

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2025

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INTRODUCTION

This Management's Discussion and Analysis ("MD&A") is prepared as of August 12, 2025. The MD&A provides information that management believes is relevant to an assessment and undertaking of the consolidated financial condition and results of operations of Andean Precious Metals Corp. ("Andean" or the "Company"). This MD&A should be read in conjunction with the Company's unaudited condensed consolidated interim financial statements for the three and six months ended June 30, 2025 and 2024 and the notes thereto (the "Financial Statements") which were prepared in accordance with International Accounting Standard ("IAS") 34 – Interim Financial Reporting. In addition, this MD&A should be read in conjunction with both the audited annual consolidated financial statements for the years ended December 31, 2024 and 2023, prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), and the related annual MD&A for the year-ended December 31, 2024.

Additional information, including this MD&A, the unaudited condensed consolidated interim financial statements for the three and six months ended June 30, 2025 and 2024, the audited annual consolidated financial statements for the years ended December 31, 2024 and 2023, and press releases, have been filed electronically through the System for Electronic Document Analysis and Retrieval ("SEDAR+") at www.sedarplus.ca and on our website at www.andeanpm.com.

This discussion addresses matters the Company considers important for an understanding of the Company's financial condition and results of operations as at and for the three and six months ended June 30, 2025, as well as the Company's 2025 outlook. Readers are cautioned that the MD&A contains forward-looking statements about expected future events and the financial and operating performance of the Company, and that actual events may vary from management's expectations. Readers are encouraged to read the section "Forward Looking Statements" included in this MD&A.

All amounts are presented in U.S. dollars ("$"), unless otherwise stated. All tabular amounts are expressed in thousands of U.S. dollars, except share, per share or per ounce amounts. Due to rounding, numbers presented throughout this MD&A may not add precisely to the totals provided.

Throughout this MD&A, the reporting periods for the three and six months ended June 30, 2025, and 2024 are abbreviated as Q2 2025, Q2 2024, YTD 2025, and YTD 2024, respectively. Unless otherwise noted, "Au" represents gold; "Ag" represents silver; "oz" represents troy ounce; "g/t" represents grams per metric tonne; "ft." represents feet; "m" represents meter; "sq." represents square, and C$ refers to Canadian dollars. The word "we" or "our" refers to Andean and/or one or more or all its subsidiaries, as it may apply. Reference to "industry" means the precious metals mining industry.

USE OF NON-GAAP FINANCIAL PERFORMANCE METRICS

In this MD&A, we use the following non-GAAP financial performance measures: Operating Cash Costs ("OCC"), All-In-Sustaining Costs ("AISC"), Cash Gross Operating Margin ("CGOM"), Gross Margin Ratio ("GMR"), Free Cash Flow, EBITDA, Adjusted EBITDA, Averages Realized Gold Price, Average Realized Silver Price, and Liquid Assets. Please see the discussion under the "Non-GAAP Financial Measures, Ratios and Supplementary Financial Measures" section herein.

OUR BUSINESS

Andean Precious Metals is a gold and silver mining company engaged in the development and operation of mineral properties. The assets of the Company, through its wholly owned subsidiaries, are compromised of the Golden Queen Mining Company LLC ("Golden Queen"), located in California, USA, and the San Bartolome oxides processing facility ("San Bartolome"), located near the city of Potosi, Bolivia.

The Company's common shares are listed on the Toronto Stock Exchange ("TSX") under the symbol APM. Andean's common shares also trade on the OTCQB Venture Market ("OTCQX") under the symbol ANPMF.

For further information on the Company, visit www.andeanpm.com.

CONSOLIDATED OPERATING HIGHLIGHTS

- Gold production of 11,945 ounces, silver production of 1.1 million ounces, and gold equivalent ("GEO") production of 24,341 ounces for Q2 2025. GEO production of 45,702 ounces for the six months ended June 30, 2025, representing the top-end of production guidance for full-year 2025. See 2025 Production Guidance, below, for further detail.

- Average realized gold price of $3,316 and average realized silver price of $34.36 for Q2 2025, reflecting strong gold and silver prices during the same period. During Q2 2025, the average LBMA p.m. gold and silver prices were $3,280 and $33.68, respectively. See Economic Outlook section, below, for further detail.

- Golden Queen OCC of $1,717/oz and AISC of $2,245/oz for Q2 2025. San Bartolome CGOM of $13.89 per silver equivalent ounce sold and a GMR of 45.89% for Q2 2025. The Company has reiterated its cost guidance for Golden Queen and reissued improved margin guidance for San Bartolome for full year 2025. See 2025 Cost and Margin Guidance, below, for further detail.

OPERATING HIGHLIGHTS	Q2 2025	Q2 2024	YTD 2025	YTD 2024
Gold ounces (Au, Oz)				
Produced	**11,945**	15,309	**23,024**	25,742
Sold	**11,403**	15,679	**22,227**	25,971
Average realized gold price ($/oz) [1]	**3,316**	2,305	**3,013**	2,213
Silver ounces (Ag, K-Oz)				
Produced	**1,116**	917	**2,041**	2,128
Sold	**1,046**	1,210	**2,074**	2,129
Average realized silver price ($/oz) [1]	**34.36**	27.80	**33.14**	26.00
Gold equivalent ounces (Au Eq, Oz) [2]				
Produced	**24,341**	29,867	**45,702**	50,792
Sold	**23,024**	30,262	**45,275**	51,027
Golden Queen				
OCC ($ / Gold Ounces Sold)[1 3]	**1,717**	1,471	**1,593**	1,586
AISC ($ / Gold Ounces Sold) [1]	**2,245**	1,752	**2,229**	1,825
San Bartolome				
CGOM ($ / Silver Equivalent Ounces Sold)[1]	**13.89**	5.40	**12.88**	2.50
GMR / Silver Equivalent Ounces Sold (%)[13]	**45.89**	20.80	**44.08**	12.12

[1] Average realized gold price, average realized silver price, OCC, AISC, CGOM, and GMR are measures of financial performance with no prescribed definition under IFRS. Refer to the "Non-GAAP Financial Measures, Ratios and Supplementary Financial Measures" section of the MD&A for further detail, including a reconciliation of these metrics to the financial statements.
[2] Beginning in 2025, gold equivalent ounces of silver produced or sold in a quarter are computed using a consistent ratio of silver price to the gold price and multiplying this ratio by silver ounces produced or sold during that quarter. The Company is using a conversion factor of 90 using a price assumption of $2,500 per ounce of gold and $27.78 per ounce of silver.
[3] Beginning in 2025 with impact on prior-year comparative periods, the Company reclassed mine-site general and administrative expenses to cost of sales which has a corresponding impact on OCC, GMR, and gross operating income.

CONSOLIDATED FINANCIAL HIGHLIGHTS

- Consolidated revenue of $73.7 million and $135.7 million for the three and six months ended June 30, 2025, driven by strong average realized gold and silver prices.
- Gross operating income of $29.4 million and $52.4 million for the three and six months ended June 30, 2025, driven by strong revenue, as noted above, and lower cost of sales at the Company's San Bartolome asset.
- Net income and net income per share of $17.4 million and $0.12 (diluted basis), respectively, and adjusted EBITDA of $28.9 million for Q2 2025.
- Capital expenditures ("CAPEX") of $8.2 million and $17.6 million for the three and six months ended June 30, 2025, respectively, driven by capitalized costs including deferred stripping, new equipment purchases, and the start of growth capital projects including the expansion of Golden Queen's heap leach facility.
- Free cash flow of $12.3 million and $10.8 million for the three and six months ended June 30, 2025, driven by strong net income and cash flow from operations.
- During Q2 2025, the Company paid down its existing revolving credit facilities to $nil.
- The Company ended Q2 2025 with $87.3 million in liquid assets as compared to $72.0 million in liquid assets at the end of Q2 2024 and $81.6 million in liquid assets at the end of Q4 2024.

FINANCIAL HIGHLIGHTS	Q2 2025	Q2 2024	YTD 2025	YTD 2024
(In thousands of US dollars, except for net income per share metrics)				
Revenue	**73,739**	69,799	**135,717**	112,849
Gross operating income[1]	**29,381**	11,697	**52,404**	11,989
Income from operations	**24,538**	9,777	**43,460**	8,158
Net income	**17,413**	9,385	**32,021**	9,309
Net income per share				
-Basic	**0.12**	0.06	**0.22**	0.06
-Diluted	**0.12**	0.06	**0.21**	0.06
Adjusted EBITDA[2]	**28,895**	17,176	**50,833**	18,187
Capital expenditures	**8,200**	5,379	**17,596**	9,207
Free cash flow[2]	**12,265**	7,788	**10,727**	(303)
Cash and cash equivalents	**36,073**	47,049	**36,073**	47,049
Liquid assets[1]	**87,293**	71,960	**87,293**	71,960

[1] Beginning in 2025 with impact on prior-year comparative periods, the Company reclassed mine-site general and administrative expenses to cost of sales which has a corresponding impact on OCC, GMR, and gross operating income.
[2] Free cash flow, EBITDA, Adjusted EBITDA, and Liquid Assets are measures of financial performance with no prescribed definition under IFRS. Refer to the "Non-GAAP Financial Measures, Ratios and Supplementary Financial Measures" section of the MD&A for further detail, including a reconciliation of these metrics to the financial statements.

SAFETY AND ENVIRONMENT

Safety

Health and safety are core values for the Company, and we are committed to providing a healthy and safe working environment to all employees, local contractors and consultants and we continue to focus on internal and external training and workplace inspections. Andean's health and safety programs comply with all mining-related regulations and the Company's leadership team is strongly committed toward health and safety and involved at reinforcing those core values at all levels of the organization.

During the second quarter of 2025, no lost time injuries ("LTI") have been reported at San Bartolome and three LTIs were reported at Golden Queen. As of the end of the second quarter of 2025, San Bartolome reached 300 days without an LTI and Golden Queen reached 34 days without an LTI.

Environment

During the second quarter of 2025, San Bartolome had zero environment reportable incidents.

Golden Queen recorded a violation related to waste discharge requirements during the second quarter of 2025. Golden Queen was requested to install an adequate monitoring network downgradient of the waste management at the heap leach pad and the overflow ponds. There are no fees attached to this violation and the Company expects to remediate the violation in full by the end of 2025.

Community

Community updates for the second quarter of 2025.

Golden Queen:

- Sponsorship of sporting events for Tehachapi, Rosamond, Ridgecrest, Bakersfield, Mojave, and California City high schools;
- Presentation to a local high school career fair for future career paths;
- Participation in local job fairs to present and discuss the benefits of working in mining (adult focused);
- Sponsorship of the local California Highway Patrol volunteer program to help with community outreach programs; and
- Safe haven donations for jackets, school supplies and other needed items and events for children and families in local communities.

San Bartolome:

- Participation in the construction of a spawning hatchery at the Chalviri Alta community
- Participation in the initial design of housing construction projects at the Chalviri Baja community; and
- Continued financial contributions to the health and education funds in various communities in the surrounding areas

CORPORATE DEVELOPMENTS

On December 5, 2024, the Company received conditional approval for its common shares to be listed on the Toronto Stock Exchange ("TSX") and to graduate from the TSX Venture Exchange. Effective January 9, 2025, the Company's shares began trading on the TSX under the ticker symbol APM.

On January 2, 2025, the Company announced the renewal of its Normal Course Issuer Bid ("NCIB"). In conjunction with the NCIB, the Company also announced on January 14, 2025, the establishment of an Automatic Share Purchase Plan ("ASPP") with its NCIB broker.

On February 24, 2025, the Company announced the appointment of Yohann Bouchard as President of the Company. Mr. Bouchard will continue to serve on the Board of Directors of the Company as a non-independent director.

On January 16, 2025, the Company reported initial results of the 2024 exploration drilling program at Golden Queen and on May 1, 2025, the Company reported the full results of the 2024 exploration program and outlined plans for its 2025 exploration program objectives and targets at Golden Queen.

On June 2, 2025, the Company reported entering into a purchase agreement with Corporacion Minera de Bolivia ("COMIBOL") for up to 7 million tonnes of oxide ore within a 250-kilometer radius of the San Bartolome processing facility.

2025 PRODUCTION GUIDANCE AND REVISED COST AND MARGIN GUIDANCE

Andean is pleased to reaffirm its 2025 production guidance and pleased to revise, on a favorable basis, its 2025 cost guidance for San Bartolome's cost KPIs. See below for further detail.

The Company's production profile is weighted toward the second half of the year, with approximately 40% of annual production forecast for the first half of 2025 and approximately 60% of annual production forecast for the second half of 2025.

Production Guidance

The Company is pleased to reaffirm its 2025 annual gold and silver production guidance for Golden Queen and San Bartolome:

	Gold Production (Thousand Ounces)	Silver Production (Million Ounces)	Gold Equivalent Production[1] (Thousand Ounces)
Golden Queen	50.0 – 55.0	0.2 – 0.5	52.2 – 60.6
San Bartolome	1.8 – 2.2	4.4 – 4.9	50.7 – 56.6
Total	**51.8 – 57.2**	**4.6 – 5.4**	**102.9 – 117.2**

[1]For 2025 guidance commodity price assumptions the Company is using $2,500 per ounce of gold and $27.78 per ounce of silver (conversion factor of 90).

Revised Cost and Margin Guidance

The Company is pleased to revise, on a favourable basis, the 2025 margin guidance for San Bartolome for CGOM and GMR. The CGOM range guidance increases from a range of $6.50 - $8.40 to $8.00 - $13.00, and the GMR range guidance increases from 29 – 36% to 35 – 45%. The Company continues to see lower production costs, primarily due to favourable foreign exchange rates, and continued elevated realized spot silver prices which are expected to continue through to the end of 2025.

The Company is pleased to reaffirm its 2025 cost guidance for Golden Queen.

		ORIGINAL GUIDANCE		REVISED GUIDANCE
Golden Queen	OCC ($ / Au Oz Sold)	$ 1,500 - $ 1,800	*No change*	$ 1,500 - $ 1,800
	AISC ($ / Au Oz Sold)	$ 1,950 - $ 2,150		$ 1,950 - $ 2,150
San Bartolome	CGOM ($ / AgEq Oz Sold)	**$ 6.50 - $8.40**	***Favourable***	**$ 8.00 - $13.00**
	GMR / AgEq Oz Sold (%)	**29 % - 36 %**	***increase***	**35 % - 45 %**

CAPEX Guidance

The Company is pleased to reaffirm its 2025 capital expenditures guidance:

In $ 000's	2025 Guidance
Sustaining capital expenditures	
San Bartolome	5,600 – 6,200
Golden Queen	12,700 – 14,000
Total sustaining capital expenditures	**18,300 – 20,200**
Growth capital expenditures	
San Bartolome	600 – 800
Golden Queen	9,300 – 11,000
Total growth capital expenditures	**9,900 – 11,800**
Total capital expenditures	
San Bartolome	6,200 - 7,000
Golden Queen	22,000 - 25,000
Total capital expenditures	**28,200 – 32,000**

REVIEW OF CONSOLIDATED FINANCIAL RESULTS

Summary of Financial Results	Q2 2025	Q2 2024	YTD 2025	YTD 2024
(In thousands $USD, for net income per share and oz)				
Revenue	**73,739**	69,799	**135,717**	112,849
Cost of sales	**40,356**	50,703	**76,336**	90,831
Depreciation and depletion	**4,002**	7,399	**6,977**	10,029
Gross operating income	**29,381**	11,697	**52,404**	11,989
General and administrative	**3,063**	1,148	**5,772**	2,521
Share based compensation	**974**	135	**1,344**	282
Exploration and evaluation	**806**	617	**1,828**	1,028
Income (loss) from operations	**24,538**	9,777	**43,460**	8,158
Other income (loss)	**8,743**	3,928	**13,626**	4,223
Finance costs	**(1,180)**	(1,624)	**(2,867)**	(3,274)
Foreign exchange gain (loss)	**(4,410)**	3,394	**(9,771)**	5,689
Net income before income taxes	**27,691**	15,475	**44,448**	14,796
Income tax expense	**10,278**	6,090	**12,427**	5,487
Net income	**17,413**	9,385	**32,021**	9,309
Net income per share				
-Basic	**0.12**	0.06	**0.22**	0.06
-Diluted	**0.12**	0.06	**0.21**	0.06
Adjusted EBITDA[1]	**28,895**	17,176	**50,833**	18,187
Free cash flow[1]	**12,265**	7,788	**10,727**	(303)
Cash and cash equivalents	**36,073**	47,049	**36,073**	47,049
Liquid assets[1]	**87,294**	71,960	**87,294**	71,960
Sustaining capital expenditures[1]	**4,172**	3,768	**10,358**	5,162
Growth capital expenditures[1]	**4,028**	1,611	**7,238**	4,045
Capital expenditures	**8,200**	5,379	**17,596**	9,207

Revenue

For the three and six months ended June 30, 2025, the increase in revenue relative to prior-year period was due to higher average realized gold and silver prices versus the prior year comparison periods.

Cost of sales

For the three and six months ended June 30, 2025, the decrease in cost of sales relative to the prior-year periods was primarily attributed to favourable exchange rates at the San Bartolome operations, and higher capitalized deferred stripping and inventory credits at the Golden Queen mine.

For further detail, please refer to “Review of Operating Assets” section of this MD&A.

Depreciation and depletion

For the three and six months ended June 30, 2025, the decrease in depreciation and depletion expenses is primarily attributed to inventory credits at Golden Queen and a change in the amortization rate for the San Bartolome asset in the previous year.

Gross operating income

For the three and six months ended June 30, 2025, the increase in gross operating income is primarily a result of higher revenue and lower cost of sales, as noted above.

General and administrative

General and administrative expenses increased for the three and six months ended June 30, 2025, primarily due to the higher office, professional, and head-count expenditures.

Share based compensation

For the three and six months ended June 30, 2025, share based compensation increased due to the issuance of additional share-based compensation in 2025 and a higher valuation of the underlying share price.

Exploration and evaluation

For the three and six months ended June 30, 2025, exploration and evaluation expenditures increased as a result of higher exploration activities at the Company's Golden Queen operations.

Income from operations

For the three and six months ended June 30, 2025, the increase in income from operations is primarily a result of higher revenue and higher gross operating income and partially off-set by higher general and administrative, stock based compensation, and exploration and evaluation expenditures, as noted above.

Other income (loss)

Other income increased for the three and six months ended June 30, 2025 relative to the prior periods and was primarily attributed to unrealized gains on the Company's marketable securities holdings and higher interest earned on its cash and cash equivalents and long-term investments.

Finance costs

For the three and six months ended June 30, 2025, finance costs declined compared to the prior periods due to lower accretion on deferred payments, which were concluded in early 2025, and lower interest and banking fees.

Foreign exchange loss

For the three and six months ended June 30, 2025, foreign exchange loss increased as a result of unrealized losses on the Company's foreign net monetary assets attributed to the strengthening of the US dollar as compared to the Bolivian Boliviano.

Income tax expense

Income tax expense for the three and six months ended June 30, 2025 increased relative to the prior period due to higher taxable income at the Golden Queen and San Bartolome operating assets primarily resulting from higher taxable income.

Net income and net income per share

Net income and net income per share increased for the three and six months ended June 30, 2025, relative to the prior periods, primarily attributed to the factors discussed above.

Adjusted EBITDA

Adjusted EBITDA for the three and six months ended June 30, 2025, increased relative to the prior period due to higher gross operating income, as noted above.

Free cash flow

Free cash flow increased for the three and six months ended June 30, 2025, relative to the prior period comparisons, due to higher net cash provided from operating activities and partially offset by higher expenditures on property, plant, and equipment at the operating assets.

Cash and cash equivalents

Cash and cash equivalents decreased as of June 30, 2025, relative to June 30, 2024, primarily as a due to the pay down of the Company's line of credit during Q2 2025.

Liquid assets

Liquid assets increased as of June 30, 2025, relative to June 30, 2024, primarily as a result of higher holdings of marketable securities and $nil draw-down on the Company's revolving credit facility.

Capital expenditures

Capital expenditures for the three and six months ended June 30, 2025 increased relative to the prior period due to higher sustaining and growth capital expenditures at the Golden Queen mine partially off-set by lower capital expenditures at the Company's San Bartolome operations. For the six months ended period the increase at the Golden Queen mine is primarily driven by higher capitalized operating costs including deferred stripping.

SUMMARY OF QUARTERLY RESULTS

	Q2 2025	Q1 2025	Q4 2024	Q3 2024
Revenue	**$ 73,739**	$ 61,978	$ 72,803	$ 68,348
Net income (loss)	**17,413**	14,608	1,706	8,210
Earnings income (loss) per share				
Basic	**0.12**	0.10	0.01	0.05
Diluted	**0.12**	0.10	0.01	0.05
Total assets	**320,925**	320,420	315,094	317,615
Total liabilities	**$ 139,442**	$ 155,125	$ 164,055	$ 172,005

	Q2 2024	Q1 2024	Q4 2023	Q3 2023
Revenue	$ 69,779	$ 43,070	$ 48,821	$ 38,174
Net income (loss)	9,385	(76)	38,076	(70)
Earnings income (loss) per share				
Basic	0.06	(0.00)	0.24	(0.00)
Diluted	0.06	(0.00)	0.21	(0.00)
Total assets	292,840	278,307	269,890	137,052
Total liabilities	$ 155,702	$ 149,904	$ 137,921	$ 43,331

REVIEW OF OPERATING ASSETS

San Bartolome Highlights

Financial Performance *(in thousands of US dollars)*	**Q2 2025**	**Q2 2024**	**YTD 2025**	**YTD 2024**
Revenue	**34,788**	29,804	**67,418**	49,346
Ore purchases	**11,427**	11,346	**17,780**	19,924
Milling and processing costs	**7,444**	8,085	**12,804**	15,366
Other indirect costs	**2,743**	3,537	**5,151**	6,717
Mine site general and admin costs[1]	**1,157**	1,000	**1,754**	2,476
Net inventory movements	**(4,037)**	(361)	**153**	(1,117)
Depreciation and amortization	**720**	489	**1,362**	896
Gross operating income (loss)	**15,334**	5,708	**28,414**	5,084
Corporate general and admin costs[1]	**1,908**	776	**3,535**	1,223
Exploration and evaluation	**210**	417	**372**	649
Income (loss) from operations	**13,216**	4,515	**24,507**	3,212
Capital expenditures				
Sustaining capital	**684**	544	**873**	829
Growth capital	**288**	1,154	**400**	3,179
Total capital expenditures	**972**	1,698	**1,273**	4,008

Operational Performance		**Q2 2025**	**Q2 2024**	**YTD 2025**	**YTD 2024**
Ore purchases					
Tonnes purchased	k dmt	**246**	228	**443**	407
Average purchase grade	Ag g/t	**147**	176	**150**	177
Production					
Ore tonnes milled	k dmt	**322**	272	**630**	467
Daily average throughput	dmt	**3,763**	3,956	**3,806**	3,888
Average head grade	Ag g/t	**122**	155	**111**	158
Silver recovery	%	**83**	79	**83**	80
Silver production	k oz	**1,027**	1,051	**1,873**	1,863
Gold production	oz	**721**	274	**1,491**	448
Silver equivalent production [3]	k oz	**1,092**	1,074	**2,007**	1,901
Gold equivalent production [2]	oz	**12,128**	12,795	**22,300**	22,412
Sales					
Silver sales	k oz	**958**	1,057	**1,910**	1,868
Gold sales	oz	**532**	238	**1,327**	408
Silver equivalent sales [2]	k oz	**1,007**	1,076	**2,030**	1,902
Gold equivalent sales [2]	oz	**11,179**	13,478	**22,549**	22,824
Margin profile per ounce					
CGOM ($ / Silver Equivalent Ounces Sold) [3]	$/oz	**13.89**	5.03	**12.88**	2.50
GMR / Silver Equivalent Ounces Sold (%) [3]	%	**45.89**	20.80	**44.08**	12.12

[1] *Beginning in 2025 with impact on prior-year comparative periods, the Company reclassed mine-site general and administrative expenses to cost of sales which has a corresponding impact on OCC, GMR, and gross operating income.*
[2] *Strip ratio is calculated as waste mined divided by ore mined.*

San Bartolome Review

Production

GEO production for the three and six months ended June 30, 2025, was 12,130 oz and 22,302 oz, respectively, a decrease over the prior year second quarter and in line with the prior year full year production. The decline as compared to the prior year quarter was primarily attributed to lower average head grade processed through the mill.

Revenue

Revenue for the three and six months ended June 30, 2025, when compared to the prior year periods, increased due to higher average realized silver prices.

Operating Expenses

For the three and six months ended June 30, 2025, ore purchases, milling and processing costs and other indirect costs declined primarily due to favorable foreign currency conditions.

Net inventory movements decreased during the three months ended June 30, 2025, due to an increase in stockpile inventory at site as of the period end. Conversely, the year-to-date impact was higher than in 2024 due to neutral movement in site stockpiles.

Depreciation and amortization

Depreciation and amortization expenses increased for the three and six months ended June 30, 2025, due to a higher carrying value of property, plant, and equipment at San Bartolome over the comparison periods.

Cash Gross Operating Margin and Gross Margin Ratio

CGOM and GMR increased for the three and six months ended June 30, 2025, due to a higher average realized silver price, higher silver production over the comparison periods, and lower cost of sales due to favorable foreign exchange rates.

Capital Expenditures

Total capital expenditures decreased for the three and six months ended June 30, 2025, primarily due to the construction of the fines deposit facility in the first quarter of 2024 and realized favorable exchange rates on 2025 capital expenditures.

Golden Queen Highlights

Financial Performance *(in thousands of US dollars)*	Q2 2025	Q2 2024	YTD 2025	YTD 2024
Revenue	**38,951**	39,975	**68,299**	63,504
Mining and hauling costs	**11,206**	14,631	**21,502**	29,608
Heap leach and processing costs	**8,347**	8,092	**17,075**	15,344
Other indirect costs	**2,878**	2,498	**5,550**	4,750
Mine site general and admin costs[1]	**1,964**	1,860	**3,543**	3,229
Net inventory movements	**(2,773)**	27	**(8,976)**	(5,466)
Depreciation and depletion	**3,282**	6,910	**5,615**	9,133
Gross operating income	**14,047**	5,957	**23,990**	6,906
Corporate general and admin costs[1]	**2,123**	1,036	**3,581**	1,579
Exploration and evaluation	**241**	-	**1,060**	-
Income (loss) from operations	**11,683**	4,921	**19,349**	5,327
Capital expenditures				
Sustaining capital	**3,488**	3,224	**9,485**	4,333
Growth capital	**3,740**	457	**6,838**	866
Total capital expenditures	**7,228**	3,681	**16,323**	5,199

Operational Performance		Q2 2025	Q2 2024	YTD 2025	YTD 2024
Mining					
Tonnes ore mined	k dmt	**1,389**	926	**2,479**	1,760
Tonnes mined	k dmt	**5,193**	5,800	**10,703**	12,438
Strip ratio[2]		**2.74**	5.26	**3.32**	6.07
Ore mined grade	Au g/t	**0.76**	0.66	**0.69**	0.74
Heap leach					
Tonnes stacked and processed	k dmt	**1,146**	1,009	**2,129**	1,775
Average stacked grade	Au g/t	**0.73**	0.66	**0.64**	0.74
Production					
Gold production	Oz	**11,224**	15,035	**21,533**	25,294
Silver production	Oz	**88,884**	156,644	**168,128**	265,131
Gold equivalent production[4]	Oz	**12,213**	16,986	**23,402**	28,476
Sales					
Gold sales	Oz	**10,871**	15,441	**20,900**	25,563
Silver sales	Oz	**87,384**	153,038	**164,081**	260,693
Gold equivalent sales[2]	Oz	**11,842**	17,348	**22,723**	28,691
Costs profile per ounce					
OCC ($ / Gold Ounces Sold)[3]	$/oz	**1,717**	1,471	**1,593**	1,586
AISC ($ / Gold Ounces Sold) [3]	$/oz	**2,245**	1,752	**2,229**	1,825

[4] AuEq production and AuEq sales include silver production and sales, respectively. For 2024, AuEq ounces are calculated using the Company's average realized gold and silver prices during the referenced period. Beginning in 2025, gold equivalent ounces of silver produced or sold in a quarter are computed using a consistent ratio of silver price to the gold price conversion factor of 90 using a price assumption of $2,500 per ounce of gold and $27.78 per ounce of silver.
Refer to the "Non-GAAP Financial Measures, Ratios and Supplementary Financial Measures" section below for further detail.
[3] OCC per Au ounce sold and AISC per Au ounce sold are measures of financial performance with no prescribed definition under IFRS. Refer to the "Non-GAAP Financial Measures, Ratios and Supplementary Financial Measures" section below for further detail, including a reconciliation of these metrics to the Financial Statements.

Golden Queen Review

Production

GEO production for the three and six months ended June 30, 2025, was 12,212 oz and 23,301 oz, respectively, a decrease over the prior-year period primarily due to lower leaching recoveries on the existing pad and lower silver production, partially off-set by higher ore tonnes stacked and a higher average stacked grade.

Revenue

Revenue for the three months ended June 30, 2025, decreased primarily due to lower GEO production and sales. Revenue for the six months ended June 30, 2025, increase due to higher average realized prices for gold.

Operating Expenses

Mining and hauling costs decreased for the three and six months ended June 30, 2025, primarily due to lower fuel and maintenance costs through realized cost saving programs as well as higher deferred stripping credits. Heap leach and processing costs increased over the comparison periods primarily due to higher consumables as the Company stacked more tonnes on the heap leach.

Net inventory movements declined during the comparison periods due to an increase in heap leach inventory as the Company continued to stack material onto the heap leach.

Depreciation and depletion

Depreciation and depletion expenses decreased for the three and six months ended June 30, 2025, when compared to the prior year periods, primarily due to lower production as compared to the prior year period.

Operating Cash Cost

OCC increased for the three and six months ended June 30, 2025 primarily due lower gold ounces sold.

All-in Sustaining Cost

AISC increased for the three and six months ended June 30, 2025 primarily due to higher sustaining capital expenditures, as noted below, and lower gold ounces sold.

Capital Expenditures

Total capital expenditures increased for the three and six months ended June 30, 2025, due to replacement of its crushing and stacking equipment, deferred stripping capitalized costs, and work beginning on the Company's new heap leach expansion.

KEY PERFORMANCE DRIVERS

There is a range of key performance drivers that are critical to the successful implementation of Andean Precious Metals' strategy and the achievement of its goals. The key internal drivers are production volumes and costs. The key external drivers are the market prices of gold and silver as well as foreign exchange rates.

Production Volumes and Costs

For an analysis of the impact of production volumes and costs for the three and six months June 30, 2025, relative to the prior-year periods, refer to the "Review of Operating Assets" section of this MD&A.

Gold and Silver Commodity Prices

The price of gold and silver is the single largest factor affecting the Company's profitability and operating cash flows. As such, the current and future financial performance of the Company is expected to be closely related to the prevailing price of gold and silver. Historically, the price of silver and gold have been subject to volatile price movements over short periods of time and are affected by numerous macroeconomic, regional conflicts and industry factors that are beyond the Company's control. Specifically, the price of silver is driven by speculation and supply and demand, like most commodities. The spot price of silver is highly volatile compared to that of gold due to the smaller market, lower market liquidity and demand fluctuations between industrial and store of value uses. These fluctuations cause wide-ranging valuations in the market, creating volatility.

For the three and six months ended June 30, 2025, the Company's average realized gold price per ounce sold was $3,316 and $3,013, respectively, compared to $2,305 and $2,213 for the corresponding periods in 2024. This compared to the London Bullion Market ("LBMA") p.m. average gold price for the three and six months ended June 30, 2025, of $3,280 and $3,067, respectively.

For the three and six months ended June 30, 2025, the Company's average realized silver price per ounce sold was $34.36 and $33.14, respectively, compared to $27.80 and $26.00 for the corresponding periods in 2024. This compared to the LBMA average silver price for the three and six months ended June 30, 2025, of $33.68 and $32.76.

During Q1 2025, the Company's zero cost collar contracts expired, and the Company's gold and silver production is unhedged.

Foreign Exchange Rates

The Company's key operations are located in Bolivia and the United States, with corporate offices located in Canada, Mexico, and Sweden. Furthermore, all of the Company's revenue is generated in USD. As a result, the Company has foreign currency exposure with respect to costs not denominated in USD, and the Company's operating results and cash flows are influenced by changes in exchange rates against the USD.

The Company has exposure to the Bolivian Bolivianos ("BOB") through the San Bartolome asset as well as through corporate administration costs in Bolivia. Of particular significance is the fixed exchange rate between the BOB and the USD, which has remained constant since 2008 at a rate of 6.96 Bolivian Bolivianos per USD. In 2024, the Company witnessed the development of a parallel legal exchange rate that encouraged the inflow of USD into Bolivia. For the three and six months ended June 30, 2025, the Company recognized BOB denominated costs at a rate of 15.71 and 13.72, respectively, reflecting actual rates realized through the parallel legal exchange system.

Economic Outlook

The LBMA p.m. gold price increased by 6% during the second quarter of 2025, finishing the quarter at $3,287 per ounce. Gold prices reached a record high price of $3,435 during the quarter on uncertainties surrounding the global trade war concerns and continued elevated geopolitical risks. Looking forward, continued global trade uncertainties and geopolitical risk may provide further support for gold prices. The LBMA silver price increased by 6% during the second quarter of 2025, finishing the quarter at $35.98 per ounce. Silver prices reached a high of $37.16 per ounce during the quarter.

Mine supply has been plateauing as high-quality deposits become more difficult to find and more expensive to develop and mine. Economic events can have significant effects on the price of gold and silver, through currency rate fluctuations, the relative strength of the U.S. dollar, gold and silver supply and demand, and other macroeconomic factors, such as interest rates and inflation expectations. The Company anticipates that the long-term economic environment should provide support for gold and silver metal prices and believes the prospects for the business are favourable.

FINANCIAL CONDITION REVIEW

BALANCE SHEET REVIEW	As at	
(in thousands of US dollars)	**June 30 2025**	December 31 2024
Cash and cash equivalents	**36,073**	62,441
Marketable securities	**51,221**	19,134
Other current assets	**96,869**	92,153
Long-term marketable securities	**-**	19,407
Other non-current assets	**136,762**	121,959
Total assets	**320,925**	315,094
Accounts payable and accrued liabilities	**34,127**	35,711
Other current liabilities	**49,236**	53,967
Non-current liabilities excluding long-term debt	**44,032**	43,302
Long-term debt	**12,047**	31,075
Total liabilities	**139,442**	164,055
Total equity	**181,483**	151,039
Total liabilities and equity	**320,925**	315,094

Cash and cash equivalents

Cash and cash equivalents decreased compared to December 31, 2024 primarily due to the pay down of the Company's revolving credit facility, expenditures on property, plant and equipment, and investments in long-term assets and marketable securities.

Marketable securities

Marketable securities increased compared to December 31, 2024 primarily as a result of cash converted to investments, unrealized gains on the Company's holdings of equity securities and investments made up primarily of U.S. treasuries.

Other current assets

Other current assets primarily consist of accounts receivable, inventories, and prepaid assets. Other current assets increased relative to December 31, 2024 due to higher inventory balances and prepaid assets.

Other non-current assets

Other non-current assets primarily consist of the Company's property, plant, and equipment, long-term inventory, and tax assets. Non-current assets increased relative to the prior period primarily due to higher property, plant, and equipment, partially off-set by lower VAT receivable balances.

Accounts payable and accrued liabilities

Accounts payable and accrued liabilities decreased relative to December 31, 2024 primarily due to foreign exchange gain revaluations and offset by higher other tax payments accrued in the second quarter of 2025.

Other current liabilities

Current liabilities primarily consist of short-term debt, current income taxes payable, and other statutory payroll obligations. Other current liabilities decreased relative to December 31, 2024 due to lower income tax payables and statutory payroll liabilities.

Non-current liabilities excluding long-term debt

Non-current liabilities excluding long-term debt primarily consists of provisions for reclamation, deferred income taxes payable, and other statutory payroll obligations. Non-current liabilities balances as of June 30, 2025 remained relatively flat as compared to December 31, 2024.

Long-Term Debt

Long-term debt decreased compared to December 31, 2024 due to the Company paying down the existing revolving credit facilities to $nil as of June 30, 2025.

Equity

Equity increased compared to December 31, 2024, primarily due to net income generated during the period and partially offset due to buyback of shares through the Company's NCIB.

LIQUIDITY AND CASH FLOW

Liquidity

As at June 30, 2025, the Company had a combined cash and cash equivalents and marketable securities of $87.3 million compared to $100.9 million as at December 31, 2024. The Company's investment policy is to invest its surplus funds in permitted investments consisting of treasury bills, bonds, notes and other indebtedness of Canada, the U.S., or any other Canadian province or U.S. state with minimum credit rating of R-1.

The Company's investments in marketable securities are exposed to various risk factors including currency risk, market price risk, and liquidity risk.

The Company's liquidity is impacted by several factors which include, but are not limited to, gold and silver production, gold and silver market prices, capital expenditures, operating costs, interest rates and foreign exchange rates. These factors are monitors by the Company on a regular basis and will continue to be reviewed.

Cash Flow

The Company's cash flows from operating, investing and financing activities, as presented in the consolidated statements of cash flows, are summarized in the following table for the three and six months ended June 30, 2025 and 2024:

(in thousands of US dollars)	Q2 2025	Q2 2024	YTD 2025	YTD 2024
Cash flows provided from operating activities	**20,260**	13,006	**27,275**	8,307
Cash flow used in investing activities	**(7,904)**	(13,729)	**(20,518)**	(41,554)
Cash flow (used in) provided from financing activities	**(25,006)**	2,883	**(23,354)**	9,700
Effect of exchange rate changes on net monetary assets	**(4,410)**	3,394	**(9,771)**	5,689
Change in cash and cash equivalents	**(17,060)**	5,554	**(26,368)**	(17,858)

Cash flow from operating activities is highly dependent on metal prices, including gold and silver, as well as other factors, including the BOB/USD exchange rate. For the three and six months ended June 30, 2025, the increase in cash flows provided from operating activities was primarily due to higher revenue and lower cost of sales.

Cash flow used in investing activities is primarily for the continued capital investment in the Company's operating assets and investment into marketable securities and other investments as part of the Company's capital management strategy. For the three and six months ended June 30, 2025, relative to the prior periods, cash flow used in investing activities decreased due to lower conversion of cash to long-term investments partially off-set by higher capital expenditures.

Cash flow used in financing activities increased in the three and six months ended June 30, 2025, as compared to the prior periods, due to the repayment of the Company's revolving credit facilities which had a $nil balance as of June 30, 2025. The Company's Primary Revolving credit facility of $25.0 million remains open and accessible. See subsequent events note below.

CONTRACTUAL OBLIGATIONS

As of June 30, 2025, the Company had no future contractual obligations other than those disclosed in the Financial Statements.

LEGAL PROCEEDINGS

In the normal course of business, the Company and its subsidiaries may become defendants in certain employment claims and other litigation. The Company records a liability when it is probable that a loss has been incurred and the amount is reliably estimable. Except for the litigation described below, the Company is not involved in any legal proceedings other than routine litigation arising in the normal course of business, none of which the Company believes will have a material adverse effect on the Company's business, financial condition or results of operations.

On September 12, 2023, the Company entered into a Master Service Agreement (the "Agreement") with Silver Elephant Mining Corp. ("Silver Elephant") for the purchase of oxide material from the Trapiche mining concession. The Company was required to pay total consideration of $5.0 million to Silver Elephant. As of September 30, 2024, a total of $3.0 million was paid based on certain milestone achievements. On December 30, 2024, Silver Elephant provided a notice of termination to the Company with all oxide purchases and deliveries concluded in the fourth quarter of 2024 due to an alleged payment default by the Company. However, the Company contends that the termination was unlawful. Consequently, the Company does not expect to recover any of the deferred payments and has written the value of these assets to $nil (December 31, 2024 - $nil). Furthermore, the Company had extinguished all liabilities that were based on the price of silver hitting certain milestones as part of the oxide material purchases and had written the value of these liabilities to $nil. On December 18, 2024 Silver Elephant delivered a notice of default under the Agreement and demanded payment of the $1,000,000 from Andean owed in accordance with the Agreement. Silver Elephant delivered a dispute notice under the Agreement to Andean demanding that it cease interfering with the Mining Production Contract and reserves the right to pursue a claim against Andean for damages as a result of such interference.

RELATED PARTIES AND RELATED PARTY TRANSACTIONS

Ultimate Controlling Shareholder

The ultimate controlling shareholder is PMB Partners LP, a Canadian partnership directly owned and controlled by the Company's Executive Chairman and Chief Executive Officer.

Key Management Personnel

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's board of directors and corporate officers, including officers at its subsidiaries.

The total compensation paid or payable to key management amounted to:

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	**2025**	2024
Other expenses [1]	**$ 109**	$ 116	**$ 205**	$ 251
Salaries and benefits	**1,465**	833	**2,158**	1,414
Stock-based compensation	**787**	119	**953**	247
Total	**$ 2,361**	$ 1,068	**$ 3,316**	$ 1,912

[1] Other expenses were paid to companies controlled by the Executive Chairman of the Company, which includes administrative costs for the corporate office in Mexico and compensation costs and benefits of certain employees in Mexico who provide administrative and operational services to the Company.

NON-GAAP FINANCIAL MEASURES, RATIOS, AND SUPPLEMENTARY FINANCIAL MEASURES

This MD&A includes "specified financial measures" within the meaning of National Instrument 52-112 – Non-GAAP and Other Financial Measures Disclosure ("NI 52-112"), specifically the non-GAAP financial measures, non-GAAP ratios and supplementary financial measures described below. Management believes that the use of these measures assists analysts, investors and other stakeholders of the Company in understanding the costs associated with producing silver and gold, understanding the economics of silver and gold mining, assessing operating performance, the Company's ability to generate free cash flow from current operations, and for planning and forecasting of future periods.

The specified financial measures used in this MD&A do not have any standardized meaning prescribed by IFRS and may not be comparable to similar measures presented by other issuers, even as compared to other issuers who may be applying the World Gold Council ("WGC") guidelines. Accordingly, these measures are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

Operating Cash Costs

OCC includes total production cash costs incurred at the Company's mining operations, which form the basis of the Company's cash costs, less by-product revenue.

Beginning in 2025 with impact on prior-year comparative periods, the Company reclassed mine-site general and administrative expenses to cost of sales which has a corresponding impact on the calculation of OCC.

The following table provides a reconciliation of the OCC per ounce sold on a by-product basis to the Financial Statements:

Golden Queen	**Three months ended June 30,**		**Six months ended June 30,**	
(in thousands of US dollars)	**2025**	**2024**	**2025**	**2024**
Costs of sales, as reported	**21,617**	27,100	**38,695**	47,470
Less: by-product silver credits	**(2,948)**	(4,390)	**(5,395)**	(6,924)
Total OCC	**18,669**	22,710	**33,300**	40,546
Divided by Au ounces sold	**10,871**	15,441	**20,900**	25,563
OCC ($ / Au ounces sold)	**1,717**	1,471	**1,593**	1,586

All-in Sustaining Costs

AISC on a by-product basis per ounce is a non-GAAP ratio calculated as AISC on a by-product basis divided by ounces of gold sold. AISC on a by-product basis is a non-GAAP financial measure calculated as the aggregate of production costs as recorded in the consolidated statements of income (loss), refining and transport costs, cash component of sustaining capital expenditures, lease payments related to sustaining assets, corporate general and administrative expenses and accretion expenses. When calculating AISC on a by-product basis, all revenue received from the sale silver at Golden Queen are treated as a reduction of costs incurred. The Company believes that AISC represents the total costs of producing gold from current operations and provides the Company and other stakeholders of the Company with additional information relating to the Company's operational performance and ability to generate cash flow.

The following table provides a reconciliation of the AISC per ounce sold on a by-product basis to the Financial Statements:

Golden Queen	**Three months ended June 30,**		**Six months ended June 30,**	
(in thousands of US dollars)	**2025**	**2024**	**2025**	**2024**
OCC, net of by-product credits	**18,669**	22,710	**33,299**	40,541
General and administration-site and corporate allocation	**2,132**	1,036	**3,581**	1,579
Sustaining capital expenditures	**3,488**	3,224	**9,485**	4,333
Accretion for decommissioning liability	**114**	84	**222**	195
Total all in sustaining cost	**24,403**	27,053	**46,587**	46,648
Divided by Au ounces sold	**10,871**	15,441	**20,900**	25,563
AISC ($ / Au ounces sold)	**2,245**	1,752	**2,229**	1,825

Cash Gross Operating Margin

CGOM per silver equivalent ounce sold is calculated by subtracting the average cash cost of sale (cost of sales, allocated corporate administrative costs and business unit general and administration cost) per equivalent ounce sold from the average selling price per equivalent ounce. It is a measure of financial performance with no prescribed definition under IFRS and may not be comparable to similar financial measures disclosed by other issuers.

The following table provides a reconciliation of the CGOM per ounce to the Financial Statements and the most directly comparable IFRS measure:

San Bartolome	**Three months ended June 30,**		**Six months ended June 30,**	
(in thousands of US dollars)	**2025**	**2024**	**2025**	**2024**
Costs of sales, as reported	**18,739**	23,608	**37,641**	43,366
General and administration-site and corporate allocation	**1,914**	776	**3,535**	1,223
Total gross operating costs	**20,653**	24,384	**41,176**	44,589
Divided by AgEq ounces sold (koz)	**1,007**	1,076	**2,030**	1,902
Gross operating cost per AgEq ounce sold	**20.52**	22.63	**20.29**	23.43
Average realized silver price per oz	**34.41**	27.67	**33.16**	25.93
CGOM ($ / Silver Equivalent Ounces Sold)	**13.89**	5.03	**12.88**	2.50

Gross Margin Ratio

GMR is calculated by subtracting the cost of sale as reported in the income statement from the revenue of equivalent ounces divided by revenue from sales of equivalent ounces. GMR is a measure of financial performance with no prescribed definition under IFRS and may not be comparable to similar financial measures disclosed by other issuers.

Beginning in 2025 with impact on prior-year comparative periods, the Company reclassed mine-site general and administrative expenses to cost of sales which has a corresponding impact on the calculation of GMR.

The following table provides a reconciliation of the GMR per ounce to the most directly comparable IFRS measure:

San Bartolome	**Three months ended June 30,**		**Six months ended June 30,**	
(in thousands of US dollars)	**2025**	**2024**	**2025**	**2024**
Costs of sales, as reported	**18,739**	23,608	**37,641**	43,366
Divided by AgEq ounces sold (koz)	**1,006**	1,077	**2,030**	1,903
Costs of sales per AgEq oz sold	**18.62**	21.91	**18.55**	22.79
Average realized silver price per oz	**34.41**	27.67	**33.16**	25.93
GM per AgEq oz sold	**15.79**	5.75	**14.62**	3.14
GMR per Silver Equivalent Ounces Sold (%)	**45.89**	20.80	**44.08**	12.12

Free Cash Flow

The Company has included free cash flow as a non-GAAP financial measure in this MD&A. The Company considers net cash provided from operating activities, less capital expenditures on property, plant and equipment, to be a measure that allows the Company and investors to evaluate the ability of the Company to generate cash flow. Accordingly, free cash flow is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

The following table provides a reconciliation of free cash flow to the Financial Statements:

Consolidated	**Three months ended June 30,**		**Six months ended June 30,**	
(in thousands of US dollars)	**2025**	**2024**	**2025**	**2024**
Net cash provided from operating activities	**20,260**	13,006	**27,275**	8,307
Less: Capital Expenditures on property, plant and equipment	**(7,995)**	(5,218)	**(16,548)**	(8,610)
Free cash flow	**12,265**	7,788	**10,727**	(303)

Adjusted EBITDA

EBITDA and Adjusted EBITDA are non-GAAP financial measure calculated by adjusting net income (loss) as recorded in the condensed interim consolidated statements of income (loss) for items not associated with ongoing operations. The Company believes that this generally accepted industry measure allows the evaluation of the results of income-generating capabilities and is useful in making comparisons between periods. This measure adjusts for the impact of items not associated with ongoing operations. Management uses this measure to monitor and plan for the operating performance of the Company in conjunction with other data prepared in accordance with IFRS.

The following table provides a reconciliation of EBITDA and Adjusted EBITDA to the Financial Statements:

Consolidated	**Three months ended June 30,**		**Six months ended June 30,**	
(in thousands of US dollars)	**2025**	**2024**	**2025**	**2024**
Net income	**17,413**	9,385	**32,021**	9,309
Add:				
Income taxes	**10,278**	6,090	**12,427**	5,487
Finance costs	**1,180**	1,624	**2,867**	3,274
Depreciation and depletion	**4,002**	7,399	**6,977**	10,029
EBITDA	**32,873**	24,498	**54,292**	28,099
Corporate development expenses	**355**	-	**396**	-
Other gains	**(8,743)**	(3,928)	**(13,626)**	(4,223)
Foreign Exchange loss (gain)	**4,410**	(3,394)	**9,771**	(5,689)
Adjusted EBITDA	**28,895**	17,176	**50,833**	18,187

Average Realized Gold and Silver Prices Per Ounce

The Company has included average realized prices as a supplementary non-GAAP financial measure in this MD&A. The Company quantifies average realized price per ounce as revenue per the Statement of Income (loss), bifurcated by gold or silver revenue and divided by ounces of gold or silver sold, respectively. Management uses this measure to monitor sales of silver and gold ounces against the average market silver and gold prices.

The following table provides a reconciliation of average realized prices to the most directly comparable IFRS measure:

Consolidated	**Three months ended June 30,**		**Six months ended June 30,**	
(in thousands of US dollars)	**2025**	**2024**	**2025**	**2024**
Silver revenue	**35,930**	33,645	**68,747**	55,368
Divided by silver sold (k oz)	**1,046**	1,210	**2,074**	2,129
Average realized silver price per oz	**34.36**	27.80	**33.14**	26.00
Gold revenue	**37,809**	36,134	**66,970**	57,481
Divided by gold sold (oz)	**11,403**	15,679	**22,227**	25,971
Average realized gold price per oz	**3,316**	2,305	**3,013**	2,213

Liquid Assets

The Company believes this non-GAAP financial performance measure provides further transparency and assists analysts, investors, and other stakeholders of the Company in assessing the Company's financial position.

The following table provides a reconciliation of this non-GAAP financial metric to the Financial Statements:

Consolidated	**Three months ended June 30,**		**Six months ended June 30,**	
(in thousands of US dollars)	**2025**	**2024**	**2025**	**2024**
Cash and cash equivalents	**36,073**	47,049	**36,073**	47,049
Add: Marketable securities and other investments	**51,221**	39,911	**51,221**	39,911
Less: Revolving line of credit	**-**	15,000	**-**	15,000
Liquid assets	**87,293**	71,960	**87,293**	71,960

MINERAL RESOURCE STATEMENT

Please refer to the previously published and announced mineral resource and reserve statements ("MR&R") for the Golden Queen mine and the San Bartolome operation filed in January 2024 and December 2023, respectively, which were calculated in accordance with the NI 43-101 and generally accepted CIM Guidelines and have been filed on SEDAR+.

SUBSEQUENT EVENTS

Revolving Credit Facility

In Q2 2025 the Company paid down all of its revolving credit facilities to $nil. In July 2025, the Company cancelled its $10.0 million revolving credit facility with Banco Santander International. The Company's $25.0 million revolving credit facility with Banco Santander International remains open as of August 12, 2025.

OFF-BALANCE SHEET ARRANGEMENTS

As of the date of this filing, the Company does not have any off-balance-sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company including, without limitation, such considerations as liquidity and capital resources that has not previously been discussed.

ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

See Note 2 of the accompanying Financial Statements.

DISCLOSURE OF OUTSTANDING SHARE DATA

The Company has an unlimited number of common shares without par value authorized for issue. The Company does not currently pay dividends.

As of August 12, 2025 the date of this filing, the Company had 149,024,764 common shares, 800,000 options to purchase common shares of the Company and 1,680,138 restricted stock units issued and outstanding.

INTERNAL CONTROLS OVER FINANCIAL REPORTING

In compliance with Instrument 52-109 - Certification of Disclosure in Issuers' Annual and Interim Filings, the Company has filed certificates signed by the Chief Executive Officer ("CEO") and the Chief Financial Officer ("CFO") that certify, among other things, the establishment and maintenance of disclosure controls and procedures and internal controls over financial reporting.

Disclosure Controls and Procedures

The CEO and the CFO have designed disclosure controls and procedures, or have caused them to be designed under their supervision, in order to provide reasonable assurance that:

(i) material information relating to the Company has been made known to them; and

(ii) information required to be disclosed in the Company's filings or other reports filed under securities legislation, is recorded, processed, summarized and reported within the time periods specified in securities legislation.

There were no changes made to Andean's disclosure controls and procedures in Q2 2025.

Internal Control over Financial Reporting

The CEO and the CFO have also designed internal controls over financial reporting ("ICFR") or have caused them to be designed under their supervision, in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") in Internal Control – Integrated Framework (COSO 2013).

Any system of internal control over financial reporting, no matter how well designed, has inherent limitations. Therefore, even systems determined to be effective can provide only reasonable, not absolute, assurance with respect to financial statement preparation and presentation. There have been no significant changes in the Company's internal controls during the three months ended June 30, 2025 that have materially affected, or are reasonably likely to materially affect, Andean's internal control over financial reporting.

Limitations of Controls and Procedures

Further, the design of a control system must consider resource constraints, balancing the benefits of controls their costs. In addition, any evaluation of effectiveness projected into future periods is subject to the risk that any design will not achieve its intended objectives under all possible future conditions. Accordingly, because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur undetected.

RISK FACTORS

The Company's activities expose it to a variety of financial market risks, credit risks and liquidity risks, as described in Note 15 of the accompanying financial statements.

For a comprehensive discussion on risks and uncertainties, in respect of the Company business and share price, refer to the section 'Risk Factors in the Company's Management Discussion and Analysis for the year ended December 31, 2024, dated March 18, 2025. There were no other significant changes to the Company's financial, operational, and business risk exposure during the three and six months ended June 30, 2025.

QUALIFIED PERSONS

The scientific and technical content disclosed in this MD&A was reviewed and approved by Donald J. Birak, Senior Consulting Geologist to the Company, a Qualified Person as defined by Canadian National Instrument 43-101, Registered Member, Society for Mining, Metallurgy and Exploration (SME), Fellow, Australasian Institute of Mining and Metallurgy (AusIMM). Mr. Birak's experience in Bolivia and at San Bartolome commenced in 2004 with Coeur Mining Inc.