



**MANAGEMENT DISCUSSION & ANALYSIS OF
FINANCIAL CONDITIONS & RESULTS OF OPERATIONS**

**PERIOD FROM INCORPORATION ON
JUNE 23, 2015, TO SEPTEMBER 30, 2015**

This Management's Discussion and Analysis ("MD&A") is an overview of the activities of SilverCrest Metals Inc. (the "Company" or "SilverCrest Metals") for the period from incorporation on June 23, 2015, to September 30, 2015. The MD&A is intended to help the reader understand the Company's operations, financial performance and present and future business environment. The MD&A should be read in conjunction with the unaudited consolidated interim financial statements at September 30, 2015, and the related notes contained therein which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. All amounts are stated Canadian dollars. The date of this MD&A is November 19, 2015.

DESCRIPTION OF BUSINESS

SilverCrest Metals Inc. (the "Company" or "SilverCrest Metals") was incorporated under the Business Corporation Act (British Columbia) on June 23, 2015, under the name 1040669 B.C. Ltd. Articles of amendment were filed on August 11, 2015 to change the name of the Company to SilverCrest Metals Inc. For the period of incorporation to September 30, 2015, SilverCrest Mines Inc. ("SilverCrest Mines") was the Company's only shareholder.

On October 1, 2015, SilverCrest Metals, SilverCrest Mines and First Majestic Silver Corp. ("First Majestic") completed a plan of arrangement (the "Arrangement") under the Business Corporation Act (British Columbia) effected pursuant to an arrangement agreement dated July 26, 2015, as amended. Under the Arrangement, 19,952,024 SilverCrest Metals Shares were issued to SilverCrest Mines for distribution to the former shareholders of SilverCrest Mines (at an exchange ratio of 0.1667 of a SilverCrest Metals Share for one common share of SilverCrest Mines (the "Exchange Ratio")) and 2,192,727 SilverCrest Metals Shares were issued to First Majestic. As a result, there are a total of 22,144,751 outstanding SilverCrest Metals Shares owned as to 90.1% by shareholders of SilverCrest Mines and as to 9.9% by First Majestic. The completion of the Arrangement established SilverCrest Metals as a separate company spun off from SilverCrest Mines.

In consideration for the issuances of the SilverCrest Metals Shares under the Arrangement, SilverCrest Mines transferred to SilverCrest Metals the Cruz de Mayo, Las Chispas, Angel de Plata, Huasabas and Estacion Llano exploration properties located in northern Mexico, as well as approximately \$5.25 million in cash (received as of September 30, 2015) and certain other assets owned by SilverCrest Mines, and First Majestic transferred to SilverCrest Metals its Guadalupe exploration property located in Durango, Mexico. In addition, pursuant to the Arrangement, outstanding SilverCrest Mines options were exchanged for SilverCrest Metals replacement stock options the Exchange Ratio. For more details on the assets transferred to SilverCrest Metals, please refer to SilverCrest Metals' Pro-forma Condensed Consolidated Financial Statements included in Schedule C of the Company's TSX Venture Exchange ("TSX-V") Form 2B Listing Application, dated October 5, 2015, available under the Company's SEDAR profile on www.sedar.com.

The directors and officers of SilverCrest Metals were previously the directors and/or officers of SilverCrest Mines immediately prior to the completion of the Arrangement. N. Eric Fier is President and Chief Executive Officer, and Barney Magnusson is Chief Financial Officer of SilverCrest Metals.

On October 1, 2015, the Company entered into management consulting agreements with Maverick Mining Consultants Inc. ("Maverick"), a company wholly-owned by Mr. Fier and Adapa Management Ltd. ("Adapa"), company wholly-owned by Mr. Magnusson to provide executive, managerial and consulting services to the Company. In consideration for the services of Maverick and Adapa, the Company has agreed to pay Maverick an initial annual base rate of \$60,000 and Adapa an initial annual base rate of \$45,000, subject to change by the Company's directors. The Maverick and Adapa agreements each includes a termination clause which provides for payment of 1.5 times of the applicable annual base rate, bonus and benefits if terminated without cause or 2 times of the applicable annual base rate, bonus and benefits if the Company undergoes a change in control (as defined in the agreement).

SilverCrest Metals received final approval for the listing of the common shares of SilverCrest Metals on the TSX-V with trading commencing on October 9, 2015 under the symbol "SIL". Material transaction documents relating to the Arrangement and the TSX-V Form 2B Listing Application are also available under SilverCrest Metals' profile at www.sedar.com.

EXPLORATION PROPERTIES

Las Chispas

The Las Chispas property is located approximately 180 kilometres northeast of Hermosillo, Sonora, Mexico. The community of Arizpe (estimated population 2,000) is located approximately 12 kilometres to the north of the property. The property consists of 17 concessions totalling to 1326.78 hectares. In the first half of 2015, SilverCrest Mines completed negotiations with local Mexican individuals and a Mexican company to acquire the property under several option to purchase agreements.

Subsequent to September 30, 2015, SilverCrest Metals conducted general exploration including mapping, sampling and geochemical analysis on the Las Chispas and plans to start drilling in late 2015 or early 2016. Based on the drilling results, if deemed appropriate by

management, SilverCrest Metals may allocate working capital to conduct further work. Payment obligations on the Las Chispas property during the next 18 months are property payments of U.S.\$50,000 in 2015 and U.S.\$105,000 in 2016.

Huasabas

The Huasabas property is located approximately 190 kilometres northeast of Hermosillo, Sonora, Mexico. The community of Huasabas (estimated population 1,000) is located approximately 15 kilometres to the southeast of the property. The property consists of one concession totalling to 800 hectares. The property was claimed by SilverCrest Mines in 2013 during a reconnaissance trip.

Previous field mapping and sampling showed anomalous gold, silver, mercury, antimony, and barium occurring in 0.5 - 30 m wide veins, stockworks and breccias approx. 1 km in strike length. Target for exploration is a precious metal mineralized epithermal system.

Obligations or known future taxes payable in respect of the Huasabas property are expected to total approximately U.S.\$800 per year.

Subsequent to September 30, 2015, the Company conducted general exploration including mapping, sampling and geochemical analysis on the Huasabas property, and plans to start drilling in late 2015 or early 2016. Based on the drilling results, if deemed appropriate by management, SilverCrest Metals may allocate working capital to conduct further work.

Cruz de Mayo

The Cruz de Mayo property is located in the State of Sonora, Mexico, approximately 22 km northwest of the town of Cumpas and 163 km north east of Hermosillo. The project is located 35 km directly northeast, and approximately 150 km total distance when travelled by paved road, of the Santa Elena mine. The Cruz de Mayo Property consists of two mineral concessions, Cruz de Mayo 2 and El Gueriguito, combining for a total area of 452 hectares. Through its wholly-owned subsidiary, SilverCrest Metals has 100% ownership of the Cruz de Mayo 2 and El Gueriguito concessions. The El Gueriguito concession is subject to a 2.5% NSR, to a maximum of U.S.\$1,000,000.

A copy of a technical report entitled "Mineral Resource Estimate for the Cruz de Mayo Property, Sonora, Mexico" effective August 15, 2015, as amended September 15, 2015, prepared for SilverCrest Mines and SilverCrest Metals by Tetra Tech EBA Inc. in compliance with NI 43-101, may be inspected at the head office of SilverCrest Metals at Suite 501, 570 Granville Street, Vancouver, British Columbia, V6C 3P1 during normal business hours. It can also be accessed under SilverCrest Metals' profile on SEDAR at www.sedar.com.

Subsequent to September 30, 2015 and to the date hereof, the Company did not conduct exploration or development work on the Cruz de Mayo property. For the next three months, the Company does not plan to conduct work on the Cruz de Mayo. Management will assess allocation of resource after reviewing the drilling results from the Las Chispas and Huasabas properties.

The Silver Angel Property

The Silver Angel property is located approximately 165 kilometres northeast of Hermosillo, Sonora, Mexico. The community of Arizpe (estimated population 2,000) is located approximately 25 kilometres to the west of the property. The property consists of one concession totalling 619 hectares. In 2003, SilverCrest Mines acquired the Silver Angel property by concession applications.

At this time, SilverCrest Metals has no plan to perform any work on the Silver Angel property. Future payments, obligations or known future taxes payable in respect of the Silver Angel property are expected to total approximately U.S.\$10,000 per year.

The Estacion Llano Property

The Estacion Llano property is located approximately 140 kilometres north of Hermosillo, Sonora, Mexico. The community of Estacion Llano (estimated population 1,000) is located approximately 8 kilometres to the east of the property. Also, Timmins Gold's San Francisco mine is adjacent to the property. The property consists of one concession totalling to 2,378.76 hectares.

At this time, SilverCrest Metals has no plan to perform any work on the Estacion Llano property. This property is currently subject to litigation and depending on the outcome, may not be transferable to SilverCrest Metals. As a result, there are no known future payments, obligations or known future taxes payable in respect of the Estacion Llano property except for concession payments of approximately U.S.\$25,000 per year.

The Guadalupe Property

The Guadalupe Property is located approximately 110 kilometres northwest of Durango City, Durango, Mexico. The community of Gavilanes (estimated population 145) is located adjacent to the property and San Miguel de Cruces (estimated population 1,800) is approximately 25 kilometres north. The property consists of one concession totalling 4,762.2 hectares.

The property was claimed by Hochschild Mining in 2007 and subsequently acquired by First Majestic in 2010. Santa Cruz Silver Mining recently discovered the "Gavilanes Deposit" immediately adjacent to the property. Primero Mining's San Dimas Mine is approximately 20 kilometres to the southwest.

At this time, SilverCrest Metals has no plan to perform any work on the Guadalupe property. Future payments, obligations or known future taxes payable in respect of the Guadalupe property are expected to total approximately U.S.\$50,000 per year.

RESULTS OF OPERATIONS

The net loss and comprehensive loss was \$31,060 for the period from incorporation on June 23, 2015, to September 30, 2015, which primarily resulted from the payment to the TSX-V of \$30,000 in relation to the Company's listing application.

Summary of Quarterly Results

The following financial data is selected information for the Company for the two most recently completed financial quarters, prepared in accordance with IFRS:

	Q3	Q2
	September 30,	June 30,
	2015	2015
Revenues	\$Nil	\$Nil
Comprehensive loss for the period	(31,060)	Nil
Loss per share - basic and diluted	n/a	n/a
Total assets	5,221,912	1
Total liabilities	846	Nil
Shareholder's equity	5,221,066	1

CASH FLOWS

Operating activities

During the period ended September 30, 2015, effective October 1, 2015, the Company entered into an assignment and assumption of lease agreement with SilverCrest Mines and the landlord for the head office space. As a result of the assignment of the lease to SilverCrest Metals, the Company paid \$74,973 as a security deposit representing an additional four of five months' of rent.

Financing activities

On June 23, 2015, the Company issued 1 common share to SilverCrest Mines for \$1. In addition, as of September 30, 2015, the Company received \$5,525,125 from SilverCrest Mines Inc. and its subsidiary in advance for consideration pursuant to the Arrangement.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's financial instruments consist of cash, amounts receivable and accounts payable and accrued liabilities. The carrying value of amounts receivable, accounts payable and accrued liabilities approximate their fair values due to the short periods until settlement. The Company's cash and held-for-trading securities are measured using level 1 inputs.

The Company is exposed to various financial instrument risks and assesses the impact and likelihood of this exposure. These risks include liquidity risk, foreign currency risk, credit risk, interest rate risk and market risk. Where material, these risks are reviewed and monitored by the Board of Directors.

OUTLOOK

Subsequent to September 30, 2015, the Company conducted general exploration including mapping, sampling and geochemical analysis on two of its Mexico properties, Las Chispas and Huasabas, and plans to start drilling on these properties in late 2015 or early 2016. Based on the drilling results, if deemed appropriate by management, SilverCrest Metals may allocate working capital to conduct further work.

On November 19, 2015, the Company completed a non-brokered private placement of 16,665,143 units at a price of \$0.15 per unit for gross proceeds of approximately \$2.5million. Each unit consists of one common share and one-half of one common share purchase warrant of the Company, with each whole warrant being exercisable for one common share of the Company at a price of \$0.20 per share for a term of two years.

Certain of SilverCrest's management and directors purchased or acquired direction and control over a total of 3,925,143 units under the private placement.

Proceeds from the private placement will be used to augment the Company's current cash of \$5.1 million and for general corporate purposes. The private placement is subject to regulatory approval and resale of the shares are subject to a hold period that expires on March 20, 2016.

LIQUIDITY AND CAPITAL RESOURCES

While the Company currently has no source of revenue, management believes the Company's cash and working capital of \$5.1 million (as of September 30, 2015), together with the proceeds from the private placement announced on November 4, 2015, will be sufficient to fund a significant portion of the exploration work on its exploration properties as well as general working capital requirements for the next 12 months. In order to facilitate the management of its capital requirements, the Company prepared annual expenditure budgets which will be revised periodically based on results of its exploration programs, availability of financing and industry conditions. The Company's financial success is dependent on its ability to discover economically viable mineral deposits. Based on exploration and drilling results, the Company may require substantial additional financing and is subject to a number of factors many of which are beyond the Company's control. There is no assurance that future equity capital will be available to the Company in the amounts or at the times desired by the Company or on terms that are acceptable to it, if at all.

OUTSTANDING SHARE CAPITAL

Capital stock

- a) Unlimited number of common shares without nominal or par value authorized.
- b) Unlimited number of preferred shares without nominal or par value (none outstanding) authorized.

As at September 30, 2015, the Company had 1 common share outstanding.

Subsequent to September 30, 2015:

- Upon closing of the Arrangement, the Company issued 22,144,750 common shares and 1,595,635 share purchase options with exercise price of \$0.06 per share.
- 1,048,541 stock options were exercised for gross proceeds of \$62,912.
- 25,005 options expired unexercised.
- upon closing of the non-brokered private placement, the Company issued 16,665,143 common shares and 8,332,567 share purchase warrants.

As of the date hereof, the Company had the following common shares, share purchase warrants and options issued and outstanding:

Issued & Outstanding Shares:			39,858,435
	<u>Strike price</u>	<u>Expiry</u>	
Warrants:	\$0.20	November 19, 2017	8,332,567
Options:	\$0.06	February 15, 2016 – December 10, 2019	520,089
Fully Diluted			48,711,091

RISK FACTORS

Risk management is an ongoing exercise upon which the Company spends a substantial amount of time. The following factors are those which are the most applicable to the Company. The discussion which follows is not inclusive of all potential risks.

No History of Operations or Earnings

The Company has no history of operations or earnings. SilverCrest Metals is an exploration stage company and no operating revenues are anticipated until one of SilverCrest Metals' projects comes into production, which may or may not occur. As such, any future revenues and profits are uncertain. SilverCrest Metals is subject to many risks common to such enterprises, including under-capitalization, cash shortages, limitations with respect to personnel, financial and other resources and lack of revenues. There is no assurance that SilverCrest Metals will be successful in achieving a return on an investment in SilverCrest Shares and the likelihood of success must be considered in light of its early stage of operations. SilverCrest Metals will require additional financing to further explore, develop, acquire, and achieve commercial production on its property interests and, if financing is unavailable for any reason, SilverCrest Metals may become unable to acquire and retain its property interests and carry out its business plan.

There can be no assurance that any of the Company's properties will be successfully placed into production, produce minerals in commercial quantities or otherwise generate operating earnings. Advancing projects from the exploration stage into development and commercial production requires significant capital and time and will be subject to further technical studies, permitting requirements and construction of mines, processing plants, roads and related works and infrastructure. SilverCrest Metals will continue to incur losses until mining-related operations successfully reach commercial production levels and generate sufficient revenue to fund continuing operations. There is no certainty that SilverCrest Metals will generate revenue from any source, operate profitably or provide a return on investment in the future.

No Mineral Production

SilverCrest Metals does not have an interest in a mineral-producing property. There is no assurance that commercial quantities of minerals will be discovered at any SilverCrest Metals property, nor is there any assurance that any future exploration programs of SilverCrest Metals on any of its properties will yield any positive results. Even where commercial properties of minerals are discovered, there can be no assurance that any property of SilverCrest Metals will ever be brought to a stage where mineral reserves can be profitably produced thereon. Factors which may limit the ability of SilverCrest Metals to produce mineral resources from its properties include, but are not limited to, the price of mineral resources are explored, availability of additional capital and financing and the nature of any mineral deposits.

Global Financial Conditions

Recent global financial conditions have been characterized by increased volatility and access to public financing, particularly for junior mineral exploration companies, has been negatively impacted. These conditions may affect SilverCrest Metals' ability to obtain equity or debt financing in the future on terms favourable to SilverCrest Metals or at all. If such conditions continue, SilverCrest Metals' operations could be negatively impacted.

Commodity Markets

The price of SilverCrest Metals' securities, its financial results, and its access to the capital required to finance its exploration activities may in the future be adversely affected by declines in the price of precious and base metals. Precious metal prices fluctuate widely and are affected by numerous factors beyond SilverCrest Metals' control such as the sale or purchase of precious metals by various dealers, central banks and financial institutions, interest rates, exchange rates, inflation or deflation, currency exchange fluctuation, global and regional supply and demand, production and consumption patterns, speculative activities, increased production due to improved mining and production methods, government regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals, environmental protection, and international political and economic trends, conditions and events. If these or other factors continue to adversely affect the price of precious and base metals, the market price of SilverCrest Metals' securities may decline.

Insurance and Uninsured Risks

SilverCrest Metals' business is subject to a number of risks and hazards generally, including adverse environmental conditions, industrial accidents, labour disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, changes in the regulatory environment, natural phenomena such as inclement weather conditions, floods and earthquakes. Such occurrences could result in damage to mineral properties, personal injury or death, environmental damage to SilverCrest Metals' properties or the properties of others, delays in the ability to undertake exploration, monetary losses and possible legal liability.

SilverCrest Metals may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to SilverCrest Metals or to other companies in the mining industry on acceptable terms. SilverCrest Metals might also become subject to liability for pollution or other hazards which it may not be insured against or which SilverCrest Metals may elect not to insure against because of premium costs or other reasons. Losses from these events may cause SilverCrest Metals to incur significant costs that could have a material adverse effect upon its financial performance and results of operations.

Foreign Mineral Properties

SilverCrest Metals' properties are located in Mexico and therefore exposed to various levels of political, economic and other risks and uncertainties which could result in work stoppages, blockades of SilverCrest Metals' business activities and appropriation of assets. Some of SilverCrest Metals' properties are located in areas where Mexican drug cartels may operate. These risks and uncertainties vary from region to region and include, but are not limited to, terrorism; hostage taking; local drug gang activities; military repression; expropriation; extreme fluctuations in currency exchange rates; high rates of inflation; labour unrest; the risks of war or civil unrest; renegotiation or nullification of existing concessions, licenses, permits and contracts; illegal mining; changes in taxation policies; restrictions on foreign exchange and repatriation; and changing political conditions, currency controls and governmental regulations that favour or require the awarding of contracts to local contractors or require foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction.

Local opposition to mine development projects could arise in Mexico, and such opposition could be violent. There can be no assurance that such local opposition will not arise with respect to SilverCrest Metals' foreign operations. If SilverCrest Metals were to experience resistance or unrest in connection with its operations, it could have a material adverse effect on its operations and profitability.

To the extent SilverCrest Metals acquires mineral properties in jurisdictions other than Mexico, it may be subject to similar and additional risks with respect to its operations in those jurisdictions.

Surface Rights

A mineral concession in Mexico does not confer any ownership of surface rights. The majority of SilverCrest Metals' mineral properties are located in remote and relatively uninhabited areas. There are currently no areas of interest to SilverCrest Metals within its mineral concessions that are overlain by significant habitation or industrial users, however there are potential overlapping surface usage issues in some areas. Some surface rights are owned by local communities or "Ejidos" and some surface rights are owned by private ranching or residential interests. SilverCrest Metals will be required to negotiate the acquisition of surface rights in those areas where it may wish to develop mining operations. SilverCrest Metals' mineral interests are located on community or private land, and it is necessary to deal with the owners for access and any potential development or exploitation rights. There can be no assurance that SilverCrest Metals will be able to negotiate and acquire surface access rights on terms acceptable to SilverCrest Metals or at all.

Additional Capital and Financing Risks

SilverCrest Metals plans to focus on exploring for minerals and will use its working capital to carry out such exploration. Although SilverCrest Metals received \$5,250,000 in cash from SilverCrest, SilverCrest Metals has no source of operating cash flow. The exploration and development of SilverCrest Metals' properties may be dependent upon SilverCrest Metals' ability to obtain financing through equity or debt, and there can be no assurance that it will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in the delay or indefinite postponement of further exploration and development of SilverCrest Metals' projects.

CAUTIONARY STATEMENT AND DISCLAIMER

Certain statements contained in this MD&A and elsewhere constitute "forward-looking statements" within the meaning of applicable Canadian securities legislation. Such forward-looking statements involve a number of known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. In particular, the MD&A contains forward-looking statements pertaining to the following: outlook and exploration and drilling plans of the Company and expectations regarding the Company's ability to manage capital resources and meet working capital requirements.

Such forward-looking statements or information are based on a number of assumptions which may prove to be incorrect. Assumptions have been made regarding, among other things: the conditions in general economic and financial markets; availability of skilled labour; timing and amount of exploration and capital expenditures; and effects of regulation by governmental agencies.

The actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth below and elsewhere in this MD&A: the availability of funds; the timing and content of work programs; results of exploration activities of mineral properties; the interpretation of drilling results and other geological data; the uncertainties of resource estimations; receipt, maintenance and security of permits and mineral property titles; environmental and other regulatory risks; project cost overruns or unanticipated costs and expenses; uncertainty as to actual capital costs, operating costs, production and economic returns; operating and hazards risks and limitations on insurance risk; fluctuations in commodity product prices; currency fluctuations; political and economic risks; and general market and industry conditions.

Forward-looking statements are based on the expectations and opinions of the Company's management on the date the statements are made. The assumptions used in the preparation of such statements, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made. The Company undertakes no obligation to update or revise any forward-looking statements included in this MD&A if these beliefs, estimates and opinions or other circumstances should change, except as otherwise required by applicable law.

QUALIFIED PERSON

Technical information contained in this MD&A has been prepared by or under the supervision of N. Eric Fier, CPG, P.Eng, and President and Chief Executive Officer for SilverCrest Metals, who is a 'Qualified Person' for the purpose of NI 43-101.