

**SILVER CROWN
ROYALTIES INC**



Consolidated Financial Statements of
SILVER CROWN ROYALTIES INC.

For the years ended December 31, 2025 and 2024
(Expressed in Canadian dollars)

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Silver Crown Royalties Inc.

Opinion

We have audited the consolidated financial statements of Silver Crown Royalties Inc. and its subsidiary (together the "Group"), which comprise the consolidated statements of financial position as at December 31, 2025, and 2024, and the consolidated statements of net loss and comprehensive loss, changes in shareholders' equity and cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2025, and 2024 and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB").

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards ("GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audits of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audits of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the consolidated financial statements, which indicates that the Group incurred a net loss of \$4,309,043 for the year ended December 31, 2025, and, as of that date, had an accumulated deficit of \$9,256,431. As stated in Note 1, these events and conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements as at and for the year ended December 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter description	How our audit addressed the key audit matter
<p>Impairment assessment of Royalty Interests</p> <p><i>(Refer to note 6 in the consolidated financial statements)</i></p> <p>As at December 31, 2025, the carrying value of the Group's royalty interests was \$9,377,424, representing 78% of total assets on the consolidated statement of financial position.</p> <p>Management assesses whether any indication of impairment exists at the end of each reporting period for royalty interests, including evaluating whether there are observable indications that an asset's value has declined during the period. Where such an indication exists, the recoverable amount of the interest is estimated in order to determine the extent of the impairment, if any.</p> <p>Management applies judgment when assessing whether indicators of impairment are present, including consideration of significant changes in projected commodity prices, discount rates, and any other relevant information received during the period.</p> <p>Management identified indicators of impairment across the assets during the year. As a result, management performed an impairment test to determine the recoverable amount of each asset. The recoverable amounts were determined using a fair value less costs of disposal methodology, supported by discounted cash flow model.</p> <p>Where the carrying amount of an asset exceeded its recoverable amount, an impairment charge was recorded. An impairment charge of \$1,989,768 was recognized for the year ended December 31, 2025.</p> <p>We considered this a key audit matter due to the significant judgment exercised by management in developing the assumptions used to determine the recoverable amounts as at December 31, 2025.</p>	<p>Our procedures included, amongst others:</p> <ul style="list-style-type: none"> • We examined and challenged management's assessment of whether indicators of possible impairment of the royalty interests were present that would require impairment testing. • We assessed the appropriateness of the fair value less costs of disposal methodology applied by management against the requirements of IAS 36 <i>Impairment of Assets</i>. • We evaluated the inputs of the model used to determine recoverable amounts, including assessing the mathematical accuracy of the model and the reasonableness of the model structure. • We challenged the key assumptions applied in the model, including projected commodity prices and discount rates, by comparing these to independently sourced market data, published commodity price forecasts, and observable market benchmarks. • We involved our internal valuation specialists to assist in evaluating the appropriateness of the discount rates applied, including assessing the underlying inputs and methodology used to derive those rates. • We assessed the sensitivity of the recoverable amount calculations to changes in key assumptions to understand the extent to which the conclusions were dependent on assumptions subject to significant estimation uncertainty • We reviewed the disclosures in this area in the consolidated financial statements for compliance with IFRS Accounting Standards.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Management's Discussion and Analysis ("MD&A") but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the MD&A and we do not express any form of assurance conclusion thereon.

In connection with our audits of the consolidated financial statements, our responsibility is to read MD&A identified above and, in doing so, consider whether MD&A is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audits, or otherwise appears to be misstated.

We obtained the MD&A prior to the date of this auditor's report. If based on the work we have performed on this MD&A, we conclude that there is a material misstatement of this MD&A, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as issued by the IASB, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audits of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with GAAS, we exercise professional judgement and maintain professional skepticism throughout the audits. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to audits in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audits to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audits. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits and significant audit findings, including any significant deficiencies in internal control that we identify during our audits.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determined those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We described these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Ahmad Aslam, CPA, CA.

Toronto, Ontario
March 31, 2026

Zeifmans LLP
Chartered Professional Accountants
Licensed Public Accountants

SILVER CROWN ROYALTIES INC.

Consolidated Statements of Financial Position
As at December 31, 2025 and December 31, 2024
(Expressed in Canadian dollars)

	Notes	2025	2024
		\$	\$
ASSETS			
Current assets			
Cash at bank	4	888,678	1,536,635
Silver bullion	4	690,687	-
Accounts receivable	5	1,071,397	591,774
Prepaid expenses		184,680	489,765
Total current assets		2,835,442	2,618,174
Non-current assets			
Royalty interests	6	9,377,424	6,908,235
TOTAL ASSETS		12,212,866	9,526,409
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	11	183,558	262,390
TOTAL LIABILITIES		183,558	262,390
SHAREHOLDERS' EQUITY			
Share capital	7	16,994,131	11,681,138
Contributed surplus	7	4,291,608	2,813,876
Accumulated deficit		(9,256,431)	(5,230,995)
TOTAL SHAREHOLDERS' EQUITY		12,029,308	9,264,019
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		12,212,866	9,526,409

Reporting entity and going concern (note 1)
Contingencies and commitments (notes 5, 6 and 11)
Subsequent events (note 14)

These consolidated financial statements were approved by the Board of Directors of the Company on March 31, 2026, and signed on their behalf by:

Peter Bures
Director

Philip van den Berg
Director

The accompanying notes are an integral part of these consolidated financial statements.

SILVER CROWN ROYALTIES INC.

Consolidated Statements of Net Loss and Comprehensive Loss

For the years ended December 31, 2025 and 2024

(Expressed in Canadian dollars)

	Notes	2025	2024
		\$	\$
REVENUE			
Royalty income	8	1,233,408	581,337
OPERATING EXPENSES			
Share-based compensation	7, 11	(854,115)	(881,797)
Marketing and business development	11	(655,615)	(288,925)
Personnel costs	11	(565,036)	(663,037)
Public company costs		(444,383)	(132,687)
Legal and professional fees		(221,772)	(104,002)
Depletion	6	(143,368)	(55,192)
Project evaluation costs		(52,488)	(34,044)
General and administrative expenses		(26,766)	(16,755)
Expected credit loss on royalties receivable	13	(530,409)	-
Impairment charge on royalty interests	6	(1,989,768)	-
Total operating expenses		(5,483,720)	(2,176,439)
OTHER INCOME (EXPENSES)			
Listing expenses	9	-	(2,126,775)
Interest income		19,701	36,793
Foreign exchange (loss) gain		(36,348)	91,741
Fair value gain on silver bullion	4	227,816	-
Other expenses		(269,900)	-
Net loss and comprehensive loss for the year		(4,309,043)	(3,593,343)
Net loss per share - basic and diluted		(1.42)	(1.80)
Weighted average number of shares outstanding - basic and diluted		3,030,311	2,001,758

The accompanying notes are an integral part of these consolidated financial statements.

SILVER CROWN ROYALTIES INC.

Consolidated Statements of Changes in Shareholders' Equity

For the years ended December 31, 2025 and 2024

(Expressed in Canadian dollars except for number of common shares)

	Number of common shares	Share capital \$	Subscriptions received in advance \$	Contributed surplus \$	Accumulated deficit \$	Total \$
Balance on December 31, 2023	1,595,174	5,120,404	6,000	520,712	(1,707,652)	3,939,464
Issue of units under private placements	561,502	4,109,415	(6,000)	1,355,296	-	5,458,711
Issue of shares and warrants on RTO	182,000	1,318,457	-	225,970	-	1,544,427
Issue of units to acquire royalty interest	100,000	874,618	-	125,382	-	1,000,000
Issue of shares due to vesting of RSUs	49,588	383,159	-	(383,159)	-	-
Share issuance costs	-	(278,712)	-	19,675	-	(259,037)
Share-based compensation	19,868	153,797	-	1,020,000	-	1,173,797
Cancellation of RSUs	-	-	-	(70,000)	70,000	-
Net loss and comprehensive loss for the year	-	-	-	-	(3,593,343)	(3,593,343)
Balance on December 31, 2024	2,508,132	11,681,138	-	2,813,876	(5,230,995)	9,264,019
Issue of units under private placements	1,066,843	4,516,157	-	1,819,258	-	6,335,415
Issue of units to acquire royalty interest	60,000	507,800	-	92,200	-	600,000
Issue of shares due to vesting of RSUs	155,045	1,061,839	-	(1,061,839)	-	-
Exercise of stock options and warrants	15,750	113,560	-	(2,560)	-	111,000
Share issuance costs	29,953	(1,075,578)	-	235,530	-	(840,048)
Expiry of warrants	-	-	-	(283,607)	283,607	-
Share-based compensation	30,183	189,215	-	678,750	-	867,965
Net loss and comprehensive loss for the year	-	-	-	-	(4,309,043)	(4,309,043)
Balance on December 31, 2025	3,865,906	16,994,131	-	4,291,608	(9,256,431)	12,029,308

The accompanying notes are an integral part of these consolidated financial statements.

SILVER CROWN ROYALTIES INC.

Consolidated Statements of Cash Flows

For the years ended December 31, 2025 and 2024

(Expressed in Canadian dollars)

	Notes	2025	2024
		\$	\$
Cash flows from operating activities			
Net loss		(4,309,043)	(3,593,343)
Adjustments for non-cash items:			
Depletion	6	143,368	55,192
Share-based compensation	7	854,115	881,797
Listing expense	9	-	1,544,427
Project evaluation costs	6	27,142	-
Write-offs		269,900	-
Expected credit loss	13	530,409	-
Impairment	6	1,989,768	-
Interest income		(19,701)	(36,793)
Fair value gain on silver bullion	4	(227,816)	-
		(741,858)	(1,148,720)
Changes in non-cash working capital:			
Accounts receivable		(1,010,032)	(460,836)
Prepaid expenses		35,185	(227,713)
Accounts payable and accrued liabilities		(64,982)	149,433
Net cash used in operating activities		(1,781,687)	(1,687,836)
Cash flows from investing activities			
Additions to royalty interests	6	(4,029,467)	(2,154,395)
Purchase of silver bullion	4	(462,871)	-
Interest received		19,701	36,793
Net cash used in investing activities		(4,472,637)	(2,117,602)
Cash flows from financing activities			
Gross proceeds from private placements	7	6,335,415	5,458,711
Gross proceeds from exercise of options and warrants	7	111,000	-
Share issuance costs		(840,048)	(259,037)
Net cash provided by financing activities		5,606,367	5,199,674
Net (decrease) increase in cash		(647,957)	1,394,236
Cash, beginning of the year		1,536,635	142,399
Cash, end of the year		888,678	1,536,635

Non-cash transaction for issuance of share capital against purchase of royalty interest amounted to \$600,000 (2024 - \$1,000,000) are excluded from this statement (see note 6).

The accompanying notes are an integral part of these consolidated financial statements.

SILVER CROWN ROYALTIES INC.

Notes to Consolidated Financial Statements
Years ended December 31, 2025 and 2024
(Expressed in Canadian dollars)

1. Reporting entity and going concern

Silver Crown Royalties Inc. (“Silver Crown” or the “Company”) is a royalty and streaming investment company primarily in the silver metal space. The Company was originally formed under the laws of the Province of Ontario, Canada by articles of incorporation dated August 23, 2021. The Company continued into British Columbia through a certificate of continuation effective June 26, 2024. The Company’s registered office is at 1055 Dunsmuir Street, Suite 3000, Vancouver, BC, V7X 1K8, Canada.

On June 28, 2024, Silver Crown completed the acquisition of 1287412 B.C. Ltd (“128”) pursuant to an amalgamation agreement dated May 15, 2024 (the “Transaction”). For accounting purposes, the Transaction constitutes a reverse takeover (“RTO”) (see note 9).

The Company’s common shares and warrants are listed on the Cboe Canada Inc. (the “Exchange”). The common shares were listed under the symbol “SCRI” on July 25, 2024, and warrants were listed under the symbol “SCRI.WT.A” and “SCRI.WT.B” on September 26, 2024. The Company’s common shares are also traded on the OTCQX and Frankfurt Stock Exchange under the symbol “SLCRF” and “QS0”, respectively.

The consolidated financial statements comprise the Company and its subsidiary (collectively referred to as the “Group”). Following are the details of the subsidiary as at December 31, 2025:

Entity	Percentage holding	Country of incorporation
Argentum Royalties Inc.	100%	Commonwealth of The Bahamas

There were no significant transactions and balances in the subsidiary as of and for the years ended December 31, 2025, and 2024.

These consolidated financial statements (the “financial statements”) have been prepared on a going concern basis of accounting, which assumes that the Group will continue operations for the foreseeable future and be able to realize the carrying value of its assets and discharge its liabilities and commitments in the normal course of business. The Group incurred a net loss of \$4,309,043 for the year ended December 31, 2025 (2024 - \$3,593,343) and has an accumulated deficit of \$9,256,431 as at December 31, 2025 (2024 - \$5,230,995). For the year ended December 31, 2025, the Group used net cash of \$1,781,687 (2024 - \$1,687,836) in operating activities.

These conditions indicate the existence of material uncertainties that cast significant doubt on the Company’s ability to continue as a going concern. The Company will need to raise capital to fund its operations. To address its financing requirements, management has been able to raise sufficient new equity to finance its operations and will need to continue to do so to fund operations in the future as well as to generate revenue from its royalty interests. Should the Company no longer be able to continue as a going concern, certain assets and liabilities may require restatement on a liquidation basis, which may differ materially from the going concern basis. No adjustments to the carrying values of the assets and liabilities have been made in these financial statements.

SILVER CROWN ROYALTIES INC.

Notes to Consolidated Financial Statements
Years ended December 31, 2025 and 2024
(Expressed in Canadian dollars)

2. Basis of accounting and material accounting policies

(a) Basis of accounting

These financial statements have been prepared in accordance with IFRS Accounting Standards issued by the International Accounting Standards Board (“IASB”), and Interpretations of the International Financial Reporting Interpretation Committee (“IFRIC”). The accounting policies set out below were consistently applied to all periods presented unless otherwise noted. These financial statements have been prepared on an accrual basis and are based on historical cost except for physical silver billion which has been measured at fair value.

These financial statements were approved and authorized by the Board of Directors of the Company on March 31, 2026. The Board of Directors of the Company has the power to amend the financial statements after issue.

(b) Functional and presentation currency

These financial statements are presented in Canadian dollars (“dollar”), which is the Group’s presentation currency. All amounts have been rounded to the nearest dollar unless otherwise indicated.

The functional currencies of the Company and its subsidiary are as follows:

Entity	Functional currency
Silver Crown Royalties Inc.	Canadian dollar
Argentum Royalties Inc.	U.S. dollar

(c) Comparatives

For the year ended December 31, 2025, the public company costs are disclosed as a separate line item in the statement of net loss and comprehensive loss. These costs were previously grouped under marketing and public company costs in the year ended December 31, 2024. This reclassification was to conform with the current year’s presentation.

(d) Basis of consolidation

Subsidiaries

Subsidiaries are entities controlled by the Company. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of the subsidiaries are included in these financial statements from the date on which control commences until the date on which control ceases. Details of the subsidiary are included in note 1.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealized income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated on consolidation.

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(e) *Foreign currency*

Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in consolidated statement of net loss and comprehensive loss.

Foreign operations

The assets and liabilities of foreign operations are translated into Canadian dollars at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into Canadian dollars at the average exchange rates for the period. Foreign currency differences are recognized in other comprehensive income (loss) and accumulated in the translation reserve. During the current year, there were no such translation differences to be recognized.

(f) *Cash at bank and term deposit*

Cash at the bank consists of bank balances held in Canadian financial institution. As at December 31, 2025, and 2024, the Group did not have any cash equivalents.

(g) *Financial instruments*

Financial assets

Recognition and initial measurement

The Group recognizes financial assets when it becomes a party to the contractual provisions of the instrument. Financial assets are measured initially at their fair value plus, in the case of financial assets not subsequently measured at fair value through profit or loss, transaction costs that are directly attributable to their acquisition. Transaction costs attributable to the acquisition of financial assets subsequently measured at fair value through profit or loss are expensed in profit or loss when incurred.

Classification and subsequent measurement

On initial recognition, financial assets are classified as subsequently measured at amortized cost, fair value through other comprehensive income (“FVOCI”) or fair value through profit or loss (“FVTPL”). The Group determines the classification of its financial assets, together with any embedded derivatives, based on the business model for managing the financial assets and their contractual cash flow characteristics. Financial assets are classified as follows:

- Designated at fair value through profit or loss (FVTPL) - On initial recognition, the Group may irrevocably designate a financial asset to be measured at fair value through profit or

SILVER CROWN ROYALTIES INC.

Notes to Consolidated Financial Statements

Years ended December 31, 2025 and 2024

(Expressed in Canadian dollars)

loss in order to eliminate or significantly reduce an accounting mismatch that would otherwise arise from measuring assets or liabilities, or recognizing the gains and losses on them, on different bases. All interest income and changes in the financial assets' carrying amount are recognized in profit or loss.

- Amortized cost - Assets that are held for collection of contractual cash flows where those cash flows are solely payments of principal and interest are measured at amortized cost. Interest revenue is calculated using the effective interest method and gains or losses arising from an impairment, foreign exchange and derecognition are recognized in profit or loss.
- Fair value through other comprehensive income - Assets that are held for collection of contractual cash flows and for selling the financial assets, and for which the contractual cash flows are solely payments of principal and interest, are measured at fair value through other comprehensive income. Interest income calculated using the effective interest method and gains or losses arising from impairment and foreign exchange are recognized in profit or loss. All other changes in the carrying amount of the financial assets are recognized in other comprehensive income. Upon derecognition, the cumulative gain or loss previously recognized in other comprehensive income is reclassified to profit or loss.
- Mandatorily at fair value through profit or loss - Assets that do not meet the criteria to be measured at amortized cost, or fair value through other comprehensive income, are measured at fair value through profit or loss. All interest income and changes in the financial assets' carrying amount are recognized in profit or loss.

Classification and measurement of the financial instruments is as follows:

Financial instrument	Classification
Cash at bank	Amortized cost
Royalties' receivable	Amortized cost
Accounts payable and accrued liabilities	Amortized cost

Write-off

Financial assets are written off (either partially or in full) when there is no realistic prospect of recovery. This is generally the case when the Group determines that the counterparty does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

Business model assessment

The Group assesses the objective of its business model for holding a financial asset at a level of aggregation that best reflects the way the business is managed, and information is provided to management. Information considered in this assessment includes stated policies and objectives.

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(Expressed in Canadian dollars)

Contractual cash flow assessment

The cash flows of financial assets are assessed as to whether they are solely payments of principal and interest on the basis of their contractual terms. For this purpose, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money, the credit risk associated with the principal amount outstanding, and other basic lending risks and costs. In performing this assessment, the Group considers factors that would alter the timing and amount of cash flows such as prepayment and extension features, terms that might limit the Group's claim to cash flows, and any features that modify consideration for the time value of money.

Impairment of financial assets

The Group assesses all information available, including on a forward-looking basis the expected credit losses (ECL) associated with any financial assets carried at amortized cost.

- A maximum 12-month allowance for ECL is recognized from initial recognition reflecting the portion of lifetime cash shortfalls that would result if a default occurs in the 12 months after the reporting date, weighted by the risk of a default occurring.
- A lifetime ECL allowance is recognized if a significant increase in credit risk is detected subsequent to the instruments initial recognition reflecting lifetime cash shortfalls that would result over the expected life of a financial instrument.
- A lifetime ECL allowance is recognized for credit impaired financial instruments.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due. The Group considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Group in full or when the financial asset is more than 90 days past due.

The carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts.

Derecognition of financial assets

The Group derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in the statements of income (loss) and comprehensive income (loss).

Financial instruments recorded at fair value

Financial instruments recorded at fair value on the statements of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 - valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;

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- Level 2 - valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 - valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Financial liabilities

Recognition and initial measurement

The Group recognizes a financial liability when it becomes a party to the contractual provisions of the instrument. At initial recognition, the Group measures financial liabilities at their fair value plus transaction costs that are directly attributable to their issuance, except for financial liabilities subsequently measured at fair value through profit or loss for which transaction costs are immediately recorded in profit or loss. Where an instrument contains both a liability and equity component, these components are recognized separately based on the substance of the instrument, with the liability component measured initially at fair value and the equity component assigned the residual amount after deducting from the fair value of the instrument as a whole the amount separately determined for the liability component.

Classification and subsequent measurement

Subsequent to initial recognition, all financial liabilities are measured at amortized cost using the effective interest rate method. Interest, gains and losses relating to a financial liability are recognized in profit or loss. Financial liabilities measured at amortized cost are comprised of accrued liabilities.

Derecognition of financial liabilities

The Group derecognizes a financial liability only when its contractual obligations are discharged, cancelled or expire.

(h) Royalty interests

Royalty interests consist of acquired royalty agreements. Royalty interests acquired in an asset acquisition are recorded at cost and capitalized as either tangible or intangible assets with finite lives depending on the nature of the royalty agreement. They are subsequently measured at cost less accumulated depletion and accumulated impairment losses, if any. The cost of the royalty interest is comprised of its purchase price and any costs directly attributable to acquiring the asset. Project evaluation costs that are not related to a specific agreement are expensed in the period incurred. Producing royalty interests are depleted using the units-of-production method over the life of the property to which the interests relate, which are estimated using available information of proven and probable reserves. The Group relies on information available to it under contracts with operators and/or public disclosures for information on reserves and resources from the operators of the producing mineral interests. Acquisition costs of exploration-stage royalty interests are capitalized and not depleted until revenue-generating activities begin.

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(i) *Impairment of royalty interests*

Evaluation of the carrying values of each royalty interest is undertaken when events or changes in circumstances indicate that the carrying values may not be recoverable. Impairment is assessed at the level of cash-generating units, which are identified as the smallest identifiable group of assets that generates cash inflows and is largely independent of the cash inflows from other assets. This is usually at the individual royalty interest level for each property from which cash inflows are generated.

An assessment is made at each reporting period if there is any indication that a previous impairment loss may no longer exist or has decreased. If indications are present, the carrying value of the royalty interest is increased to the revised estimate of its recoverable amount to the extent that the increased carrying amount does not exceed the carrying amount net of depletion that would have been determined had no impairment loss been recognized for the royalty interest in previous periods.

Royalty interests classified as exploration and evaluation assets are assessed for impairment whenever indicators of impairment exist in accordance with IFRS 6. An impairment loss is recognized for the amount by which the asset's carrying value exceeds its recoverable amount, which is the higher of its fair value less costs of disposal ("FVLCD") and its value in use ("VIU"). Estimated future cash flows are calculated using estimated production, sales prices and a discount rate. Estimated future production is determined using current reserves and the portion of resources expected to be classified as mineral reserves, as well as exploration potential expected to be converted into reserves. Estimated sales prices are determined by reference to an average of long-term metal price forecasts by research analysts and management's expectations. The discount rate is estimated using an average discount rate incorporating research analyst views used to value precious metal royalty and streaming companies.

(j) *Revenue recognition*

Revenue is comprised of revenue earned from royalty interests. The Group has determined that, where applicable, each unit of a commodity that is delivered to a customer under a royalty interest arrangement is a performance obligation for the delivery of a good that is separate from each other unit of the commodity to be delivered under the same arrangement. For royalty interests, revenue is recognized in accordance with the relevant terms of the specific royalty agreement including the minimum royalty payments. Revenue is measured at the fair value of the consideration received or receivable when management can reliably estimate the amount, pursuant to the terms of the royalty agreement with the counterparty.

(k) *Share-based payments*

Share-based payments are arrangements in which the Group receives goods or services in consideration for its equity instruments granted to non-employees. These are accounted for as equity-settled share-based payment transactions and measured at the fair value of goods and services received. If the fair value of the goods or services received cannot be estimated

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reliably, the share-based payment transaction is measured at the fair value of the equity instruments granted at the date, the Group receives the goods or services.

The Group grants share-based awards to its employees and service providers in the form of restricted share units (“RSUs”) which are equity-settled awards. The Group determines the fair value of the awards on the date of grant. This fair value is expensed to the statement of loss and comprehensive loss using a graded vesting attribution method over the vesting period of the awards, with a corresponding credit to the contributed surplus. When the restricted share units are exercised, the applicable amounts of contributed surplus are transferred to share capital.

(l) Warrants

The Group measures the fair value of warrants issued using the Black-Scholes option pricing model. The fair value of each warrant is estimated based on their respective issuance dates considering volatility, expected life, the dividend rate, and the risk-free interest rate. Equity-settled warrants are recorded in equity as contributed surplus, are fair valued at the grant date and are not remeasured subsequently. When shares are issued against warrants, the related amount in contributed surplus together with any proceeds received are transferred to share capital. The fair value of warrants issued to brokers in conjunction with financing is charged to share issue costs with an offsetting amount recorded to contributed surplus.

(m) Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) that has arisen as a result of a past event, it is probable that a future outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense. A provision for onerous contracts is recognized when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract.

(n) Income taxes

Income taxes are comprised of current and deferred balances and are recognized in income (expense) except to the extent that the taxes relate to a business combination, or to items recognized directly in equity or in comprehensive income (loss). Current and deferred taxes are charged or credited to other comprehensive income (loss) if the tax relates to items that are credited or charged, in the same or a different period, to other comprehensive income (loss).

Current income taxes are recognized for the estimated income taxes payable or receivable on taxable income or loss for the current year and any adjustments to income tax payable in respect of previous years. Current income taxes are determined using tax rates and laws that have been enacted or substantively enacted by the year-end date.

Deferred income taxes are calculated by measuring the temporary differences arising between the tax basis of an asset or liability and its carrying value. Deferred income tax assets or

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liabilities are calculated using enacted or substantively enacted income tax rates expected to apply in the period in which the temporary differences are expected to be recovered or settled.

The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the statement of net loss and comprehensive loss in the period that substantive enactment occurs.

Recognition of a deferred tax asset for unused tax losses, tax credits and deductible temporary differences is recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that all or part of the related tax benefit will be realized.

(o) Share capital

Share capital is presented at the fair value of the shares issued. Costs related to the issuance of shares are reported in equity, net of income tax, as a deduction from the issuance proceeds. The Company follows the residual value method with respect to the measurement of common shares and warrants issued as units and bifurcate the value of warrants and shares in units. The proceeds from the issuance of units are allocated between share capital and warrants. Warrants are valued using the Black-Scholes pricing model and the residual is allocated to the shares. The warrant component is recorded in equity as contributed surplus.

(p) Loss per share

The Group presents basic loss per share for its common shares, calculated by dividing the net income of the Group by the weighted average number of common shares outstanding during the period. Diluted loss per share is calculated by adjusting the weighted average number of common shares outstanding for dilutive instruments. The number of shares included with respect to RSUs and warrants is computed using the treasury stock method. Diluted loss per share does not adjust the net income or the weighted average number of common shares outstanding when the effect is anti-dilutive.

(q) Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control. Related parties may be individuals or entities. A transaction is considered to be a related party transaction when there is transfer of resources or obligations between related parties.

(r) Silver bullion

The Company holds physical silver bullion as a short-term investment of surplus funds intended to realize gains from price appreciation, categorized as held for trading to sell at any time based on market conditions. No IFRS Accounting Standard specifically addresses precious metals held for investment by entities that are not commodity broker-traders. The management concluded that fair value measurement provides the most reliable and relevant

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information to users in line with the substance of holding the silver bullion and its short-term profit taking nature subject to a favorable opportunity. Accordingly, management devised the accounting policy under the guidance of IAS 8 “*Accounting policies, changes in accounting estimates and errors*” whereby investments in physical silver bullion are measured at fair value determined by reference to published price quotations, with unrealized and realized gains and losses recorded in profit and loss (Level 1 in the fair value hierarchy under IFRS 13 “*Fair Value Measurement*”). Investment transactions in physical bullion are accounted for on the trade date basis. Realized and unrealized gains and losses of holdings are calculated on a weighted average cost basis.

(s) *New accounting standards issued*

At December 31, 2025, the following standards and interpretations which may be applicable to the Company, but have not yet been applied in these financial statements, were in issue but not yet effective:

IFRS 18, Presentation and Disclosure in Financial Statements (“IFRS 18”)

In April 2024, the IASB issued IFRS 18 that will replace IAS 1, Presentation of Financial Statements. The new standard aims to improve the quality of financial reporting by: (i) requiring defined subtotals in the statement of profit or loss; (ii) requiring disclosure about management defined performance measures; and (iii) adding new principles for aggregation and disaggregation of information. The new standard will be effective for annual periods beginning on or after January 1, 2027. Early adoption is permitted. The Company is in the process of assessing the impact of the standard on the financial statements.

IFRS 9 – Financial Instruments (“IFRS 9”) and IFRS 7 – Financial Instruments: Disclosures (“IFRS 7”)

In May 2024, the IASB issued targeted amendments to IFRS 9 and IFRS 7 in response to practical implementation issues and to introduce new requirements applicable to both financial institutions and corporate entities. These amendments aim to enhance the clarity and consistency of financial reporting for various types of financial instruments and their related disclosures by (i) clarifying the date of recognition and derecognition for certain financial assets and liabilities, including a new exception for financial liabilities settled through an electronic cash transfer system (ii) providing help to determine whether a financial asset meets the Sole Payments of Principal and Interest criterion (iii) introducing new disclosures for instruments with contractual terms that may alter cash flows, such as financial instruments linked to the achievement of environmental, social, and governance targets, and (iv) updating the disclosure requirements for equity instruments designated at FVTOCI. The new standard will be effective for annual periods beginning on or after January 1, 2026. The Company is in the process of assessing the impact of the standard on the financial statements.

All other IFRSs and amendments issued but not yet effective have been assessed by the Company and are not expected to have a material impact on the Company's financial statements.

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3. Use of management estimates, judgments and measurement uncertainty

The preparation of financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions concerning the future. Actual results may differ from these estimates. The Group's management reviews these estimates, judgments, and assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted prospectively in the period in which the estimates are revised. The following are deemed to be critical accounting estimates by management for the year ended December 31, 2025, as these require a high level of subjectivity and judgement and could have a material impact on Silver Crown's financial statements.

(a) *Accounting for royalty interests*

The Group from time to time will acquire royalty interests. Each royalty interest agreement has its own unique terms and significant judgment is required to assess the appropriate accounting treatment.

(b) *Impairment of royalty interests*

Assessment of impairment of royalty interests is made at the end of each reporting period if there are any indicators that give rise to the requirement to conduct a formal impairment test on the Group's royalty interests. Indicators which could trigger an impairment test include, but are not limited to, a significant change in operator reserve and resource estimates, industry, or economic trends, current or forecast commodity prices, and other relevant operator information. The assessment of fair values requires the use of estimates and assumptions for recoverable production, long-term commodity prices, discount rates, reserve/resource conversion, foreign exchange rates, future capital expansion plans and the associated production implications.

In addition, the Group may use other approaches in determining fair value which may include judgment and estimates related to (i) dollar value per ounce or pound of reserve/resource; (ii) cash-flow multiples; and (iii) market capitalization of comparable assets. Changes in any of the assumptions and estimates used in determining the fair value of the royalty and stream could impact the impairment analysis.

(c) *Estimation of depletion*

The Group's royalty interests that generate economic benefits are considered depletable and are depleted on a unit-of-production basis over the units of production that are expected to generate the cash flows that will be attributable to the Group. These calculations require the use of estimates and assumptions, including the estimated quantity of commodities to be received, the recovery rates, and payable rates. Changes to these assumptions may impact the depletion rates used. Changes to depletion rates due to new information are accounted for prospectively.

(d) *Deferred tax assets*

Deferred tax assets, including those arising from un-utilized tax losses, require management to assess the likelihood that the Group will generate sufficient taxable earnings in future periods in order to utilize recognized deferred tax assets. Assumptions about the generation of

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future taxable profits depend on management's estimates of future cash flows. In addition, future changes in tax laws could limit the ability of the Group to obtain tax deductions in future periods. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Group to realize the net deferred tax assets recorded at the reporting date could be impacted.

(e) *Going concern*

These financial statements have been prepared on the assumption that the Group will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Management routinely plans future activities including forecasting future cash flows and forming judgements collectively with the directors of the Group.

(f) *Provisions*

Accounting for provisions including assessments of possible legal contingencies requires judgment whether a present obligation is probable. The nature and type of risks for these provisions differ and judgement is applied regarding the nature and extent of obligations in deciding if an outflow of resources is probable or not.

(g) *Reverse takeover*

Judgement is required when assessing the value of the consideration transferred and the net identifiable assets acquired, and liabilities assumed in connection with the reverse takeover (note 9).

(h) *Accounting of silver bullion*

Management believes that the selected policy of fair valuing silver bullion best reflects the economic substance of holding, given its short-term trading intent whenever a right profit-taking opportunity arises. Commodity prices are subject to significant volatility arising from macroeconomic conditions, supply-demand dynamics, currency movements, geopolitical events, and investor sentiment. There can be no assurance that the Company will realize the carrying amount of its silver holdings, and future price movements may result in material gains or losses.

4. Cash at bank and silver bullion

(a) *Cash at bank*

		2025	2024
Cash at bank, unrestricted	\$	886,985	1,534,916
Cash at bank, restricted		1,693	1,719
	\$	888,678	1,536,635

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The restricted cash balance represents a segregated account fund, set up by a counterparty, with a total amount of \$100,000, as required under the royalty agreement. Balance as at the reporting date comprise the amount contributed and the related interest earned on the contribution amount. The corresponding liability of this balance is shown in accounts payable and accrued liabilities in these financial statements.

During 2024, an amount of \$100,000 of this segregated account was utilised by the Company against royalties' receivable and the counterparty is required to replenish full amount into the segregated account fund.

(b) Silver bullion

A continuity schedule of financial instruments categorized as level 1 for fair value measurement is as follows:

	2025
Purchase of silver bullion	\$ 462,871
Change in fair value	227,816
Balance as of December 31	\$ 690,687

5. Accounts receivable

	2025	2024
Royalties' receivable, net of ECL provision (note 13(b)(ii))	\$ 772,528	254,551
Goods and service tax receivable	298,869	337,223
	\$ 1,071,397	591,774

6. Royalty interests

	----- Cost -----			----- Accumulated depletion and impairment -----				Net carrying value
	Opening balance	Additions/ (Transfers)	Closing balance	Opening balance	Depletion charge	Impairment charge (g)	Closing balance	
	\$	\$	\$	\$	\$	\$	\$	\$
2025:								
Elk Gold (a)	3,081,661	-	3,081,661	32,620	9,439	940,446	982,505	2,099,156
Pilar Gold (b)	2,753,219	-	2,753,219	37,110	72,596	-	109,706	2,643,513
Tucano Gold (c)	27,142	(27,142)	-	-	-	-	-	-
BacTech (d)	1,049,322	-	1,049,322	-	-	1,049,322	1,049,322	-
Igor 4 (e)	66,621	3,512,048	3,578,669	-	61,333	-	61,333	3,517,336
Scotia Mine (f)	-	1,117,419	1,117,419	-	-	-	-	1,117,419
Total	6,977,965	4,602,325	11,580,290	69,730	143,368	1,989,768	2,202,866	9,377,424
2024:								
Elk Gold (a)	3,081,661	-	3,081,661	13,742	18,878	-	32,620	3,049,041
Pilar Gold (b)	716,376	2,036,843	2,753,219	796	36,314	-	37,110	2,716,109
Tucano Gold (c)	-	27,142	27,142	-	-	-	-	27,142
BacTech (d)	-	1,049,322	1,049,322	-	-	-	-	1,049,322
Igor 4 (e)	-	66,621	66,621	-	-	-	-	66,621
Others	25,533	(25,533)	-	-	-	-	-	-
Total	3,823,570	3,154,395	6,977,965	14,538	55,192	-	69,730	6,908,235

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(a) *Elk Gold, Canada*

During May 2023, the Company entered into a royalty purchase agreement with Elk Gold Mining Corp. (the “Elk Gold Royalty”), purchasing a royalty on 90% of the aggregate gross proceeds of silver sold from Elk Gold project located in British Columbia, Canada.

Under the terms of the Elk Gold Royalty, the Company paid the following at the time of purchase:

- \$2,500,000 in cash; and
- \$50,000 in the form of 12,500 units at an agreed price, between arm’s length parties, of \$4 per unit with each such unit consisting of one common share and one-half of one share purchase warrant exercisable for a period of 24 months, from the date of issuance, at an exercise price of \$8.

Under the Elk Gold Royalty, the Company is contingently liable to pay certain production bonuses (the “Production Bonus” or “Production Bonuses”), up to a maximum of \$4,000,000, contingent upon Elk Gold achieving certain production milestones. The Production Bonuses are payable, in cash or in common shares of the Company, at the sole discretion of either Elk Gold (when the Company is private) or the Company (when the Company is public). The Company also issued 500,000 performance warrants to Elk Gold with the same vesting schedule as the schedule of production milestones to earn Production Bonuses. Upon the Company’s payment of each Production Bonus in cash, 62,500 production warrants will be automatically cancelled without further action by the Company. In the event the Company elects to pay any Production Bonus in common shares, such number of royalty performance warrants as is required to satisfy payment of such Production Bonus in common shares shall be exercisable into common shares of the Company at a price equal to the lower of: (i) the five-day volume weighted average price for such shares on the Stock Exchange; and (ii) the thirty-day volume weighted average price for such shares on the stock exchange upon which the common shares are listed on, subject to the approval of such stock exchange and a floor price of \$8 per common share (the “VWAP”), and the Company at its election will pay such Production Bonus through the issuance of common shares priced at the VWAP. No performance warrants shall be exercisable unless the Company elects to pay a Production Bonus in common shares.

During July 2023, Elk Gold met its first production milestone and earned its first Production Bonus of \$500,000 which was paid in cash, as the Company was private, and consequentially a total of 62,500 performance warrants held by Elk Gold were automatically cancelled. After meeting the first production bonus milestone, the Company is currently entitled to 90% of cash equivalent value of a minimum of 1,500 ounces of silver calculated based on average quarterly silver price.

Based on the publicly available information and the information provided by Elk Gold for quarterly production and royalty reports, no additional production milestones have been met to trigger any additional Production Bonus, up to the date of issuance of these financial

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statements. The estimation of any milestones to be achieved is highly subjective, significantly uncertain, and cannot be done with any degree of reliability. Therefore, no amounts are recognized in these financial statements either for performance warrants or possible cash commitment.

Elk Gold Mining Corporation also retains the right to repurchase fifty (50%) of the Royalty at any time by making a payment in the amount of the purchase price and any bonuses paid to the Company at the time of this election.

(b) Pilar Gold, Brazil

The Company entered into a royalty purchase agreement with Pilar Brazil Inc., which was subsequently amended and restated (“Pilar Gold Royalty”), purchasing a royalty of up to 90% of the aggregate gross proceeds of silver produced from Pilar Gold’s PGDM Complex with a minimum guaranteed payment of cash equivalent of 4,000 ounces of silver per quarter for a total cash consideration of US\$2,000,000. The Company completed this acquisition in tranches. The first tranche was completed on November 28, 2023, with a cash payment of US\$500,000 in exchange for a net smelter return royalty for the cash equivalent of 22.50% of the silver produced from the Pilar Gold. The second tranche was completed on April 26, 2024, with a cash payment of US\$190,000 in exchange for an additional net smelter return royalty of 8.55%. The third and final tranche was completed on August 12, 2024, with a cash payment of US\$1,310,000 in exchange for an additional net smelter return royalty of 58.95% of the silver produced.

(c) BacTech Facility, Ecuador

Effective October 25, 2024, the Company entered into a royalty purchase agreement with BacTech Environmental Corporation (“BacTech Royalty”), purchasing a royalty on 90% of the aggregate gross proceeds of silver processed at the future bioleaching facility in Tenguel, Ecuador. Under the agreement, the Company is entitled to receive payments of a minimum 35,000 ounces of silver annually for at least ten years following the commercial production. The total purchase price under BacTech Royalty consist of:

- (i) \$1,000,000 in Silver Crown’s units, which were issued at closing, at a agreed value, between arm’s length parties, of \$10 per unit, with each unit consisting of a share and a warrant entitling the holder to acquire an additional share at a price of \$16 for a period of 36 months from issue.
- (ii) 100,000 special warrants, to be issued upon BacTech successfully financing the project (“Financing Milestone”), exercisable for a period of 36 months into 100,000 shares of Silver Crown for no additional payment.
- (iii) 200,000 special warrants to be issued upon BacTech achieving commercial production (“Production Milestone”), exercisable for a period of 36 months into 200,000 shares of Silver Crown for no additional payment.

If either of the Financing Milestone or Production Milestone are not successfully achieved within the 36-month period, the respective tranche of the special warrants will expire without having been exercised.

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(d) *Igor 4, Peru*

Effective December 13, 2024, the Company entered into a royalty purchase agreement with PPX Mining Corp. ("PPX"), purchasing a royalty of up to 15% of the cash equivalent of silver produced from Igor 4 project in Peru (the "Igor 4 Royalty") for a total cash consideration of US\$2,500,000. This transaction was closed in three tranches and royalty %age was increased proportionately based on the amount paid. The current royalty %age is 15% and the royalty provides for a minimum guaranteed payment feature of the cash equivalent of 14,062.50 ounces of silver per quarter beginning no later than March 31, 2026 and will continue until a total cash equivalent amount of 225,000 silver ounces has been paid to the Company.

(e) *Scotia Mine, Canada*

Effective August 6, 2025, the Company signed a royalty purchase agreement with EDM Resources Inc. ("EDM"). Under the royalty agreement, the Company is entitled to a royalty on silver produced from EDM's Scotia Mine. Under the terms of the agreement, Silver Crown will receive 90% of the net proceeds from silver ounces sold from the Scotia Mine each quarter, but no less than 1,750 ounces quarterly, commencing upon the start of commercial production and continuing for a period of 10 years commencing on the date of declaration of commercial production at the Scotia Mine. The total purchase price for the royalty is \$500,000 in cash, with \$250,000 due at closing (paid) and the remaining \$250,000 payable 30 days later (paid). Additionally, the Company issued 60,000 units to EDM at closing, valued at \$10 per unit, with each unit comprising one common share and one common share purchase warrant exercisable at \$13 per common share for 36 months. The transaction was closed on August 12, 2025.

(f) *Impairment assessment*

Elk Gold, Canada

Near the end of Q2 2025, mining operations at the Elk Gold project were halted following its financial difficulties under the previous operator. MNP Ltd. was subsequently appointed as receiver of Elk Gold's parent Gold Mountain Mining Corp. ("Gold Mountain"), Elk Gold and Bayshore Minerals Incorporated pursuant to an order issued by the Supreme Court of British Columbia on July 31, 2025. Pursuant to court-approved receivership proceedings, the shares of Gold Mountain, which indirectly owns the Elk Gold project and related assets and equipment, were acquired by a new operator in settlement of outstanding secured debt and other cash consideration. The Company's silver royalty interest remained legally enforceable against Elk Gold (which continues to own a 100% legal and beneficial interest in the Elk Gold project) and continues to be a legal interest in the project under the original royalty agreement. The new operator has acknowledged the enforceability and validity of the Company's silver royalty and has agreed to pay the outstanding royalties receivable within a reasonable time but no later than June 30, 2027. The cessation of operations, financial bottlenecks and transition to a new operator, and certain issues raised with the technical report were considered indicators of impairment under IFRS. Accordingly, management performed an impairment assessment of the Elk Gold royalty asset. The recoverable amount of the royalty interest was determined based on value in use, using discounted cash flow projections derived from the future minimum contractual royalty receipts linked solely to the starting of operations

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of the mine over the life of such arrangement. The key assumptions applied in the model include a temporary suspension of cash inflows for an estimated three-year period reflecting the expected timeline to recommence operations considering the project economics, forecast of silver prices based on observable market data, and a discount rate of 9%, reflecting the Company's estimated weighted average cost of capital benchmarked against comparable royalty companies. This was further supplemented by sensitivity testing done in stress conditions scenarios using discounted factors from 10% to 25% and reduced silver prices by 10% to 20% owing to inherent uncertainty associated with the key assumptions. As of December 31, 2025, the recoverable amount was estimated to be \$2,099,156. Consequently, the Company recognized an impairment loss of \$940,446 for the year ended December 31, 2025. Should there be any change in circumstances, such as the filing of an updated Technical Report, a reassessment of the recoverable amount of the Elk Gold mining royalty interest will be undertaken. This reassessment may result in a further indicator of impairment or a reversal of part or all of the previously recognized impairment loss.

BacTech Facility, Ecuador

Based on the publicly available information, the management is of the view that there has not been significant progress to date about future bioleaching facility in Tenguel, Ecuador. In particular no significant progress has been seen on meeting Financing Milestone. While management acknowledges BacTech can meet these milestones in the near to mid term, management has taken a conservative approach and created an impairment loss provision equal to the carrying value of the royalty interest. Should there be any change in circumstances, a reassessment of the recoverable amount of BacTech Royalty will be undertaken. This reassessment may result in a reversal of part or all of the previously recognized impairment loss.

7. Shareholders' equity

(a) *Authorized share capital and share consolidation*

The Company is authorized to issue an unlimited number of common shares with no par value. As at December 31, 2025, the Company had 3,865,906 common shares (December 31, 2024 - 2,508,132 common shares) issued and outstanding.

As further outlined in note 9, as part of amalgamation, a twenty-to-one share consolidation was affected in 2024. The number of issued and outstanding shares, share purchase warrants, broker warrants, performance warrants, and per share amounts have been retrospectively restated for all periods presented unless otherwise stated.

(b) *Issued share capital*

(i) Private placements

Following are the details of private placements completed during the year ended December 31, 2025:

- During the period between February 21, 2025, to April 25, 2025, the Company completed three tranches of a non-brokered private placement, issuing a total of 232,248 units at a unit price of \$6.50 per unit for aggregate gross proceeds of

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\$1,509,612. Each unit consisted of one common share and one common share purchase warrant at an exercise price of \$13 for a period of three years from the date of closing. In connection with this private placement, where applicable, the Company paid a cash finder fee of 8% and issued 15,640 broker warrants, each entitling the holder to acquire one share at \$13.00 for a period of three years from the closing date.

- During the period between June 23, 2025, to July 11, 2025, the Company completed two tranches of a non-brokered private placement, issuing a total of 235,531 units at a unit price of \$6.50 per unit for aggregate gross proceeds of \$1,530,951. Each unit consisted of one common share and one common share purchase warrant at an exercise price of \$13 for a period of three years from the date of closing. In connection with this private placement, where applicable, the Company paid a cash finder fee of 8% and issued 15,683 broker warrants, each entitling the holder to acquire one share at \$13.00 for a period of three years from the closing date.
- Effective October 3, 2025, the Company completed a brokered private placement, issuing 599,064 units (including the exercise of the over-allotment option) at a unit price of \$5.50 per unit for aggregate gross proceeds of \$3,294,852. Each unit consisted of one common share and one common share purchase warrant at an exercise price of \$8.25 for a period of 36 months from the closing date. The warrants were subject to an acceleration right if, on any 30 consecutive trading days beginning on the closing date, the daily volume weighted average trading price of the common shares exceeds \$11.00, in which case the expiry date becomes the 30th day following notice of such exercise. Refer to note 14(b) for details on exercise of the acceleration right. In connection with this private placement, the Company paid a cash commission of \$263,588 and issued 47,925 broker warrants, each entitling the holder to acquire one share at \$5.50 for a period of three years from the closing date. In addition to cash commission and broker warrants, the Company also paid 5% corporate finance fees to the lead broker in the form of 29,953 units having the same terms as the terms of the financing.

Following are the details of private placements completed during the year ended December 31, 2024:

- During the period between April 25, 2024, to May 14, 2024, the Company completed last two tranches of a non-brokered private placement, issuing a total of 75,160 units at a unit price of \$8 per unit for aggregate gross proceeds of \$601,291. Each unit consisted of one common share and one-half of one common share purchase warrant at an exercise price of \$16 for a period of three years from the date the Company becomes a reporting issuer in any jurisdiction of Canada. In connection with this private placement, where applicable, the Company paid a cash finder fee of 8% and issued broker warrants equal to 8% of the aggregate number of units sold by the broker with an exercise price of \$8 for a period of three years from the closing.
- Effective June 27, 2024, the Company completed a private placement concurrent to RTO, consisting of 370,430 units at a unit price of \$10 per unit for aggregate gross proceeds of \$3,704,300. Each unit consisted of one common share and one common

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share purchase warrant at an exercise price of \$16 for a period of three years from the date the Company becomes a reporting issuer in any jurisdiction of Canada. In connection with this private placement, where applicable, the Company paid a cash finder fee of 8% and issued broker warrants equal to 8% of the aggregate number of units sold by the broker with an exercise price of \$16 for a period of three years from the closing.

- Effective July 31, 2024, the Company completed a non-brokered private placement, issuing 115,912 units at a unit price of \$10 per unit for aggregate gross proceeds of \$1,159,120. Each unit consisted of one common share and one common share purchase warrant at an exercise price of \$16 until June 28, 2027. In connection with this private placement, where applicable, the Company paid a cash finder fee of 8%.

(ii) Shares issued under RTO

As outlined in note 9, the Company issued 182,000 common shares on June 28, 2024, as part of RTO valued at \$1,318,457. Fair value of these common shares was determined using Black-Scholes option pricing model.

(iii) Share-based compensation

During the year ended December 31, 2025, the Company issued 30,183 common shares valued at \$189,215 for services rendered by certain consultants.

During the year ended December 31, 2024, the Company issued 19,868 common shares valued at \$153,797 for services rendered by certain consultants.

(c) *Share purchase warrants*

	No. of share purchase warrants	Fair value (\$)	Weighted average exercise price (\$)
Balance on January 1, 2024	529,814	461,534	9.67
Granted under private placement of \$8 per unit	37,576	65,963	16.00
Granted under concurrent financing	370,430	1,020,804	16.00
Granted under RTO	82,000	225,970	16.00
Granted under private placement of \$10 per unit	115,912	268,529	16.00
Granted to acquire royalty interest (note 6(d))	100,000	125,382	16.00
Balance on December 31, 2024	1,235,732	2,168,182	13.29
Granted - First \$6.50 round (All tranches)	232,248	295,071	13.00
Exercise of \$8 warrants	(3,750)	(2,560)	8.00
Expiry of \$8 warrants	(415,511)	(283,607)	8.00
Granted - Second \$6.50 round (All tranches)	235,531	325,389	13.00
Granted - Acquisition of royalty interest	60,000	92,200	13.00
Granted - \$5.5 round (LIFE Offering)	599,064	1,198,798	8.25
Granted as financial advisory - \$5.5 round	29,953	59,939	8.25
Balance on December 31, 2025	1,973,267	3,853,412	12.73

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The fair value of the warrants was estimated using the Black-Scholes option pricing model using the following assumptions.

	Risk-free rate	Expected life	Expected volatility	Expected dividend
2025:				
First \$6.50 per unit round (All tranches)	2.50-2.69%	3 years	56.15-56.86%	Nil
Second \$6.50 per unit round (All tranches)	2.68-2.83%	3 years	56.02-56.50%	Nil
Acquisition of royalty interest	2.77%	3 years	56.36%	Nil
\$5.50 per unit round (LIFE OFFERING)	2.53%	3 years	56.32%	Nil
Financial advisory unts (LIFE OFFERING)	2.53%	3 years	56.32%	Nil
2024:				
Private placements of \$8 per unit	4.01%	3 years	57.73%	Nil
Concurrent financing and RTO	4.01%	3 years	57.73%	Nil
Private placement of \$10 per unit	3.14%	3 years	57.73%	Nil
Acquisition of royalty interest	3.05%	3 years	56.97%	Nil

Effective November 4, 2025, common share purchase warrants and the warrants issued under corporate finance fee, totalling 501,562, were listed on the Exchange under the symbol SCRI.WT.C.

As at December 31, 2025, out of the 1,973,267 outstanding warrants, a total of 1,193,829 warrants were publicly traded on the Exchange.

(d) *Brokers warrants*

The following is the movement schedule of broker warrants for the years ended December 31, 2025 and 2024:

	No. of broker warrants	Fair value (\$)	Weighted average exercise price (\$)
Balance on January 1, 2024	55,600	59,178	8.00
Granted under concurrent financing	7,140	19,675	16.00
Balance on December 31, 2024	62,740	78,853	8.91
Granted - First \$6.5 per unit round	15,640	19,767	13.00
Granted - Second \$6.5 per unit round	15,683	21,555	13.00
Granted - \$5.5 per unit round	47,925	134,269	5.50
Balance on December 31, 2025	141,988	254,444	8.66

The fair value of the broker warrants was estimated using the Black-Scholes option pricing model using the following assumptions.

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	Risk-free rate	Expected life	Expected volatility	Expected dividend
2025:				
First \$6.50 per unit round (All tranches)	2.50-2.69%	3 years	56.15-56.86%	Nil
Second \$6.50 per unit round (All tranches)	2.68-2.83%	3 years	56.02-56.50%	Nil
\$5.50 per unit round (LIFE OFFERING)	2.53%	3 years	56.32%	Nil
2024:				
Concurrent financing	4.01%	3 years	57.73%	Nil

Out of the 62,740 outstanding broker warrants, a total of 7,140 broker warrants are publicly traded on the Exchange.

In addition, 437,500 performance warrants are outstanding, as disclosed in note 6(a).

(e) *Restricted shares units (RSUs)*

The RSUs plan is a compensation program designed to reward eligible participants for their services rendered to the Company. RSUs are awarded at the discretion of the board of directors, with each unit representing the right to receive one common share of the Company, subject to specified conditions and restrictions. These conditions often include continued employment or engagement with the Company. The RSUs plan aims to align the interests of participants with the long-term performance and success of the Company while providing a mechanism for incentivizing and retaining key talent.

The following is the movement schedule of RSUs for the year ended December 31, 2025:

	No. of RSUs	Amount (\$)
Opening balance	75,532	566,841
Granted	108,772	678,750
Settled	(155,045)	(1,061,839)
Closing balance	29,259	183,752

During the year ended December 31, 2025, the Company recorded share-based compensation expense of \$664,900 (2024 - \$728,000) in relation to RSUs.

On March 31, 2025, a total of 29,262 RSUs were granted to eligible participants for a total of \$183,750. All these RSUs are going to vest on March 31, 2026.

On September 15, 2025, a total of 61,250 RSUs were granted to eligible participants for a total value of \$367,500. All of these RSUs vested immediately, and 61,250 common shares were issued against vested 61,250 RSUs on September 15, 2025.

On December 29, 2025, a total of 18,260 RSUs were granted to eligible participants for a total of \$127,500. All these RSUs vested immediately, and 18,260 common shares were issued against vested 18,260 RSUs on December 29, 2025.

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The following is the movement schedule of RSUs for the year ended December 31, 2024:

	No. of RSUs	Amount (\$)
Opening balance	35,625	285,000
Granted	98,245	735,000
Cancelled	(8,750)	(70,000)
Settled	(49,588)	(383,159)
Closing balance	75,532	566,841

During the year ended December 31, 2024, the Company recorded share-based compensation expense of \$735,000 (2023 - \$285,000) in relation to RSUs.

On May 14, 2024, a total of 30,625 RSUs were granted to eligible participants for a total of \$245,000. The 50% of these RSUs vested immediately and the remaining 50% were to vest on May 14, 2025. Total of 15,313 common shares were issued against vested 15,313 RSUs on October 9, 2024.

On October 9, 2024, a total of 41,667 RSUs were granted to eligible participants for a total of \$306,250. The 50% of these RSUs vested immediately and the remaining 50% vested on October 9, 2025. Total of 41,667 common shares were issued against vested 41,667 RSUs on the respective date of vesting.

On December 31, 2024, a total of 25,953 RSUs were granted to eligible participants for a total of \$183,750. All these RSUs will vest on December 31, 2025.

(f) *Stock options*

On March 31, 2025, the Company issued 12,000 stock options to one of the consultants, with an exercise price of \$6.75 per share, an expiry date of March 31, 2030, and immediately vesting. These options were exercised on April 14, 2025. As the options were exercised shortly after the grant, no significant shared based compensation expense was recorded.

8. Royalty income

	2025	2024
Elk Gold, Canada	\$ 61,828	209,138
Pilar Gold, Brazil	894,943	372,199
Igor 4, Peru	276,637	-
	\$ 1,233,408	581,337

9. Reverse take over (RTO)

Effective May 15, 2024, and as amended on May 27, 2024, the Company entered into an amalgamation agreement with 128, which was a reporting issuer in the Provinces of British Columbia and Alberta. Effective June 28, 2024, the transaction was completed by way of an amalgamation pursuant to which Silver Crown amalgamated with 128 and, in exchange for their securities of Silver Crown and 128, the security holders of Silver Crown and 128 received securities

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of the Resulting Issuer based on their respective exchange ratios. Following the closing of the transaction, the Resulting Issuer is now carrying on the business of Silver Crown under the name “Silver Crown Royalties Inc.” The combined entity resulting from the transaction has its common shares listed on the Exchange by way of a listing statement in the form of a non-offering prospectus.

For accounting purposes, the transaction was accounted for as a reverse takeover, as the security holders of Silver Crown acquired control of the consolidated entity upon the completion of the acquisition. The reverse takeover did not constitute a business combination under IFRS 3 and instead was accounted for under IFRS 2 Share-Based Payments, as 128 did not meet the definition of a business. On closing of the acquisition, SCR is treated as the accounting parent (legal subsidiary), and 128 is treated as the accounting subsidiary (legal parent).

As a result of this acquisition, a listing expense of \$1,544,427 has been recorded. This reflects the difference between the estimated fair value of consideration given less the fair value of net assets acquired.

The allocation of estimated fair value of consideration given is as follows:

	2024
Fair value of net assets acquired:	
Listing expenses	\$ 1,544,427
	\$ 1,544,427
Consideration given:	
182,000 common shares	\$ 1,318,457
82,000 warrants	225,970
	\$ 1,544,427

During the year ended December 31, 2024, the Company also incurred cash listing expenses of \$582,348 for aggregate listing expenses of \$2,126,775.

10. Income taxes

A reconciliation between tax expense and the product of accounting loss multiplied by the Group's domestic tax rate for the years ended December 31, 2024, and 2023, is as follows:

	2025	2024
Net loss before income taxes	\$ (4,309,043)	(3,593,343)
Statutory Canadian tax rate	26.50%	26.50%
Expected income tax recovery based on statutory rate	1,141,896	952,235
Permanent differences	(235,973)	(608,023)
Temporary taxable differences	(431,764)	(26,762)
Prior period adjustment	481,466	-
Change in unrecognized deferred tax assets	(955,625)	(317,450)
	\$ -	-

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The significant components of the Group's deferred tax assets, resulting from temporary differences, unused tax losses, that have not been included on the statements of financial position, are as follows:

	2025	2024
Non-capital loss carried forward	\$ 1,659,274	703,649
Share issuance costs	352,845	64,473
Deferred tax liability	(253,715)	-
Less: valuation allowance	(1,758,404)	(768,122)
	\$ -	-

These deferred tax assets have not been recognized because it is not probable that future taxable profit will be available against which the Group will be able to use these potential benefits.

As at December 31, 2025, the Group has non-capital losses in Canada, which under certain circumstances can be used to reduce the taxable income of future years. The non-capital losses expire as follows:

	Amount
2042	\$ 224,109
2043	1,204,209
2044	3,043,813
2045	1,789,282
Total	\$ 6,261,413

11. Related party balances and transactions

Related parties include key management personnel and individuals or companies controlled by key management personnel. Key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of the Group, directly or indirectly. Key management personnel include the Group's executive officers and members of the board of directors.

Following are the related party balances as at December 31, 2025, and December 31, 2024:

	2025	2024
Accounts payable	\$ -	12,278

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Following are the related party transactions during the years ended December 31, 2025, and 2024:

	2025	2024
Personnel costs	\$ 441,250	593,037
Share-based compensation	498,750	615,000
Marketing and business development	88,006	55,627

The Company is a party to certain consulting contracts with key management personnel. These contracts require that additional maximum cash payments of \$750,000, be made upon the occurrence of a change of control or termination without cause. As a triggering event has not taken place, contingent payments have not been reflected in these financial statements.

12. Capital management

The Group's objectives for managing capital are:

- (i) to maintain a flexible capital structure which optimizes the cost/risk equation; and
- (ii) to manage capital in a manner that maximizes the interests of stockholders.

The Group considers capital as the total equity disclosed on the statement of financial position.

Management does not establish quantitative return on capital criteria, however, management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Group, is appropriate. As at December 31, 2025 and 2024, the Group was not subject to any externally imposed capital requirements.

13. Financial instruments and associated risks

(a) Fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

Following is the summary of the financial instruments as at December 31, 2025, and 2024:

	2025	2024
Financial assets:		
Cash at bank	\$ 888,678	1,536,635
Royalties' receivable	772,528	254,551
	\$ 1,661,206	1,791,186
Financial liabilities:		
Accounts payable and accrued liabilities	\$ 183,558	262,390
	\$ 183,558	262,390

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The carrying values of financial instruments approximate their fair values as at December 31, 2025, and 2024.

(b) *Risk management*

A summary of the Group's risk exposures as it relates to financial instruments are reflected below:

(i) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk related to commodity prices.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As at December 31, 2025, and 2024, the Group has determined its exposure to interest rate risk is minimal.

Foreign currency risk

Foreign currency risk is the risk that changes in foreign exchange rates may have an effect on future cash flows associated with financial instruments. The Company undertakes certain transactions denominated in U.S. dollars and is therefore exposed to fluctuations in the foreign exchange rates between U.S. dollars relative to Canadian dollar. As at December 31, 2025, the impact of 10% increase or decrease in the U.S. dollar rate relative to Canadian dollar would result in an increase or decrease in net loss of \$153,238 (2024 - \$159,263).

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Group is exposed to price risk with respect to silver prices on various royalty agreements. Currently, the Company's revenue is not hedged to provide shareholders with full exposure to changes in the market prices of the silver. For the year ended December 31, 2025, the impact of a 10% increase or decrease in the silver price would result in an increase or decrease in net income of \$123,341 (2024 - \$58,134).

(ii) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or a counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk is limited to its cash, and accounts receivable.

Accounts receivables are measured at amortized cost and are presented net of their allowance for expected credit losses within the statements of financial position. The allowance for expected credit losses is determined by estimates and assumptions made by management on credit losses expected to occur in the future. This is based on the probability of default, loss given default, and expected cash shortfall relating to the

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underlying receivables. The expected credit loss is determined by evaluating a range of possible outcomes incorporating the time value of money and reasonable and supportable information about past events, current conditions, and future economic forecasts. During the year ended December 31, 2025, the Company recognized an allowance for expected credit loss of \$530,409 (2024 - \$nil) relating to royalties receivable - Pilar Gold (note 6).

Cash is held with a reputable financial institution and is closely monitored by management. As at December 31, 2025 and 2024, the Group has determined that no accounts receivable were impaired. The carrying amount of financial assets represents the maximum credit exposure.

(iii) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group's liquidity and operating results may be adversely affected if the Group's access to the capital market is hindered, whether as a result of a downturn in stock market conditions generally or related to matters specific to the Group. During 2025 and 2024, the Group generated cash flow primarily from its financing activities.

The following are the remaining undiscounted contractual maturities of financial liabilities at December 31, 2025, and 2024:

	Carrying value	Less than 6 months	7 - 12 months	Total
2025:				
Accounts payable and accrued liabilities	\$ 183,558	183,558	-	183,558
	\$ 183,558	183,558	-	183,558
2024:				
Accounts payable and accrued liabilities	\$ 262,390	262,390	-	262,390
	\$ 262,390	262,390	-	262,390

14. Subsequent events

- Effective January 15, 2026, the Company completed a non-brokered private placement with a strategic investor. As part of this round, the Company issued 424,500 units at a price of \$7 per unit for total proceeds of approximately \$2,971,500. Each unit comprised of one common share and one common share purchase warrant. Each warrant entitles the holder to acquire one common share at a price of \$8.25 for a period of three years following the closing date.
- For warrants issued under LIFE offering with an exercise price of \$8.25, which were subsequently listed on Exchange, the Company announced the acceleration event on March 5,

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2026. The expiry date was accelerated to April 6, 2026. Pursuant to the terms of the warrant indenture, any warrants that remain unexercised on April 6, 2026 will automatically expire and will thereafter be void and of no further force or effect.

- (c) Up to the date of issuance of these financial statements, 484,566 warrants and broker warrants were exercised and as a result \$3,834,174 were received by the Company.