition of fines and penalties, some of which may be material. Environmental legislation is evolving in a manner expected to result in stricter standards and enforcement, larger fines and liability and potentially increased capital expenditures and operating costs.

xiii. Governmental Regulations and Processing Licenses and Permits

The activities of the Company are subject to Mexican approvals, various laws governing prospecting, development, land resumptions, production taxes, labour standards and occupational health, mine safety, toxic substances and other matters. Although the Company believes that its activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail production or development. Amendments to current laws and regulations governing operations and activities of exploration and mining, or more stringent implementation thereof, could have a material adverse impact on the business, operations and financial performance of the Company. Further, the mining licenses and permits issued in respect of its projects may be subject to conditions which, if not satisfied, may lead to the revocation of such licenses. In the event of revocation, the value of the Company's investments in such projects may decline.

Local Resident Concerns

Apart from ordinary environmental issues, work on, or the development and mining of the Oso Blanco property could be subject to resistance from local residents that could either prevent or delay exploration and development of the property.

xiv. Management Inexperience in Developing Mines

The management of the Company has some experience in exploring for minerals, but may lack all or some of the necessary technical training and experience to successfully develop and operate a mine. Without adequate training or experience in these areas, management may not be fully aware of many of the specific requirements related to working within the mining industry and their decisions and choices may not take into account all available and necessary engineering or managerial approaches that experienced mine operating companies commonly use to successfully develop a mine. Consequently, the Company's operations, earnings and ultimate financial success could be materially adversely effected.

xv. Conflicts of Interest

Certain of the directors and officers of the Company are engaged in, and will continue to engage in, other business activities on their own behalf and on behalf of other companies (including mineral resource companies) and, as a result of these and other activities, such directors and officers of the Company may become subject to conflicts of interest. The Canada Business Corporations Act (CBCA) provides that in the event that a director has a material interest in a contract or proposed contract or agreement that is material to the Company, the director must disclose his interest in such contract or agreement and refrain from voting on any matter in respect of such contract or agreement, subject to and in accordance with the CBCA. To the extent that conflicts of interest arise, such conflicts will be resolved in accordance with the provisions of the CBCA.

xvi. Uninsurable Risks

Exploration, development and production operations on mineral properties involve numerous risks, including unexpected or unusual geological operating conditions, rock bursts, cave-ins, fires, floods, earthquakes and other environmental occurrences. It is not always possible to obtain insurance against all such risks and the Company may decide not to insure against certain risks as a result of high premiums or other reasons. Should such liabilities arise, they could have an adverse impact on the Company's results of operations and financial condition and could cause a decline in the value of the Company's shares. The Company does not intend to maintain insurance against environmental risks.

xvii. Litigation

The Company and/or its directors may be subject to a variety of civil or other legal proceedings, with or without merit.

xviii. Dividends

To date, NSX Silver has not paid any dividends on its outstanding shares. Any decision to pay dividends on the shares of the Company will be made by its board of directors on the basis of the Company's earnings, financial requirements and other conditions.

Additional information regarding the Company is available on SEDAR at www.sedar.com.

Dated: November 29, 2015