UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 40-F

[ ] Registration statement pursuant to Section 12 of the Securities Exchange Act of 1934 or [X] Annual report pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934

For fiscal year ended: March 31, 2021 Commission File number: 001-34184

SILVERCORP METALS INC.

(Exact name of Registrant as specified in its charter)

British Columbia, Canada
(Province or Other Jurisdiction of Incorporation or Organization)

1041
(Primary Standard Industrial Classification Code Number, if applicable)

Not Applicable
(I.R.S. Employer Identification Number (if applicable))

Suite 1750 - 1066 West Hastings Street
Vancouver, British Columbia V6E 3X1, Canada
(604) 669-9397
(Address and Telephone Number of Registrant's principal executive office)

Corporation Service Company
84 State Street, Boston MA 02109
617-227-9590
(Name, Address and Telephone Number of Agent for Service in the United States)

Copies to:

Christopher L. Doerksen
Dorsey & Whitney LLP
701 Fifth Avenue, Suite 6100
Seattle, Washington 98104
(206) 903-8800

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol	Name of Each Exchange On Which Registered
Common Shares, without par value	**SVM**	**NYSE American**

Securities registered or to be registered pursuant to Section 12(g) of the Act: **none**
Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act: **none**

For annual reports, indicate by check mark the information filed with this Form:

[X] Annual information form [X] Audited annual financial statements

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report: 175,742,544

Indicate by check mark whether the Registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the preceding 12 months (or for such shorter period that the registrant was required to file such reports); and (2) has been subject to such filing requirements in the past 90 days.

Yes [X] No [ ]

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the Registrant was required to submit and post such files).

Yes [X] No [ ]

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 12b-2 of the Exchange Act.

Emerging growth company [ ]

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. [ ]

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. [X]

PRINCIPAL DOCUMENTS

The following documents, filed as Exhibits 99.1, 99.2 and 99.3 to this Annual Report on Form 40-F of Silvercorp Metals Inc. ("Silvercorp" or the "Company"), are hereby incorporated by reference into this Annual Report on Form 40-F:

(a) Annual Information Form for the fiscal year ended March 31, 2021;

(b) Management's Discussion and Analysis for the fiscal year ended March 31, 2021; and

(c) Audited Consolidated Financial Statements for the fiscal year ended March 31, 2021 and notes thereto, together with the report of auditors thereon. Silvercorp's Audited Consolidated Financial Statements included in this Annual Report on Form 40-F have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board. Therefore, they are not comparable in all respects to financial statements of United States companies that are prepared in accordance with United States generally accepted accounting principles.

CERTIFICATIONS AND DISCLOSURE REGARDING CONTROLS AND PROCEDURES

(a) Certifications. See Exhibits 99.4, 99.5, 99.6 and 99.7 to this Annual Report on Form 40-F.

(b) Disclosure Controls and Procedures. As of the end of the Company's fiscal year ended March 31, 2021, an evaluation of the effectiveness of the Company's "disclosure controls and procedures" (as such term is defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) was carried out by the Company's management, with the participation of its principal executive officer and principal financial officer. Based upon that evaluation, the Company's principal executive officer and principal financial officer have concluded that as of the end of that fiscal year, the Company's disclosure controls and procedures are effective to ensure that information required to be disclosed by the Company in reports that it files or submits under the Exchange Act is (i) recorded, processed, summarized and reported within the time periods specified in Securities and Exchange Commission (the "Commission") rules and forms and (ii) accumulated and communicated to the Company's management, including its principal executive officer and principal financial officers, to allow timely decisions regarding required disclosure.

It should be noted that while the Company's principal executive officer and principal financial officer believe that the Company's disclosure controls and procedures provide a reasonable level of assurance that they are effective, they do not expect that the Company's disclosure controls and procedures or internal control over financial reporting will prevent all errors or fraud. A control system, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

(c) Management's Annual Report on Internal Control Over Financial Reporting. The required disclosure is included in under the heading "Management's Report on Internal Control over Financial Reporting" in the Company's Management's Discussion and Analysis for the fiscal year ended March 31, 2021, filed as Exhibit 99.2 to this Annual Report on Form 40-F.

(d) Attestation Report of the Independent Registered Public Accounting Firm. The Company's independent registered public accounting firm, Deloitte LLP, which audited the consolidated financial statements included in this Annual Report on Form 40-F, has issued an attestation report on management's assessment of the Company's internal control over financial reporting, entitled "Report of Independent Registered Public Accounting Firm," that accompanies the Company's Consolidated Financial Statements for the fiscal year ended March 31, 2021, filed as Exhibit 99.3 to this Annual Report on Form 40-F.

(e) Changes in Internal Control Over Financial Reporting. There was no change in the Company's internal control over financial reporting during the period covered by this Annual Report on Form 40-F that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

NOTICES PURSUANT TO REGULATION BTR

The Company was not required by Rule 104 of Regulation BTR to send any notices to any of its directors or executive officers during the fiscal year ended March 31, 2021.

AUDIT COMMITTEE FINANCIAL EXPERT

The Company's board of directors (the "Board") has determined that it has at least one audit committee financial expert (as such term is defined in Form 40-F) serving on its audit committee. The Board has determined that David Kong is an audit committee financial expert and is independent (as determined under the rules of the NYSE American LLC ("NYSE American")).

Mr. David Kong holds a Bachelor in Business Administration and earned his Chartered Accountant designation in British Columbia in 1978 and U.S. CPA (Illinois) designation in 2002. From 1981 to 2004, he was partner of Ellis Foster Chartered Accountants and a partner at Ernst & Young LLP from 2005 to 2010. Currently, Mr. Kong is a director of New Pacific Metals Corp., Uranium Energy Corp., and Gold Mining Inc. Mr. Kong is a certified director (ICD.C) of the Institute of Corporate Directors.

CODE OF ETHICS

The Board has adopted a written code of ethics entitled, "Code of Business Conduct and Ethics" (the "Code"), by which it and all officers and employees of the Company, including the Company's principal executive officer, principal financial officer, principal accounting officer or controller, and persons performing similar functions, are required to abide. There were no amendments to the Code, or waivers of the Code that apply to the Company's principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions during the fiscal year ended March 31, 2021, except that as previously described in last year's Form 40-F report, on June 18, 2020 the Code was further amended and restated following a general review. The changes to the Code included, without limitation:

- Expanding the scope of persons subject to the Code to include consultants, agents and representatives;
- Expanding the description of the adverse consequences that an individual may face for violations of the Code;
- Updates to our anti-corruption policies;
- Clarifying that the Code is subject to applicable whistleblower laws; and
- Other clarifications and typographical corrections.

The amended and restated Code is filed as an exhibit to this Form 40-F.

The Code is also posted on the Company's website at http://www.silvercorpmetals.com/company/corporate_governance, and a copy of the Code may be obtained, without charge, by contacting the Corporate Secretary of the Company at the address or telephone number indicated on the cover page of this Annual Report on Form 40-F. If there is an amendment to the Code, or if a waiver of the Code is granted to any of the Company's principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions, the Company intends to disclose any such amendment or waiver by posting such information on the Company's website. Unless and to the extent specifically referred to herein, the information on the Company's website shall not be deemed to be incorporated by reference in this Annual Report on Form 40-F.

PRINCIPAL ACCOUNTANT FEES AND SERVICES

The required disclosure is included under the heading “Item 11. Audit Committee External Auditor Services Fees” in the Company’s Annual Information Form for the fiscal year ended March 31, 2021, filed as Exhibit 99.1 to this Annual Report on Form 40-F.

AUDIT COMMITTEE PRE-APPROVAL POLICIES AND PROCEDURES

See Item 11 of the Company’s Annual Information Form, which is attached hereto as Exhibit 99.1. All audit-related fees, tax fees, or all other fees were approved by the Audit Committee pursuant to Rule 2-01(c)(7)(i) of Regulation S-X. However, none of such fees were approved pursuant to the exemption provided in Rule 2-01(c)(7)(i)(C) of Regulation S-X.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements.

TABULAR DISCLOSURE OF CONTRACTUAL OBLIGATIONS

The following table presents information regarding the Company’s known contractual obligations by maturity as of March 31, 2021:

Contractual Obligations	**Payment due by period (in thousands of dollars)**				
	Total	**Less than 1 year**	**1-3 years**	**3-5 years**	**More than 5 years**
Accounts payable and accrued liabilities	$30,298	$30,298	$-	$-	$-
Lease obligation	$1,741	$657	$706	$378	$-
Total	$32,039	$30,955	$706	$378	$-

IDENTIFICATION OF THE AUDIT COMMITTEE

The Company’s Board has a separately designated standing Audit Committee established in accordance with section 3(a)(58)(A) of the Exchange Act. The Company’s Audit Committee is comprised of Paul Simpson, David Kong and Marina Katusa. The Board has determined that each of the members of the Audit Committee is independent as determined under Rule 10A-3 of the Exchange Act and Section 803 of the NYSE American company guide.

MINE SAFETY DISCLOSURE

The Company does not operate any mine in the United States and has no mine safety incidents to report for the year ended March 31, 2021.

NYSE AMERICAN STATEMENT OF CORPORATE GOVERNANCE DIFFERENCES

The common shares of the Company are listed on the NYSE American. Section 110 of the NYSE American company guide permits NYSE American to consider the laws, customs and practices of foreign issuers in relaxing certain NYSE American listing criteria, and to grant exemptions from NYSE American listing criteria based on these considerations. A description of the significant ways in which the Company’s governance practices differ from those followed by domestic companies pursuant to NYSE American standards is provided on the Company’s website at http://silvercorpmetals.com.

UNDERTAKING AND CONSENT TO SERVICE OF PROCESS

A. Undertaking

Silvercorp Metals Inc. undertakes to make available, in person or by telephone, representatives to respond to inquiries made by the Commission staff, and to furnish promptly, when requested to do so by the Commission staff, information relating to: the securities in relation to which the obligation to file an annual report on Form 40-F arises; or transactions in said securities.

B. Consent to Service of Process

The Company has previously filed with the Commission an Appointment of Agent for Service of Process and Undertaking on Form F-X with respect to the class of securities in relation to which the obligation to file this Form 40-F arises.

Any change to the name or address of the agent for service of process of the Company shall be communicated promptly to the Commission by an amendment to the Form F-X referencing the file number of the Company.

EXHIBITS

99.1	Annual Information Form of the Company for the year ended March 31, 2021
99.2	Management's Discussion and Analysis of Financial Condition and Results of Operations for the Year Ended March 31, 2021
99.3	Consolidated Financial Statements comprised of Consolidated Statements of Financial Position as at March 31, 2021 and 2020, Consolidated Statements of Income, Comprehensive Income, Changes in Equity, and Cash Flows for the years ended March 31, 2021 and 2020, and Notes to Consolidated Financial Statements
99.4	Certificate of Chief Executive Officer Pursuant to Rule 13a-14(a) of the Exchange Act
99.5	Certificate of Chief Financial Officer Pursuant to Rule 13a-14(a) of the Exchange Act
99.6	Certificate of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
99.7	Certificate of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
99.8	Consent of Deloitte LLP, Independent Registered Public Accounting Firm
99.9	Consent of Alan Riles
99.10	Consent of Herbert Smith
99.11	Consent of Patrick Stephenson
99.12	Consent of Adrienne Ross
99.13	Consent of Dinara Nussipakynova
99.14	Consent of Guoliang Ma
99.15	Consent of Simeon Robinson
99.16	Consent of Rod Webster
99.17	Consent of Robert Chesher
99.18	Code of Business Conduct and Ethics (incorporated by reference to the Company's Form 40-F filed on June 23, 2020)

101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document

SIGNATURES

Pursuant to the requirements of the Exchange Act, the Registrant certifies that it meets all of the requirements for filing on Form 40-F and has duly caused this annual report to be signed on its behalf by the undersigned, thereto duly authorized.

Date: June 22, 2021

SILVERCORP METALS INC.

By: /s/ Rui Feng

Name: Dr. Rui Feng
Title: Chief Executive Officer

Exhibit 99.1



ANNUAL INFORMATION FORM

FOR THE YEAR ENDED MARCH 31, 2021

DATED AS AT JUNE 22, 2021

SILVERCORP METALS INC.

Suite 1750 - 1066 West Hastings Street
Vancouver, BC, Canada V6E 3X1
Tel: (604) 669-9397
Fax: (604) 669-9387
Email: investor@silvercorp.ca
Website: www.silvercorp.ca

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ITEM 1. GENERAL

1.1 Date of Information

All information in this Annual Information Form ("**AIF**") is as of March 31, 2021, unless otherwise indicated.

1.2 Forward Looking Statements

Certain statements and information in this AIF for Silvercorp Metals Inc. ("Silvercorp" or the "Company") constitute "forward-looking statements" within the meaning of the United States *Private Securities Litigation Reform Act* of 1995 and "forward-looking information" within the meaning of applicable Canadian provincial securities laws. All statements and information concerning mineral resource and mineral reserve estimates may also be deemed to constitute "forward-looking statements" to the extent that they involve estimates of the mineralization that will be encountered if the property is developed. Any statements or information that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as "expects", "is expected", "anticipates", "believes", "plans", "projects", "estimates", "assumes", "intends", "strategies", "targets", "goals", "forecasts", "objectives", "budgets", "schedules", "potential" or variations thereof or stating that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved, or the negative of any of these terms and similar expressions) are not statements of historical fact and may be forward-looking statements or information. Forward-looking statements or information relate to, among other things: the price of silver, lead, zinc and other metals; the accuracy of mineral resource and mineral reserve estimates at the Company's material properties; estimated production from the Company's mines in the Ying Mining District (defined herein) and from the GC Mine; availability of funds from production to finance the Company's operations; access to and availability of funding for future construction and development of the Company's properties or for acquisitions; and other forecasts and predictions with respect to the Company and its properties.

Forward-looking statements are based on the opinions, assumptions, factors and estimates of management considered reasonable at the date the statements are made. The opinions, assumptions, factors and estimates which may prove to be incorrect, include, but are not limited to: the specific assumptions set forth in this AIF, or incorporated by reference herein; the expectations and beliefs of management; that prices for minerals, particularly silver, gold, lead and zinc remain consistent with the Company's expectations; that there are no significant disruptions affecting operations, including labour disruptions, supply disruptions, power disruptions, security disruptions, damage to or loss of equipment, whether due to flooding, political changes, title issues, intervention by local communities, environmental concerns, pandemics (including COVID-19) or otherwise; that operations, development and exploration at the Company's projects proceed on a basis consistent with expectations and the Company does not change its development and exploration plans and forecasts; that prices for key mining supplies, including labour costs and consumables remain consistent with the Company's current expectations; that plant, equipment and processes will operate as anticipated; that there are no material variations in the current tax and regulatory environment or the tax positions taken by the Company; that the Company will maintain access to surface rights; that the Company will be able to obtain and maintain government approvals, permits and licenses in connection with its current and planned operations, development and exploration activities; that the Company is able to meet current and future obligations; and that the Company can access adequate financing, appropriate equipment and sufficient labour, all at acceptable rates.

Forward-looking statements or information are subject to a variety of known and unknown risks, uncertainties and other factors that could cause actual events or results to differ from those reflected in the forward-looking statements or information, including, without limitation, risks relating to the matters described in this AIF under Item 4.4 *Risk Factors* under the following headings: COVID-19; fluctuating commodity prices; recent market events and condition; estimation of mineral resources, reserves and

mineralization and metal recovery; interpretations and assumptions of mineral resource and mineral reserve estimates; exploration and development programs; economic factors affecting the Company; timing, estimated amount, capital and operating expenditures and economic returns of future production; integration of future acquisitions into existing operations; permits and licences for mining and exploration in China; title to properties; non-controlling interest shareholders; acquisition of commercially mineable mineral rights; financing; competition; operations and political conditions; regulatory environment in China; regulatory environment in Mexico; environmental risks; dependence on management and key personnel; foreign exchange rate fluctuations; insurance; risks and hazards of mining operations; conflicts of interest; internal control over financial reporting as per the requirements of the *Sarbanes-Oxley Act*; outcome of current or future litigation or regulatory actions; bringing actions and enforcing judgments under U.S. securities laws; cyber-security risks; the Company's investment in New Pacific Metals Corp; and the Company's investment in Whitehorse Gold Corp.

This list of risk factors described in this AIF the Company's other disclosure documents are not exhaustive of the factors that may affect any of the Company's forward-looking statements or information. Forward-looking statements or information are statements about the future and are inherently uncertain, and actual achievements of the Company or other future events or conditions may differ materially from those reflected in the forward-looking statements or information due to a variety of risks, uncertainties and other factors, including, without limitation, those referred to in this AIF under the heading "Risk Factors" and elsewhere. Although the Company has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated, described or intended. Accordingly, readers should not place undue reliance on forward-looking statements or information.

The Company's forward-looking statements and information are based on the assumptions, beliefs, expectations and opinions of management as of the date of this AIF, and other than as required by applicable securities laws, the Company does not assume any obligation to update forward-looking statements and information if circumstances or management's assumptions, beliefs, expectations or opinions should change, or changes in any other events affecting such statements or information. For the reasons set forth above, investors should not place undue reliance on forward-looking statements and information.

1.3 Cautionary Note to U.S. Investors Concerning Preparation of Mineral Resource and Mineral Reserve Estimates

This AIF has been prepared in accordance with the requirements of the securities laws in effect in Canada, which differ from the requirements of the United States Securities and Exchange Commission's (the "SEC"). The terms "mineral resources", "measured mineral resources", "indicated mineral resources" and "inferred mineral resources" used in this AIF are in reference to the mining terms defined in the Canadian Institute of Mining, Metallurgy and Petroleum Standards (the "CIM Standards"), which definitions have been adopted by National Instrument 43-101 *Standards of Disclosure for Mineral Projects* ("NI 43-101"). Accordingly, information contained in this AIF providing descriptions of the Company's mineral deposits in accordance with NI 43-101 may not be comparable to similar information made public by other public companies subject to the technical disclosure requirements of the SEC.

Readers are cautioned not to assume that all or any part of mineral resources will ever be converted into reserves. Pursuant to CIM Standards, "inferred mineral resources" are that part of a mineral resource for which quantity and grade or quality are estimated on the basis of limited geological evidence and sampling. Such geological evidence is sufficient to imply but not verify geological and grade or quality continuity. An inferred mineral resource has a lower level of confidence than that applying to an indicated mineral resource and must not be converted to a mineral reserve. However, it is reasonably expected that the majority of inferred mineral resources could be upgraded to indicated mineral resources with continued exploration. Under Canadian rules, estimates of inferred mineral resources may not form the basis of feasibility or pre-feasibility studies, except in rare cases. Investors are cautioned not to assume that all or any part of an inferred mineral resource is economically or legally mineable.

Canadian standards, including the CIM Standards and NI 43-101, differ significantly from standards in the SEC's Industry Guide 7 ("Guide 7") under the United States Securities Act of 1933, as amended. Effective February 25, 2019, the SEC adopted new mining disclosure rules under subpart 1300 of Regulation S-K of the United States Securities Act of 1933, as amended (the "SEC Modernization Rules"), with compliance required for the first fiscal year beginning on or after January 1, 2021. The SEC Modernization Rules replace the historical property disclosure requirements included in Guide 7. As a result of the adoption of the SEC Modernization Rules, the SEC now recognizes estimates of "measured mineral resources", "indicated mineral resources" and "inferred mineral resources". In addition, the SEC has amended its definitions of "proven mineral reserves" and "probable mineral reserves" to be substantially similar to corresponding definitions under the CIM Standards. During the period leading up to the compliance date of the SEC Modernization Rules, information regarding mineral resources or reserves contained or referenced in this AIF may not be comparable to similar information made public by companies that report according to U.S. standards. While the SEC Modernization Rules are purported to be "substantially similar" to the CIM Standards, readers are cautioned that there are differences between the SEC Modernization Rules and the CIM Standards. Accordingly, there is no assurance any mineral reserves or mineral resources that the Company may report as "proven mineral reserves", "probable mineral reserves", "measured mineral resources", "indicated mineral resources" and "inferred mineral resources" under NI 43-101 would be the same had the Company prepared the reserve or resource estimates under the standards adopted under the SEC Modernization Rules.

1.4 Currency

All sums of money which are referred to herein are expressed in lawful money of the United States, unless otherwise specified. The symbol "CAD$" denotes lawful money of Canada and "RMB" denotes lawful money of the People's Republic of China. The following table sets forth, for each of the periods indicated, the year-end exchange rate, the average closing rate and the high and low closing exchange rates for one Canadian dollar expressed in U.S. dollar, as quoted by the Bank of Canada:

	Year Ended March 31,		
	2021	**2020**	**2019**
High	0.8029	0.7710	0.7967
Low	0.7034	0.6898	0.7330
Average	0.7575	0.7514	0.7625
Period End	0.7952	0.7049	0.7483

The exchange rate for one Canadian dollar expressed in U.S. dollar based upon the daily average exchange rate on June 21, 2021 provided by the Bank of Canada was $0.8080.

The following table sets forth, for each of the periods indicated, the year-end exchange rate, the average closing rate and the high and low closing exchange rates for one Canadian dollar expressed in Chinese Renminbi ("**RMB**"), as quoted by the Bank of Canada:

	Year Ended March 31,		
	2021	2020	2019
High	5.2854	5.4142	5.3648
Low	4.9950	4.8591	4.8662
Average	5.1285	5.2330	5.1149
Period End	5.2110	4.9950	5.0226

The exchange rate for one Canadian dollar expressed in RMB, based upon the daily average exchange rate on June 21, 2021 provided by the Bank of Canada, was RMB 5.2247.

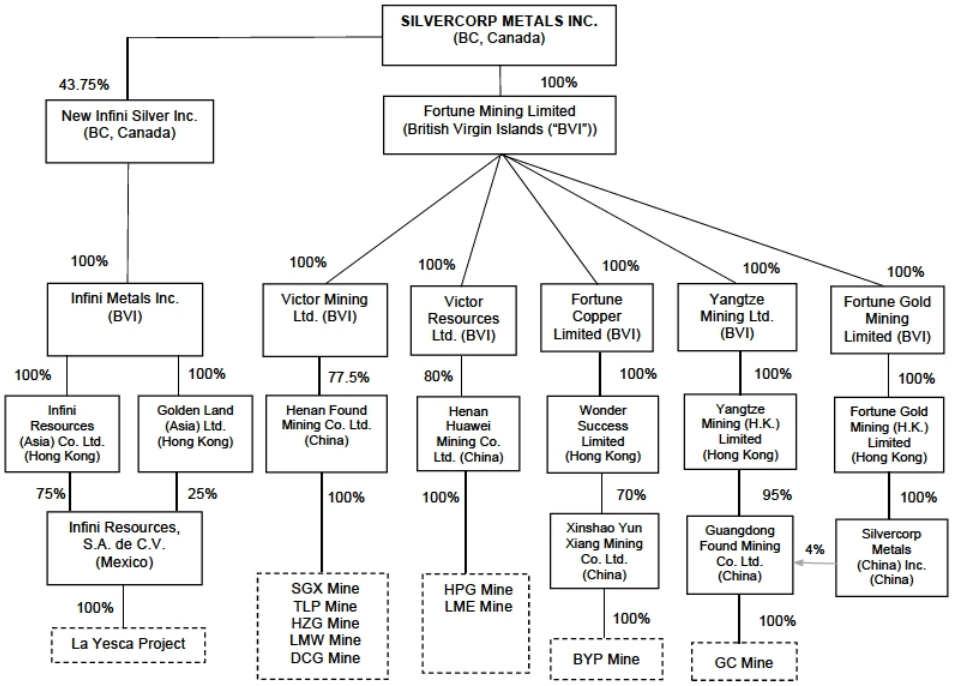
ITEM 2 CORPORATE STRUCTURE

2.1 Names, Address and Incorporation

Silvercorp was formed as Spokane Resources Ltd. pursuant to an amalgamation of Julia Resources Corporation and MacNeill International Industries Inc. under the *Company Act* (British Columbia) on October 31, 1991. By a special resolution dated October 5, 2000, Spokane Resources Ltd. consolidated its share capital on a ten for one basis and altered its Memorandum and Articles of Incorporation by changing its name to "SKN Resources Ltd." At the Company's Annual and Special General Meeting held October 20, 2004, the shareholders approved an increase to the Company's authorized capital to an unlimited number of common shares (each, a "Common Share") and adopted new Articles consistent with the transition to the *Business Corporations Act* (British Columbia) and passed a special resolution to change the Company's name. On May 2, 2005, the Company filed a Notice of Alteration with the British Columbia Registrar of Companies changing its name from "SKN Resources Ltd." to "Silvercorp Metals Inc." The head office, principal address and registered and records office of the Company is located at 1750 – 1066 West Hastings Street, Vancouver, British Columbia, V6E 3X1. The Company's shares are listed for trading on the Toronto Stock Exchange (the "TSX") and the NYSE American, both under the symbol "SVM". The Company is a reporting issuer in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Prince Edward Island, and Newfoundland and Labrador.

2.2 Intercorporate Relationships

The corporate structure of the Company and its subsidiaries with mineral property interests as at the date of this AIF are as follows:



The Company is the sole shareholder of Fortune Mining Limited ("Fortune") which was incorporated under the laws of BVI on August 23, 2002 to be the holding company of several other subsidiaries which are parties to agreements relating to mineral properties in China. Fortune owns 100% of the following material subsidiary companies:

(a) Victor Mining Ltd. (“Victor Mining”) was incorporated on October 23, 2003 under the laws of BVI and continued into Barbados on August 27, 2009 and back to the BVI on March 18, 2016. Victor Mining is a party to a cooperative agreement under which it has earned a 77.5% interest in Henan Found Mining Co. Ltd. (“Henan Found”), the Chinese company holding, among other assets: (i) the Ying silver, lead and zinc project (“SGX Mine”); (ii) the project in Tieluping (“TLP Mine”); (iii) the project in Hou Zhang Gou and Po Cai Gou (“HZG Mine”); (iv) the project in Longmen East (“LME Mine”); and (v) the project in Dong Cao Gou (“DCG Mine”), each in Henan Province.

(b) Victor Resources Ltd. (“Victor Resources”) was incorporated on May 30, 2003, under the laws of the BVI and is a party to a cooperative agreement under which it earned an 80% interest in Henan Huawei Mining Co. Ltd. (“Henan Huawei”), the Chinese company holding the beneficial interests in: (i) the project in Haopinggou (“HPG Mine”); and (ii) the project in Longmen East (“LME Mine”).

(c) Yangtze Mining Ltd. (“Yangtze Mining”) was incorporated on February 11, 2002, under the laws of the BVI. It holds a 100% interest in Yangtze Mining (H.K.) Ltd. (“Yangtze Mining HK”). Yangtze Mining HK holds a 95% interest in Guangdong Found Mining Co. Ltd. (“Guangdong Found”), a company incorporated on October 26, 2008 under the laws of the People’s Republic of China, that holds a 100% interest in the silver, lead and zinc exploration permits on the project in Gaocheng (the “GC Mine” or “Gaocheng”) in Guangdong Province. In October 2018, Silvercorp Metals (China) Inc., a wholly-owned subsidiary of the Company, acquired an additional 4% interest in Guangdong Found, and as a result, the Company now beneficially owns a 99% interest in Guangdong Found.

(d) Fortune Copper Limited was incorporated on August 23, 2002, under the laws of the BVI. It holds a 100% interest in Wonder Success Limited, a Hong Kong company which has a 70% equity interest in Xinshao Yun Xiang Mining Co. Ltd. (“Yunxiang”), which owns the BYP gold, lead, and zinc mine in Hunan Province (the “BYP Mine”).

The Company also holds a 43.75% interest in New Infini Silver Inc. (“New Infini”), which was incorporated on October 13, 2020, under the laws of the Province of British Columbia. New Infini holds a 100% interest in the La Yesca silver project (the “La Yesca Project”).

The Company’s operations in China are largely conducted through equity joint ventures, over which the Company has control. See “Item 4 General Description of Business, 4.2 Chinese Mining Law”.

ITEM 3 GENERAL DEVELOPMENT OF THE BUSINESS

3.1 Business of Silvercorp

Silvercorp is a profitable Canadian mining company producing silver, lead and zinc metals in concentrates from mines in China through the operation of the silver-lead-zinc mines in the Ying Mining District in Henan Province and the GC Mine in Guangdong Province. The Ying Mining District consists of several mines, including the SGX Mine, HZG Mine, TLP Mine, HPG Mine, LMW Mine, LME Mine, and DCG Mine. The Company’s goal is to continuously create healthy returns to shareholders through efficient management, organic growth and the acquisition of profitable projects. Silvercorp balances profitability, social and environmental relations, employees’ wellbeing, and sustainable development.

3.2 Three Year History

Silvercorp has been acquiring, exploring, developing, and operating, mineral properties in China since 2003. Production at the SGX Mine at the Ying Mining District commenced on April 1, 2006, and since that time, several of the Company’s other properties at the Ying Mining District in Henan Province, China have commenced production. In addition, the Company commenced production at the GC Mine in July 2014.

(a) Fiscal 2021 (year ended March 31, 2021)

For the year ended March 31, 2021 ("Fiscal 2021"), on a consolidated basis, the Company mined 964,925 tonnes of ore, an increase of 9% or 79,095 tonnes of ore, compared to 885,830 tonnes in the year ended March 31, 2020. For Fiscal 2021, the Company had revenue of $192.1 million up 21% compared to $158.8 million in the prior year, and cash flow from operations of $85.9 million up 11% or $8.7 million compared to $77.2 million in the prior year. For Fiscal 2021, net income attributable to equity holders of the Company was $46.4 million, or $0.27 per share.

On July 20, 2020, Silvercorp reported its first underground drill hole at the DCG Mine at the Ying Mining District. In 2006, Silvercorp acquired the DCG exploration permit, which is adjacent to the north of the TLP Mine. It covers an area of 19.77 km^2. A series of drill programs between 2006 and 2011 of 25 drill holes comprised of 9,026 m focused on obvious lead-zinc veins. A maiden resource estimate that complies with Chinese government requirements, but not NI 43-101, was completed in 2014, and Silvercorp successfully converted the exploration permit to a mining permit in 2015. Information regarding the DCG Mine, including a resource estimate, is contained in the 2020 NI 43-101 technical report for the Ying Mining District prepared by AMC Mining Consultants (Canada) Ltd. ("AMC"). In late 2018, the Company decided to develop the DCG Mine and bring it into production.

On August 31, 2020, Silvercorp reported the results of an updated NI 43-101 technical report on the Ying Mining District with an effective date of July 31, 2020 prepared by AMC. The Company reported an 18% increase in measured and indicated silver resources and 4% increase in proven and probable silver reserves, on top of 21 million ounces of silver produced between June 2016 and December 2019 at the Ying Mining District.

On November 30, 2020, Silvercorp filed a final short form base shelf prospectus with the securities regulators in each province of Canada, except for the Province of Quebec, and a corresponding shelf registration statement on Form F-10 with the SEC. The prospectus and registration statement allows the Company to offer up to US$200 million of Common Shares, preferred shares, debt securities, warrants, subscription receipts or any combination thereof ("Securities") during the 25 month period that the shelf prospectus is effective. The specific terms of any offering of Securities, including the use of proceeds from any offering, will be set forth in a shelf prospectus supplement. Silvercorp filed the shelf prospectus and corresponding registration statement in order to provide the Company with greater financial flexibility going forward. A copy of the final short form base shelf prospectus can be found on SEDAR at www.sedar.com and a copy of the registration statement can be found on EDGAR at www.sec.gov.

On December 16, 2020, Silvercorp announced the publication of its inaugural sustainability report, prepared in accordance with the *Global Reporting Initiative (GRI) Standards: Core Option*. The report provides information on the Company's governance, safety, environmental, and social performance.

On April 28, 2021, Silvercorp announced the receipt of three exploration permits of 48.8 km^2 in area, covering depth extensions of three mining permits, SGX, HPG, and TLP-LME-LMW, at the Ying Mining District.

La Yesca Project

In December 2020, the Company and its subsidiary, New Infini, entered into a framework agreement with various arm's length vendors (the "Vendors"), whereby New Infini agreed to acquire a 100% interest in the La Yesca Project through the indirect purchase of all of the issued and outstanding shares of Infini Resources, S.A. de C.V., a Mexican company which owns the La Yesca Project. The La Yesca Project is a silver-polymetallic, epithermal-type project located approximately 100 km (185 m by road) northwest of Guadalajara, the second-largest city in Mexico. The concessions comprising the La Yesca Project cover an area of approximately 47.7 km^2. In total, 7,649 m from 25 drill holes have previously been completed, all of which intersected mineralization.

In January 2021, New Infini completed a private placement and raised $4.0 million by issuing 8,000,000 shares of New Infini at $0.50 per share. The Company purchased an additional 3,000,000 shares for $1.5 million. As at March 31, 2021, New Infini had a total of 48,000,000 shares issued and outstanding, of which the Company owned 21,000,000 shares or 43.75%, the Vendors owned 18,600,000 shares or 38.75%, and the management and investors owned 8,400,000 shares or 17.5%.

Based on New Infini's share structure, board composition and other related facts, the Company concluded that the Company has control over New Infini and accordingly, consolidates New Infini's results from the date of the acquisition.

Zhonghe Silver Project

On December 17, 2020, the Company, through its subsidiary, Henan Found, won an online auction to acquire the exploration rights to the Zhonghe Silver Project (the "Zhonghe Project") from the Henan provincial government.

The Zhonghe Project covers an area of 4.96 km^2, approximately 50 km (75 km by road) northeast of the Company's Ying Mining District, also located in Luoning County. The final winning bid submitted by the Company was approximately $76.0 million (RMB¥495.0 million) (the "Purchase Price").

Based on the current regulations, 20% of the Purchase Price, approximately $15.2 million, is required to be paid upon the execution of a formal mineral rights transfer contract (the "Transfer Contract") with the Department of Natural Resources of Henan Province. The balance of the Purchase Price is due only if the exploration rights to the Zhonghe Project are converted into a mining license and shall be paid annually over the duration of the term of the mining license.

The execution of the Transfer Contract is pending the national security clearance by the relevant Chinese authorities.

Whitehorse Gold

Whitehorse Gold Corp. ("Whitehorse Gold") is a Canadian public company listed on the TSX Venture Exchange (the "TSX-V") under the symbol "WHG".

On July 22, 2020, New Pacific Metals Corp. ("New Pacific Metals") announced the spin-out by way of a plan of arrangement (the "Arrangement") of its then wholly owned subsidiary, Whitehorse Gold, which owns 100% owned of the Skukum Gold Project (formerly "Tagish Lake Gold Project") located in Yukon, Canada. Upon completion of the Arrangement on November 18, 2020, New Pacific Metals and Whitehorse Gold became two separate entities, and New Pacific Metals distributed all of the Whitehorse Gold common shares to its shareholders, including to Silvercorp, on a *pro rata* basis. As a result, on November 18, 2020,

Silvercorp received a total of 5,740,285 Whitehorse Gold shares distributed under the Arrangement. In connection with the Arrangement, Whitehorse Gold conducted a non-brokered private placement financing, pursuant to which the Company acquired an additional 5,774,000 Whitehorse Gold common shares. As at March 31, 2021, the Company owned 11,514,285 common shares of Whitehorse Gold, representing 26.99% of the issued and outstanding Whitehorse Gold shares.

On May 14, 2021, Whitehorse Gold closed concurrent private placement offerings for aggregate gross proceeds of CAD$15,264,590. The Company participated in the offering and acquired an additional 4,000,000 units, each unit consisting of one common share in the capital of Whitehorse Gold and one common share purchase warrant. Following closing, Silvercorp owned an aggregate of 15,514,286 Whitehorse Gold common shares, representing 29.50% of the issued and outstanding shares of Whitehorse Gold on a non-diluted basis. Assuming conversion of 4,000,000 warrants, Silvercorp would own 19,514,286 Whitehorse Gold common shares, representing a 34.48% of the issued and outstanding Whitehorse Gold shares on a partially-diluted basis.

Guyana Goldfields

On April 26, 2020, the Company entered into a definitive agreement with Guyana Goldfields Inc. ("Guyana Goldfields"), subsequently amended on May 16, 2020 (collectively, the "Arrangement Agreement") to acquire all of the issued and outstanding shares of Guyana Goldfields. On June 10, 2020, Guyana Goldfields terminated the Arrangement Agreement and paid the Company a break fee of $6.5 million.

(b) Fiscal 2020 (Year ended March 31, 2020)

For the year ended March 31, 2020 ("Fiscal 2020"), on a consolidated basis, the Company mined 885,830 tonnes of ore, a decrease of 2% or 20,964 tonnes, compared to 906,794 tonnes in the year ended March 31, 2019. For Fiscal 2020, the Company had revenue of $158.8 million and cash flow from operations of $77.2 million. For Fiscal 2020, net income attributable to equity holders of the Company was $34.3 million, or $0.20 per share.

Silvercorp's operations in China are usually suspended for two weeks for the Chinese New Year holiday. During the 2020 holiday season, the Company's operations in China were shut down for an additional month due to COVID-19, as reported in the Company's news releases dated January 29, February 18, and March 12, 2020. The operations were ramped up to full capacity in March 2020 with no employee infections. The Company's operations are in compliance with government measures implemented to prevent the spread of the virus. Despite the extended shutdown during the three months ended March 31, 2020 ("Q4 Fiscal 2020"), the Company was able to surpass its production guidance for Fiscal 2020.

(c) Fiscal 2019 (Year ended March 31, 2019)

For the year ended March 31, 2019 ("Fiscal 2019"), on a consolidated basis, the Company mined 906,794 tonnes of ore, an increase of 5% or 46,870 tonnes, compared to 859,924 tonnes in the year ended March 31, 2018. For Fiscal 2019, the Company had sales of $170.5 million, a gross profit margin of 49%, and cash flow from operations of $67.8 million. For Fiscal 2019, net income attributable to equity holders of the Company was $39.7 million, or $0.23 per share.

(d) Production

The following table summarizes the total metal sales in the past three years.

	Year Ended March 31		
	2021	**2020**	**2019**
Silver ('000s ounces)	6,315	6,257	6,390
Gold ('000s ounces)	4.7	3.3	3.5
Lead ('000s pounds)	67,118	65,344	64,788
Zinc ('000s pounds)	27,914	25,401	22,716

Ying Mining District

The Ying Mining District consists of several mines, including the SGX, HZG, TLP, HPG, LMW, LME and DCG Mines, and is the Company's primary source of production.

In Fiscal 2021, total ore mined at the Ying Mining District was 650,025 tonnes, up 9%, compared to 598,197 tonnes in Fiscal 2020. Correspondingly, ore milled in Fiscal 2021 increased to 651,402 tonnes, up 8%, compared to 601,605 tonnes in the prior year. Average head grades were 290 g/t for silver, 4.3% for lead, and 0.8% for zinc, compared to 309 g/t for silver, 4.6% for lead and 0.9% for zinc in the prior year. The Company continues to achieve improvements in dilution control using its "Enterprise Blog" to assist in managing daily operations.

In Fiscal 2021, the Ying Mining District sold approximately 5.6 million ounces of silver, 3,500 ounces of gold, 56.7 million pounds of lead, and 7.0 million pounds of zinc, compared to 5.6 million ounces of silver, 3,300 ounces of gold, 54.5 million pounds of lead, and 7.3 million pounds of zinc in the prior year.

The total mining cost and cash mining cost [1] at the Ying Mining District were $95.27 and $69.56 per tonne, respectively, in Fiscal 2021, compared to $90.61 and $63.00 per tonne, respectively, in Fiscal 2020. The total milling cost and cash milling cost1 at the Ying Mining District in Fiscal 2021 were $11.52 and $9.69 per tonne, down 4% and 5%, respectively, compared to $12.03 and $10.16 per tonne in Fiscal 2020. Correspondingly, the cash production cost [1] per tonne of ore processed in Fiscal 2021 at the Ying Mining District was $83.01, up 8% compared to $77.08 in the prior year.

The cash cost [1] per ounce of silver, net of by-product credits, at the Ying Mining District in Fiscal 2021, was negative $0.39, compared to negative $1.18 in the prior year. The all-in sustaining cost [1] per ounce of silver, net of by-product credits, at the Ying Mining District in Fiscal 2021, was $6.09 compared to $5.49 in the prior year. The increase was mainly due to the increase of per tonne cash production, offset by an increase of $0.16 in by-product per ounce of silver. Revenue from lead and zinc was $48.7 million, up $0.5 million, compared to $48.2 million in Fiscal 2020.

GC Mine

In Fiscal 2021, the total ore mined at the GC Mine was 314,900 tonnes, up 9%, compared to 287,633 tonnes in Fiscal 2020, while ore milled increased by 9% to 316,179 tonnes from 290,610 tonnes in the prior year.

[1] *Non-IFRS measure. Please refer to the reconciliation in section 12 of the MD&A for the corresponding period.*

Average head grades were 85 g/t for silver, 1.7% for lead, and 3.4% for zinc in Fiscal 2021, compared to 97 g/t for silver, 1.9% for lead, and 3.3% for zinc in the prior year.

In Fiscal 2021, the GC Mine sold 705 thousand ounces of silver, 10.4 million pounds of lead, and 20.9 million pounds of zinc, compared to 699 thousand ounces of silver, 10.9 million pounds of lead, and 18.1 million pounds of zinc in Fiscal 2020.

The total mining and cash mining cost [1] at the GC Mine in Fiscal 2021 were $47.68 and $38.56 per tonne, respectively, a slight increase of 3% and 1%, respectively, compared to $46.40 and $38.06 per tonne in Fiscal 2020. The total milling and cash milling cost[1] at the GC Mine in Fiscal 2021 were $14.25 and $12.88 per tonne, down 8% and 7%, respectively, compared to $15.52 and $13.85 per tonne in Fiscal 2020. Correspondingly, the cash production cost[1] per tonne of ore processed at the GC Mine in Fiscal 2021 decreased slightly to $51.44 from $51.91 in the prior year.

The cash cost[1] per ounce of silver, net of by-product credits, at the GC Mine in Fiscal 2021, was negative $11.48, compared to negative $7.65 in the prior year. The all-in sustaining cost [1] per ounce of silver, net of by-product credits, at the GC Mine in Fiscal 2021, was $nil compared to $0.77 in the prior year. The improvement was mainly due to an increase of $5.47 in by-product credits per ounce of silver, offset by an increase of 7% in all-in sustaining production cost per tonne of ore processed.

BYP Mine

The BYP Mine was placed on care and maintenance in August 2014 due to the required capital upgrades to sustain ongoing production and the market environment. In Fiscal 2021, the Company sold all remaining gold concentrate inventories, containing approximately 1,200 ounces of gold, that had been produced by the mine before it was placed on care and maintenance.

The Company is carrying out activities to apply for a new mining license, but the process has taken longer than expected. No guarantee can be given that the new mining licenses for the BYP Mine will be issued, or if they are issued, that they will be issued under reasonable operational and/or financial terms, or in a timely manner, or that the Company will be in a position to comply with all conditions that are imposed.

Capitalized Exploration and Development Expenditures

Ying Mining District

In Fiscal 2021, a total of 208,904 m or $6.9 million worth of diamond drilling were completed at the Ying Mining District (Fiscal 2020 – 85,643 m or $2.5 million), of which a total of 150,324 m or $3.2 million worth of underground diamond drilling were expensed as part of mining costs (Fiscal 2020 – 85,643 m or $2.5 million) and a total of 58,580 m or $3.7 million worth of surface drilling were capitalized (Fiscal 2020 – nil). In addition, approximately 22,918 m or $6.7 million worth of preparation tunnelling were completed and expensed as mining preparation costs (Fiscal 2020 – 19,088 m or $5.7 million) at the Ying Mining District, and approximately 73,350 m or $27.4 million worth of horizontal tunnels, raises and declines were completed and capitalized (Fiscal 2020 – 70,240 m or $23.9 million).

GC Mine

In Fiscal 2021, approximately 45,996 m or $1.8 million worth of underground diamond drilling (Fiscal 2020 – 22,513 m or $1.0 million) and 11,719 m or $2.2 million worth of tunnelling (Fiscal 2020 – 19,315 m or $4.6 million) were completed and expensed as mining preparation costs at the GC Mine. In addition, approximately 11,871 m or $3.9 million worth of tunnels, raises, ramps, and declines were completed and capitalized (Fiscal 2020 – 3,327 m or $2.4 million).

ITEM 4 DESCRIPTION OF THE BUSINESS

4.1 General

Silvercorp's principal products and its sources of sales are silver-bearing lead and zinc concentrates. At present, Silvercorp sells all its products to local smelters or companies in the mineral products trading business.

For each of the Company's two most recently completed fiscal years, revenues for each category of products that accounted for 10% or more of total consolidated revenues are as follows:

	Years ended March 31,	
In 000s'US$	2021	2020
Silver (Ag)	111,191	84,872
Lead (Pb)	50,464	51,966
Zinc (Zn)	21,793	15,780

Additional information is provided in the Company's financial statements and management's discussion and analysis for its most recently completed fiscal year.

The mining industry is intensely competitive and the Company competes with many companies possessing similar or greater financial and technical resources. The Company's competitive position is largely reliant upon its ability to maintain a high margin operation, resulting from relatively high grade resources, and lower production costs in China compared to the costs of other producers outside China. The Company's competitive advantage also results from the quality of its concentrates and its proximity to local smelters.

In Fiscal 2021, ore processed and silver and lead production at the Ying Mining District were in line with the annual guidance, while zinc production was 1% below 7.0 million pounds, the low end of the annual guidance. The all-in sustaining production cost per tonne of ore processed was 1% below the low end of the annual guidance, while the per tonne cash production cost was 1% above $82.5, the high end of the annual guidance.

In Fiscal 2020, silver and zinc production at the Ying Mining District surpassed its annual guidance by 2% and 16%, respectively, while lead production was in line with its annual guidance. The higher silver production was mainly due to the increase in head grades, offset by lower ore production achieved and the higher zinc production was mainly due to the improvement in recovery rates. Silver and lead head grades increased to 309 g/t for silver and 4.6% for lead from the guidance of 290 g/t and 4.3%, respectively. The cash production cost per tonne of ore processed was 1% below its annual guidance while the all-in sustaining production cost was 2% over its annual guidance.

In Fiscal 2021, silver, lead and zinc production at the GC Mine were all above the high end of the annual guidance by 2%, 1% and 13%, respectively, as the ore processed was 2% above the high end of the annual guidance and the zinc head grade was better than the forecast. The per tonne cash production cost and all-in sustaining production cost were 1% and 6%, respectively, below the low end of the annual guidance.

In Fiscal 2020, silver, lead and zinc production at the GC Mine surpassed its annual guidance by 16%, 23% and 18%, respectively, mainly due to an increase of 8% in ore production and an improvement in head grades. Per tonne cash production cost and all-in sustaining production cost were 8% and 10% lower than its annual guidance.

As at March 31, 2021, the Company had 965 employees at Henan Found, 268 at Guangdong Found, 4 at Hunan Yunxiang, 31 at Silvercorp Metals (China) Inc., and 21 at the Vancouver corporate office.

Fiscal 2022 Outlook

Production

For the year ended March 31, 2022 ("Fiscal 2022"), the Company expects to produce approximately 960,000 to 1,010,000 tonnes of ore, which is anticipated to yield approximately 6.4 million to 6.7 million ounces of silver, 65.7 million to 68.9 million pounds of lead, and 26.9 million to 28.5 million pounds of zinc. Fiscal 2022 production guidance represents an anticipated increase of approximately 3% in silver production, 7% to 10% in zinc production, and similar levels in lead production compared to the Fiscal 2021 annual guidance.

In Fiscal 2022, at the Ying Mining District, production is expected to be 670,000 to 700,000 tonnes of ore with grades of 284 g/t silver, 4.2% lead and 0.9% zinc, with expected metal production of 5.7 million to 5.9 million ounces of silver, 57.2 million to 59.8 million pounds of lead, and 7.8 million to 8.1 million pounds of zinc. The cash production cost is expected to be $87.1 to $91.7 per tonne of ore. The all-in sustaining cost is forecasted to be $134.2 to $141.2 per tonne of ore.

In Fiscal 2022, the GC Mine plans to mine and process 290,000 to 310,000 tonnes of ore averaging 86 g/t silver, 1.5% lead and 3.6% zinc with expected metal production of 0.6 million to 0.7 million ounces of silver, 8.5 million to 9.1 million pounds of lead, and 19.1 million to 20.4 million pounds of zinc. The cash production cost is expected to be $55.7 to $59.6 per tonne of ore. The all-in sustaining cost at GC Mine is expected to be $81.3 to 85.6 per tonne of ore.

Capital Expenditures Budget

In Fiscal 2022, the total capital expenditures at the Ying Mining District and the GC Mine are estimated at $38.2 million, including plans to: (i) complete 6,600 m of ramp development tunnelling at estimated capitalized expenditures of $5.6 million; (ii) complete 62,500 m of exploration and other development tunnelling at estimated capitalized expenditures of $21.8 million; (iii) complete 50,000 m of surface diamond drilling at estimated capitalized expenditures of $3.5 million, and (iv) spend $7.3 million on equipment and facilities. The Company also plans to complete and expense 33,600 m of mining preparation tunnelling and 206,900 m of underground diamond drilling.

Other Development Plans

In Fiscal 2022, the Company plans to commence a Phase I 10,000 m drilling program at the La Yesca Project at an estimated cost of $3.3 million. The Company has applied for the necessary drilling permits from the respective Mexican government agencies and is awaiting approval.

The Company plans to initiate an extensive drilling campaign at the Zhonghe Project. The Company will formalize the plan and provide an update on the cost estimates with respect to the Zhonghe Project once the mineral rights transfer contract is executed.

The Company is in the process of applying for permits to build a third tailings facility near the existing tailings facilities at the Ying Mining District. The Company is also considering plans to expand the current milling capacity or build a new mill for future production expansion at the Ying Mining District. There is potential to consolidate mineral properties near the Ying Mining District, and to process ore from Zhonghe Project during its development stage.

Growth by Exploration and Acquisition

The Company continues to pursue future growth opportunities by carrying out exploration programs within existing permit areas at its projects. For example, on May 28, 2020, the Company announced a drill program targeting gold mineralization at the LMW, LME and TLP mines.

In Fiscal 2021, the Company commenced extensive drilling programs at the Ying Mining District with two main objectives: i) re-examining areas with existing development and access to potentially define additional resources and reserves, which led to a reduction of 17,010 M or $5.0 million worth of exploration and development tunneling in Fiscal 2021, and ii) testing areas which may have been overlooked for potential gold mineralization for different alteration styles from the typical silver-lead zones.

In addition, the Company continues to evaluate the acquisition of exploration, development and production assets, or the acquisition of or merger with other entities. The Company regularly engages in discussions with respect to such possible opportunities. At any time, discussions and activities may be in progress on a number of initiatives, each at different stages of advancement. Although the Company may from time to time be a party to a number of letters of intent with respect to certain opportunities and other acquisitions, the Company currently does not have any binding agreements or binding commitments to enter into any such transactions. There is no assurance that any potential transaction will be successfully completed.

Specialized Skill and Knowledge

A majority of aspects of our business require specialized skills and knowledge, certain of which are in high demand and in limited supply. Such skills and knowledge include the areas of permitting, engineering, geology, metallurgy, logistical planning, implementation of exploration programs, mine construction and development, mine operation, as well as legal compliance, finance and accounting. We have highly qualified management personnel and staff, an active recruitment program, and believe that persons having the necessary skills are generally available. We have found that we can locate and retain competent employees and consultants in such fields. We do not anticipate having significant difficulty in recruiting other personnel as needed. Training programs are in place for workers that are recruited locally.

Competitive Conditions

The silver exploration and mining business is a competitive business. We compete with numerous other companies and individuals in the search for and the acquisition of quality properties, mineral claims, permits, concessions and other mineral interests, as well as recruiting and retaining qualified employees.

Business Cycles

The mining business is subject to mineral price and investment climate cycles. The marketability of minerals is also affected by worldwide economic and demand cycles. It is difficult to assess if the current commodity prices are long-term trends, and there is uncertainty as to the recovery, or otherwise, of the world economy. If global economic conditions weaken and commodity prices decline as a consequence, a continuing period of lower prices could significantly affect the economic potential of the Company's projects.

International Operations

Our principal operations and assets are located in China. Our operations are exposed to various levels of political, economic and other risks and uncertainties. These risks and uncertainties include, but are not limited to, government regulations (or changes to such regulations) with respect to restrictions on production, export controls, income taxes, royalties, excise and other taxes, expropriation of property, repatriation of profits, environmental legislation, land use, water use, local ownership requirements and land claims of local people, regional and national instability and security, mine safety, and sanctions. The effect of these factors cannot be accurately predicted. See Item 4.3 *Chinese Mining Law and* 4.4 *Risk Factors* below.

Economic Dependence

The Company's business is not substantially dependent on any contract such as a contract to see the major part of its products or services or to purchase the major part of its requirements for goods, services or raw materials, or on any franchise, license or other agreement to use a patent, formula, trade secret, process or trade name upon which its business depends.

Bankruptcy and Similar Procedures

There is no bankruptcy, receivership or similar proceedings against the Company, nor is the Company aware of any such pending or threatened proceedings. There have not been any voluntary bankruptcy, receivership or similar proceedings by the Company within the three most recently completed financial years or currently proposed for the current financial year.

4.2 Corporate Governance, Safety, Environment and Social Responsibility

The Company is committed to the principles of sustainable development and conducting our activities in an environmentally and socially responsible manner. Our core environmental, social, governance ("ESG") values are: caring for the environment in which we operate; contributing to the long-term development of our host communities; ensuring safe and secure workplaces for our employees; and contributing to the welfare of our employees, local communities, and governments; and operating transparently.

Our inaugural sustainability report (the "Sustainability Report") released on December 16, 2020 is available on our website at www.silvercorp.ca, and the Company plans to release an updated Fiscal 2021 sustainable report in the second quarter of Fiscal 2022.

(a) Governance

Our Board oversees the direction and strategy of the business and the affairs of the Company. As at March 31, 2021 and the date of this AIF, the Board is comprised of five directors, four of which are independent. The Board's wealth of experience allows it to effectively oversee the development of corporate strategies and the key risks of the business, provide management with long-term direction, consider and approve major decisions, oversee the business generally and evaluate corporate performance. The Corporate Governance Committee, appointed by the Board, oversee the effective functioning of the Board and the implementation of governance best practices.

We believe that good corporate governance is essential to the effective performance of the Company and plays a significant role in protecting the interests of all stakeholders, while helping to maximize value.

(b) Health, Safety, and Environment

The Company prioritizes environmental protection, as well as ensuring a safe workplace for all employees and contractors at all of our sites. These corporate philosophies tie directly into the emphasis on efficient process design and management across all aspects of the operation. Significant, ongoing efforts are made to identify and minimize risks, as well as streamline the collection, monitoring and reporting of data. An information technology application that was developed in-house in 2014, the "Enterprise-Blog", is an instrumental tool used to ensure all mandatory procedures are being performed. In addition, an on-line, real time, monitoring and GPS system was established to further the Company's goal of creating an "intelligent mine".

The Company has remained focused on sustainable development since its inception and is dedicated to fulfilling its environmental goals and responsibilities for the communities where it operates. Silvercorp is committed to building green mines and employing the latest design, construction and management practices to ensure our mining environment undergoes timely rehabilitation. The SGX and HZG mines received the Chinese "National Green Mine" certification in 2015, and the Company's TLP, LME, LMW, and

HPG mines at the Ying Mining District and the GC Mine received the Chinese “Green Mine” certification in Fiscal 2021.

As part of our objective to minimize the impact our operations have on the environment, the Company strives to reduce its energy and water consumption, and to minimize greenhouse gas emissions and the negative impact on water quality.

The Company is deeply committed to protecting the health, safety and well-being of our employees, contractors, suppliers, and communities where we operate. The Company believes that operating safe mines and building a culture of safety are directly related to our operational success and the ability to create long-term value for all our stakeholders. Training for new workers and ongoing training programs are a priority and Silvercorp continuously reviews and refines all standard procedures at our facilities to identify any potential risks associated with each step of the operation.

Moreover, in response to health risks associated with the spread of COVID-19, the Company implemented a number of health and safety measures designed to protect employees and local communities at its operations and no cases were reported among the Company’s employees.

(c) Social Responsibility and Economic Value

The Company is committed to creating sustainable value in the communities where our people work and live. Guided by research conducted by our local offices, the Company participates in, and contributes to numerous community programs that typically center on education and health, nutrition, environmental awareness, local infrastructure and fostering additional economic activity. In addition to the taxes and fees paid to various levels of government in China, in Fiscal 2021, the Company:

- promoted community health and poverty reduction in the local community, with an emphasis on children and seniors, with periodic visits and subsidies;
- donated $0.1 million to institutions in scholarship or education assistance programs to support children’s education at the local and national levels; and
- donated $0.2 million to the local community and government as part of the Company’s effort to help improve local infrastructure and environmental protection.

4.3 Chinese Mining Law

Currently, all of the Company’s material properties are located in China. Under the laws of China, mineral resources are owned by the state, and until 1997, state-owned enterprises have been the principal force in the development of mineral resources.

A new Mineral Resources Law became effective on January 1, 1997, and two regulations were promulgated on February 12, 1998, and later amended in July 2014. The new law provided for equal legal status for domestic enterprises and enterprises with foreign investment, security and transferability of mineral titles as well as the exclusivity of mining rights. The right to explore and exploit minerals is granted by way of exploration and mining rights. The holder of an exploration right has priority in obtaining the mining right to mineral resources within the exploration area provided the holder meets the conditions and requirements specified in the law. The Company’s interests in mineral properties are held though joint venture companies established under and governed by the laws of China. The Company’s joint venture partners in China include state-sector entities and, like other state-sector entities, their actions and priorities may be dictated by government policies instead of purely commercial considerations.

The *Mineral Resources Law* is subject to further revisions and in February 2020, the Ministry of Natural Resources (“MNR”) submitted the revised draft (“Revised Draft”) to the State Council for approval. Although the Revised Draft has not been formally promulgated, a substantial part of the Revised Draft was effectively

brought into effect by the *Opinions on Promoting the Reform of Mineral Resources Management (Trial)*

("Opinions") issued by MNR on December 7, 2019 (effective on January 9, 2020). It is expected that the Revised Draft will have a positive impact on the Chinese mining industry. Firstly, the term of the exploration licence granted upon the first registration is increased to five years from the original three years, which is extendible for two five-year periods (which is increased from the previous two years). Secondly, a competitive assignment system is established for mining rights. Mining rights can only be assigned by governments through public bidding, auction or listing, unless in very limited circumstances such as the projects are related to rare earth and radioactive minerals, or key construction projects approved by the State Council, where mining rights can be granted by written transfer agreement between the government and the applicants. Thirdly, the registration for the assignment of the exploration rights and mining rights to the same mineral resources used to be completed at different levels of government authorities. However, now the assignment of the exploration rights and mining rights are registered at the same level of government – fourteen minerals that are strategically important to the state are governed by MNR, while silver, lead, zinc and other resources are governed by provincial or lower-level governments.

Additionally, companies with a foreign ownership component operating in China may be required to work within a framework which is different from that imposed on domestic Chinese companies. The Chinese government currently allows foreign investment in certain mining projects under central government guidelines. According to the *2020 Edition of the Special Administrative Measures for Access of Foreign Investment* ("Negative List") effective July 23, 2020, as long as the mineral resources are not "tungsten, rare earth and radioactive minerals" in the Negative List, foreign investors can engage in the mining activities in China, either directly or indirectly.

On January 1, 2020, the *Regulation for Implementing the Foreign Investment Law* ("FIL") came into force in China. FIL and supporting regulations and policies were amended to further open up China and provide foreign-invested enterprises ("FIEs") "national treatment". Under FIL, FIEs are treated equal to domestic enterprises in many important respects, including the reduction of previous approval and filing procedures. FIL replaces existing laws on foreign investment passed in China between 1979 and 1990, namely the *Law on Sino-Foreign Contractual Joint Ventures* ("CJV Law").

Key Impact of FIL on Existing FIEs

Corporate Governance

For existing FIEs, they can retain their corporate structure etc. unchanged for five years starting from the effectiveness of the FIL, i.e., January 1, 2020. Upon the expiration of the five-year transition period (the "Transition Period"), all FIEs are governed by *PRC Company Law*.

Upon the expiration of the Transition Period, the highest authority will be transferred from the Board of Directors to the shareholders. The decision-making authority specified in the original Articles of Association of the entity will change such that decisions on significant matters are to be made by the shareholders. The shareholders have the right to elect and dismiss directors, and have broad decision-making power over a company's management. Resolutions on major matters require more than ⅔ of the voting rights of the shareholders. If there is a special agreement on the veto power of the Chinese joint venture party or the FIE in the original Articles of Association of the entity, a supplementary term can be signed to remove or retain such agreement. Under CJV Law, terms of operations were stipulated to be 30 years in a company's articles of association. Under FIL, this 30 year period can be amended to be a longer term.

The below table shows the key differences on corporate structure and governance under the CJV Law and FIL.

	CJV Law	**FIL (PRC Company Law)**
Highest authority	Board of Directors or Joint Management Committee	Shareholders

Powers and duties of highest authority	All major decisions, such as amendments to the Articles of Association, increase and decrease of registered capital, merger or spin-off, assets, mortgage and dissolution	More detailed than those under CJV Law
Voting rules for major issues	Unanimous consent of all directors or members of the Joint Management Committee present at the meeting	Favourable votes of shareholders holding ⅔ or more of the voting rights
Number of directors	No less than 3 directors or members of the Joint Management Committee	3-13 directors for a Board or one executive director
Quorum	⅔ or more of all directors or members of the Joint Management Committee	As determined by shareholders
Term of director	No more than 3 years (can be re-elected)	No more than 3 years (can be re-elected)
Legal representative	Chairman of the Board or the director of the Joint Management Committee	Chairman of the Board, executive director or general manager
Foreign investment ratio	Generally, no less than 25%. There are some restrictions applied	No restrictions – unless otherwise specified in the Negative List
Distribution of profits	In proportion to the contribution of the registered capital	In proportion to the paid-in contribution to the registered capital unless otherwise agreed by the shareholders

Equity Transfer

Under CJV Law, a shareholder needs to obtain consents of all other shareholders if it intends to transfer its shares in the joint venture regardless of whether it is an internal transfer (i.e., transfer to another shareholder if there are more than two shareholders) or it is an external transfer. In contrast, FIL offers more flexible transfer mechanisms – there are no consent requirement if it is an internal transfer. In cases of external transfers, consents of more than half of the other shareholders are required and if any other shareholder refuses the transfer but refuses to buy such shares to be transferred, then such shareholder shall be deemed having agreed with the proposed transfer. The FIL also allows the shareholders to agree on different share transfer mechanisms, which gives more flexibility to shareholders on transfer of shares.

Under FIL, FIEs can participate in government procurement, issue shares, corporate bonds and other forms of financing to the public in accordance with applicable laws. Capital gains within China by FIEs can be freely remitted in RMB or any other foreign currency. In addition to accepting supervision and inspection by applicable regulatory authorities, no organization or individual may illegally restrict the currency, amount, and frequency of remittances.

Foreign Investment Policy and COVID Pandemic

The Chinese government has remained committed to implementing FIL and providing support for FIEs during the COVID pandemic. In February to April 2020, the Ministry of Commerce ("MOFCOM") and the National Development and Reform Commission ("NDRC") issued a comprehensive array of regulations urging local governments to provide special assistance to FIEs, such as expedited licensing approvals, and other methods to help FIEs restore normal production and operation.

National Security Review for Foreign Investment and Retaliation against other Jurisdictions' Discriminatory Measures

Nevertheless, China has further developed the national security review for foreign investment and established a formal legal basis for retaliation against other jurisdictions' discriminatory measures. These measures leave great discretion in the hands of the government, and therefore, whether they will constitute a serious obstacle for foreign investors will depend on how they are applied in practice.

Under the FIL, it is reiterated that security review may be conducted for any foreign investment that affects or may affect the national security of China. On December 19, 2020, MOFCOM and NDRC jointly promulgated the *Measures for National Security Review of Foreign Investment* ("Measures"), taking effect on January 18, 2021. The Measures cover a wide range of industry sectors, from defence and technology involving foreign investment, to critical agricultural production, energy and resources, cultural products and financial services where a foreign investor gains actual control of an investment target. The term "actual control" is defined quite broadly and includes the following situations: if foreign investors own more than 50 percent of the shares; if foreign investors owns less than 50 percent of the shares, but have sufficient voting rights to exert a material influence over the shareholders' vote and resolutions of the board of directors; or if foreign investors have a significant impact on the target's business decisions-making, human resources, finance or technologies, etc. Further, foreign investors are subject to national security review not only for investing in new projects or acquiring equity or assets, but also for any other types of investment such as nominal shareholders, trust, multiple-layer investments, lease, control by agreement or offshore transactions. Regarding any transaction falling under the Measures, a foreign investor will have to file a notification with the review task force headed by NDRC and MOFCOM. After their review, the foreign investment may be approved, directly prohibited or granted conditional approval.

On September 19, 2020, MOFCOM initially announced the *Provisions on the Unreliable Entity List*, aiming to punish firms, organizations or individuals that damage national security. Companies that are on the list could be banned from trade and investing in China and face hefty fines or entry restrictions on their employees. On January 9, 2021, MOFCOM further issued the *Rules on Counteracting Unjustified ExtraTerritorial Application of Foreign Legislation and Other Measures*. A Chinese person or organization that is prohibited or restricted by foreign legislation from engaging in normal economic, trade and related activities with a third State or region or its persons or organizations, must report the situation to the commerce department within 30 days. The commerce department along with other relevant central departments (working mechanism) will then assess a case for its potential violation of international law, impact on China's sovereignty and national security, and impact on Chinese persons or organizations. After assessment, the working mechanism may confirm that there exists unjustified extra-territorial application of foreign legislation/measures and decide that the State Council shall issue a prohibition order.

Civil Code

The National People's Congress passed the Civil Code of PRC, which took effect from January 1, 2021 ("Civil Code"). The Civil Code is an amalgamation of the existing civil and tort related laws and regulations, covering various matters such as private property, contracts, personal privacy, marriage and family, inheritance, and torts. While the Civil Code does not fundamentally or substantially change the civil law regime or the administrative system that affect FIEs, certain specific changes may have impacts on them in relation to their business, legal or compliance models and practices, in the areas such as contracts, secured transactions and civil litigation.

Resources Tax

Mining companies are required to pay several fees and taxes, including but not limited to resources tax for developing taxable resources in China. With the Resources Tax Law coming into effect from September 1, 2020 to replace the old regulations, there is no significant change on the tax burden of mining companies. Generally, silver, lead and zinc are taxable resources, calculated based on the prices of resources. The basic range of tax rates is 2-6% for silver, and 2-10% for lead/zinc. Within this range, provincial governments

may stipulate actual rates. Each province also has the power to formulate tax exemption or reduction policies under the Resources Tax Law.

Land Reclamation and Environmental Restoration

Mining companies are regulated to rehabilitate the affected land and to restore biodiversity offset areas around the mines. Before mining activities begin, mining companies shall submit a rehabilitation plan when applying for construction land or mining rights. The existing mining right holders have the same obligation to submit such rehabilitation plan to original approving authorities. On July 16, 2019, MNR revised several regulations, including Geological Environment Protection Provisions of Mines and Measures for the Implementation of the Regulation on Land Reclamation. It is required that the fees for land rehabilitation or reclamation shall be included in the restoration fund established by the mining company. A company has more freedom to use the restoration fund, compared with the previous security bond requirement required to be submitted to the government authorities. In the meantime, the government has strengthened enforcement on the supervision and inspection of the restoration of the mine's geological environment. Non-compliance with the environment restoration obligations may cause fines, rejection of extension of permits, inclusion into the blacklist on the Credit China website, and public interest lawsuits.

4.4 Risk Factors

An investment in the Common Shares of the Company involves a significant degree of risk and ought to be considered a highly speculative investment. The following risk factors, as well as risks not currently known to the Company, could materially adversely affect the Company's future business, operations and financial condition and could cause them to differ materially from the estimates described in the forward-looking statements and information relating to the Company.

COVID-19

The Company's business, operations and financial condition could be materially adversely affected by the outbreak of pandemics or other health crises, such as the outbreak of COVID-19 that was designated as a pandemic by the World Health Organization on March 11, 2020. The international response to the spread of COVID-19 has led to significant restrictions on travel, temporary business closures, quarantines, global stock market volatility, and a general reduction in consumer activity. Such public health crises can result in operating, supply chain and project development delays and disruptions, global stock market and financial market volatility, declining trade and market sentiment, reduced movement of people and labour shortages, and travel and shipping disruption and shutdowns, including as a result of government regulation and prevention measures, or a fear of any of the foregoing, all of which could affect commodity prices, interest rates, credit risk and inflation. In addition, the current COVID-19 pandemic, and any future emergence and spread of similar pathogens could have an adverse impact on global economic conditions which may adversely impact the Company's operations, and the operations of suppliers, contractors and service providers.

The Company may experience business interruptions, including suspended (whether government mandated or otherwise) or reduced operations relating to COVID-19 and other such events outside of the Company's control, which could have a material adverse impact on its business, operations and operating results, financial condition and liquidity.

As at the date of this AIF, the duration of the business disruptions and related financial impact of COVID-19 cannot be reasonably estimated. It is unknown whether and how the Company may be affected if the pandemic persists for an extended period of time.

The Company's exposure to such public health crises also includes risks to employee health and safety. Should an employee, contractor, community member or visitor become infected with a serious illness that has the potential to spread rapidly, this could place the Company's workforce at risk.

Fluctuating commodity prices

The Company's sales price for silver is fixed against the Shanghai White Platinum & Silver Exchange as quoted at www.ex-silver.com; lead and zinc are fixed against the Shanghai Metals Exchange as quoted at www.shmet.com; and gold is fixed against the Shanghai Gold Exchange as quoted at www.sge.com.cn.

The Company's revenues, if any, are expected to be in large part derived from the mining and sale of silver, lead, zinc, and gold contained in metal concentrates. The prices of those commodities have fluctuated widely, particularly in recent years, and are affected by numerous factors beyond the Company's control including international and regional economic and political conditions; emerging risks relating to the spread of COVID-19; expectations of inflation; currency exchange fluctuations; interest rates; global or regional supply and demand for jewellery and industrial products containing silver and other metals; sale of silver and other metals by central banks and other holders, speculators and producers of silver and other metals; availability and costs of metal substitutes; and increased production due to new mine developments and improved mining and production methods. The effects of these factors on the price of base and precious metals, and therefore the viability of the Company's exploration projects and mining operations, cannot be accurately predicted and thus the price of base and precious metals may have a significant influence on the market price of the Company's shares and the value of its projects.

If silver and other metal prices were to decline significantly for an extended period of time, the Company may be unable to continue operations, develop its projects, or fulfil obligations under agreements with the Company's joint venture partners or under its permits or licenses.

Recent market events and condition

Over the past several years market events and conditions, including disruptions in the Canadian, United States and international credit markets and other financial systems, along with the uncertainty of the Canadian, United States and global economic conditions which have been heightened due to risks relating to the spread of COVID-19, and the prior decline in precious metal prices, could, among other things, impede access to capital or increase the cost of capital, which would have an adverse effect on the Company's ability to fund its working capital and other capital requirements.

Over the past several years, worldwide securities markets, particularly those in the United States and Canada, have experienced a high level of price and volume volatility. Of note, the share prices of natural resource companies have in the past experienced an extraordinary decline in value and in the number of buyers willing to purchase such securities. In addition, significantly higher redemptions by holders of mutual funds have forced many of such funds (including those holding the Company's securities) to sell such securities with little consideration to the price received.

Therefore, there can be no assurance that significant fluctuations in the trading price of the Company's Common Shares will not occur, or that such fluctuations will not materially adversely impact the Company's ability to raise equity funding without significant dilution to its existing shareholders, or at all.

Estimation of Mineral Resources, Mineral Reserves, mineralization, and metal recovery

There is a degree of uncertainty attributable to the estimation of Mineral Resources, Mineral Reserves, mineralization and corresponding grades being mined or dedicated to future production. Until Mineral Resources, Mineral Reserves or mineralization are actually mined and processed, the quantity of metals and grades must be considered as estimates only. Any material change in quantity of Mineral Resources, Mineral Reserves, mineralization, or grade may affect the economic viability of the Company's projects. In addition, there can be no assurance that precious or other metal recoveries in small-scale laboratory tests will be duplicated in larger scale tests or during production.

Interpretations and assumptions of Mineral Resource and Mineral Reserve estimates

Unless otherwise indicated, Mineral Resource and Mineral Reserve estimates presented in this AIF and in the Company's other filings with securities regulatory authorities, press releases and other public statements that may be made from time to time are based upon estimates made by the Company's personnel and independent geologists/mining engineers. These estimates are imprecise and depend upon geologic interpretation and statistical inferences drawn from drilling and sampling analysis, which may prove to be unreliable. The Mineral Resource and Mineral Reserve estimates contained in this AIF have been determined based on assumed future prices, cut-off grades, operating costs and other estimates that may prove to be inaccurate. There can be no assurance that these estimates will be accurate, that Mineral Reserve, Mineral Resource or other mineralization figures will be accurate, or that the mineralization could be mined or processed profitably. The interpretation of drill results, the geology, grade and continuity of the Company's mineral deposits contains inherent uncertainty. Any material reductions in estimates of mineralization, or of the Company's ability to extract this mineralization, could have a material adverse effect on its results of operations or financial condition.

Exploration and development programs

The long-term operation of the Company's business and its profitability is dependent, in part, on the cost and success of its exploration and development programs. Mineral exploration and development involve a high degree of risk and few properties that are explored are ultimately developed into producing mines. There can be no assurance that the Company's mineral exploration and development programs will result in any discoveries of bodies of commercial mineralization. There can also be no assurance that even if commercial quantities of mineralization are discovered that a mineral property will be brought into commercial production. Development of the Company's mineral properties will follow only upon obtaining satisfactory exploration results. Discovery of mineral deposits is dependent upon a number of factors, including the technical skill of the exploration personnel involved. The commercial viability of a mineral deposit once discovered is also dependent upon a number of factors, some of which are the particular attributes of the deposit (such as size, grade and proximity to infrastructure), metals prices and government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection. Most of the above factors are beyond the control of the Company. As a result, there can be no assurance that the Company's exploration and development programs will yield reserves to replace or expand current resources. Unsuccessful exploration or development programs could have a material adverse effect on the Company's operations and profitability.

Economic factors affecting the Company

Many industries, including the mining industry, are impacted by market conditions. Some of the key impacts of the recent financial market turmoil include risks relating to COVID-19, contraction in credit markets resulting in a widening of credit risk, devaluations and high volatility in global equity, commodity, foreign exchange and precious metals markets, and a lack of market liquidity. A continued or worsened slowdown in the financial markets or other economic conditions, including but not limited to, consumer spending, employment rates, business conditions, inflation, fuel and energy costs, consumer debt levels, lack of available credit, the state of the financial markets, interest rates, and tax rates may adversely affect the Company's growth and profitability. Specifically: the volatility of silver, lead, zinc and gold prices may impact the Company's revenues, profits, losses and cash flow; volatile energy prices, commodity and consumable prices and currency exchange rates would impact the Company's production costs; and the devaluation and volatility of global stock markets may impact the valuation of the Company's equity and other securities. These factors could have a material adverse effect on the Company's financial condition and results of operations.

Timing, estimated amount, capital and operating expenditures and economic returns of future production

There are no assurances if and when a particular mineral property of the Company can enter into production. The amount of future production is based on the estimates prepared by or for the Company.

The capital and operating costs to take the Company's projects into production or maintain or increase production levels may be significantly higher than anticipated. Capital and operating costs of production and economic returns are based on estimates prepared by or for the Company and may differ significantly from their actual values. There can be no assurance that the Company's actual capital and operating costs will not be higher than currently anticipated. In addition, the construction and development of mines and infrastructure are complex. Resources invested in construction and development may yield outcomes that may differ significantly from those anticipated by the Company.

Integration of future acquisitions into existing operations

The Company may make select future acquisitions. If the Company does make acquisitions, any positive effect on the Company's results will depend on a variety of factors, including, but not limited to: integrating the operations of an acquired business or property in a timely and efficient manner; maintaining the Company's financial and strategic focus while integrating the acquired business or property; implementing uniform standards, controls, procedures and policies at the acquired business, as appropriate; and to the extent that the Company makes an acquisition outside of markets in which it has previously operated, conducting and managing operations in a new operating environment.

Acquiring additional businesses or properties could place pressure on the Company's cash reserves if such acquisitions involve cash consideration or if such acquisitions involve share consideration existing shareholders may experience dilution.

The integration of the Company's existing operations with any acquired business may require significant expenditures of time, attention and funds. Achievement of the benefits expected from consolidation may require the Company to incur significant costs in connection with, among other things, implementing financial and planning systems. The Company may not be able to integrate the operations of a recently acquired business or restructure the Company's previously existing business operations without encountering difficulties and delays. In addition, this integration may require significant attention from the Company's management team, which may detract attention from the Company's day-to-day operations.

Over the short-term, difficulties associated with integration could have a material adverse effect on the Company's business, operating results, financial condition and the price of the Company's Common Shares. In addition, the acquisition of mineral properties may subject the Company to unforeseen liabilities, including environmental liabilities, which could have a material adverse effect on the Company. There can be no assurance that any future acquisitions will be successfully integrated into the Company's existing operations.

Permits and licenses for mining and exploration in China

All Mineral Resources and Mineral Reserves of the Company's subsidiaries are owned by their respective joint venture entities in China. Mineral exploration and mining activities in China may only be conducted by entities that have obtained or renewed exploration or mining permits and licenses, and other certificates in accordance with the relevant mining laws and regulations. These permits and license are also subject to annual inspection by government authorities. Failure to pass the annual inspections may result in penalties. No guarantee can be given that the necessary exploration and mining permits and licenses will be issued to the Company or, if they are issued, that they will be renewed, or if renewed under reasonable operational and/or financial terms, or in a timely manner, or that the Company will be in a position to comply with all conditions that are imposed. Please see "Table 1, Mining licenses", on page 36 for information on the current status of mining licences at the Ying Project.

Nearly all mining projects require government approvals and permits relating to environmental, social, land and water usage, community, and other matters, including those discussed in Sections 20 of the respective NI 43-101 Technical Reports on the Company's material properties (see the Ying Report and the GC Report respectively). Some of the permits or certificates that are subject to renewal in the next three years at the GC Mine, not otherwise discussed in the GC Report include:

Permit	Expiry Date	Approving Authority
Safety Production Permit	September 03, 2023	Bureau of Safety Production and Inspection of Yunfu City, Guangdong Province
Dry Stacking and Filling Safety Production Permit	September 03, 2023	Bureau of Safety Production and Inspection of Yunfu City, Guangdong Province
Pollutant Discharge Permit	August 30, 2025	Environment Protection Administration of Yunfu, Guangdong Province

There can be no certainty that approvals necessary to develop and operate mines on the Company's properties will be granted or renewed in a timely and/or economical manner, or at all.

Title to properties

The validity of mining or exploration titles or claims or rights, which constitute most of our property holdings, can be uncertain and may be contested. Our properties may be subject to prior unregistered liens, agreements or transfers, indigenous land claims, or undetected title defects. In some cases, we do not own or hold rights to the mineral concessions we mine. We have not conducted surveys of all the claims in which we hold direct or indirect interests and therefore, the precise area and location of such claims may be in doubt. No assurance can be given that applicable governments will not revoke or significantly alter the conditions of the applicable exploration and mining titles or claims, or that such exploration and mining titles or claims will not be challenged or impugned by third parties.

We may be unable to operate our properties as expected, or to enforce our rights to our properties. Any defects in title to our properties, or the revocation of our rights to mine, could have a material adverse effect on our operations and financial condition.

We operate in countries with developing mining laws, and changes in such laws could materially impact our rights or interests to our properties. We are also subject to expropriation risk, including the risk of expropriation or extinguishment of property rights based on a perceived lack of development or advancement. Expropriation, extinguishment of rights and any other such similar governmental actions would likely have a material adverse effect on our operations and profitability.

In the jurisdictions in which we operate, legal rights applicable to mining concessions are different and separate from legal rights applicable to surface lands. Accordingly, title holders of mining concessions in many jurisdictions must agree with surface land owners on compensation in respect of mining activities conducted on such land. We do not hold title to all of the surface lands at many of our operations and rely on contracts or other similar rights to conduct surface activities.

Non-controlling interest shareholders

The Company's interests in various projects may, in certain circumstances, become subject to the risks normally associated with the conduct of non-controlling interest shareholders. The existence or occurrence of one or more of the following events could have a material adverse impact on the Company's profitability or the viability of its interests held with non-controlling interest shareholders, which could have a material adverse impact on the Company's business prospects, results of operations and financial conditions: (i) disagreements with non-controlling interest shareholders on how to conduct exploration; (ii) inability of non-controlling interest shareholders to meet their obligations to the applicable entity or third parties; and (iii) disputes or litigation between shareholders regarding budgets, development activities, reporting requirements and other matters.

Acquisition of commercially mineable mineral rights

Most exploration projects do not result in the discovery of commercially mineable ore deposits and no assurance can be given that any particular level of recovery of Mineral Reserves will be realized or that any identified mineral deposit will ever qualify as a commercially mineable (or viable) ore body which can be legally and economically exploited.

The Company's future growth and productivity will depend, in part, on its ability to identify and acquire additional mineral rights, and on the costs and results of continued exploration and development programs. Mineral exploration is highly speculative in nature and is frequently non-productive. Substantial expenditures are required to: establish mineral reserves through drilling and metallurgical and other testing techniques; determine metal content and metallurgical recovery processes to extract metal from the ore; and construct, renovate or expand mining and processing facilities.

In addition, if the Company discovers a mineral deposit, it would likely take at least several years from the initial phases of exploration until production is possible. During this time, the economic feasibility of production may change.

The Company's success at completing any acquisitions will depend on a number of factors, including, but not limited to: identifying acquisitions that fit the Company's business strategy; negotiating acceptable terms with the seller of the business or property to be acquired; and obtaining approval from regulatory authorities in the jurisdictions of the business or property to be acquired. As a result of these uncertainties, there can be no assurance that the Company will successfully acquire additional mineral rights.

Financing

The Company has limited financial resources. If more of the Company's exploration programs are successful in establishing ore of commercial tonnage and grade, additional funds will be required for the development of the ore body and to place it in commercial production. Therefore, the Company's ability to continue its exploration and development activities, if any, will depend in part on the Company's ability to obtain suitable financing.

The Company intends to fund its plan of operations from working capital, proceeds of production, external financing, strategic alliances, sale of property interests and other financing alternatives. The sources of external financing that the Company may use for these purposes include project or bank financing, or public or private offerings of equity or debt. One source of future funds presently available to the Company is through the sale of equity capital. There is no assurance this source of financing will continue to be available as required or on suitable terms, or at all. If it is available, future equity financings may result in substantial dilution to shareholders. Another alternative for the financing of further exploration would be the offering by the Company of an interest in the properties to be earned by another party or parties carrying out further exploration or development thereof. There can be no assurance the Company will be able to conclude any such agreements, on favourable terms or at all. The failure to obtain financing could have a material adverse effect on the Company's growth strategy and results of operations and financial condition.

Competition

The mining industry in general is intensely competitive and there is no assurance that a ready market will exist for the sale of ore, or concentrate, by the Company. Marketability of natural resources which may be discovered by the Company will be affected by numerous factors beyond the control of the Company, such as market fluctuations, the proximity and capacity of natural resource markets and processing equipment, government regulations including regulations relating to prices, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of such factors cannot be predicted but they may result in the Company not receiving an adequate return on its capital.

The Company may be at a competitive disadvantage in acquiring additional mining properties because it must compete with other individuals and companies, many of which have greater financial resources, operational experience and technical capabilities than the Company. The Company may also encounter increasing competition from other mining companies in its efforts to hire experienced mining professionals. Competition for exploration resources at all levels is currently very intense, particularly affecting the availability of manpower. Increased competition could adversely affect the Company's ability to attract necessary capital funding or acquire suitable producing properties or prospects for mineral exploration in the future.

Operations and political conditions

All the Company's material operations are located in China. These operations are subject to the risks normally associated with conducting business in China, which has different regulatory and legal standards than North America. Some of these risks are more prevalent in countries which are less developed or have emerging economies, including uncertain political and economic environments, as well as risks of civil disturbances or other risks which may limit or disrupt a project, restrict the movement of funds or result in the deprivation of contractual rights or the taking of property by nationalization or expropriation without fair compensation, risk of adverse changes in laws or policies, increases in foreign taxation or royalty obligations, license fees, permit fees, delays in obtaining or the inability to obtain necessary governmental permits, limitations on ownership and repatriation of earnings, and foreign exchange controls and currency devaluations.

In addition, the Company may face import and export regulations, including export restrictions, disadvantages of competing against companies from countries that are not subject to similar laws, restrictions on the ability to pay dividends offshore, and risk of loss due to disease and other potential endemic health issues. Although the Company is not currently experiencing any significant or extraordinary problems in China arising from such risks, there can be no assurance that such problems will not arise in the future. The Company currently does not carry political risk insurance coverage.

The Company's interests in its mineral properties are held through joint venture companies established under and governed by the laws of China. The Company's joint venture partners in China include state-sector entities and, like other state-sector entities, their actions and priorities may be dictated by government policies instead of purely commercial considerations. Additionally, companies with a foreign ownership component operating in China may be required to work within a framework which is different from that imposed on domestic Chinese companies. The Chinese government currently allows foreign investment in certain mining projects under central government guidelines. There can be no assurance that these guidelines will not change in the future. See Item 4.3 *Chinese Mining Law* above.

Regulatory environment in China

The Company's principal operations are in China. The laws of China differ significantly from those of Canada and all such laws are subject to change. Mining is subject to potential risks and liabilities associated with pollution of the environment and disposal of waste products occurring as a result of mineral exploration and production.

Failure to comply with applicable laws and regulations may result in enforcement actions and may also include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws and regulations.

China's legislation is undergoing a relatively fast transformation with some old laws superseded by newly enacted laws. New laws and regulations, amendments to existing laws and regulations, administrative interpretation of existing laws and regulations, or more stringent enforcement of existing laws and regulations could create risks or uncertainty for investors in mineral projects or have a material adverse impact on future cash flow, results of operations and the financial condition of the Company.

In addition, China has further strengthened its national security review of foreign investment. The Measures will continue to create an additional layer of uncertainty with respect to foreign investment. Investment plans, timetables, terms and conditions for closing for investment must take into account the timing and contingency of obtaining approval from the national security review process. See Item 4.3 *Chinese Mining Law* above.

Regulatory environment in Mexico

The La Yesca Project is located in Mexico and is subject to extensive laws and regulations governing various matters including, but not limited to, exploration, development, production, price controls, exports, taxes, mining royalties, environmental matters, labor standards, expropriation of property, maintenance of mining claims, land use, land claims of local and indigenous people, water use, waste disposal, power generation, protection and remediation of the environment, reclamation, historic and cultural resource preservation, mine safety, occupational health, and the management and use of toxic substances and explosives, including handling, storage and transportation of hazardous substances.

Such laws and regulations may require the Company to obtain licenses, permits and consents from various governmental authorities and indigenous groups. Failure to comply with applicable laws and regulations, including licensing and permitting requirements, may result in civil or criminal fines, penalties or enforcement actions, including orders issued by regulatory or judicial authorities enjoining or curtailing operations, requiring corrective measures, requiring the installation of additional equipment, requiring remedial actions or imposing additional local or foreign parties as joint venture partners, any of which could result in significant expenditures or loss of income by the Company. The Company may also be required to compensate private parties suffering loss or damage by reason of a breach of such laws, regulations, licensing requirements or permitting requirements.

The Company's income and its mining, exploration and development projects, could be adversely affected by amendments to such laws and regulations, by future laws and regulations, by more stringent enforcement of current laws and regulations, by changes in the policies of Mexico, Canada and other applicable jurisdictions affecting investment, mining and repatriation of financial assets, by shifts in political attitudes in Mexico and by exchange controls and currency fluctuations. The effect, if any, of these factors cannot be accurately predicted. Further, there can be no assurance that the Company will be able to obtain or maintain all necessary licenses and permits that may be required to carry out exploration, development and mining operations at the La Yesca Project.

The costs of discovering, evaluating, planning, designing, developing, constructing, operating and closing the Company's mining, exploration and development activities and operations in compliance with such laws and regulations are significant. It is possible that the costs and delays associated with compliance with such laws and regulations, and new taxes, could become such that the Company would not proceed with mining, exploration and development at one or more of its properties. Moreover, it is possible that future regulatory developments, such as increasingly strict environmental protection laws, regulations and enforcement policies thereunder, and claims for damages to property and persons resulting from the Company's mining, exploration and development projects could result in substantial costs and liabilities for the Company, such that the Company would halt or not proceed with mining, exploration and development at one or more of its properties.

Environmental risks

The Company's activities are subject to extensive laws and regulations governing environmental protection and employee health and safety, including environmental laws and regulations in China. These laws address emissions into the air, discharges into water, management of waste, management of hazardous substances, protection of natural resources, antiquities and endangered species, and reclamation of lands disturbed by mining operations. The Company's Chinese subsidiaries are required to have been issued environmental permits and safety production permits with various expiration dates. These permits are also subject to annual inspection by government authorities. Failure to pass the annual inspections may result in penalties. No guarantee can be given that the necessary permits will be issued to the Company or, if they are issued, that they will be renewed, or if renewed under reasonable operational and/or financial terms, or in a timely manner, or that the Company will be in a position to comply with all conditions that are imposed.

Nearly all mining projects require government approval and permits relating to environmental, social, land and water usage, community matters, and other matters, including those discussed in Sections 20 of the

respective NI 43-101 Technical Reports on the Company's material properties (see the Ying Report and the GC Report respectively, each as defined below).

There are also laws and regulations prescribing reclamation activities on some mining properties. Environmental legislation in many countries, including China, is evolving and the trend has been toward stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and increasing responsibility for companies and their officers, directors and employees. Compliance with environmental laws and regulations may require significant capital outlays on behalf of the Company and may cause material changes or delays in the Company's intended activities. There can be no assurance that the Company has been or will be at all times in complete compliance with current and future environmental, and health and safety laws, and the status of permits will not materially adversely affect the Company's business, results of operations or financial condition. It is possible that future changes in these laws or regulations could have a significant adverse impact on some portion of the Company's business, causing the Company to re-evaluate those activities at that time. The Company's compliance with environmental laws and regulations entail uncertain costs.

Dependence on management and key personnel

The executive director and the China operational management team all have extensive experience in the mineral resources industry in China. Most of the non-executive directors also have extensive experience in mining and/or exploration (or as advisors to companies in the field). The Company's success depends to a significant extent upon its ability to retain, attract and train key management personnel, both in Canada and in China.

The Company depends on the services of a number of key personnel, including the Chief Executive Officer, Chief Financial Officer, and the China operational management team, the loss of any one of whom could have an adverse effect on the Company's operations.

The Company's ability to manage growth effectively will require it to continue to implement and improve management systems and to recruit and train new employees. The Company cannot be assured that it will be successful in attracting and retaining skilled and experienced personnel.

Foreign exchange rate fluctuations

The Company reports its financial statements in US dollars. The functional currency of the head office, Canadian subsidiaries and all intermediate holding companies is the Canadian dollar while the functional currency of all Chinese subsidiaries is Chinese Renminbi. The Company is exposed to foreign exchange risk when the Company undertakes transactions and holds assets and liabilities in currencies other than its functional currencies. The fluctuation of the exchange rate between the reporting currency and its functional currencies may materially and adversely affect the Company's financial position.

Insurance

The Company's mining activities are subject to the risks normally inherent in the industry, including, but not limited, to environmental hazards, flooding, fire, periodic or seasonal hazardous climate and weather conditions, unexpected rock formations, industrial accidents and metallurgical and other processing problems. These risks could result in damage to, or destruction of, mineral properties, production facilities or other properties; personal injury; environmental damage; delays in mining; increased production costs; monetary losses; and possible legal liability. The Company may become subject to liability which it cannot insure or may elect not to insure due to high premium costs or other reasons. Where considered practical to do so, the Company maintains insurance against risks in the operation of its business in amounts which the Company believes to be reasonable. Such insurance, however, contains exclusions and limitations on coverage. The Company cannot provide any assurance that such insurance will continue to be available,

be available at economically acceptable premiums or be adequate to cover any resulting liability. In some cases, coverage is not available or considered too expensive relative to the perceived risk.

Risks and hazards of mining operations

Mining is inherently dangerous and the Company's operations are subject to a number of risks and hazards including, without limitation: environmental hazards; discharge of pollutants or hazardous chemicals; industrial accidents; failure of processing and mining equipment; labour disputes; supply problems and delays; encountering unusual or unexpected geologic formations or other geological or grade problems; encountering unanticipated ground or water conditions; cave-ins, pit wall failures, flooding, rock bursts and fire; periodic interruptions due to inclement or hazardous weather conditions; equipment breakdown; other unanticipated difficulties or interruptions in development, construction or production; other acts of God or unfavourable operating conditions; and health and safety risks associated with spread of COVID-19 pandemic, and any future emergence and spread of similar pathogens.

Such risks could result in damage to, or destruction of, mineral properties or processing facilities, personal injury or death, loss of key employees, environmental damage, delays in mining, monetary losses and possible legal liability. Satisfying such liabilities may be very costly and could have a material adverse effect on the Company's future cash flow, results of operations and financial condition.

Conflicts of interest

Conflicts of interest may arise as a result of the directors and officers of the Company also holding positions as directors and/or officers of other companies. Some of those persons who are directors and officers of the Company have and will continue to be engaged in the identification and evaluation of assets and businesses and companies on their own behalf and on behalf of other companies, and situations may arise where the directors and officers may be in direct competition with the Company. Conflicts, if any, will be subject to the procedures and remedies under the *Business Corporations Act* (British Columbia).

Internal control over financial reporting as per the requirements of the Sarbanes-Oxley Act

Management of the Company is responsible for establishing and maintaining an adequate system of internal control over financial reporting, and used the Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") to evaluate, with the participation of the CEO and CFO, the effectiveness of internal controls. The Company's internal control over financial reporting includes:

- maintaining records, that in reasonable detail, accurately and fairly reflect our transactions and dispositions of the assets of the Company;
- providing reasonable assurance that transactions are recorded as necessary for preparation of our consolidated financial statements in accordance with generally accepted accounting principles;
- providing reasonable assurance that receipts and expenditures are made in accordance with authorizations of management and the directors of the Company; and
- providing reasonable assurance that unauthorized acquisition, use or disposition of company assets that could have a material effect on the Company's consolidated financial statements would be prevented or detected on a timely basis.

Based on this evaluation, management concluded that the Company's internal control over financial reporting based on the criteria set forth in Internal Control – Integrated Framework (2013) issued by COSO was effective as of March 31, 2021 and provided a reasonable assurance of the reliability of the Company's financial reporting and preparation of the financial statements.

No matter how well a system of internal control over financial reporting is designed, any system has inherent limitations. Even systems determined to be effective can provide only reasonable assurance of the reliability of financial statement preparation and presentation. Also, controls may become inadequate in the future because of changes in conditions or deterioration in the degree of compliance with the Company's policies and procedures.

The failure to achieve and maintain the adequacy of our internal control over financial reporting on a timely basis could result in the loss of investor confidence in the reliability of the financial statements, which in turn could harm the business and negatively impact the trading price of shares or market value of other securities. In addition, any failure to implement required new or improved controls, or difficulties encountered in their implementation, could harm the operating results or cause to fail to meet the reporting obligations. There can be no assurance that the Company will be able to remediate material weaknesses, if any, identified in future periods, or maintain all of the controls necessary for continued compliance, and there can be no assurance that the Company will be able to retain sufficient skilled finance and accounting personnel, especially in light of the increased demand for such personnel among publicly traded companies. Future acquisitions of companies may provide the Company with challenges in implementing the required processes, procedures and controls in the acquired operations. Acquired companies may not have disclosure controls and procedures or internal control over financial reporting that are as thorough or effective as those required by securities laws currently applicable to the Company.

Outcome of current or future litigation or regulatory actions

Due to the nature of its business, the Company may be subject to numerous regulatory investigations, claims, lawsuits and other proceedings in the ordinary course of its business. The results of these legal proceedings cannot be predicted with certainty due to the uncertainty inherent in litigation, including the discovery of evidence process, the difficulty of predicting decisions of judges and juries and the possibility that decisions may be reversed on appeal. There can be no assurances that these matters will not have a material adverse effect on the Company's business.

No assurance can be given with respect to the ultimate outcome of current or future litigation or regulatory proceedings, and the amount of any damages awarded or penalties assessed in such a proceeding could be substantial. In addition to monetary damages and penalties, the allegations made in connection with the proceedings may have a material adverse effect on the reputation of the Company and may impact its ability to conduct operations in the normal course.

Litigation and regulatory proceedings also require significant resources to be expended by the directors, officers and employees of the Company and as a result, the diversion of such resources could materially affect the ability of the Company to conduct its operations in the normal course of business. Significant fees and expenses may be incurred by the Company in connection with the investigation and defense of litigation and regulatory proceedings. The Company may also be obligated to indemnify certain directors, officers, employees and experts for additional legal and other expenses pursuant to such proceedings, which additional costs may be substantial and could have a negative effect on the Company's future operating results. The Company may be able to recover certain costs and expenses incurred in connection with such matters from its insurer. However, there can be no assurance regarding when or if the insurer will reimburse the Company for such costs and expenses.

Bringing actions and enforcing judgments under U.S. securities laws

Investors in the U.S. or in other jurisdictions outside of Canada may have difficulty bringing actions and enforcing judgments against the Company, its directors, its executive officers and some of the experts named in this AIF based on civil liabilities provisions of the federal securities laws, other laws in the U.S. state(s) in or the equivalent laws of other jurisdictions of residence.

The Company's investment in New Pacific Metals Corp.

The Company is a strategic investor in New Pacific Metals, a Canadian public company listed on the TSX under the symbol "NUAG" and NYSE American under the symbol "NEWP". As at March 31, 2021, the Company owned 43,917,216 or 28.6% interest in New Pacific Metals. New Pacific Metals is an exploration company currently in the business of acquiring and exploring mineral properties. Investments in junior mining companies involve volatile share prices, liquidity risk, and may result in possible loss of principal. New Pacific Metals has no revenue from operations and no ongoing mining operations of any kind.

Resource exploration and development is a speculative business and involves a high degree of risk, including, among other things, unprofitable efforts resulting both from the failure to discover mineral deposits and from finding mineral deposits which, though present, are insufficient in size and grade at the then prevailing market conditions to return a profit from production. The marketability of natural resources which may be acquired or discovered by New Pacific Metals will be affected by numerous factors beyond the control of New Pacific. These factors include market fluctuations, the proximity and capacity of natural resource markets, and government regulations, including regulations relating to prices, taxes, royalties, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital or the possible loss of principal.

Substantial expenditures are required to establish ore reserves through drilling, metallurgical, and other testing techniques, determine metal content and metallurgical recovery processes to extract metal from the ore, and construct, renovate, or expand mining and processing facilities. No assurance can be given that any level of recovery of ore reserves will be realized or that any identified mineral deposit, even if it is established to contain an estimated resource, will ever qualify as a commercial mineable ore body, which can be legally and economically exploited.

In addition to the high degree of risk associated with investing in junior exploration mining companies, the Company's investment in New Pacific Metals entails an additional risk by virtue of the fact that its projects are located in Bolivia. Bolivia's history since the mid-1960s has been one of political and economic instability under various governments. Since 2006, the government has frequently intervened in the national economy and social structure, including periodically imposing various controls, the effects of which have been to restrict the ability of both domestic and foreign companies to operate freely. Although Silvercorp believes that the current conditions in Bolivia are relatively stable and conducive to conducting business, New Pacific Metals' current and future mineral exploration and mining activities in Bolivia are exposed to various levels of political, economic, and other risks and uncertainties. These risks and uncertainties include, but are not limited to, co-operatives and community blockades, terrorism, hostage taking, military repression, extreme fluctuations in currency exchange rates, high rates of inflation, political and labour unrest, the risks of war or civil unrest, expropriation and nationalization, renegotiation or nullification of existing concessions, licenses, permits and contracts, illegal mining, changes in taxation policies, restrictions on foreign exchange and repatriation, 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. Given the political instability and social unrest in Bolivia following the general elections held on October 20, 2019, there is no assurance that New Pacific will be successful in obtaining ratification of the mining production contract ("MPC") it signed with *Corporación Minera de Bolivia* (COMIBOL) in a timely manner or at all, or that they will be obtained on reasonable terms. New Pacific Metals cannot predict the government's positions on foreign investment, mining concessions, land tenure, environmental regulation, community relations, or taxation. A change in government positions on these issues could adversely affect the ratification of the MPC and New Pacific Metals' business.

The Company's investment in Whitehorse Gold Corp.

The Company is a strategic investor in Whitehorse Gold, a Canadian public company listed on the TSX-V under the symbol "WHG". As at March 31, 2021, the Company owned 11,514,285 Whitehorse Gold common shares or 26.99% interest in Whitehorse Gold (29.50% after the 2021 private placements).

Whitehorse Gold is a junior exploration company currently in the business of acquiring and exploring mineral properties. Investments in junior mining companies involve volatile share prices, liquidity risk, and may result in possible loss of principal. Whitehorse Gold has no revenue from operations and no ongoing mining operations of any kind.

Long-term operation of Whitehorse Gold's business and its profitability are dependent, in part, on the cost and success of its exploration and future development programs. Mineral exploration and development involve a high degree of risk and historically few properties that are explored are ultimately developed into producing mines. There is no assurance that Whitehorse Gold's mineral exploration and future development programs will result in any discoveries, expansions of mineral resources or the definition of mineral reserves. There is also no assurance that, even if commercially viable quantities of mineral resources or mineral reserves are discovered, a mineral property will be brought into commercial production. Development of Whitehorse Gold's mineral properties will only commence if it obtains satisfactory exploration results. Discovery of mineral deposits is dependent upon a number of factors, including the technical skill of the exploration geoscientists involved. The commercial viability of a mineral deposit is also dependent upon a number of factors including: the particular attributes of the deposit such as size, grade and proximity to infrastructure; metal prices; and government regulations including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection. Most of the above factors are beyond the control of Whitehorse Gold. Unsuccessful exploration or development programs could have a material adverse impact on Whitehorse Gold's operations and profitability.

In addition, Whitehorse Gold's mineral projects are subject to a number of risks that may make it less successful than anticipated, including, without limitation: (a) delays or higher than expected exploration costs; (b) negative technical results and/or technical results that fail to deliver the required returns to render the ongoing development of the Skukum Gold Project economic; (c) delays in receiving environmental permits and/or social license from indigenous groups; (d) delays in receiving permits; (e) delays or higher than expected costs in obtaining the necessary equipment or services to build and operate the Skukum Gold Project; and (f) adverse mining conditions may delay and hamper the ability of Whitehorse Gold to produce the expected quantities of minerals.

First Nation interests and rights as well as related consultation issues may impact Whitehorse Gold's ability to pursue exploration, development and mining at its properties. Whitehorse Gold intends to communicate and consult with First Nations communities in order to foster a positive relationship with those groups but there is no assurance that claims or other assertions of rights by First Nation communities or consultation issues will not arise on or with respect to Whitehorse Gold's properties or activities. Such claims and issues could result in significant costs and delays or materially restrict Whitehorse Gold's activities.

Cybersecurity Risks

The Company is subject to cybersecurity risks including unauthorized access to privileged information, destroy data or disable, degrade or sabotage our systems, including through the introduction of computer viruses. Although we take steps to secure our configurations and manage our information system, including our computer systems, internet sites, emails and other telecommunications, and financial/geological data, there can be no assurance that measures we take to ensure the integrity of our systems will provide protection, especially because cyberattack techniques used change frequently or are not recognized until successful. The Company has not experienced any material cybersecurity incident in the past, but there can be no assurance that the Company would not experience in the future. If our systems are compromised, do not operate properly or are disable, we could suffer financial loss, disruption of business, loss of geology data which could affect our ability to conduct effective mine planning and accurate mineral resources estimates, loss of financial data which could affect our ability to provide accurate and timely financial reporting.

ITEM 5 MINERAL PROPERTIES

The Company has interests in mineral properties located in China. As at March 31, 2021, these properties were carried on the Company's consolidated statements of financial position as assets with a book value of approximately $x million. The book value consists of acquisition costs plus cumulative expenditures on properties, net of amortization and impairment charges for which the Company has future development plans.

For the purposes of NI 43-101, the following properties have been determined to be material to the Company as of March 31, 2021: (a) the Ying Mining District, Henan Province, China (the "Ying Property" or "Ying"); and (b) the GC Mine located in Guangdong Province, China.

Except as otherwise disclosed, Guoliang Ma, P. Geo., Manager of Exploration and Resource of the Company, is the Qualified Person for Silvercorp under NI 43-101 who has reviewed and given consent to the scientific and technical information contained in this AIF.

5.1 Ying Mining District, Henan Province, China

Current Technical Report

Except as otherwise stated, the information in this AIF is based on the latest technical report titled " *NI 43-101 Technical Report Update on the Ying Ag-Pb-Zn Property in Henan Province, People's Republic of China*" (the "Ying Report") dated effective July 31, 2020 and prepared by AMC Mining Consultants (Canada) Ltd. ("AMC") on October 9, 2020. AMC has previously prepared Technical Reports on the Property in 2017 (filed 24 February 2017, effective date 31 December 2016); 2014 (filed 5 September 2014, effective date 31 December 2013); 2012 (filed 15 June 2012, effective date 1 May 2012); and in 2013 (minor update to 2012 report, filed 6 May 2013, effective date 1 May 2012).

The authors of the Technical Report all qualify as independent Qualified Persons (QPs).

Portions of the following information are based on the assumptions, qualifications and procedures described in the Ying Report, which are not fully described herein. The full text of the Ying Report which is available for review on SEDAR at www.sedar.com is incorporated by reference in this AIF.

Project Description, Location and Access

The Property is situated in central China in western Henan Province near the town of Luoning. The term "Ying District" is used to describe a 100 sq. km rectangular area bounded by latitude 34°07'N to 34°12'N and longitude 111°14'E to 111°23'E. Within this district block, Silvercorp has three principal centres of operation, within which six mining projects are located.

Silvercorp, through its wholly owned subsidiary Victor Mining Ltd, is party to a cooperative joint venture agreement dated 12 April 2004 under which it earned a 77.5% interest in Henan Found Mining Co. Ltd (Henan Found), the Chinese company holding (with other assets) the Ying silver, lead, and zinc project (the Ying Project). In addition, Silvercorp, through its wholly owned subsidiary Victor Resources Ltd, is party to a cooperative agreement dated 31 March 2006, under which it initially obtained a 60% interest in Henan Huawei Mining Co. Ltd (Henan Huawei), the beneficiary owner of the project in Haopinggou (the HPG Project) and the project in Longmen (the LME Project). Since that time, Silvercorp's interest in Henan Huawei has increased to 80%.

The Ying Property is covered by four major contiguous mining licenses. The total area of the four mining licenses is 68.59 sq km. Table 1 lists their names, license numbers, areas and expiry dates. All Tables are numbered relative to their position in the AIF.

Table 1 Mining licenses

Area and licence name	Mines	Mining licence #	Sq km	ML Expiry Date
Yueliangou Lead-zinc-silver Mine	SGX and HZG	C4100002009093210038549	19.8301	Sept 2024
Haopinggou Lead-zinc-silver-gold Mine	HPG	C4100020016043210141863	6.2257	29 Apr 2028
Tieluping-Longmen Silver-lead Mine	TLP, LME and LMW	C4100020016064210142239	22.7631	26 Feb 2041 *
Dongcaogou Gold-silver Mine	none	C4100020015064210138848	19.772	15 June 2025
Total			**68.59**	

Note: Mining license for TLP , LME and LMW extended since Ying Report date.

In addition, mining is only permitted between prescribed elevations as follows:

- Yueliangou Mining License – 1,060 m and 0 m elevations
- Haopinggou Mining License - 955 m and the 365 m elevations
- Tieluping-Longmen Mining License - 1,250 m and the 700 m elevations
- Doncaogau Mining License - 1,087 m and the 605 m elevations

Henan Found's policy has been to initiate applications to the relevant government departments so that exploration permits are reissued beneath the lower boundary of the mining permit areas in accordance with the "Mineral Resources Law of the People's Republic of China" and the integration policy of mineral resource development issued by the Ministry of Land and Resources of China and the Henan Provincial Government.

The existing mining licenses cover all the active exploration and mining areas discussed in this Technical Report. Mining licenses are subject to mining-right usage fees (a fixed annual charge), mineral resource compensation fees, and applicable mineral resource taxes. The renewal of mining licenses and extending of mining depth and boundaries occur in the ordinary course of business as long as mineral resources exist, are defined, the required documentation is submitted, and the applicable government resources taxes and fees are paid. The mining licenses give the right to carry out full mining and mineral processing operations in conjunction with safety and environmental certificates. The safety certificates for Silvercorp's mining activities have been issued by the Department of Safety, Production and Inspection of Henan Province. Environmental certificates have been issued by the Department of Environmental Protection of Henan Province.

Surface rights for mining purposes are not included in the licenses, but Silvercorp has acquired surface rights for mining and milling activities by effecting payment of a purchase fee based on the appraised value of the land. Subject to negotiation, some land use compensation fees may also be due to the local farmers if their agricultural land is disturbed by exploratory work.

China has an established Mining Code that defines the mining rights guaranteed by the government of China.

China has a 13% Value Added Tax (VAT) on sales of concentrates and on articles such as materials and supplies. The VAT paid on materials purchased for mining is returned to Silvercorp as an incentive to mine in China. There is no VAT on labour. In addition, Silvercorp also pays a VAT surtax, which amounts to approximately 1.6% of sales, and mineral resources tax is currently levied at approximately 3% of sales. The income tax rate is 25%.

There are no known or recognized environmental issues that might preclude or inhibit a mining operation in this area. Some major land purchases may be required in the future for mine infrastructure purposes (such as for additional processing plant requirements, waste disposal, offices and accommodations). There are no significant factors and risks that may affect access, title, or the right or ability to perform work on the Ying property that are known at this time.

History

Silver-lead-zinc mineralization in the Ying district has been known and intermittently mined for several hundred years. The first systematic geological prospecting and exploration was initiated in 1956 by the Chinese government. Detailed summaries of the district's historical activities from 1956 to 2004, when Silvercorp first acquired interests in the area, are described in previous NI 43-101 Technical Reports.

Silvercorp acquired an interest in the SGX Mine Project in 2004. Subsequently, Silvercorp acquired the HZG, HPG, TLP, and LM mines (LME and LMW), all of which were previously held and operated by private Chinese companies.

Geological Setting, Mineralization and Deposit Types

The Property is situated in the 300 km-long west-northwest trending Qinling orogenic belt, a major structural belt formed by the collision of two large continental tectonic plates in Paleozoic time.

The northern continental plate, the North China Plate, covers all of Henan Province and most parts of North China, while the southern plate, the Yangtze Plate, covers most part of South China. Rocks along the orogenic belt between the two major tectonic plates are severely folded and faulted, offering optimal structural conditions for the emplacement of a myriad of mineral deposits. Several operating silver-lead-zinc mines, including those in the Ying Property, occur along this belt.

The Qinling orogenic belt is comprised largely of Proterozoic- to Paleozoic-age rock sequences consisting of mafic to felsic volcanic rocks with variable amounts of interbedded clastic and carbonate sedimentary rocks. The rocks are weakly metamorphosed to lower greenschist facies, with local areas of strongly metamorphosed lower amphibolite facies. The basement of the belt is comprised of highly metamorphosed Archean-age rocks of the North China plate, dominantly felsic to mafic gneisses with minor amphibolites, intrusive gabbros and diabases. The metamorphosed Qinling belt sequence and the underlying Archean basement rocks are intruded by mafic to felsic dikes and stocks of Proterozoic and Mesozoic ages. They are overlain by non-metamorphosed sedimentary rock sequences of Mesozoic to Cenozoic age, primarily marls and carbonaceous argillites, which are in turn overlain locally by sandstone-conglomerate sequences.

The dominant structures in the Qinling orogenic belt are west-northwest trending folds and faults generated during the collision of the two major tectonic plates in Paleozoic time. The faults consist of numerous thrusts having a component of oblique movement with sets of conjugate shear structures trending either northwest or north-east. These conjugate shear zones, which display features of brittle fracturing such as fault gouge, brecciation and well-defined slickensides, are associated with all the important mineralization recognized along the 300 km-long orogenic belt.

The Ying Property contains multiple mesothermal silver-lead-zinc-rich quartz-carbonate veins in steeply-dipping fault-fissure zones which cut Archean gneiss and greenstone. To date, significant mineralization has been defined or developed in at least 308 discrete vein structures, and many other smaller veins have been found but not as yet well explored.

Structurally, the vein systems throughout the district are all somewhat similar in that they occur as sets of veins of generally similar orientation enclosed by fault-fissure zones which trend most commonly northeast-southwest, less commonly north-south, and rarely northwest-southeast. The structures extend for hundreds to a few thousand metres along strike. They are often filled by altered andesite or diabase dikes together with quartz-carbonate veins or as discrete zones of altered bedrock (mainly gneiss) associated with local selvages of quartz-carbonate veinlets. From one-third to one-half of the structures exposed at the surface are conspicuously mineralized as well as altered.

The vein systems consist of narrow, tabular or splayed veins, often occurring as sets of parallel and offset veins. The veins thin and thicken abruptly along the structures in classic "pinch-and-swell" fashion with

widths varying from a few centimetres up to a few metres. “Swells” formed in structural dilatant zones along the veins often forming mineralized “shoots”. At the SGX mine, these shoots range from 30 m to more than 60 m in vertical and horizontal dimensions over true vein widths of 0.4 m to 3.0 m. The vertical dimension of the SGX shoots is commonly twice or more the horizontal dimension. Longitudinal sections constructed along the veins indicate that many of the shoots have a steep, non-vertical rake.

The vein systems of the various mine areas in the district are also generally similar in mineralogy, with slight differences between some of the separate mine areas and between the different vein systems within each area. These differences have been attributed to district-scale mineral zonation at different levels of exposure. This subtle zonation is thought to be perhaps analogous to the broad scale zonation patterns observed in the Coeur d'Alene District (USA) and characteristic of many other significant mesothermal silver-lead-zinc camps in the world (Broili et al. 2008, Broili et al. 2010).

Exploration

From 1 July 2016 to 31 December 2019 (the reporting period), Silvercorp conducted extensive exploration programs on the Ying property that included exploration-development activities in the SGX mine area, including two producing mines (SGX and HZG), the HPG mine area, the TLP and LM mine areas, including three producing mines (TLP, LME, and LMW), and the DCG project. The past exploration activities, including surface activities, have been detailed in previous Technical Reports prepared for the Ying Property.

Other than drilling, the projects have been explored primarily by underground development and sampling. The workings follow the vein structures along strike, on levels spaced approximately 40 m apart. Silvercorp has found this method of underground exploration an effective and efficient way to define the geometry of the mineralized structures, in part due to the discontinuous character of the high grade mineralization, but also to the relatively inexpensive development costs.

Channel samples across the mineralized structures are collected across the back of drift tunnels and the walls of crosscut tunnels at 5 m intervals, with the spacing of channel samples increasing to 15 or 25 m in the non mineralized sections of the vein structures. Individual channels can consist of multiple chip samples, cut across and bracketing the mineralization and including associated wall rocks across the tunnel. Assay results of samples are documented on underground level maps and longitudinal sections.

The exploration tunneling and drilling programs were conducted during the reporting period to upgrade the Indicated and Inferred Mineral Resources, to test the down-dip and along-strike extensions of the major mineralized vein structures and their parallel subzones, and to explore new target areas. The programs comprised 201,688 m of tunneling, including 120,801 m of drifting along mineralized structures and 52,712 m of cross cutting across mineralized structures. Drift and crosscut tunnels have been developed at 30 m to 50 m intervals vertically to delineate higher category Mineral Resources. A total of 75,334 channel / chip samples was collected from the six mine areas.

Drilling

Prior to Silvercorp obtaining the rights to the SGX mine in 2004, there was little drilling work completed on the Ying Property. Drilling programs conducted by previous operators include a 10,736 m surface drilling program in the TLP-LM area by the No. 6 Nonferrous Geological Exploration Team from 1991 to 1994 and a test drilling program of two holes in the SGX area by the Henan Nonferrous Geological Exploration Bureau in 2003.

Since acquiring the Ying projects, Silvercorp has initiated systematic drilling programs to test the strike and down-dip extensions of the major mineralized vein structures and explore for new mineralized structures in less-explored or unexplored areas in the Property.

Since 2004, Silvercorp has organized extensive underground diamond drilling programs each year in the Ying Mining District with a total accumulated metreage of 1,082,840 m completed as of June 2016.

Drilling programs were continuously conducted over the Property from July 2016 to December 2019 (the Reporting Period). Underground and surface drilling were carried out in mining areas to test the down-dip extension of major mineralized vein structures, extend the Indicated and Measured Mineral Resources at or above the current mining depth, and infill the Inferred Mineral Resource blocks defined in previous drilling programs below the current mining depth. Most of the holes were designed as inclined holes to test multiple vein structures and to ensure a good intersection angle. A total of 325,151 m in 1,090 diamond holes was completed, including 13,236 m in 38 surface holes and 311,915 m in 1,052 underground holes drilled from at or above the current mining elevations. Results of the diamond drilling program were the down-dip and strike extension of most of the major mineralized veins and the discovery of a number of new mineralized veins in the current mine areas.

Drilling results from the 2016 – 2019 drilling program in the Property are briefly summarized in Table 2. These results have been incorporated into the mine databases and contribute to the current Mineral Resource update for the seven deposits. There is no drilling for DCG during this period.

Table 2 Brief summary of the 2016-2019 drilling results

Mine Area	Holes Completed	No of Mineralized Intersections (g120g/t AgEq)	Average Grade of Mineralized Intersections (g/t AgEq)	Average True Width of Mineralized Intersections (m)	Detected Depth (Elevation m)
SGX	302	155	520	0.68	861-143
HZG	110	63	394	0.61	335-879
HPG	138	49	350	0.67	938-39
LME	112	118	396	0.59	411-941
LMW	191	86	439	0.71	1,097-322
TLP	237	127	494	0.52	153-1,114

Sampling and Analysis, and Data Verification

The numerous fault-fissure structures that cut the gneissic bedrock of the Ying Property are not continuously mineralized. Veins occur intermittently along these structures, appearing and disappearing along-strike and down-dip. Silvercorp's exploration consists of horizontal tunneling along and across the veins, in addition to driving raises or declines to access the veins at other levels. Core drilling is designed to intersect the veins in other locations both laterally and vertically. Channel samples are collected from underground tunnels and other workings, and core samples are collected from altered and mineralized drill cores. The sample collection and preparation follow accepted industry practice.

Core Samples

NQ-sized drill cores (48 mm in diameter) are recovered from the mineralized zones. Drill core is logged, photographed and sampled in detail at the surface core shack, with each mine having its own logging and core-cutting facilities. Samples are delineated by lithology, mineralization, and alteration. Mineralized zones are sampled together with wallrock samples that bracket the mineralization. Samples have a minimum length of 20 cm and a maximum length of 2 m.

Chip / Channel Samples

Channel samples lines are marked by a geologist and collected as continuous chip samples from the roofs of drift tunnels (perpendicular to the mineralized vein structure), and from the walls of crosscut tunnels (which cross the mineralized vein structure). Samples have a minimum size of 20 cm and a maximum size of 2 m. Drill and channel samples are numbered following protocols outlined by Silvercorp that generates unique IDs. Samples bracket the vein in addition to sampling the vein itself.

Sampling, Analysis and Data Verification

Drill core samples are stored in securely sealed bags at the core logging facilities until shipment by courier to one of the following three reputable commercial laboratories which are chosen based on capacity:

- The Analytical Laboratory of Henan Nonferrous Exploration Institute (Zhengzhou Nonferrous Laboratory) in Zhengzhou, Henan Province.
- The Chengde Huakan 514 Geology and Mineral Testing and Research Institute (Chengde Laboratory) in Chengde, Hebei Province.
- The Analytical Laboratory of the Inner Mongolia Geological Exploration Bureau (Inner Mongolia Laboratory) in Hohhot, Inner Mongolia.

The three external laboratories are accredited and certified as first-class laboratories by the Chinese government. The procedures for sample preparation and quality management in these laboratories are established in accordance with the official Chinese technical standard DZ/T 0130-2006 (The Specification of Testing Quality Management for Geological Laboratories), which is a combination of the basic principles and methodologies of ISO 9000:2000 and ISO/IEC 17025:1999.

Channel samples are analyzed on site at the Ying assay laboratory located at the mill complex in Luoning County. A brief examination of the Ying Laboratory was made by the QPs in both 2013 and 2016, as outlined in previous Technical Reports. The assay laboratory is officially accredited by the Quality and Technology Monitoring Bureau of Henan Province and has been used to analyze both channel samples taken from underground workings for Resource estimation purposes, and concentrate produced from the processing plants. Most of the processes for the analysis of channel samples and concentrate are completed within separate buildings, rooms, and instruments.

Silvercorp has established QA/QC procedures which cover the sample collection and processing at the Ying Property. All drilling and channel sampling programs completed on the Property incorporate the insertions of Certified Reference Materials (CRMs) and blanks into the sample stream on a batch by batch basis. Duplicate field samples are also included in the drilling programs.

Silvercorp's QA/QC programs and results prior to July 2016 have been described in previous Technical Reports. The following discussion is based on the QP's independent review of the drilling and channel sampling QA/QC databases associated with the July 2016 to December 2019 programs, which comprises 1,088 drillholes and 75,334 channel samples.

Silvercorp monitors silver, lead, zinc, copper, and gold in drillhole sampling, and silver, lead, and zinc in channel sampling programs. This is accomplished through the insertion of CRMs, blanks, and field duplicate samples. In this report gold and copper values are not discussed in detail as they are not material components of the Mineral Resource.

A summary of QA/QC samples included in the July 2016 – 2019 program is presented in Table 3. Table 4 summarizes the insertion rate of these QA/QC samples.

Table 3 Ying QA/QC samples by year [1]

Year	Drill samples				Channel samples			
	Samples	**CRMs**	**Blanks**	**Field duplicates**	**Samples**	**CRMs**	**Blanks**	**Field duplicates**
2016	2,944	111	112	112	8,537	248	253	0
2017	7,011	214	214	214	18,117	406	48	0
2018	5,145	154	153	153	17,515	474	3	0
2019	5,333	146	146	144	23,105	603	0	0
Total	**20,433**	**625**	**625**	**623**	**67,274**	**1,731**	**304**	**0**

Note: 1 Data from 1 July 2016 to 31 December 2019. Source: Compiled by AMC.

Table 4 Ying QA/QC insertion rates [1]

Year	Drill samples					Channel samples				
	Samples	**CRMs**	**Blanks**	**Field duplicates**	**Total QA/QC**	**Samples**	**CRMs**	**Blanks**	**Field duplicates**	**Total QA/QC**
2016	2,944	3.8%	3.8%	3.8%	11.4%	8,537	2.8%	3.0%	0.0%	5.6%
2017	7,011	3.1%	3.1%	3.1%	9.2%	18,117	2.5%	0.3%	0.0%	2.5%
2018	5,145	3.0%	3.0%	3.0%	8.9%	17,515	2.7%	0.0%	0.0%	2.7%
2019	5,333	2.7%	2.7%	2.7%	8.2%	23,105	2.6%	0.0%	0.0%	2.6%
Overall	**20,433**	**3.1%**	**3.1%**	**3.0%**	**9.2%**	**67,274**	**2.6%**	**0.5%**	**0.0%**	**3.0%**

Note: [1] Data from 1 July 2016 to 31 December 2019.
Source: Compiled by AMC.

Mineral Processing and Metallurgical Testing

The lab scale mineral processing and metallurgical tests for the Ying Property deposits were done by three laboratories in China:

- Hunan Nonferrous Metal Research Institute (HNMRI) using SGX mineralization in 2005.
- Tongling Nonferrous Metals Design Institute (TNMDI) using HZG mineralization in 2006.
- Changsha Design and Research Institute (CDRI) using TLP mineralization in 1994.

The objectives of the lab mineral processing testwork were:

- To maximize silver recovery to the lead concentrate.
- To develop a process flow sheet with appropriate operating parameters as a basis for the industrial scale implementation of lead, zinc, and silver recovery.
- To determine the product quality characteristics relative to the relevant national standards.

The metallurgical testing consisted of mineralogical assessment, flotation tests, and specific gravity measurements of the mineralized veins.

SGX is the main deposit and the HNMRI work is the most comprehensive; therefore, the lab test results from HNMRI's study (2005) on SGX mineralization were used for both mill Plant 1 (2005) and Plant 2 (2008) design.

AMC is not aware of any subsequent external Design Institute metallurgical testwork having been carried out, although continual on-site "plant-tuning" occurs.

Mineral Resource and Mineral Reserve Estimates

The Mineral Resource estimates for the SGX, HPG, LMW, and LME deposits were carried out by independent QP Rod Webster, MAIG of AMC who takes responsibility for these estimates.

The Mineral Resource estimates for the TLP, HZG, and DCG deposits were carried out by independent QP Simeon Robinson, P.Geo. of AMC who takes responsibility for these estimates.

The December 2019 Mineral Resources were estimated using a block modelling approach and the dynamic anisotropy application within Datamine™ software. Except for DCG, all metal grades were estimated using ordinary kriging. At DCG metal grades were estimated using inverse distance squared (ID^2).

The Mineral Resources include material (approximately 30% of the total Mineral Resources) below the lower elevation limit of Silvercorp's current mining licenses. However, because of the nature of Chinese regulations governing applications for new or extended mining licenses, the QPs for the Mineral resource

estimation are satisfied that there is no material risk of Silvercorp not being granted approval to extend the lower depth limit of its licenses to develop these Mineral Resources as and when required.

Table 5 shows the Mineral Resources and metal content by mine for the Property as of 31 December 2019. The Mineral Resources are reported above a COG based on in-situ values in silver equivalent (AgEq) terms in grams per tonne. COGs incorporate mining, processing and G&A costs provided by Silvercorp for each mine and reviewed by the QP for Mineral Reserves – see Table 6. The AgEq formula and cut-off grade for each mine are shown in the footnotes of Table 5.

Table 5 Mineral Resources of the Ying Property as of 31 December 2019

Mine	Resource category	Tonnes (Mt)	Au (g/t)	Ag (g/t)	Pb (%)	Zn (%)	Metal contained in Resource			
							Au (koz)	**Ag (Moz)**	**Pb (kt)**	**Zn (kt)**
SGX	Measured	3.29	-	313	6.19	3.12	-	33.08	203.6	102.5
	Indicated	3.48	-	257	5.04	2.53	-	28.77	175.5	88.1
	Measured + Indicated	6.77	-	284	5.60	2.82	-	61.86	379.1	190.6
	Inferred	4.33	-	237	4.84	1.99	-	33.00	209.8	86.1
HZG	Measured	0.49	-	342	1.09	0.25	-	5.43	5.4	1.2
	Indicated	0.60	-	274	0.70	0.15	-	5.29	4.2	0.9
	Measured + Indicated	1.09	-	305	0.87	0.20	-	10.72	9.5	2.1
	Inferred	0.97	-	250	0.78	0.18	-	7.77	7.5	1.7
HPG	Measured	0.88	1.17	93	3.74	1.43	33.3	2.64	33.1	12.6
	Indicated	1.50	1.35	67	3.02	1.30	64.9	3.22	45.2	19.5
	Measured + Indicated	2.38	1.28	77	3.29	1.35	98.2	5.87	78.3	32.1
	Inferred	3.20	2.05	84	2.65	1.04	211.2	8.65	84.9	33.2
LME	Measured	0.49	-	348	1.72	0.38	-	5.47	8.4	1.8
	Indicated	1.18	-	282	1.62	0.44	-	10.69	19.1	5.1
	Measured + Indicated	1.67	-	301	1.65	0.42	-	16.16	27.5	7.0
	Inferred	1.79	-	222	1.73	0.39	-	12.75	30.9	6.9
LMW	Measured	0.74	-	330	3.13	0.28	-	7.87	23.2	2.1
	Indicated	1.97	-	259	2.33	0.29	-	16.41	45.9	5.8
	Measured + Indicated	2.71	-	278	2.55	0.29	-	24.29	69.1	7.9
	Inferred	2.41	-	248	2.85	0.39	-	19.22	68.6	9.5
TLP	Measured	2.51	-	208	3.44	0.33	-	16.79	86.5	8.3
	Indicated	2.92	-	165	2.74	0.32	-	15.48	79.9	9.2
	Measured + Indicated	5.43	-	185	3.06	0.32	-	32.27	166.4	17.5
	Inferred	5.48	-	157	2.64	0.25	-	27.70	144.7	13.7
DCG	Measured	-	-	-	-	-	-	-	-	-
	Indicated	0.06	0.09	59	3.78	0.15	0.2	0.12	2.3	0.1
	Measured + Indicated	0.06	0.09	59	3.78	0.15	0.2	0.12	2.3	0.1
	Inferred	0.40	0.24	61	4.69	0.15	3.2	0.79	18.9	0.6
Total	Measured	8.41	0.12	264	4.28	1.53	33.3	71.29	360.2	128.6
	Indicated	11.71	0.17	212	3.18	1.10	65.1	79.98	372.1	128.7
	Measured + Indicated	20.12	0.15	234	3.64	1.28	98.4	151.26	732.3	257.3
	Inferred	18.58	0.36	184	3.04	0.82	214.4	109.87	565.3	151.8

Notes:

- Mineral Resources are reported according to the CIM Definition Standards (2014).
- Measured and Indicated Mineral Resources are inclusive of estimated Mineral Reserves.
- Metal prices: gold US$1,250/troy oz, silver US$18/troy oz, lead US$0.95/lb, zinc US$1.10/lb.
- Exchange rate: RMB 6.90 : US$1.00.
- Mineral Resource reported 5 m below surface.
- Veins factored to a minimum extraction width of 0.3 m.
- Cut-off grades: SGX 145 g/t AgEq; HZG 130 g/t AgEq; HPG 140 g/t AgEq; LME 120 g/t AgEq; LMW 155 g/t AgEq; TLP 130 g/t AgEq; DCG 135 AgEq.
- AgEq formulas by mine:

- SGX: AgEq =35.63*Pb%+22.45*Zn%+Ag g/t
- HZG: AgEq =34.6*Pb%+Ag g/t
- HPG: AgEq =36.84*Pb%+23.61*Zn%+62.87*Au g/t + Ag g/t
- LME: AgEq =34.17*Pb%+11.92*Zn%+Ag g/t
- LMW: AgEq=35.06*Pb%+Ag g/t
- TLP: AgEq =34.19*Pb%+Ag g/t
- DCG: AgEq =36.84*Pb% + 23.61*Zn + 62.87*Au g/t + Ag g/t

- Exclusive of mine production to 31 December 2019.
- Rounding of some figures may lead to minor discrepancies in totals.

Comparison of Mineral Resources, 30 June 2016 and 31 December 2019

A comparison of Mineral Resource estimates between 30 June 2016 and 31 December 2019 indicates the following:

- Measured plus Indicated tonnes have increased by 23% overall, while the Inferred tonnes have increased by 78%.
- Measured plus Indicated grades have decreased overall by between -2% and -6%. Inferred grades decreased between -20% and -26% overall (both comparisons excluding gold as it is a very minor contributor).
- The net result in the Measured plus Indicated categories has been an increase in the contained silver of 18% and an increase in the contained lead metal of 16%. The increase in zinc content was 20%.
- The net result in the Inferred category has been an increase in the contained silver metal of 42% and a significant increase in both the contained lead and zinc metal, with increases of 38% and 32% respectively.

Reasons for the differences in grade, tonnes, and contained metal include Mineral Resource additions and conversion to higher categories arising from drilling and level development, different COGs and depletion due to mining. Additional channel and drillhole samples also became available between the two estimates to extend the Mineral Resources along-strike and down-dip, and allowed changed interpretation of the veins, given the greater degree of geological understanding.

Mineral Reserve Estimate

The Mineral Reserve estimates for the Property were prepared by Silvercorp under the guidance of independent Qualified Person, Mr. H. A. Smith, P.Eng., who takes QP responsibility for those estimates.

The Mineral Reserve estimation is based on the assumption that current stoping practices will continue to be predominant at the Ying property, namely cut and fill resuing and shrinkage stoping, using hand-held drills (jacklegs) and hand-mucking within stopes, and loading to mine cars by rocker-shovel or by hand. The largely sub-vertical veins, generally competent ground, reasonably regular vein width, and hand-mining techniques using short rounds, allows a significant degree of selectivity and control in the stoping process. Minimum mining widths of 0.5 m for resuing and 1.0 m for shrinkage are assumed. The QP has observed the mining methods at the Ying property and considers the minimum extraction and mining width assumptions to be reasonable. Minimum dilution assumptions are 0.10 m of total overbreak for a resuing cut and 0.2 m of total overbreak for a shrinkage stope.

For the total tonnage estimated as Ying Mineral Reserves, 49.7% is associated with resuing and 50.3% with shrinkage.

Cut-off Grades

Mineral Reserves have been estimated using breakeven cut-off values for shrinkage and resuing at each site as appropriate. The cut-off grade basis is summarized below and in Table 6.

COG AgEq (g/t) = (operating cost + sustaining capital + mineral resources tax) / (Ag price x processing recovery x payable).

In determining metal prices for use in the cut-off calculations, available consensus forecast information, prices used in recent NI 43-101 reports, three-year trailing averages, and prices current as of March 2020 were referenced. The exchange rate used in the cut-off calculations was arrived at in similar fashion.

Table 6 Mineral Reserve cut-off grades and key estimation parameters

Item	SGX		HZG		HPG		LME		TLP		LMW	
Foreign exchange rate (RMB:US$)	6.90	6.90	6.90	6.90	6.90	6.90	6.90	6.90	6.90	6.90	6.90	6.90
	Resuing	Shrinkage	Resuing	Shrinkage	Resuing	Shrinkage	Resuing	Shrinkage	Resuing	Shrinkage	Resuing	Shrinkage
Operating costs (US$/t)												
Mining cost	73.63	57.55	60.36	45.19	66.30	54.39	70.04	53.78	63.52	51.79	82.27	70.28
Shipping cost	4.05	4.05	5.14	5.14	3.82	3.82	3.34	3.34	3.99	3.99	3.43	3.43
Milling cost	10.23	10.23	10.23	10.23	10.23	10.23	10.23	10.23	10.23	10.23	10.23	10.23
G&A & product selling cost	8.30	8.30	8.30	8.30	8.30	8.30	8.30	8.30	8.30	8.30	8.30	8.30
Mineral Resources tax	3.47	2.99	3.51	3.05	3.23	2.88	3.12	2.64	3.41	3.06	3.81	3.45
Government fee & other tax	2.78	2.78	2.78	2.78	2.78	2.78	2.78	2.78	2.78	2.78	2.78	2.78
Sustaining Capital (mine development, exploration tunneling, PPE)	16.72	16.72	30.09	30.09	16.38	16.38	9.42	9.42	24.85	24.85	20.11	20.11
Total operating costs	119.18	102.62	120.41	104.79	111.05	98.78	107.24	90.49	117.08	105.00	130.94	118.59
Mill recoveries												
Au (%)					90.7	90.7						
Ag (%)	96.5	96.5	96.8	96.8	90.2	90.2	96.9	96.9	93.4	93.4	96.6	96.6
Pb (%)	97.8	97.8	95.2	95.2	94.4	94.4	94.1	94.1	90.7	90.7	96.3	96.3
Zn (%)	64.2	64.2			63.1	63.1	34.2	34.2				
Payables												
Au (%)					81.0	81.0						
Ag (%)	90.0	90.0	90.0	90.0	90.0	90.0	90.0	90.0	90.0	90.0	90.0	90.0
Pb (%)	87.5	87.5	87.5	87.5	87.5	87.5	87.5	87.5	87.5	87.5	87.5	87.5
Zn (%)	72.5	72.5			72.5	72.5	72.5	72.5				
Full breakeven COG (AgEq g/t) = (Total operating cost $/t)/($ value per in situ gram after metallurgical recovery & payable)	235	205	240	210	235	210	210	180	240	215	260	235

Notes:

- Numbers may not compute exactly due to rounding.
- Metal price assumptions: Au $1250/oz; Ag $18/oz; Pb $0.95/lb; Zn $1.10/lb.
- No Zn value ascribed to ore from HZG, TLP, and LMW sites.
- Operating costs from 2020 and 2021 fiscal years (actuals + FY2021 Q4 projection).

Lower COG values have been used for development ore, and for areas where, effectively, all development and drilling for a given stope is complete and the decision is whether to mine the stope or not. These values are shown in Table 7.

Table 7 Development ore and stope marginal cut-off grades

Item	SGX		HZG		HPG		LME		TLP		LMW	
	Resuing	Shrinkage	Resuing	Shrinkage	Resuing	Shrinkage	Resuing	Shrinkage	Resuing	Shrinkage	Resuing	Shrinkage
Stope marginal COG (AgEq g/t)	215	180	220	190	215	190	180	150	220	195	230	205
Development ore COG (AgEq g/t)	145		140		145		120		150		165	

Note: Costs, recoveries, payables, and metal price assumptions as per Table 6 above.

Dilution

Minimum mining widths are assumed as 0.5 m and 1.0 m, respectively, for resuing and shrinkage. For resuing, a dilution factor has been applied to each true vein width up to a minimum extraction width of 0.5 m or to (vein width plus 0.1 m) where the true width is greater than 0.4 m. For shrinkage, a minimum dilution factor of 0.2 m is added to the minimum vein width of 0.8 m. The QP notes that a key strategy used at Ying for minimizing floor dilution is the placement of rubber mats and / or conveyor belting over the waste fill floor in resuing stopes immediately before each resuing blast. This effectively serves as a barrier between ore and waste.

The dilution calculation process used for the Mineral Reserves estimation assumes that the resulting figures represent the overall tonnes and grade delivered to surface. There is a small degree of waste hand-sorting, and therefore upgrading, that occurs underground, depending on the mine and mining method. The QP considers that the resulting impact of this hand-sorting on the delivered product is not significant enough to materially affect the dilution factors used in the estimation.

The QP notes that the projections for dilution in both resuing and shrinkage stopes assume a high degree of process control in terms of design, drilling, and blasting, and that such control on an ongoing basis is critical to achieving dilution targets.

Table 8 summarizes average dilution from the Mineral Reserve calculations for each of the Ying mines. The QP considers that the current dilution estimation is reasonable considering the enhanced focus on mining process control in recent years and the observed results from those efforts.

Table 8 Average dilution by mine and method

Mine	Dilution %	
	Resuing	Shrinkage
SGX	15	19
HZG	18	20
HPG	18	19
LME	16	17
TLP	14	18
LMW	13	14
Total Ying	**15**	**18**

Mining Recovery Factors

Mining recovery estimates used in the Mineral Reserve calculations are based on experience at each of the Ying operations and for each mining method. For resuing stopes, 95% total recovery is assumed; for shrinkage stopes, 92% total recovery is assumed. Minimal pillars are anticipated to remain between adjacent mining blocks in the same vein, and partial recovery in sill pillars is allowed for in the respective recovery factors.

Mineral Reserve Estimate

To convert Mineral Resources to Mineral Reserves, Silvercorp uses the following procedures:

- Selection of Measured and Indicated Resource areas (potential stope blocks) for which the average AgEq grade is greater than the mine cut-off AgEq grade.
- Application of minimum extraction and mining width criteria and calculation of dilution at zero grade.
- Estimation of Mineral Reserve potential by applying relevant mining loss factors.
- Reconfirmation that diluted AgEq grade is greater than mine cut-off.
- Confirmation as Mineral Reserves by considering any other significant cost factors such as additional waste development required to gain access to the block in question.

Table 9 summarizes the Mineral Reserve estimates for each Ying mine and for the entire Ying operation.

44.1% of the Mineral Reserve tonnage is categorized as Proven and 55.9% is categorized as Probable.

Table 9 Ying Mines Mineral Reserve Estimates at 31 December 2019

Mine	Reserve Category	Mt	Au (g/t)	Ag (g/t)	Pb (%)	Zn (%)	Metal contained in Mineral Reserves			
							Au (koz)	Ag (Moz)	Pb (kt)	Zn (kt)
SGX	Proven	2.48		298	5.86	2.80		23.73	145.2	69.4
	Probable	2.71		259	5.05	2.35		22.57	137.0	63.9
Total Proven & Probable		**5.19**		**277**	**5.43**	**2.57**		**46.30**	**282.1**	**133.3**
HZG	Proven	0.30		356	0.98	0.24		3.42	2.9	0.7
	Probable	0.32		306	0.66	0.12		3.13	2.1	0.4
Total Proven & Probable		**0.62**		**330**	**0.82**	**0.18**		**6.54**	**5.0**	**1.1**
HPG	Proven	0.48	1.05	88	3.66	1.52	16	1.34	17.4	7.2
	Probable	0.76	1.38	62	3.07	1.37	34	1.53	23.4	10.5
Total Proven & Probable		**1.24**	**1.25**	**72**	**3.29**	**1.43**	**50**	**2.88**	**40.8**	**17.7**
LME	Proven	0.36		352	1.65	0.37		4.05	5.9	1.3
	Probable	0.89		287	1.57	0.40		8.18	13.9	3.5
Total Proven & Probable		**1.24**		**306**	**1.59**	**0.39**		**12.23**	**19.8**	**4.8**
LMW	Proven	0.42		347	3.30	0.28		4.73	14.0	1.2
	Probable	0.93		303	2.44	0.30		9.00	22.6	2.8
Total Proven & Probable		**1.35**		**317**	**2.71**	**0.29**		**13.73**	**36.6**	**4.0**
TLP	Proven	1.25		241	3.47	0.34		9.71	43.5	4.2
	Probable	1.10		216	2.60	0.32		7.62	28.5	3.5
Total Proven & Probable		**2.35**		**230**	**3.07**	**0.33**		**17.34**	**72.0**	**7.7**
Ying Mines	Proven	5.29	0.09	276	4.33	1.59	16	46.99	228.9	84.0
	Probable	6.70	0.16	241	3.39	1.26	34	52.02	227.5	84.5
Total Proven & Probable		**11.99**	**0.13**	**257**	**3.81**	**1.41**	**50**	**99.01**	**456.4**	**168.6**

Notes to Mineral Reserve Statement:

- Cut-off grades (AgEq g/t): SGX – 235 Resuing, 205 Shrinkage; HZG – 240 Resuing, 210 Shrinkage; HPG – 235 Resuing, 210 Shrinkage; LME – 210 Resuing, 180 Shrinkage; TLP – 240 Resuing, 215 Shrinkage; LMW – 260 Resuing, 235 Shrinkage.
- Stope Marginal cut-off grades (AgEq g/t): SGX – 215 Resuing, 180 Shrinkage; HZG – 220 Resuing, 190 Shrinkage; HPG – 215 Resuing, 190 Shrinkage; LME – 180 Resuing, 150 Shrinkage; TLP – 220 Resuing, 195 Shrinkage; LMW – 230 Resuing, 205 Shrinkage.
- Development Ore cut-off grades (AgEq g/t): SGX – 145; HZG – 140; HPG – 145; LME – 120; TLP – 150; LMW – 165.
- Unplanned dilution (zero grade) assumed as 0.05m on each wall of a resuing stope and 0.10m on each wall of a shrinkage stope.
- Mining recovery factors assumed as 95% for resuing and 92% for shrinkage.
- Metal prices: gold US$1,250/troy oz, silver US$18/troy oz, lead US$0.95/lb, zinc US$1.10/lb.
- Processing recovery factors: SGX – 96.5% Ag, 97.8% Pb, 64.2% Zn; HZG – 96.8% Ag, 95.2% Pb; HPG – 90.7% Au, 90.2% Ag, 94.4% Pb, 63.1% Zn; LME – 96.9% Ag, 94.1% Pb, 34.2% Zn; TLP – 93.4% Ag, 90.7% Pb; LMW – 96.6% Ag, 96.3% Pb.
- Payables: Au – 81%; Ag – 90.0%; Pb – 87.5%; Zn – 72.5%.
- Exclusive of mine production to 31 December 2019.
- Exchange rate assumed is RMB 6.90 : US$1.00.
- Rounding of some figures may lead to minor discrepancies in totals.

The QP notes that for TLP and LMW, silver and lead Mineral Reserve grades are approximately the same as the average silver and lead mined grades over the FY2017 to FY2020 timeframe. For the combined SGX, HZG, HPG, and LME mines, average silver and lead Mineral Reserve grades show an approximately 25% reduction compared to the average silver and lead mined grades over the FY2017 to FY2020 period, whereas average zinc Mineral Reserve grades show an approximately 25% increase. This is consistent with the mining plan generally moving to depth in these mining areas as the life-of-mine (LOM) progresses. The QP also notes that the grade distribution of the Mineral Reserves and a continued focus on best mining practices and minimizing dilution provide a continuing opportunity to mine at above-overall-average grades in at least the early stages of the projected remaining LOM.

Table 10 below summarizes the total tonnage mined and total metals produced from the Ying Projects as a whole between December 31, 2019, the date of the latest Mineral Reserve report, and March 31, 2021:

Table 10 Tonnage mined and metal produced since Ying Report date

	Production, year ended March 31, 2021	Production, three months ended March 31, 2020	Total Production since latest Mineral Reserve report (December 31, 2019)
Ore Mined (Mt)	0.65	0.07	0.72
Silver Produced (Moz)	5.61	0.71	6.32
Gold Produced (oz)	3,500	500	4,000
Lead Produced (t)	26,257	4,765	31,022
Zinc Produced (t)	3,137	679	3,816

Note: Table 10 and the immediately preceding text that references it are subsequent to, and do not form part, of the Ying Report.

Mineral Reserves Sensitivity to Cut-off Grade

The sensitivity of the Ying Mineral Reserves to variation in COG has been tested by applying a 20% increase in COG to Mineral Reserves at each of the Ying mines. The approximate percentage differences in contained AgEq ounces for each of the Ying mines and for the property as a whole are shown in Table 11:

Table 11 Estimated Reduction in Contained AgEq Oz in Mineral Reserves for COG increase of 20%

COGs increased by 20%	SGX	HZG	HPG	LME	TLP	LMW
Mine AgEq oz reduction	4.7%	12.0%	21.0%	9.4%	14.1%	11.4%
Ying total AgEq oz reduction	**8.8%**					

The lowest sensitivities are seen at SGX and LME with, respectively, estimated 4.7% and 9.4% reductions in contained AgEq ounces when the COG is increased by 20%. The highest reduction of 21.0% is noted at HPG. For Ying as a whole, an approximately 8.8% reduction in AgEq ounces demonstrates relatively low overall COG sensitivity.

Conversion of Mineral Resources to Reserves

Table 12 compares the respective sums of Measured plus Indicated Resources and Proven plus Probable Reserves for each of the Ying mines and the entire Ying operation.

Table 12 Mineral Resources and Mineral Reserves comparison

Mine[1]		Tonnes (Mt)	Au (g/t)	Ag (g/t)	Pb (%)	Zn (%)	Au (koz)	Ag (Moz)	Pb (kt)	Zn (kt)
SGX	Resource MS+ID	6.77	-	284	5.60	2.82	-	61.86	379.1	190.6
	Reserve Prv+Prb	5.19		277	5.43	2.57		46.30	282.1	133.3
Conversion percentages		77%		98%	97%	91%		75%	74%	70%
HZG	Resource MS+ID	1.09	-	305	0.87	0.20	-	10.72	9.5	2.1
	Reserve Prv+Prb	0.62		330	0.82	0.18		6.54	5.0	1.1
Conversion percentages		56%		108%	94%	90%		61%	53%	51%
HPG	Resource MS+ID	2.38	1.28	77	3.29	1.35	98.2	5.87	78.3	32.1
	Reserve Prv+Prb	1.24	1.25	72	3.29	1.43	49.9	2.88	40.8	17.7
Conversion percentages		52%	98%	94%	100%	106%	51%	49%	52%	55%
LME	Resource MS+ID	1.67	-	301	1.65	0.42	-	16.16	27.5	7.0
	Reserve Prv+Prb	1.24		306	1.59	0.39		12.23	19.8	4.8
Conversion percentages		75%		102%	96%	92%		76%	72%	69%
TLP	Resource MS+ID	5.43	-	185	3.06	0.32	-	32.27	166.4	17.5
	Reserve Prv+Prb	2.35		230	3.07	0.33		17.34	72.0	7.7
Conversion percentages		43%		124%	100%	101%		54%	43%	44%
LMW	Resource MS+ID	2.71	-	278	2.55	0.29	-	24.29	69.1	7.9
	Reserve Prv+Prb	1.35		317	2.71	0.29		13.73	36.6	4.0
Conversion percentages		50%		114%	106%	102%		57%	53%	50%
DCG[1]	Resource MS+ID	0.06	0.09	59	3.78	0.15	0.17	0.12	2.3	0.1
	Reserve Prv+Prb	-	-	-	-	-	-	-	-	-
Conversion percentages		-	-	-	-	-	-	-	-	-
Total	Resource MS+ID	20.12	0.15	234	3.64	1.28	98.4	151.26	732.3	257.3
	Reserve Prv+Prb	11.99	0.13	257	3.81	1.41	49.9	99.01	456.4	168.6
Conversion percentages		60%	85%	110%	105%	110%	51%	65%	62%	66%

Notes: Numbers may not compute exactly due to rounding.
MS+ID = Measured and Indicated Mineral Resources, Prv+Prb = Proven and Probable Mineral Reserves
1 DCG Project Measured and Indicated Resources included.

For the Property as a whole, total Mineral Reserve tonnes are approximately 60% of Mineral Resource (Measured plus Indicated) tonnes. Silver, lead, and zinc Mineral Reserve grades are 110%, 105%, and 110% respectively of the corresponding Measured plus Indicated Mineral Resource grades. Metal conversion percentages for silver, lead, and zinc are 65%, 62%, and 66% respectively.

With respect to the difference in tonnes and metal content between (Measured plus Indicated) Mineral Resources and (Proven plus Probable) Mineral Reserves, the QP makes note that: a) Mineral Resource COGs are approximately aligned with development ore cut-offs at each mine; and b) Mineral Resource areas that are not yet part of the LOM plan are not eligible for inclusion as Mineral Reserves.

Comparison of Mineral Reserves, mid-2016 to end-2019

Table 13 shows Ying Mineral Reserves as of mid-2016 (previous Technical Report) and as of end 2019 (this Technical Report). The 2019 Mineral Reserves do not include ore mined since mid 2016.

Table 13 Change in Mineral Reserves, mid-2016 to end-2019

Mine	Category	Tonnes (Mt)	Au (g/t)	Ag (g/t)	Pb (%)	Zn (%)	Metal contained in Mineral Reserves			
							Au (koz)	Ag (Moz)	Pb (kt)	Zn (kt)
SGX 2016	Proven	2.32		272	5.25	2.69		20.28	121.6	62.2
	Probable	3.18		248	4.86	2.11		25.4	154.6	67.1
Total Proven & Probable		**5.50**		**258**	**5.02**	**2.35**		**45.68**	**276.2**	**129.3**
SGX 2019	Proven	2.48		298	5.86	2.80		23.73	145.2	69.4
	Probable	2.71		259	5.05	2.35		22.57	137.0	63.9
Total Proven & Probable		**5.19**		**277**	**5.43**	**2.57**		**46.30**	**282.1**	**133.3**
SGX % Change	Proven	7%		9%	12%	4%		17%	19%	12%
	Probable	-15%		4%	4%	12%		-11%	-11%	-5%
Total Proven & Probable		**-6%**		**7%**	**8%**	**9%**		**1%**	**2%**	**3%**
HZG 2016	Proven	0.23		348	1.03	0.20		2.60	2.4	0.5
	Probable	0.35		285	0.77	0.15		3.23	2.7	0.5
Total Proven & Probable		**0.59**		**310**	**0.88**	**0.17**		**5.83**	**5.1**	**1.0**
HZG 2019	Proven	0.30		356	0.98	0.24		3.42	2.9	0.7
	Probable	0.32		306	0.66	0.12		3.13	2.1	0.4
Total Proven & Probable		**0.62**		**330**	**0.82**	**0.18**		**6.54**	**5.0**	**1.1**
HZG % Change	Proven	30%		2%	-5%	18%		31%	22%	50%
	Probable	-9%		7%	-14%	-20%		-3%	-23%	-27%
Total Proven & Probable		**4%**		**7%**	**-7%**	**4%**		**12%**	**-2%**	**10%**
HPG 2016	Proven	0.47	1.10	88	3.76	1.13	16	1.31	17.5	5.3
	Probable	0.29	1.15	108	3.28	1.17	11	1.02	9.7	3.5
Total Proven & Probable		**0.76**	**1.12**	**95**	**3.57**	**1.15**	**27**	**2.33**	**27.2**	**8.7**
HPG 2019	Proven	0.48	1.05	88	3.66	1.52	16	1.34	17.4	7.2
	Probable	0.76	1.38	62	3.07	1.37	34	1.53	23.4	10.5
Total Proven & Probable		**1.24**	**1.25**	**72**	**3.29**	**1.43**	**50**	**2.88**	**40.8**	**17.7**
HPG % Change	Proven	1%	-5%	0%	-3%	35%	-2%	3%	0%	38%
	Probable	163%	20%	-42%	-6%	17%	212%	50%	143%	203%
Total Proven & Probable		**63%**	**12%**	**-24%**	**-8%**	**24%**	**83%**	**23%**	**50%**	**103%**
LME 2016	Proven	0.20		288	1.45	0.27		1.82	2.9	0.5
	Probable	0.75		298	2.11	0.46		7.23	15.9	3.5
Total Proven & Probable		**0.95**		**296**	**1.97**	**0.42**		**9.06**	**18.8**	**4.0**
LME 2019	Proven	0.36		352	1.65	0.37		4.05	5.9	1.3
	Probable	0.89		287	1.57	0.40		8.18	13.9	3.5
Total Proven & Probable		**1.24**		**306**	**1.59**	**0.39**		**12.23**	**19.8**	**4.8**
LME % Change	Proven	81%		22%	14%	34%		122%	107%	143%
	Probable	17%		-4%	-26%	-14%		13%	-13%	1%
Total Proven & Probable		**31%**		**3%**	**-19%**	**-8%**		**35%**	**5%**	**20%**
TLP 2016	Proven	1.00		223	3.45	0.26		7.15	34.4	2.6
	Probable	1.48		178	2.91	0.29		8.45	43.1	4.3
Total Proven & Probable		**2.47**		**196**	**3.13**	**0.28**		**15.60**	**77.5**	**6.9**
TLP 2019	Proven	1.25		241	3.47	0.34		9.71	43.5	4.2
	Probable	1.10		216	2.60	0.32		7.62	28.5	3.5
Total Proven & Probable		**2.35**		**230**	**3.07**	**0.33**		**17.34**	**72.0**	**7.7**
	Proven	25%		8%	1%	29%		36%	26%	61%

Mine	Category	Tonnes (Mt)	Au (g/t)	Ag (g/t)	Pb (%)	Zn (%)	Metal contained in Mineral Reserves			
							Au (koz)	Ag (Moz)	Pb (kt)	Zn (kt)
TLP % Change	Probable	-26%		21%	-11%	9%		-10%	-34%	-19%
Total Proven & Probable		**-5%**		**17%**	**-2%**	**17%**		**11%**	**-7%**	**11%**
LMW 2016	Proven	0.46		316	3.29	0.25		4.69	15.2	1.1
	Probable	1.57		234	2.61	0.29		11.83	41.0	4.6
Total Proven & Probable		**2.04**		**252**	**2.76**	**0.28**		**16.52**	**56.2**	**5.8**
LMW 2019	Proven	0.42		347	3.30	0.28		4.73	14.0	1.2
	Probable	0.93		303	2.44	0.30		9.00	22.6	2.8
Total Proven & Probable		**1.35**		**317**	**2.71**	**0.29**		**13.73**	**36.6**	**4.0**
LMW % Change	Proven	-8%		10%	0%	12%		1%	-8%	3%
	Probable	-41%		29%	-6%	3%		-24%	-45%	-40%
Total Proven & Probable		**-34%**		**25%**	**-2%**	**4%**		**-17%**	**-35%**	**-31%**
Ying Total 2016	Proven	4.67	0.11	252	4.15	1.55	16	37.85	194.0	72.2
	Probable	7.63	0.04	233	3.50	1.09	11	57.16	267.0	83.5
Total Proven & Probable		**12.30**	**0.07**	**240**	**3.75**	**1.27**	**27**	**95.02**	**461.0**	**155.7**
Ying Total 2019	Proven	5.29	0.09	276	4.33	1.59	16	46.99	228.9	84.0
	Probable	6.70	0.16	241	3.39	1.26	34	52.02	227.5	84.5
Total Proven & Probable		**11.99**	**0.13**	**257**	**3.81**	**1.41**	**50**	**99.01**	**456.4**	**168.6**
Ying % Change	Proven	13%	-14%	10%	4%	3%	-2%	24%	18%	16%
	Probable	-12%	292%	4%	-3%	16%	212%	-9%	-15%	1%
Total Proven & Probable		**-3%**	**85%**	**7%**	**2%**	**11%**	**83%**	**4%**	**-1%**	**8%**

Some significant aspects of the comparison are:

- 3% decrease in total (Proven + Probable) Ying Mineral Reserve tonnes.
- Increase in total Ying Mineral Reserve silver, lead, and zinc grades of 7%, 2%, and 11%, respectively.
- Increases in total Ying Mineral Reserve metal content for silver and zinc of 4% and 8% respectively; 1% decrease in total lead content.
- SGX continues being the leading contributor to the total Ying Mineral Reserves, accounting for 43% of tonnes, 47% of silver, 62% of lead, and 79% of zinc, compared to respective values of 45%, 48%, 60%, and 83% in 2016.
- 6% decrease in total Mineral Reserve tonnes at SGX, but slight increases in total metal content for silver, lead and zinc of 1%, 2%, and 3% respectively.
- 63% increase in total Mineral Reserve tonnes at HPG, with corresponding increases in silver, lead and zinc content of 23%, 50%, and 103% respectively. Gold Mineral Reserves also increased from 27 koz to 50 koz at HPG.
- 31% increase in total Mineral Reserve tonnes at LME, with corresponding increases in silver, lead and zinc content of 35%, 5%, and 20%, respectively.
- 34% decrease in total Mineral Reserve tonnes at LMW, with corresponding decreases in silver, lead and zinc content of 17%, 35%, and 31%, respectively.
- 4% increase in total Mineral Reserve tonnes at HZG, with corresponding increases in silver and zinc content of 12% and 10% respectively; 2% decrease in total lead content.
- 5% decrease in total Mineral Reserve tonnes at TLP, but with increases in both silver and zinc content of 11%; 7% decrease in total lead content.

Mining Operations

The Ying mine complex is a viable operation with a projected LOM through to 2040 based on Proven and Probable Reserves. The potential exists for an extended LOM via further exploration and development, particularly in areas of Inferred Resources.

Annual ore production is projected to be maintained between 655 kt and 687 kt through to and including FY2031. From FY2032 to FY2036, ore production is projected to average about 600 ktpa, and then to drop from 443 ktpa to 283 ktpa over the final four years, as operations at the SGX, HPG, LME, and LMW mines wind down. The QP notes that the development and infrastructure required to allow production as projected is either already in place, is in development, or has been planned. The ability to achieve projected production will, to a large degree, be dependent on diligent planning and the consistent availability of resources, particularly skilled manpower and, although there is a certain amount of risk associated with the provision of key resources, the Ying mines performance in recent years lends support to a having a good degree of confidence that production tonnage targets can be achieved.

Silver grades, particularly driven by SGX, are indicated to steadily decrease over the LOM. Through to and including 2025, the silver grade is projected to average 307 g/t. Beyond 2025, the silver grade ranges between 267 g/t and 203 g/t, but with the AgEq grade maintained in a fairly narrow range between 378 g/t and 436 g/t. The full LOM average AgEq grade is projected at 454 g/t. The grade profile is consistent with the mines developing more to depth, with a general decrease in Ag grades and a corresponding increase in Pb and Zn grades.

The Ying mines safety is governed by Chinese statutory requirements and the QP acknowledges that, in certain areas, those requirements are exceeded. The QP advises, however, that Silvercorp should continue with a focus on safety improvement, including implementation of a policy where the more stringent of either Chinese or Canadian safety standards are employed.

The generally good ground conditions, and the regularity and sub-vertical nature of the Ying district veins, could provide an opportunity to effectively employ more bulk-mining methods such as longhole benching, and still with reasonable dilution. The QP recognizes the technological change that would be required for their implementation but recommends that Silvercorp investigate the application of such methods.

Processing and Recovery Operations

Silvercorp runs two processing plants, Plants 1 and 2, at the Property, with a total current design capacity of about 2,800 tpd. The two plants are situated within 2 km of each other. Both were designed based on the lab tests completed by HNMRI in 2005. Plant 1 (Xiayu Plant - originally 600 tpd, upgraded to 800 tpd) has been in operation since March 2007. Plant 2 (Zhuangtou Plant) has been in production since December 2009, with an expansion from 1,000 tpd to 2,000 tpd completed in October 2011. Although current design processing capacity is about 2,800 tpd, it is understood that the actual capacity could reach 3,000 – 3,200 tpd. However, current LOM planning requires that the plants operate up to around 2,000 tpd.

The overall processes of the two plants are similar and comprise crushing, grinding, flotation of lead and zinc concentrates, and concentrate dewatering. Plant 1 currently produces only a lead / silver concentrate. In the LOM plan, the majority of ore tonnes will be processed through Plant 2, with Plant 1 being used as a backup to process low grade ore or development ore from LM, HZG, and part of TLP.

To optimize profitability, high grade lead concentrate from Plant 2 is blended with middle grade lead concentrate from Plant 1.

SGX / HPG ores also contain high-grade, large-size galena lumps with characteristic specular silver grey colour. These may be hand-sorted at the mine sites, crushed, and then shipped by dedicated trucks to Plant 1. The lumps can be milled in a dedicated facility, and then sold directly, or mixed with flotation lead concentrate for sale.

Both Plants 1 and 2 have exceeded target throughput levels. Lead and silver recovery targets are being met, although zinc recovery is lower than design, attributed to low zinc feed grades.

After innovation and modification to both plants over the last few years, lead and silver recoveries have increased significantly. Improvements have been consistently targeted on process system and other facilities both in Plant 1 and Plant 2 to improve the metal recovery and reduce energy consumption.

Historically, higher-grade feed from SGX has enhanced plant performance but, with the proportion of SGX ore decreasing, the challenge is to maintain similar metallurgical performance on lower grade feedstock. From recent performance, it appears that recoveries are being maintained but concentrate grades are lower than target, however, not to the extent where there is a major deterioration in smelter terms.

Infrastructure, Permitting and Compliance Activities

There are two tailings management facilities (TMF); TMF 1, adjacent to and serving Plant 1, and TMF 2, adjacent to and serving Plant 2. TMF 2 was completed in July 2012 and put into service in April 2013. The QP understands that site-specific risk assessment, such as for geotechnical risk, was originally carried out by Henan Luoyang Yuxi Hydrological & Geological Reconnaissance Company, with more recent assessments done by other organizations.

The TMFs were designed based on then current Mineral Resource / Mineral Reserve estimations and LOM production projections. Subsequent resource expansion and increased production projections indicate that the current tailings capacity will not be adequate for the full Ying LOM. Additional tailings capacity will thus be required in the later period of the LOM production. There are several location options for the third TMF, with assessment of those options still in the study stage. It is expected that there will be no problem to get permission to build the third TMF once it becomes necessary.

Reclaimed water from the tailings storage ponds and overflows from the two concentrators is recycled to minimize fresh water requirements. Zero discharge of the process water has been achieved at both TMFs in no-rainfall seasons.

Each mine in the Ying Property has a number of rock waste dumps. Waste dump capacity at all mines is enough for the anticipated LOM waste rock. Silvercorp is investing approximately $2.9 million (M) to construct a 1 Mtpa aggregate plant to recycle and crush the waste rock from the Ying Mining District, and then supply it to the local construction market. The plant is expected to be commissioned in October 2020, and its profit, after capital recovery, will be shared between the local government, the local communities, and employees.

Power for the Ying Property is drawn from Chinese National Grids with high-voltage lines to the different mine camps and mill plants. At SGX, one 35 kV overhead line supplies main power for all production, and two 10 kV lines act mainly as a standby source of power in case of disruption. In addition, two 1,500 kW and one 1,200 kW diesel generators installed at one of the substations act as back-up power supply in the event of a grid power outage.

Access to the SGX / HZG mine from Silvercorp's mill office complex is via a 7 km paved road to the Hedong wharf of the Guxian Reservoir, and then across the reservoir by boat to the mine site. Two large barges carry up to five 45 t ore trucks from the SGX / HZG and HPG mines to the plants. The HPG mine can be accessed either by boat or 12 km paved road, south-west of the main office complex. Ore from the TLP and LM mines is hauled to the Silvercorp central mill using 30 and 45 t truck fleets. The TLP, LME, and LMW mines are 15 km south-east of the main office complex and are accessed by paved road along the Chongyang River.

Silvercorp has all the required permits for its operations on the Property. The existing mining permits cover all the active mining areas and, in conjunction with safety and environmental certificates, give Silvercorp the right to carry out full mining and mineral processing operations. Six safety certificates have been issued

by the Department of Safety Production and Inspection of Henan Province, covering the SGX mine, Zhuangtou TMF, Shiwagou TMF, HPG mine, TLP mine, LMW mine, and LME mine. Five environmental certificates have been issued by the Department of Environmental Protection of Henan Province, covering the Yueliangou project (SGX mine and 1,000 tpd mill plant), HPG mine, TLP mine, LMW mine, LME mine, and the 2,000 tpd mill plant built in 2009. For each of these certificates, there are related mine development / utilization and soil / water conservation programs, and rehabilitation plan reports. Silvercorp has also obtained approvals and certificates for wastewater discharge locations at the SGX mine, the HPG mine, and the two TMFs. All certificates must be renewed periodically.

There are no cultural minority groups within the area surrounding the general project. The culture of the broader Luoning County is predominantly Han Chinese. No records of cultural heritage sites exist within or near the SGX, HZG, TLP, LME, LMW, and HPG project areas. The surrounding land near the SGX Mining Area is used predominantly for agriculture. The mining area does not cover any natural conservation, ecological forests or strict land control zones. Current area vegetation is mainly secondary, including farm plantings. Larger wild mammals have not been found in the region. Small birds nesting and moving in the woodland are observed occasionally. The surrounding villagers raise domestic animals, such as chickens, ducks, pigs, sheep, and goats.

Capital and Operating Costs

Summary of Capital Costs

The main capital requirement at the Property is for mine development. Provision is also made for exploration drilling and for sustaining surface facilities, plant expenditure, personal protective equipment, and equipment in general. Specific processing plant capital requirements are projected to be minimal as plant capacity has previously been expanded to meet the forecast mine production.

Projected LOM capital costs, by mine and for Ying as a whole, are summarized in Table 14. An exchange rate of US$1 = 6.90 RMB is assumed.

Table 14 Projected Ying LOM Capex (US$M)

Cost item	Total LOM	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	FY2036	FY2037	FY2038	FY2039	FY2040
SGX																					
Sustaining Capex																					
Exploration & mine development tunneling	21.94	4.55	3.38	3.12	1.87	1.85	1.28	0.91	0.90	0.95	0.64	0.60	0.63	0.47	0.52	0.11	0.08	0.08	-	-	-
Facilities, plant, and equipment	17.59	0.87	0.87	0.87	0.88	0.89	0.89	0.89	0.89	0.89	0.89	0.89	0.89	0.89	0.89	0.89	0.89	0.89	0.86	0.84	0.83
Investment Capex	34.26	3.36	3.36	3.61	3.68	3.43	3.15	2.56	2.17	1.50	1.22	1.13	1.00	0.98	0.63	0.89	0.78	0.40	0.28	0.13	-
Total SGX Capex	**73.79**	**8.78**	**7.61**	**7.60**	**6.43**	**6.17**	**5.32**	**4.36**	**3.96**	**3.34**	**2.75**	**2.62**	**2.52**	**2.34**	**2.04**	**1.89**	**1.75**	**1.37**	**1.14**	**0.97**	**0.83**
HZG																					
Sustaining Capex																					
Exploration & mine development tunneling	11.22	1.59	1.60	1.75	1.58	1.73	1.03	0.69	0.43	0.18	0.42	0.13	0.09	-	-	-	-	-	-	-	-
Facilities, plant, and equipment	1.63	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.12	0.11	-	-	-	-	-	-	-	-
Investment Capex	11.54	0.98	1.13	0.68	0.79	0.62	0.97	1.20	1.39	1.56	1.53	0.32	0.37	-	-	-	-	-	-	-	-
Total HZG Capex	**24.39**	**2.71**	**2.87**	**2.57**	**2.51**	**2.49**	**2.14**	**2.03**	**1.96**	**1.88**	**2.09**	**0.57**	**0.57**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
HPG																					
Sustaining Capex																					
Exploration & mine development tunneling	7.67	0.66	0.86	0.61	0.62	0.62	0.56	0.47	0.50	0.71	0.46	0.46	0.21	0.17	0.10	0.34	0.26	0.06	-	-	-
Facilities, plant, and equipment	4.78	0.25	0.25	0.27	0.27	0.28	0.28	0.27	0.28	0.27	0.27	0.27	0.27	0.27	0.27	0.27	0.26	0.24	0.24	-	-
Investment Capex	5.71	0.04	0.09	0.13	0.20	0.10	0.15	0.38	0.48	0.22	0.14	0.22	0.82	0.85	0.61	0.45	0.42	0.41	-	-	-
Total HPG Capex	**18.16**	**0.95**	**1.20**	**1.01**	**1.09**	**1.00**	**0.99**	**1.12**	**1.26**	**1.20**	**0.87**	**0.95**	**1.30**	**1.29**	**0.98**	**1.06**	**0.94**	**0.71**	**0.24**	**-**	**-**
TLP																					
Sustaining Capex																					
Exploration & mine development tunneling	9.79	4.54	1.81	0.97	0.75	0.36	0.13	0.21	0.29	0.19	0.14	0.14	0.09	0.07	0.07	0.03	-	-	-	-	-
Facilities, plant, and equipment	8.06	0.51	0.49	0.52	0.51	0.49	0.56	0.54	0.57	0.51	0.48	0.49	0.49	0.49	0.49	0.48	0.44	-	-	-	-
Investment Capex	17.33	1.85	1.68	1.78	1.16	1.54	1.68	1.52	1.14	1.06	0.86	0.93	0.84	0.59	0.70	-	-	-	-	-	-
Total TLP Capex	**35.18**	**6.90**	**3.98**	**3.27**	**2.42**	**2.39**	**2.37**	**2.27**	**2.00**	**1.76**	**1.48**	**1.56**	**1.42**	**1.15**	**1.26**	**0.51**	**0.44**	**-**	**-**	**-**	**-**
LME																					
Sustaining Capex																					
Exploration & mine development tunneling	5.96	1.32	1.31	0.88	0.70	0.87	0.44	0.17	0.17	0.05	0.05	-	-	-	-	-	-	-	-	-	-
Facilities, plant, and equipment	2.70	0.14	0.15	0.17	0.15	0.17	0.15	0.16	0.18	0.16	0.17	0.18	0.16	0.16	0.16	0.16	0.14	0.14	-	-	-
Investment Capex	12.28	0.58	0.69	0.97	0.95	0.73	0.92	0.81	0.69	0.73	0.78	0.82	0.61	0.66	0.73	0.82	0.79	-	-	-	-
Total LME Capex	**20.94**	**2.04**	**2.15**	**2.02**	**1.80**	**1.77**	**1.51**	**1.14**	**1.04**	**0.94**	**1.00**	**1.00**	**0.77**	**0.82**	**0.89**	**0.98**	**0.93**	**0.14**	**-**	**-**	**-**
LMW																					
Sustaining Capex																					
Exploration & mine development tunneling	9.99	0.88	0.93	1.01	1.05	0.94	0.91	0.66	0.72	0.48	0.25	0.35	0.27	0.24	0.27	0.33	0.19	0.14	0.13	0.16	0.08
Facilities, plant, and equipment	6.73	0.33	0.34	0.36	0.35	0.35	0.34	0.34	0.35	0.34	0.34	0.34	0.34	0.35	0.34	0.34	0.33	0.33	0.34	0.31	0.27
Investment Capex	11.27	0.98	1.00	1.07	1.08	1.12	1.20	1.18	1.04	1.12	0.80	0.48	0.20	-	-	-	-	-	-	-	-
Total LMW Capex	**27.99**	**2.19**	**2.27**	**2.44**	**2.48**	**2.41**	**2.45**	**2.18**	**2.11**	**1.94**	**1.39**	**1.17**	**0.81**	**0.59**	**0.61**	**0.67**	**0.52**	**0.47**	**0.47**	**0.47**	**0.35**
Ying Total																					
Sustaining Capex																					
Exploration & mine development tunneling	66.57	13.54	9.89	8.34	6.57	6.37	4.35	3.11	3.01	2.56	1.96	1.68	1.29	0.95	0.96	0.81	0.53	0.28	0.13	0.16	0.08
Facilities, plant, and equipment	41.49	2.24	2.24	2.33	2.30	2.32	2.36	2.34	2.41	2.31	2.29	2.29	2.26	2.16	2.15	2.14	2.06	1.60	1.44	1.15	1.10
Investment Capex	92.39	7.79	7.95	8.24	7.86	7.54	8.07	7.65	6.91	6.19	5.33	3.90	3.84	3.08	2.67	2.16	1.99	0.81	0.28	0.13	-
Total Ying Capex	**200.45**	**23.57**	**20.08**	**18.91**	**16.73**	**16.23**	**14.78**	**13.10**	**12.33**	**11.06**	**9.58**	**7.87**	**7.39**	**6.19**	**5.78**	**5.11**	**4.58**	**2.69**	**1.85**	**1.44**	**1.18**

Notes: Numbers may not compute exactly due to rounding. Q4 FY2020 not included.

Summary of Operating Costs

Major operating cost categories are mining, shipping, milling, G&A, product selling, Mineral Resources tax, and government fees and other taxes. Silvercorp utilizes contract labour for mining on a rate per tonne or a rate per metre basis. The contract includes all labour, all fixed and mobile equipment, materials, and consumables, including fuel and explosives, which are purchased through the company. Ground support consumables such as timber and power to the portal areas are the responsibility of the company. Shipping costs are for moving ore from each mine to the processing plant. Principal components of the milling costs are utilities (power and water), consumables (grinding steel and reagents) and labour, each approximately one third of the total cost. G&A costs include an allowance for tailings dam and other environmental costs. The major capital expenditure on the two tailings storage facilities has already been expended and ongoing costs associated with progressively raising the dam are regarded as an operating cost. The provision for Mineral Resources tax is approximately 3% of sales. Table 15 summarizes projected LOM operating costs, by mine, and for Ying as a whole. An exchange rate of US$1 = 6.90 RMB is assumed.

Table 15 Projected Ying LOM Opex (US$M)

Cost item	Total LOM	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	FY2036	FY2037	FY2038	FY2039	FY2040
SGX																					
Mining	357.80	18.95	18.16	17.66	18.25	18.73	18.62	18.48	18.69	18.45	18.09	18.15	18.06	18.40	17.95	17.76	17.51	17.22	17.68	16.53	14.46
Shipping	20.93	1.03	1.03	1.03	1.05	1.06	1.06	1.06	1.06	1.06	1.06	1.06	1.06	1.06	1.06	1.06	1.06	1.06	1.03	1.00	0.98
Milling	52.82	2.61	2.61	2.61	2.66	2.67	2.67	2.67	2.67	2.68	2.67	2.67	2.68	2.67	2.67	2.68	2.67	2.67	2.59	2.52	2.48
G&A and product selling	42.89	2.12	2.12	2.12	2.16	2.17	2.17	2.17	2.17	2.17	2.17	2.17	2.17	2.17	2.17	2.17	2.17	2.16	2.10	2.05	2.02
Mineral Resources tax	43.56	2.61	2.56	2.48	2.37	2.32	2.24	2.20	2.16	2.18	2.17	2.15	2.15	2.15	2.11	2.11	2.08	2.04	1.91	1.82	1.75
Government fee and other tax	14.40	0.71	0.71	0.71	0.72	0.73	0.73	0.73	0.73	0.73	0.73	0.73	0.73	0.73	0.73	0.73	0.73	0.72	0.70	0.69	0.68
Total SGX Opex	**532.40**	**28.03**	**27.19**	**26.61**	**27.21**	**27.68**	**27.49**	**27.31**	**27.48**	**27.27**	**26.89**	**26.93**	**26.85**	**27.18**	**26.69**	**26.51**	**26.22**	**25.87**	**26.01**	**24.61**	**22.37**
HZG																					
Mining	33.90	3.22	3.05	3.31	3.26	3.24	3.02	2.93	2.72	2.60	2.68	1.97	1.90	-	-	-	-	-	-	-	-
Shipping	3.09	0.26	0.25	0.27	0.27	0.27	0.27	0.27	0.27	0.27	0.27	0.22	0.20	-	-	-	-	-	-	-	-
Milling	6.20	0.52	0.51	0.54	0.54	0.54	0.54	0.54	0.54	0.54	0.54	0.44	0.41	-	-	-	-	-	-	-	-
G&A and product selling	5.05	0.42	0.42	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.36	0.33	-	-	-	-	-	-	-	-
Mineral Resources tax	3.63	0.36	0.35	0.37	0.35	0.33	0.33	0.33	0.30	0.29	0.27	0.19	0.16	-	-	-	-	-	-	-	-
Government fee and other tax	1.71	0.14	0.14	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.12	0.11	-	-	-	-	-	-	-	-
Total HZG Opex	**53.58**	**4.92**	**4.72**	**5.08**	**5.01**	**4.97**	**4.75**	**4.66**	**4.42**	**4.29**	**4.35**	**3.30**	**3.11**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
HPG																					
Mining	74.74	4.56	3.98	4.39	4.45	4.51	4.61	4.46	4.55	4.37	4.78	4.60	3.93	3.81	3.84	3.76	3.81	3.28	3.05	-	-
Shipping	4.71	0.24	0.25	0.26	0.27	0.27	0.27	0.27	0.27	0.27	0.27	0.27	0.27	0.27	0.26	0.27	0.25	0.24	0.24	-	-
Milling	12.55	0.64	0.66	0.70	0.72	0.72	0.72	0.72	0.72	0.72	0.72	0.72	0.72	0.71	0.71	0.71	0.67	0.64	0.63	-	-
G&A and product selling	10.19	0.52	0.54	0.57	0.58	0.59	0.59	0.58	0.59	0.58	0.58	0.58	0.58	0.58	0.58	0.58	0.54	0.52	0.51	-	-
Mineral Resources tax	5.59	0.34	0.34	0.37	0.37	0.37	0.37	0.35	0.35	0.33	0.33	0.33	0.33	0.31	0.27	0.25	0.21	0.19	0.18	-	-
Government fee and other tax	3.42	0.18	0.18	0.19	0.19	0.20	0.20	0.20	0.20	0.19	0.20	0.20	0.20	0.19	0.19	0.19	0.18	0.17	0.17	-	-
Total HPG Opex	**111.20**	**6.48**	**5.95**	**6.48**	**6.58**	**6.66**	**6.76**	**6.58**	**6.68**	**6.46**	**6.88**	**6.70**	**6.03**	**5.87**	**5.85**	**5.76**	**5.66**	**5.04**	**4.78**	**-**	**-**
TLP																					
Mining	119.41	8.25	6.90	8.34	8.39	7.92	8.68	7.88	8.44	7.89	7.04	6.94	7.23	7.13	6.66	6.39	5.33	-	-	-	-
Shipping	9.25	0.58	0.56	0.60	0.59	0.56	0.64	0.62	0.66	0.58	0.55	0.56	0.56	0.56	0.57	0.55	0.51	-	-	-	-
Milling	23.74	1.50	1.44	1.53	1.51	1.44	1.65	1.59	1.69	1.49	1.41	1.43	1.44	1.44	1.45	1.42	1.31	-	-	-	-

Cost item	Total LOM	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	FY2036	FY2037	FY2038	FY2039	FY2040
G&A and product selling	19.26	1.21	1.17	1.24	1.23	1.17	1.34	1.29	1.37	1.21	1.14	1.16	1.17	1.17	1.18	1.15	1.06	-	-	-	-
Mineral Resources tax	12.20	0.76	0.78	0.84	0.87	0.79	0.91	0.85	0.87	0.78	0.69	0.73	0.73	0.73	0.71	0.64	0.52	-	-	-	-
Government fee and other tax	6.45	0.41	0.39	0.42	0.41	0.39	0.45	0.43	0.46	0.41	0.38	0.39	0.39	0.39	0.39	0.39	0.35	-	-	-	-
Total TLP Opex	**190.31**	**12.71**	**11.24**	**12.97**	**13.00**	**12.27**	**13.67**	**12.66**	**13.49**	**12.36**	**11.21**	**11.21**	**11.52**	**11.42**	**10.96**	**10.54**	**9.08**	**-**	**-**	**-**	**-**
LME																					
Mining	53.18	3.46	3.43	3.47	3.27	2.98	2.84	3.07	3.32	3.02	3.00	3.29	3.09	3.28	3.07	3.00	2.81	2.78	-	-	-
Shipping	4.11	0.21	0.23	0.26	0.23	0.25	0.23	0.24	0.27	0.25	0.26	0.27	0.25	0.25	0.24	0.25	0.21	0.21	-	-	-
Milling	12.60	0.66	0.70	0.78	0.72	0.77	0.70	0.74	0.81	0.76	0.79	0.83	0.76	0.76	0.75	0.76	0.66	0.65	-	-	-
G&A and product selling	10.22	0.53	0.57	0.63	0.58	0.62	0.57	0.60	0.66	0.62	0.64	0.67	0.62	0.62	0.61	0.62	0.53	0.53	-	-	-
Mineral Resources tax	7.46	0.51	0.56	0.63	0.52	0.53	0.42	0.43	0.45	0.45	0.41	0.43	0.44	0.37	0.36	0.34	0.32	0.29	-	-	-
Government fee and other tax	3.43	0.18	0.19	0.21	0.19	0.21	0.19	0.20	0.22	0.21	0.22	0.22	0.21	0.21	0.20	0.21	0.18	0.18	-	-	-
Total LME Opex	**91.00**	**5.55**	**5.68**	**5.98**	**5.51**	**5.36**	**4.95**	**5.28**	**5.73**	**5.31**	**5.32**	**5.71**	**5.37**	**5.49**	**5.23**	**5.18**	**4.71**	**4.64**	**-**	**-**	**-**
LMW																					
Mining	89.35	5.03	4.96	5.14	5.02	4.52	4.39	4.43	4.81	4.56	4.13	4.49	4.62	4.51	4.35	4.75	4.22	4.09	4.26	3.71	3.36
Shipping	4.57	0.22	0.23	0.24	0.24	0.24	0.23	0.23	0.24	0.23	0.23	0.23	0.23	0.24	0.23	0.23	0.23	0.22	0.24	0.21	0.18
Milling	13.68	0.66	0.69	0.72	0.71	0.71	0.69	0.69	0.71	0.69	0.70	0.70	0.68	0.70	0.70	0.69	0.68	0.67	0.70	0.64	0.55
G&A and product selling	11.11	0.54	0.56	0.59	0.57	0.57	0.56	0.56	0.58	0.56	0.57	0.57	0.56	0.57	0.57	0.56	0.55	0.54	0.57	0.52	0.44
Mineral Resources tax	9.03	0.45	0.48	0.53	0.53	0.52	0.50	0.50	0.51	0.48	0.48	0.48	0.46	0.47	0.46	0.44	0.41	0.38	0.37	0.32	0.26
Government fee and other tax	3.72	0.18	0.19	0.20	0.19	0.19	0.19	0.19	0.19	0.19	0.19	0.19	0.19	0.19	0.19	0.19	0.18	0.18	0.19	0.17	0.15
Total LMW Opex	**131.46**	**7.08**	**7.11**	**7.42**	**7.26**	**6.75**	**6.56**	**6.60**	**7.04**	**6.71**	**6.30**	**6.66**	**6.74**	**6.68**	**6.50**	**6.86**	**6.27**	**6.08**	**6.33**	**5.57**	**4.94**
Ying Total																					
Mining	728.38	43.47	40.48	42.31	42.64	41.90	42.16	41.25	42.53	40.89	39.72	39.44	38.83	37.13	35.87	35.66	33.68	27.37	24.99	20.24	17.82
Shipping	46.66	2.54	2.55	2.66	2.65	2.65	2.70	2.69	2.77	2.66	2.64	2.61	2.57	2.38	2.36	2.36	2.26	1.73	1.51	1.21	1.16
Milling	121.59	6.59	6.61	6.88	6.86	6.85	6.97	6.95	7.14	6.88	6.83	6.79	6.69	6.28	6.28	6.26	5.99	4.63	3.92	3.16	3.03
G&A and product selling	98.72	5.34	5.38	5.59	5.56	5.56	5.67	5.64	5.81	5.58	5.54	5.51	5.43	5.11	5.11	5.08	4.85	3.75	3.18	2.57	2.46
Mineral Resources tax	81.47	5.03	5.07	5.22	5.01	4.86	4.77	4.66	4.64	4.51	4.35	4.31	4.27	4.03	3.91	3.78	3.54	2.90	2.46	2.14	2.01
Government fee and other tax	33.13	1.80	1.80	1.88	1.85	1.87	1.91	1.90	1.95	1.88	1.87	1.85	1.83	1.71	1.70	1.71	1.62	1.25	1.06	0.86	0.83
Total Ying Opex	**1,109.95**	**64.77**	**61.89**	**64.54**	**64.57**	**63.69**	**64.18**	**63.09**	**64.84**	**62.40**	**60.95**	**60.51**	**59.62**	**56.64**	**55.23**	**54.85**	**51.94**	**41.63**	**37.12**	**30.18**	**27.31**

Notes: Numbers may not compute exactly due to rounding. Q4 FY2020 not included.

Smelter Contracts

Monthly sales contracts are in place for the lead concentrates with leading smelters, mostly located in Henan province. Among them are Henan Yuguang Gold and Lead Smelting Co. Ltd, JiyuanWanyang Smelting (Group) Co. Ltd, JiyuanJinli Smelting (Group) Co, Lingbao Xinling Smelting Co. Ltd, and Anyang Minshan Smelting Co. Ltd. For the zinc concentrate, sales contracts are in place with Henan Yuguang Zinc Industry Co. Ltd.

All contracts have freight and related expenses to be paid by the smelter customers.

The key elements of the smelter contracts are subject to change based on market conditions when the contracts are renewed each month. Table 16 shows terms most commonly applied.

Table 16 Key elements of smelter contracts

	Pb concentrate & direct smelting ore						Zn concentrate	
	% Pb	**Deduction RMB/t Pb**	**Ag (g/t)**	**% payable**	**Au (g/t)**	**% payable**	**% Zn**	**Deduction RMB/t Zn**
Minimum quality	35		500		1		40	
Payment scales	>=60	1,800	>=5,000	92	>=20	87	>=45	Price =<RMB 15,000/t:5,650
	55-60	1,900	4,500-5,000	91.5	15-20	86		Price > RMB 15,000/t:5,650+(price-15,000)*80%
	50-55	2,000	4,000-4,500	91	10-15	85	40-45	Price =<RMB 15,000/t:5,650+45 per % lower than 45%
	45-50	2,100	3,500-4,000	90.5	7-10	84		Price > RMB 15,000/t:5,650+(price-15,000)*80%+45 per % lower than 45%
	40-45	2,200	3,000-3,500	90	5-7	83		
	35-40	2,700	2,500-3,000	89.5	3-5	82		
			2,000-2,500 1,500-2,000 1,000-1,500 500-1,000	89 88.5 88 87.5	2-3 1-2	81 80		

With respect to lead and zinc terms, the above deductibles calculate out to 85 – 90% payable for the lead concentrate and approximately 70% for zinc, at long-term prices. These are in alignment with global smelter industry norms. Silver payables of approximately 90% are similarly in accord with industry norms.

Economic analysis

Although Silvercorp is a producing issuer and, therefore, does not require an economic analysis of the Ying Property for the purposes of this report, the QPs consider it reasonable to include a summary-level analysis to illustrate the potential economic impact relative to the latest Mineral Reserve estimations and to the associated production schedules.

The following metal prices, costs and exchange rate were used for the economic analysis:

- Gold price US$1,400/oz
- Silver price US$20/oz
- Lead price US$0.95/lb

- Zinc price US$1.10/lb
- Mining cost US$61.34/t
- Milling cost US$10.23/t
- Shipping US$3.92/t
- Mineral Resources tax US$6.86/t
- G&A US$8.30/t
- Government fees and other taxes US$2.78/t
- Sustaining and growth capital US$16.95/t
- Exchange rate US$1 = 6.90RMB

Based on the LOM production forecast through to 2040 and the metal price and other assumptions shown above, a base case pre-tax NPV of $954M at 5% discount rate is projected ($713M post tax). Over the LOM, 62% of the net revenue is projected to come from silver, 29% from lead, 6% from zinc, and 2% from gold.

A simple economic sensitivity exercise, assessing a +/- 30% change in individual metal prices, operating cost or capital cost, has indicated that most sensitivity is seen in silver price (similar variation in silver grade would effectively give the same result). The NPV is moderately sensitive to lead price and operating cost, and only slightly sensitive to zinc price and capital cost.

Annual Production Schedule

The LOM ore production schedule by mine is shown in Table 17.

Table 17 Ying Mines LOM production schedule

SGX	2020Q4	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	Total
Ore (kt)	29	255	255	255	260	261	261	261	261	262	261	261	262	261	261	262	261	261	253	247	243	5,193
Ag (g/t)	357	359	356	321	307	305	271	268	264	265	261	269	272	266	269	277	259	255	237	226	227	277
Pb (%)	6.43	6.45	6	6.34	5.76	5.25	5.64	5.22	5.53	5.46	5.54	4.82	5.28	5.21	4.92	4.79	5.25	5.29	5.32	5.41	5.11	5.43
Zn (%)	2.12	2.25	2.44	2.72	2.47	2.79	2.97	3.36	2.6	2.73	2.87	3.27	2.44	2.87	2.69	2.51	2.34	2.04	2.04	1.94	1.97	2.57
AgEq (g/t)	634	639	625	608	568	555	539	529	520	521	523	515	515	516	504	504	498	489	472	463	453	529
HZG	**2020Q4**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**									**Total**
Ore (kt)	9	51	50	53	53	53	53	53	53	53	53	43	40	-	-	-	-	-	-	-	-	616
Ag (g/t)	413	403	383	389	357	324	344	337	318	306	286	244	225									330
Pb (%)	0.61	0.71	1.05	0.76	1.04	1.57	0.94	0.92	0.58	0.54	0.46	0.64	0.51									0.82
Zn (%)	0.26	0.25	0.22	0.17	0.22	0.16	0.17	0.19	0.17	0.12	0.15	0.14	0.12									0.18
AgEq (g/t)	434	427	420	415	394	378	377	368	338	325	302	266	243									359
HPG	**2020Q4**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**	**2036**	**2037**	**2038**			**Total**
Ore (kt)	12	63	65	69	70	71	71	70	71	70	70	70	70	70	69	70	66	63	61.719	-	-	1,240
Au (g/t)	1.14	1.14	0.65	1.58	1.42	1.21	0.92	1.16	0.52	1.25	1.85	1.48	1.89	1.65	1.61	1.37	0.91	0.87	0.94			1.25
Ag (g/t)	93	98	102	88	103	108	108	87	84	69	60	67	61	62	35	29	39	50	41			72
Pb (%)	4.27	4.5	4.64	3.18	3.34	3.48	3.17	4.17	5.01	3.64	2.95	3.29	2.96	2.7	2.06	2.77	2.8	2.19	2.18			3.29
Zn (%)	1.05	1.17	1.79	2.16	1.64	1.43	2.76	1.12	1.4	1.58	1.32	1.34	0.96	1.36	1.88	1.15	0.83	0.85	0.87			1.43
AgEq (g/t)	347	362	356	355	354	347	348	339	334	319	316	313	311	298	256	244	218	206	200			306
LME	**2020Q4**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**	**2036**	**2037**				**Total**
Ore (kt)	10	64	69	76	70	75	69	72	80	74	78	81	75	74	73	74	64	64	-	-	-	1,243
Ag (g/t)	395	407	424	410	352	354	319	295	296	322	275	272	300	231	242	228	250	220				306
Pb (%)	1.59	1.86	1.71	2.35	2.7	1.95	1.27	1.68	1.18	1.15	1.21	1.23	1.45	1.83	1.43	1.29	1.26	1.53				1.59
Zn (%)	0.44	0.43	0.37	0.46	0.51	0.27	0.38	0.46	0.38	0.41	0.31	0.37	0.37	0.51	0.39	0.34	0.28	0.35				0.39
AgEq (g/t)	455	475	486	496	450	424	367	358	341	366	320	318	354	300	296	277	297	277				365
LMW	**2020Q4**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**	**2036**	**2037**	**2038**	**2039**	**2040**	**Total**
Ore (kt)	11	65	67	71	69	69	67	68	69	68	68	68	67	69	68	68	66	65	69	63	54	1,349
Ag (g/t)	306	333	330	330	360	369	354	341	352	329	334	333	333	339	316	297	278	267	258	236	212	317
Pb (%)	2.59	2.67	3.05	3.57	2.96	2.57	2.87	3.08	2.65	3.10	2.76	2.61	2.51	2.13	2.57	2.72	2.93	2.67	2.09	2.11	2.57	2.71
Zn (%)	0.27	0.24	0.25	0.28	0.25	0.28	0.26	0.38	0.28	0.36	0.29	0.27	0.27	0.29	0.34	0.35	0.28	0.32	0.33	0.29	0.26	0.29
AgEq (g/t)	396	426	437	456	464	460	454	449	445	437	430	425	420	413	406	392	381	360	331	310	302	412
TLP	**2020Q4**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**	**2036**					**Total**
Ore (kt)	28	146	141	149	148	141	161	155	165	146	138	140	141	141	142	139	128	-	-	-	-	2,348
Ag (g/t)	193	211	258	267	293	262	260	242	240	241	199	239	227	219	196	172	133					230
Pb (%)	3.73	3.51	2.71	2.57	2.26	2.73	2.85	3.11	2.75	2.93	3.58	2.72	2.98	3.31	3.60	3.67	3.89					3.07
Zn (%)	0.32	0.32	0.39	0.34	0.36	0.39	0.32	0.33	0.33	0.29	0.25	0.32	0.35	0.30	0.36	0.30	0.29					0.33
AgEq (g/t)	320	331	351	354	371	355	357	348	334	342	322	331	329	333	319	297	265					334
Ying Mine	**2020Q4**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**	**2036**	**2037**	**2038**	**2039**	**2040**	**Total**
Ore (kt)	99	645	647	673	670	670	682	679	699	672	668	664	654	615	614	612	585	452	384	309	296	11,989
Au (g/t)	0.14	0.11	0.07	0.16	0.15	0.13	0.09	0.12	0.05	0.13	0.19	0.16	0.20	0.19	0.18	0.16	0.10	0.12	0.15	-	-	0.13
Ag (g/t)	282	305	316	301	297	289	270	259	257	255	238	247	246	236	228	221	208	224	209	228	224	257
Pb (%)	3.96	4.30	4.00	4.00	3.75	3.60	3.64	3.71	3.66	3.62	3.67	3.28	3.52	3.74	3.61	3.65	3.97	3.95	4.24	4.74	4.65	3.81
Zn (%)	0.94	1.16	1.31	1.42	1.31	1.39	1.58	1.58	1.27	1.38	1.39	1.58	1.23	1.53	1.52	1.35	1.26	1.39	1.54	1.61	1.66	1.41
AgEq (g/t)	448	488	488	482	465	452	438	429	415	420	409	405	409	412	398	388	381	401	403	432	426	429

Exploration and Development

The Ying Report includes a recommendation to continue exploration tunneling and diamond drilling at the Ying Property. The exploration tunneling is used to upgrade the drill-defined Resources to the Measured category, and the diamond drilling is used to expand and upgrade the previous drill-defined Resources, explore for new mineralized zones within the unexplored portions of vein structures, and test for the down-dip and along-strike extensions of the vein structures. The proposed exploration work is as follows:

SGX

Exploration tunneling:

- 21,140 m exploration tunneling on vein structures S1W2, S1W3, S1W5, S2, S2W, S4, S4E, S6, S6E, S7, S7- 1, S7 2, S7-3, S7E2, S8, S8W, S14, S14W, S14-1, S16E, S16W, S18, S18E, S18W, S19, S19W, S19W1, S21, S21W, S22, S23, S26, S28, S29, S31, S31E, S32, S35, and S37 between levels 110 m and 710 m.

Diamond drilling:

- 21,800 m underground diamond drilling on vein structures S2, S6, S7, S7-1, S8, S14, S16W, S18E, S26, S28, S29, S31, S32.

HZG

Exploration tunneling:

- 3,920 m exploration tunneling on vein structures HZ5, HZ18, HZ19, HZ20, HZ20E, HZ22, HZ22E, HZ22W, HZ22W2, HZ23, HZ23W, and HZ26 between levels 500 m and 890 m.

Exploration drilling:

- 6,650 m underground exploration drilling on vein structures HZ5, HZ18, HZ22, HZ23, HZ26, HZ27, and HZ29.

HPG

Exploration tunneling:

- 5,000 m exploration tunneling on major vein structures H3, H4, H4W, H5, H5E, H5W, H6, H10-1, H11, H12- 1, H12E, H13, H14, H15, H15W, H16, H16-1, H17, H18, and H21 between levels 100 m and 690 m.

Underground drilling:

- 10,735 m underground diamond drilling on vein structures H5, H10, H10-1, H12, H15, H17, and H20.

LME

Exploration tunneling:

- 4,335 m on vein structures LM1, LM2, LM2-2, LM3-1, LM4, LM4W, LM5, LM5E, LM5E1, LM5E2, LM5W, LM5W2, LM6, LM6W, LM6E, and LM6E2 between levels 450 m and 959 m.

Diamond drilling:

- 6,640 m underground diamond drilling on vein groups LM2-2, LM4E, LM5, LM5E, LM61, LM62, LM63, and LM66.

LMW

Exploration tunneling:

- 6,600 m on vein structures LM7, LM8, LM8-3, LM8-4, LM8-5, LM8W, LM12-1, LM12-2, LM13, LM14, LM14- 1, LM16-1, LM17, LM17W, LM19W2, LM20W, LM25W, LM30, and LM41 as well as their parallel subzones between levels 500 m and 924 m.

Diamond drilling:

- 13.450 m underground drilling on LM14, LM16, LM17, LM19, LMW1, T11, LM5E, and LMW1 and their parallel vein structures.

TLP

Exploration tunneling:

- 16,200 m exploration tunneling on vein structures T1 vein group, T2, T2W, T3, T3E, T4, T5 vein group, T11, T11E, T14, T14 branch, T15W, T16 vein group, T17, T17W, T21, T22, T22E, T23, T26, T26E, T27 vein group, T28, T33 vein group, and T35 vein group, T38, T39 vein group, CJ9, CJ9W and CJ20 between levels 700 m and 1,070 m.

Diamond drilling:

- 13.620 m underground drilling on vein structures T3, T11, T27, CJ9, CJ9W1, CJ10, and CJ11.

DCG

Exploration tunneling:

- 4,050 m exploration tunneling on vein structures C4E, C4, C8, and C10 between levels 500 m and 790 m.

Diamond drilling:

- 7,340 m underground drilling on vein structures C4E, C7, C8, C9, C10, CJ9, and CJ9W1.

The estimated cost for all of the above exploration work is:

- Tunneling: RMB 104,380,000 (US$15.1M); and
- Drilling: RMB 17,770,000 (US$2.6M).

Cautionary Note to U.S. Investors Concerning Estimates of Measured Resources and Indicated Resources:

This section uses the terms "Measured Resources" and "Indicated Resources". We advise U.S. investors that these terms may not be comparable to similar terms under the SEC Modernization Rules. The estimation of Measured Resources and Indicated Resources involves greater uncertainty as to their existence and economic feasibility than the estimation of Proven and Probable Mineral Reserves. U.S. investors are cautioned not to assume that mineral resources in these categories will be converted into reserves. See "Cautionary Note to U.S. Investors Concerning Preparation of Mineral Resource and Mineral Reserve Estimates".

Cautionary Note to U.S. Investors Concerning Estimates of Inferred Resources

This section uses the terms "Inferred Resources". We advise U.S. investors that this term may not be comparable to similar terms under the SEC Modernization Rules. The estimation of Inferred Resources involves far greater uncertainty as to their existence and economic viability than the estimation of other categories of resources. U.S. investors are cautioned not to assume that estimates of Inferred Mineral Resources exist, are economically minable, or will be upgraded into Measured Resources or Indicated Mineral Resources. See "Cautionary Note to U.S. Investors Concerning Preparation of Mineral Resource and Mineral Reserve Estimates".

5.2 GC Mine

Current Technical Report

Except as otherwise stated, the information in this section is based on the technical report titled " *NI 43-101 Technical Report Update on the Gaocheng Ag-Zn-Pb Project in Guangdong Province, People's Republic of China*" (the "GC Report") effective June 30, 2019 prepared by AMC Mining Consultants (Canada) Ltd. with authors Dinara Nussipakynova, P.Geo., Herbert A. Smith, P.Eng., Alan Riles, MAIG, and Patrick R. Stephenson, P.Geo. Two of the authors, Ms Nussipakynova and Mr Smith, visited the GC property in January 2018. All authors of the GC Report qualify as Independent Qualified Persons.

The following is a summary from the GC Report and is based on the assumptions, qualifications and procedures which are not fully described herein. The full text of the GC Report which is available for review on SEDAR at www.sedar.com is incorporated by reference in this AIF.

Project Description, Location and Access

The GC property is located in the vicinity of Gaocheng village, Gaocun Township, Yun'an District, Yunfu City, Guangdong Province, People's Republic of China. The Property is located west of the metropolitan city of Guangzhou, the capital of Guangdong Province. Guangzhou is located about 120 kilometres (km) north-west of Hong Kong and has a total population of almost 14 million residents, as of December 2016. Access to the GC project from Guangzhou is via 178 km of four-lane express highway to Yunfu, then 48 km of paved road to the project site.

Silvercorp owns 99% of the GC Mine through its 100% ownership of the shares of Yangtze Mining Ltd. (Yangtze Mining), which in turn wholly owns Yangtze Mining (H.K.) Ltd. (Yangtze Mining H.K.), and Fortune Gold Mining Limited, which in turn wholly owns Silvercorp Metals (China) Inc. Guangdong Found Mining Co. Ltd. (China), (Guangdong Found), is the designated joint venture operating company of the GC Mine. Yangtze Mining (H.K.) Ltd., a wholly owned subsidiary of Yangtze Mining, owns 95% of Guangdong Found. Silvercorp Metals (China) Inc. owns 4% of Guangdong Found. Guangdong Found has a 100% beneficial interest in the GC Mine. The boundaries of the mining permit were surveyed, and the boundary markers were staked in the ground by the Bureau of Land and Resources of Guangdong Province before issuing the mining permit to Guangdong Found in 2010.

The Mining Permit in the name of Guangdong Found is valid for 30 years to 24 November 2040, covers the entire 5.5238 km^2 area of the GC Mine and permits mining from 315 metres (m) to minus 530 m elevations. The permit allows for the operation of an underground mine to produce silver, lead and zinc.

Currently, GC Mine is subject to Mineral Resources taxes, levied at 3% of sales. This tax together with other government fees totals around 5% of net revenue. AMC is not aware of any additional royalties, back-in rights, payments, agreements, environmental liabilities, or encumbrances particular to the property other than those stated above.

History

Various state-sponsored Chinese Geological Brigades and companies have conducted geological and exploration work in the project area with systematic regional geological surveys commencing in 1959. Historical drilling commenced in 2001.

Prior to Yangtze Mining acquiring the GC Property in 2005, illegal mining activity resulted in the excavation of several tunnels and small-scale mining of veins V2, V2-2, V3, V4, V5, V6, and V10. It is reported that a total of 1,398 m of excavation comprised of 10 adits and tunnels had been completed on the property through the illegal activity.

A total of 43 diamond drillholes for a combined total of 13,463.74 m was drilled on the GC property between 2001 and 2007 prior to the property acquisition by Silvercorp. Diamond drillholes were drilled using PQ size in overburden, then reduced to HQ size for up to 100 m depth.

The Guangdong Provincial Institute of Geological Survey (GIGS) prepared a resource estimate for nine mineralized veins for the GC project after the 2004 – 2005 exploration season. This was not compliant with the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Standards and is not material to the 2019 Technical Report.

Prior to this current report, four resource estimates for the GC project have been reported since 2008:

- Technical Report by SRK Consulting (SRK), dated April 2008 (entitled “Technical Report on Gaocheng Ag-Zn-Pb Project and Shimentou Au-Ag-Zn-Pb Project, Guangdong Province, People’s Republic of China”).
- AMC Technical Report (entitled “NI 43-101 Technical Report Update on the GC Ag-Zn-Pb Project in Guangdong Province, People’s Republic of China”), effective date 18 June 2009.
- AMC Technical Report (entitled “NI 43-101 Technical Report on the GC Ag-Zn-Pb Project in Guangdong Province, People’s Republic of China”), effective date 31 December 2011.
- AMC Technical Report (entitled ‘NI 43-101 Technical Report Update on the Gaocheng Ag-Zn-Pb Project in Guangdong Province, People’s Republic of China’), effective date 30 June 2018.

Geological Setting, Mineralization, and Deposit Types

The GC Project is located at the intersection between the Wuchuan-Sihui Deep Fault zone and Daganshan Arc-ring structural zone. It is situated in the south-west part of the Daganshan uplift. Structures developed in the area are mainly the NWW-EW striking Gaocheng Fault zone, the NE striking Baimei Fault zone, and the Songgui Fault zone.

Basement rocks within the GC Project area encompass quartz sandstone, meta-carbonaceous siltstone, carbonaceous phyllite, calcareous quartzite and argillaceous limestone of the Sinian Daganshan Formation; quartz sandstone and shale of the Triassic Xiaoyunwushan Formation, and sandy conglomerate and conglomerate of the Cretaceous Luoding Formation. These rocks are intruded by Palaeozoic gneissic, medium-grained biotite granite, and Mesozoic fine- to medium grained adamellite, brownish, fine grained, biotite mylonite, granite porphyry, quartz porphyry, diabase, and aplite. The Mesozoic intrusives intruded along the south and southwest contacts of the Palaeozoic granites. The majority of Ag-Zn-Pb mineralization is hosted by the Mesozoic granite. The granite dips south and strikes west northwest, parallel to the majority of mineralized veins on the GC property.

Ag-Zn-Pb mineralization at the GC deposit can be divided into two types: primary and oxidized. The primary mineralization is mainly composed of galena-sphalerite-silver minerals which occur sparsely, as disseminations, veinlets and lumps. Primary mineralization accounts for 95% of the entire mineral resource. Oxide mineralization occurs on and near the surface.

Mineralized veins in the GC area occur in relatively permeable fault-breccia zones. These zones are extensively oxidized from the surface to depths of about 40 m. Veins in this zone exhibit open space and boxwork lattice textures resulting from the leaching and oxidation of sulphide minerals. Secondary minerals present in varying amounts in this zone include kaolinite, hematite and limonite.

The dominant sulphide mineral is pyrite, typically comprising a few percent to 13% of the vein. Other constituents are a few percent of sphalerite, galena, pyrrhotite, arsenopyrite, magnetite, and less than a percentage of chalcopyrite and cassiterite. Metallic minerals in much smaller amounts include argentite, native silver, bornite, wolframite, scheelite, and antimonite. Metallic minerals occur in narrow massive bands, veinlets or as disseminations in the gangue. Gangue minerals include chlorite, quartz, fluorite, feldspar, mica, hornblende, with a small amount or trace amount of kaolinite, tremolite, actinolite, chalcedony, garnet, zoisite, apatite, and tourmaline.

Alteration minerals associated with the GC vein systems include quartz, sericite, pyrite, and chlorite, together with clay minerals and limonite. Silicification commonly occurs near the centre of the veins. Chlorite and sericite occur near and slightly beyond the vein margins.

Quartz, pyrite, fluorite, and chlorite are closely related to the mineralization.

The poly-metallic mineralization of the GC deposit belongs to the mesothermal vein infill style of deposit.

Exploration

Silvercorp has carried out surface and underground exploration activities since 2008.

Surface-based exploration occurred primarily during 2008, which included soil sampling, geological mapping and trenching. Following up on geochemical anomalies, Silvercorp conducted trenching and pitting programs that exposed the mineralized veins on the surface and at shallow depth. A total of seven pits and one trench were excavated by Silvercorp exposing three veins.

More than 52 km of underground tunnelling and sampling at the Property was carried out between 2012 and 2018. These programs comprised 33,297 m of drifting along mineralized structures, 10,147 m of

crosscutting across mineralized structures, and 8,833 m of raises. Drifts and crosscuts were developed at 40 m intervals vertically to increase geological confidence in the Mineral Resource.

A total of 6,314 channel / chip samples were collected from the mine areas during 2018, with samples being assayed for Ag, Pb, and Zn. Prior to 2018, 44,166 channel / chip samples had been collected.

Drilling

Silvercorp completed its first phase of diamond drilling on the GC property in 2008. Systematic drilling commenced on the property in 2011 and continued through into 2018. All Silvercorp drilling was completed as NQ-sized core. Drillhole collars were surveyed using a total station and downhole surveys were completed every 50 m downhole. Surface drillhole collars were cemented after completion and locations of drillholes were marked using 50 x 30 x 20 centimetres (cm) concrete blocks.

Core recoveries from Silvercorp drilling programs varied between 41.67% and 99.96% averaging 96.85%. AMC reviewed the relationship between grade and core recovery and found no bias.

All drill core is stored in a clean and well-maintained core shack in the GC camp complex. This core shack is locked when unattended and monitored by two security personnel 24 hours a day.

The majority of drillholes were drilled as inclined holes to test multiple vein structures. Underground drillholes were drilled as fans of multiple holes from single set-ups.

Sampling, Analysis and Data Verification

Drill core processing is completed by Guangdong Found employees in accordance with a standard procedure. Core recovery is measured followed by detailed logging of the core with lithological, vein and mineralization contacts identified and recorded. The core is photographed and sampled on 1.5 m maximum intervals and at geological or mineralization contacts. Core is cut in half with a rock saw with one half bagged and secured for shipment to the laboratory, and the other half retained in the core tray for future reference.

Channel samples are collected along sample lines perpendicular to the mineralized vein structure as well as from walls of cross-cut tunnels and bottom of trenches. Samples include vein material and associated wallrock.

Samples were shipped from Gaocheng site to an ALS Laboratory in Guangzhou between 2008 and 2014 and for part of 2018. Commencing in 2012 Silvercorp shipped samples to the Gaocheng onsite laboratory in addition to ALS. Gaocheng was the primary laboratory from 2014 to 2017. In 2018, ALS was the primary laboratory at the beginning of the year, but Silvercorp reverted to the Gaocheng lab later in the year. The Gaocheng onsite laboratory is owned and operated by Silvercorp. It is not certified by any standards association.

All data for the Gaocheng Project is stored within a central Microsoft Access Database, which is managed by two designated database administrators. Drillhole data is collected in Microsoft Excel and imported into the Access database. Underground mapping is recorded on grid paper and in Excel and then imported into Access or Micromine 3D software.

Silvercorp has routinely inserted Certified Reference Materials (CRMs) since 2011. Blank (uncrushed) samples and coarse duplicates have been inserted since 2012 (drilling) and 2014 (underground sampling). Umpire samples (pulp duplicates) have been sent to a different laboratory since 2011.

The CRM insertion rate for drillhole sample batches has been in the range of 3 – 4% in the last five years, and for underground chip sample batches has been in the range of 2 – 4%. AMC understands that CRM performance at Gaocheng has not, to date, been monitored on a batch by batch basis, and Silvercorp was unable to provide AMC with control charts compiled at the time of assaying. Subject to certain caveats, CRM results have generally confirmed the reasonable analytical accuracy of the laboratories used.

Data verification was carried out by the QP with 8% of the samples being verified in the database. Of the 14,023 samples contained within the vein domains, 1,151 samples were verified, 12 errors were found, and 18 assay certificates not located. The six errors noted out of 557 samples checked in 2018 represent error rate of 1%.

The QP has highlighted some issues for improvement in the Quality Assurance/Quality Control process and has provided a series of recommendations in that regard. The QP does not consider these issues to have a material impact on Mineral Resource estimates and considers the assay database to be acceptable for Mineral Resource estimation.

Mineral Processing and Metallurgical Testing

Since the metallurgical testing reported in the 2012 Technical Report, no further testing has been done. The mill functioned in a trial mode up to 2014 and, from that point (FY2015 starting Q2 2014), has been in commercial production.

Metallurgical testing for the GC project was carried out by the Hunan Research Institute of Non-Ferrous Metals and reported in May 2009 in the report “Development and Research of the Comprehensive Recovery Test of Lead Zinc Silver Tin Sulphur for the Lead Zinc Ore Dressing in GC Mine Area”. This report was made available to AMC in English translation by Silvercorp. The testwork was also summarized in the January 2011 GMADI report as part of the “Design Instructions” for the plant design.

The objectives of the testwork were, following on from previous testwork of 2007 on samples from artisanal mining dumps, to i) maximize silver recovery to the lead concentrate, ii) investigate the potential for tin recovery, iii) develop a process flow sheet with appropriate operating parameters as a basis for the industrial scale implementation of lead, zinc, sulphur (and possibly tin) recovery, and iv) determine the product quality characteristics relative to the relevant national standards.

Since the start of trial operations in 2013 and commercial production in 2014, lead and zinc concentrates have been produced in commercial quantities at the Gaocheng mill. The overall process consists of crushing, grinding, sequential flotation of lead, zinc and pyrite concentrates, and concentrate dewatering by disc filtration. An experimental tin recovery gravity separation circuit is installed on pyrite flotation tails.

Two-stage crushing is carried out, with the second stage in closed circuit. Run of mine ore at -350 mm is reduced to crusher product at -10 mm. This is followed by two-stage grinding in ball mills to a product size of 80% passing 75 μm (P80 of 75 μm).

The flotation process consists of a standard flotation of lead, with three-stage cleaning of the lead concentrate, then flotation of zinc concentrate with three-stage cleaning; leaving pyrite tailings as sulphur concentrate. Concentrates are dewatered by conventional thickening and filtration.

Trucks under escort by security personnel are used to transport lead and zinc concentrates from the mine site to refineries. A front-end loader is used to load the concentrate from storage sheds near filters at the mill site to the concentrate shipping trucks.

Since completion of commissioning, the plant has processed approximately the same amount of ore each year (approximately 260 ktpa).

There is a laboratory on site equipped with the customary sample preparation, wet chemistry, and basic photometric analytical equipment; as well as crushing, grinding, flotation, and gravity-separation metallurgical testing equipment.

Mineral Resource and Mineral Reserve Estimates

Mineral Resource Estimates

The Mineral Resources for the GC deposit have been prepared by Silvercorp. Ms. Dinara Nussipakynova, P.Geo., of AMC, has reviewed the methodologies and data used to prepare the Mineral Resource estimates and, after some adjustment to the Mineral Resource classification, is satisfied that they comply with reasonable industry practice. Ms. Nussipakynova takes responsibility for these estimates.

AMC is not aware of any known environmental, permitting, legal, title, taxation, socioeconomic, marketing, political, or other similar factors that could materially affect the stated Mineral Resource estimates.

The data used in the Mineral Resource estimation includes results of all drilling carried out on the Property to 31 December 2018. The estimation was carried out in Micromine™ software. Interpolation was carried out using inverse distance cubed (ID3) for all the veins.

Table 18 Summary of Mineral Resources as of 31 December 2018

Resource classification	Tonnes (kt)	Ag (g/t)	Pb (%)	Zn (%)	Contained metal		
					Ag (koz)	**Pb (Mlbs)**	**Zn (Mlbs)**
Measured	3,366	96	1.4	3.3	10,350	107	246
Indicated	5,686	77	1.0	2.5	14,155	126	318
Measured and Indicated	**9,052**	**84**	**1.2**	**2.8**	**24,505**	**233**	**564**
Inferred	7,245	91	1.0	2.4	21,167	166	391

Notes:
• CIM Definition standards (2014) were used for reporting the Mineral Resources
• Mineral Resources are reported at a cut-off grade of 100 g/t AgEq
• The equivalency formula is Ag g/t+46.1*Pb%+42.8*Zn% using prices of US$18/oz Ag, US$1.00/lb Pb, and US$1.25/lb Zn and estimated recoveries of 77% Ag, 88% Pb, and 84% Zn.
• Sample results up to 31 December 2018.
• Mineral Resources are inclusive of Mineral Reserves reported in Section 15.
• Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.
• The numbers may not compute exactly due to rounding.
Source: Silvercorp Metals Inc., reproduced as a check by AMC Mining Consultants (Canada) Ltd.

The GC deposit consists of 110 veins, each of which has a separate block model. Approximately 22,660 m of channel samples and 34,160 m of core samples from 1,311 drillholes form the basis of the estimate. Capping is employed on the raw data and the composite length equals the vein thickness.

The parent block size for all veins was 2 m by 2 m by 2 m (x, y, z) with sub-cells employed. The sub-celling resulted in minimum cell dimensions of 0.4 m by 0.4 m by 0.4 m (x, y, z). AMC imported all 110 block models into Datamine software. The volume comparison of the original models versus the Datamine models showed a difference of less than 1%.

Interpolation was carried out using the inverse distanced cubed (ID ^{3}) method. Mining depletion and write-offs based on survey information to 31 December 2018 were coded into the block models by Silvercorp.

Mineral Resources are classified as Measured, Indicated, and Inferred. AMC reviewed the classification of each vein and requested changes when the classification needed to be modified to form potentially mineable shapes.

The block models were validated by AMC in three ways. First, visual checks were carried out to ensure that the grades respected the raw assay data. Secondly, swath plots were reviewed. Thirdly, the estimate was statistically compared to the composited assay data, with satisfactory results.

The following observations have been made by the QP from a comparison of the 2018 Mineral Resource estimate and the 2019 Mineral Resource estimate:

- Measured and Indicated tonnes have increased by 42%. The Inferred resource decreased by 3%.

- In the Measured category silver grade decreased by 5% and lead and zinc grades increased by 3% and 4% respectively.
- In the Indicated category silver grades decreased by 16%, lead and zinc grades decreased by 16% and 6% respectively.
- In the Inferred category the grades decreased for silver, lead, and zinc by 15%, 13%, and 6% respectively.
- The net result in the Measured category has been a significant increase in contained metals: silver by 17% and lead and zinc by approximately 28% and 26% respectively.
- The net result in the Indicated category has been an increase in contained silver metal of 31%, with lead and zinc contained metals increased by 29% and 46% respectively.
- The net result in the Inferred category has been a decrease in contained silver of 18%, a lead metal decrease of 15% and a zinc metal decrease of 9%.

Reasons for the differences in grade, tonnes, and contained metal include:

- Updated interpretation of the veins.
- Discovery of new veins.
- Conversion of Inferred resources to a higher classification.
- Depletion through mining.

Mineral Reserve Estimates

To convert Mineral Resources to Mineral Reserves, mining cut-off grades have been applied, mining dilution has been added and mining recovery factors assessed on an individual vein mining block basis. Only Measured and Indicated Resources have been used for Mineral Reserves estimation.

The Mineral Reserve estimates for the Gaocheng property were prepared by Silvercorp under the guidance of independent Qualified Person, Mr. H. Smith, P.Eng., who takes QP responsibility for those estimates.

The Mineral Reserve estimation is based on the assumption that current stoping practices will continue at the Gaocheng property, namely predominantly shrinkage stoping but also with some cut and fill resuing. Minimum mining widths of 1.0 m for shrinkage and 0.5 m for resuing, and dilution of 0.20 m total for shrinkage and 0.10 m for resuing cut and fill stopes are assumed. Full breakeven cut-off grades used are 200 g/t AgEq for shrinkage and 245 g/t AgEq for resuing.

Table 19 summarizes the Mineral Reserves estimate for the Gaocheng mine. 49% of the Mineral Reserve tonnage is categorized as Proven and 51% is categorized as Probable.

Table 19 Gaocheng mine Mineral Reserves estimate at 31 December 2018

Reserve classification	Tonnes (kt)	Ag (g/t)	Pb (%)	Zn (%)	Contained metal		
					Ag (koz)	Pb (Mlbs)	Zn (Mlbs)
Proven	1,865	94	1.6	3.5	5,611	65	142
Probable	1,955	96	1.4	3.0	6,064	60	129
Proven and Probable	3,820	95	1.5	3.2	11,675	125	271

Notes to Mineral Reserve Statement:
• Full breakeven cut-off grades: Shrinkage = 200 g/t AgEq; Resuing = 245 g/t AgEq.
• Marginal material cut-off grade: Shrinkage = 160 g/t AgEq; Resuing = 205 g/t AgEq.

• Dilution (zero grade) assumed as a minimum of 0.1 m on each wall of a shrinkage stope and 0.05 m on each wall of a resuing stope.
• Mining recovery factors assumed as 95% for resuing and 92% for shrinkage.
• Metal prices: Silver US$18/troy oz, lead US$1.00/lb, zinc US$1.25/lb, with respective payables of 85%, 90%, and 70%.
• Processing recovery factors: Ag – 77%, Pb - 88%, Zn – 84%.
• Effective date 31 December 2018.
• Exchange rate assumed is RMB6.50:US$1.00.
• Rounding of some figures may lead to minor discrepancies in totals.

Since the start of mining operations through to the end of 2018, a total of 1,251,000 tonnes has been milled from pre-and post-commercial production mined at Gaocheng, with average head grades of 96 g/t silver, 1.5% lead, and 2.7% zinc. The comparison of the head grades to date with the current Mineral Reserve estimates shows a reduction in silver grade of 1%, a reduction in lead grade of 1%, and an increase in zinc grade of 18% in the Mineral Reserves.

A pillar is maintained around the Main Shaft. Development may occur within the pillar zone, however stope production will not be allowed. The shaft pillar is an expanding cone with a dip from the collar elevation of 80^{o}. The pillar radius at surface (248 mRL) is 13 m and the Main Shaft radius is 3 m.

Relative to the Mineral Reserve estimates in the previous Technical Report (2018 Technical Report), there is a 10% increase in Proven Mineral Reserve tonnes and a 4% increase in Probable Mineral Reserve tonnes, with an increase in Mineral Reserve total tonnes of 7% (256,000 t).

Mining Operations

Mining to date has been conducted in two stages. Stage 1 targeted bringing the project into production as soon as practicable using mobile, rubber-tired, diesel-powered equipment (development jumbo, loader and truck) with surface declines access down to -50 mRL. Stage 2 development from -50 mRL down to -300 mRL employs conventional tracked equipment (battery powered locomotives, rail cars, electric rocker shovels and pneumatic hand-held drills) via a surface shaft access. In-stope rock movement is by gravity to draw points or hand-carting to steel-lined passes.

The rock mass condition is categorized as Fair to Good and it is anticipated that the vein and host rocks in the mine area will continue to be largely competent and require minimal ground support other than in weaker ground areas.

Production Rate

The average production is approximately 65 tonnes per day per stope for shrinkage stopes and 15 tonnes per day per stope for resue stopes with production per level capped at approximately 25% of the available stopes and up to 30 stopes concurrently working over all active levels.

The actual production rate from each stope is dependent on the vein width, and as such, the production rate and schedule assume a balance of wider and narrower vein stopes (generally shrinkage and resue respectively).

Mining Methods

Shrinkage stoping and resue stoping are the methods employed.

To support AMC's understanding of the Silvercorp application of stoping methods and also their suitability for the GC Mine environment, AMC previously observed the application of these stoping methods at Silvercorp's Ying mine operation during May 2016. AMC visited the GC site in January 2018. The Ying mine is located in Luoning County, in the Henan Province, about 10 km south-east of Xiayu and about 60 km south-east of Luoning. AMC considers the methods employed to be appropriate for the GC Mine environment.

Mine Development

The mine design is now based on Mineral Resources above 100 g/t AgEq, with the addition of vein exploration development (which in some part, is also used for stope access). Vein exploration development is categorized as development that occurs outside of the Mineral Resource categorization. Vein exploration development is reported as development waste and, for planning purposes, is assigned zero grade irrespective of its actual resource grade.

The mine levels are located at 50 m vertical intervals. Levels are graded at 0.3% from either the Ramp or Main Shaft access, however the mine design provided does not incorporate this feature. AMC does not consider this to be material with respect to estimates for development quantities.

Thus far, Phase 1 and Phase 2 development has all been completed. The production and ventilation systems consist of Main Shaft, Main Ramp, Exploration Ramp, and Phase 1 and 2 ventilation shafts.

The Main Shaft (from +248 mRL to -370 mRL) is used for hoisting of ore, waste rock, equipment and materials, personnel, and for intake airflow for -100 RL and below levels.

The Main Ramp (portal elevation +176 mRL, bottom elevation reached -80 mRL) is used for transportation of ore, waste rock, equipment and materials, personnel, and for intake airflow for -500 mRL and above levels.

The Exploration Ramp is used for transportation of ore, waste rock, equipment and materials, personnel, and for intake airflow for +100 RL and +50 mRL levels.

At present, GC mine is extending the Main Ramp from -50 mRL to -300 mRL. There is a plan to extend the main ramp to -530 mRL for transportation of ore, waste rock, equipment and materials, personnel, and for intake airflow for -300 mRL level and below.

Market Studies and Contracts

AMC understands that the Gaocheng concentrates are marketed to existing smelter customers in Henan province in China and appropriate terms have been negotiated for 2019.

AMC also understands that an acceptable arsenic level in base metal concentrates, without penalty, for Chinese smelters is of the order of 1.0% and notes that the GC lead and zinc concentrates are acceptable to those smelters. AMC also notes the Silvercorp concentrate selling arrangements whereby:

- Should the As level ever be higher than 1.0% in zinc concentrates, the payable Zn content would be discounted by 0.5% Zn for every 1% As above the 1.0% As level.
- For instances where the pyrite concentrate has an As content above 1.0%, a penalty is paid on a case by case basis.

Smelter and Concentrate Sales Contracts

Sales contracts are in place for the lead concentrates with Shandong Humon Smelting Co. Ltd., and for the zinc concentrate with Chenzhou Qiantai Industrial Co. Ltd. and Henan Yuguang Zinc Industry Co. Ltd.

All contracts have an effective period of one year, with key elements of the contracts subject to change based on market conditions when monthly supplemental agreements to the annual contracts are negotiated. AMC had previously indicated that a preferable arrangement would have been to see contracts as part of a LOM frame agreement; however, it also understands that these contracts should be viewed in the context of the existing operations and concentrate sales to these smelters and therefore does not view the apparently short term of the contracts as a material issue.

All contracts have freight and related expenses to be paid by the customers.

The key elements of the contracts are summarized in Table 20.

Table 20 Key elements of 2019 smelter contracts

	Pb concentrate				Zn concentrate				
	%Pb	**Deduction RMB/t Pb**	**Ag (g/t)**	**% payable**	**%Zn**	**Deduction RMB/t Zn price < RMB 15,000/t**	**Deduction RMB/t Zn price > RMB 15,001/t:**	**Ag (g/t)**	**Payable RMB / g Ag**
Minimum quality	35		500		35			150	
Payment Scales	>50	2,100	>3000	91	>=45	6,500	6,500 + (price – 15,000)*20%	>=300	RMB1.0
	45 - 50	2,250	2500 - 3000	90	40 – 45	6,500+50 per % lower than 45%	6,500 + (price – 15,000)*20% _+ 50 per % lower than 45%	150-300	RMB0.8
	40 - 45	2,400	2000 - 2500	89	35 – 40	4,300+100 per % lower than 40%	4,300 + (price – 15,000)*20% + 100 per % lower than 40%		
	35 - 45	2,900	1500 - 2000	88					
			1000 - 1500	87					

With respect to lead and zinc terms, the above deductibles calculate out to 85 - 92% payable for the lead concentrate and approximately 70 - 78% for the zinc concentrate, at projected long-term prices. AMC considers these to be favourable terms relative to global smelter industry norms. Silver payables of approximately 90% are similarly in accord with industry norms.

At the time of the 2012 Technical Report, silver was seen as the likely major contributor to ore value at Gaocheng. Silver prices have remained at reasonable levels but improved zinc prices in recent years have elevated the importance of that metal to the Gaocheng operation. At potential long-term metal prices of $1.25/lb for zinc, $18/oz for silver and $1/lb for lead, approximately 46% of estimated net total revenue is attributed to zinc, 31% to silver, and 23% to lead.

Infrastructure, Permitting and Compliance Activities

The filtered tailings are conveyed to the TMF area via conveyor and then spread by bulldozer on a bench-by-bench basis. The tailings deposition method is dry stacking and filling (from bottom to top and stacking by bench to form the embankment), with concurrent rolling and compaction to the desired dry density standards.

The waste rock dump is located a short distance to the east of the mine portal. It is understood to have an immediate capacity of the order of 275,000 m^3 (~558 kt). Underground waste rock produced to date has largely been used for construction purposes by Silvercorp or transported off site by local area persons, free of charge, again to be used for construction activities. The removal of waste rock from site is anticipated to continue for the foreseeable future. Waste rock could opportunistically be disposed of into shrinkage stope voids (with approximately 1.2 Mm^3 or 2.3 million tons (Mt) void capacity) but this is not in the current mine plan.

Based on the GC environmental assessment report, AMC understands that waste rock at the GC mine has no significant acid-generating potential.

There is a 110 kilo volts (kV) substation near Gaocun, about 6 km from the mining area. This is fed from the Guangdong Province electrical grid system. Silvercorp uses this substation as the main source of power for the mine. Currently there are two overhead power lines for the 6 km route. Two 1,500 kV diesel generators are designated for emergency backup to the man-hoist, underground ventilation system, water pumping and essential services in the plant.

A 10 kV substation within the mining area provides power service for the entire operations area. The power supply and distribution in the process plant, mining area, administrative and living areas are configured based on needs.

Sewage treatment and water treatment plants operate at the mine site. Any water that is not recycled and is released to the environment is treated to comply with standing regulations.

Underground water is discharged to surface using conventional centrifugal pumps via pipelines installed in the Ramp, Ramp Shaft, and Main Shaft. Underground water pumped to surface is collected in ponds at the Ramp portal or Main Shaft for sediment settling prior to being pumped to the process plant water treatment station. In 2017, a total volume of 468,630 m^3 of underground water was treated, including 268,844 m^3 discharged and 199,786 m^3 recycled.

There is a comprehensive repair workshop on surface for the maintenance of large-scale production equipment, vehicle repair, processing and repair of partial components, and the processing of emergency parts. It has the following services: tyre processing, maintenance, and servicing, welding, electrical, hydraulic, tools, parts, and materials warehouse. In addition, the mining contractor has its own mobile equipment surface workshop for repairs and servicing located adjacent to the Ramp portal.

There are also underground equipment workshop facilities that are composed of mining equipment maintenance workshop, equipment and spare parts store, dump oil depot, reserve electric locomotives, and tramcars maintenance workshop and stockpile yard.

The explosives warehouse was constructed in the valley to the south-east of the GC Mining Area.

A properly constructed containment for storage of fuel is located in the vicinity of the diesel generators and fuel dispensing facilities.

There is a mine dry facility near the portal accommodating lockers, change room, showers, and washrooms for the miners. The mine office complex is for administration and engineering functions and to provide working space for management, supervision, geology, engineering, and other operations support staff.

Silvercorp operates the mine using contractors for development and production. The operation and maintenance of Silvercorp's fixed plant is via Silvercorp personnel. Silvercorp provides its own management, technical services, and supervision staff to manage the GC mine operation.

Silvercorp has all the required permits for its operations on the GC Property and, in conjunction with safety and environmental certificates, these give Silvercorp the right to carry out full mining and mineral processing operations.

An Environmental Impact Assessment (EIA) report on the GC Project was prepared by the Guangdong Environmental Technology Centre (GETC) initially, and then reassessment is done periodically as required by regulations. An Environmental Permit was issued by the Department of Environmental Protection of Guangdong Province in June 2010.

There are no cultural minority groups within the general area surrounding the project. No records of cultural heritage sites exist within or near the GC project areas. The surrounding land is used predominantly for agriculture. The mining area does not cover any natural conservation, ecological forests, or strict land control zones.

Silvercorp has made a range of cash donations and contributions to local capital projects and community support programs, sponsoring university students and undertaking projects such as village road construction, and school upgrading and construction. Silvercorp has also made economic contributions to the local economy in the form of direct hiring and retention of local contractors, suppliers, and service providers.

A monitoring plan has been negotiated between the company and the local environmental protection department to meet the environmental management requirements of the project. Key components of the monitoring plan are water pollution monitoring, together with environmental air and noise monitoring. The monitoring work is carried out by qualified persons and / or a third-party contractor and is undertaken on a regular basis.

Capital and Operating Costs

FY2020 budget is based on mining 271,500 tonnes of ore (milling 272,000), of which 78% would be by shrinkage and 22% by resuing. Other major operational requirements budgeted are waste development at 5,348 m, exploration tunnelling at 12,129 m, and drilling at 20,000 m. Sustaining development of 715 m is also budgeted.

All major infrastructure for operation of the Gaocheng mine is in place, including that for the potential production rate increase to 1,600 tons per day (tpd). FY2020 non-sustaining capital for further main ramp development and a backfill plant is budgeted at $3,538,000. FY2020 sustaining capital is budgeted at $1,662,000, which equates to $6.12 per tonne of ore projected to be mined.

Mining operating costs are categorized by direct mining (shrinkage or resuing), waste development, exploration tunnelling, drilling, and common costs. Other budgeted operating costs are for milling, general and administrative items, and government fee, Mineral Resources tax, and other taxes. The operating cost breakdown for the FY2020 budget is as follows: mining – $40.94/tonne, milling – $15.33/tonne, G&A –$6.76/tonne, Mineral Resources tax, etc. – $5.13/tonne, for a total budget operating cost of $68.17/tonne.

Contractor costs are the major component of the mining cost. The principal components of the milling costs are utilities (power and water), consumables (grinding steel and reagents), and labour.

The Gaocheng mine has been in commercial production for five years. From FY2020 onwards, a 12-year LOM is envisaged for the resource as currently understood at an average annual production rate of 300,000 tonnes. Average silver equivalent grades are projected to be of the order of 334 g/t for the first six years and then 271 g/t for the remainder of the mine life.

A base case NPV at 8% discount rate of $107M (pre-tax), $80M (post-tax) is projected for the 12-year LOM.

Exploration and Development

As per recommendations made in the GC Report, the Company plans to continue exploration tunneling and diamond drilling at Gaocheng. The exploration tunneling is used to upgrade the drill-defined Resources to the Measured category, and the diamond drilling is used to expand and upgrade the previous drill-defined Resources, explore for new mineralized zones within the unexplored portions of vein structures, and test for extensions of the vein structures.

Cautionary Note to U.S. Investors Concerning Estimates of Measured Resources and Indicated Resources:

This section uses the terms "Measured Resources" and "Indicated Resources". We advise U.S. investors that these terms may not be comparable to similar terms under the SEC Modernization Rules. The estimation of Measured Resources and Indicated Resources involves greater uncertainty as to their existence and economic feasibility than the estimation of Proven and Probable Mineral Reserves. U.S. investors are cautioned not to assume that mineral resources in these categories will be converted into reserves. See "Cautionary Note to U.S. Investors Concerning Preparation of Mineral Resource and Mineral Reserve Estimates".

Cautionary Note to U.S. Investors Concerning Estimates of Inferred Resources

This section uses the terms "Inferred Resources". We advise U.S. investors that this term may not be comparable to similar terms under the SEC Modernization Rules. The estimation of inferred resources involves far greater uncertainty as to their existence and economic viability than the estimation of other categories of resources. U.S. investors are cautioned not to

assume that estimates of Inferred Mineral Resources exist, are economically minable, or will be upgraded into Measured Resources or Indicated Mineral Resources. See "Cautionary Note to U.S. Investors Concerning Preparation of Mineral Resource and Mineral Reserve Estimates".

ITEM 6 DIVIDENDS AND DISTRIBUTIONS

The Company declared its first annual dividend of CAD$0.05 per share in calendar year 2007 (fiscal year 2008) and has declared and paid dividends as set out in the table below.

Fiscal Year ended March 31,	Dividends Declared per share	Total Dividends Paid per share
2018	$0.020	$0.020
2019	$0.025	$0.025
2020	$0.025	$0.025
2021	$0.025	$0.025

On May 28, 2018, the Board announced an increase in dividend payments, declaring semi-annual dividend of $0.0125 per share ($0.025 per share on an annual basis).

The declaration and payment of future dividends, if any, is at the discretion of the Board and will be based on a number of relevant factors including commodity prices, market conditions, financial results, cash flows from operations, and expected cash requirements.

ITEM 7 DESCRIPTION OF CAPITAL STRUCTURE

General Description of Capital Structure

The Company has an authorized capital of an unlimited number of Common Shares without par value, of which 176,134,963 Common Shares were issued and outstanding as of June 21, 2021. A further 1,579,085 Common Shares have been reserved for issuance upon the due and proper exercise of certain incentive options ("Options") and 2,140,252 restricted share units ("RSUs") outstanding as of June 21, 2021.

The following is a summary of the principal attributes of the Common Shares:

Voting Rights. The holders of the Common Shares are entitled to receive notice of, attend and vote at any meeting of the shareholders of the Company. The Common Shares carry one vote per share. There are no cumulative voting rights, and directors do not stand for re-election at staggered intervals.

Dividends. The holders of Common Shares are entitled to receive on a pro rata basis such dividends as may be declared by the Board out of available funds. There are no indentures or agreements limiting the payment of dividends.

Rights on Dissolution. In the event of the liquidation, dissolution or winding up of the Company, the holders of the Common Shares will be entitled to receive on a pro rata basis all of the assets of the Company remaining after payment of all of the Company's liabilities.

Pre-Emptive, Conversion and Other Rights. No pre-emptive, redemption, sinking fund or conversion rights are attached to the Common Shares, and the Common Shares, when fully paid, will not be liable to further call or assessment. There are no provisions discriminating against any existing or prospective holder of Common Shares as a result of such shareholder owning a substantial number of Common Shares.

The rights of holders of Common Shares may only be changed by a special resolution of holders of 66⅔% of the issued and outstanding Common Shares, in accordance with the requirements of the *Business Corporations Act* (British Columbia).

Under the Company's amended and restated share-based compensation plan (the "Omnibus Plan"), the maximum number of shares issuable under the Omnibus Plan shall not in the aggregate exceed 10% of the issued and outstanding Common Shares, from time to time. As of June 21, 2021, the Company has: stock options outstanding to purchase 1,579,085 Common Shares at exercise prices ranging from CAD$2.60 to CAD$9.45 per share and with terms of between three and five years, with the last options expiring on November 11, 2025; and 2,140,252 RSUs outstanding.

ITEM 8 MARKET FOR SECURITIES

The Common Shares were initially listed for trading on the TSX-V under the symbol "SVM". The Common Shares commenced trading on the TSX under the same symbol and delisted from the TSX-V on October 24, 2005. The Common Shares began trading on the NYSE Amex under the symbol "SVM" on February 17, 2009, and trading moved to the NYSE under the symbol of "SVM" on November 5, 2009. The Company voluntarily delisted its Common Shares from the NYSE in September 2015. The Common Shares commenced trading on the NYSE American (formerly NYSE MKT) on May 15, 2017.

The following table sets forth the high, low and month-end closing prices and volume of the Common Shares traded on the TSX for the periods indicated (stated in Canadian dollars):

Date	High	Low	Close	Volume
March 2021	7.23	5.86	6.19	14,597,422
February 2021	10.37	7.4	7.4	19,239,774
January 2021	9.04	7.21	8.25	11,753,811
December 2020	8.68	7.17	8.51	11,613,167
November 2020	10.41	7.6	7.77	15,263,973
October 2020	10.17	8.58	8.98	12,388,328
September 2020	11.29	9.26	9.61	15,243,148
August 2020	11.26	9.65	11.26	18,055,561
July 2020	10.22	7.04	9.71	20,607,627
June 2020	7.26	6.04	7.26	21,660,106
May 2020	6.38	5.41	6.09	27,546,544
April 2020	5.69	4.59	5.22	24,489,018

The following table sets forth the high, low and month-end closing prices and volume of the Common Shares traded on the NYSE American for the periods indicated (stated in United States dollars):

Date	High	Low	Close	Volume
March 2021	6.02	4.58	4.91	33,736,021
February 2021	8.55	5.70	5.83	44,410,591
January 2021	7.21	5.56	6.46	30,589,244
December 2020	6.89	5.62	6.69	30,798,003
November 2020	8.10	5.62	5.97	33,324,276
October 2020	7.94	6.36	6.75	22,466,762
September 2020	8.91	6.55	7.24	30,949,270
August 2020	8.85	6.98	8.66	42,128,534
July 2020	8.04	5.09	7.24	58,480,176
June 2020	5.39	4.23	5.37	48,380,414
May 2020	4.95	3.65	4.42	54,625,793
April 2020	4.56	3.11	3.73	51,091,303

ITEM 9 ESCROWED SECURITIES

The Company has no securities currently held in escrow.

ITEM 10 DIRECTORS AND OFFICERS

Name, Occupation, and Security Holding

The following table sets out the names of the directors and officers of the Company, the current position and office held, each person's principal occupation, business or employment during the last five years, the period of time during which each has been a director or officer of the Company and the number of Common Shares beneficially owned by each, directly and indirectly, or over which each exercised control or direction as at June 21, 2021.

Name and Municipality of Residence[1]	Current Positions and Offices Held	Principal Occupations During the Last Five Years[1]	Date of Appointment as a Director or Officer	Common Shares Beneficially Owned[1] *(Percentage of Outstanding Shares)*
Rui Feng[2] Vancouver, BC, Canada	Chairman, Chief Executive Officer, and Director	Chairman and CEO of Silvercorp from September 2003 to present. CEO of New Pacific Metals Corp. from May 2010 to April 2020 and Director of New Pacific Metals Corp. since May 2004.	September 4, 2003	5,768,000 *(3.27%)*
David Kong[3][4][5] Vancouver, BC, Canada	Director	Partner at Ernst & Young LLP from 2005 to 2010. Director of New Pacific Metals Corp., Uranium Energy Corp., and Gold Mining Inc.	November 24, 2011	164,167 *(0.09%)*
S. Paul Simpson[3][4][6] Vancouver, BC, Canada	Director	Solicitor at Armstrong Simpson, Barristers & Solicitors.	June 24, 2003	1,094,618 *(0.62%)*
Yikang Liu[4][7] Beijing, China	Director	Past Deputy Secretary General of China Mining Association.	July 24, 2006	91,334 *(0.05%)*

Name and Municipality of Residence[1]	Current Positions and Offices Held	Principal Occupations During the Last Five Years[1]	Date of Appointment as a Director or Officer	Common Shares Beneficially Owned[1] *(Percentage of Outstanding Shares)*
Marina Katusa[3][8] Vancouver, BC, Canada	Director	President/CEO of Canita Consulting Corporation 2010 to present. Director of Osisko Development Corp. since May 2021. Member of the Board of Directors of Family Services of Greater Vancouver from 2016 to 2020. Director Corporate Development and Strategy, GCT Global Container Terminals Inc. from 2013 to 2017. Vice President Corporate Development, Exeter Resource Corporation from 2012 to 2013.	September 29, 2017	74,134 *(0.04%)*
Derek Liu[9] Burnaby, BC, Canada	Chief Financial Officer	Chief Financial Officer of Silvercorp since 2015. Director of Volcanic Gold Mines Inc. since December 2020.	February 6, 2015	43,334 *(0.02%)*
Yong-Jae Kim[10] Vancouver, BC, Canada	General Counsel and Corporate Secretary	General Counsel and Corporate Secretary of Silvercorp and New Pacific Metals since October 2018. Lawyer at Gowling WLG (Canada) LLP from 2010 to 2018.	October 1, 2018	20,896 *(0.01%)*
Lon Shaver[11] Surrey, BC, Canada	Vice President	Vice President of Silvercorp since October 2018. Senior Vice President (from 2011 to 2016) and Vice President (from 2005 to 2011), Investment Banking, Equity Capital Markets at Raymond James. Director of Omai Gold Mines Corp. since November 2020.	October 1, 2018	47,458 *(0.03%)*
Total:[12]				**7,303,941** ***(4.15%)***

Notes:

1. The information as to municipality of residence and principal occupation of each nominee has been individually furnished by the respective director or officer. The number of Common Shares and New Infini Shares beneficially owned directly or indirectly, or over which control or direction is exercised, is based upon information furnished to the Company by each director or officer, as applicable, as at the date hereof.
2. Rui Feng is a director of New Infini and holds 3,602,020 common shares of New Infini ("New Infini Shares"), representing 7.50% of the issued and outstanding New Infini Shares.
3. Member of Audit Committee and Corporate Governance Committee.
4. Member of Compensation Committee.
5. David Kong holds 248,002 New Infini Shares, representing 0.52% of the issued and outstanding New Infini Shares.
6. S. Paul Simpson is director of New Infini and holds 254,002 New Infini Shares, representing 0.53% of the issued and outstanding New Infini Shares.
7. Yikang Liu holds 138,001 New Infini Shares, representing 0.29% of the issued and outstanding New Infini Shares.
8. Marina Katusa holds 118,802 New Infini Shares, representing 0.25%% of the issued and outstanding New Infini Shares.
9. Derek Liu holds 232,002 New Infini Shares, representing 0.48% of the issued and outstanding New Infini Shares.
10. Yong-Jae Kim holds 110,001 New Infini Shares, representing 0.23% of the issued and outstanding New Infini Shares.
11. Lon Shaver is the President of New Infini and holds 118,801 New Infini Shares, representing 0.25% of the issued and outstanding New Infini Shares. Mr. Shaver resigned as a director of New Infini on December 31, 2020.
12. Together, the directors and officers of the Company hold an aggregate of 4,821,631 New Infini Shares, representing 10.05% of the issued and outstanding New Infini Shares.

The current term of office of each of the directors expires at the next annual general meeting of shareholders.

All of the directors and officers of the Company, as a group, beneficially own, directly or indirectly, or exercise control over 7,303,941 Common Shares representing approximately 4.15% of Common Shares issued and outstanding as of June 21, 2021.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

As at the date of this AIF and within the 10 years before the date of this AIF, no director or executive officer of the Company, is or has been a director, chief executive officer or chief financial officer of any company (including the Company), that:

(a) while that person was acting in that capacity, was subject to a cease trade order or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or

(b) was subject to a cease trade order or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days, that was issued after that person ceased to be a director, chief executive officer, or chief financial officer and which resulted from an event that occurred while that person was acting as a director, chief executive officer or chief financial officer of the company.

As at the date of this AIF and within the 10 years before the date of this AIF, no director or executive officer of the Company nor any shareholder holding sufficient number of securities of the Company to materially affect control of the Company, is or has been a director or executive officer of any company (including the Company), that:

(a) while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

(b) has within 10 years before the date of this AIF, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of the director, officers or shareholders.

No director or executive officer of the Company or any shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, has, within the 10 years prior to the date of this AIF, been subject to:

(a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

(b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Conflicts of Interest

Certain directors and officers of the Company are also directors, officers or shareholders of other companies that are similarly engaged in the business of acquiring and exploiting natural resources properties. These associations to other companies in the resource sector may give rise to conflicts of interest from time to time.

Under the laws of the Province of British Columbia, the directors and officers of the Company are required by law to act honestly and in good faith with a view to the best interests of the Company. In the event that such a conflict of interest arises at a meeting of the Board, a director who has such a conflict will disclose such interest in a contract or transaction and will abstain from voting on any resolution in respect of such

contract or transaction. See also “Item 4.4 *Risk Factors*” and “Item 14 *Interest of Management and Others in Material Transactions*”.

ITEM 11 AUDIT COMMITTEE

Audit Committee Charter

A copy of the Charter of the Audit Committee is attached hereto as Schedule “A”. A description of the responsibilities, powers and operation of the committee can be found therein.

The Audit Committee, among other things, reviews the annual financial statements of the Company for recommendation to the Board, reviews and approves the quarterly financial statements, oversees the annual audit process, the Company's internal accounting controls and the resolution of issues identified by the Company's auditors, and recommends to the Board the firm of independent auditors to be nominated for appointment by the shareholders at the next annual general meeting. In addition, the Audit Committee meets annually with the Company's auditors both with and without the presence of any members of the Company's management.

Composition of the Audit Committee

The current members of the Audit Committee are David Kong, Marina Katusa, and Paul Simpson, all of whom are considered independent and financially literate, pursuant to National Instrument 52-110 *Audit Committees* (“NI 52-110”). The Audit Committee will be re-constituted after the 2020 annual general meeting of shareholders.

Relevant Education and Experience

David Kong, Director

Mr. Kong holds a Bachelor in Business Administration and earned his Chartered Accountant (CPA, CA) designation in British Columbia in 1978. From 1981 to 2004, he was partner of Ellis Foster Chartered Accountants and from 2005 to 2010, a partner at Ernst & Young LLP. Currently, Mr. Kong is a director of New Pacific Metals Corp., Uranium Energy Corp., and Gold Mining Inc. Mr. Kong is a certified director (ICD.C) of the Institute of Corporate Directors.

Marina Katusa, Director

Ms. Katusa has over 15 years of business experience in areas including mineral exploration, research analysis, strategic planning, and corporate development. She earned a Masters of Business Administration (MBA) degree and a Bachelor of Science (BSc) degree in Geology/Earth & Ocean Science from the University of British Columbia. She is currently a member of the board of directors of Osisko Development Corp. and was previously on the board of Family Services of Greater Vancouver.

Paul Simpson, Director

Mr. Paul Simpson is a Vancouver based corporate securities lawyer with the firm Armstrong Simpson. He has over 20 years of experience, predominately advising public companies with international natural resource property holdings. He has been a director and officer of a number of public companies, including companies with resource assets in China.

Reliance on Certain Exemptions

At no time since the commencement of the Company’s most recently completed financial year has the Company relied on the exemption in sections 2.4, 3.2, 3.3(2), 3.4, 3.5, 3.6 or 3.8 of NI 52-110, or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

Audit Committee Oversight

During the last year, all recommendations of the Audit Committee to nominate or compensate an external auditor were adopted by the Board.

Pre-Approval Policies and Procedures

The Audit Committee has adopted a specific policy and procedure for the engagement of non-audit services as described in Section IV of the Audit Committee Charter. The Audit Committee must pre-approve all non-audit services to be provided to the Company or its subsidiary entities by the Company's external auditor.

External Auditor Services Fees

The Company's independent registered public accounting firm for the years ended March 31, 2021 and 2020 was Deloitte LLP. The Audit Committee has reviewed the nature and amount of the services provided by the principal accountants to ensure auditor independence. Fees (stated in Canadian dollars) paid or billed for audit and other services provided by Deloitte LLP in the last two fiscal years are outlined below:

Nature of Services	**Year Ended March 31, 2021**	**Year Ended March 31, 2020**
Audit Fees(1)	$976,000	$936,000
Audit-Related Fees (2)	Nil	Nil
Tax Fees (3)	Nil	Nil
All Other Fees (4)	Nil	Nil
Total	$976,000	$936,000

Notes:

(1) "Audit Fees" include the aggregate fees billed for professional services of the principal accountant for the audit of the Company's annual financial statements and the audit of the Company's internal control over financial reporting for Fiscal 2021 and Fiscal 2020, or review services that are normally provided by the principal accountant in connection with interim filings or engagements for those fiscal years. For the year ended March 31, 2021 and 2020, fees of $133,000 and $129,000, respectively, related to the review of interim filings have been included as part of "Audit Fees".
(2) "Audit-Related Fees" include the aggregate fees billed for assurance and related services by the principal accountant that are reasonably related to the performance of the audit or review of the Company's financial statements and are not reported under above note (1).
(3) "Tax Fees" include the aggregate fees billed for professional services rendered by the principal accountant for tax compliance, tax advice, and tax planning.
(4) "All Other Fees" include the aggregate fees billed for services provided by the principal accountant, other than the services reported in the above items.

ITEM 12 PROMOTERS

No person or company has been a promoter of the Company or a subsidiary of the Company within the two most recently completed financial years or during the current financial year.

ITEM 13 LEGAL PROCEEDINGS AND REGULATORY ACTIONS

The Company is not aware of any other actual or pending material legal proceedings or any regulatory actions to which the Company is or was a party to, or is likely to be a party to, or of which any of its business or property is or was the subject of during Fiscal 2021.

ITEM 14 INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

No director or executive officer, person or company that beneficially owns and controls or directs, directly or indirectly, more than 10% of the Common Shares, or any associate or affiliate of such person, company or director or executive officer, have had any material interest, direct or indirect, in any material transaction of Silvercorp within the Company's three most recently completed financial years or during the current financial year, which has materially affected or is reasonably expected to materially affect Silvercorp.

ITEM 15 TRANSFER AGENTS AND REGISTRARS

The Company's transfer agent and registrar is Computershare Investor Services Inc. of 510 Burrard Street, 3rd Floor, Vancouver, British Columbia, Canada V6C 3B9.

ITEM 16 MATERIAL CONTRACTS

There are no contracts other than those entered into in the ordinary course of the Company's business, that are material to the Company and which were entered into in the most recently completed financial year ended March 31, 2021, or before the most recently completed financial year but are still in effect as of the date of this AIF.

ITEM 17 INTERESTS OF EXPERTS

Names of Experts

Ying Report

AMC was commissioned by the Company to prepare the Ying Report titled " *NI 43-101 Technical Report Update on the Ying Ag-Pb-Zn Property in Henan Province, People's Republic of China* " dated effective July 31, 2020 and signed on October 9, 2020.

The authors of the Ying Report are as follows:

Qualified Persons responsible for the preparation of this Technical Report						
Qualified Person	**Position**	**Employer**	**Independent of Silvercorp?**	**Date of last site visit**	**Professional designation**	**Sections of report[1]**
Mr H.A. Smith	Senior Principal Mining Engineer	AMC Mining Consultants (Canada) Ltd.	Yes	13-16 July 2016	P.Eng. (BC), P.Eng. (ON), P.Eng. (AB), P.Eng. (NT)	2-6, 15, 16, 20-22, 27 and parts of 1, 18, 19, 25 and 26
Dr A.A. Ross	Geology Manager / Principal Geologist	AMC Mining Consultants (Canada) Ltd.	Yes	13-20 July 2016	P.Geo. (BC), P.Geol. (AB)	7-10, 12, 23, 24 and parts of 1, 25, and 26
Mr R. Webster	Principal Geologist	AMC Consultants Pty Ltd.	Yes	None	MAIG	Parts of 1, 14, 25 and 26
Mr S. Robinson	Senior Geologist	AMC Mining Consultants (Canada) Ltd.	Yes	None	P.Geo. (BC),	11, parts of 1, 14, 25, and 26
Mr R. Chesher	General Manager / Senior Principal Metallurgist	AMC Consultants Pty Ltd.	Yes	None	FAusIMM(CP)	13, 17, parts of 1, 19, 25, and 26
Mr A. Riles	Director and Principal Consultant	Riles Integrated Resource Management Pty Ltd.	Yes	16-19 February 2012	MAIG	Parts of 1, 18, 25, and 26

Note: For Section 14, Mr Webster is responsible for the SGX, HPG, LMW, and LME deposits and Mr Robinson is responsible for the TLP, HZG, and DCG deposits. Mr Smith is responsible for Section 18, other than for the TMFs discussion, for which Mr. Riles takes responsibility. For other sections where QPs are indicated as having part responsibility, that responsibility reflects their individual area of expertise, whether geological, mining, or metallurgical.

GC Report

AMC was commissioned by Silvercorp Metals Inc. (Silvercorp) to prepare the GC Report titled " *NI 43-101 Technical Report Update on the Gaocheng Ag-Zn-Pb Project in Guangdong Province, People's Republic of China*", effective June 30, 2019 on the GC Property, located in Gaocun Township, Yun'an County, Guangdong Province, China. The authors of the GC Report are as follows:

Qualified Persons responsible for the preparation of this Technical Report						
Qualified Person	**Position**	**Employer**	**Independent of Silvercorp?**	**Date of last site visit**	**Professional designation**	**Sections of Report**
Ms D. Nussipakynova	Principal Geologist	AMC Mining Consultants (Canada) Ltd.	Yes	January 2018	P.Geo.	12, 14, Part of 1, 25, and 26
Mr H. Smith	Senior Principal Mining Engineer	AMC Mining Consultants (Canada) Ltd.	Yes	January 2018	B.Sc., M.Sc., P.Eng.	2 to 6, 15, 16, 18 to 22, 24, 27, Part of 1, 25, and 26
Mr A. Riles	Associate Principal Metallurgical Consultant	AMC Mining Consultants (Canada) Ltd.	Yes	May 2011	B.Met. (Hons) Grad Dipl Business Management, M. Econ. Geol, MAIG (QP)	13, 17, Part of 1, 25, and 26
Mr P. Stephenson	Associate Principal Geologist	AMC Mining Consultants (Canada) Ltd.	Yes	No visit	P.Geo., B.Sc., FAusIMM (CP), MAIG, MCIM	7 to 11, 23, Part of 1, 25, and 26

Interests of Experts

None of the independent consulting geologists and independent "Qualified Persons" named in "Item 17 Names of Experts", when or after they prepared the statement, report or valuation, has received any registered or beneficial interests, direct or indirect, in any securities or other property of the Company or of one of the Company's associates or affiliates or is or is expected to be elected, appointed or employed as a director, officer or employee of the Company or of any associate or affiliate of the Company except as disclosed below. This information has been provided to the Company by the individual experts.

The Qualified Persons who were responsible for the preparation of the Ying Report and GC Report beneficially owned, directly or indirectly, less than 1% of the Common Shares. The Company confirms that its personnel named herein are non-independent Qualified Persons.

Auditor

Deloitte LLP is the independent registered public accounting firm of the Company and is independent within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of British Columbia and the applicable rules and regulations of the Securities and Exchange Commission and the Public Company Accounting Oversight Board (United States).

ITEM 18 ADDITIONAL INFORMATION

Additional information on the Company can be found on the Company's website at www.silvercorp.ca or on SEDAR at www.sedar.com. Additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Company's securities and securities authorized for issuance under equity compensation plans, if applicable, is contained in the Company's information circular for its most recent annual meeting of shareholders that involved the election of directors. Additional information is

provided in the Company's most recent financial statements and the management's discussion and analysis for its most recently completed financial year.

SCHEDULE "A"

SILVERCORP METALS INC.

AUDIT COMMITTEE CHARTER

I. Purpose

The main objective of the Audit Committee is to be responsible for the relationship between the Company and any external auditor or registered public accounting firm ("external auditor") of the Company, and to assist the Board in fulfilling its oversight responsibilities with respect to (a) the financial statements and other financial information provided by the Company to its shareholders, the public and others, (b) the Company's compliance with legal and regulatory requirements, and (c) the Company's risk management and internal financial and accounting controls, and management information systems.

Although the Committee has the powers and responsibilities set forth in this Charter, the role of the Committee is one of oversight and shall not relieve the Company's management of its responsibilities for preparing financial statements which accurately and fairly present the Company's financial results and conditions or the responsibilities of the external auditors relating to the audit or review of financial statements.

II. Organization

The Committee shall consist of three or more directors, each of whom shall be "independent" as defined in accordance with National Instrument 52-110, U.S. securities laws and regulations and applicable stock exchange rules; provided, however, that one or more members of the Committee may be non-independent if permitted by all applicable regulations.

The members of the Committee and the Chair of the Committee shall be selected annually by the Board and serve at the pleasure of the Board. Any member of the Committee may be removed or replaced at any time by the Board and shall cease to be a member of the Committee as soon as such member ceases to be a director.

Each member of the Audit Committee shall be "financially literate" as defined under National Instrument 52-110, be able to read and understand fundamental financial statements and satisfy all applicable financial literacy requirements of all applicable regulations. Additionally, at least one member of the Committee shall: be financially sophisticated, in that he or she shall have past employment experience in finance or accounting, requisite professional certification in accounting, or any other comparable experience or background which results in the individual's financial sophistication, which may include being or having been a chief executive officer, chief financial officer, or other senior officer with financial oversight responsibilities; and be an "audit committee financial expert" within the meaning of U.S. federal securities laws. None of the members of the Committee may have participated in the preparation of the financial statements of the Company or any current subsidiary of the Company at any time during the past three years.

A majority of the members of the Committee shall constitute a quorum. A majority of the members of the Committee shall be empowered to act on behalf of the Committee. Matters decided by the Committee shall be decided by majority votes.

The Committee may form and delegate authority to subcommittees when appropriate.

III. Meetings

The Committee shall meet as frequently as circumstances require, but not less frequently than four times per year. The Committee shall meet at least quarterly.

The Committee may invite, from time to time, such persons as it may see fit to attend its meetings and to take part in discussion and consideration of the affairs of the Committee.

The Company's accounting and financial officer(s) and the Auditors shall attend any meeting when requested to do so by the Chair of the Committee.

The Committee may also act by unanimous written consent of all members which shall constitute a meeting for the purposes of his charter of the Committee.

IV. Responsibilities

(1) The Committee shall be directly responsible, subject to any authority reserved by law to the Company's shareholders, for the appointment, compensation, retention, and oversight of any external auditor engaged for the purpose of preparing or issuing an audit report or performing other audit, review or other services for the Company, in accordance with applicable securities laws (including resolution of any disagreements between management and the external auditor), and the external auditor shall report directly to the Committee.

(2) The Committee shall be directly responsible for overseeing the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company, including the resolution of disagreements between management and the external auditor regarding financial reporting; obtaining from the external auditors a formal written statement delineating all relationships between the external auditors and the Company, consistent with the Public Company Accounting Oversight Board Rule 3526; and actively engaging in a dialogue with the external auditors with respect to any disclosed relationships or services that impact the objectivity and independence of the external auditor.

(3) The Committee must pre-approve all non-audit services to be provided to the Company or its subsidiary entities by the Company's external auditor.

(4) The Committee must review the Company's financial statements, MD&A and annual and interim earnings press releases before the Company publicly discloses this information.

(5) The Committee must be satisfied that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements, other than the public disclosure referred to in subsection (4), and must periodically assess the adequacy of those procedures.

(6) The Committee is responsible for overseeing the Company's Whistleblower Policy and the establishment of procedures for:

(a) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and

(b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

(7) Review and monitor all related party transactions which may be entered into by the Company.

(8) The Committee must review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the issuer.

(9) The Committee is responsible for annually reviewing the adequacy of its charter and recommending any changes thereto to the Board.

V. Authority and Funding

The Committee shall have the following authority to:

(a) engage independent counsel and other advisors as it determines necessary to carry out its duties,

(b) set and pay the compensation for the independent counsel and any advisors employed by the Committee, and

(c) communicate directly with the internal and external auditors.

The Company shall provide for appropriate funding, as determined by the Committee, for payment of:

(a) compensation to any registered public accounting firm engaged for the purposes of preparing or issuing an audit report or performing other audit, review or attest services for the Company;

(b) compensation to any advisers employed by the Committee; and

(c) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.



SILVERCORP METALS INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS For the Year Ended March 31, 2021

(Expressed in thousands of US dollars, except per share figures or otherwise stated)

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This Management's Discussion and Analysis ("MD&A") is intended to help the reader understand the significant factors that have affected Silvercorp Metals Inc. and its subsidiaries' ("Silvercorp" or the "Company") performance and such factors that may affect its future performance. This MD&A should be read in conjunction with the Company's audited consolidated financial statements for the year ended March 31, 2021 and the related notes contained therein. The Company reports its financial position, financial performance and cash flow in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). Silvercorp's significant accounting policies are set out in Note 2 of the audited consolidated financial statements for the year ended March 31, 2021. This MD&A refers to various alternative performance (non-IFRS) measures, such as working capital; cash cost per ounce of silver, net of by-product credits, all-in & all-in sustaining cost per ounce of silver, net of by-product credits; production cost per tonne, and all-in sustaining production costs per tonne. Non-IFRS measures do not have standardized meanings under IFRS. Accordingly, non-IFRS measures should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. To facilitate a better understanding of these measures as calculated by the Company, additional information has been provided in this MD&A. Please refer to section 12, "Alternative Performance (Non-IFRS) Measures" of this MD&A for detailed descriptions and reconciliations. Figures may not add due to rounding.

This MD&A is prepared as of May 19, 2021 and expressed in thousands of U.S. dollars, except share, per share, unit cost, and production data, or unless otherwise stated.

1. Core Business and Strategy

Silvercorp is a profitable Canadian mining company currently producing silver, gold, lead, and zinc metals in concentrates from mines in China. The Company's goal is to continuously create healthy returns to shareholders through efficient management, organic growth and the acquisition of profitable projects. Silvercorp balances profitability, social and environmental relationships, employees' wellbeing, and sustainable development. Silvercorp operates several silver-lead-zinc mines at the Ying Mining District in Henan Province, China and the GC silver-lead-zinc mine in Guangdong Province, China. The Company's common shares are traded on the Toronto Stock Exchange and NYSE American under the symbol "SVM".

2. Fiscal Year 2021 Highlights

- Mined 964,925 tonnes of ore and milled 967,581 tonnes of ore, up 9% and 8%, respectively, compared to the prior year, with silver and lead production meeting the production guidance and zinc production beating the production guidance;
- Sold approximately 6.3 million ounces of silver, 4,700 ounces of gold, 67.1 million pounds of lead, and 27.9 million pounds of zinc, up 1%, 42%, 3%, and 10%, respectively, compared to the prior year;
- Revenue of $192.1 million, up 21% compared to $158.8 million in the prior year;
- Net income attributable to equity shareholders of $46.4 million, or $0.27 per share, up 35% compared to $34.3 million, or $0.20 per share in the prior year;
- Cash cost per ounce of silver [1], net of by-product credits, of negative $1.80 compared to negative $1.91 in the prior year;
- All-in sustaining cost per ounce of silver [1], net of by-product credits, of $7.49, compared to $6.86 in the prior year;
- Cash flow from operations of $85.9 million, up 11% or $8.7 million compared to $77.2 million in the prior year;
- Received $6.5 million (CAD$9.0 million) break fee from Guyana Goldfields Inc. ("Guyana Goldfields") and realized a gain of $15.4 million on disposal of the shares of Guyana Goldfields;

[1] *Non-IFRS measures, please refer to section 12 for reconciliation.*

- Paid $4.4 million of dividends to the Company's shareholders;
- Invested $5.8 million in a private placement of New Pacific Metals Corp. ("NUAG") to maintain the Company's ownership interest;
- Acquired a 26.99% interest in Whitehorse Gold Corp. ("WHG"), having a fair market value of $15.1 million as at March 31, 2021, as a result of (a) receiving 5,740,285 WHG common shares under a spin-out transaction completed by NUAG, and (b) subscribing for 5,774,000 WHG common shares under a private placement at total of $1.3 million;
- Won an online auction to acquire the exploration rights to the Zhonghe Silver Project from the Henan provincial government of China for approximately $76.0 million ((RMB¥495.0 million), with the mineral rights transfer contract pending the national security clearance by the related authorities;
- Acquired a 43.8% interest in the La Yesca Silver Project in Mexico through a new corporate structure, New Infini Silver Inc. for approximately $9.1 million; and
- Strong balance sheet with $199.1 million in cash and cash equivalents and short-term investments, an increase of $56.6 million or 40% compared to $142.5 million as at March 31, 2020. This does not include $212.1 million in total market value of investments in associates and equity investment in other companies as at March 31, 2021.

3. Fourth Quarter of Fiscal Year 2021 Highlights

- Mined 163,072 tonnes of ore and milled 180,674 tonnes of ore, up 53% and 76%, respectively, compared to the prior year quarter;
- Sold approximately 1.1 million ounces of silver, 700 ounces of gold, 10.9 million pounds of lead, and 4.6 million pounds of zinc, up 32%, 40%, 13%, and 50% respectively, compared to approximately 0.8 million ounces of silver, 500 ounces of gold, 9.7 million pounds of lead, and 3.1 million pounds of zinc in the prior year quarter;
- Revenue of $35.7 million, up 89% or $16.8 million compared to $18.9 million in the prior year quarter;
- Net income attributable to equity shareholders of $7.0 million, or $0.04 per share, compared to $3.2 million or $0.02 per share, in the prior year quarter;
- Cash cost per ounce of silver, net of by-product credits, of negative $0.39 compared to negative $0.85 in the prior year quarter;
- All-in sustaining cost per ounce of silver, net of by-product credits, of $12.55, compared to $15.17 in the prior year quarter; and
- Cash flow from operations of $2.2 million, compared to $6.3 million in the prior year quarter. The decrease was mainly due to $9.4 million use of cash from working capital changes. Before changes in non-cash working capital, cash flows provided by operating activities in the current quarter were $11.9 million, up $2.7 million compared to $9.2 million in Q4 Fiscal 2020.

4. Operating Performance

(a) Consolidated operating performance

The following table summarizes consolidated operational information for the three months and the year ended March 31, 2021 and 2020:

Consolidated	Three months ended March 31,			Year ended March 31,		
	2021	2020	Changes	2021	2020	Changes
Production Data						
Mine Data						
Ore Mined (tonne)	**163,072**	106,595	**53%**	**964,925**	885,830	**9%**
Ore Milled (tonne)	**180,674**	102,431	**76%**	**967,581**	892,215	**8%**
Head Grades						
Silver (gram/tonne)	**228**	231	**-1%**	**223**	240	**-7%**
Lead (%)	**3.3**	3.7	**-11%**	**3.4**	3.7	**-8%**
Zinc (%)	**1.5**	1.8	**-17%**	**1.7**	1.7	**0%**
Recovery Rates						
Silver (%)	**92.5**	93.4	**-1%**	**92.7**	93.5	**-1%**
Lead (%)	**94.3**	94.8	**0%**	**95.0**	94.8	**0%**
Zinc (%)	**79.0**	80.3	**-2%**	**80.0**	77.8	**3%**
Cost Data						
+ **Mining cost per tonne of ore mined ($)**	**94.86**	75.91	**25%**	**79.73**	76.25	**5%**
Cash mining cost per tonne of ore mined ($)	**70.56**	53.26	**32%**	**59.44**	54.90	**8%**
Depreciation and amortization charges per tonne of ore mined ($)	**24.30**	22.65	**7%**	**20.29**	21.35	**-5%**
+ **Unit shipping costs ($)**	**2.48**	2.57	**-4%**	**2.54**	2.65	**-4%**
+ **Milling costs per tonne of ore milled ($)**	**15.10**	15.67	**-4%**	**12.41**	13.17	**-6%**
Cash milling costs per tonne of ore milled ($)	**12.66**	13.10	**-3%**	**10.73**	11.36	**-6%**
Depreciation and amortization charges per tonne of ore milled ($)	**2.44**	2.57	**-5%**	**1.68**	1.81	**-7%**
+ **Cash production cost per tonne of ore processed ($)**	**85.70**	68.93	**24%**	**72.71**	68.91	**6%**
+ **All-in sustaining cost per tonne of ore processed ($)**	**156.36**	188.57	**-17%**	**128.20**	125.29	**2%**
+ **Cash cost per ounce of Silver, net of by-product credits ($)**	**(0.39)**	(0.85)	**54%**	**(1.80)**	(1.91)	**6%**
+ **All-in sustaining cost per ounce of silver, net of by-product credits ($)**	**12.55**	15.17	**-17%**	**7.49**	6.86	**9%**
Concentrate inventory						
Lead concentrate (tonne)	**2,089**	2,520	**-17%**	**2,089**	2,520	**-17%**
Zinc concentrate (tonne)	**471**	370	**27%**	**471**	370	**27%**
Sales Data						
Metal Sales						
Silver (in thousands of ounces)	**1,056**	800	**32%**	**6,315**	6,257	**1%**
Gold (in thousands of ounces)	**0.7**	0.5	**40%**	**4.7**	3.3	**42%**
Lead (in thousands of pounds)	**10,876**	9,654	**13%**	**67,118**	65,344	**3%**
Zinc (in thousands of pounds)	**4,580**	3,059	**50%**	**27,914**	25,401	**10%**
Revenue						
Silver (in thousands of $)	**21,239**	9,834	**116%**	**111,191**	84,872	**31%**
Gold (in thousands of $)	**1,006**	625	**61%**	**6,722**	3,911	**72%**
Lead (in thousands of $)	**8,849**	6,454	**37%**	**50,464**	51,966	**-3%**
Zinc (in thousands of $)	**4,480**	1,546	**190%**	**21,793**	15,780	**38%**
Other (in thousands of $)	**158**	401	**-61%**	**1,935**	2,300	**-16%**
	35,732	18,860	**89%**	**192,105**	158,829	**21%**
Average Selling Price, Net of Value Added Tax and Smelter Charges						

Silver ($ per ounce)	**20.11**	12.29	**64%**	**17.61**	13.56	**30%**
Gold ($ per ounce)	**1,437**	1,250	**15%**	**1,430**	1,185	**21%**
Lead ($ per pound)	**0.81**	0.67	**21%**	**0.75**	0.80	**-6%**
Zinc ($ per pound)	**0.98**	0.51	**92%**	**0.78**	0.62	**26%**

+ Alternative performance (Non-IFRS) measures, see section 12 for reconciliation.

(i) Mine and Mill Production

In Fiscal 2021, on a consolidated basis, the Company mined 964,925 tonnes of ore, up 9% or 79,095 tonnes, compared to 885,830 tonnes in Fiscal 2020. Ore milled in Fiscal 2021 was 967,581 tonnes, up 8% or 75,366 tonnes, compared to 892,215 tonnes in Fiscal 2020.

In Q4 Fiscal 2021, the Company mined 163,072 tonnes of ore, up 53% or 56,477 tonnes, compared to 106,595 tonnes in the three months ended March 31, 2020 ("Q4 Fiscal 2020"). Ore milled in Q4 Fiscal 2021 was 180,674 tonnes, up 76% or 78,243 tonnes, compared to 102,431 tonnes in Q4 Fiscal 2020. The increase was mainly due to an extra month operational shutdown due to COVID-19 in Q4 Fiscal 2020.

(ii) Metal Sales

In Fiscal 2021, the Company sold approximately 6.3 million ounces of silver, 4,700 ounces of gold, 67.1 million pounds of lead, and 27.9 million pounds of zinc, up 1%, 42%, 3% and 10%, respectively, compared to 6.3 million ounces of silver, 3,300 ounces of gold, 65.3 million pounds of lead, and 25.4 million pounds of zinc in Fiscal 2020.

In Q4 Fiscal 2021, the Company sold approximately 1.1 million ounces of silver, 700 ounces of gold, 10.9 million pounds of lead, and 4.6 million pounds of zinc, up 32%, 40%, 13%, and 50%, respectively, compared to approximately 0.8 million ounces of silver, 500 ounces of gold, 9.7 million pounds of lead, and 3.1 million pounds of zinc in Q4 Fiscal 2020.

(iii) Per Tonne Production Costs[1]

In Fiscal 2021, the consolidated total mining cost and cash mining cost were $79.73 and $59.44 per tonne, up 5% and 8%, respectively, compared to $76.25 and $54.90 per tonne, respectively, in Fiscal 2020. The increase in the cash mining cost was mainly due to an increase of $3.0 million in the direct mining contractors' cost.

The consolidated total milling cost and cash milling cost were $12.41 and $10.73 per tonne, down 6% and 6%, compared to $13.17 and $11.36 per tonne, respectively, in Fiscal 2020. The improvement was mainly due to a decrease of $0.3 million in mill administration costs.

The consolidated cash production cost per tonne of ore processed in Fiscal 2021 was $72.71, up 6% compared to $68.91 in Fiscal 2020 but in line with the Company's annual guidance. The consolidated all-in sustaining production cost per tonne of ore processed was $128.20, an increase of 2% compared to $125.29 in Fiscal 2020, but also in line with the Company's annual guidance.

In Q4 Fiscal 2021, the consolidated total mining cost and cash mining cost were $94.86 and $70.56 per tonne, up 25% and 32%, respectively, compared to $75.91 and $53.26 per tonne in Q4 Fiscal 2020. The increase was mainly due to certain fixed overhead costs related to mining operations expensed directly as mine general and administrative expense during the extra month operational shut-down in Q4 Fiscal 2020. The consolidated total milling cost and cash milling cost in Q4 Fiscal 2021 were $15.10 and $12.66 per tonne, down 4% and 3%, respectively, compared to $15.67 and $13.10 per tonne in Q4 Fiscal 2020. Correspondingly, the consolidated cash production cost per tonne of ore processed in Q4 Fiscal 2021 was $85.70, up 24% compared to $68.93 in Q4 Fiscal 2020. The consolidated all-in sustaining production cost per tonne was $156.36, down 17%, compared to $188.57 in Q4 Fiscal 2020.The decrease was mainly due to higher production resulting in lower per tonne fixed costs allocation.

[1] *Alternative Performance (Non-IFRS) measure. Please refer to section 12 for reconciliation.*

(iv) Costs per Ounce of Silver, Net of By-Product Credits

In Fiscal 2021, the consolidated cash cost per ounce of silver, net of by-product credits, was negative $1.80, compared to negative $1.91 in the prior year. The increase was mainly due to the increase of 6% in per tonne cash production costs as discussed above, offset by an increase of $0.99 in by-product credits per ounce of silver. Sales from lead and zinc in Fiscal 2021 amounted to $72.3 million, up $4.6 million, compared to $67.7 million in Fiscal 2020.

The consolidated all-in sustaining cost per ounce of silver, net of by-product credits, was $7.49, compared to $6.86 in Fiscal 2020. The increase was mainly due to the increase of 2% in per tonne all-in sustaining production cost as discussed above, offset by an increase of $0.99 in by-product credits per ounce of silver.

In Q4 Fiscal 2021, the consolidated cash cost per ounce of silver, net of by-product credits, was negative $0.39, compared to negative $0.85 in Q4 Fiscal 2020. The increase was mainly due to the increase in per tonne cash production as discussed above, offset by an increase of $2.44 in by-product credits per ounce of silver.

The consolidated all-in sustaining cost per ounce of silver, net of by-product credits, was $12.55, compared to $15.17 in Q4 Fiscal 2020. The decrease was mainly due to the decrease in the per tonne all-in sustaining production cost as discussed above and an increase of $0.18 in all-in sustaining costs per ounce of silver.

(v) Exploration and Development

In Fiscal 2021, on a consolidated basis, a total of 254,900 metres or $8.7 million worth of diamond drilling were completed (Fiscal 2020 – 108,156 metres or $3.5 million), of which approximately 196,320 metres or $5.0 million worth of underground drilling were expensed as part of mining costs (Fiscal 2020 – 108,156 metres or $3.5 million) and approximately 58,580 metres or $3.7 million worth of surface drilling were capitalized (Fiscal 2020 – nil). In addition, approximately 34,637 metres or $8.9 million worth of preparation tunnelling was completed and expensed as part of mining costs (Fiscal 2020 – 38,403 metres or $10.3 million), and approximately 85,221 metres or $31.5 million worth of tunnels, raises, ramps and declines were completed and capitalized (Fiscal 2020 –73,567 metres or $26.3 million).

In Q4 Fiscal 2021, on a consolidated basis, a total of 49,459 metres or $1.6 million worth of diamond drilling were completed (Q4 Fiscal 2020 – 14,612 metres or $0.5 million), of which approximately 41,572 metres or $0.8 million worth of underground drilling were expensed as part of mining costs (Q4 Fiscal 2020 – 14,612 metres or $0.5 million), and approximately 7,887 metres or $0.8 million worth of surface drilling were capitalized (Q4 Fiscal 2020 – nil). In addition, approximately 7,015 metres or $1.5 million worth of preparation tunnelling was completed and expensed as part of mining costs (Q4 Fiscal 2020 – 2,163 metres or $0.7 million), and approximately 10,803 metres or $4.7 million worth of horizontal tunnels, raises, ramps and declines were completed and capitalized (Q4 Fiscal 2020 – 9,830 metres or $4.3 million).

(b) Individual Mine Performance

(i) ***Ying Mining District***

The following table summarize the operational information at the Ying Mining District for the three months and the year ended March 31, 2021 and 2020. The Ying Mining District is the Company's primary source of production, and consists of several mines, including the SGX, HPG, TLP, LME, LMW, and HZG mines.

Ying Mining District	Three months ended March 31,			Year ended March 31,		
	2021	2020	Changes	2021	2020	Changes
Production Data						
Mine Data						
Ore Mined (tonne)	**112,561**	69,379	**62%**	**650,025**	598,197	**9%**
Ore Milled (tonne)	**131,725**	69,188	**90%**	**651,402**	601,605	**8%**
Head Grades						
Silver (gram/tonne)	**280**	297	**-6%**	**290**	309	**-6%**
Lead (%)	**3.9**	4.6	**-15%**	**4.3**	4.6	**-7%**
Zinc (%)	**0.8**	1.0	**-20%**	**0.8**	0.9	**-11%**
Recovery Rates						
Silver (%)	**93.7**	95.3	**-2%**	**94.2**	96.0	**-2%**
Lead (%)	**95.1**	95.7	**-1%**	**96.0**	95.9	**0%**
Zinc (%)	**65.0**	67.7	**-4%**	**62.4**	63.2	**-1%**
Cost Data						
+ **Mining cost per tonne of ore mined ($)**	**113.40**	97.79	**16%**	**95.27**	90.61	**5%**
Cash mining cost per tonne of ore mined ($)	**83.35**	68.10	**22%**	**69.56**	63.00	**10%**
Depreciation and amortization charges per tonne of ore mined ($)	**30.05**	29.69	**1%**	**25.71**	27.61	**-7%**
+ **Unit shipping costs ($)**	**3.55**	3.96	**-10%**	**3.76**	3.92	**-4%**
+ **Milling costs per tonne of ore milled ($)**	**13.67**	14.31	**-4%**	**11.52**	12.03	**-4%**
Cash milling cost per tonne of ore milled ($)	**11.23**	11.53	**-3%**	**9.69**	10.16	**-5%**
Depreciation and amortization charges per tonne of ore milled ($)	**2.44**	2.78	**-12%**	**1.83**	1.87	**-2%**
+ **Cash production cost per tonne of ore processed ($)**	**98.13**	83.59	**17%**	**83.01**	77.08	**8%**
+ **All-in sustaining cost per tonne of ore processed ($)**	**155.14**	195.78	**-21%**	**132.54**	132.52	**0%**
+ **Cash cost per ounce of Silver, net of by-product credits ($)**	**1.20**	0.30	**300%**	**(0.39)**	(1.18)	**67%**
+ **All-in sustaining cost per ounce of Silver, net of by-product credits ($)**	**10.00**	11.86	**-16%**	**6.09**	5.49	**11%**
Concentrate inventory						
Lead concentrate (tonne)	**1,922**	2,475	**-22%**	**1,922**	2,475	**-22%**
Zinc concentrate (tonne)	**218**	280	**-22%**	**218**	280	**-22%**
Sales Data						
Metal Sales						
Silver (in thousands of ounces)	**936**	711	**32%**	**5,610**	5,558	**1%**
Gold (in thousands of ounces)	**0.7**	0.5	**40%**	**3.5**	3.3	**6%**
Lead (in thousands of pounds)	**9,137**	8,322	**10%**	**56,708**	54,459	**4%**
Zinc (in thousands of pounds)	**1,306**	865	**51%**	**6,968**	7,264	**-4%**
Revenue						
Silver (in thousands of $)	**19,474**	8,968	**117%**	**102,100**	77,617	**32%**
Gold (in thousands of $)	**1,006**	625	**61%**	**5,169**	3,911	**32%**
Lead (in thousands of $)	**7,450**	5,562	**34%**	**42,836**	43,312	**-1%**
Zinc (in thousands of $)	**1,342**	452	**197%**	**5,898**	4,911	**20%**
Other (in thousands of $)	**182**	74	**146%**	**1,294**	1,683	**-23%**
	29,454	15,681	**88%**	**157,297**	131,434	**20%**
Average Selling Price, Net of Value Added Tax and Smelter Charges						

Silver ($ per ounce)	**20.81**	12.61	**65%**	**18.20**	13.96	**30%**
Gold ($ per ounce)	**1,437**	1,250	**15%**	**1,477**	1,185	**25%**
Lead ($ per pound)	**0.82**	0.67	**22%**	**0.76**	0.80	**-5%**
Zinc ($ per pound)	**1.03**	0.52	**98%**	**0.85**	0.68	**25%**

+ Alternative Performance (Non-IFRS) measures, see section 12 for reconciliation

Fiscal 2021 vs. Fiscal 2020

In Fiscal 2021, the total ore mined at the Ying Mining District was 650,025 tonnes, up 9%, compared to 598,197 tonnes mined in Fiscal 2020. Ore milled was 651,402 tonnes, up 8%, compared to 601,605 tonnes in Fiscal 2020.

Head grades of ore milled at the Ying Mining District in Fiscal 2021 were 290 grams per tonne ("g/t") for silver, 4.3% for lead, and 0.8% for zinc, compared to 309 g/t for silver, 4.6% for lead, and 0.9% for zinc in Fiscal 2020.

In Fiscal 2021, the Ying Mining District sold approximately 5.6 million ounces of silver, 3,500 ounces of gold, and 56.7 million pounds of lead, up 1%, 6%, and 4%, respectively, compared to 5.6 million ounces of silver, 3,300 ounces of gold, and 54.5 million pounds of lead in Fiscal 2020, while zinc sold was 7.0 million pounds, down 4% compared to 7.3 million pounds in Fiscal 2020.

The total mining cost and cash mining cost per tonne at the Ying Mining District in Fiscal 2021 were $95.27 and $69.56 per tonne, respectively, compared to $90.61 and $63.00 per tonne, respectively, in Fiscal 2020. Total milling cost and cash milling cost per tonne at the Ying Mining District in Fiscal 2021 were $11.52 and $9.69, down 4% and 5%, respectively, compared to $12.03 and $10.16, respectively, in Fiscal 2020.

Correspondingly, the cash production cost per tonne of ore processed at the Ying Mining District in Fiscal 2021 was $83.01, up 8% compared to $77.08 in Fiscal 2020 and slightly higher than the annual guidance. The all-in sustaining cost per tonne of ore processed was $132.54, comparable to $132.52 in Fiscal 2020 and below the annual guidance.

The cash cost per ounce of silver, net of by-product credits, at the Ying Mining District in Fiscal 2021, was negative $0.39, compared to negative $1.18 in Fiscal 2020. The all-in sustaining cost per ounce of silver, net of by-product credits, at the Ying Mining District in Fiscal 2021, was $6.09 compared to $5.49 in the prior year. The increase was mainly due to the increase of per tonne cash production as discussed above, offset by an increase of $0.16 in by-product credits per ounce of silver. Revenue from lead and zinc was $48.7 million, up $0.5 million, compared to $48.2 million in Fiscal 2020.

In Fiscal 2021, a total of 208,904 metres or $6.9 million worth of diamond drilling were completed at the Ying Mining District (Fiscal 2020 – 85,643 metres or $2.5 million), of which a total of 150,324 metres or $3.2 million worth of underground diamond drilling were expensed as part of mining costs (Fiscal 2020 – 85,643 or $2.5 million) and a total of 58,580 metres or $3.7 million worth of surface drilling were capitalized (Fiscal 2020 – nil). In addition, approximately 22,918 metres or $6.7 million worth of preparation tunnelling were completed and expensed as mining preparation costs (Fiscal 2020 – 19,088 metres or $5.7 million) at the Ying Mining District, and approximately 73,350 metres or $27.4 million worth of horizontal tunnels, raises, ramps and declines were completed and capitalized (Fiscal 2020 – 70,240 metres or $23.9 million).

Q4 Fiscal 2021 vs. Q4 Fiscal 2020

In Q4 Fiscal 2021, a total of 112,561 tonnes of ore were mined and 131,725 tonnes of ore were milled at the Ying Mining District, up 62% and 90%, compared to 69,379 tonnes mined and 69,188 tonnes milled in Q4 Fiscal 2020. The increase was mainly due to an extra month operational shutdown due to COVID-19 in Q4 Fiscal 2020.

Average head grades of ore processed were 280 g/t for silver, 3.9% for lead, and 0.8% for zinc compared to 297 g/t for silver, 4.6% for lead, and 1.0% for zinc in Q4 Fiscal 2020.

Metals sold were approximately 0.9 million ounces of silver, 700 ounces of gold, 9.1 million pounds of lead, and 1.3 million pounds of zinc, up 32%, 40%, 10%, and 51%, respectively, compared to 0.7 million ounces of silver, 500 ounces of gold, 8.3 million pounds of lead, and 0.9 million pounds of zinc in Q4 Fiscal 2020.

In Q4 Fiscal 2021, the cash mining cost at the Ying Mining District was $83.35 per tonne, up 22% compared to $68.10 in Q4 Fiscal 2020. The increase was mainly due to certain fixed overhead costs related to mining operations expensed directly as mine general and administrative expenses during the extra month operational shutdown in Q4 Fiscal 2020. The cash milling cost was $11.23 per tonne, down 3% compared to $11.53 in Q4 Fiscal 2020.

Correspondingly, the cash production cost per tonne of ore processed at the Ying Mining District in Q4 Fiscal 2021 was $98.13, up 17% compared to $83.59 in Q4 Fiscal 2020. The all-in sustaining cost per tonne of ore processed was $155.14, down 21% compared to $195.78 in Q4 Fiscal 2020. The decrease was mainly due to higher production output resulting in a lower per tonne fixed cost allocation.

In Q4 Fiscal 2021, the cash cost per ounce of silver and all in sustaining cost per ounce of silver, net of by-product credits, at the Ying Mining District were $1.20 and $10.00, respectively, compared to $0.30 and $11.86 in Q4 Fiscal 2020.

In Q4 Fiscal 2021, a total of approximately 40,438 metres or $1.5 million worth of diamond drilling were completed at the Ying Mining District (Q4 Fiscal 2020 – 12,412 metres or $0.4 million), of which approximately 32,551 metres or $0.7 million worth of underground diamond drilling was expensed as part of mining costs (Q4 Fiscal 2020 – 12,412 metres or $0.4 million) and approximately 7,887 metres or $0.8 million worth of surface drilling were capitalized (Q4 Fiscal 2020 – nil). In addition, approximately 5,132 metres or $1.1 million worth of preparation tunnelling were completed and expensed as part of mining costs (Q4 Fiscal 2020 – 1,810 metres or $0.6 million), and approximately 9,414 metres or $4.0 million worth of horizontal tunnels, raises, ramps, and declines were completed and capitalized (Q4 Fiscal 2020 – 7,979 metres or $2.9 million).

(ii) ***GC Mine***

The following table summarizes the operational information at the GC Mine for the three months and the year ended March 31, 2021 and 2020:

GC Mine	Three months ended March 31,			Year ended March 31,		
	2021	2020	Changes	2021	2020	Changes
Production Data						
Mine Data						
Ore Mined (tonne)	**50,511**	37,216	**36%**	**314,900**	287,633	**9%**
Ore Milled (tonne)	**48,949**	33,243	**47%**	**316,179**	290,610	**9%**
Head Grades						
Silver (gram/tonne)	**87**	94	**-7%**	**85**	97	**-12%**
Lead (%)	**1.7**	1.8	**-6%**	**1.7**	1.9	**-11%**
Zinc (%)	**3.3**	3.5	**-6%**	**3.4**	3.3	**3%**
Recovery Rates						
Silver (%) *	**81.9**	80.7	**1%**	**82.5**	77.4	**7%**
Lead (%)	**89.7**	90.4	**-1%**	**89.6**	89.3	**0%**
Zinc (%)	**88.2**	87.7	**1%**	**88.2**	86.0	**3%**
Cost Data						
+ **Mining cost per tonne of ore mined ($)**	**53.53**	35.09	**53%**	**47.68**	46.40	**3%**
Cash mining cost per tonne of ore mined ($)	**42.05**	25.58	**64%**	**38.56**	38.06	**1%**
Depreciation and amortization charges per tonne of ore mined ($)	**11.48**	9.51	**21%**	**9.12**	8.34	**9%**
+ **Milling cost per tonne of ore milled ($)**	**18.94**	18.50	**2%**	**14.25**	15.52	**-8%**
Cash milling cost per tonne of ore milled ($)	**16.51**	16.36	**1%**	**12.88**	13.85	**-7%**
Depreciation and amortization charges per tonne of ore milled ($)	**2.43**	2.14	**14%**	**1.37**	1.67	**-18%**
+ **Cash production cost per tonne of ore processed ($)**	**58.56**	41.94	**40%**	**51.44**	51.91	**-1%**
+ **All-in sustaining cost per tonne of ore processed ($)**	**87.69**	88.18	**-1%**	**74.09**	69.33	**7%**
+ **Cash cost per ounce of Silver, net of by-product credits ($)**	**(12.80)**	(10.03)	**-28%**	**(11.48)**	(7.65)	**-50%**
+ **All-in sustaining cost per ounce of Silver, net of by-product credits ($)**	**0.52**	8.31	**-94%**	**-**	0.77	**-100%**
Concentrate inventory						
Lead concentrate (tonne)	**167**	45	**271%**	**167**	45	**271%**
Zinc concentrate (tonne)	**253**	90	**181%**	**253**	90	**181%**
Sales Data						
Metal Sales						
Silver (in thousands of ounces)	**120**	89	**35%**	**705**	699	**1%**
Lead (in thousands of pounds)	**1,739**	1,332	**31%**	**10,410**	10,885	**-4%**
Zinc (in thousands of pounds)	**3,274**	2,194	**49%**	**20,946**	18,137	**15%**
Revenue						
Silver (in thousands of $)	**1,765**	866	**104%**	**9,091**	7,255	**25%**
Lead (in thousands of $)	**1,399**	892	**57%**	**7,628**	8,654	**-12%**
Zinc (in thousands of $)	**3,138**	1,094	**187%**	**15,895**	10,869	**46%**
Other (in thousands of $)	**(24)**	327	**-107%**	**641**	617	**4%**
	6,278	3,179	**97%**	**33,255**	27,395	**21%**
Average Selling Price, Net of Value Added Tax and Smelter Charges						
Silver ($ per ounce) **	**14.71**	9.73	**51%**	**12.90**	10.38	**24%**
Lead ($ per pound)	**0.80**	0.67	**19%**	**0.73**	0.80	**-9%**
Zinc ($ per pound)	**0.96**	0.50	**92%**	**0.76**	0.60	**27%**

* Silver recovery includes silver recovered in lead concentrate and silver recovered in zinc concentrate.
** Silver in zinc concentrate is subjected to higher smelter and refining charges which lowers the net silver selling price.
+ Alternative Performance (Non-IFRS) measures, see section 12 for reconciliation

Fiscal 2021 vs. Fiscal 2020

In Fiscal 2021, the total ore mined at the GC Mine was 314,900 tonnes, up 9% compared to 287,633 tonnes in Fiscal 2020. Ore milled was 316,179 tonnes, up 9% compared to 290,610 tonnes in Fiscal 2020.

Average head grades of ore processed at the GC Mine were 85 g/t for silver, 1.7% for lead, and 3.4% for zinc compared to 97 g/t for silver, 1.9% for lead, and 3.3% for zinc in Fiscal 2020. Recovery rates for ore processed at the GC Mine were 82.5% for silver, 89.6% for lead, and 88.2% for zinc, compared to 77.4% for silver, 89.3% for lead, and 86.0% for zinc in Fiscal 2020.

In Fiscal 2021, the GC Mine sold 705 thousand ounces of silver, 10.4 million pounds of lead, and 20.9 million pounds of zinc, compared to 699 thousand ounces of silver, 10.9 million pounds of lead, and 18.1 million pounds of zinc in Fiscal 2020.

The total mining cost and cash mining cost at the GC Mine in Fiscal 2021 were $47.68 and $38.56 per tonne, respectively, a slight increase of 3% and 1%, respectively, compared to $46.40 and $38.06 per tonne in Fiscal 2020. Total milling cost and cash milling cost per tonne at the GC Mine were $14.25 and $12.88, down 8% and 7%, respectively, compared to $15.52 and $13.85 in Fiscal 2020.

Correspondingly, the cash production cost per tonne of ore processed at the GC Mine in Fiscal 2021 was $51.44, down 1% compared to $51.91 in Fiscal 2020. The all-in sustaining production cost per tonne of ore processed was $74.09, up 7%, compared to $69.33 in Fiscal 2020.The increase was mainly due to an increase of $1.8 million in sustaining capital expenditures.

The cash cost per ounce of silver, net of by-product credits, at the GC Mine, was negative $11.48, compared to negative $7.65 in the prior year. The all-in sustaining cost per ounce of silver, net of by-product credits, was $nil compared to $0.77 Fiscal 2020. The improvement was mainly due to an increase of $5.47 in by-product credits per ounce of silver, offset by an increase of 7% in all-in sustaining production cost per tonne of ore processed as discussed above.

In Fiscal 2021, approximately 45,996 metres or $1.8 million worth of underground diamond drilling (Fiscal 2020 – 22,513 metres or $1.0 million) and 11,719 metres or $2.2 million worth of tunnelling (Fiscal 2020 – 19,315 metres or $4.6 million) were completed and expensed as mining preparation costs at the GC Mine. In addition, approximately 11,871 metres or $3.9 million of tunnels, raises, ramps, and declines were completed and capitalized (Fiscal 2020 – 3,327 metres or $2.4 million).

Q4 Fiscal 2021 vs. Q4 Fiscal 2020

In Q4 Fiscal 2021, a total of 50,511 tonnes of ore were mined and 48,949 tonnes were milled at the GC Mine, up 36% and 47%, respectively, compared to 37,216 tonnes mined and 33,243 tonnes milled in Q4 Fiscal 2020. The increase was mainly due to an extra one-month operational shutdown due to COVID-19 in Q4 Fiscal 2020.

Average head grades of ore milled were 87 g/t for silver, 1.7% for lead, and 3.3% for zinc compared to 94 g/t for silver, 1.8% for lead, and 3.5% for zinc in Q4 Fiscal 2020.

Metals sold were approximately 120 thousand ounces of silver, 1.7 million pounds of lead, and 3.3 million pounds of zinc, up 35%, 31%, and 49%, respectively, compared to 89 thousand ounces of silver, 1.3 million pounds of lead, and 2.2 million pounds of zinc in Q4 Fiscal 2020.

The cash mining cost at the GC Mine was $42.05 per tonne, up 64% compared to $25.58 per tonne in Q4 Fiscal 2020. The increase was mainly due to some fixed overhead costs related to mining operations expensed directly as mine general and administration expenses during the extra month's operational shutdown in Q4 Fiscal 2020. The cash milling cost was $16.51 per tonne, up 1% compared to $16.36 in Q4 Fiscal 2020. Correspondingly, the cash production cost per tonne increased by 40% to $58.56 from $41.94 in Q4 Fiscal 2020. The all-in sustaining production cost per tonne of ore processed was $87.69, down 1%, compared to $88.18 in Q4 Fiscal 2020.

The cash cost per ounce of silver and all-in sustaining cost per ounce of silver, net of by product credits, at the GC Mine, in Q4 Fiscal 2021, were negative $12.80 and $0.52, respectively, compared to negative $10.03 and

$8.31 in Q4 Fiscal 2020. The improvement was mainly due to an increase of $11.62 in by-product credits per ounce of silver, offset by the increase in cash production cost and all-in production cost per tonne of ore processed as discussed above. Revenue from lead and zinc was $4.5 million, up $2.5 million, compared to $2.0 million in Q4 Fiscal 2020.

In Q4 Fiscal 2021, approximately 9,021 metres or $0.2 million worth of underground diamond drilling (Q4 Fiscal 2020 – 2,200 metres or $0.1 million) and 1,883 metres or $0.4 million of tunnelling (Q4 Fiscal 2020 – 353 metres or $0.1 million) were completed and expensed as mining preparation costs at the GC Mine. In addition, approximately 1,389 metres or $0.6 million of horizontal tunnels, raises, and declines were completed and capitalized (Q4 Fiscal 2020 – 1,851 metres or $1.4 million).

(iii) ***BYP Mine***

The BYP Mine was placed on care and maintenance in August 2014 due to required capital upgrades to sustain its ongoing production and the market environment. In Fiscal 2021, the Company sold all remaining gold concentrate inventories, containing approximately 1,200 ounces of gold, that had been produced by the mine before it was placed on care and maintenance.

The Company is carrying out activities to apply for a new mining license, but the process has taken longer than expected. No guarantee can be given that the new mining license for the BYP Mine will be issued, or if it is issued, that it will be issued under reasonable operational and/or financial terms, or in a timely manner, or that the Company will be in a position to comply with all conditions that are imposed.

(c) Comparison of Fiscal 2021 Results with Fiscal 2021 Guidance

(i) Production and Production Costs

The following table sets out the actual annual ore processed, metal production, cash production cost, and all-in sustaining production costs in Fiscal 2021 compared to the Fiscal 2021 production guidance provided in February 2020:

		Head grades			Metal production			Production costs	
	Ore processed (tonnes)	Silver (g/t)	Lead (%)	Zinc (%)	Silver (Koz)	Lead (Klbs)	Zinc (Klbs)	Cash cost ($/t)	AISC ($/t)
Fiscal 2021 Actual Results									
Ying Mining District	**651,402**	**290**	**4.3**	**0.8**	**5,615**	**57,886**	**6,916**	**83.01**	**132.54**
GC Mine	**316,179**	**85**	**1.7**	**3.4**	**716**	**10,544**	**21,096**	**51.44**	**74.09**
Consolidated	**967,581**	**223**	**3.4**	**1.7**	**6,330**	**68,430**	**28,013**	**72.71**	**128.20**
.									
Fiscal 2021 Guidance									
Ying Mining District	640,000 - 660,000	292	4.3	0.9	5,600-5,800	56,600-58,000	7,000-8,000	74.7-82.5	133.5 - 140.5
GC Mine	290,000 - 310,000	96	1.7	3.3	600-700	9,500-10,500	17,500-18,700	52.2-57.5	78.5 - 82.9
Consolidated	**930,000 - 970,000**	**229-231**	**3.5-3.5**	**1.6-1.7**	**6,200-6,500**	**66,100-68,500**	**24,500-26,700**	**66.6-73.6**	**122.6-135.5**

On consolidated basis, ore processed and silver and lead production were in line with the annual guidance while zinc production was above the high end of the annual guidance. The cash production cost and all-in sustaining production cost per tonne of ore processed were also in line with the annual guidance.

At the Ying Mining District, ore processed and silver and lead production were in line with the annual guidance, while zinc production was 1% below 7.0 million pounds, the low end of the annual guidance. The all-in sustaining production cost per tonne of ore processed was 1% below the low end of the annual guidance, while the per tonne cash production cost was 1% above $82.5, the high end of the annual guidance.

At the GC Mine, silver, lead and zinc production were all above the high end of the annual guidance by 2%, 1% and 13%, respectively, as the ore processed was 2% above the high end of the annual guidance and the zinc head grade was better than the forecast. The per tonne cash production cost and all-in sustaining production cost were 1% and 6%, respectively, below the low end of the annual guidance.

(ii) Development and Capital Expenditures

The following table summarizes the development work and capitalized expenditures in Fiscal 2021 compared to

the Fiscal 2021 Guidance.

	Capitalized Development and Expenditures								
	Ramp Development		Exploration and Development Tunnels		Surface Exploration Drilling		Equipment & Facilities	Total	
	(Metres)	($ Thousand)	(Metres)	($ Thousand)	(Metres)	($ Thousand)	($ Thousand)	(Metres)	($ Thousand)
Fiscal 2021 Actual Results									
Ying Mining District	9,060	$ 5,752	64,290	$ 21,701	58,580	$ 3,685	$ 5,426	73,350	$ 36,564
GC Mine	1,086	816	10,785	3,074	-	-	689	11,871	4,579
Corporate + other	-		-	117	-	-	4,296	-	4,413
Consolidated	**10,146**	**$ 6,568**	**75,075**	**$ 24,892**	**58,580**	**$ 3,685**	**$ 10,411**	**85,221**	**$ 45,556**
Fiscal 2021 Guidance									
Ying Mining District	6,700	$ 5,500	81,300	$ 26,900	-	$ -	$ 4,600	88,000	$ 37,000
GC Mine	1,600	1,400	11,000	3,200	-	-	800	12,600	5,400
Consolidated	8,300	$ 6,900	92,300	$ 30,100	-	$ -	$ 5,400	100,600	$ 42,400

On a consolidated basis, the Company incurred a total of $45.6 million in capital expenditures in Fiscal 2021, approximately $3.2 million above the annual guidance, driven primarily by $4.0 million, item that was not included in the annual guidance, to construct a 1,000,000 tonne per year aggregate plant, to crush and recycle the waste rock from the Ying Mining District.

Capital expenditures at the Ying Mining District and GC Mine were below the annual guidance. In Fiscal 2021, the Company commenced extensive drilling programs at the Ying Mining District with two main objectives: i) areas with existing development and access are being re-examined to potentially define additional resources and reserves, which led to a reduction of 17,010 metres or $5.0 million worth of exploration and development tunneling in Fiscal 2021, and ii) areas which may have been overlooked for potential gold mineralization are being tested for different alteration styles from the typical silver-lead zones.

(d) La Yesca Acquisition

In December 2020, the Company and its subsidiary, New Infini Silver Inc. ("New Infini"), entered into a framework agreement (the "Agreement") with various arm's length vendors (the "Vendors"), whereby New Infini agreed to acquire a 100% interest in the La Yesca silver project ("La Yesca") through the indirect purchase of all of the issued and outstanding shares of Infini Resources, S.A. de C.V., a Mexican company which owns La Yesca.

La Yesca is a silver-polymetallic, epithermal-type project located approximately 100 kilometres ("km") (185 km by road) northwest of Guadalajara, the second-largest city in Mexico. The concessions comprising La Yesca cover an area of approximately 47.7 km^2. In total, 7,649 metres from 25 drill holes have previously been completed, all of which intersected mineralization.

Agreement details are summarized as follows:

- In December 2020, Silvercorp's 100%-owned subsidiary, New Infini, acquired a 100% interest in Infini SA, a Mexican corporation which holds a 100% interest in the La Yesca project, for a $9.25 million cash payment and a 45% interest in New Infini shares to the Vendors;
- Of the cash payment of $9.25 million, Silvercorp provided $7.57 million and a group of Silvercorp's directors, officers, employees, and consultants (the "Management Team") provided $1.68 million in return for their interests of 45% and 10%, respectively, in New Infini;
- Through New Infini, Silvercorp assumed management and control of Infini SA, and became the operator of La Yesca;
- Upon closing of the Agreement, New Infini paid $8.25 million and issued 45% in New Infini shares to the Vendors;
- Within 90 days of closing of the Agreement, New Infini would make a second cash payment of $1.0 million, less any liabilities, as contemplated under the Agreement; and
- A "Discovery Payment" of up to $30.0 million, calculated on the basis of $0.20 per ounce of silver

resources as defined by National Instrument 43-101 Standards of Disclosure for Mineral Projects, paid by New Infini to the Vendors, subject to certain permitting considerations.

In January 2021, New Infini completed a private placement and raised $4.0 million by issuing 8,000,000 shares of New Infini at $0.50 per share The Company purchased an additional 3,000,000 shares for $1.5 million. As at March 31, 2021, New Infini had a total of 48,000,000 shares issued and outstanding, of which the Company owned 21,000,000 shares or 43.75%, the Vendors owned 18,600,000 shares or 38.75%, and the Management Team had 8,400,000 shares or 17.5%.

(e) Zhonghe Silver Project Acquisition

On December 17, 2020, the Company, through its subsidiary, Henan Found, won an online auction to acquire the exploration rights to the Zhonghe Silver Project (the "Zhonghe Project") from the Henan provincial government. The Zhonghe Project covers an area of 4.96 square km, approximately 50 km (75 km by road) northeast of the Company's Ying Mining District, also located in Luoning County. The final winning bid submitted by the Company was approximately $76.0 million (RMB¥495.0 million) (the "Purchase Price").

Based on the current regulations, 20% of the Purchase Price, approximately $15.2 million, is required to be paid upon the execution of a formal mineral rights transfer contract (the "Transfer Contract") with the Department of Natural Resources of Henan Province. The balance of the Purchase Price is due only if the exploration rights to the Zhonghe Project are converted into a mining license and shall be paid annually over the duration of the term of the mining license.

The execution of the Transfer Contract is pending the national security clearance by the relevant Chinese authorities.

5. Fiscal 2022 Operating Outlook

The Company reiterates its Fiscal 2022 production guidance previously announced in the Company's news release dated February 05, 2021.

(a) Production and Cash Cost Guidance

The Company continues to expect production of approximately 960,000 – 1,010,000 tonnes of ore, yielding 6.4 million to 6.7 million ounces of silver, 65.7 million to 68.9 million pounds of lead, and 26.9 million to 28.5 million pounds of zinc. Fiscal 2022 production guidance represents an anticipated increase of approximately 3% in silver production, and 7% to 10% in zinc production compared to the Fiscal 2021 guidance. In Fiscal 2022, lead production is expected to be similar to the current Fiscal 2021 guidance.

The following summarizes the Company's production and cash cost guidance for Fiscal 2022.

		Head grades			Metal production			Production costs	
	Ore processed (tonnes)	Silver (g/t)	Lead (%)	Zinc (%)	Silver (Moz)	Lead (Mlbs)	Zinc (Mlbs)	Cash cost* ($/t)	AISC* ($/t)
Ying Mining District	670,000-700,000	284	4.2	0.9	5.7 - 5.9	57.2 - 59.8	7.8 - 8.1	87.1 - 91.7	134.2 - 141.2
GC Mine	290,000-310,000	86	1.5	3.6	0.6 - 0.7	8.5 - 9.1	19.1 - 20.4	55.7 - 59.6	81.3 - 85.6
Consolidated	**960,000-1,010,000**	**223**	**3.3**	**1.7**	**6.3 - 6.6**	**65.7 - 68.9**	**26.9 - 28.5**	**77.7 - 82.6**	**130.7 - 141.7**

**Both AISC and cash costs are non-IFRS measures. AISC refers to all-in sustaining costs per tonne of ore processed. Cash costs refer to cash production costs per tonne of ore processed. Foreign exchange rates assumptions used are: US$1 = CAD$1.30, US$1 = RMB¥6.50.*

(b) Development and Capital Expenditures

In Fiscal 2022, the total capital expenditures at the Ying Mining District and the GC Mine are estimated at $38.2 million, including plans to i) complete 6,600 metres of ramp development tunneling at estimated capitalized expenditures of $5.6 million; ii) complete 62,500 metres of exploration and other development tunneling at estimated capitalized expenditures of $21.8 million, iii) complete 50,000 metres of surface diamond drilling at estimated capital expenditures of $3.5 million, and iv) spend $7.3 million on equipment and facilities. The Company also plans to complete and expense 33,600 metres of mining preparation tunneling and 206,900 metres of underground diamond drilling. The table below summarizes the work plan and estimated capital expenditures at the Ying Mining District and the GC Mine for Fiscal 2022.

	Capitalized Development Work and Expenditures								Expensed	
	Ramp Development		Exploration and Development Tunnels		Surface Exploration Drilling		Equipment & Facilities	Total	Mining Preparation Tunnnels	Underground driling
	(Metres)	($ Million)	(Metres)	($ Million)	(Metres)	($ Million)	($ Million)	($ Million)	(Metres)	(Metres)
Ying Mining District	6,100	5.2	52,200	18.8	50,000	3.5	6.3	**33.8**	23,400	148,400
GC Mine	500	0.4	10,300	3.0	-	-	1.0	**4.4**	10,200	58,500
Total	**6,600**	**5.6**	**62,500**	**21.8**	**50,000**	**3.5**	**7.3**	**38.2**	**33,600**	**206,900**

(c) Other Development Plans

In Fiscal 2022, the Company plans to commence a Phase I 10,000 metre drilling program at the Las Yesca Silver Project at an estimated cost of $3.3 million. The Company has applied for the necessary drilling permits from the respective Mexican government agencies and is awaiting approval.

The Company plans to initiate an extensive drilling campaign at the Zhonghe Project. The Company will formalize the plan and provide an update on the cost estimates with respect to the Zhonghe Project once the mineral rights transfer contract is executed.

The Company is in the process of applying for permits to build a third tailings facility near the existing tailings facilities at the Ying Mining District. The Company is also considering plans to expand the current milling capacity or build a new mill for future production expansion at the Ying Mining District. There is potential to consolidate mineral properties near the Ying Mining District, and to process ore from Zhonghe Project during its development stage. The Company will provide further updates when plans and cost estimates are formalized.

6. Investment in Associates

(a) New Pacific Metals Corp. ("NUAG")

NUAG is a Canadian public company listed on the TSX Exchange (symbol: NUAG). NUAG is a related party of the Company by way of two common directors and one officer, and the Company accounts for its investment in NUAG using the equity method as it is able to exercise significant influence over the financial and operating policies of NUAG.

On June 9, 2020, the Company participated in an underwritten offering of common shares of NUAG and acquired an additional 1,320,710 common shares of NUAG for a cost of $5.8 million.

On July 22, 2020, NUAG announced the spin-out by way of a plan of arrangement (the "Arrangement") of its then wholly-owned subsidiary, WHG, which owns 100% owned of the Skukum Gold Project (formerly "Tagish Lake Gold Project") located in Yukon, Canada. Upon completion of the Arrangement on November 18, 2020, NUAG and WHG became two separate entities, and NUAG distributed all of the WHG common shares held by NUAG to its shareholders on a pro rata basis. WHG common shares were listed on the TSX Venture Exchange.

As at March 31, 2021, the Company owned 43,917,216 common shares of NUAG (March 31, 2020 – 42,596,506), representing an ownership interest of 28.6% (March 31, 2020 – 28.8%). The summary of the investment in NUAG common shares and its market value as at the respective balance sheet dates are as follows:

	Number of shares		Amount		Value of NUAG's common shares per quoted market price
Balance April 1, 2019	39,346,300	$	38,703	$	69,783
Purchase from open market	502,600		861		
Exercise of warrants	1,500,000		2,349		
Participation in public offering	1,247,606		3,820		
Share of net loss			(1,276)		
Share of other comprehensive income			1,077		
Dilution gain			723		
Disposal of common shares held by the associate			1,127		
Foreign exchange impact			(2,829)		
Balance March 31, 2020	**42,596,506**	**$**	**44,555**	**$**	**148,624**
Participation in public offering	1,320,710		5,805		
WHG Spin-out			(1,793)		
Share of net loss			(1,672)		
Share of other comprehensive loss			(2,324)		
Foreign exchange impact			5,828		
Balance March 31, 2021	**43,917,216**	**$**	**50,399**	**$**	**181,257**

Summarized financial information of NUAG is as follows:

	Years ended March 31,		
	2021 (1)		2020 (1)
Income from investments	**$ 1,278**	$	494
General and administrative expense	**(5,836)**		(3,824)
Gain on disposal of PPE	**(2)**		-
Foreign exchange gain	**(1,281)**		669
Impairment reversal	**8,862**		(586)
Net loss of associate	**$ 3,021**	$	(3,247)
Adjustments to net loss of associate	**(8,862)**		(1,170)
Net loss of associate qualified for pick-up	**$ (5,841)**	$	(4,417)
Company's share of net loss	**$ (1,672)**	$	(1,276)

(1) NUAG's fiscal year-end is on June 30. NUAG's quarterly financial results were used to compile the financial information that matched with the Company's year-end on March 31.

As at	**March 31, 2021**		March 31, 2020
Current assets	**$ 48,511**	$	29,012
Non-current assets	**78,164**		74,989
Total assets	**$ 126,675**	$	104,001
Current liabilities	**811**		1,409
Total liabilities	**$ 811**	$	1,409
Net assets	**$ 125,864**	$	102,592
Company's share of net assets of associate	**$ 35,932**	$	29,575

(b) Investment in Whitehorse Gold Corp. ("WHG")

WHG is a Canadian public company listed on the TSX Venture Exchange (symbol: WHG). The Company accounts for its investment in WHG using the equity method as it is able to exercise significant influence over the financial and operating policies of WHG.

On November 18, 2020, the Company received 5,740,285 WHG common shares distributed by NUAG to the Company under the Arrangement. In connection with the Arrangement, WHG conducted a non-brokered private placement financing. The Company participated in WHG's private placement and acquired an additional 5,774,000 common shares of WHG for a cost of $1.3 million.

As at March 31, 2021, the Company owned 11,514,286 common shares of WHG (March 31, 2020 – nil), representing an ownership interest of 26.99% (March 31, 2020 – nil). The summary of the investment in WHG common shares and its market value as at the respective balance sheet dates are as follows:

	Number of shares	Amount	Value of WHG's common shares per quoted market price
Balance April 1, 2020			
Distributed under WHG spin-out	5,740,285	1,793	
Participation in private placement	5,774,000	1,326	
Share of other net loss		(174)	
Foreign exchange impact		113	
Balance March 31, 2021	**11,514,285**	**$ 3,058**	**$ 15,108**

Summarized financial information of WHG is as follows:

	Year ended March 31,2021 (1)
General and administrative expense	**$ (825)**
Other expense	**(31)**
Net loss of associate	**$ (856)**
Adjustments to net loss of associate	**211**
Net loss of associate qualified for pick-up	**$ (645)**
Company's share of net loss	**$ (174)**

(1)WHG's fiscal year-end is on December 31. WHG's quarterly financial results were used to compile the financial information that matched with the Company's year-end on March 31.

As at	**March 31, 2021**
Current assets	**$ 823**
Non-current assets	**10,862**
Total assets	**$ 11,685**
Current liabilities	**237**
Total liabilities	**$ 237**
Net assets	**$ 11,448**
Company's share of net assets of associate	**$ 3,090**

Subsequent to March 31, 2021, the Company participated in a brokered offering of WHG and purchased 4,000,000 units at the cost of $5.0 million (CAD$6.0 million). Each unit consists of one WHG common share and one common share purchase warrant with an exercise price of CAD$2.00 per share which expires on May 14,2026.

7. Overview of Financial Results

(a) Selected Annual and Quarterly Information

The following tables set out selected quarterly results for the past twelve quarters as well as selected annual results for the past three years. The dominant factors affecting results presented below are the volatility of the realized selling metal prices and the timing of sales. The results for quarters ended March 31 are normally affected by the extended Chinese New Year holiday, and during the quarter ended March 31, 2020, the operations in China were shut down for an extra month due to COVID-19.

Fiscal 2021	Quarter Ended				Year Ended
(In thousands of USD, other than per share amounts)	Jun 30, 2020	Sep 30, 2020	Dec 31, 2020	Mar 31, 2021	Mar 31, 2021
Revenue	$ 46,705	$ 56,372	$ 53,296	**$ 35,732**	**$ 192,105**
Cost of mine operations	$ 27,420	$ 29,700	$ 28,495	**22,328**	**107,943**
Income from mine operations	19,285	26,672	24,801	**13,404**	**84,162**
Corporate general and administrative expenses	2,687	2,784	3,525	**3,369**	**12,365**
Foreign exchange loss	2,670	1,349	2,954	**773**	**7,746**
Share of loss in associates	161	319	550	**816**	**1,846**
Loss (gain) on equity investments	(5,466)	(2,771)	(600)	**1,105**	**(7,732)**
Other items	(3,841)	214	(258)	**2,098**	**(1,787)**
Income from operations	23,074	24,777	18,630	**5,243**	**71,724**
Finance items	(800)	(657)	295	**(617)**	**(1,779)**
Income tax expenses (recovery)	5,382	5,877	6,046	**(4,311)**	**12,994**
Net income	18,492	19,557	12,289	**10,171**	**60,509**
Net income attributable to equity holders of the Company	15,491	15,472	8,392	**7,021**	**46,376**
Basic earnings per share	0.09	0.09	0.05	**0.04**	**0.27**
Diluted earnings per share	0.09	0.09	0.05	**0.04**	**0.26**
Cash dividend declared	2,178	-	2,190	**-**	**4,368**
Cash dividend declared per share	0.0125	-	0.0125	**-**	**0.025**
Other financial information					
Total assets					**652,642**
Total liabilities					**86,914**
Total attributable shareholders' equity					**467,574**

Fiscal 2020	Quarter Ended				Year Ended
(In thousands of USD, other than per share amounts)	Jun 30, 2019	Sep 30, 2019	Dec 31, 2019	Mar 31, 2020	Mar 31, 2020
Revenue	$ 45,576	$ 49,886	$ 44,508	$ 18,859	$ 158,829
Cost of mine operations	27,843	27,219	28,738	15,655	99,455
Income from mine operations	17,733	22,667	15,770	3,204	59,374
Corporate general and administrative	2,353	2,583	2,568	2,590	10,094
Foreign exchange loss (gain)	854	(797)	1,277	(5,437)	(4,103)
Share of loss in associates	281	244	322	429	1,276
Dilution gain on investment in associate	(723)	-	-	-	(723)
Gain on disposal of mineral rights and properties	(1,477)	-	-	-	(1,477)
Gain on equity investments	-	-	-	-	-
Other items	386	519	160	1,080	2,145
Income from operations	16,059	20,118	11,443	4,542	52,162
Finance items	(754)	(682)	(988)	474	(1,950)
Income tax expenses (recovery)	(488)	5,139	3,715	543	8,909
Net income	17,301	15,661	8,716	3,525	45,203
Net income attributable to equity holders of the Company	12,607	12,221	6,283	3,163	34,274
Basic earnings per share	0.07	0.07	0.04	0.02	0.20
Diluted earnings per share	0.07	0.07	0.04	0.02	0.20
Cash dividend declared	2,125	-	2,162	-	4,287
Cash dividend declared per share	0.0125	-	0.0125	-	0.025
Other financial information					
Total assets					512,760
Total liabilities					73,788
Total attributable shareholders' equity					368,682

Fiscal 2019	Quarter Ended				Year Ended
(In thousands of USD, other than per share amounts)	Jun 30, 2018	Sep 30, 2018	Dec 31, 2018	Mar 31, 2019	Mar 31, 2019
Revenue	$ 45,125	$ 48,091	$ 42,351	$ 34,952	$ 170,519
Cost of mine operations*	23,206	28,606	26,384	21,390	99,586
Income from mine operations*	21,919	19,485	15,967	13,562	70,933
Corporate general and administrative*	2,342	2,157	2,628	2,623	9,750
Foreign exchange loss (gain)	(788)	708	(2,315)	1,034	(1,361)
Share of loss (income) in associates	279	105	(172)	118	330
Impairment reversal	-	-	-	(9,178)	(9,178)
Other items	73	337	654	254	1,318
Income from operations	20,013	16,178	15,172	18,711	70,074
Finance items	(662)	(662)	(815)	(706)	(2,845)
Income tax expenses (recovery)	6,498	5,763	5,134	3,477	20,872
Net income	14,177	11,077	10,853	15,940	52,047
Net income attributable to equity holders of the Company	10,920	8,037	8,660	12,107	39,724
Basic earnings per share	0.07	0.05	0.05	0.07	0.24
Diluted earnings per share	0.06	0.05	0.05	0.07	0.23
Cash dividend declared	2,096	-	2,112	-	4,208
Cash dividend declared per share	0.013	-	0.013	-	0.025
Other financial information					
Total assets					499,076
Total liabilities					85,895
Total attributable shareholders' equity					374,446

**Certain financial information was reclassified to conform with the current period's presentation. The reclassification has no impact on the Company's financial position and financial performance.*

(b) Overview of Annual Financial Results

Net income attributable to equity shareholders of the Company in Fiscal 2021 was $46.4 million or $0.27 per share, up 35% or $12.1 million, compared to $34.3 million or $0.20 per share in Fiscal 2020.

In Fiscal 2021, the Company's consolidated financial results were mainly impacted by i) an increase of 1%, 42%, 3%, and 10%, respectively, in silver, gold, lead and zinc sold; ii) an increase of 30%, 21%, and 26%, respectively, in the realized selling prices for silver, gold and zinc; iii) a $7.7 million gain on equity investment; offset by iv) a decrease of 6% in the realized selling price for lead, and v) a $7.7 million foreign exchange loss.

Revenue in Fiscal 2021 was $192.1 million, up 21% or $33.3 million compared to $158.8 million in Fiscal 2020. The increase was mainly due to i) an increase of $5.9 million arising from the increase in the quantities of metal sold; ii) an increase of $30.2 million arising from the increase in the realized selling price for silver, gold, and zinc; offset by iii) a decrease of $2.8 million arising from the decrease in the realized selling price for lead. Revenues from silver, gold, and base metal were $111.2 million, $6.7 million, and $74.2 million, respectively, up 31%, 72%, and 6%, respectively, compared to $84.9 million, $3.9 million, and $70.0 million in Fiscal 2020. Revenue from the Ying Mining District was $157.3 million, up 20%, compared to $131.4 million in Fiscal 2020. Revenue from the GC Mine was $33.3 million, up 21%, compared to $27.4 million in Fiscal 2020.

Fluctuation in sales revenue is mainly dependent on metal sales and realized metal prices. The net realized selling price is calculated using the Shanghai Metal Exchange ("SME") price, less smelter charges, recovery, and value added tax ("VAT"). The metal prices quoted on SME, excluding gold, include VAT. The following table is a comparison among the Company's net realized prices, prices quoted on SME, and prices quoted on London Metal Exchange ("LME"):

	Silver (in US$/ounce)		Gold (in US$/ounce)		Lead (in US$/pound)		Zinc (in US$/pound)	
	F2021	F2020	F2021	F2020	F2021	F2020	F2021	F2020
Net realized selling prices	**$ 17.61**	$ 13.56	**$ 1,430**	$ 1,185	**$ 0.75**	$ 0.80	**$ 0.78**	$ 0.62
SME	**$ 22.93**	$ 17.64	**$ 1,800**	$ 1,472	**$ 1.00**	$ 1.04	**$ 1.29**	$ 1.23
LME	**$ 22.92**	$ 16.53	**$ 1,825**	$ 1,468	**$ 0.86**	$ 0.88	**$ 1.11**	$ 1.09

Cost of mine operations in Fiscal 2021 was $107.9 million, up 9% compared to $99.5 million in Fiscal 2020. Items included in cost of mine operations are as follows:

	Fiscal 2021	Fiscal 2020	Change
Production costs	**$ 69,544**	$ 62,029	12%
Depreciation and amortization	**21,434**	20,715	3%
Mineral resource taxes	**5,004**	4,540	10%
Government fees and other taxes	**2,374**	2,115	12%
General and administrative	**9,587**	10,056	-5%
	$ 107,943	$ 99,455	9%

Production costs expensed in Fiscal 2021 were $69.5 million, up 12% compared to $62.0 million in Fiscal 2020. The increase was mainly due to the increases in the quantities of metal sold and per tonne production costs. The production costs expensed represent approximately 956,000 tonnes of ore processed and expensed at a cost of $72.71 per tonne, compared to approximately 900,000 tonnes at $68.91 per tonne in Fiscal 2020.

The increases in the mineral resource taxes and government fee and other taxes were mainly due to higher revenue achieved in Fiscal 2021. Government fees and other taxes are comprised of environmental protection fees, surtaxes on VAT, land usage levies, stamp duties and other miscellaneous levies, duties and taxes imposed by the state and local Chinese governments.

Mine general and administrative expenses in Fiscal 2021 were $9.6 million, down 5% compared to $10.0 million in Fiscal 2020. The decrease was mainly due to certain fixed overhead costs related to mining operations expensed as mine general and administrative expenses during the extra month operational shutdown in Q4 Fiscal 2020. Items included in mine general and administrative expenses are as follows:

		Fiscal 2021		Fiscal 2020	Change
Amortization and depreciation	**$**	**1,255**	$	1,511	-17%
Office and administrative expenses		**2,897**		2,881	1%
Professional Fees		**442**		481	-8%
Salaries and benefits		**4,993**		5,183	-4%
	$	**9,587**	$	10,056	-5%

Income from mine operations in Fiscal 2021 was $84.2 million, up 42% compared to $59.4 million in Fiscal 2020. Income from mine operations at the Ying Mining District was $74.2 million, up 37% compared to $54.1 million in Fiscal 2020. Income from mine operations at the GC Mine was $9.8 million, up 72% compared to $5.7 million in Fiscal 2020.

Corporate general and administrative expenses in Fiscal 2021 were $12.4 million, up 22% or $2.3 million, compared to $10.1 million in Fiscal 2020. Items included in corporate general and administrative expenses are as follows:

		Fiscal 2021		Fiscal 2020	Change
Amortization and depreciation	**$**	**533**	$	447	19%
Office and administrative expenses		**1,946**		2,304	-16%
Professional Fees		**783**		562	39%
Salaries and benefits		**4,947**		4,245	17%
Share-based compensation		**4,156**		2,536	64%
	$	**12,365**	$	10,094	22%

The increase in salaries and benefits was mainly due to the increase in manpower and the premiums of the provincial medical service plan in the Province of British Columbia, which switched to a percentage of salaries from a fixed amount. The increase in non-cash share-based compensation was mainly due to additional share awards with higher share prices at the dates granted in Fiscal 2021.

Property evaluation and business development expenses in Fiscal 2021 was a recovery of $3.2 million, compared to an expense of $0.7 million in Fiscal 2020. On April 26, 2020, the Company entered into a definitive agreement with Guyana Goldfields Inc. ("Guyana Goldfields"), subsequently amended on May 16, 2020 (collectively, the "Arrangement Agreement") to acquire all of the issued and outstanding shares of Guyana Goldfields. On June 10, 2020, Guyana Goldfields terminated the Arrangement Agreement and paid the Company a break fee of $6.5 million (CAD$9.0 million). Net of expenses of $2.5 million, a gain of $4.0 million on this transaction was recorded as a recovery of property evaluation and business development expenses.

Foreign exchange loss in Fiscal 2021 was $7.7 million compared to a gain of $4.1 million in Fiscal 2020. The foreign exchange gain or loss is mainly driven by the exchange rate between the US dollar and the Canadian dollar.

Loss on disposal of plant and equipment in Fiscal 2021 was $0.3 million compared to $0.5 million in Fiscal 2020. The loss was related to the disposal of obsolete equipment.

Share of loss in an associate in Fiscal 2021 was $1.8 million, compared to $1.3 million in Fiscal 2020. Share of loss in an associate represents the Company's equity pickup in NUAG and WHG.

Gain on equity investment in Fiscal 2021 was $7.7 million, compared to $nil in Fiscal 2020. A total gain of $20.3 million on equity investments was reported in Fiscal 2021 (Fiscal 2020 - $0.2 million), of which $7.7 million was recorded in profit (Fiscal 2020 - $nil) and $12.5 million was recorded in other comprehensive income (Fiscal 2020

- $0.2 million) as the Company made elections to account for equity investments on an instrument-by-instrument basis.

Finance income in Fiscal 2021 was $3.8 million compared to $4.0 million in Fiscal 2020. The Company invests in short-term investments which include term deposits, money market instrument, and bonds.

Finance costs in Fiscal 2021 were $2.0 million compared to $2.1 million in Fiscal 2020. Items included in finance costs are summarized below:

	Fiscal 2021	Fiscal 2020
Interest on bank loan	**$ -**	$ 45
Interest on lease obligation	**95**	112
Expected credit loss of bonds	**1,376**	-
Loss on disposal of bonds	**266**	1,494
Unwinding of discount of environmental rehabilitation provision	**251**	422
	$ 1,988	$ 2,073

Income tax expenses in Fiscal 2021 were $13.0 million, up $4.1 million compared to $8.9 million in Fiscal 2020. The increase was mainly due to higher income from mine operations achieved in Fiscal 2021. The income tax expense recorded in Fiscal 2021 included a current income tax expense of $10.9 million (Fiscal 2020 - $5.6 million) and a deferred income tax expense of $2.1 million (Fiscal 2020 - $3.3 million). The current income tax included $1.2 million of withholding tax (Fiscal 2020 - $2.8 million), which was paid at a rate of 10% on dividends and interest distributed out of China.

(c) Overview of Fourth Quarter Financial Results

Net income attributable to equity shareholders of the Company in Q4 Fiscal 2021 was $7.0 million, or $0.04 per share, up 122% or $3.9 million, compared to $3.2 million, or $0.02 per share in Q4 Fiscal 2020.

Compared to the prior year quarter, the Company's consolidated financial results in Q4 Fiscal 2021 were mainly impacted by the following: i) an increase of 32%, 40%, 13%, and 50%, respectively, in silver, gold, lead and zinc sold; ii) an increase of 64%, 15%, 21%, and 92%, respectively, in the realized selling prices for silver, gold, lead, and zinc; offset by iii) a $0.8 million foreign exchange loss, and iv) a $1.1 million loss on equity investment.

Revenue in Q4 Fiscal 2021 was $35.7 million, up 89% or $16.8 million, compared to $18.9 million in Q4 Fiscal 2020. The increase was mainly due to i) an increase of $7.7 million arising from the increase in the quantities of metal sold; ii) an increase of $9.1 million arising from the increase in the realized selling prices. Revenue from silver, gold, and base metal was $21.2 million, 1.0 million, and $13.5 million, up 116%, 61%, and 61%, respectively, compared to $9.8 million, $0.6 million, and $8.4 million in Fiscal 2020. Revenue from the Ying Mining District was $29.5 million, up 88%, compared to $15.7 million in Q4 Fiscal 2020. Revenue from the GC Mine was $6.3 million, up 97%, compared to $3.2 million in Fiscal 2020.

Cost of mine operations in Q4 Fiscal 2021 was $22.3 million, up 43% compared to $15.7 million in Fiscal 2020.

Items included in cost of mine operations are as follows:

	Q4 Fiscal 2021	Q4 Fiscal 2020	Change
Production costs	**$ 14,084**	$ 8,344	69%
Depreciation and amortization	**4,507**	3,146	43%
Mineral resource taxes	**898**	559	61%
Government fees and other taxes	**409**	238	72%
General and administrative	**2,431**	3,368	-28%
	$ 22,329	$ 15,655	43%

Production costs expensed in Q4 Fiscal 2021 were $14.1 million, up 69% compared to $8.3 million in Q4 Fiscal 2020. The increase was mainly due to the increases in the quantities of metal sold and per tonne production costs. The production costs expensed in Q4 Fiscal 2021 represents approximately 164,000 tonnes of ore

processed and expensed at a cost of $85.97 per tonne, compared to 121,000 tonnes at a cost of $68.93 per tonne in Q4 Fiscal 2020.

The increases in the mineral resource taxes and government fee and other taxes were mainly due to higher revenue achieved in Q4 Fiscal 2021, and the decrease in the mine general and administrative expenses were mainly due to certain fixed overhead costs related to mining operations expensed directly as mine general and administrative expenses during the extra month operational shutdown in Q4 Fiscal 2020. Items included in mine general and administrative expenses are as follows:

	Q4 Fiscal 2021	Q4 Fiscal 2020	Change
Amortization and depreciation	**$ 333**	$ 713	-53%
Office and administrative expenses	**670**	816	-18%
Professional Fees	**97**	69	41%
Salaries and benefits	**1,331**	1,770	-25%
	$ 2,431	$ 3,368	-28%

Income from mine operations in Q4 Fiscal 2021 was $13.4 million, up 319% compared to $3.2 million or 17% of revenue in Q4 Fiscal 2020. Income from mine operations at the Ying Mining District was $11.8 million or 40% of revenue, compared to $3.0 million or 19% of revenue in Fiscal 2020. Income from mine operations at the GC Mine was $1.6 million or 25% of revenue, compared to $0.2 million or 6% of revenue in Fiscal 2020.

Corporate general and administrative expenses in Q4 Fiscal 2021 were $3.4 million, up 30% or $0.8 million, compared to $2.6 million in Q4 Fiscal 2020. Items included in general and administrative expenses are as follows:

	Q4 Fiscal 2021	Q4 Fiscal 2020	Change
Amortization and depreciation	**$ 142**	$ 122	16%
Office and administrative expenses	**387**	517	-25%
Professional Fees	**222**	229	-3%
Salaries and benefits	**1,373**	1,011	36%
Share-based compensation	**1,245**	711	75%
	$ 3,369	$ 2,590	30%

The increase in salaries and benefits was mainly due to the increase in manpower and the premiums of the provincial medical service plan in the Province of British Columbia, which switched to a percentage of salaries from a fixed amount. The increase in non-cash share-based compensation was mainly due to additional share awards with higher share prices at the dates granted in Fiscal 2021.

Property evaluation and business development expenses in Q4 Fiscal 2021 were $0.2 million, compared to $0.3 million in Q4 Fiscal 2020.

Foreign exchange loss in Q4 Fiscal 2021 was $0.8 million, compared to a gain of $5.4 million in Q4 Fiscal 2020. The foreign exchange gain or loss is mainly driven by the exchange rate between the US dollar and the Canadian dollar.

Share of loss in an associate in Q4 Fiscal 2021 was $0.8 million (Q4 Fiscal 2020 - $0.4 million), representing the Company's equity pickup in NUAG and WHG.

Loss on equity investment in Q4 Fiscal 2021 was $1.1 million, compared to $nil in Q4 Fiscal 2020. A total loss of $1.4 million on equity investment was recorded in Q4 Fiscal 2021 (Q4 Fiscal 2020 - $2.5 million), of which $1.1 million was reported in loss (Q4 Fiscal 2020 - $nil), and $0.3 million reported in comprehensive loss (Q4 Fiscal 2020 - $2.5 million).

Finance income in Q4 Fiscal 2021 was $1.0 million compared to $1.2 million in Q4 Fiscal 2020.

Finance costs in Q4 Fiscal 2021 were $0.4 million compared to $1.6 million in Q4 Fiscal 2020. Items included in finance costs are summarized below:

	Q4 Fiscal 2021	Q4 Fiscal 2020
Interest on lease obligation	**$ 22**	$ 28
Loss on disposal of bonds	**266**	1,494
Unwinding of discount of environmental rehabilitation provision	**66**	106
	$ 354	$ 1,628

Income tax in Q4 Fiscal 2021 was a recovery of $4.0 million, compared to $0.5 million in Q4 Fiscal 2020. In Q4 Fiscal 2021, Henan Found was recognized as a High and New Technology Enterprise "HNTE" at the national level and its effective income tax rate was reduced to 15% from 25% in the prior years.

8. Liquidity and Capital Resources

As at	March 31, 2021	March 31, 2020	Changes
Cash and cash equivalents	**$ 118,735**	$ 65,777	$ 52,958
Short-term investment	**80,357**	76,742	3,615
	$ 199,092	$ 142,519	$ 56,573
Working capital	**$ 184,014**	$ 130,351	$ 53,663

	Three months ended March 31,			Year ended March 31,		
	2021	2020	Changes	2021	2020	Changes
Cash flow						
Cash provided by operating activities	**$ 2,231**	$ 6,278	$ (4,047)	**$ 85,912**	$ 77,246	$ 8,666
Cash provided (used) in investing activities	**10,429**	2,936	7,493	**(40,974)**	(70,790)	29,816
Cash provided (used) in financing activities	**2,261**	(563)	2,824	**(1,453)**	(2,931)	1,478
Increase (decrease) in cash and cash equivalents	**14,921**	8,651	6,270	**43,485**	3,525	39,960
Effect of exchange rate changes on cash and cash equivalents	**467**	(4,768)	5,235	**9,473**	(5,189)	14,662
Cash and cash equivalents, beginning of the period	**103,347**	61,894	41,453	**65,777**	67,441	(1,664)
Cash and cash equivalents, end of the period	**$ 118,735**	$ 65,777	$ 52,958	**$ 118,735**	$ 65,777	$ 52,958

Cash and cash equivalents and short-term investments as at March 31, 2021 were $199.1 million, up 40% or $56.6 million, compared to $142.5 million as at March 31, 2020. The increase was mainly due to the increase in cash flow from operations.

Working capital as at March 31, 2021 was $184.0 million, up 41% or $53.6 million, compared to $130.4 million as at March 31, 2020.

Cash flow provided by operating activities in Fiscal 2021 was $85.9 million, up 11% or $8.7 million, compared to $77.2 million in Fiscal 2020. The increase was due to

- $82.8 million cash flow from operating activities before changes in non-cash operating working capital, up 10% or $7.4 million, compared to $75.4 million in Fiscal 2020; and
- $3.1 million cash flow from changes in non-cash working capital, compared to $1.8 million in Fiscal 2020.

In Q4 Fiscal 2021, cash flow provided by operating activities was $2.2 million compared to $6.3 million in Q4 Fiscal 2020. The decrease was mainly due to the $9.4 million use of cash from working capital changes. Before changes in non-cash operating working capital, cash flows provided by operating activities in the current quarter were $11.9 million, up $2.7 million, compared to $9.2 million in Q4 Fiscal 2020.

Cash flow used in investing activities in Fiscal 2021 was $41.0 million, down 42% or $29.8 million, compared to $70.8 million in Fiscal 2020, and comprised primarily of:

- $35.7 million spent on mineral exploration and development expenditures (Fiscal 2020 - $27.9 million);
- $7.6 million spent on the acquisition of La Yesca project (Fiscal 2020 - $nil);

- $9.0 million spent to acquire plant and equipment (Fiscal 2020 - $7.4 million);
- $7.1 million spent on investment in associate (Fiscal 2020 - $7.0 million);
- $0.5 million spent on reclamation deposits (Fiscal 2020 - $1.7 million); and
- $12.7 million spent on the acquisition of other investments (Fiscal 2020 - $7.9 million); offset by
- $9.8 million proceeds from the net redemptions of short-term investments (Fiscal 2020 - $33.6 million spent on net purchase);
- $nil from the disposal of XHP project (Fiscal 2020 - $6.1 million); and
- $19.3 million proceeds from disposal of other investments (Fiscal 2020 - $8.5 million).

In Q4 Fiscal 2021, cash flow from investing activities was $10.4 million, compared to $2.9 million in Q4 Fiscal 2020, and comprised primarily of:

- $6.5 million spent on mineral exploration and development expenditure (Q4 Fiscal 2020 - $6.0 million);
- $1.0 million spent on the acquisition of La Yesca project (Q4 Fiscal 2020 - $nil);
- $2.9 million spent to acquire plant and equipment (Q4 Fiscal 2020 - $1.2 million),
- $0.1 million spent on reclamation deposits (Q4 Fiscal 2020 - $0.2 million), and
- $nil million for the acquisition of other investments (Q4 Fiscal 2020 - $4.0 million), offset by
- $1.4 million proceeds from disposal of other investments (Q4 Fiscal 2020 - $2.3 million); and
- $19.1 million proceeds from the net redemption of short-term investments (Q4 Fiscal 2020 – $11.9 million).

Cash flow used in financing activities in Fiscal 2021 was $1.5 million, compared to $2.9 million in Fiscal 2020, and comprised mostly of:

- $nil repayment to a bank loan (Fiscal 2020 - $4.4 million);
- $0.6 million lease payment (Fiscal 2020 - $0.5 million);
- $3.2 million in distributions to non-controlling shareholders (Fiscal 2020 - $3.3 million);
- $4.4 million cash dividends paid (Fiscal 2020 - $4.3 million);
- $0.8 million net repayment received from the non-controlling shareholder of Henan Found (Fiscal 2020 - $1.5 million);
- $2.5 million cash received from non-controlling shareholders' contribution (Fiscal 2020 - $nil); and
- $3.5 million cash received arising from exercise of stock options (Fiscal 2020 - $8.0 million).

Cash flow from financing activities in Q4 Fiscal 2021 was $2.3 million, compared to $0.6 million used in financing activities in Q4 Fiscal 2020, and comprised primarily of:

- $0.7 million advance to the non-controlling shareholder of Henan Found (Q4 Fiscal 2020 - $1.4 million);
- $0.1 million lease payment (Q4 Fiscal 2020 - $0.1 million); offset by
- $2.5 million cash received from non-controlling shareholders' contribution (Q4 Fiscal 2020 – $nil); and
- $0.7 million arising from exercise of stock options (Q4 Fiscal 2020 - $1.0 million).

Available sources of funding

The Company does not have unlimited resources and its future capital requirements will depend on many factors, including, among others, cash flow from operations. To the extent that its existing resources and the funds generated by future income are insufficient to fund the Company's operations, the Company may need to raise

additional funds through public or private debt or equity financing. If additional funds are raised through the issuance of equity securities, the percentage ownership of current shareholders will be reduced, and such equity securities may have rights, preferences or privileges senior to those of the holders of the Company's common shares. No assurance can be given that additional financing will be available or that, if available, can be obtained on terms favourable to the Company and its shareholders. If adequate funds are not available, the Company may be required to delay, limit or eliminate some or all of its proposed operations. The Company believes it has sufficient capital to meet its cash needs for the next 12 months, including the cost of compliance with continuing reporting requirements.

9. Financial Instruments and Related Risks

The Company manages its exposure to financial risks, including liquidity risk, foreign exchange risk, interest rate risk, credit risk and equity price risk in accordance with its risk management framework. The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework and reviews the Company's policies on an ongoing basis.

(a) *Fair value*

The Company classifies its fair value measurements within a fair value hierarchy, which reflects the significance of the inputs used in making the measurements as defined in IFRS 13, Fair Value Measurement ("IFRS 13").

Level 1 – Unadjusted quoted prices at the measurement date for identical assets or liabilities in active markets.

Level 2 – Observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

Level 3 – Unobservable inputs which are supported by little or no market activity.

The following tables set forth the Company's financial assets and liabilities that are measured at fair value level on a recurring basis within the fair value hierarchy as at March 31, 2021 and March 31, 2020 that are not otherwise disclosed. The assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

	Fair value as at March 31, 2021			
Recurring measurements	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets				
Cash and cash equivalents	**$ 118,735**	**$ -**	**$ -**	**$ 118,735**
Short-term investments - money market instruments	**64,545**	**-**	**-**	**64,545**
Investments in public companies	**13,444**	**-**	**-**	**13,444**
Investments in private companies	**-**	**-**	**2,289**	**2,289**

	Fair value as at March 31, 2020			
Recurring measurements	Level 1	Level 2	Level 3	Total
Financial assets				
Cash and cash equivalents	$ 65,777	$ -	$ -	$ 65,777
Short-term investments - money market instruments	53,430	-	-	53,430
Investments in public companies	6,633	-	-	6,633
Investments in private companies	-	-	2,117	2,117

Fair value of the other financial instruments excluded from the table above approximates their carrying amount as at March 31, 2021 and March 31, 2020, due to the short-term nature of these instruments.

There were no transfers into or out of Level 3 during the years ended March 31, 2021 and 2020.

(b) *Liquidity risk*

Liquidity risk is the risk that the Company will not be able to meet its short-term business requirements. The Company has in place a planning and budgeting process to help determine the funds required to support the Company's normal operating requirements on an ongoing basis and its expansion plans.

In the normal course of business, the Company enters into contracts that give rise to commitments for future minimum payments. The following summarizes the remaining contractual maturities of the Company's financial liabilities.

	March 31, 2021			March 31, 2020
	Within a year	**2-5 years**	**Total**	Total
Accounts payable and accrued liabilities	**30,298**	**-**	**30,298**	23,129
Lease obligation	**657**	**1,084**	**1,741**	2,069
	$ 30,955	**$ 1,084**	**$ 32,039**	$ 25,198

(c) *Foreign exchange risk*

The Company reports its financial statements in US dollars. The functional currency of the head office, Canadian subsidiaries and all intermediate holding companies is CAD and the functional currency of all Chinese subsidiaries is RMB. The Company is exposed to foreign exchange risk when the Company undertakes transactions and holds assets and liabilities in currencies other than its functional currencies.

The Company currently does not engage in foreign exchange currency hedging. The Company's exposure to currency risk affect net income is summarized as follows:

	March 31, 2021	March 31, 2020
Financial assets denominated in U.S. Dollars	**$ 58,610**	$ 60,534
Financial liabilities denominated in U.S. Dollars	**$ 52**	$ -

As at March 31, 2021, with other variables unchanged, a 10% strengthening (weakening) of the CAD against the USD would have decreased (increased) net income by approximately $5.9 million.

(d) *Interest rate risk*

The Company is exposed to interest rate risk on its cash equivalents, short-term investments, and loan to a related party. As at March 31, 2021, all of its interest-bearing cash equivalents and short-term investments earn interest at market rates that are fixed to maturity or at variable interest rates with terms of less than one year. The loan to the related party bears an interest rate of 4.35% per annum, which approximates the prevailing commercial lending rates in China as of March 31, 2021. The Company monitors its exposure to changes in interest rates on cash equivalents, short term investments, and loan to the related party. Due to the short term nature of these financial instruments, fluctuations in interest rates would not have a significant impact on the Company's net income.

(e) *Credit risk*

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company is exposed to credit risk primarily associated to accounts receivable, due from related parties, cash and cash equivalents, and short-term investments. The carrying amount of assets included on the balance sheet represents the maximum credit exposure.

The Company undertakes credit evaluations on counterparties as necessary, requests deposits from customers prior to delivery, and has monitoring processes intended to mitigate credit risks. There were no amounts in trade

or other receivables which were past due on March 31, 2021 (at March 31, 2020 - $nil) for which no provision is recognized.

(f) *Equity price risk*

The Company holds certain marketable securities that will fluctuate in value as a result of trading on Canadian financial markets. As the Company's marketable securities holdings are mainly in mining companies, the value will also fluctuate based on commodity prices. Based upon the Company's portfolio as at March 31, 2021, a 10% increase (decrease) in the market price of the securities held, ignoring any foreign currency effects, would have resulted in an increase (decrease) to net income and comprehensive income of approximately $1.0 million and $0.3 million, respectively.

10. Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements.

11. Transactions with Related Parties

Related party transactions are made on terms agreed upon with the related parties. The balances with related parties are unsecured. Related party transactions not disclosed elsewhere in this MD&A are as follows:

(i) *Due from related parties*

Due from related parties	**March 31, 2021**	March 31, 2020
NUAG (a)	**$ 59**	$ 94
WHG (b)	**19**	-
Henan Non-ferrous (c)	**769**	1,425
	$ 847	$ 1,519

(a) The Company recovers costs for services rendered to NUAG and expenses incurred on behalf of NUAG pursuant to a services and administrative costs reallocation agreement. During the year ended March 31, 2021, the Company recovered $644 (year ended March 31, 2020 - $530), from NUAG for services rendered and expenses incurred on behalf of NUAG. The costs recovered from NUAG were recorded as a direct reduction of general and administrative expenses on the consolidated statements of income.

(b) The Company recovers costs for services rendered to WHG and expenses incurred on behalf of WHG pursuant to a services and administrative costs reallocation agreement. During the year ended March 31, 2021, the Company recovered $89 (year ended March 31, 2020 - $nil), from WHG for services rendered and expenses incurred on behalf of WHG. The costs recovered from WHG were recorded as a direct reduction of general and administrative expenses on the consolidated statements of income.

(c) In January 2020, Henan Found advanced a loan of $1,436 (RMB¥10 million) to Henan Non-ferrous. The loan has a term of four months and bears an interest rate of 4.35% per annum. In May 2020, the loan, including accumulated interest, of $1,423 (RMB¥10.1 million) was repaid in full.

In January 2021, Henan Found advanced a loan of $744 (RMB¥5 million) to Henan Non-ferrous. The loan has a term of four months and bears an interest rate of 4.35% per annum.

The balances with related parties are unsecured.

(ii) *Compensation of key management personnel*

The remuneration of directors and other members of key management personnel, who are those having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, for the years ended March 31, 2021 and 2020 were as follows:

	Years Ended March 31,	
	2021	2020
Directors' fees and bonus	**$ 306**	$ 293
Salaries and bonus for key management personnel	**2,946**	2,519
Share-based compensation	**2,814**	1,487
	$ 6,066	$ 4,299

Share-based compensation was measured at grant date fair value.

12. Alternative Performance (Non-IFRS) Measures

The following alternative performance measures are used by the Company to manage and evaluate operating performance of the Company's mines and are widely reported in the silver mining industry as benchmarks for performance, but are alternative performance (non-IFRS) measures that do not have standardized meaning prescribed by IFRS and therefore unlikely to be comparable to similar measures presented by other companies. Accordingly, it 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. To facilitate a better understanding of these measures, the tables in this section provide the reconciliation of these measures to the financial statements for the year ended March 31, 2021 and 2020:

(a) Working Capital

Working capital is an alternative performance (non-IFRS) measure calculated as current asset less current liabilities. Working capital dose not have any standardized meaning prescribed by IFRS and is therefore unlikely to be comparable to similar measures presented by other companies. The Company and certain investors use this information to evaluate whether the Company is able to meet its current obligations using its current assets.

(b) Costs per Ounce of Silver

Cash cost and all-in sustaining cost ("AISC") per ounce of silver, net of by-product credits, are non-IFRS measures. The Company produces by-product metals incidentally to our silver mining activities. We have adopted the practice of calculating a performance measure with the net cost of producing an ounce of silver, our primary payable metal, after deducting revenues gained from incidental by-product production. This performance measure has been commonly used in the mining industry for many years and was developed as a relatively simple way of comparing the net production costs of the primary metal for a specific period against the prevailing market price of such metal.

Cash cost is calculated by deducting revenue from the sales of all metals other than silver and is calculated per ounce of silver sold.

AISC is an extension of the "cash cost" metric and provides a comprehensive measure of the Company's operating performance and ability to generate cash flows. AISC has been calculated based on World Gold Council ("WGC") guidance released in 2013 and undated in 2018. The WGC is not a regulatory organization and does not have the authority to develop accounting standards for disclosure requirements.

AISC is based on the Company's cash costs, net of by-product sales, and further includes corporate general and administrative expense, government fee and other taxes, reclamation cost accretion, lease liability payments, and sustaining capital expenditures. Sustaining capital expenditures are those costs incurred to sustain and maintain existing assets at current productive capacity and constant planned levels of production output. Excluded are non-sustaining capital expenditures, which result in a material increase in the life of assets, materially increase resources or reserves, productive capacity, or future earning potential, or significant improvement in recovery or grade, or which do not relate to the current production activities. The Company believes that this measure represents the total sustainable costs of producing silver from current operations and provides additional information about the Company's operational performance and ability to generate cash flows.

The following table provides a reconciliation of cash cost and AISC per ounce of silver, net of by-product credits:

(Expressed in thousands of U.S. dollars, except ounce and per ounce amount)		Year ended March 31, 2021					Year ended March 31, 2020				
		Ying Mining					Ying Mining				
		District	GC	Other	Corporate	Consolidated	District	GC	Other	Corporate	Consolidated
Production costs expensed as reported	**A**	**$ 53,023**	**$ 16,072**	**$ 449**	**$ -**	**$ 69,544**	$ 47,236	14,793	$ -	$ -	$ 62,029
By-product sales											
Gold		**(5,169)**	**-**	**(1,553)**	**-**	**(6,722)**	(3,911)	-	-	-	(3,911)
Lead		**(42,836)**	**(7,628)**	**-**	**-**	**(50,464)**	(43,312)	(8,654)	-	-	(51,966)
Zinc		**(5,898)**	**(15,895)**	**-**	**-**	**(21,793)**	(4,911)	(10,869)	-	-	(15,780)
Other		**(1,294)**	**(641)**	**-**	**-**	**(1,935)**	(1,683)	(617)	-	-	(2,300)
Total by-product sales	**B**	**(55,197)**	**(24,164)**	**(1,553)**	**-**	**(80,914)**	(53,817)	(20,140)	-	-	(73,957)
Total cash cost, net of by-product credits	**C=A+B**	**(2,174)**	**(8,092)**	**(1,104)**	**-**	**(11,370)**	(6,581)	(5,347)	-	-	(11,928)
Add: Mineral resources tax		**4,072**	**932**	**-**	**-**	**5,004**	3,718	822	-	-	4,540
General and administrative		**6,191**	**2,812**	**584**	**12,365**	**21,952**	6,849	2,738	469	10,094	20,150
Amortization included in general and administrative		**(507)**	**(373)**	**(376)**	**(533)**	**(1,789)**	(753)	(469)	(289)	(447)	(1,958)
Property evaluation and business development*		**-**	**-**	**42**	**691**	**733**	-	-	-	679	679
Government fees and other taxes		**1,781**	**588**	**5**	**-**	**2,374**	1,591	496	2	26	2,115
Reclamation accretion		**196**	**26**	**30**	**-**	**252**	366	24	32	-	422
Lease payment		**-**	**-**	**-**	**563**	**563**	-	-	-	503	503
Sustaining capital expenditures		**24,603**	**4,110**	**389**	**501**	**29,603**	25,302	2,274	-	820	28,396
All-in sustaining cost, net of by-product credits	**F**	**34,162**	**3**	**(430)**	**13,587**	**47,322**	30,492	538	214	11,675	42,919
Add: Non-sustaining capital expenditures		**11,698**	**852**	**2,480**	**-**	**15,030**	6,008	812	88	-	6,908
All-in cost, net of by-product credits	**G**	**45,860**	**855**	**2,050**	**13,587**	**62,352**	36,500	1,350	302	11,675	49,827
Silver ounces sold ('000s)	**H**	**5,610**	**705**	**-**	**-**	**6,315**	5,558	699	-	-	6,257
Cash cost per ounce of silver, net of by-product credits	**(A+B)/H**	**$ (0.39)**	**$ (11.48)**	$ -	$ -	**$ (1.80)**	$ (1.18)	$ (7.65)	$ -	$ -	$ (1.91)
All-in sustaining cost per ounce of silver, net of by-product credits	**F/H**	**$ 6.09**	**$ -**	$ -	$ -	**$ 7.49**	$ 5.49	$ 0.77	$ -	$ -	$ 6.86
All-in cost per ounce of silver, net of by-product credits	**G/H**	**$ 8.17**	**$ 1.21**	$ -	$ -	**$ 9.87**	$ 6.57	$ 1.93	$ -	$ -	$ 7.96
By-product credits per ounce of silver											
Gold		**(0.92)**	**-**	**-**	**-**	**(1.06)**	(0.70)	-	-	-	(0.63)
Lead		**(7.64)**	**(10.82)**	**-**	**-**	**(7.99)**	(7.79)	(12.38)	-	-	(8.31)
Zinc		**(1.05)**	**(22.55)**	**-**	**-**	**(3.45)**	(0.88)	(15.55)	-	-	(2.52)

Other	**(0.23)**	**(0.91)**	**-**	**-**	**(0.31)**	(0.30)	(0.88)	-	-	(0.37)
Total by-product credits per ounce of silver	**$ (9.84)**	**$ (34.28)**	**- $**	**- $**	**(12.81)**	$ (9.68)	$ (28.81)	$ -	$ -	$ (11.82)

*Recovery of $3,970, arising the break fee of $6,497 (CAD$9,000) receipt from Guyana Goldfields net of expenses of $2,527, was excluded for the nine months ended December 31, 2020.

(Expressed in thousands of U.S. dollars, except ounce and per ounce amount)		Three months ended March 31, 2021					Three months ended March 31, 2020				
		Ying Mining					Ying Mining				
		District	GC	Other	Corporate	Consolidated	District	GC	Other	Corporate	Consolidated
Production costs expensed as reported	**A**	**$ 11,107**	**$ 2,977**	**$ -**	**$ -**	**$ 14,084**	$ 6,924	1,420	$ -	$ -	$ 8,344
By-product sales											
Gold		**(1,006)**	**-**	**-**	**-**	**(1,006)**	(625)	-	-	-	(625)
Lead		**(7,450)**	**(1,399)**	**-**	**-**	**(8,849)**	(5,562)	(892)	-	-	(6,454)
Zinc		**(1,342)**	**(3,138)**	**-**	**-**	**(4,480)**	(452)	(1,094)	-	-	(1,546)
Other		**(182)**	**24**	**-**	**-**	**(158)**	(74)	(327)	-	-	(401)
Total by-product sales	**B**	**(9,980)**	**(4,513)**	**-**	**-**	**(14,493)**	(6,713)	(2,313)	-	-	(9,026)
Total cash cost, net of by-product credits	**C=A-B**	**1,127**	**(1,536)**	**-**	**-**	**(409)**	211	(893)	-	-	(682)
Add: Mineral resources tax		**726**	**172**	**-**	**-**	**898**	463	96	-	-	559
General and administrative		**1,600**	**698**	**133**	**3,369**	**5,800**	2,306	978	84	2,590	5,958
Amortization included in general and administrative		**(136)**	**(98)**	**(100)**	**(142)**	**(476)**	(420)	(228)	(65)	(122)	(835)
Property evaluation and business development*		**-**	**-**	**42**	**171**	**213**	-	-	-	274	274
Government fees and other taxes		**320**	**89**	**-**	**-**	**409**	216	21	-	1	238
Reclamation accretion		**51**	**7**	**8**	**-**	**66**	91	6	8	-	105
Lease payment		**-**	**-**	**-**	**149**	**149**	-	-	-	134	134
Sustaining capital expenditures		**5,674**	**730**	**193**	**8**	**6,605**	5,569	760	-	52	6,381
All-in sustaining cost, net of by-product credits	**F**	**9,362**	**62**	**276**	**3,555**	**13,255**	8,436	740	27	2,929	12,132
Add: Non-sustaining capital expenditures		**1,534**	**140**	**1,164**	**-**	**2,838**	649	115	1	-	765
All-in cost, net of by-product credits	**G**	**10,896**	**202**	**1,440**	**3,555**	**16,093**	9,085	855	28	2,929	12,897
Silver ounces sold ('000s)	**H**	**936**	**120**	**-**	**-**	**1,056**	711	89	-	-	800
Cash cost per ounce of silver, net of by-product credits	**(A+B)/H**	**$ 1.20**	**$ (12.80)**	**$ -**	**$ -**	**$ (0.39)**	$ 0.30	(10.03)	$ -	$ -	$ (0.85)
All-in sustaining cost per ounce of silver, net of by-product credits	**F/H**	**$ 10.00**	**$ 0.52**	**$ -**	**$ -**	**$ 12.55**	$ 11.86	8.31	$ -	$ -	$ 15.17
All-in cost per ounce of silver, net of by-product credits	**G/H**	**$ 11.64**	**$ 1.68**	**$ -**	**$ -**	**$ 15.24**	$ 12.78	9.61	$ -	$ -	$ 16.12
By-product credits per ounce of silver											
Gold		**(1.07)**	**-**	**-**	**-**	**(0.95)**	(0.88)	-	-	-	(0.78)
Lead		**(7.96)**	**(11.66)**	**-**	**-**	**(8.38)**	(7.82)	(10.02)	-	-	(8.07)
Zinc		**(1.43)**	**(26.15)**	**-**	**-**	**(4.24)**	(0.64)	(12.29)	-	-	(1.93)

Other	**(0.19)**	**0.20**	**-**	**-**	**(0.15)**	(0.10)	(3.67)	-	-	(0.50)
Total by-product credits per ounce of silver	**$ (10.65)**	**$ (37.61)**	**- $**	**- $**	**(13.72)**	$ (9.44)	$ (25.98)	$ -	$ -	$ (11.28)

(c) Costs per Tonne of Ore Processed

The Company uses cost per tonne of ore processed to manage and evaluate operating performance at each of its mines. Cost per tonne of ore processed is calculated based on total production costs on a sales basis, adjusted for changes in inventory, to arrive at total production costs that relate to ore production during the period. These total production costs are then further divided into mining cost, shipping cost, and milling cost. Cost per tonne of ore processed is the total of per tonne mining cost, per tonne shipping cost, and per tonne milling cost.

All-in sustaining production cost per tonne is an extension of the cash production cost per tonne and provides a comprehensive measure of the Company's operating performance and ability to generate cash flows. All-in sustaining production cost per tonne is based on the Company's cash production cost, and further includes corporate general and administrative expense, government fee and other taxes, reclamation cost accretion, lease liability payments, and sustaining capital expenditures. The Company believes that this measure represents the total sustainable costs of processing ore from current operations and provides additional information about the Company's operational performance and ability to generate cash flows.

The following table provides a reconciliation of production cost and all-in sustaining production cost per tonne of ore processed:

(Expressed in thousands of U.S. dollars, except ounce and per ounce amount)		Year ended March 31, 2021					Year ended March 31, 2020				
		Ying Mining					Ying Mining				
		District	GC	Other	Corporate	Consolidated	District	GC	Other	Corporate	Consolidated
Production costs expensed as reported		**$ 53,023**	**$ 16,072**	**$ 449**	**$ -**	**$ 69,544**	$ 47,236	$ 14,793	$ -	$ -	$ 62,029
Depreciation and amortization		**17,844**	**3,272**	**318**	**-**	**21,434**	17,835	2,880	-	-	20,715
Changes in stockpile and concentrate inventory											
Less: stockpile and concentrate inventory - Beginning		**(4,474)**	**(241)**	**(790)**	**-**	**(5,505)**	(5,947)	(213)	(834)	-	(6,994)
Add: stockpile and concentrate inventory - Ending		**5,996**	**442**	**34**	**-**	**6,472**	4,474	241	790	-	5,505
Adjustment for foreign exchange movement		**(492)**	**(27)**	**(11)**	**-**	**(530)**	191	156	44	-	391
		1,030	**174**	**(767)**	**-**	**437**	(1,282)	184	-	-	(1,098)
Total production cost		**$ 71,897**	**$ 19,518**	**$ -**	**$ -**	**$ 91,415**	$ 63,789	$ 17,857	$ -		$ 81,646
Depreciation and amortization charged to mining costs	**A**	**16,711**	**2,872**	**-**	**-**	**19,583**	16,517	2,398	-	-	18,915
Depreciation and amortization charged to milling costs	**B**	**1,189**	**432**	**-**	**-**	**1,621**	1,128	486	-	-	1,614
Total non-cash production cost		**$ 17,900**	**$ 3,304**	**$ -**	**$ -**	**$ 21,204**	$ 17,645	$ 2,884	$ -	$ -	20,529
Cash mining cost	**C**	**45,216**	**12,141**	**-**	**-**	**57,357**	37,688	10,947	-	-	48,635
Shipping cost	**D**	**2,471**	**-**	**-**	**-**	**2,471**	2,346	-	-	-	2,346
Cash milling cost	**E**	**6,310**	**4,073**	**-**	**-**	**10,383**	6,111	4,025	-	-	10,136
Total cash production cost		**$ 53,997**	**$ 16,214**	**$ -**	**$ -**	**$ 70,211**	$ 46,145	$ 14,972	$ -	$ -	$ 61,117
General and administrative		**6,191**	**2,812**	**584**	**12,365**	**21,952**	6,849	2,738	469	10,094	20,150
Property evaluation and business development*		**-**	**-**	**42**	**691**	**733**	-	-	-	679	679
Amortization included in general and administrative		**(507)**	**(373)**	**(376)**	**(533)**	**(1,789)**	(753)	(469)	(289)	(447)	(1,958)
Government fees and other taxes		**1,781**	**588**	**5**	**-**	**2,374**	1,591	496	2	26	2,115
Reclamation accretion		**196**	**26**	**30**	**-**	**252**	366	24	32	-	422

Lease payment		**-**	**-**	**-**	**563**	**563**	-	-	-	503	503
Sustaining capital expenditures		**24,603**	**4,110**	**389**	**501**	**29,603**	25,302	2,274	-	820	28,396
All-in sustaining production cost	**F**	**$ 86,261**	**$ 23,377**	**$ 674**	**$ 13,587**	**$ 123,899**	$ 79,500	$ 20,035	$ 214	$ 11,675	$ 111,424
Non-sustaining capital expenditures		**11,698**	**852**	**2,480**	**-**	**15,030**	6,008	812	88	-	$ 6,908
All in production cost	**G**	**$ 97,959**	**$ 24,229**	**$ 3,154**	**$ 13,587**	**$ 138,929**	$ 85,508	$ 20,847	$ 302	$ 11,675	$ 118,332
Ore mined ('000s)	**H**	**650.025**	**314.900**	**-**	**-**	**964.925**	598.197	287.633	-		885.830
Ore shipped ('000s)	**I**	**657.337**	**314.900**	**-**	**-**	**972.237**	598.327	287.633	-		885.960
Ore milled ('000s)	**J**	**651.402**	**316.179**	**-**	**-**	**967.581**	601.605	290.610	-		892.215
Per tonne Production cost											
Non-cash mining cost ($/tonne)	**K=A/H**	**25.71**	**9.12**	**-**	**-**	**20.29**	27.61	8.34	-	-	21.35
Non-cash milling cost ($/tonne)	**L=B/J**	**1.83**	**1.37**	**-**	**-**	**1.68**	1.87	1.67	-	-	1.81
Non-cash production cost ($/tonne)	**M=K+L**	**$ 27.54**	**$ 10.49**	**$ -**	**$ -**	**$ 21.97**	$ 29.48	$ 10.01	$ -	$ -	$ 23.16
Cash mining cost ($/tonne)	**N=C/H**	**69.56**	**38.56**	**-**	**-**	**59.44**	63.00	38.06	-	-	54.90
Shipping costs ($/tonne)	**O=D/I**	**3.76**	**-**	**-**	**-**	**2.54**	3.92	-	-	-	2.65
Cash milling costs ($/tonne)	**P=E/J**	**9.69**	**12.88**	**-**	**-**	**10.73**	10.16	13.85	-	-	11.36
Cash production costs ($/tonne)	**Q=N+O+P**	**$ 83.01**	**$ 51.44**	**$ -**	**$ -**	**$ 72.71**	$ 77.08	$ 51.91	$ -	$ -	$ 68.91
All-in sustaining production costs ($/tonne)	**P=(F-C-D-E)/J+Q**	**$ 132.54**	**$ 74.09**	**$ -**	**$ -**	**$ 128.20**	$ 132.52	$ 69.33	$ -	$ -	$ 125.29
All in costs ($/tonne)	**S=P+(G-F)/J**	**$ 150.50**	**$ 76.79**	**$ -**	**$ -**	**$ 143.73**	$ 142.51	$ 72.13	$ -	$ -	$ 133.04

*Recovery of $3,970, arising the break fee of $6,497 (CAD$9,000) receipt from Guyana Goldfields net of expenses of $2,527, was excluded for the nine months ended December 31, 2020

(Expressed in thousands of U.S. dollars, except ounce and per ounce amount)		Three months ended March 31, 2021					Three months ended March 31, 2020				
		Ying Mining					Ying Mining				
		District	GC	Other	Corporate	Consolidated	District	GC	Other	Corporate	Consolidated
Production costs expensed as reported		**$ 11,107**	**$ 2,977**	**$ -**	**$ -**	**$ 14,084**	$ 6,924	$ 1,420	$ -	$ -	$ 8,344
Depreciation and amortization as reported		**3,802**	**705**	**-**	**-**	**4,507**	2,712	434	-	-	3,146
Change in stockpile and concentrate inventory											
Less: stockpile and concentrate inventory - Beginning		**(6,156)**	**(499)**	**(34)**	**-**	**(6,689)**	(6,158)	(322)	(805)	-	(7,285)
Add: stockpile and concentrate inventory - Ending		**5,996**	**442**	**34**	**-**	**6,472**	4,474	241	790	-	5,505
Adjustment for foreign exchange movement		**232**	**6**	**-**	**-**	**238**	95	148	15	-	258
		72	**(51)**	**-**	**-**	**21**	(1,589)	67	-	-	(1,522)
Total production cost		**$ 14,981**	**$ 3,631**	**$ -**	**$ -**	**$ 18,633**	$ 8,047	$ 1,921	$ -		$ 9,968
Depreciation and amortization charged to mining costs	**A**	**3,382**	**580**	**-**	**-**	**3,962**	2,060	354	-	-	2,414
Depreciation and amortization charged to milling costs	**B**	**322**	**119**	**-**	**-**	**441**	192	71	-	-	263
Total non-cash production cost		**$ 3,704**	**$ 699**	**$ -**	**$ -**	**$ 4,403**	$ 2,252	$ 425	$ -		$ 2,677
Cash mining cost	**C**	**9,382**	**2,124**	**-**	**-**	**11,506**	4,725	952	-	-	5,677
Shipping cost	**D**	**416**	**-**	**-**	**-**	**416**	272	-	-	-	272
Cash milling cost	**E**	**1,479**	**808**	**-**	**-**	**2,287**	798	544	-	-	1,342
Total cash production cost		**$ 11,277**	**$ 2,932**	**$ -**	**$ -**	**$ 14,209**	$ 5,795	$ 1,496	$ -	$ -	$ 7,291
General and administrative		**1,600**	**698**	**133**	**3,369**	**5,800**	2,306	978	84	2,590	5,958
Property evaluation and business development*		**-**	**-**	**42**	**171**	**213**	-	-	-	274	274
Amortization included in general and administrative		**(136)**	**(98)**	**(100)**	**(142)**	**(476)**	(420)	(228)	(65)	(122)	(835)
Government fees and other taxes		**320**	**89**	**-**	**-**	**409**	216	21	-	1	238

Reclamation accretion		**51**	**7**	**8**	**-**	**66**	91	6	8	-	105
Lease payment		**-**	**-**	**-**	**149**	**149**	-	-	-	134	134
Sustaining capital expenditures		**5,674**	**730**	**193**	**8**	**6,605**	5,569	760	-	52	6,381
All-in sustaining production cost	**F**	**$ 18,786**	**$ 4,358**	**$ 276**	**$ 3,555**	**$ 26,975**	$ 13,557	$ 3,033	$ 27	$ 2,929	$ 19,546
Non-sustaining capital expenditures		**1,534**	**140**	**1,164**	**-**	**2,838**	649	115	1	-	765
All in production cost	**G**	**$ 20,320**	**$ 4,498**	**$ 1,440**	**$ 3,555**	**$ 29,813**	$ 14,206	$ 3,148	$ 28	$ 2,929	$ 20,311
Ore mined ('000s)	**H**	**112.561**	**50.511**	**-**	**-**	**163.072**	69.379	37.216	-	-	106.595
Ore shipped ('000s)	**I**	**117.205**	**50.511**	**-**	**-**	**167.716**	68.737	37.216	-	-	105.953
Ore milled ('000s)	**J**	**131.725**	**48.949**	**-**	**-**	**180.674**	69.188	33.243	-	-	102.431
Per tonne Production cost											
Non-cash mining cost ($/tonne)	**K=A/H**	**30.05**	**11.48**	**-**	**-**	**24.30**	29.69	9.51	-	-	22.65
Non-cash milling cost ($/tonne)	**L=B/J**	**2.44**	**2.43**	**-**	**-**	**2.44**	2.78	2.14	-	-	2.57
Non-cash production cost ($/tonne)	**M=K+L**	**$ 32.49**	**$ 13.91**	**$ -**	**$ -**	**$ 26.74**	$ 32.47	$ 11.65	$ -	$ -	$ 25.22
Cash mining cost ($/tonne)	**N=C/H**	**83.35**	**42.05**	**-**	**-**	**70.56**	68.10	25.58	-	-	53.26
Shipping costs ($/tonne)	**O=D/I**	**3.55**	**-**	**-**	**-**	**2.48**	3.96	-	-	-	2.57
Cash milling costs ($/tonne)	**P=E/J**	**11.23**	**16.51**	**-**	**-**	**12.66**	11.53	16.36	-	-	13.10
Cash production costs ($/tonne)	**Q=N+O+P**	**$ 98.13**	**$ 58.56**	**$ -**	**$ -**	**$ 85.70**	$ 83.59	$ 41.94	$ -	$ -	$ 68.93
All-in sustaining production costs ($/tonne)	**P=(F-C-D-E)/J+Q**	**$ 155.14**	**$ 87.69**	**$ -**	**$ -**	**$ 156.36**	$ 195.78	$ 88.18	$ -	$ -	$ 188.57
All in costs ($/tonne)	**S=P+(G-F)/J**	**$ 166.78**	**$ 90.55**	**$ -**	**$ -**	**$ 172.07**	$ 205.16	$ 91.63	$ -	$ -	$ 196.04

13. Critical Accounting Policies, Judgments, and Estimates

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the amounts reported on the consolidated financial statements. These critical accounting estimates represent management estimates and judgements that are uncertain and any changes in these estimates could materially impact the Company's consolidated financial statements. Management continuously reviews its estimates and assumptions using the most current information available. The Company's critical accounting policies, judgements and estimates are described in Note 2 of the audited consolidated financial statements for the year ended March 31, 2021.

14. New Accounting Standards

New accounting standards and interpretations have been published that are not mandatory for the current period and have not been early adopted. These standards are not expected to have a material impact on the Company.

15. Other MD&A Requirements

Additional information relating to the Company:

(a) may be found on SEDAR at www.sedar.com;

(b) may be found at the Company's website www.silvercorp.ca;

(c) may be found in the Company's Annual Information Form; and,

(d) is also provided in the Company's annual audited consolidated financial statements as of March 31, 2021.

16. Outstanding Share Data

As at the date of this MD&A, the following securities were outstanding:

(a) Share Capital

Authorized - unlimited number of common shares without par value

Issued and outstanding – **175,882,210** common shares with a recorded value of **$250.8 million** Shares subject to escrow or pooling agreements - $nil.

(b) Options

As at the date of this MD&A, the outstanding options comprise the following:

Number of Options	Exercise Price (CAD$)	Expiry Date
373,750	$2.60	2021-11-16
313,750	$3.40	2021-08-24
578,668	$5.46	2025-05-26
490,000	$9.45	2025-11-11
1,756,168		

(c) Restricted Share Units (RSUs)

Outstanding – 2,215,920 RSUs with an average grant date closing price of CAD$6.28 per share.

17. Risks and Uncertainties

The Company is exposed to a number of risks in conducting its business, including but not limited to: metal price risk as the Company derives its revenue from the sale of silver, lead, zinc, and gold; credit risk in the normal course of dealing with other companies and financial institutions; foreign exchange risk as the Company reports its financial statements in USD whereas the Company operates in jurisdictions that utilize other currencies; equity price risk and interest rate risk as the Company has investments in marketable securities that are traded in the open market or earn interest at market rates that are fixed to maturity or at variable interest rates; inherent risk of uncertainties in estimating mineral reserves and mineral resources; political risks; economic and social risks related to conducting business in foreign jurisdictions such as China; environmental risks; risks related to its relations with employees and local communities where the Company operates, and emerging risks relating to the spread of COVID-19, which has to date resulted in profound health and economic impacts globally and which presents future risks and uncertainties that are largely unknown at this time.

Management and the Board continuously assess risks that the Company is exposed to and attempt to mitigate these risks where practical through a range of risk management strategies.

These and other risks are described in the Company's Annual Information Form, NI 43-101 technical reports, Form 40-F, and Audited Consolidated Financial Statements, which are available on SEDAR at www.sedar.com and on EDGAR at www.sec.gov. Readers are encouraged to refer to these documents for a more detailed description of some of the risks and uncertainties inherent to Silvercorp's business.

- COVID-19

The Company's business, operations and financial condition could be materially adversely affected by the outbreak of pandemics or other health crises, such as the outbreak of COVID-19 that was designated as a pandemic by the World Health Organization on March 11, 2020. The international response to the spread of COVID-19 has led to significant restrictions on travel, temporary business closures, quarantines, global stock market volatility, and a general reduction in consumer activity. Such public health crises can result in operating, supply chain and project development delays and disruptions, global stock market and financial market volatility, declining trade and market sentiment, reduced movement of people and labour shortages, and travel and

shipping disruption and shutdowns, including as a result of government regulation and prevention measures, or a fear of any of the foregoing, all of which could affect commodity prices, interest rates, credit risk and inflation. In addition, the current COVID-19 pandemic, and any future emergence and spread of similar pathogens could have an adverse impact on global economic conditions which may adversely impact the Company's operations, and the operations of suppliers, contractors and service providers.

The Company may experience business interruptions, including suspended (whether government mandated or otherwise) or reduced operations relating to COVID-19 and other such events outside of the Company's control, which could have a material adverse impact on its business, operations and operating results, financial condition and liquidity.

As at the date of this MD&A, the duration of the business disruptions internationally and related financial impact of COVID-19 cannot be reasonably estimated. It is unknown whether and how the Company may be affected if the pandemic persists for an extended period of time.

The Company's exposure to such public health crises also includes risks to employee health and safety. Should an employee, contractor, community member or visitor become infected with a serious illness that has the potential to spread rapidly, this could place the Company's workforce at risk.

- Metal Price Risk

The Company's sales prices for lead and zinc pounds are fixed against the Shanghai Metals Exchange as quoted at www.shmet.com; gold ounces are fixed against the Shanghai Gold Exchange as quoted at www.sge.com.cn and silver ounces are fixed against the Shanghai White Platinum & Silver Exchange as quoted at www.ex-silver.com.

The Company's revenues, if any, are expected to be in large part derived from the mining and sale of silver, lead, zinc, and gold contained in metal concentrates. The prices of those commodities have fluctuated widely, particularly in recent years, and are affected by numerous factors beyond the Company's control including international and regional economic and political conditions; expectations of inflation; currency exchange fluctuations; interest rates; global or regional supply and demand for jewellery and industrial products containing silver and other metals; sale of silver and other metals by central banks and other holders, speculators and producers of silver and other metals; availability and cost of metal substitutes; and increased production due to new mine developments and improved mining and production methods. The price of base and precious metals may have a significant influence on the market price of the Company's shares and the value of its projects. The effect of these factors on the price of base and precious metals, and therefore the viability of the Company's exploration projects and mining operations, cannot be accurately predicted.

If silver and other metals prices were to decline significantly or for an extended period of time, the Company may be unable to continue operations, develop its projects, or fulfil obligations under agreements with the Company's joint venture partners or under its permits or licenses.

- Permits and licenses

All mineral resources and mineral reserves of the Company's subsidiaries are owned by their respective governments, and mineral exploration and mining activities may only be conducted by entities that have obtained or renewed exploration or mining permits and licenses in accordance with the relevant mining laws and regulations. No guarantee can be given that the necessary exploration and mining permits and licenses will be issued to the Company or, if they are issued, that they will be renewed, or if renewed under reasonable operational and/or financial terms, or in a timely manner, or that the Company will be in a position to comply with all conditions that are imposed.

Nearly all mining projects require government approval. There can be no certainty that approvals necessary to develop and operate mines on the Company's properties will be granted or renewed in a timely and/or economical manner, or at all.

- Title to properties

With respect to the Company's Chinese properties, while the Company has investigated title to all of its mineral claims and to the best of its knowledge, title to all of its properties is in good standing, the properties may be subject to prior unregistered agreements or transfers and title may be affected by undetected defects. There may be valid challenges to the title of the Company's properties which, if successful, could impair development and/or operations. The Company cannot give any assurance that title to its properties will not be challenged. Title insurance is generally not available for mineral properties and the Company's ability to ensure that it has obtained secure claims to individual mineral properties or mining concessions may be severely constrained. The Company's mineral properties in China have not been surveyed, and the precise location and extent thereof may be in doubt.

- Operations and political conditions

Most of the properties in which the Company has an interest are located in China, which has different regulatory and legal standards than those in North America. Even when the Company's mineral properties are proven to host economic reserves of metals, factors such as political instability, terrorism, opposition and harassment from local miners, or governmental expropriation or regulation may prevent or restrict mining of any such deposits or repatriation of profits.

Most of the Company's operations are located in China. These operations are subject to the risks normally associated with conducting business in China. Some of these risks are more prevalent in countries which are less developed or have emerging economies, including uncertain political and economic environments, as well as risks of war and civil disturbances or other risks which may limit or disrupt a project, restrict the movement of funds or result in the deprivation of contractual rights or the taking of property by nationalization or expropriation without fair compensation, risk of adverse changes in laws or policies, increases in foreign taxation or royalty obligations, license fees, permit fees, delays in obtaining or the inability to obtain necessary governmental permits, limitations on ownership and repatriation of earnings, and foreign exchange controls and currency devaluations.

In addition, the Company may face import and export regulations, including export restrictions, disadvantages of competing against companies from countries that are not subject to similar laws, restrictions on the ability to pay dividends offshore, and risk of loss due to disease and other potential endemic health issues. Although the Company is not currently experiencing any significant or extraordinary problems in China arising from such risks, there can be no assurance that such problems will not arise in the future. The Company currently does not carry political risk insurance coverage.

The Company's interests in its mineral properties are held through joint venture companies established under and governed by the laws of China. The Company's joint venture partners in China include state-sector entities and, like other state-sector entities, their actions and priorities may be dictated by government policies instead of purely commercial considerations. Additionally, companies with a foreign ownership component operating in China may be required to work within a framework which is different from that imposed on domestic Chinese companies. The Chinese government currently allows foreign investment in certain mining projects under central government guidelines. There can be no assurance that these guidelines will not change in the future.

- Regulatory environment in China

The Company conducts its mining operations in China. The laws of China differ significantly from those of Canada and all such laws are subject to change. Mining is subject to potential risks and liabilities associated with pollution of the environment and disposal of waste products occurring as a result of mineral exploration and production.

Failure to comply with applicable laws and regulations may result in enforcement actions and may also include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws and regulations.

New laws and regulations, amendments to existing laws and regulations, administrative interpretation of existing laws and regulations, or more stringent enforcement of existing laws and regulations could have a material adverse impact on future cash flow, results of operations and the financial condition of the Company.

- Environmental risks

The Company's activities are subject to extensive laws and regulations governing environmental protection and employee health and safety, including environmental laws and regulations in China. These laws address emissions into the air, discharges into water, management of waste, management of hazardous substances, protection of natural resources, antiquities and endangered species, and reclamation of lands disturbed by mining operations.

There are also laws and regulations prescribing reclamation activities on some mining properties. Environmental legislation in many countries, including China, is evolving and the trend has been toward stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and increasing responsibility for companies and their officers, directors and employees. Compliance with environmental laws and regulations may require significant capital outlays on behalf of the Company and may cause material changes or delays in the Company's intended activities. There can be no assurance that the Company has been or will be at all times in complete compliance with current and future environmental and health and safety laws and permits will not materially adversely affect the Company's business, results of operations or financial condition. It is possible that future changes in these laws or regulations could have a significant adverse impact on some portion of the Company's business, causing the Company to reevaluate those activities at that time. The Company's compliance with environmental laws and regulations entail uncertain cost.

- Risks and hazards of mining operations

Mining is inherently dangerous and the Company's operations are subject to a number of risks and hazards including, without limitation:

(i) environmental hazards;
(ii) discharge of pollutants or hazardous chemicals;
(iii) industrial accidents;
(iv) failure of processing and mining equipment;
(v) labour disputes;
(vi) supply problems and delays;
(vii) encountering unusual or unexpected geologic formations or other geological or grade problems;
(viii) encountering unanticipated ground or water conditions;
(ix) cave-ins, pit wall failures, flooding, rock bursts and fire;
(x) periodic interruptions due to inclement or hazardous weather conditions;
(xi) equipment breakdown;
(xii) other unanticipated difficulties or interruptions in development, construction or production;
(xiii) other acts of God or unfavourable operating conditions; and
(xiv) health and safety risks associated with spread of COVID-19 pandemic, and any future emergence and spread of similar pathogens.

Such risks could result in damage to, or destruction of, mineral properties or processing facilities, personal injury or death, loss of key employees, environmental damage, delays in mining, monetary losses and possible legal

liability. Satisfying such liabilities may be very costly and could have a material adverse effect on the Company's future cash flow, results of operations and financial condition.

- Cybersecurity Risks

The Company is subject to cybersecurity risks including unauthorized access to privileged information, destroy data or disable, degrade or sabotage our systems, including through the introduction of computer viruses. Although we take steps to secure our configurations and manage our information system, including our computer systems, internet sites, emails and other telecommunications, and financial/geological data, there can be no assurance that measures we take to ensure the integrity of our systems will provide protection, especially because cyberattack techniques used change frequently or are not recognized until successful. The Company has not experienced any material cybersecurity incident in the past, but there can be no assurance that the Company would not experience in the future. If our systems are compromised, do not operate properly or are disable, we could suffer financial loss, disruption of business, loss of geology data which could affect our ability to conduct effective mine planning and accurate mineral resources estimates, loss of financial data which could affect our ability to provide accurate and timely financial reporting.

- General Economic Conditions

General economic conditions may adversely affect our growth, profitability and ability to obtain financing. Events in global financial markets in the past several years have had a profound impact on the global economy. Many industries, including the silver and gold mining industry, have been and continue to be impacted by these market conditions. Some of the key impacts of the current financial market turmoil include contraction in credit markets resulting in a widening of credit risk, devaluations, high volatility in global equity, commodity, foreign exchange and precious metal markets and a lack of market confidence and liquidity. A continued or worsened slowdown in the financial markets or other economic conditions, including but not limited to, consumer spending, employment rates, business conditions, inflation, fuel and energy costs, consumer debt levels, lack of available credit, the state of the financial markets, interest rates and tax rates, may adversely affect our growth, profitability and ability to obtain financing. A number of issues related to economic conditions could have a material adverse effect on our business, financial condition and results of operations, including:

(i) significant disruption to the global economic conditions caused by COVID-19 as discussed above;
(ii) contraction in credit markets could impact the cost and availability of financing and our overall liquidity;
(iii) the volatility of silver, gold and other metal prices would impact our revenues, profits, losses and cash flow;
(iv) recessionary pressures could adversely impact demand for our production;
(v) volatile energy, commodity and consumables prices and currency exchange rates could impact our production costs; and
(vi) the devaluation and volatility of global stock markets could impact the valuation of our equity and other securities.

18. Corporate Governance, Safety, Environment ad Social Responsibility

The Company is committed to the principles of sustainable development and conducting our activities in an environmentally and socially responsible manner. Our core environmental, social, governance ("ESG") values are: caring for the environment in which we operate; contributing to the long-term development of our host communities; ensuring safe and secure workplaces for our employees; and contributing to the welfare of our employees, local communities, and governments; and operating transparently.

Our inarguable sustainability report (the "Sustainability Report") released on December 16, 2020 is available on our website at www.silvercorp.ca, and the Company plans to release an updated Fiscal 2021 sustainable report in the second quarter of Fiscal 2022.

(a) Governance

Our Board oversees the direction and strategy of the business and the affairs of the Company. The Board is

comprised of five directors, and as at March 31, 2021 and the date of this MD&A, four of them are independent, and one is female. The Board's wealth of experience allows it to effectively oversee the development of corporate strategies and the key risks of the business, provide management with long-term direction, consider and approve major decisions, oversee the business generally and evaluate corporate performance. The Corporate Governance and Nominating Committee, appointed by the Board, oversee the effective functioning of the Board and the implementation of governance best practices.

We believe that good corporate governance is essential to the effective performance of the Company and plays a significant role in protecting the interests of all stakeholders, while helping to maximize value.

(b) **Health, Safety, and Environment**

The Company prioritizes environmental protection, as well as ensuring a safe workplace for all employees and contractors at all of our sites. These corporate philosophies tie directly into the emphasis on efficient process design and management across all aspects of the operation. Significant, ongoing efforts are made to identify and minimize risks, as well as streamline the collection, monitoring and reporting of data. An information technology application that was developed in-house in 2014, the "Enterprise-Blog", is an instrumental tool used to ensure all mandatory procedures are being performed. In addition, an on-line, real time, monitoring and GPS system was established to further the goal of creating an "intelligent mine".

The Company has remained focused on sustainable development since its inception and is dedicated to fulfilling our environmental goals and responsibilities for the communities where it operates. Silvercorp is committed to building green mines and employing the latest design, construction and management practices to ensure our mining environment undergoes timely rehabilitation. In addition to the SGX and HZG mines having received the "National Green Mine" certification in 2015, the Company's TLP, LME, LMW, and HPG mines at the Ying Mining District and the GC Mine also received the "Green Mine" certification in Fiscal 2021.

As part of our objective to minimize the impact our operations have on the environment, the Company strives to reduce its energy and water consumption, and to minimize the negative impact on of greenhouse gas emissions and water quality.

The Company is deeply committed to protecting the health, safety and well-being of our employees, contractors, suppliers, and communities where we operate. The Company believes that operating safe mines and building a culture of safety are directly related to our operational success and the ability to create long-term value for all our stakeholders. Training for new workers and ongoing training programs are a priority and Silvercorp continuously reviews and refines all standard procedures at our facilities to identify any potential risks associated with each step of the operation.

Moreover, in response to health risks associated with the spread of COVID-19, the Company implemented a number of health and safety measures designed to protect employees at its operations and no cases were reported.

(c) **Social Responsibility and Economic Value**

The Company is committed to creating sustainable value in the communities where our people work and live. Guided by research conducted by our local offices, the Company participates in, and contributes to numerous community programs that typically center on education and health, nutrition, environmental awareness, local infrastructure and fostering additional economic activity. In addition to the taxes and fees paid to various levels of government in China, in Fiscal 2021, the Company:

- promoted community health and poverty reduction in the local community, with an emphasis on children and seniors, with periodic visits and subsidies;
- donated $0.1 million to institutions in scholarship or education assistance programs to support children's education at the local and national levels;
- donated $0.2 million to the local community and government as part of the Company's effort to help improve local infrastructure and environmental protection.

19. Disclosure Controls and Procedures

Disclosure controls and procedures are designed to provide reasonable assurance that material information is gathered and reported to senior management, including the Chief Executive Officer ("CEO") and the Chief Financial Officer ("CFO"), as appropriate to allow for timely decision about public disclosure.

Management, including the CEO and CFO, has evaluated the effectiveness of the design and operation of the Company's disclosure controls and procedures as of March 31, 2021, as defined in the rules of the U.S. Securities and Exchange Commission and Canadian Securities Administration. The evaluation included documentation review, enquiries and other procedures considered by management to be appropriate in the circumstances. Based on this evaluation, management concluded that the disclosure controls and procedures (as defined in Rule 13a-15(e) under Securities Exchange Act of 1934) are effective in providing reasonable assurance that the information required to be disclosed in annual filings, interim filings, and other reports the Company filed or submitted under United States and Canadian securities legislation were recorded, processed, summarized and reported within the time periods specified in those rules.

20. Management's Report on Internal Control over Financial Reporting

Management of the Company is responsible for establishing and maintaining an adequate system of internal control over financial reporting, and used the Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") to evaluate, with the participation of the CEO and CFO, the effectiveness of internal controls. The Company's internal control over financial reporting includes:

- maintaining records, that in reasonable detail, accurately and fairly reflect our transactions and dispositions of the assets of the Company;
- providing reasonable assurance that transactions are recorded as necessary for preparation of our consolidated financial statements in accordance with generally accepted accounting principles;
- providing reasonable assurance that receipts and expenditures are made in accordance with authorizations of management and the directors of the Company; and
- providing reasonable assurance that unauthorized acquisition, use or disposition of company assets that could have a material effect on the Company's consolidated financial statements would be prevented or detected on a timely basis.

Based on this evaluation, management concluded that the Company's internal control over financial reporting based on the criteria set forth in Internal Control – Integrated Framework (2013) issued by COSO was effective as of March 31, 2021 and provided a reasonable assurance of the reliability of the Company's financial reporting and preparation of the financial statements.

No matter how well a system of internal control over financial reporting is designed, any system has inherent limitations. Even systems determined to be effective can provide only reasonable assurance of the reliability of financial statement preparation and presentation. Also, controls may become inadequate in the future because of changes in conditions or deterioration in the degree of compliance with the Company's policies and procedures.

The effectiveness of the Company's internal control over financial reporting as of March 31, 2021 has been audited by Deloitte LLP, the Company's independent registered public accounting firm, who has also issued a report on the internal controls over financial reporting including with our annual consolidated financial statements.

21. Changes in Internal Control over Financial Reporting

There has been no change in the Company's internal control over financial reporting during the fiscal year ended March 31, 2021 that has materially affected or is reasonably likely to materially affect, its internal control over financial reporting.

22. Directors and Officers

As at the date of this MD&A, the Company's directors and officers are as follows:

Directors	Officers
Dr. Rui Feng, Director, Chairman	Rui Feng, Chief Executive Officer
Yikang Liu, Director	Derek Liu, Chief Financial Officer
Paul Simpson, Director	Yong-Jae Kim, General Counsel & Corporate Secretary
David Kong, Director	Lon Shaver, Vice President
Marina A. Katusa, Director	

Technical Information

Scientific and technical information contained in this MD&A has been reviewed and approved by Mr. Guoliang Ma, P.Geo., Manager of Exploration and Resources of the Company and a Qualified Person as such term is defined in NI 43-101.

Forward Looking Statements

Certain of the statements and information in this MD&A constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995 and "forward-looking information" within the meaning of applicable Canadian provincial securities laws. Any statements or information that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as "expects", "is expected", "anticipates", "believes", "plans", "projects", "estimates", "assumes", "intends", "strategies", "targets", "goals", "forecasts", "objectives", "budgets", "schedules", "potential" or variations thereof or stating that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved, or the negative of any of these terms and similar expressions) are not statements of historical fact and may be forward-looking statements or information. Forward-looking statements or information relate to, among other things:

- *the price of silver and other metals;*
- *estimates of the Company's revenues and capital expenditures;*
- *estimated ore production and grades from the Company's mines in the Ying Mining District and the GC Mine;*
- *projected cash operating costs and all-in sustaining costs, and budgets, on a consolidated and mine-by-mine basis;*
- *statements regarding anticipated exploration, drilling, development, construction, and other activities or achievements of the Company;*
- *plans, projections and estimates included in the Fiscal 2021 Guidance and the Fiscal 2022 Guidance;*
- *timing of national security clearance related to acquisition of the Zhonghe Project by the relevant governmental authorities and the Company's expectation that it will enter into the mineral rights transfer contract with respect to the Zhonghe Project; and*
- *timing of receipt of permits and regulatory approvals.*

Forward-looking statements or information are subject to a variety of known and unknown risks, uncertainties and other factors that could cause actual events or results to differ from those reflected in the forward-looking statements or information, including, without limitation, risks relating to,

- *COVID–19;*
- *fluctuating commodity prices;*
- *fluctuating currency exchange rates;*
- *increasing labour cost;*
- *exploration and development programs;*

- *feasibility and engineering reports;*
- *permits and licenses;*
- *operations and political conditions;*
- *regulatory environment in China and Canada;*
- *environmental risks;*
- *mining operations;*
- *cybersecurity;*
- *general economic conditions; and*
- *matters referred to in this MD&A under the heading "Risks and Uncertainties" and other public filings of the Company.*

This list is not exhaustive of the factors that may affect any of the Company's forward-looking statements or information. Forward-looking statements or information are statements about the future and are inherently uncertain, and actual achievements of the Company or other future events or conditions may differ materially from those expressed or implied in the forward-looking statements or information. Although the Company has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated, described or intended. Accordingly, readers should not place undue reliance on forward-looking statements or information.

The Company's forward-looking statements and information are necessarily based on a number of estimates, assumptions, beliefs, expectations and opinions of management as of the date of this MD&A that, while considered reasonable by management of the Company, are inherently subject to significant business, economic and competitive uncertainties and contingencies. These estimates, assumptions, beliefs, expectations and options include, but are not limited to, those related to the Company's ability to carry on current and future operations, including: the duration and effects of COVID-19 on our operations and workforce; development and exploration activities; the timing, extent, duration and economic viability of such operations; the accuracy and reliability of estimates, projections, forecasts, studies and assessments; the Company's ability to meet or achieve estimates, projections and forecasts; the availability and cost of inputs; the price and market for outputs; foreign exchange rates; taxation levels; the timely receipt of necessary approvals or permits; the ability to meet current and future obligations; the ability to obtain timely financing on reasonable terms when required; the current and future social, economic and political conditions; and other assumptions and factors generally associated with the mining industry.

Other than as required by applicable securities laws, the Company does not assume any obligation to update forward-looking statements and information if circumstances or management's assumptions, beliefs, expectations or opinions should change, or changes in any other events affecting such statements or information. For the reasons set forth above, investors should not place undue reliance on forward-looking statements and information.

Exhibit 99.3



SILVERCORP METALS INC.

CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2021 and 2020
(Expressed in thousands of US dollars, except per share and share data, unless otherwise stated)

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and the Board of Directors of Silvercorp Metals Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated statements of financial position of Silvercorp Metals Inc. and subsidiaries (the "Company") as of March 31, 2021 and 2020, the related consolidated statements of income, comprehensive income, changes in equity, and cash flows, for each of the two years in the period ended March 31, 2021, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of March 31, 2021 and 2020, and its financial performance and its cash flows for each of the two years in the period ended March 31, 2021, in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of March 31, 2021, based on criteria established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated May 20, 2021, expressed an unqualified opinion on the Company's internal control over financial reporting.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Impairment - Assessment of Whether Indicators of Impairment or Impairment Reversal Exist in Non-financial Assets - Refer to Note 2 to the Financial Statements

Critical Audit Matter Description

The Company's determination of whether or not an indication of impairment or impairment reversal exists at the cash generating unit level requires significant management judgment. Changes in metal price forecasts, estimated future costs of production, estimated future capital costs, the amount of recoverable mineral reserves and mineral resources and/or adverse or favorable current economics can result in a write-down or write-up of the carrying amounts of the Company's mining interests.

While there are several factors that are required to determine whether or not an indicator of impairment or impairment reversal exists, the judgements with the highest degree of subjectivity are future commodity prices (for both silver and lead), forecast production output (for both silver and lead), and changes in market conditions. Auditing these estimates and market conditions required a high degree of subjectivity in applying audit procedures and in evaluating the results of those procedures. This resulted in an increased extent of audit effort, including the involvement of fair value specialists.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the future commodity prices (for both silver and lead), forecast production output (for both silver and lead), and the changes in market conditions in assessing indicators of impairment or impairment reversal included the following, among others:

- Evaluated the effectiveness of controls over management's assessment of whether there are indicators of impairment or impairment reversal.
- Evaluated management's ability to accurately forecast future production output by:
    - Assessing the methodology used in management's determination of the future production, and;
    - Comparing management's future production to historical data.
- With the assistance of fair value specialists, assessed if changes in market conditions could likely affect the mining interests' recoverable amounts materially by:
    - Evaluating the future commodity prices by comparing management forecasts to third party pricing sources;
    - Evaluating if there were any significant changes in the market interest rates;
    - Assessing implied in-situ multiples in comparable market transactions.

/s/ Deloitte LLP

Chartered Professional Accountants
Vancouver, Canada
May 20, 2021

We have served as the Company's auditor since 2013.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and the Board of Directors of Silvercorp Metals Inc.

Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of Silvercorp Metals Inc. and subsidiaries (the "Company") as of March 31, 2021, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of March 31, 2021, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements as of and for the year ended March 31, 2021, of the Company and our report dated May 20, 2021, expressed an unqualified opinion on those financial statements.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Deloitte LLP

Chartered Professional Accountants
Vancouver, Canada
May 20, 2021

SILVERCORP METALS INC.
Consolidated Statements of Financial Position

(Expressed in thousands of U.S. dollars)

	Notes	As at March 31, 2021	As at March 31, 2020
ASSETS			
Current Assets			
Cash and cash equivalents	23	**$ 118,735**	$ 65,777
Short-term investments	4	**80,357**	76,742
Trade and other receivables		**1,485**	1,178
Current portion of lease receivable	10	**213**	186
Inventories	5	**9,768**	8,430
Due from related parties	15	**847**	1,519
Income tax receivable		**4,978**	1,093
Prepaids and deposits		**4,806**	3,254
		221,189	158,179
Non-current Assets			
Long-term prepaids and deposits		**409**	390
Long-term portion lease receivable	10	**183**	348
Reclamation deposits		**8,513**	9,230
Investment in associates	6	**53,457**	44,555
Other investments	7	**15,733**	8,750
Plant and equipment	8	**75,729**	66,722
Mineral rights and properties	9	**277,429**	224,586
TOTAL ASSETS		**$ 652,642**	$ 512,760
LIABILITIES AND EQUITY			
Current Liabilities			
Accounts payable and accrued liabilities		**$ 30,298**	$ 23,129
Current portion of lease obligation	10	**657**	567
Deposits received		**4,857**	3,195
Income tax payable		**1,363**	937
		37,175	27,828
Non-current Liabilities			
Long-term portion of lease obligation	10	**1,084**	1,502
Deferred income tax liabilities	19	**40,792**	35,758
Environmental rehabilitation	11	**7,863**	8,700
Total Liabilities		**86,914**	73,788
Equity			
Share capital		**250,199**	243,926
Equity reserves		**29,469**	(21,142)
Retained earnings		**187,906**	145,898
Total equity attributable to the equity holders of the Company		**467,574**	368,682
Non-controlling interests	14	**98,154**	70,290
Total Equity		**565,728**	438,972
TOTAL LIABILITIES AND EQUITY		**$ 652,642**	$ 512,760

Approved on behalf of the Board:

(Signed) David Kong
Director

(Signed) Rui Feng
Director

See accompanying notes to the consolidated financial statements

SILVERCORP METALS INC.
Consolidated Statements of Income

(Expressed in thousands of U.S. dollars, except numbers for share and per share figures)

	Notes	Year ended March 31, 2021	2020
Revenue	22 (b)(c)	**$ 192,105**	$ 158,829
Cost of mine operations			
Production costs		**69,544**	62,029
Depreciation and amortization		**21,434**	20,715
Mineral resource taxes		**5,004**	4,540
Government fees and other taxes	17	**2,374**	2,115
General and administrative	16	**9,587**	10,056
		107,943	99,455
Income from mine operations		**84,162**	59,374
Corporate general and administrative	16	**12,365**	10,094
Property evaluation and business development	7	**(3,237)**	679
Foreign exchange loss (gain)		**7,746**	(4,103)
Loss on disposal of plant and equipment	8	**293**	461
Gain on disposal of mineral rights and properties	9	**-**	(1,477)
Share of loss in associates	6	**1,846**	1,276
Dilution gain on investment in associate	6	**-**	(723)
Reclassification of other comprehensive income upon ownership dilution of investment in associate		**-**	(21)
Gain on equity investments designated as FVTPL	7	**(7,732)**	-
Other expense		**1,157**	1,026
Income from operations		**71,724**	52,162
Finance income	18	**3,767**	4,023
Finance costs	18	**(1,988)**	(2,073)
Income before income taxes		**73,503**	54,112
Income tax expense	19	**12,994**	8,909
Net income		**$ 60,509**	$ 45,203
Attributable to:			
Equity holders of the Company		**$ 46,376**	$ 34,274
Non-controlling interests	14	**14,133**	10,929
		$ 60,509	$ 45,203
Earnings per share attributable to the equity holders of the Company			
Basic earnings per share		**$ 0.27**	$ 0.20
Diluted earnings per share		**$ 0.26**	$ 0.20
Weighted Average Number of Shares Outstanding - Basic		**174,868,256**	171,713,263
Weighted Average Number of Shares Outstanding - Diluted		**177,074,004**	174,079,387

See accompanying notes to the consolidated financial statements

SILVERCORP METALS INC.
Consolidated Statements of Comprehensive Income

(Expressed in thousands of U.S. dollars)

	Notes	Year ended March 31, 2021	2020
Net income		**$ 60,509**	$ 45,203
Other comprehensive income (loss), net of taxes:			
Items that may subsequently be reclassified to net income or loss:			
Currency translation adjustment, net of tax of $nil		**44,032**	(24,312)
Share of other comprehensive (income) loss in associate	6	**(2,324)**	1,077
Reclassification to net income upon ownership dilution of investment in associate		**-**	(21)
Items that will not subsequently be reclassified to net income or loss:			
Change in fair value on equity investments designated as FVTOCI, net of tax of $nil	7	**12,551**	249
Other comprehensive income (loss), net of taxes		**$ 54,259**	$ (23,007)
Attributable to:			
Equity holders of the Company		**$ 49,039**	$ (19,892)
Non-controlling interests	14	**5,220**	(3,115)
		$ 54,259	$ (23,007)
Total comprehensive income		**$ 114,768**	$ 22,196
Attributable to:			
Equity holders of the Company		**$ 95,415**	$ 14,382
Non-controlling interests		**19,353**	7,814
		$ 114,768	$ 22,196

See accompanying notes to the consolidated financial statements

SILVERCORP METALS INC.
Consolidated Statements of Cash Flows

(Expressed in thousands of U.S. dollars)

	Notes	Year ended March 31, 2021	2020
Cash provided by			
Operating activities			
Net income		**$ 60,509**	$ 45,203
Add (deduct) items not affecting cash:			
Finance costs	18	**1,988**	2,073
Depreciation, amortization and depletion		**23,224**	22,673
Share of loss in associates	6	**1,846**	1,276
Dilution gain on investment in associate	6	**-**	(723)
Reclassification of other comprehensive loss upon ownership dilution of investment in associate		**-**	(21)
Income tax expense	19	**12,994**	8,909
Gain on equity investments designated as FVTPL	7	**(7,732)**	-
Loss on disposal of plant and equipment	8	**293**	461
Gain on disposal of mineral rights and properties	9	**-**	(1,477)
Share-based compensation		**4,307**	2,669
Reclamation expenditures		**(150)**	(385)
Income taxes paid		**(14,347)**	(5,012)
Interest paid		**(95)**	(162)
Changes in non-cash operating working capital	23	**3,075**	1,762
Net cash provided by operating activities		**85,912**	77,246
Investing activities			
Mineral rights and properties			
Capital expenditures		**(35,661)**	(27,904)
Acquisition	3	**(7,566)**	-
Proceeds on disposals	9	**295**	6,146
Plant and equipment			
Additions		**(8,972)**	(7,400)
Proceeds on disposals	8	**51**	10
Reclamation deposits			
Paid		**(460)**	(1,727)
Refund		**1,855**	-
Other investments			
Acquisition	7	**(12,708)**	(7,851)
Proceeds on disposals	7	**19,301**	8,454
Investment in associate	6	**(7,131)**	(7,030)
Net redemptions (purchases) of short-term investments		**9,826**	(33,606)
Principal received on lease receivable	10	**196**	118
Net cash used in investing activities		**(40,974)**	(70,790)
Financing activities			
Related parties			
Payments made	15	**(744)**	(1,436)
Repayments received	15	**1,423**	2,922
Bank loan			
Repayment		**-**	(4,369)
Principal payments on lease obligation	10	**(563)**	(503)
Non-controlling interests			
Contribution	14	**2,500**	-
Distribution	14	**(3,239)**	(3,259)
Cash dividends distributed	12 (c)	**(4,368)**	(4,287)
Proceeds from issuance of common shares		**3,538**	8,001
Net cash used in financing activities		**(1,453)**	(2,931)
Effect of exchange rate changes on cash and cash equivalents		**9,473**	(5,189)
Increase (decrease) in cash and cash equivalents		**52,958**	(1,664)
Cash and cash equivalents, beginning of the year		**65,777**	67,441
Cash and cash equivalents, end of the year		**$ 118,735**	$ 65,777
Supplementary cash flow information	23		

See accompanying notes to the consolidated financial statements

SILVERCORP METALS INC.
Consolidated Statements of Changes in Equity

(Expressed in thousands of U.S. dollars, except numbers for share figures)

		Share capital		Equity reserves						
	Notes	Number of shares	Amount	Share option reserve	Reserves	Accumulated other loss	Retained earnings	Total equity attributable to the equity holders of the Company	Non-controlling interests	Total equity
Balance, April 1, 2019		169,842,052	$231,269	$ 15,898	$ 25,409	$ (41,864)	$ 116,734	$ 347,446	$ 65,735	$ 413,181
Adjustment upon adoption of IFRS 16		-	-	-	-	167	(823)	(656)	-	(656)
Options exercised		3,833,406	11,003	(3,002)	-	-	-	8,001	-	8,001
Restricted share units vested		141,376	527	(527)	-	-	-	-	-	-
Share-based compensation		-	-	2,669	-	-	-	2,669	-	2,669
Dividends declared		-	-	-	-	-	(4,287)	(4,287)	-	(4,287)
Distribution to non-controlling interests		-	-	-	-	-	-	-	(3,259)	(3,259)
Disposal of common shares held by associate		-	1,127	-	-	-	-	1,127	-	1,127
Comprehensive (loss) income		-	-	-	-	(19,892)	34,274	14,382	7,814	22,196
Balance, March 31, 2020		**173,816,834**	**$243,926**	**$ 15,038**	**$ 25,409**	**$ (61,589)**	**$ 145,898**	**$ 368,682**	**$ 70,290**	**$ 438,972**
Options exercised		1,553,338	4,824	(1,286)	-	-	-	3,538	-	3,538
Restricted share units vested		372,372	1,449	(1,449)	-	-	-	-	-	-
Share-based compensation		-	-	4,307	-	-	-	4,307	-	4,307
Dividends declared	12(c)	-	-	-	-	-	(4,368)	(4,368)	-	(4,368)
Acquisition of La Yesca	3	-	-	-	-	-		-	9,250	9,250
Contribution from non-controlling interests	14	-	-	-	-	-	-	-	2,500	2,500
Distribution to non-controlling interests	14	-	-	-	-	-	-	-	(3,239)	(3,239)
Comprehensive income		-	-	-	-	49,039	46,376	95,415	19,353	114,768
Balance, March 31, 2021		**175,742,544**	**$250,199**	**$ 16,610**	**$ 25,409**	**$ (12,550)**	**$ 187,906**	**$ 467,574**	**$ 98,154**	**$ 565,728**

See accompanying notes to the consolidated financial statements

1. CORPORATE INFORMATION

Silvercorp Metals Inc., along with its subsidiary companies (collectively the "Company"), is engaged in the acquisition, exploration, development, and mining of mineral properties. The Company's producing mines and other current exploration and development projects are located in China.

The Company is a publicly listed company incorporated in the Province of British Columbia, Canada, with limited liability under the legislation of the Province of British Columbia. The Company's shares are traded on the Toronto Stock Exchange and NYSE American.

The head office, registered address and records office of the Company are located at 1066 West Hastings Street, Suite 1750, Vancouver, British Columbia, Canada, V6E 3X1.

2. SIGNIFICANT ACCOUNTING POLICIES

(a)Statement of Compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The policies applied in these consolidated financial statements are based on IFRS in effect as of March 31, 2021.

These consolidated financial statements were authorized for issue in accordance with a resolution of the Board of Directors dated on May 19, 2021.

(b)Basis of Consolidation

These consolidated financial statements include the accounts of the Company and its wholly or partially owned subsidiaries.

Subsidiaries are consolidated from the date on which the Company obtains control up to the date of the disposition of control. Control is achieved when the Company has power over the subsidiary, is exposed or has rights to variable returns from its involvement with the subsidiary; and has the ability to use its power to affect its returns.

For non-wholly-owned subsidiaries over which the Company has control, the net assets attributable to outside equity shareholders are presented as "non-controlling interests" in the equity section of the consolidated statements of financial position. Net income for the period that is attributable to the non-controlling interests is calculated based on the ownership of the non-controlling interest shareholders in the subsidiary. Adjustments to recognize the non-controlling interests' share of changes to the subsidiary's equity are made even if this results in the non-controlling interests having a deficit balance. Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are recorded as equity transactions. The carrying amount of non-controlling interests is adjusted to reflect the change in the non-controlling interests' relative interests in the subsidiary and the difference between the adjustment to the carrying amount of non-controlling interest and the Company's share of proceeds received and/or consideration paid is recognized directly in equity and attributed to equity holders of the Company.

Balances, transactions, revenues and expenses between the Company and its subsidiaries are eliminated on consolidation.

Details of the Company's significant subsidiaries which are consolidated are as follows:

			Proportion of ownership interest held		
Name of subsidiaries	Principal activity	Country of incorporation	**March 31, 2021**	March 31, 2020	Mineral properties
Silvercorp Metals China Inc.	Holding company	Canada	**100%**	100%	
Silvercorp Metals (China) Inc.	Holding company	China	**100%**	100%	
0875786 B.C. LTD.	Holding company	Canada	**100%**	100%	
Fortune Mining Limited	Holding company	BVI (i)	**100%**	100%	
Fortune Copper Limited	Holding company	BVI	**100%**	100%	
Fortune Gold Mining Limited	Holding company	BVI	**100%**	100%	
Victor Resources Ltd.	Holding company	BVI	**100%**	100%	
Yangtze Mining Ltd.	Holding company	BVI	**100%**	100%	
Victor Mining Ltd.	Holding company	BVI	**100%**	100%	
Yangtze Mining (H.K.) Ltd.	Holding company	Hong Kong	**100%**	100%	
Fortune Gold Mining (H.K.) Limited	Holding company	Hong Kong	**100%**	100%	
Wonder Success Limited	Holding company	Hong Kong	**100%**	100%	
New Infini Silver Inc. ("New Infini")	Holding company	Canada	**43.75%**	N/A	
Infini Metals Inc.	Holding company	BVI	**43.75%**	N/A	
Infini Resources (Asia) Co. Ltd.	Holding company	Hong Kong	**43.75%**	N/A	
Golden Land (Asia) Ltd.	Holding company	Hong Kong	**43.75%**	N/A	
Henan Huawei Mining Co. Ltd. ("Henan Huawei")	Mining	China	**80%**	80%	Ying Mining District
Henan Found Mining Co. Ltd. ("Henan Found")	Mining	China	**77.5%**	77.5%	
Xinshao Yunxiang Mining Co., Ltd. ("Yunxiang")	Mining	China	**70%**	70%	BYP
Guangdong Found Mining Co. Ltd. ("Guangdong Found")	Mining	China	**99%**	99%	GC
Infini Resources S.A. de C.V.	Mining	Mexico	**43.75%**	N/A	La Yesca

(i) British Virgin Islands ("BVI")

(c) Investments in Associates

An associate is an entity over which the Company has significant influence but not control and is not a subsidiary or joint venture. Significant influence is presumed to exist where the Company has between 20% and 50% of the voting rights, but can also arise when the Company has power to be actively involved and influential in financial and operating policy decisions of the entity even though Company has less than 20% of voting rights.

The Company accounts for its investments in associates using the equity method. Under the equity method, the Company's investment in an associate is initially recognized at cost and subsequently increased or decreased to recognize the Company's share of profit and loss of the associate and for impairment losses after the initial recognition date. The Company's share of an associate's loss that are in excess of its investment are recognized only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the associate. The Company's share of comprehensive income or losses attributable to shareholders of associates are recognized in comprehensive income during the period. The carrying amount of the Company's investments in associates also include any long-term debt interests which in substance form part of the Company's net investment. Distributions received from an associate are accounted for as a reduction in the carrying amount of the Company's investment.

At the end of each reporting period, the Company assesses whether there is any objective evidence that an investment in an associate is impaired. Objective evidence includes observable data indicating there is a measurable decrease in the estimated future cash flows of the associate's operations. When there is objective evidence that an investment in an associate is impaired, the carrying amount is compared to its recoverable amount, being the higher of its fair value less cost to sell and value in use. An impairment loss is recognized if the recoverable amount is less than its carrying amount. When an impairment loss reverses in a subsequent period, the carrying amount of the investment is increased to the revised estimate of recoverable amount to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had an impairment loss not been previously recognized. Impairment losses and reversal of impairment losses, if any, are recognized in net income in the period in which the relevant circumstances are identified.

Details of the Company's associate are as follows:

			Proportion of ownership interest held	
Name of associate	Principal activity	Country of incorporation	**March 31, 2021**	March 31, 2020
New Pacific Metals Corp. ("NUAG")	Mining	Canada	**28.6%**	28.8%
Whitehorse Gold Corp. ("WHG") *(Note 6(b))*	Mining	Canada	**27.0%**	0.0%

(d)Business Combinations or asset acquisition

Optional concentration test

Effective from April 1, 2020, the Company can elect to apply an optional concentration test, on a transaction-by-transaction basis, that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets. The gross assets under assessment exclude cash and cash equivalents, deferred tax assets, and goodwill resulting from the effects of deferred tax liabilities. If the concentration test is met, the set of activities and assets is determined not to be a business and no further assessment is needed.

Asset acquisitions

When the Company acquires a group of assets and liabilities that do not constitute a business, the Company identifies and recognizes the individual identifiable assets acquired and liabilities assumed by allocating the purchase price first to financial assets/financial liabilities at the respective fair values, the remaining balance of the purchase price is then allocated to the other identifiable assets and liabilities on the basis of their relative fair values at the date of purchase. Such a transaction does not give rise to goodwill or bargain purchase gain.

Business Combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the Company elects whether it measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs incurred are expensed and included in general and administrative expenses.

When the Company acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss.

(e) Foreign Currency Translation

The functional currency for each subsidiary of the Company is the currency of the primary economic environment in which the entity operates. Other than New Infini and its subsidiaries, the functional currency of the head office, Canadian subsidiaries and all intermediate holding companies is the Canadian dollar ("CAD"). The functional currency of all Chinese subsidiaries is the Chinese Renminbi ("RMB"). The functional currency of New Infini and its subsidiaries is USD.

Foreign currency monetary assets and liabilities are translated into the functional currency using exchange rates prevailing at the balance sheet date. Foreign currency non-monetary assets are translated using exchange rates prevailing at the transaction date. Foreign exchange gains and losses are included in the determination of net income.

The consolidated financial statements are presented in U.S. dollars ("USD"). The financial position and results of the Company's entities are translated from functional currencies to USD as follows:

- assets and liabilities are translated using exchange rates prevailing at the balance sheet date;
- income and expenses are translated using average exchange rates prevailing during the period; and
- all resulting exchange gains and losses are included in other comprehensive income.

The Company treats inter-company loan balances, which are not intended to be repaid in the foreseeable future, as part of its net investment. When a foreign entity is sold, the historical exchange differences plus the foreign exchange impact that arises on the transaction are recognized in the statement of income as part of the gain or loss on sale.

(f) Revenue Recognition

Revenue from contracts with customers is recognized when control of the asset sold is transferred to customers and the Company satisfies its performance obligation. Revenue is allocated to each performance obligation. The Company considers the terms of the contract in determining the transfer price. The transaction price is based upon the amount the Company expects to receive in exchange for the transferring of the assets. In determining whether the Company has satisfied a performance obligation, it considers the indicators of the transfer of control, which include, but are not limited to, whether: the Company has a present right to payment; the customer has legal title to the asset; the Company has transferred physical possession of the asset to the customer; and the customer has the significant risks and rewards of ownership of the asset. This generally occurs when the assets are loaded on the trucks arranged by the customer at the Company's milling facilities. In cases where the Company is responsible for the costs of shipping and certain other services after the date on which the control of the assets transferred to the customer, these other services are considered separate performance obligations and thus a portion of revenue earned under the contract is allocated and recognized as these performance obligations are satisfied.

Revenue from concentrate sales is typically recorded based on the Company's assay results for the quantity and quality of concentrate sold and the applicable commodity prices, such as silver, gold, lead and zinc, set on a specific quotation period, typical ranging from ten to fifteen days around shipment date, by reference to active and freely traded commodity market. Adjustments, if any, related to the final assay results for the quantity and quality of concentrate sold are not significant and do not constrain the recognition of revenue.

Smelter charges, including refining and treatment charges, are netted against revenue from metal concentrate sales.

(g)Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and held at banks and short-term money market investments that are readily convertible to cash with original terms of three months or less and exclude any restricted cash that is not available for use by the Company.

(h)Short-term Investments

Short-term investments consist of certificates of deposit and money market instruments, including cashable guaranteed investment certificates, bearer deposit notes and other financial assets with original terms of over three months but less than one year. Bonds traded on open markets are also included in short-term investments.

(i) Inventories

Inventories include concentrate inventories, direct smelting ore, stockpile ore and operating materials and supplies. The classification of inventory is determined by the stage at which the ore is in the production process. Material that does not contain a minimum quantity of metal to cover estimated processing expenses to recover the contained metal is not classified as inventory and is assigned no value.

Direct smelting ore and stockpiled ore are sampled for metal content and are valued at the lower of mining cost and net realizable value. Mining cost includes the cost of raw material, mining contractor cost, direct labour costs, depletion and depreciation, and applicable production overheads, based on normal operating capacity. Concentrate inventories are valued at the lower of cost and net realizable value. The cost of concentrate inventories includes the mining cost for stockpiled ore milled, freight charges for shipping stockpile ore from mine sites to mill sites and milling cost. Milling cost includes cost of materials and supplies, direct labour costs, and applicable production overheads cost, based on normal operating capacity. Material and supplies are valued at the lower of cost, determined on a weighted average cost basis, and net realizable value.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sales.

(j) Plant and Equipment

Plant and equipment are initially recorded at cost, including all directly attributable costs to bring the assets to the location and condition necessary for it to be capable of operating in the manner intended by management. Plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation is computed on a straight-line basis based on the nature and useful lives of the assets. The significant classes of plant and equipment and their estimated useful lives are as follows:

Buildings	20 years
Office equipment	5 years
Machinery	5-10 years
Motor vehicles	5 years
Land use rights	50 years
Leasehold improvements	5 years

Subsequent costs that meet the asset recognition criteria are capitalized, while costs incurred that do not extend the economic useful life of an asset are considered repairs and maintenance, which are accounted for as an expense recognized during the period.

Assets under construction are capitalized as construction-in-progress. The cost of construction-in-progress comprises of the asset's purchase price and any costs directly attributable to bringing it into working condition for its intended use. Construction-in-progress assets are transferred to other respective asset classes and are depreciated when they are completed and available for use.

Upon disposal or abandonment, the carrying amounts of plant and equipment are derecognized and any associated gain or loss is recognized in net income.

(k) Mineral Rights and Properties

Mineral rights and properties include the following capitalized payments and expenditures:

- Acquisition costs which consist of payments for property rights and leases, including payments to acquire or renew an exploration or mining permit, and the estimated fair value of properties acquired as part of business combination or the acquisition of a group of assets.
- Exploration and evaluation costs incurred on a specific property after an acquisition of a beneficial interest or option in the property. Exploration and evaluation expenditures on properties for which the Company does not have title or rights to are expensed when incurred. Exploration and evaluation activities involve the search for mineral resources, the determination of technical feasibility and the assessment of commercial viability of an identified resource.
- Development costs incurred to construct a mine and bring it into commercial production. Proceeds from sales generate during this development and pre-production stage, if any, are deducted from the costs of the asset.
- Expenditures incurred on producing properties that are expected to have future economic benefit, including to extend the life of the mine and to increase production by providing access to additional reserves, such as exploration tunneling that can increase or upgrade the mineral resources, and development tunneling, including to build shafts, drifts, ramps, and access corridors that enable to access ore underground.
- Borrowing costs incurred that are directly attributed to the acquisition, construction and development of a qualifying mineral property.
- Estimated of environmental rehabilitation and restoration costs.

Before commencement of commercial production, mineral rights and properties are carried at costs, less any accumulated impairment charges.

Upon commencement of commercial production, mineral rights and properties are carried at costs, less accumulated depletion and any accumulated impairment charges. Mineral rights and properties, other than the payments to renew mining permits (the “mine right fee”) are depleted over the mine’s estimated life using the units of production method calculated based on proven and probable reserves. Estimation of proven and probable reserves for each property is updated when relative information is available; the result will be prospectively applied to calculate depletion amounts for future periods. If commercial production commences prior to the determination of proven and probable reserves, depletion is calculated based on the mineable portion of measured and indicated resources. The mine right fee is depleted using the units of production method based on the mineral resources which were used to determine the mine right fee payable.

(l) Impairment and impairment reversals

At each reporting period, the Company reviews and evaluates its assets for impairment, or reversal of a previously recognized impairment, when events or changes in circumstances indicate that the related carrying amounts may not be recoverable or when there is an indication that impairment may have reversed.

When impairment indicators exist, an estimate of the recoverable amount is undertaken, being the higher of an asset's fair value less cost of disposal ("FVLCTD") and value in use ("VIU"). If the carrying value exceeds the recoverable amount, an impairment loss is recognized in the consolidated statement of income during the period.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. The cash flows are based on best estimates of expected future cash flows from the continued use of the asset and its eventual disposal.

FVLCTD is best evidence if obtained from an active market or binding sale agreement. Where neither exists, the fair value is based the best estimates available to reflect the amount that could be received from an arm's length transaction. Fair value of asset is generally determined as the present value of the estimated future cash flows expected to arise from the continued use of the asset, including any expansion prospects.

Impairment is normally assessed at the level of cash-generating units ("CGU"), a CGU is identified as the smallest identifiable group of assets that generates cash inflows which are independent of the cash inflows generated from other assets.

When there is an indication that an impairment loss recognized previously may no longer exist or has decreased, the recoverable amount is calculated. If the recoverable amount exceeds the carrying amount, the carrying value of the asset is increased to the recoverable amount. The increased carrying amount cannot exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognized as a gain in the consolidated statements of income in the period it is determined.

(m) Environmental Rehabilitation Provision

The mining, extraction and processing activities of the Company normally give rise to obligations for site closure or rehabilitation. Closure and decommissioning works can include facility decommissioning and dismantling; removal or treatment of waste materials; site and land rehabilitation. The extent of work required and the associated costs are dependent on the requirements of relevant authorities and the Company's environmental policies. Provisions for the cost of each closure and rehabilitation program are recognized at the time when environmental disturbance occurs. When the extent of disturbance increases over the life of an operation, the provision is increased accordingly. Costs included in the provision encompass all closure and decommissioning activity expected to occur progressively over the life of the operation and at the time of closure in connection with disturbances at the reporting date. Routine operating costs that may impact the ultimate closure and decommissioning activities, such as waste material handling conducted as an integral part of a mining or production process, are not included in the provision.

Costs arising from unforeseen circumstances, such as the contamination caused by unplanned discharges, are recognized as an expense and liability when the event gives rise to an obligation which is probable and capable of reliable estimation. The timing of the actual closure and decommissioning expenditure is dependent upon a number of factors such as the life and nature of the asset, the operating license conditions, and the environment in which the mine operates. Expenditure may occur before and after closure and can continue for an extended period of time dependent on closure and decommissioning requirements.

Closure and decommissioning provisions are measured at the expected amount of future cash flows, discounted to their present value for each operation. Discount rates used are specific to the underlying obligation. Significant judgments and estimates are involved in forming expectations of future activities and the amount and timing of the associated cash flows. Those expectations are formed based on existing environmental and regulatory requirements which give rise to a constructive or legal obligation.

When provisions for closure and decommissioning are initially recognized, the corresponding cost is capitalized as an asset, representing part of the cost of acquiring the future economic benefits of the operation. The capitalized cost of closure and decommissioning activities is recognized in Mineral Rights and Properties and depleted accordingly. The value of the provision is progressively increased over time as the effect of discounting unwinds, creating an expense recognized in finance costs. Closure and decommissioning provisions are also adjusted for changes in estimates. Those adjustments are accounted for as a change in the corresponding capitalized cost, except where a reduction in the provision is greater than the undepreciated capitalized cost of the related assets, in which case the capitalized cost is reduced to nil and the remaining adjustment is recognized in the income statement. In the case of closed sites, changes to estimated costs are recognized immediately in the consolidated statements of income. Changes to the capitalized cost result in an adjustment to future depreciation and finance charges.

Adjustments to the estimated amount and timing of future closure and decommissioning cash flows are a normal occurrence in light of the significant judgments and estimates involved. The provision is reviewed at the end of each reporting period for changes to obligations, legislation or discount rates that impact estimated costs or lives of operations and adjusted to reflect current best estimate.

The cost of the related asset is adjusted for changes in the provision resulting from changes in the estimated cash flows or discount rate and the adjusted cost of the asset is depreciated prospectively.

(n)Leases

Lease Definition

At inception of a contract, the Company assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. An identified asset may be implicitly or explicitly specified in a contract, but must be physically distinct, and must not have the ability for substitution by a lessor. A lessee has the right to control an identified asset if it obtains substantially all of its economic benefits and either predetermines or directs how and for what purposes the asset is used.

Measurement of Right of Use ("ROU") Assets and Lease Obligations

At the commencement of a lease, the Company, if acting in capacity as a lessee, recognizes an ROU asset and a lease obligation. The ROU asset is initially measured at cost, which comprises the initial amount of the lease obligation adjusted for any lease payments made at, or before, the commencement date, plus any initial direct costs incurred, less any lease incentives received.

The ROU asset is subsequently amortized on a straight-line basis over the shorter of the term of the lease, or the useful life of the asset determined on the same basis as the Company's plant and equipment. The ROU asset is periodically adjusted for certain remeasurements of the lease obligation, and reduced by impairment losses, if any. If an ROU asset is subsequently leased to a third party (a "sublease") and the sublease is classified as a finance lease, the carrying value of the ROU asset to the extent of the sublease is derecognized. Any difference between the ROU asset and the lease receivable arising from the sublease is recognized in profit or loss.

The lease obligation is initially measured at the present value of the lease payments remaining at the lease commencement date, discounted using the interest rate implicit in the lease or the Company's incremental borrowing rate if the rate implicit in the lease cannot be determined. Lease payments included in the measurement of the lease obligation, when applicable, may comprise of fixed payments, variable payments that depend on an index or rate, amounts expected to be payable under a residual value guarantee and the exercise price under a purchase, extension or termination option that the Company is reasonably certain to exercise.

The lease obligation is subsequently measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease obligation is remeasured, a corresponding adjustment is made to the carrying amount of the ROU asset.

Measurement of Lease Receivable

At the commencement of a lease, the Company, if acting in capacity as a lessor, will classify the lease as finance lease and recognize a lease receivable at an amount equal to the net investment in the lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset or if the lease is a sublease, by reference to the ROU asset arising from the original lease (the "head lease"). A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset or the lease is a short-term lease. Cash received from an operating lease is included in other income in the Company's consolidated statement of income on a straight-line basis over the period the lease.

The lease receivable is initially measure at the present value of the lease payments remaining at the lease commencement date, discounted at the interest rate implicit in the lease or the Company's incremental borrowing rate if the sublease is a finance lease. The lease receivable is subsequently measured at amortized cost using the effective interest rate method, and reduced by the amount received and impairment losses, if any.

Recognition Exemptions

The Company has elected not to recognize the ROU asset and lease obligations for short-term leases that have a lease term of 12 months or less or for leases of low-value assets. Payments associated with these leases are recognized as general and administrative expense on a straight-line basis over the lease term on the consolidated statement of income.

(o)Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset, which necessarily takes a substantial period of time to get ready for its intended use or sale, are capitalized as part of the cost of that asset. All other borrowing costs are expensed in the period in which they are incurred. No borrowing costs were capitalized in the periods presented.

(p) Share-based Payments

The Company makes share-based awards, including restricted share units ("RSUs"), performance share units ("PSUs"), and stock options, to employees, officers, directors, and consultants.

For equity-settled awards, the fair value is charged to the consolidated statements of income and credited to equity, on a straight-line basis over the vesting period, after adjusting for the estimated number of awards that are expected to vest. The fair value of share units is determined based on quoted market price of our common shares at the date of grant. The fair value of the stock options granted to employees, officers, and directors is determined at the date of grant using the Black-Scholes option pricing model with market related input. The fair value of stock options granted to consultants is measured at the fair value of the services delivered unless that fair value cannot be estimated reliably, which then is determined using the Black-Scholes option pricing model. Stock options with graded vesting schedules are accounted for as separate grants with different vesting periods and fair values.

At each statement of financial position date prior to vesting, the cumulative expense representing the extent to which the vesting period has expired and management's best estimate of the awards that are ultimately expected to vest is computed (after adjusting for non-market performance conditions). The movement in cumulative expense is recognized in the consolidated statements of income with a corresponding entry within equity. No expense is recognized for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition, which are treated as vested irrespective of whether or not the market condition is satisfied, provided that all other performance conditions are satisfied.

(q)Income Taxes

Current tax for each taxable entity is based on the local taxable income at the local statutory tax rate enacted or substantively enacted at the balance sheet date and includes adjustments to tax payable or recoverable in respect to previous periods.

Current tax assets and current tax liabilities are only offset if a legally enforceable right exists to set off the amounts, and the Company intends to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax is recognized using the balance sheet liability method on temporary differences at the reporting date between the tax bases of assets and liabilities, and their carrying amounts for financial reporting purposes. Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses, can be utilized, except:

- where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred income tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Unrecognized deferred income tax assets are reassessed at the end of each reporting period and are recognized to the extent that it has become probable that future taxable profit will be available to allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax relating to items recognized outside profit or loss is recognized in other comprehensive income or directly in equity.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

(r) Earnings per Share

Earnings per share are computed by dividing net income available to equity holders of the Company by the weighted average number of common shares outstanding for the period. Diluted earnings per share reflect the potential dilution that could occur if additional common shares are assumed to be issued under securities that entitle their holders to obtain common shares in the future. For stock options and warrants, the number of additional shares for inclusion in diluted earnings per share calculations is determined by the options and warrants, whose exercise price is less than the average market price of the Company's common shares, are assumed to be exercised and the proceeds are used to repurchase common shares at the average market price for the period. The incremental number of common shares issued under stock options, and repurchased from proceeds, is included in the calculation of diluted earnings per share.

(s) Financial Instruments

Initial recognition:

On initial recognition, all financial assets and financial liabilities are recorded at fair value adjusted for directly attributable transaction costs except for financial assets and liabilities classified as fair value through profit or loss ("FVTPL"), in which case transaction costs are expensed as incurred.

Subsequent measurement of financial assets:

Subsequent measurement of financial assets depends on the classification of such assets.

I. Non-equity instruments:
IFRS 9 includes a single model that has only two classification categories for financial instruments other than equity instruments: amortized cost and fair value. To qualify for amortized cost accounting, the instrument must meet two criteria:
   i. The objective of the business model is to hold the financial asset for the collection of the contractual cash flows; and
   ii. All contractual cash flows represent only principal and interest on that principal.

All other instruments are mandatorily measured at fair value.

II. Equity instruments:
At initial recognition, for equity instruments other than held for trading, the Company may make an irrevocable election to designate them, on instrument by instrument basis, as either FVTPL or fair value through other comprehensive income ("FVTOCI").

Financial assets classified as amortized cost are measured at the amount of initial recognition minus principal repayments, plus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any impairment loss allowance. Amortization or interest income from the effective interest method is included in finance income.

Financial assets classified as FVTPL are measured at fair value with changes in fair values recognized in profit or loss. Equity investments designated as FVTOCI are measured at fair value with changes in fair values recognized in other comprehensive income ("OCI"). Dividends from that investment are recorded in profit or loss when the Company's right to receive payment of the dividend is established unless they represent a recovery of part of the cost of the investment.

Impairment of financial assets carried at amortized cost:

The Company recognizes a loss allowance for expected credit losses on its financial assets carried at amortized cost. The amount of expected credit losses is updated at each reporting period to reflect changes in credit risk since initial recognition of the respective financial instruments.

Subsequent measurement of financial liabilities:

Financial liabilities classified as amortized cost are measured at the amount of initial recognition minus principal repayments, plus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount. Amortization or interest expense using the effective interest method is included in finance costs.

Financial liabilities classified as FVTPL are measured at fair value with gains and losses recognized in profit or loss.

The Company classifies its financial instruments as follows:

- Financial assets classified as FVTPL: cash and cash equivalents, short-term investments - money market instruments, and other investments - equity investments designated as FVTPL and warrants;
- Financial assets classified as FVTOCI: other investments - equity investments designated as FVTOCI;
- Financial assets classified as amortized cost: short-term investments - bonds, trade and other receivables and due from related parties;
- Financial liabilities classified as amortized cost: accounts payable and accrued liabilities, dividends payable, bank loan, customer deposits and due to related parties.

Derecognition of financial assets and financial liabilities:

A financial asset is derecognized when:

- The rights to receive cash flows from the asset have expired; or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a ‘pass-through’ arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Gains and losses on derecognition of financial assets and liabilities classified as amortized cost are recognized in profit or loss when the instrument is derecognized or impaired, as well as through the amortization process.

Gains and losses on derecognition of equity investments designated as FVTOCI (including any related foreign exchange component) are recognized in OCI. Amounts presented in OCI are not subsequently transferred to profit or loss.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another liability from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability. In this case, a new liability is recognized, and the difference in the respective carrying amounts is recognized in the statement of income.

Offsetting of financial instruments:

Financial assets and liabilities are offset and the net amount is reported in the consolidated statement of financial position if and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle liabilities simultaneously.

Fair value of financial instruments:

The fair value of financial instruments that are traded in active markets at each reporting date is determined by reference to quoted market prices, without deduction for transaction costs. For financial instruments that are not traded in active markets, the fair value is determined using appropriate valuation techniques, such as using a recent arm's length market transaction between knowledgeable and willing parties, discounted cash flow analysis, reference to the current fair value of another instrument that is substantially the same, or other valuation models.

(t) Government Assistance

Refundable mining exploration tax credits received from eligible mining exploration expenditures and other government grants received for project construction and development reduce the carrying amount of the related mineral rights and properties or plant and equipment assets. The depletion or depreciation of the related mineral rights and properties or plant and equipment assets is calculated based on the net amount.

Government subsidies as compensation for expenses already incurred are recognized in profit and loss during the period in which it becomes receivable.

(u) Significant Accounting Judgments and Estimates

The preparation of consolidated financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions about future events that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Although these judgments and estimates are continuously evaluated and are based on management's experience and best knowledge of relevant facts and circumstances, actual results may differ from these estimates.

Areas where critical accounting judgments have the most significant effect on the consolidated financial statements include:

Capitalization of expenditures included in mineral rights and properties - management has determined that those capitalized expenditures, including exploration and evaluation expenditures and development costs incurred at producing properties, have potential future economic benefits and are potentially economically recoverable, subject to impairment analysis. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefit, including geologic and metallurgic information, history of conversion of mineral deposits to proven and probable reserves, scoping and feasibility studies, accessible facilities, existing permits, whether to extend of the mine life, increase future production, or to provide access to a component of an ore body that will be mined in a future period.

Indicators of Impairment and impairment reversal - Management applies significant judgement in assessing whether indicators of impairment or reserve impairment exist for an asset or group of assets which would necessitate impairment testing. Internal and external factors such as significant changes in the use of the asset, commodity prices, and interest rates are used in determining whether there are indicators.

Income taxes - Deferred tax assets and liabilities are determined based on difference between the financial statements carrying values of assets and liabilities and their respective income tax based and loss carried forward. Withholding tax are determined based on the earnings of foreign subsidiary distributed to the Company.

The recognition of deferred tax assets and the determination of the ability of the Company to utilize tax loss carry-forwards to offset deferred tax liabilities requires management to exercise judgement and make certain assumptions about the future performance of the Company. Management is required to access whether it is "probable" that the Company will benefit from these prior losses and other deferred tax assets. Changes in economic conditions, metal prices, and other factors could result in revision to the estimates of the benefits to be realized or the timing of utilization of the losses.

Functional currency - The determination of an entity's functional currency often requires significant judgement where the primary economic environment in which the entity operates may not be clear. This can have a significant impact on the consolidated results based the foreign currency translation method of the Company.

Contingencies - Contingencies can be either possible assets or liabilities arising from past events which, by their nature, will only be resolved when one or more future events not wholly within our control occur or fail to occur. The assessment of such contingencies inherently involves the exercise of significant judgment and estimates of the outcome of future events. In assessing loss contingencies related to legal, tax or regulatory proceedings that are pending against us or unasserted claims, that may result in such proceedings or regulatory or government actions that may negatively impact our business or operations, we evaluate with our legal counsel the perceived merits of any legal, tax or regulatory proceedings, unasserted claims or actions. Also evaluated are the perceived merits of the nature and amount of relief sought or expected to be sought, when determining the amount, if any, to recognize as a contingent liability or assessing the impact on the carrying value of assets. Contingent assets or liabilities are not recognized in the consolidated financial statements.

Consolidation of entities in which the Group holds less than a majority of voting rights - As at March 31, 2021, the Company owned 43.75% interest in New Infini (Note 3) and has evaluated and concluded that the Company has control over New Infini due to New Infini's share structure, board composition and other related facts. Accordingly consolidates New Infini's results from the date of acquisition.

Areas where critical accounting estimates have the most significant effect on the amounts recognized in the consolidated financial statements include:

Mineral Reserves and Mineral Resources estimates - Mineral reserves and mineral resources are estimated by qualified persons in accordance with National Instrument 43-101, "Standards of Disclosure form Mineral Projects", issued by the Canadian Securities Administrators. There are numerous uncertainties inherent in estimating mineral reserves and mineral resources, including many factors beyond the Company's control. Such estimation is a subjective process, and the accuracy of any mineral reserve or mineral resource estimate is a function of the quantity and quality of available data and of the assumptions made and judgements used in engineering and geological interpretation. Changes in assumptions, including metal prices, production costs, recovery rate, and market conditions could result in mineral reserve and mineral resource estimate revision. Such change could impact depreciation and amortization rates, asset carrying value and the environmental and rehabilitation provision.

Impairment and reserve impairment of assets - Where an indicator of impairment and reserves impairment exists, a formal estimate of the recoverable amount is made, which is determined as the higher of FVLCTD and VIU.

The determination of FVLCTD and VIU requires management to make estimates and assumptions about expected production based on current estimates of recoverable metal, commodity prices, operating costs, taxes and export duties, inflation and foreign exchange, salvage value, future capital expenditures and discount rates. The estimates and assumptions are subject to risk and uncertainty; hence, there is the possibility that changes in circumstances will alter these projections, which may impact the recoverable amount of the assets. In such circumstances, some or all of the carrying value of the assets may be further impaired or the impairment charge reversed with the impact recorded in the consolidated statements of (loss) income.

Valuation of inventory - Stockpiled ore, direct smelting ore, and concentrate inventories are valued at the lower of average cost and net realizable value. Net realizable value is calculated as the estimated price at the time of sale based on prevailing and forecast metal prices less estimated future production costs to convert the inventory into saleable form and associated selling costs. The determination of forecast sales price, recovery rates, grade, assumed contained metal in stockpiles and production and selling costs requires significant assumptions that may impact the stated value of our inventory and lead to changes in NRV. In determining the value of material and supplies inventory, we make estimates of the amounts to be used and realizable value through disposals or sales. Changes in these estimates can result in a change in carrying amounts of inventory, as well as cost of sales.

Environmental rehabilitation provision and the timing of expenditures - Environmental rehabilitation costs are a consequence of exploration activities and mining. The cost estimates are updated annually during the life of a mine to reflect known developments, (e.g. revisions to cost estimates and to the estimated lives of operations), and are subject to review at regular intervals. Decommissioning, restoration and similar liabilities are estimated bases on the Company's interpretation of current regulatory requirements, constructive obligations and are measured at the best estimates of expenditures required to settle the present obligation of decommissioning, restoration or similar liabilities that may occur over the life of the mine. The carrying amount is determined based on the net present value of estimated future cash expenditures for the settlement of decommissioning, restoration or similar liabilities that may occur over the life of the mine. Such estimates are subject to change based on change in laws and regulations and negotiations with regulatory authorities.

3. LA YESCA ACQUISITION

On December 17, 2020 the Company and its subsidiary New Infini entered into a framework agreement (the "Agreement") with various arm's length vendors (the "Vendors"), whereby New Infini agreed to acquire 100% interest in the La Yesca Silver Project ("La Yesca") through indirect purchase of all of the issued and outstanding shares of Infini Resources, S.A. de C.V., a Mexican company which owns La Yesca. La Yesca is a silver-polymetallic, epithermal-type project located approximately 100 kilometres ("km") (185 km by road) northwest of Guadalajara, the second-largest city in Mexico. The concessions comprising La Yesca cover an area of approximately 47.7 km^2. In total, 7,649 metres from 25 drill holes have previously been completed, all of which intersected mineralization.

The purchase consideration and payment terms for the acquisition of La Yesca are summarized as follows:

- Upon closing of the Agreement, a $8,250 cash payment (the "Initial Cash Payment") and the transfer of a 45% interest in the issued and outstanding shares of New Infini (the "New Infini Shares") to the Vendors;
- Within 90 days of closing of the Agreement, a cash payment of $1,000, less any liabilities contemplated under the Agreement (together with the Initial Cash Payment, the "Cash Consideration"); and
- A "Discovery payment" of up to $30,000 calculated on the basis of $0.20 per ounce of Ag resources as defined by National Instrument 43-101 Standards of Disclosure for Mineral Projects paid by New Infini to the Vendors subject to certain permitting considerations.

The Company paid $7,568 of the Cash Consideration through a capital injection to New Infini to hold 45% of the issued and outstanding New Infini Shares. A group of the Company's directors, officers, employees and consultants paid $1,682 of the Cash Consideration collectively to hold 10% of the issued and outstanding New Infini Shares. The transaction has been accounted for as an acquisition of assets as the purchase price was concentrated on a single asset, the La Yesca mineral property interest. The purchase consideration was allocated to the assets acquired based on their relative fair values at the date of the acquisition, net of any associated liabilities.

On January 14, 2021, the Company participated in a private placement of New Infini Shares and purchased an additional 3,000,000 New Infini Shares for $1,500. As at March 31, 2021, the Company owned 21,000,000 New Infini Shares, representing a 43.75% interest in New Infini.

4. SHORT-TERM INVESTMENTS

As at March 31, 2021, short-term investments consist of the following:

		Amount	Interest rates	Maturity
Bonds	**$**	**15,812**	5.38% - 13.00%	January 10, 2022 - September 3, 2024
Money market instruments		**64,545**		
	$	**80,357**		

As at March 31, 2020, short-term investments consist of the following:

		Amount	Interest rates	Maturity
Bonds	$	23,313	6.00% - 13.00%	April 2, 2020 - June 27, 2024
Money market instruments		53,429		
	$	76,742		

All bonds were purchased on open markets and are readily tradable.

5. INVENTORIES

Inventories consist of the following:

		March 31, 2021		March 31, 2020
Direct smelting ore and stockpile ore	**$**	**1,916**	$	1,138
Concentrate inventory		**4,536**		4,368
Total stockpile and concentrate		**6,452**		5,506
Material and supplies		**3,316**		2,924
	$	**9,768**	$	8,430

The amount of inventories recognized as expense during the year ended March 31, 2021 was $90,978 (year ended March 31, 2020 - $82,744).

6. INVESTMENT IN ASSOCIATES

(a) Investment in New Pacific Metals Corp.

New Pacific Metals Corp. (“NUAG”) is a Canadian public company listed on the TSX Exchange (symbol: NUAG). NUAG is a related party of the Company by way of two common directors and one officer, and the Company accounts for its investment in NUAG using the equity method as it is able to exercise significant influence over the financial and operating policies of NUAG.

On June 9, 2020, the Company participated in an underwritten offering of common shares of NUAG and acquired an additional 1,320,710 common shares of NUAG for a cost of $5,805.

On July 22 2020, NUAG announced the spin-out by way of a plan of arrangement (the "Arrangement") of its then wholly-owned subsidiary, Whitehorse Gold Corp. ("WHG"), which owns 100% Skukum Gold Project (formerly "Tagish Lake Gold Project") located in Yukon, Canada. Upon completion of the Arrangement on November 18, 2020, NUAG and WHG became two separate entities, and NUAG distributed all of the WHG common shares held by NUAG to its shareholders on a pro rata basis. WHG common shares were listed on the TSX Venture Exchange.

As at March 31, 2021, the Company owned 43,917,216 common shares of NUAG (March 31, 2020 -42,596,506), representing an ownership interest of 28.6% (March 31, 2020 - 28.8%). The summary of the investment in NUAG common shares and its market value as at the respective balance sheet dates are as follows:

	Number of shares	Amount	Value of NUAG's common shares per quoted market price
Balance April 1, 2019	39,346,300	$ 38,703	$ 69,783
Purchase from open market	502,600	861	
Exercise of warrants	1,500,000	2,349	
Participation in public offering	1,247,606	3,820	
Share of net loss		(1,276)	
Share of other comprehensive income		1,077	
Dilution gain		723	
Disposal of common shares held by the associate		1,127	
Foreign exchange impact		(2,829)	
Balance March 31, 2020	**42,596,506**	**$ 44,555**	**$ 148,624**
Participation in public offering	1,320,710	5,805	
WHG Spin-out		(1,793)	
Share of net loss		(1,672)	
Share of other comprehensive loss		(2,324)	
Foreign exchange impact		5,828	
Balance March 31, 2021	**43,917,216**	**$ 50,399**	**$ 181,257**

Summarized financial information for the Company's investment in NUAG on a 100% basis is as follows:

	Years ended March 31,	
	2021 (1)	2020 (1)
Income from investments	**$ 1,278**	$ 494
General and administrative expense	**(5,836)**	(3,824)
Gain on disposal of PPE	**(2)**	-
Foreign exchange gain	**(1,281)**	669
Impairment reversal	**8,862**	(586)
Net loss of associate	**$ 3,021**	$ (3,247)
Adjustments to net loss of associate	**(8,862)**	(1,170)
Net loss of associate qualified for pick-up	**$ (5,841)**	$ (4,417)
Company's share of net loss	**$ (1,672)**	$ (1,276)

(1)NUAG's fiscal year-end is on June 30. NUAG's quarterly financial results were used to compile the financial information that matched with the Company's year-end on March 31.

	As at March 31, 2021	As at March 31, 2020
Current assets	**$ 48,511**	$ 29,012
Non-current assets	**78,164**	74,989
Total assets	**$ 126,675**	$ 104,001
Current liabilities	**811**	1,409
Total liabilities	**811**	1,409
Net assets	**$ 125,864**	$ 102,592
Company's share of net assets of associate	**$ 35,932**	$ 29,575

(b) Investment in Whitehorse Gold Corp.

WHG is a Canadian public company listed on the TSX Venture Exchange (symbol: WHG). The Company accounts for its investment in WHG using the equity method as it is able to exercise significant influence over the financial and operating policies of WHG.

On November 18, 2020, the Company received 5,740,285 WHG common shares distributed by NUAG to the Company under the Arrangement. In connection with the Arrangement, WHG conducted a non-brokered private placement financing. The Company participated in WHG's private placement and acquired an additional 5,774,000 common shares of WHG for a cost of $1,326.

As at March 31, 2021, the Company owned 11,514,285 common shares of WHG (March 31, 2020 - nil), representing an ownership interest of 26.99% (March 31, 2020 - nil). The summary of the investment in WHG common shares and its market value as at the respective balance sheet dates are as follows:

	Number of shares	Amount	Value of WHG's common shares per quoted market price
Balance April 1, 2020			
Distributed under WHG spin-out	5,740,285	1,793	
Participation in private placement	5,774,000	1,326	
Share of other net loss		(174)	
Foreign exchange impact		113	
Balance March 31, 2021	**11,514,285**	**$ 3,058**	**$ 15,108**

Summarized financial information for the Company's investment in WHG on a 100% basis is as follows:

	Year ended March 31,2021 (1)
General and administrative expense	**$ (825)**
Other expense	**(31)**
Net loss of associate	**$ (856)**
Adjustments to net loss of associate	**211**
Net loss of associate qualified for pick-up	**$ (645)**
Company's share of net loss	**$ (174)**

(1)WHG's fiscal year-end is on December 31. WHG's quarterly financial results were used to compile the financial information that matched with the Company's year-end on March 31.

	As at March 31, 2021
Current assets	**$ 823**
Non-current assets	**10,862**
Total assets	**$ 11,685**
Current liabilities	**237**
Total liabilities	**237**
Net assets	**$ 11,448**
Company's share of net assets of associate	**$ 3,090**

Subsequent to March 31, 2021, the Company participated in a brokered private placement of Whitehorse Gold and purchased 4,000,000 units at the cost of $4,960. Each unit consisted of one Whitehorse common share and one common share purchase warrant with exercise price of CAD$2 which expires on May 14, 2026.

7. OTHER INVESTMENTS

	March 31, 2021	March 31, 2020
Equity investments designated as FVTOCI		
Public companies	**$ 2,966**	$ 6,633
Private companies	**2,289**	2,117
	5,255	8,750
Equity investments designated as FVTPL		
Public companies	**10,478**	-
Total	**$ 15,733**	$ 8,750

Investments in publicly traded companies represent equity interests of other publicly-trading mining companies that the Company has acquired through the open market or through private placements. Investment in equity instruments that are held for trading are classified as FVTPL. For other investment in equity instruments, the Company can make an irrevocable election, on an instrument-by-instrument basis, to designate them as FVTPL or FVTOCI.

The continuity of such investments is as follows:

	Fair Value	Accumulated fair value change included in OCI	Accumulated fair value change included in P&L
April 1, 2019	$ 9,253	$ (35,128)	$ -
Gain on equity investments	249	249	-
Acquisition	7,851	-	-
Disposal	(8,454)	-	-
Impact of foreign currency translation	(149)	-	-
March 31, 2020	**$ 8,750**	**$ (34,879)**	**$ -**
Gain on equity investments designated as FVTOCI	12,069	12,069	-
Gain on equity investments designated as FVTPL	7,188	-	7,188
Acquisition	12,708	-	-
Disposal	(19,301)	-	-
Reclassified to short-term investments	(7,511)	-	-
Impact of foreign currency translation	1,830	-	-
March 31, 2021	**$ 15,733**	**$ (22,810)**	**$ 7,188**

On April 26, 2020, the Company entered into a definitive agreement with Guyana Goldfields Inc. (“Guyana Goldfields”), and subsequently amended on May 16, 2020 (collectively, the “Arrangement Agreement”) to acquire all of the issued and outstanding shares of Guyana Goldfields. On June 10, 2020, Guyana Goldfield terminated the Arrangement Agreement and paid the Company a break fee of $6,497 (CAD$9,000). The gain was recorded as a recovery of property evaluation and business development expense on the consolidated statements of income to net off related expenditure and cost. The fair value of the shares of Guyana Goldfields was reclassified to short-term investments from other investments during the year. All shares of Guyana Goldfields held by the Company were disposed during the year, and a gain of $15,430 was realized.

8. PLANT AND EQUIPMENT

Plant and equipment consist of:

Cost	Land use rights and building	Office equipment	Machinery	Motor vehicles	Construction in progress	Total
Balance as at April 1, 2019	$ 100,028	$ 7,735	$ 29,452	$ 6,722	$ 5,790	$ 149,727
Adjustment upon adoption of IFRS 16	360	-	-	-	-	360
Additions	1,736	1,060	1,082	681	3,618	8,177
Disposals	(6,932)	(368)	(3,265)	(630)	(52)	(11,247)
Reclassification of asset groups[1]	6,908	-	65	-	(6,973)	-
Impact of foreign currency translation	(5,646)	(417)	(1,534)	(357)	(247)	(8,201)
Balance as at March 31, 2020	$ 96,454	$ 8,010	$ 25,800	$ 6,416	$ 2,136	$ 138,816
Additions	182	864	1,117	1,059	7,189	10,411
Disposals	(205)	(250)	(291)	(480)	-	(1,226)
Reclassification of asset groups[1]	5,579	325	2,221	-	(8,125)	-
Impact of foreign currency translation	8,141	711	2,227	542	142	11,763
Ending balance as at March 31, 2021	**$ 110,151**	**$ 9,660**	**$ 31,074**	**$ 7,537**	**$ 1,342**	**$ 159,764**
Impairment, accumulated depreciation and amortization						
Balance as at April 1, 2019	$ (49,929)	$ (5,409)	$ (20,701)	$ (5,017)	$ (54)	$ (81,110)
Disposals	6,821	278	3,051	574	52	10,776
Depreciation and amortization	(3,481)	(527)	(1,601)	(384)	-	(5,993)
Impact of foreign currency translation	2,602	283	1,083	263	2	4,233
Balance as at March 31, 2020	$ (43,987)	$ (5,375)	$ (18,168)	$ (4,564)	$ -	$ (72,094)
Disposals	90	228	176	388	-	882
Depreciation and amortization	(3,921)	(630)	(1,629)	(496)	-	(6,676)
Impact of foreign currency translation	(3,752)	(469)	(1,550)	(376)	-	(6,147)
Ending balance as at March 31, 2021	**$ (51,570)**	**$ (6,246)**	**$ (21,171)**	**$ (5,048)**	**$ -**	**$ (84,035)**
Carrying amounts						
Balance as at March 31, 2020	$ 52,467	$ 2,635	$ 7,632	$ 1,852	$ 2,136	$ 66,722
Ending balance as at March 31, 2021	**$ 58,581**	**$ 3,414**	**$ 9,903**	**$ 2,489**	**$ 1,342**	**$ 75,729**

[1] When an asset is available for use, it is reclassified from construction in progress to one of the appropriate plant and equipment categories.

Carrying amounts as at March 31, 2021	Ying Mining District	BYP	GC	Other	Total
Land use rights and building	$ 41,177	$ 3,047	$ 12,369	$ 1,988	$ 58,581
Office equipment	2,647	20	448	299	3,414
Machinery	7,114	213	2,576	-	9,903
Motor vehicles	1,917	20	359	193	2,489
Construction in progress	796	533	13	-	1,342
Total	**$ 53,651**	**$ 3,833**	**$ 15,765**	**$ 2,480**	**$ 75,729**

Carrying amounts as at March 31, 2020	Ying Mining District	BYP	GC	Other	Total
Land use rights and building	$ 35,476	$ 3,094	$ 11,762	$ 2,135	$ 52,467
Office equipment	1,886	26	403	320	2,635
Machinery	5,734	258	1,640	-	7,632
Motor vehicles	1,598	22	232	-	1,852
Construction in progress	419	493	1,224	-	2,136
Total	$ 45,113	$ 3,893	$ 15,261	$ 2,455	$ 66,722

During the year ended March 31, 2021, certain plant and equipment were disposed for proceeds of $51 (year ended March 31, 2020 - $10) and loss of $293 (year ended March 31, 2020 - loss of $461).

9. MINERAL RIGHTS AND PROPERTIES

Mineral rights and properties consist of:

	Producing and development properties			Exploration and evaluation properties			
Cost	**Ying Mining District**	**BYP**	**GC**	**XHP**	**RZY**	**La Yesca**	**Total**
Balance as at April 1, 2019	$ 288,453	$ 64,305	$ 107,161	$ 20,909	$ 174	$ -	$ 481,002
Capitalized expenditures	23,871	6	1,617	-	-	-	25,494
Mine right fees	797	-	-	-	-	-	797
Environmental rehabiliation	(4,299)	39	239	-	-	-	(4,021)
Disposition	-	-	-	(20,485)	-	-	(20,485)
Foreign currecy translation impact	(15,686)	(778)	(5,706)	(424)	(10)	-	(22,604)
Balance as at March 31, 2020	$ 293,136	$ 63,572	$ 103,311	$ -	$ 164	$ -	$ 460,183
Capitalized expenditures	31,138	30	3,890	-	-	87	35,145
Acquisition (Note 3)	-	-	-	-	-	16,660	16,660
Environmental rehabiliation	(1,268)	(135)	(207)	-	-	-	(1,610)
Foreign currecy translation impact	24,994	1,142	8,616	-	21	-	34,773
Ending balance as at March 31, 2021	**$ 348,000**	**$ 64,609**	**$ 115,610**	**$ -**	**$ 185**	**$ 16,747**	**$ 545,151**
Impairment and accumulated depletion							
Balance as at April 1, 2019	$ (91,179)	$ (57,083)	$ (80,491)	$ (13,155)	$ (174)	$ -	$ (242,082)
Depletion	(14,282)	-	(2,165)	-	-	-	(16,447)
Disposition	-	-	-	12,888	-	-	12,888
Foreign currecy translation impact	5,071	395	4,301	267	10	-	10,044
Balance as at March 31, 2020	$ (100,390)	$ (56,688)	$ (78,355)	$ -	$ (164)	$ -	$ (235,597)
Depletion	(13,921)	-	(2,419)	-	-	-	(16,340)
Foreign currecy translation impact	(8,666)	(576)	(6,522)	-	(21)	-	(15,785)
Ending balance as at March 31, 2021	**$ (122,977)**	**$ (57,264)**	**$ (87,296)**	**$ -**	**$ (185)**	**$ -**	**$ (267,722)**
Carrying amounts							
Balance as at March 31, 2020	$ 192,746	$ 6,884	$ 24,956	$ -	$ -	$ -	$ 224,586
Ending balance as at March 31, 2021	**$ 225,023**	**$ 7,345**	**$ 28,314**	**$ -**	**$ -**	**$ 16,747**	**$ 277,429**

10. LEASES

The following table summarizes changes in the Company's lease receivable and lease obligation related to the Company's office lease and associated sublease.

	Lease Receivable	Lease Obligation
Adjustment upon adoption of IFRS 16, April 1, 2019	$ 447	$ 1,463
Addition	238	1,239
Interest accrual	27	112
Interest received or paid	(27)	(112)
Principal repayment	(118)	(503)
Foreign exchange impact	(33)	(130)
Balance, March 31, 2020	$ 534	$ 2,069
Interest accrual	24	95
Interest received or paid	(24)	(95)
Principal repayment	(196)	(563)
Foreign exchange impact	58	235
Balance, March 31, 2021	**$ 396**	**$ 1,741**
Less: current portion	**(213)**	**(657)**
Non-current portion	**$ 183**	**$ 1,084**

The following table presents a reconciliation of the Company's undiscounted cash flows to their present value for its lease receivable and lease obligation:

		Lease Receivable		Lease Obligation
Within 1 year	$	231	$	692
Between 2 to 5 years		183		1,188
Total undiscounted amount		**414**		**1,880**
Less future interest		(18)		(139)
Total discounted amount	**$**	**396**	**$**	**1,741**
Less: current portion		**(213)**		**(657)**
Non-current portion	**$**	**183**	**$**	**1,084**

The lease receivable and lease obligation were discounted using an estimated incremental borrowing rate of 5%.

11. ENVIRONMENTAL REHABILITATION

The following table presents the reconciliation of the beginning and ending obligations associated with the retirement of the properties:

		Total
Balance, April 1, 2019	$	13,688
Reclamation expenditures		(385)
Unwinding of discount of environmental rehabilitation		422
Revision of provision		(4,021)
Derecognition upon disposal of SX Gold		(289)
Foreign exchange impact		(715)
Balance, March 31, 2020	**$**	**8,700**
Reclamation expenditures		(189)
Unwinding of discount of environmental rehabilitation		251
Revision of provision		(1,610)
Foreign exchange impact		711
Balance, March 31, 2021	**$**	**7,863**

As at March 31, 2021, the total undiscounted amount of estimated cash flows required to settle the Company's environmental rehabilitation provision was $10,549 (March 31, 2020 - $11,408) over the next twenty-five years, which has been discounted using an average discount rate of 3.39% (March 31, 2020 -2.75%).

During the year ended March 31, 2021, the Company incurred actual reclamation expenditures of $189 (year ended March 31, 2020 - $385), paid reclamation deposit of $460 (year ended March 31, 2020 -$1,727) and received reclamation deposit refund of $1,855 (year ended March 31, 2020 - $nil).

12. SHARE CAPITAL

(a) Authorized

Unlimited number of common shares without par value. All shares issued as at March 31, 2021 and 2020 were fully paid.

(b) Share-based compensation

The Company has a share-based compensation plan (the "Plan") which consists of stock options, restricted share units (the "RSUs") and performance share units (the "PSUs"). The Plan allows for the maximum number of common shares to be reserved for issuance on any share-based compensation to be a rolling 10% of the issued and outstanding common shares from time to time. Furthermore, no more than 3% of the reserve may be granted in the form of RSUs and PSUs.

For the year ended March 31, 2021, a total of $4,307 (year ended March 31, 2020 - $2,669) in share-based compensation expense was recognized and included in the general and administrative and exploration and business development expenses on the consolidated statements of income.

(i) Stock options

The following is a summary of option transactions:

	Number of shares		Weighted average exercise price per share CAD$
Balance, April 1, 2019	6,480,916	$	2.86
Options exercised	(3,833,406)		2.78
Options forfeited	(123,750)		3.29
Options expired	(100,000)		1.75
Balance, March 31, 2020	**2,423,760**	**$**	**3.00**
Option granted	1,127,000		7.25
Options exercised	(1,553,338)		3.02
Options forfeited	(135,004)		4.52
Balance, March 31, 2021	**1,862,418**	**$**	**5.45**

During the year ended March 31, 2021, a total of 1,127,000 options with a life of five years were granted to directors, officers, and employees at an exercise price of CAD$5.46 to $9.45 per share subject to a vesting schedule over a three-year term with 1/6 of the options vesting every six months after the date of grant until fully vested.

The fair value of stock options granted during year ended March 31, 2021 were calculated as of the date of grant using the Black-Scholes option pricing model with the following weighted average assumptions:

	Year ended March 31, 2021
Risk free interest rate	**0.31%**
Expected life of option in years	**2.75 years**
Expected volatility	**67%**
Expected dividend yield	**0.51%**
Estimated forfeiture rate	**9.87%**
Weighted average share price at date of grant	**$7.25 CAD**

The weighted average grant date fair value of options granted during the year ended March 31, 2021 was CAD$2.93 (US$2.33). Volatility was determined based on the historical volatility of the Company's shares over the estimated life of stock options.

The following table summarizes information about stock options outstanding at March 31, 2021:

Exercise price in CAD$	Number of options outstanding at March 31, 2021	Weighted average remaining contractual life (Years)	Weighted average exercise price in CAD$	Number of options exercisable at March 31, 2021	Weighted average exercise price in CAD$
$2.60	430,000	0.63	$2.60	430,000	$2.60
$3.40	363,750	0.40	$3.40	363,750	$3.40
$5.46	578,668	4.15	$5.46	89,505	$5.46
$9.45	490,000	4.62	$9.45	-	-
$2.60 to $9.45	**1,862,418**	**2.73**	**$5.45**	**883,255**	**$3.22**

Subsequent to March 31, 2021, a total of 106,250 options with exercise prices ranging from CAD$2.60 to CAD$3.40 were exercised.

(ii) RSUs

The following is a summary of RSUs transactions:

	Number of shares	Weighted average grant date closing price per share $CAD
Balance, April 1, 2019	-	$ -
Granted	850,500	4.94
Cancelled	(31,750)	4.94
Distributed	(141,376)	4.94
Balance, March 31, 2020	677,374	$ 4.94
Granted	1,021,500	6.68
Cancelled	(77,166)	5.82
Distributed	(372,372)	5.05
Balance, March 31, 2021	**1,249,336**	**$ 6.28**

During the year ended March 31, 2021, a total of 1,021,500 (year ended March 31, 2020- 850,500) RSUs were granted to directors, officers, and employees of the Company at weighted average grant date closing price of CAD$6.68 (year ended March 31, 2020- $4.94) per share subject to a vesting schedule over a three-year term with 1/6 of the RSUs vesting every six months from the date of grant.

Subsequent to March 31, 2021, a total of 1,000,000 RSUs were granted to directors, officers, and employees of the Company at grant date closing price of CAD$6.40 per share subject to a vesting schedule over a three-year term with 1/6 of the RSUs vesting every six months from the date of grant.

Subsequent to March 31, 2021, a total of 33,416 RSUs were distributed.

(c) Cash dividends declared

During the year ended March 31, 2021, dividends of $4,368 (year ended March 31, 2020 - $4,287) were declared and paid.

(d) Earnings per share (basic and diluted)

	For the years ended March 31,					
	2021			2020		
	Income (Numerator)	**Shares (Denominator)**	**Per-Share Amount**	Income (Numerator)	Shares (Denominator)	Per-Share Amount
Net income attributable to equity holders of the Company	**$ 46,376**			$ 34,274		
Basic earnings per share	**46,376**	**174,868,256**	**$ 0.27**	34,274	171,713,263	$ 0.20
Effect of dilutive securities:						
Stock options and RSUs		**2,205,748**			2,366,124	
Diluted earnings per share	**$ 46,376**	**177,074,004**	**$ 0.26**	$ 34,274	174,079,387	$ 0.20

Anti-dilutive options that are not included in the diluted EPS calculation were 490,000 for the year ended March 31, 2021 (year ended March 31, 2020 - nil).

13. ACCUMULATED OTHER COMPREHENSIVE LOSS

	March 31, 2021	March 31, 2020
Change in fair value on equity investments designated as FVTOCI	**$ 22,328**	$ 34,879
Share of other comprehensive loss (income) in associate	**589**	(1,735)
Currency translation adjustment	**(10,367)**	28,445
Balance, end of the year	**$ 12,550**	$ 61,589

The change in fair value on equity investments designated as FVTOCI, share of other comprehensive income in associate, and currency translation adjustment are net of tax of $nil for all periods presented.

14. NON-CONTROLLING INTERESTS

The continuity of non-controlling interests is summarized as follows:

	Henan Found	Henan Huawei	Yunxiang	Guangdong Found	New Infini	Total
Balance, April 1, 2019	$ 58,262	$ 4,903	$ 3,017	$ (447)		$ 65,735
Share of net income (loss)	10,440	664	(221)	46		10,929
Share of other comprehensive loss	(2,768)	(209)	(73)	(65)		(3,115)
Distributions	(2,603)	(656)	-	-		(3,259)
Balance, March 31, 2020	**$ 63,331**	**$ 4,702**	**$ 2,723**	**$ (466)**	**$ -**	**$ 70,290**
Share of net income	13,210	639	219	88	(23)	14,133
Share of other comprehensive income	4,623	480	90	27	-	5,220
Acquisition of La Yesca (Note 3)	-	-	-	-	9,250	9,250
Contributions	-	-	-	-	2,500	2,500
Distributions	(2,600)	(639)	-	-	-	(3,239)
Balance, March 31, 2021	**$ 78,564**	**$ 5,182**	**$ 3,032**	**$ (351)**	**$ 11,727**	**$ 98,154**

As at March 31, 2021, non-controlling interests in Henan Found, Henan Huawei, Yunxiang, Guangdong Found and New Infini were 22.5%, 20%, 30%, 1%, and 56.25%, respectively (March 31, 2020 - 22.5%, 20%, 30%, 1% and nil, respectively).

Henan Non-ferrous Geology Minerals Ltd. (“Henan Non-ferrous”) is the 17.5% equity interest holder of Henan Found. During the year ended March 31, 2021, Henan Found declared and paid dividends of $2,022 (year ended March 31, 2020 - declared and paid dividends of $2,025) to Henan Non-ferrous.

Henan Xinxiangrong Mining Ltd. (“Henan Xinxiangrong”) is the 5% equity interest holder of Henan Found. During the year ended March 31, 2021, Henan Found declared and paid dividends of $578 (year ended March 31, 2020 - declared and paid dividends of $578) to Henan Xinxiangrong.

Henan Xinhui Mining Co., Ltd. (“Henan Xinhui”) is a 20% equity interest holder of Henan Huawei. For the year ended March 31, 2021, Henan Huawei declared and paid dividends of $639 (year ended March 31, 2020 - $656) to Henan Xinhui.

In January 2021, New Infini conducted a private placement to raise funds for La Yesca Project’s operation (Note 3). Non-controlling shareholders of New Infini purchased a total of 5,000,000 New infini shares and contributed $2,500.

15. RELATED PARTY TRANSACTIONS

Related party transactions not disclosed elsewhere in the consolidated financial statements are as follows:

Due from related parties	**March 31, 2021**	March 31, 2020
NUAG (a)	**$ 59**	$ 94
WHG (b)	**19**	-
Henan Non-ferrous (c)	**769**	1,425
	$ 847	$ 1,519

(a) The Company recovers costs for services rendered to NUAG and expenses incurred on behalf of NUAG pursuant to a services and administrative costs reallocation agreement. During the year ended March 31, 2021, the Company recovered $644 (year ended March 31, 2020 - $530), from NUAG for services rendered and expenses incurred on behalf of NUAG. The costs recovered from NUAG were recorded as a direct reduction of general and administrative expenses on the consolidated statements of income.

(b) The Company recovers costs for services rendered to WHG and expenses incurred on behalf of WHG pursuant to a services and administrative costs reallocation agreement. During the year ended March 31, 2021, the Company recovered $89 (year ended March 31, 2020 - $nil), from WHG for services rendered and expenses incurred on behalf of WHG. The costs recovered from WHG were recorded as a direct reduction of general and administrative expenses on the consolidated statements of income.

(c) In January 2020, Henan Found advanced a loan of $1,436 (RMB¥10 million) to Henan Non-ferrous. The loan has a term of four months and bears an interest rate of 4.35% per annum. In May 2020, the loan, including accumulated interest, of $1,423 (RMB¥10.1 million) was repaid in full.

In January 2021, Henan Found advanced a loan of $744 (RMB¥5 million) to Henan Non-ferrous. The loan has a term of four months and bears an interest rate of 4.35% per annum.

The balances with related parties are unsecured.

(d) Compensation of key management personnel

The remuneration of directors and other members of key management personnel, who are those having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, for the years ended March 31, 2021 and 2020 were as follows:

	Years Ended March 31,	
	2021	2020
Directors' fees and bonus	**$ 306**	$ 293
Salaries and bonus for key management personnel	**2,946**	2,519
Share-based compensation	**2,814**	1,487
	$ 6,066	$ 4,299

Share-based compensation was measured at grant date fair value (see note 12(b)).

16. GENERAL AND ADMINISTRATIVE

General and administrative expenses consist of:

	Year ended March 31, 2021			Year ended March 31, 2020		
	Corporate	**Mines**	**Total**	Corporate	Mines	Total
Amortization and depreciation	**$ 533**	**$ 1,255**	**$ 1,788**	$ 447	$ 1,511	$ 1,958
Office and administrative expenses	**1,946**	**2,897**	**4,843**	2,304	2,881	5,185
Professional fees	**783**	**442**	**1,225**	562	481	1,043
Salaries and benefits	**4,947**	**4,993**	**9,940**	4,245	5,183	9,428
Share-based compensation	**4,156**	**-**	**4,156**	2,536	-	2,536
	$ 12,365	**$ 9,587**	**$ 21,952**	$ 10,094	$ 10,056	$ 20,150

17. GOVERNMENT FEES AND OTHER TAXES

Government fees and other taxes consist of:

	Year ended March 31,	
	2021	2020
Government fees	**$ 63**	$ 210
Other taxes	**2,311**	1,905
	$ 2,374	$ 2,115

Government fees refer to the environmental protection fees paid to the state and local Chinese government. Other taxes were composed of surtax on value-added tax, land usage levy, stamp duty and other miscellaneous levies, duties and taxes imposed by the state and local Chinese government.

18. FINANCE ITEMS

Finance items consist of:

	Year ended March 31,	
Finance income	**2021**	2020
Interest income	**$ 3,767**	$ 4,023

	Year ended March 31,	
Finance costs	**2021**	2020
Interest on bank loan	**$ -**	$ 45
Interest on lease obligation	**95**	112
Expected credit loss of bonds	**1,376**	-
Loss on disposal of bonds	**266**	1,494
Unwinding of discount of environmental rehabilitation provision	**251**	422
	$ 1,988	$ 2,073

19. INCOME TAX

(a) Income tax expense

The significant components of income tax expense recognized in the statements of income are as follows:

	Year ended March 31,	
Income tax expense	**2021**	2020
Current	**$ 10,942**	$ 5,613
Deferred	**2,052**	3,296
	$ 12,994	$ 8,909

The reconciliation of the Canadian statutory income tax rates to the effective tax rate is as follows:

	Years ended March, 31	
	2021	2020
Canadian statutory tax rate	**27.00%**	27.00%
Income before income taxes	**$ 73,503**	$ 54,112
Income tax expense computed at Canadian statutory rates	**19,846**	14,610
Foreign tax rates different from statutory rate	**(7,172)**	(2,255)
Permanent items	**2,567**	760
Withholding taxes	**1,191**	2,782
Change in unrecognized deferred tax assets	**(3,438)**	(6,988)
Income tax expense	**$ 12,994**	$ 8,909

(b) Deferred income tax

The continuity of deferred income tax assets (liabilities) is summarized as follows:

	Years ended March, 31	
	2021	2020
Net deferred income tax liabilities, beginning of the year	**$ (35,758)**	$ (34,334)
Deferred income tax expense recognized in net income for the year	**(2,052)**	(3,296)
Foreign exchange impact	**(2,982)**	1,872
Net deferred income tax liabilities, end of the year	**$ (40,792)**	$ (35,758)

The significant components of the Company's deferred income tax are as follows:

		March 31, 2021		March 31, 2020
Deferred income tax assets				
Plant and equipment	**$**	**1,706**	$	1,001
Environmental rehabilitation		**1,716**		1,948
Other deductible temporary difference		**655**		519
Total deferred income tax assets		**4,077**		3,468
Deferred income tax liabilities				
Plant and equipment		**(1,488)**		(1,258)
Mineral rights and properties		**(43,105)**		(37,601)
Unrealized gain on investments		**-**		(65)
Other taxable temporary difference		**(276)**		(302)
Total deferred income tax liabilities		**(44,869)**		(39,226)
Net deferred income tax liabilities	**$**	**(40,792)**	$	(35,758)

Deferred tax assets are recognized to the extent that the realization of the related tax benefit through future taxable profits is probable. The ability to realize the tax benefits is dependent upon numerous factors, including the future profitability of operations in the jurisdictions in which the tax benefits arose. Deductible temporary differences and unused tax losses for which no deferred tax assets have been recognized are attributable to the following:

		March 31, 2021		March 31, 2020
Non-capital loss carry forward	**$**	**62,764**	$	63,355
Plant and equipment		**10,813**		14,460
Mineral rights and properties		**1,972**		5,072
Other deductible temporary difference		**21,669**		11,819
	$	**97,218**	$	94,706

As at March 31, 2021, the Company has the following net operating losses, expiring in various years to 2041 and available to offset future taxable income in Canada and China, respectively.

	Canada	China	Total
2022	$ -	$ 1,494	$ 1,494
2023	-	1,070	1,070
2024	-	1,279	1,279
2025	-	873	873
2030	1,911	-	1,911
2031	6,777	-	6,777
2032	9,830	-	9,830
2033	10,117	-	10,117
2034	7,951	-	7,951
2035	7,220	-	7,220
2036	54	-	54
2037	581	-	581
2038	2,539	-	2,539
2039	4,689	-	4,689
2040	2,142	-	2,142
2041	4,225	-	4,225
2042	12	-	12
	$ 58,048	$ 4,716	$ 62,764

As at March 31, 2021, temporary differences of $143,568 (March 31, 2020 - $173,020) associated with the investments in subsidiaries have not been recognized as the Company is able to control the timing of the reversal of these differences which are not expected to reverse in the foreseeable future.

20. CAPITAL DISCLOSURES

The Company's objectives of capital management are intended to safeguard the entity's ability to support the Company's normal operating requirement on an ongoing basis, continue the development and exploration of its mineral properties, and support any expansionary plans.

The capital of the Company consists of the items included in equity less cash and cash equivalents and short-term investments. Risk and capital management are primarily the responsibility of the Company's corporate finance function and is monitored by the Board of Directors. The Company manages the capital structure and makes adjustments depending on economic conditions. Funds have been primarily secured through profitable operations and issuances of equity capital. The Company invests all capital that is surplus to its immediate needs in short-term, liquid and highly rated financial instruments, such as cash and other short-term deposits, all held with major financial institutions. Significant risks are monitored and actions are taken, when necessary, according to the Company's approved policies.

In addition, the current outbreak of COVID-19 has caused significant disruption to the global economic conditions which may adversely impact the Company's results of operations. Moreover, COVID-19 has also negatively impacted on the stock markets, including the trading price of the Company's common shares, which could adversely impact the Company's ability to raise capital.

21. FINANCIAL INSTRUMENTS

The Company manages its exposure to financial risks, including liquidity risk, foreign exchange risk, interest rate risk, credit risk and equity price risk in accordance with its risk management framework. The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework and reviews the Company's policies on an ongoing basis.

(a)Fair value

The Company classifies its fair value measurements within a fair value hierarchy, which reflects the significance of the inputs used in making the measurements as defined in IFRS 13, Fair Value Measurement ("IFRS 13").

Level 1 - Unadjusted quoted prices at the measurement date for identical assets or liabilities in active markets.

Level 2 - Observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

Level 3 - Unobservable inputs which are supported by little or no market activity.

The following tables set forth the Company's financial assets and liabilities that are measured at fair value level on a recurring basis within the fair value hierarchy as at March 31, 2021 and March 31, 2020 that are not otherwise disclosed. The assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

	Fair value as at March 31, 2021			
Recurring measurements	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets				
Cash and cash equivalents	**$ 118,735**	**$ -**	**$ -**	**$ 118,735**
Short-term investments - money market instruments	**64,545**	**-**	**-**	**64,545**
Investments in public companies	**13,444**	**-**	**-**	**13,444**
Investments in private companies	**-**	**-**	**2,289**	**2,289**

	Fair value as at March 31, 2020			
Recurring measurements	Level 1	Level 2	Level 3	Total
Financial assets				
Cash and cash equivalents	$ 65,777	$ -	$ -	$ 65,777
Short-term investments - money market instruments	53,430	-	-	53,430
Investments in public companies	6,633	-	-	6,633
Investments in private companies	-	-	2,117	2,117

Fair value of the other financial instruments excluded from the table above approximates their carrying amount as at March 31, 2021 and March 31, 2020, due to the short-term nature of these instruments.

There were no transfers into or out of Level 3 during the years ended March 31, 2021 and 2020.

(b)Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its short-term business requirements. The Company has in place a planning and budgeting process to help determine the funds required to support the Company's normal operating requirements on an ongoing basis and its expansion plans.

In the normal course of business, the Company enters into contracts that give rise to commitments for future minimum payments. The following summarizes the remaining contractual maturities of the Company's financial liabilities.

	March 31, 2021			March 31, 2020
	Within a year	**2-5 years**	**Total**	Total
Accounts payable and accrued liabilities	**30,298**	**-**	**30,298**	23,129
Lease obligation	**657**	**1,084**	**1,741**	2,069
	$ 30,955	**$ 1,084**	**$ 32,039**	$ 25,198

(c) Foreign exchange risk

The Company reports its financial statements in US dollars. The functional currency of the head office, Canadian subsidiaries and all intermediate holding companies is CAD and the functional currency of all Chinese subsidiaries is RMB. The Company is exposed to foreign exchange risk when the Company undertakes transactions and holds assets and liabilities in currencies other than its functional currencies. The Company currently does not engage in foreign exchange currency hedging. The Company's exposure to currency risk affect net income is summarized as follows:

	March 31, 2021	March 31, 2020
Financial assets denominated in U.S. Dollars	**$ 58,610**	$ 60,534
Financial liabilities denominated in U.S. Dollars	**$ 52**	$ -

As at March 31, 2021, with other variables unchanged, a 10% strengthening (weakening) of the CAD against the USD would have decreased (increased) net income by approximately $5.9 million.

(d)Interest rate risk

The Company is exposed to interest rate risk on its cash equivalents, short term investments, and loan to one of the related parties. As at March 31, 2021, all of its interest-bearing cash equivalents and short term investments earn interest at market rates that are fixed to maturity or at variable interest rates with terms of less than one year. The loan to the related party bears an interest rate of 4.35% per annum, which approximates the prevailing commercial lending rates in China as of March 31, 2021. The Company monitors its exposure to changes in interest rates on cash equivalents, short term investments, and loan to the related party. Due to the short term nature of these financial instruments, fluctuations in interest rates would not have a significant impact on the Company's net income.

(e) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company is exposed to credit risk primarily associated to accounts receivable, due from related parties, cash and cash equivalents, and short-term investments. The carrying amount of assets included on the balance sheet represents the maximum credit exposure.

The Company undertakes credit evaluations on counterparties as necessary, requests deposits from customers prior to delivery, and has monitoring processes intended to mitigate credit risks. There were no amounts in trade or other receivables which were past due on March 31, 2021 (at March 31, 2020 - $nil) for which no provision is recognized.

(f) Equity price risk

The Company holds certain marketable securities that will fluctuate in value as a result of trading on Canadian financial markets. As the Company's marketable securities holdings are mainly in mining companies, the value will also fluctuate based on commodity prices. Based upon the Company's portfolio as at March 31, 2021, a 10% increase (decrease) in the market price of the securities held, ignoring any foreign currency effects, would have resulted in an increase (decrease) to net income and comprehensive income of approximately $1,048 and $297, respectively.

22. SEGMENTED INFORMATION

The Company's operating segments are components of the Company where discrete financial information is available that is evaluated regularly by the Company's Chief Executive Officer who is the Chief Operating Decision Maker ("CODM"). The operating segments are determined based on the Company's management and internal reporting structure. Operating segments are summarized as follows:

Operational Segments	Subsidiaries Included in the Segment	Properties Included in the Segment
Mining		
Henan Luoning	Henan Found and Henan Huawei	Ying Mining District
Hunan	Yunxiang	BYP
Guangdong	Guangdong Found	GC
Other	Infini Resources S.A. de C.V. , Songxian Gold Mining Co., Ltd. ("SX Gold") (i)	La Yesca and XHP
Administrative		
Vancouver	Silvercorp Metals Inc. and holding companies	
Beijing	Silvercorp Metals (China) Inc.	

(i) SX Gold was disposed in April 2019.

(a) Segmented information for assets and liabilities are as follows:

	March 31, 2021						
	Mining				Administrative		
Statement of financial position items:	**Henan Luoning**	**Hunan**	**Guangdong**	**Other**	**Beijing**	**Vancouver**	**Total**
Current assets	**$ 124,636**	**$ 909**	**$ 11,177**	**$ 191**	**$ 4,322**	**$ 79,954**	**$ 221,189**
Plant and equipment	**53,651**	**3,833**	**15,765**	**59**	**965**	**1,456**	**75,729**
Mineral rights and properties	**225,023**	**7,345**	**28,314**	**16,747**	**-**	**-**	**277,429**
Investment in an associate	**-**	**-**	**-**	**-**	**-**	**53,457**	**53,457**
Other investments	**2,289**	**-**	**-**	**-**	**-**	**13,444**	**15,733**
Reclamation deposits	**3,898**	**-**	**4,607**	**-**	**-**	**8**	**8,513**
Long-term prepaids and deposits	**221**	**101**	**87**	**-**	**-**	**-**	**409**
Long-term portion of lease receivable	**-**	**-**	**-**	**-**	**-**	**183**	**183**
Total assets	**$ 409,718**	**$ 12,188**	**$ 59,950**	**$ 16,997**	**$ 5,287**	**$ 148,502**	**$ 652,642**
Current liabilities	**$ 28,654**	**$ 625**	**$ 4,570**	**$ -**	**$ 112**	**$ 3,214**	**$ 37,175**
Long-term portion of lease obligation	**-**	**-**	**-**	**-**	**-**	**1,084**	**1,084**
Deferred income tax liabilities	**39,756**	**1,036**	**-**	**-**	**-**	**-**	**40,792**
Environmental rehabilitation	**6,115**	**993**	**755**	**-**	**-**	**-**	**7,863**
Total liabilities	**$ 74,525**	**$ 2,654**	**$ 5,325**	**$ -**	**$ 112**	**$ 4,298**	**$ 86,914**

	March 31, 2020						
	Mining				Administrative		
Statement of financial position items:	Henan Luoning	Hunan	Guangdong	Other	Beijing	Vancouver	Total
Current assets	$ 80,160	$ 1,467	$ 3,665	$ -	$ 4,289	$ 68,598	$ 158,179
Plant and equipment	45,113	3,893	15,261	-	862	1,593	66,722
Mineral rights and properties	192,746	6,884	24,956	-	-	-	224,586
Investment in an associate	-	-	-	-	-	44,555	44,555
Other investments	2,117	-	-	-	-	6,633	8,750
Reclamation deposits	5,043	-	4,180	-	-	7	9,230
Long-term prepaids and deposits	205	99	86	-	-	-	390
Long-term portion of lease receivable	-	-	-	-	-	348	348
Total assets	$ 325,384	$ 12,343	$ 48,148	$ -	$ 5,151	$ 121,734	$ 512,760
Current liabilities	$ 19,495	$ 1,322	$ 3,154	$ -	$ 625	$ 3,232	$ 27,828
Long-term portion of lease obligation	-	-	-	-	-	1,502	1,502
Deferred income tax liabilities	34,761	997	-	-	-	-	35,758
Environmental rehabilitation	6,775	1,015	910	-	-	-	8,700
Total liabilities	$ 61,031	$ 3,334	$ 4,064	$ -	$ 625	$ 4,734	$ 73,788

(b) Segmented information for operating results are as follows:

Year ended March 31, 2021

	Mining				Administrative		Total
Statement of income:	**Henan Luoning**	**Hunan**	**Guangdong**	**Other**	**Beijing**	**Vancouver**	
Revenue	**$ 157,297**	**$ 1,553**	**$ 33,255**	**$ -**	**$ -**	**$ -**	**$ 192,105**
Costs of mine operations	**(83,090)**	**(1,356)**	**(23,497)**	**-**	**-**	**-**	**(107,943)**
Income from mine operations	**74,207**	**197**	**9,758**	**-**	**-**	**-**	**84,162**
Operating expenses	**(1,848)**	**576**	**9**	**(6)**	**(1,012)**	**(10,157)**	**(12,438)**
Finance items, net	**1,788**	**(29)**	**145**	**-**	**118**	**(243)**	**1,779**
Income tax expenses	**(10,876)**	**41**	**(960)**	**-**	**(8)**	**(1,191)**	**(12,994)**
Net income (loss)	**$ 63,271**	**$ 785**	**$ 8,952**	**$ (6)**	**$ (902)**	**$ (11,591)**	**$ 60,509**
Attributable to:							
Equity holders of the Company	**49,422**	**566**	**8,864**	**(3)**	**(902)**	**(11,571)**	**46,376**
Non-controlling interests	**13,849**	**219**	**88**	**(3)**	**-**	**(20)**	**14,133**
Net income (loss)	**$ 63,271**	**$ 785**	**$ 8,952**	**$ (6)**	**$ (902)**	**$ (11,591)**	**$ 60,509**

(1) Hunan's BYP project was placed on care and maintenance in August 2014.

Year ended March 31, 2020

	Mining				Administrative		Total
Statement of income:	Henan Luoning	Hunan	Guangdong	Other	Beijing	Vancouver	
Revenue	$ 131,434	$ -	$ 27,395	$ -	$ -	$ -	$ 158,829
Costs of mine operations	(77,337)	(403)	(21,689)	-	(26)	-	(99,455)
Income from mine operations	54,097	(403)	5,706	-	(26)	-	59,374
Operating income (expenses)	333	(134)	(178)	(60)	(1,590)	(5,583)	(7,212)
Finance items, net	1,366	(147)	136	-	133	462	1,950
Income tax recoveries (expenses)	(5,013)	(53)	(1,060)	-	(1)	(2,782)	(8,909)
Net income (loss)	$ 50,783	$ (737)	$ 4,604	$ (60)	$ (1,484)	$ (7,903)	$ 45,203
Attributable to:							
Equity holders of the Company	39,679	(516)	4,558	(60)	(1,484)	(7,903)	34,274
Non-controlling interests	11,104	(221)	46	-	-	-	10,929
Net income (loss)	$ 50,783	$ (737)	$ 4,604	$ (60)	$ (1,484)	$ (7,903)	$ 45,203

(c) Sales by metal

The sales generated for the years ended March 31, 2021 and 2020 were all earned in China and are comprised of:

	Year ended March 31, 2021			
	Henan Luoning	**Hunan**	**Guangdong**	**Total**
Silver (Ag)	**$ 102,100**	**$ -**	**$ 9,091**	**$ 111,191**
Gold (Au)	**5,169**	**1,553**	**-**	**6,722**
Lead (Pb)	**42,836**	**-**	**7,628**	**50,464**
Zinc (Zn)	**5,898**	**-**	**15,895**	**21,793**
Other	**1,294**	**-**	**641**	**1,935**
	$ 157,297	**$ 1,553**	**$ 33,255**	**$ 192,105**

	Year ended March 31, 2020			
	Henan Luoning	Hunan	Guangdong	Total
Silver (Ag)	$ 77,617	$ -	$ 7,255	$ 84,872
Gold (Au)	3,911	-	-	3,911
Lead (Pb)	43,312	-	8,654	51,966
Zinc (Zn)	4,911	-	10,869	15,780
Other	1,683	-	617	2,300
	$ 131,434	$ -	$ 27,395	$ 158,829

(d) Major customers

For the year ended March 31, 2021, five major customers (year ended March 31, 2020 - five) accounted for 11%, 12%, 15%, 16%, and 21%, respectively (year ended March 31, 2020 - 11%, 12%, 16%, 19%, and 22%, respectively) and collectively 75% (year ended March 31, 2020 - 81%) of the total sales of the Company as reported across the Henan Luoning and Guangdong segments.

23. SUPPLEMENTARY CASH FLOW INFORMATION

	March 31, 2021	March 31, 2020
Cash on hand and at bank	**$ 111,191**	$ 65,251
Bank term deposits and GICs	**7,544**	526
Total cash and cash equivalents	**$ 118,735**	$ 65,777

Changes in non-cash operating working capital:	**Years Ended March 31,**	
	2021	2020
Trade and other receivables	**$ (470)**	$ 330
Inventories	**(859)**	1,798
Prepaids and deposits	**(1,133)**	184
Accounts payable and accrued liabilities	**4,158**	(1,616)
Deposits received	**1,352**	1,236
Due from a related party	**27**	(170)
	$ 3,075	$ 1,762

Exhibit 99.4

CERTIFICATION REQUIRED BY RULE 13a-14(a) OR RULE 15d-14(a), PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Dr. Rui Feng, certify that:

1. I have reviewed this Annual Report on Form 40-F of Silvercorp Metals Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this report;

4. The issuer's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the issuer and have:

(a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) evaluated the effectiveness of the issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) disclosed in this report any change in the issuer's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the issuer's internal control over financial reporting; and

5. The issuer's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the issuer's auditors and the audit committee of the issuer's board of directors (or persons performing the equivalent functions):

(a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the issuer's ability to record, process, summarize and report financial information; and

(b) any fraud, whether or not material, that involves management or other employees who have a significant role in the issuer's internal control over financial reporting.

Date: June 22, 2021

/s/ Rui Feng
Name: Dr. Rui Feng
Title: Chief Executive Officer

Exhibit 99.5

CERTIFICATION REQUIRED BY RULE 13a-14(a) OR RULE 15d-14(a), PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Derek Liu, certify that:

1. I have reviewed this Annual Report on Form 40-F of Silvercorp Metals Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this report;

4. The issuer's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the issuer and have:

(a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) evaluated the effectiveness of the issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) disclosed in this report any change in the issuer's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the issuer's internal control over financial reporting; and

5. The issuer's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the issuer's auditors and the audit committee of the issuer's board of directors (or persons performing the equivalent functions):

(a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the issuer's ability to record, process, summarize and report financial information; and

(b) any fraud, whether or not material, that involves management or other employees who have a significant role in the issuer's internal control over financial reporting.

Date: June 22, 2021

/s/ Derek Liu
Name: Derek Liu
Title: Chief Financial Officer

Exhibit 99.6

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ENACTED PURSUANT TO
SECTION 906 OF THE U.S. SARBANES-OXLEY ACT OF 2002

Silvercorp Metals Inc. (the "Company") is filing with the U.S. Securities and Exchange Commission on the date hereof, its Annual Report on Form 40-F for the fiscal year ended March 31, 2021 (the "Report").

I, Dr. Rui Feng, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. section 1350, as enacted pursuant to section 906 of the U.S. Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

i. the Report fully complies with the requirements of section 13(a) or 15(d) of the U.S. Securities Exchange Act of 1934; and

ii. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: June 22, 2021

/s/ Rui Feng

Name: Dr. Rui Feng
Title: Chief Executive Officer

Exhibit 99.7

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ENACTED PURSUANT TO
SECTION 906 OF THE U.S. SARBANES-OXLEY ACT OF 2002

Silvercorp Metals Inc. (the "Company") is filing with the U.S. Securities and Exchange Commission on the date hereof, its Annual Report on Form 40-F for the fiscal year ended March 31, 2021 (the "Report").

I, Derek Liu, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. section 1350, as enacted pursuant to section 906 of the U.S. Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

i. the Report fully complies with the requirements of section 13(a) or 15(d) of the U.S. Securities Exchange Act of 1934; and

ii. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: June 22, 2021

/s/ Derek Liu

Name: Derek Liu
Title: Chief Financial Officer

Exhibit 99.8

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statements No. 333-249939 on Form F-10 and No. 333-162546 on Form S-8 and to the use of our reports dated May 20, 2021 relating to the financial statements of Silvercorp Metals Inc. ("Silvercorp") and the effectiveness of Silvercorp's internal control over financial reporting appearing in this Annual Report on Form 40-F of Silvercorp for the year ended March 31, 2021.

/s/ Deloitte LLP
Chartered Professional Accountants
Vancouver, Canada
June 22, 2021

Exhibit 99.9

CONSENT OF EXPERT

Reference is made to the Annual Report on Form 40-F, and the documents incorporated by reference therein, of Silvercorp Metals Inc. for the fiscal year ended March 31, 2021, and any amendments thereto (the "40-F"), to be filed with the United States Securities and Exchange Commission (the "SEC"), and the Annual Information Form (the "AIF") and Management's Discussion and Analysis (the "MD&A") for the year then ended, which are filed as exhibits to and incorporated by reference in the 40-F, and the Registration Statements on Form F-10 (Registration No. 333-249939) and Form S-8 (Registration No. 333-162546) of Silvercorp Metals Inc. filed with the SEC (the "Registration Statements").

I hereby consent to the use of my name and references to, excerpts from, and summaries of, the following reports in the 40-F, the AIF, the MD&A and the Registration Statements:

Technical Report titled "*NI 43-101 Technical Report Update on the Ying Ag-Pb-Zn Property in Henan Province, People's Republic of China*" prepared for Silvercorp Metals Inc., dated effective July 31, 2020; and

Technical Report titled "*NI 43-101 Technical Report Update on the Gaocheng Ag-Zn-Pb Project in Guangdong Province, People's Republic of China*" prepared for Silvercorp Metals Inc., dated effective June 30, 2019.

/s/ Alan Riles
Alan Riles, B.Met, MAIG
And on behalf of AMC Mining Consultants (Canada) Ltd.
June 22, 2021

Exhibit 99.10

CONSENT OF EXPERT

Reference is made to the Annual Report on Form 40-F, and the documents incorporated by reference therein, of Silvercorp Metals Inc. for the fiscal year ended March 31, 2021, and any amendments thereto (the "40-F"), to be filed with the United States Securities and Exchange Commission (the "SEC"), and the Annual Information Form (the "AIF") and Management's Discussion and Analysis (the "MD&A") for the year then ended, which are filed as exhibits to and incorporated by reference in the 40-F, and the Registration Statements on Form F-10 (Registration No. 333-249939) and Form S-8 (Registration No. 333-162546) of Silvercorp Metals Inc. filed with the SEC (the "Registration Statements").

I hereby consent to the use of my name and references to, excerpts from, and summaries of (i) the mineral reserve estimates for the Ying and Gaocheng property and (ii) the following reports:

Technical Report titled "*NI 43-101 Technical Report Update on the Ying Ag-Pb-Zn Property in Henan Province, People's Republic of China*" prepared for Silvercorp Metals Inc., dated effective July 31, 2020; and

Technical Report titled "*NI 43-101 Technical Report Update on the Gaocheng Ag-Zn-Pb Project in Guangdong Province, People's Republic of China*" prepared for Silvercorp Metals Inc., dated effective June 30, 2019

in the 40-F, the AIF, the MD&A and the Registration Statements.

/s/ Herbert Smith
Herbert Smith, P.Eng.
And on behalf of AMC Mining Consultants (Canada) Ltd.
June 22, 2021

Exhibit 99.11

CONSENT OF EXPERT

Reference is made to the Annual Report on Form 40-F, and the documents incorporated by reference therein, of Silvercorp Metals Inc. for the fiscal year ended March 31, 2021, and any amendments thereto (the "40-F"), to be filed with the United States Securities and Exchange Commission (the "SEC"), and the Annual Information Form (the "AIF") and Management's Discussion and Analysis (the "MD&A") for the year then ended, which are filed as exhibits to and incorporated by reference in the 40-F, and the Registration Statements on Form F-10 (Registration No. 333-249939) and Form S-8 (Registration No. 333-162546) of Silvercorp Metals Inc. filed with the SEC (the "Registration Statements").

I hereby consent to the use of my name and references to, excerpts from, and summaries of, the following report in the 40-F, the AIF, the MD&A and the Registration Statements:

> Technical Report titled "*NI 43-101 Technical Report Update on the Gaocheng Ag-Zn-Pb Project in Guangdong Province, People's Republic of China*" prepared for Silvercorp Metals Inc., dated effective June 30, 2019.

/s/ Patrick Stephenson
Patrick Stephenson, P.Geo.
And on behalf of AMC Mining Consultants (Canada) Ltd.
June 22, 2021

Exhibit 99.12

CONSENT OF EXPERT

Reference is made to the Annual Report on Form 40-F, and the documents incorporated by reference therein, of Silvercorp Metals Inc. for the fiscal year ended March 31, 2021, and any amendments thereto (the "40-F"), to be filed with the United States Securities and Exchange Commission (the "SEC"), and the Annual Information Form (the "AIF") and Management's Discussion and Analysis (the "MD&A") for the year then ended, which are filed as exhibits to and incorporated by reference in the 40-F, and the Registration Statements on Form F-10 (Registration No. 333-249939) and Form S-8 (Registration No. 333-162546) of Silvercorp Metals Inc. filed with the SEC (the "Registration Statements").

I hereby consent to the use of my name and references to, excerpts from, and summaries of, the following report in the 40-F, the AIF, the MD&A and the Registration Statements:

> Technical Report titled "*NI 43-101 Technical Report Update on the Ying Ag-Pb-Zn Property in Henan Province, People's Republic of China*" prepared for Silvercorp Metals Inc., dated effective July 31, 2020.

/s/ Adrienne Ross
Adrienne Ross, P.Geo.
And on behalf of AMC Mining Consultants (Canada) Ltd.
June 22, 2021

Exhibit 99.13

CONSENT OF EXPERT

Reference is made to the Annual Report on Form 40-F, and the documents incorporated by reference therein, of Silvercorp Metals Inc. for the fiscal year ended March 31, 2021, and any amendments thereto (the "40-F"), to be filed with the United States Securities and Exchange Commission (the "SEC"), and the Annual Information Form (the "AIF") and Management's Discussion and Analysis (the "MD&A") for the year then ended, which are filed as exhibits to and incorporated by reference in the 40-F, and the Registration Statements on Form F-10 (Registration No. 333-249939) and Form S-8 (Registration No. 333-162546) of Silvercorp Metals Inc. filed with the SEC (the "Registration Statements").

I hereby consent to the use of my name and references to, excerpts from, and summaries of (i) the mineral resource estimates for the GC Deposit and (ii) the following report:

> Technical Report titled "*NI 43-101 Technical Report Update on the Gaocheng Ag-Zn-Pb Project in Guangdong Province, People's Republic of China*" prepared for Silvercorp Metals Inc., dated effective June 30, 2019

in the 40-F, the AIF, the MD&A and the Registration Statements.

/s/ Dinara Nussipakynova
Dinara Nussipakynova, P.Geo.
And on behalf of AMC Mining Consultants (Canada) Ltd.
June 22, 2021

Exhibit 99.14

CONSENT OF EXPERT

Reference is made to the Annual Report on Form 40-F, and the documents incorporated by reference therein, of Silvercorp Metals Inc. for the fiscal year ended March 31, 2021, and any amendments thereto (the "40-F"), to be filed with the United States Securities and Exchange Commission (the "SEC"), and the Annual Information Form (the "AIF") and Management's Discussion and Analysis (the "MD&A") for the year then ended, which are filed as exhibits to and incorporated by reference in the 40-F, and the Registration Statements on Form F-10 (Registration No. 333-249939) and Form S-8 (Registration No. 333-162546) of Silvercorp Metals Inc. filed with the SEC (the "Registration Statements").

I hereby consent to the use of my name and references to, and the information derived from scientific and technical information contained in, or incorporated by reference into, the 40-F, the AIF, the MD&A and the Registration Statements.

/s/ Guoliang Ma
Guoliang Ma, P.Geo.
June 22, 2021

Exhibit 99.15

CONSENT OF EXPERT

Reference is made to the Annual Report on Form 40-F, and the documents incorporated by reference therein, of Silvercorp Metals Inc. for the fiscal year ended March 31, 2021, and any amendments thereto (the "40-F"), to be filed with the United States Securities and Exchange Commission (the "SEC"), and the Annual Information Form (the "AIF") and Management's Discussion and Analysis (the "MD&A") for the year then ended, which are filed as exhibits to and incorporated by reference in the 40-F, and the Registration Statements on Form F-10 (Registration No. 333-249939) and Form S-8 (Registration No. 333-162546) of Silvercorp Metals Inc. filed with the SEC (the "Registration Statements").

I hereby consent to the use of my name and references to, excerpts from, and summaries of (i) the mineral resource estimates for the TLP, HZG, and DCG deposits and (ii) the following report:

> Technical Report titled "*NI 43-101 Technical Report Update on the Ying Ag-Pb-Zn Property in Henan Province, People's Republic of China*" prepared for Silvercorp Metals Inc., dated effective July 31, 2020.

in the 40-F, the AIF, the MD&A and the Registration Statements.

/s/ Simeon Robinson
Simeon Robinson, P.Geo.
And on behalf of AMC Mining Consultants (Canada) Ltd.
June 22, 2021

Exhibit 99.16

CONSENT OF EXPERT

Reference is made to the Annual Report on Form 40-F, and the documents incorporated by reference therein, of Silvercorp Metals Inc. for the fiscal year ended March 31, 2021, and any amendments thereto (the "40-F"), to be filed with the United States Securities and Exchange Commission (the "SEC"), and the Annual Information Form (the "AIF") and Management's Discussion and Analysis (the "MD&A") for the year then ended, which are filed as exhibits to and incorporated by reference in the 40-F, and the Registration Statements on Form F-10 (Registration No. 333-249939) and Form S-8 (Registration No. 333-162546) of Silvercorp Metals Inc. filed with the SEC (the "Registration Statements").

I hereby consent to the use of my name and references to, excerpts from, and summaries of (i) the mineral resource estimates for the SGX, HPG, LMW and LME deposits and (ii) the following report:

> Technical Report titled "*NI 43-101 Technical Report Update on the Ying Ag-Pb-Zn Property in Henan Province, People's Republic of China*" prepared for Silvercorp Metals Inc., dated effective July 31, 2020.

in the 40-F, the AIF, the MD&A and the Registration Statements.

/s/ Rob Webster
Rod Webster, MAIG
And on behalf of AMC Mining Consultants (Canada) Ltd.
June 22, 2021

Exhibit 99.17

CONSENT OF EXPERT

Reference is made to the Annual Report on Form 40-F, and the documents incorporated by reference therein, of Silvercorp Metals Inc. for the fiscal year ended March 31, 2021, and any amendments thereto (the "40-F"), to be filed with the United States Securities and Exchange Commission (the "SEC"), and the Annual Information Form (the "AIF") and Management's Discussion and Analysis (the "MD&A") for the year then ended, which are filed as exhibits to and incorporated by reference in the 40-F, and the Registration Statements on Form F-10 (Registration No. 333-249939) and Form S-8 (Registration No. 333-162546) of Silvercorp Metals Inc. filed with the SEC (the "Registration Statements").

I hereby consent to the use of my name and references to, excerpts from, and summaries of, the following report in the 40-F, the AIF, the MD&A and the Registration Statements:

> Technical Report titled "*NI 43-101 Technical Report Update on the Ying Ag-Pb-Zn Property in Henan Province, People's Republic of China*" prepared for Silvercorp Metals Inc., dated effective July 31, 2020.

/s/ Robert Chesher
Robert Chesher, FAusIMM(CP)
And on behalf of AMC Mining Consultants (Canada) Ltd.
June 22, 2021