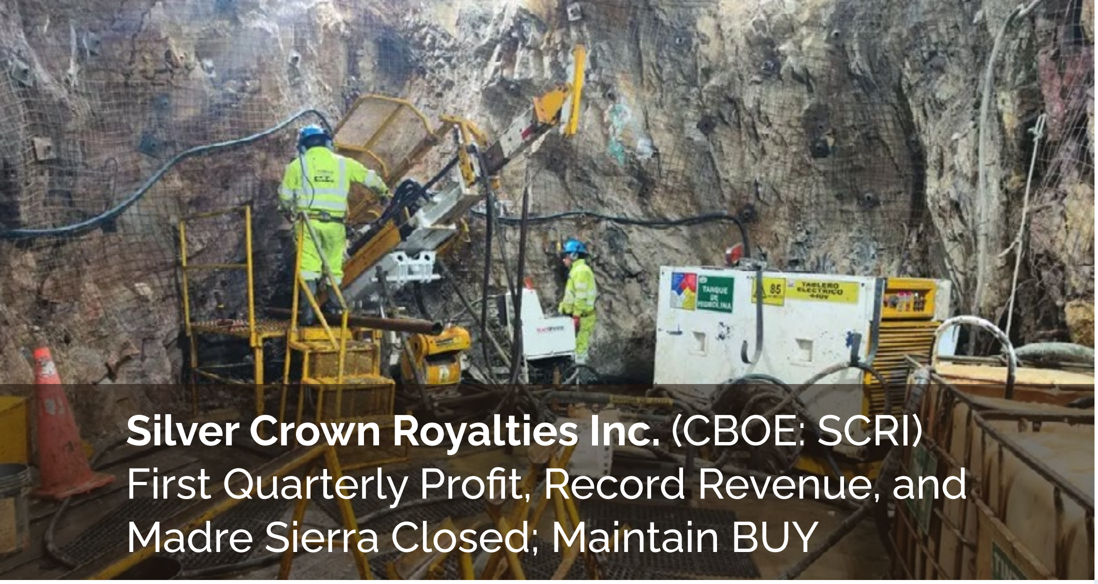

Silver Crown Royalties Inc. (CBOE: SCRI)
First Quarterly Profit, Record Revenue, and Madre Sierra Closed; Maintain BUY

COULOIR CAPITAL

Author: Couloir Research Team August 20, 2026

PLEASE REVIEW THE DISCLAIMER ON PAGE 7

Investment Highlights

- **Silver Crown Royalties (CBOE: SCRI)** (the "Company") is an emerging silver royalty company that stands to benefit from the first-mover advantage. It is the only pure-play silver royalty company in the market offering investors access to a diversified portfolio of silver royalties.
- **Record Q2 2026 Revenue, First Quarterly Profit:** Reported record Q2 2026 royalty revenue of C$1.87 million, up 598% YOY and nearly 3x QOQ. The Company posted its first-ever quarterly net income of C$137,983 (vs. net loss of C$571,397 in Q2 2025) and its first positive operating cash flow (before working capital changes) since going public in July 2024.
- **Igor 4 Minimums Now Live:** The revenue inflection was driven by PPX Mining's Igor 4 royalty, which contributed C$1,459,860 as the minimum guaranteed delivery of 14,062.5 oz/quarter became effective in Q2 2026. Total attributable silver deliveries reached 18,063 oz, versus 4,243 oz in Q2 2025.
- **Madre Sierra Royalty Closed:** During Q2 2026, SCRI closed its acquisition of two 1% NSR royalties on Titiminas Silver's Madre Sierra deposit in Peru, paying US$6.0 million in cash from treasury, with a further US$2.0 million contingent on first royalty receipt. Management guides to 60,000 silver ounces annually within two years of restart.
- **Strong liquidity:** At the end of Q2 2026, SCRI reported C$6.5 million of available liquidity, including silver bullion holdings, alongside ~C$22.1 million of in-the-money warrants. This provides ample capital to fund accretive royalty acquisitions while limiting dilution.
- **We reiterate our BUY rating and maintain our fair value per share estimate to C$35.00 per share.**

Key Financial Data (FYE Dec 31) (C$)		FY 2025		Q2 2026
Cash and Equivalents	$	888,678	$	501,710
Working capital	$	2,651,84	$	9,802,882
Mineral assets/Royalty Interests	$	9,377,424	$	17,421,165
Total assets	$	12,212,866	$	27,299,574
Net Income (loss)	$	(4,309,043)	$	137,983
EPS (C$)		(1.42)		0.03

Current Price (C$)*	$27.56
Fair Value	$35.00
Projected Upside	27%
Action Rating	BUY
Perceived Risk	HIGH

Shares Outstanding (M)	5.55
Market Cap (M)	$152.90

YoY Return	330.6%
YoY TSXV Return	26.8%

* Note: all $ amounts are C$ unless otherwise stated

CBOE: SCRI PRICE AND VOLUME HISTORY

COULOIR CAPITAL is a research-driven investment dealer
focused on emerging companies in the natural resources sector

SUBSCRIBE TO RESEARCH

We employ a fundamental-based analysis with the goal of discovering a company's fair value in the context of Macro factors facing each company. In doing so we generate actionable ideas in underfollowed companies where a small number of market participants can rapidly close the gap between price and fair value. Our research reports are disseminated through Bloomberg, S&P Capital IQ, LSEG, FactSet, AlphaSense, Research Tree, LinkedIn & large email lists.

RESEARCH DRIVEN

Vancouver 604 609 6190 • admin@couloircapital.com

Source: Titiminas Silver Website

Contents

1 Record Q2 2026 Results
2 Igor 4: The Key Earnings Driver
3 Balance Sheet and Capital Structure
4 What's Next for Silver Crown Royalties
5 Peer Comparison and Valuation
6 Conclusion
6 Risks
7 Disclaimer
9 Overall Risk Ratings

Tables

1 Table 1: Royalty Revenue by Asset
1 Table 2: Attributable Silver Deliveries by Quarter (oz)
2 Table 3: Royalty Portfolio
3 Table 4: Holdings by Investor Type
3 Table 5: SCRI Warrant Schedule
4 Table 6: Royalty Portfolio Growth Projections
5 Table 7: Key Relative Valuation Metrics

Record Q2 2026 Results

Silver Crown Royalties posted its strongest quarter to date, with royalty revenue of C$1.87 million, up 598% YOY from C$0.27 million and nearly 3x Q1 2026 revenue of C$0.67 million. The increase was driven primarily by Igor 4, where the minimum guaranteed royalty of 14,062.5 Ag oz per quarter became effective in Q2. Igor 4 generated C$1.46 million of revenue versus C$10,768 a year ago. PGDM Complex contributed C$0.41 million, up 110% YOY, with the 4,000 oz quarterly minimum unchanged and the increase driven by higher silver prices. Elk Gold contributed no revenue as the asset remains non-operational.

Table 1: Royalty Revenue by Asset

Revenue (C$)	Q2 2026	Q2 2025	Change %
Igor 4 (PPX Mining)	1,459,860	10,768	13457%
PGDM Complex (Pilar Gold)	407,196	193,730	110%
Elk Gold	–	62,852	NM
Total royalty revenue	1,867,056	267,350	598%

Source: Company filings, Couloir Capital

Attributable silver deliveries increased to 18,063 oz from 5,798 oz in Q1 2026 and 4,243 oz in Q2 2025, materially increasing Silver Crown Royalties' revenue base. The higher royalty contribution drove Silver Crown Royalties to its first quarterly profit, with net income of C$0.14 million versus a C$0.57 million loss in Q2 2025, a C$0.71 million YoY improvement. For 1H26, revenue increased 343% YoY to C$2.53 million, while the net loss narrowed to C$0.52 million from C$0.92 million.

Table 2: Attributable Silver Deliveries by Quarter (oz)

Quarter	Elk Gold	PDGM	Igor4	Total
Q2 2025	–	4,000	243	4,243
Q3 2025	–	4,000	651	4,651
Q4 2025	–	4,000	2,684	6,684
Q1 2026	–	4,000	1,798	5,798
Q2 2026	–	4,000	14,063	18,063

Source: Company filings, Couloir Capital

We note that reported Q2 earnings were weighed down by several non-cash items, including C$0.71 million of share-based compensation, C$0.24 million of depletion, and a C$0.41 million mark-to-market loss on silver bullion. Excluding these, the operating trajectory is clearly positive. CEO Peter Bures noted the quarter marked the Company's first positive earnings and cash from operations (before working capital adjustments) since its July 2024 listing.

Igor 4: The Key Earnings Driver

Igor 4 was the primary driver of Silver Crown Royalties' Q2 earnings momentum. Under the agreement with PPX Mining Corp, the 15% NSR provides Silver Crown Royalties with a minimum guaranteed payment equivalent to 14,062.5 oz of silver per quarter until cumulative deliveries reach 225,000 oz. With these minimums taking effect in Q2 2026, Igor 4 contributed C$1.46 million of royalty revenue and materially reset Silver Crown Royalties' recurring revenue base.

The key caveat is cash conversion. On July 29, PPX agreed to settle US$860,094 of outstanding royalty obligations, equivalent to C$1.21 million, through the issuance of 6.53 million PPX shares at C$0.185 per share, following an earlier US$168,509 cash payment. As a result, part of Q2's royalty revenue is being realized through equity rather than cash. We view this as an important distinction when assessing earnings quality and near-term liquidity.

Table 3: Royalty Portfolio

Asset	Key Terms	Jurisdiction	Operator
Elk Gold	90% NSR silver	British Columbia, Canada	Gold Mountain
PGDM Complex	90% NSR silver	Goias, Brazil	Pilar Gold
Igor 4	15% NSR silver	Peru	PPX Mining
BacTech	90% NSR silver	Ecuador	BacTech Env.
Scotia Mine	90% NSR silver	Nova Scotia, Canada	EDM Resources
Madre Sierra	2% NSR	Peru	Titiminas Silver

Source: Company filings, Couloir Capital

Beyond the near-term cash flow profile, the transaction provides meaningful exploration leverage. Titiminas controls approximately 3,700 hectares across 13 concessions within a historic polymetallic district and recently commenced a multi-year drilling campaign designed to support a maiden NI 43-101 resource estimate by Q2/Q3 2027.

Source: PPX Website

Balance Sheet and Capital Structure

Silver Crown Royalties exited Q2 with a materially stronger balance sheet. Total assets increased to C$27.3 million from C$12.2 million at year-end 2025, driven primarily by the C$8.33 million Madre Sierra acquisition, C$4.36 million of term deposits and higher royalty receivables. Working capital increased to C$9.8 million from C$2.7 million, while total liabilities declined to just C$0.08 million. Liquidity at the end of Q2 was C$6.5 million, comprising C$0.50 million of cash, C$4.36 million of term deposits and C$1.67 million of silver bullion, providing ample capacity to fund operating requirements and pursue additional royalty M&A.

The firm currently boasts a tight capital structure with nearly 5.55 million common shares outstanding. Nearly 70% of the shares are held by the public, providing liquidity on the stock exchange and enabling investors to enter and exit their positions. Corporations and institutions together own 20.3% of the company, subjecting their investments to rigorous due diligence and technical screening. Institutional investors can serve as a quality signal for retail investors. Management holds a 9.9% stake, which is a welcome attribute because it closely aligns management and the board's interests with those of retail investors.

Table 4: Holdings by Investor Type

Type	Common Stocks Held	% of Outstanding
Institutions	402,439	7.3%
Corporate	720,692	13.0%
Insiders	546,925	9.9%
Public & Other	3,877,852	69.9%

Source: Company filings, Couloir Capital

The following table outlines the Company's outstanding warrants:

Table 5: SCRI Warrant Schedule

Type	# Warrants	Exercise Price	Nominal Value	Expiry
Warrants	486,889	8.25	$4,016,834	2028
Warrants	498,358	13.00	$6,478,654	2028
Warrants	728,525	16.00	$11,656,400	2028
Total	1,713,772	12.93	$22,151,888	

Source: Company, Couloir Capital

Silver Crown Royalties currently has 1.7 million warrants outstanding at a weighted average exercise price of just about C$12.9, with most warrants expiring in 2028. Currently, all the warrants are in-the-money with exercise prices significantly below the Company's share price. If fully exercised, these warrants would generate approximately C$22.1 million in additional proceeds, providing growth capital to fund future royalty acquisitions and portfolio expansion.

What's Next for Silver Crown Royalties

Silver Crown Royalties will continue to pursue its business model of accretive growth of its royalty portfolio by focusing on projects where the value of silver is a minor economic contributor. The firm is building a geographically diversified royalty portfolio by prudently deploying its capital in stages to improve the risk profile and minimize the downside for investors. Q2 2026 revenue grew by 598% YOY, highlighting strong operating momentum.

Table 6: Royalty Portfolio Growth Projections

Royalty	Unit	2024A	2025A	2026E	2027E	2028E	2029E
Pilar Gold	Ag [oz]	9,595	16,211	16,000	16,000	16,000	16,000
	Royalty [k US$]	272	653	1,110	1,110	1,110	1,110
Gold Mountain	Ag [oz]	5,394	1,120				
	Royalty [k US$]	153	45				
PPX Mining Corp	Ag [oz]		5,011	43,986	56,250	56,250	56,250
	Royalty [k US$]		202	3,051	3,902	3,902	3,902
BacTech	Ag [oz]						
	Royalty [k US$]						
EDM Resources	Ag [oz]				3,500	7,000	7,000
	Royalty [k US$]				243	486	486
Titiminas	Ag [oz]			1,200	25,000	56,000	60,000
	Royalty [k US$]				1,734	3,884	4,162
2027 Addition	Ag [oz]					35,000	35,000
	Royalty [k US$]					2,428	2,428
Total Silver	Ag [oz]	14,989	22,342	61,186	100,750	170,250	174,250
Total Payments	Royalty [k US$]	407	900	4,161	6,988	11,809	12,086

Source: Capital IQ, Company filings

Silver Crown Royalties has a wide industry network and the required expertise to identify suitable projects for investment that are either producing silver or will be in the near future. With a pipeline of projects ready for investment and the company's ability to raise the required capital, we can expect more deal flow in future as the firm continues to add ounces to its royalty portfolio. After the firm turns cash flow positive and the revenues generated from the royalty portfolio continue to increase, at some point it will be able to raise debt on the back of those cash flows, which will substantially reduce its cost of capital and further boost revenue growth.

Peer Comparison and Valuation

The peer group consists of publicly listed precious metals royalty and streaming companies, with larger, more mature players providing a benchmark for normalized trading multiples. Under our valuation framework, Silver Crown Royalties holds a P/S ratio of 9.5x, versus a peer average of 13.5x, representing a meaningful discount to the peer average. This discount is primarily attributable to the company's earlier stage of development, smaller portfolio scale, and higher reliance on equity funding relative to more established peers.

However, several factors support a re-rating toward peer levels. Silver prices remain elevated, providing a supportive macro backdrop for Silver Crown Royalties given its pure-play silver exposure. In addition, the company is in the process of scaling its portfolio, with YOY revenue growth touching 598% in Q2 2026 and a clear path toward cash flow positivity in the near term.

We value Silver Crown Royalties at a P/S multiple of 13.5x, in line with the peer group average. Factoring in 2028E sales of C$16.2 million (or US$11.8 million), along with cash of C$6.5 million and zero debt, we derive an implied equity value of C$225.0 million. Based on a fully diluted share count of 6.4 million shares, this corresponds to a fair value of approximately C$35.00 per share, implying 27% upside from current levels.

Table 7: Key Relative Valuation Metrics

Company	Ticker	MCAP (C$M)	EV (C$M)	2028E P/S (x)	2028E EV/ Sales (x)	LTM P/B (x)
Silver Crown Royalties	SCRI	154	149	9.5	6.2	5.6
Wheaton Precious Metals	WPM	94,083	96,749	16.0	16.5	6.8
Franco-Nevada	FNV	68,805	67,365	17.3	16.9	5.9
OR Royalties Inc.	OR	9,079	9,283	12.9	13.2	4.3
Triple Flag Precious Metals	TFPM	9,466	9,751	11.6	12.0	2.9
Empress Royalty Corp	EMPR	136	131	NM	NM	2.8
Elemental Royalty Corp	ELE	1,942	1,814	10.7	10.0	1.7
Sailfish Royalty	FISH	468	520	NM	NM	9.2
Metalla Royalty & Streaming	MTA	1,432	1,438	19.0	19.1	4.0
Vox Royalty	VOXR	535	491	7.0	6.4	2.5
Average				**13.5**		

Source: Couloir Capital, Capital IQ

Conclusion

We reiterate our BUY rating and maintain our target price at C$35.00 per share. Several factors are expected to support the company's share price:

- **Revenue growth:** Revenues are rising rapidly as the company continues to expand its portfolio with new royalty deals. These agreements are growing both in annual silver production and in the total ounces covered under each royalty, reflecting strong growth in royalty volumes and associated revenues since inception.
- **Market leadership:** Silver Crown Royalties' strong momentum is reinforcing its position as the only pure-play silver royalty company in the market. It is becoming the preferred choice for companies seeking non-dilutive financing, while investor awareness continues to build for the company and the silver market.
- **Institutional support:** Robust institutional and corporate backing enables Silver Crown Royalties to access additional capital for pursuing attractive royalty acquisitions. The thorough due diligence conducted by institutional investors also serves as a quality endorsement for retail investors.
- **Upside potential:** Based on our valuation model, significant upside remains in the stock. This potential is further enhanced by Silver Crown Royalties' exceptional revenue growth trajectory, which is expected to accelerate as the company closes more deals that are trending up in size.
- **Aligned management interests:** Management owns 9.9% of Silver Crown Royalties, providing meaningful alignment with those of shareholders and ensuring a strong focus on value creation.

Risks

The following outlines some of the key risk considerations that investors should keep in mind when evaluating Silver Crown Royalties as an investment opportunity:

- **Operational risk:** Acquired royalties may not perform as desired when the royalty vendor encounters difficulties in production.
- **Commodity price risk:** The rise and fall of natural resource stocks, including royalty companies, is usually tied to some degree to the price of the underlying commodity. In the case of Silver Crown Royalties, the principal underlying commodity is silver. The reader is cautioned that prices may fall in the short and intermediate term, which may impact Silver Crown Royalties' financial profile.
- **Wider market risk:** Like most other equities, Silver Crown Royalties will be at the mercy of wider market fluctuations and will be affected by changes to the outlook for rate hikes and inflation and concerns surrounding a downturn in economic activity.
- **Dilution of existing shareholders:** If non-dilutive funding options are not available, the company may have to issue further shares to cover expenditures; hence, existing shareholders may face some degree of dilution. If market developments are favourable, the impact may be diminished; if the market developments are adverse, the impact may be accentuated.

DISCLAIMER

This report has been prepared by an analyst on contract with or employed by Couloir Capital Ltd. The analyst certifies that the views expressed in this report, which include the rating assigned to the issuer's shares as well as the analytical substance and tone of the report, accurately reflect his or her personal views about the subject securities and the issuer. No part of his / her compensation was, is, or will be directly or indirectly related to the specific recommendations.

This report has been prepared in the English language; any version of this report in German, French or any other language has been translated using artificial intelligence (AI) and has not been independently verified for accuracy. The analyst may have used AI to complete certain sections of this report. Couloir Capital Ltd. assumes no responsibility for any errors or omissions generated by AI or AI translation services.

Couloir Capital, its affiliates, and their respective officers, directors, representatives, researchers, and members of their families may hold positions in the companies mentioned in this document and may buy and/or sell their securities. Additionally, Couloir Capital may have provided, in the past and may provide, in the future, certain advisory or corporate finance services and receive financial and other incentives from issuers as consideration for the provision of such services.

Couloir Capital has prepared this document for general information purposes only. This document should not be considered a solicitation to purchase or sell securities or a recommendation to buy or sell securities. The information provided has been derived from sources believed to be accurate, but cannot be guaranteed. This document does not consider the particular investment objectives, financial situations, or needs of individual recipients and other issues (e.g., prohibitions to investments due to law, jurisdiction issues, etc.) that may exist for certain persons. Recipients should rely on their own investigations and take their own professional advice before making an investment. Couloir Capital will not treat recipients of this document as clients by virtue of having viewed this document.

Company-specific disclosures, if any, are below:

1. In the last 24 months, Couloir Capital Ltd. has been retained by the subject issuer under a service agreement that includes analyst research coverage only.
2. The issuer has no control over the content of this report.
3. The views of the Analyst are personal.
4. No part of the Analyst's compensation was directly or indirectly related to the specific ratings as used by the research Analyst in the Reports.
5. The Analyst does not maintain a financial interest in the securities or options of the Company.
6. The principal of Couloir Capital or affiliated fund entities do not maintain a financial interest in the securities or options of the Company.
7. The information contained in the Reports is based upon publicly available information that the Analyst believes to be correct but has not independently verified with respect to truth or correctness.

Investment Ratings—Recommendations

Each company within an analyst's universe, or group of companies covered, is assigned:

1. A recommendation or rating, usually BUY, HOLD, or SELL;
2. A 12-month target price, which represents an analyst's current assessment of a company's potential stock price over the next year; and
3. An overall risk rating which represents an analyst's assessment of the company's overall investment risk.

These ratings are more fully explained below. Before acting on a recommendation, we caution you to confer with your investment advisor to determine the suitability of our recommendation for your specific investment objectives, risk tolerance, and investment time horizon.

Couloir Capital's recommendation categories include the following:

Buy

The analyst believes that the security will outperform other companies in their sector on a risk-adjusted basis or for the reasons stated in the research report the analyst believes that the security is deserving of a (continued) BUY rating.

Hold

The analyst believes that the security is expected to perform in line with other companies in their sector on a risk-adjusted basis or for the reasons stated in the research report the analyst believes that the security is deserving of a (continued) HOLD rating.

Sell

Investors are advised to sell the security or hold alternative securities within the sector. Stocks in this category are expected to under-perform other companies on a risk-adjusted basis or for the reasons stated in the research report the analyst believes that the security is deserving of a (continued) SELL rating.

Tender

The analyst is recommending that investors tender to a specific offering for the company's stock.

Research Comment

An analyst comment about an issuer event that does not include a rating.

Coverage Dropped

Couloir Capital will no longer cover the issuer. Couloir Capital will provide notice to clients whenever coverage of an issuer is discontinued. Following termination of coverage, we recommend clients seek advice from their respective Investment Advisor.

Under Review

Placing a stock Under Review does not revise the current rating or recommendation of the analyst. A stock will be placed Under Review when the relevant company has a significant material event with further information pending or to be announced. An analyst will place a stock Under Review while he/she awaits enough information to re-evaluate the company's financial situation.

The above ratings are determined by the analyst at the time of publication. On occasion, total returns may fall outside of the ranges due to market price movements and/or short-term volatility.

Overall risk ratings

Very High Risk: Venture-type companies or more established micro, small, mid or large-cap companies whose risk profile parameters and/or lack of liquidity warrant such a designation. These companies are only appropriate for investors who have a very high tolerance for risk and volatility and who can incur a temporary or permanent loss of a very significant portion of their investment capital.

High Risk: Typically, micro or small-cap companies which have an above-average investment risk relative to more established or mid to large-cap companies. These companies will generally not form part of the broad senior stock market indices and often will have less liquidity than more established mid and large-cap companies. These companies are only appropriate for investors who have a high tolerance for risk and volatility and who can incur a temporary or permanent loss of a significant portion of their investment capital.

Medium-High Risk: Typically, mid to large-cap companies have a medium to high investment risk. These companies will often form part of the broader senior stock market indices or sector-specific indices. These companies are only appropriate for investors who have a medium to high tolerance for risk and volatility and who are prepared to accept general stock market risk including the risk of a temporary or permanent loss of some of their investment capital

Moderate Risk: Large to very large cap companies with established earnings who have a track record of lower volatility when compared against the broad senior stock market indices. These companies are only appropriate for investors who have a medium tolerance for risk and volatility and who are prepared to accept general stock market risk including the risk of a temporary or permanent loss of some of their investment capital.

Vancouver 604 609 6190 • admin@couloircapital.com