

Interim Condensed Consolidated Financial Statements of

SILVER CROWN ROYALTIES INC.

For the three and nine months ended September 30, 2026 and 2025
(Unaudited - Expressed in Canadian dollars)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3), if an auditor has not performed a review of the interim condensed consolidated financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor. The accompanying unaudited interim condensed consolidated financial statements of Silver Crown Royalties Inc. have been prepared by management and approved by the Audit Committee and the Board of Directors of the Company and are the responsibility of the Company's management. The Company's independent auditor has not performed a review of these interim condensed consolidated financial statements in accordance with the standards established by the Canadian Institute of Chartered Professional Accountants for a review of interim financial statements by an entity's auditor.

SILVER CROWN ROYALTIES INC.

Interim Condensed Consolidated Statements of Financial Position
As at September 30, 2026 and December 31, 2025
(Unaudited - Expressed in Canadian dollars)

	Notes	2026	2025
		$	$
ASSETS			
Current assets			
Cash at bank	4	3,333,619	888,678
Term deposits	5	4,386,898	-
Accounts receivable	7	3,480,377	1,071,397
Silver bullion	6	2,584,912	690,687
Marketable securities	7	1,764,159	-
Prepaid expenses		50,805	184,680
Total current assets		15,600,770	2,835,442
Non-current assets			
Royalty interests	8	21,401,371	9,377,424
TOTAL ASSETS		**37,002,141**	**12,212,866**
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	4	114,841	183,558
TOTAL LIABILITIES		114,841	183,558
SHAREHOLDERS' EQUITY			
Share capital	9	42,031,228	16,994,131
Subscriptions received in advance		52,000	-
Contributed surplus	9	4,167,483	4,291,608
Accumulated deficit		(9,363,411)	(9,256,431)
TOTAL SHAREHOLDERS' EQUITY		36,887,300	12,029,308
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**37,002,141**	**12,212,866**

Reporting entity and going concern (note 1)
Contingencies and commitments (notes 8 and 11)
Subsequent events (note 14)

These interim condensed consolidated financial statements were approved by the Board of Directors of the Company on October 29, 2026, and signed on their behalf by:

Peter Bures	Philip van den Berg
Director	Director

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

SILVER CROWN ROYALTIES INC.

Interim Condensed Consolidated Statements of Net Income (Loss) and Comprehensive Income (Loss)
For the three and nine months ended September 30, 2026 and 2025
(Unaudited - Expressed in Canadian dollars)

	Notes	Three-months ended September 30		Nine-months ended September 30	
		2026	2025	2026	2025
		$	$	$	$
REVENUE					
Royalty income	8, 10	1,609,779	251,212	4,142,689	822,970
EXPENSES					
Share-based compensation	11	(928,373)	(282,165)	(2,330,418)	(724,115)
Consulting fees	11	(246,020)	(138,350)	(779,716)	(366,036)
Marketing and business development	11	(246,069)	(143,334)	(502,332)	(517,134)
Public company costs		(89,624)	(100,151)	(203,076)	(346,844)
Legal and professional fees	11	(38,092)	(49,315)	(166,823)	(151,285)
Project evaluation costs		(25,283)	(24,373)	(86,464)	(25,346)
General and administrative expenses		(8,198)	(7,783)	(23,566)	(20,397)
Depletion	8	(241,816)	(25,920)	(530,378)	(82,534)
Total expenses		(1,823,475)	(771,391)	(4,622,773)	(2,233,691)
OTHER INCOME (EXPENSES)					
Interest income	5	27,389	4,185	124,230	13,711
Net gain (loss) on silver bullion	6	14,412	15,857	(390,567)	20,890
Unrealized gain on marketable securities	7	555,383	-	555,383	-
Foreign exchange gain (loss)		(4,378)	31,965	54,060	(16,684)
Net income (loss) and comprehensive income (loss)		379,110	(468,172)	(136,978)	(1,392,804)
Net earnings (net loss) per share					
- Basic		0.07	(0.15)	(0.03)	(0.50)
- Diluted		0.06	(0.15)	(0.02)	(0.50)
Weighted average number of shares outstanding:					
- Basic		5,667,384	3,033,936	5,166,686	2,776,696
- Diluted		6,446,643	3,033,936	5,945,945	2,776,696

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

SILVER CROWN ROYALTIES INC.

Interim Condensed Consolidated Statements of Changes in Shareholders' Equity
For the nine months ended September 30, 2026 and 2025
(Unaudited - 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, 2024	2,508,132	11,681,138	-	2,813,876	(5,230,995)	9,264,019
Issue of units under private placements	467,779	2,420,102	-	620,461	-	3,040,563
Subscriptions received in advance	-	-	331,485	-	-	331,485
Issue of units to acquire royalty interest	60,000	507,800	-	92,200	-	600,000
Issue of shares on exercise of options and warrants	15,750	113,560	-	(2,560)	-	111,000
Issue of shares due to vesting of RSUs	15,312	122,496	-	(122,496)	-	-
Share issuance costs	-	(323,253)	-	41,323	-	(281,930)
Share-based compensation	8,777	59,740	-	551,250	-	610,990
Expiry of regular warrants	-	-	-	(283,607)	283,607	-
Net loss and comprehensive loss	-	-	-	-	(1,392,804)	(1,392,804)
Balance on September 30, 2025	3,075,750	14,581,583	331,485	3,710,447	(6,340,192)	12,283,323
Balance on December 31, 2025	3,865,906	16,994,131	-	4,291,608	(9,256,431)	12,029,308
Issue of shares/units under private placements	745,929	5,132,726	-	2,338,780	-	7,471,506
Subscriptions received in advance	-	-	52,000	-	-	52,000
Issue of units to acquire royalty interest	38,401	1,344,035	-	46,081	-	1,390,116
Issue of shares on exercise of warrants	1,252,189	16,253,347	-	(2,415,568)	-	13,837,779
Issue of shares due to vesting of RSUs	122,978	2,279,764	-	(2,279,764)	-	-
Share issuance costs	-	(111,849)	-	-	-	(111,849)
Share-based compensation	8,229	139,074	-	2,216,344	-	2,355,418
Expiry of broker warrants	-	-	-	(29,998)	29,998	-
Net loss and comprehensive loss	-	-	-	-	(136,978)	(136,978)
Balance on September 30, 2026	6,033,632	42,031,228	52,000	4,167,483	(9,363,411)	36,887,300

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

SILVER CROWN ROYALTIES INC.

Interim Condensed Consolidated Statements of Cash Flows
For the nine months ended September 30, 2026 and 2025
(Unaudited - Expressed in Canadian dollars)

	Notes	2026	2025
		$	$
Cash flows from operating activities			
Net loss		(136,978)	(1,392,804)
Adjustments for non-cash items:			
Depletion	8	530,378	82,534
Share-based compensation	9	2,330,418	724,115
Project evaluation costs		25,000	-
Interest income		(124,230)	(13,711)
Net (gain) loss on silver bullion	6	390,567	(20,890)
Net gain on fair value of marketable securities	7	(555,383)	-
		2,459,772	(620,756)
Changes in non-cash working capital:			
Accounts receivable		(3,617,756)	(777,398)
Prepaid expenses		133,875	25,724
Accounts payable and accrued liabilities		(68,717)	17,925
Net cash used in operating activities		(1,092,826)	(1,354,505)
Cash flows from investing activities			
Additions to royalty interests	8	(11,164,209)	(2,883,594)
Investment in term deposits	5	(4,386,898)	-
Purchase of silver bullion	6	(2,952,837)	(43,437)
Gross proceeds from sale of silver bullion	6	668,045	-
Interest received		124,230	13,711
Net cash used in investing activities		(17,711,669)	(2,913,320)
Cash flows from financing activities			
Gross proceeds from private placements	9	7,471,506	3,040,563
Subscriptions received in advance		52,000	331,485
Gross proceeds from exercise of warrants	9	13,837,779	111,000
Share issuance costs		(111,849)	(281,930)
Net cash provided by financing activities		21,249,436	3,201,118
Net increase (decrease) in cash		2,444,941	(1,066,707)
Cash, beginning of the period		888,678	1,536,635
Cash, end of the period		3,333,619	469,928
Non-cash items:			
Issue of units to acquire royalty interest	8	1,390,116	600,000
Settlement of royalty receivable in marketable securities	7	1,208,776	-

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

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.

The Company's common shares are listed on the Cboe Canada Inc. (the "Exchange") under the symbol "SCRI", and warrants are listed under the symbol "SCRI.WT.A", "SCRI.WT.B" and "SCRI.WT.C" on the Exchange. The Company's common shares are also traded on the OTCQX and Frankfurt Stock Exchange under the symbol "SLCRF" and "QS0", respectively.

The interim condensed consolidated financial statements (the "financial statements") comprise the Company and its subsidiary (collectively referred to as the "Group"). Following are the details of the subsidiary as at September 30, 2026:

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 nine months ended September 30, 2026, and the year ended December 31, 2025.

These 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. For the three and nine months ended September 30, 2026, the Group earned a net income of $379,110 (2025 - net loss of $468,172) and net loss of $136,978 (2025 - $1,392,804), respectively, and has an accumulated deficit of $9,363,411 as at September 30, 2026 (December 31, 2025 - $9,256,431). For the nine months ended September 30, 2026, the Group used net cash of $1,092,826 (2025 - $1,354,505) 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.

2. Basis of accounting and material accounting policies

(a) Statement of compliance and basis of measurement

These financial statements for the three and nine months ended September 30, 2026, have been prepared in accordance with International Accounting Standard ("IAS") 34, *Interim Financial*

Reporting, and should be read in conjunction with the Group's consolidated financial statements as at and for the year ended December 31, 2025 ("last annual financial statements"). These financial statements do not include all the information and disclosures required for a complete set of annual financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to understanding of the changes in Group's financial position and performance since the last annual financial statements.

The accounting policies adopted in the preparation of these financial statements are consistent with those set out in note 2 "Basis of accounting and material accounting policies" of the Group's last annual financial statements.

These financial statements were approved and authorized by the Board of Directors of the Company on October 29, 2026. The Board of Directors of the Company has the power to amend the financial statements after issue.

These financial statements have been prepared on an accrual basis and are based on historical cost except for silver billion and marketable securities which have been measured at fair value.

(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

Public company costs which were previously reported under marketing and business development cots are presented as a separate line item to conform with the current period'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.

(e) New accounting standards issued but not yet effective

The Company has not performed an assessment of new and revised standards issued by the IASB that are not yet effective.

3. Use of management estimates, judgments and measurement uncertainty

The preparation of these 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 critical judgments and significant estimates in applying accounting policies that have the most significant effect on the amounts recognized in these financial statements are outlined in note 3 of the last annual financial statements. There have been no significant changes in the Group's judgments and estimates applied during the three and nine months ended September 30, 2026, relative to those described in the last annual financial statements.

4. Cash at bank

		2026	2025
Cash at bank, unrestricted	$	3,331,926	886,985
Cash at bank, restricted		1,693	1,693
	$	3,333,619	888,678

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.

5. Term deposits

		2026	2025
Term deposits and accrued interest thereon	$	4,386,898	-

Term deposits represent Guaranteed Investment Certificates with original maturities of twelve months with annual interest rates ranging between 2.25% and 3.85%.

6. Silver bullion

A continuity schedule of silver bullion categorized as level 1 for fair value measurement for the nine months ended September 30, 2026, and 2025, is as follows:

		2026	2025
Opening balance	$	690,687	-
Purchase costs		2,952,837	43,437
Sale proceeds		(668,045)	-
Net realised and unrealised gain (loss)		(390,567)	20,890
Closing balance	$	2,584,912	64,327

7. Accounts receivable

		2026	2025
Royalties' receivable, net of ECL provision (note 13(b)(ii))	$	3,146,774	772,528
Goods and service tax receivable		333,603	298,869
	$	3,480,377	1,071,397

Out of the total royalty receivable of US$1,028,603 from PPX for three months ended June 30, 2026, an amount of US$168,509 was received in cash, and the remaining balance of US$860,094 ($1,208,775) was received in the form of shares of PPX as a result of a debt settlement agreement. As a result, the Company received 6,533,921 shares of PPX at a price of $0.185 per share in full and final settlement of the remaining balance.

As at the reporting date, these shares were marked to market and an unrealized gain of $555,383 was recorded in the statement of net income (loss) and comprehensive income (loss).

8. Royalty interests

Following is the roll forward of royalty interests for the nine months ended September 30, 2026, and 2025:

	Cost			Accumulated depletion and impairment				Net
	Opening balance	Additions	Closing balance	Opening balance	Depletion charge	Impairment charge (g)	Closing balance	carrying value
	$	$	$	$	$	$	$	$
2026:								
Elk Gold (a)	3,081,661	-	3,081,661	982,505	-	-	982,505	2,099,156
Pilar Gold (b)	2,753,219	-	2,753,219	109,706	54,447	-	164,153	2,589,066
BacTech (c)	1,049,322	-	1,049,322	1,049,322	-	-	1,049,322	-
Igor 4 (d)	3,578,669	-	3,578,669	61,333	475,931	-	537,264	3,041,405
Scotia Mine (e)	1,117,419	-	1,117,419	-	-	-	-	1,117,419
Madre Sierra (f)	-	12,554,325	12,554,325	-	-	-	-	12,554,325
Total	11,580,290	12,554,325	24,134,615	2,202,866	530,378	-	2,733,244	21,401,371

	Cost			Accumulated depletion and impairment				Net
	Opening balance	Additions	Closing balance	Opening balance	Depletion charge	Impairment charge (g)	Closing balance	carrying value
	$	$	$	$	$	$	$	$
2025:								
Elk Gold (a)	3,081,661	-	3,081,661	32,620	9,439	-	42,059	3,039,602
Pilar Gold (b)	2,753,219	-	2,753,219	37,110	54,447	-	91,557	2,661,662
Tucano Gold	27,142	-	27,142	-	-	-	-	27,142
BacTech (c)	1,049,322	-	1,049,322	-	-	-	-	1,049,322
Igor 4 (d)	66,621	2,618,333	2,684,954	-	18,648	-	18,648	2,666,306
Scotia Mine (e)	-	865,261	865,261	-	-	-	-	865,261
Total	6,977,965	3,483,594	10,461,559	69,730	82,534	-	152,264	10,309,295

(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. These share purchase warrants were subsequently expired, without being exercised.

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 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.

(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) Madre Sierra, Peru

Effective June 30, 2026, the Company acquired two existing privately held 1% net smelter return royalties (each, a "Royalty" and together, the "Royalties") on Titiminas Silver Inc.'s Madre Sierra deposit (the "Madre Sierra") in Jauja, Peru. Under the terms of the agreement, the Company acquired a cumulative 2% gross smelter return royalty on the Madre Sierra for cash consideration of US$6,000,000 which was paid at closing, with an additional total US$2,000,000 payable in cash upon Silver Crown's receipt of the first payment under such Royalties.

Effective September 15, 2026, the Company acquired an additional existing privately held 1% net smelter return royalty on the Madre Sierra. Under the terms of the agreement, the Company acquired a 1% gross smelter return royalty on the Madre Sierra for cash consideration of US$2,000,000 which was paid at closing, with an additional US$1,000,000 settled in 38,401 units with each unit comprised of one share of the Company and one half of one common share purchase warrant, issued at a price per unit equal to the volume weighted average trading price on the Exchange for the five trading days immediately preceding the date of the definitive royalty purchase and sale agreement. Each whole warrant entitles the holder to acquire one commons share of the Company at an exercise price equal to 150% of the closing issue price for a period of 24 months following closing.

(g) 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 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 will be undertaken. This reassessment may result in a reversal of part or all of the previously recognized impairment loss.

9. Shareholders' equity

(a) Authorized share capital

The Company is authorized to issue an unlimited number of common shares with no par value. As at September 30, 2026, the Company had 6,033,632 common shares (December 31, 2025 - 3,865,906 common shares) issued and outstanding.

(b) Issued share capital

(i) Private placements

Following are the details of private placements completed during the nine months ended September 30, 2026:

- 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 aggregate gross proceeds of $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.
- Effective April 15, 2026, the Company completed a non-brokered private placement with two strategic investors. As part of this round, the Company issued 321,429 shares at a price of $14 per share for aggregate proceeds of $4,500,006.

Following are the details of private placements completed during the nine months ended September 30, 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 $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%.

- 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%.

(ii) Shares issued for services

During the nine months ended September 30, 2026, the Company issued 8,229 (2025 - 8,777) common shares valued at $139,074 (2025 - $59,740) for services rendered by certain consultants.

(c) *Share purchased warrants*

The following is the movement schedule of share purchase warrants for the nine months ended September 30, 2026:

	No. of share purchase warrants	Fair value ($)	Weighted average exercise price ($)
Balance on January 1, 2026	1,973,267	3,853,414	12.73
Granted - Strategic investment round	424,500	2,338,780	8.25
Granted - Acquisition of royalty interest	19,200	46,081	54.30
Exercised	(1,187,430)	(2,245,468)	(11.30)
Balance on September 30, 2026	1,229,537	3,992,807	13.21

The fair value of the warrants issued under the first strategic investment round was estimated using the Black-Scholes option pricing model using the following assumptions.

	Risk-free rate	Expected life	Expected volatility	Expected dividend
Strategic investment round	2.69%	3 years	56.12%	Nil

The fair value of the warrants issued to acquire royalty interest was determined using the residual method where residual amount was allocated to the warrant.

(d) Brokers warrants

The following is the movement schedule of broker warrants for the nine months ended September 30, 2026:

	No. of broker warrants	Fair value ($)	Weighted average exercise price ($)
Balance on January 1, 2026	141,988	254,444	8.66
Exercised	(64,759)	(170,100)	(7.96)
Expired	(43,950)	(29,998)	(8.00)
Balance on September 30, 2026	33,279	54,346	14.16

In addition, 437,500 performance warrants are outstanding, as disclosed in note 8(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 nine months ended September 30, 2026:

	No. of RSUs	Amount ($)
Balance on January 1, 2026	29,259	183,750
Granted	93,719	2,096,014
Settled	(122,978)	(2,279,764)
Balance on September 30, 2026	-	-

During the three and nine months ended September 30, 2026, the Company recorded share-based compensation amount of $888,264 (2025 - $183,750) and $2,096,014 (2025 - $551,250), respectively, in relation to RSUs.

(f) Stock options

On January 12, 2026, the Company issued 50,000 stock options to one of the consultants, with an exercise price of $8.05 per share, an expiry date of January 12, 2029. These options shall vest and become exercisable based on the following schedule: (i) 25% on March 31, 2026; (ii) 25% on June 30, 2026, (iii) 25% on September 30, 2026; and (iv) 25% on December 31, 2026.

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

	Risk-free rate	Expected life	Expected volatility	Expected dividend
Exercise price - $8.05	2.72%	3 years	56.12%	Nil

During the three and nine months ended September 30, 2026, the Company recorded share-based compensation expenses of $40,110 (2025 - nil) and $120,330 (2025 - nil), respectively, in relation to vesting of those stock options.

10. Royalty income

Following is the breakdown of royalty income from each of the revenue generating royalty interest for the three and nine months ended September 30, 2026, and 2025:

	Three-months ended September 30		Nine-months ended September 30	
	2026	2025	2026	2025
	$	$	$	$
Igor 4 - note 8(d)	1,253,288	31,655	2,909,566	101,601
Pilar Gold - note 8(b)	356,491	219,557	1,233,123	596,689
Elk Gold - note 8(a)	-	-	-	124,680
	1,609,779	251,212	4,142,689	822,970

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 transactions during the three and nine months ended September 30, 2026, and 2025:

	Three-months ended September 30		Nine-months ended September 30	
	2026	2025	2026	2025
	$	$	$	$
Share-based compensation	221,064	93,750	704,814	416,250
Consulting fees	93,750	93,750	455,000	281,250
Legal and professional fees	54,769	-	138,952	-
Marketing and public company costs	24,908	23,887	73,291	63,606

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 September 30, 2026 and December 31, 2025, 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 September 30, 2026, and December 31, 2025:

		2026	2025
Financial assets:			
Cash at bank	$	3,333,619	888,678
Term deposits		4,386,898	-
Marketable securities		1,764,159	-
Royalties' receivable		3,146,774	772,528
	$	12,631,450	1,661,206
Financial liabilities:			
Accounts payable and accrued liabilities	$	114,841	183,558
	$	114,841	183,558

The carrying values of financial instruments approximate their fair values as at September 30, 2026, and December 31, 2025.

(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. Interest rate risk on term

deposits is limited since it has a fixed rate of interest. The Company did not hold any other instruments subject to interest rate risk as of September 30, 2026 and December 31, 2025.

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 has certain bank balances and term deposits in U.S. dollars. Therefore, the Company is exposed to fluctuations in the foreign exchange rates between U.S. dollars relative to Canadian dollar. As at September 30, 2026, the impact of 10% increase or decrease in the U.S. dollar relative to Canadian dollar would result in an increase or decrease in net gain/loss of $427,800 (September 30, 2025 - $109,437).

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 nine months ended September 30, 2026, and 2025, the impact of a 10% increase or decrease in the silver price would result in an increase or decrease in net income of $414,269 (2025 - $82,297).

(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, term deposits 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 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. As at September 30, 2026, the Company carried an allowance for expected credit loss of $530,409 relating to royalties receivable - Pilar Gold (note 8) (December 31, 2025 - $530,409).

Cash at bank and term deposits are held with a reputable financial institution and is closely monitored by management. 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 2026 and 2025, the Group generated cash flow from its financing and operating activities.

The following are the remaining undiscounted contractual maturities of financial liabilities at September 30, 2026 and December 31, 2025:

		Carrying value	Less than 6 months	7 - 12 months	Total
2026:					
Accounts payable and accrued liabilities	$	114,841	114,841	-	114,841
2025:					
Accounts payable and accrued liabilities	$	183,558	183,558	-	183,558

14. Subsequent events

(a) Subsequent to the reporting date and up to the date of issuance of these financial statements, a total of 9,750 warrants and broker warrants were exercised and as a result total amount of $144,000 was received by the Company.

(b) Subsequent to the reporting date, out of the total royalty receivable of US$880,573 from PPX, an amount of US$236,892 was received in cash on October 16, 2026, and the remaining balance of US$643,681 ($916,129) is being settled in shares of PPX as a result of a debt settlement agreement effective October 28, 2026. The Company is in the process of receiving 3,817,203 shares of PPX at a price of $0.24 per share in full and final settlement of the remaining balance.