

GR SILVER MINING LTD.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the nine months ended September 30, 2025

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

GR SILVER MINING LTD.**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

(Expressed in Canadian Dollars)

(Unaudited)

AS AT

	Notes	September 30, 2025	December 31, 2024
		\$	\$
ASSETS			
Current			
Cash and cash equivalents		12,390,227	1,162,255
Receivables	3	72,517	12,734
Prepays		316,144	231,514
Total current assets		12,778,888	1,406,503
Equipment	4	573,003	680,666
Exploration and evaluation assets	5	7,129,308	7,424,819
Value added tax receivable	3	485,093	208,316
Total assets		20,966,292	9,720,304
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Accounts payable and accrued liabilities		493,534	631,496
Mining concession fees	7	1,051,033	740,855
Total current liabilities		1,544,567	1,372,351
Non-current liabilities			
Reclamation provision	9	241,270	526,120
Total liabilities		1,785,837	1,898,471
Shareholders' equity			
Share capital	10	76,696,463	62,325,693
Share compensation reserve	10	11,769,694	8,922,893
Deficit		(69,285,702)	(63,426,753)
Total shareholders' equity		19,180,455	7,821,833
Total liabilities and shareholders' equity		20,966,292	9,720,304

Nature of operations and going concern (Note 1)**Subsequent events** (Note 16)

Approved and authorized by the Board on November 27, 2025:

“Eric Zaunscherb” Director
 “Jessica Van Den Akker” Director

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

GR SILVER MINING LTD.**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)**

(Expressed in Canadian Dollars)

(Unaudited)

	Note	<u>Three Months Ended</u>		<u>Nine Months Ended</u>	
		September 30,	September 30,	September 30,	September 30,
		2025	2024	2025	2024
		\$	\$	\$	\$
EXPENSES					
Concession fees	7	375,121	3,422,935	700,606	7,806,650
Consulting	8	124,694	22,560	194,958	64,995
Depreciation	4	36,417	45,266	129,684	145,317
Exploration expenditures	6	1,362,523	446,473	2,310,012	1,202,601
Investor relations		165,235	35,302	352,685	90,533
Office		89,931	83,521	248,267	281,776
Professional fees		126,063	126,942	337,350	645,933
Salaries and directors' fees	8	287,290	222,299	751,407	683,443
Share-based compensation	8,10	192,271	201,649	668,537	602,763
Transfer agent and filing fees		22,523	15,182	68,569	50,486
Travel		39,871	9,172	88,337	20,511
Total expenses		(2,821,939)	(4,631,301)	(5,850,412)	(11,595,008)
Accretion expense on reclamation provision	9	(3,687)	(1,792)	(10,661)	(5,335)
Foreign exchange gain (loss)		(60,786)	(723,707)	(105,740)	364,779
Interest income (expense)		37,013	(69)	42,763	(1,894)
Gain on disposition of indemnification asset	9	-	-	-	176,299
Gain on disposition of Marlin Gold Mining Ltd.	5	-	24,266,842	-	24,266,842
Gain (loss) on sale of marketable securities	9	-	(113,772)	-	182,928
Gain (loss) on sale of equipment		-	6,108	-	(68,218)
Recovery of value added tax, net		-	286,809	-	393,397
Retirement of concession fees	7	-	6,496,684	-	6,496,684
Other income		26,717	150,161	65,101	413,676
Income (loss) and comprehensive (income) loss for the period		(2,822,682)	25,735,963	(5,858,949)	20,624,150
Income (loss) per share - basic and diluted					
Basic	15	\$ (0.01)	\$ 0.08	\$ (0.02)	\$ 0.07
Diluted	15	\$ (0.01)	\$ 0.07	\$ (0.02)	\$ 0.06
Weighted average number of common shares outstanding					
Basic	15	371,673,524	314,712,026	362,443,821	311,308,301
Diluted	15	371,673,524	368,886,248	362,443,821	365,482,523

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

GR SILVER MINING LTD.**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS**

(Expressed in Canadian Dollars)

(Unaudited)

FOR THE NINE MONTH PERIOD ENDED	September 30, 2025	September 30, 2024
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Income (loss) for the period	(5,858,949)	20,624,150
Items not affecting cash:		
Depreciation	129,684	145,317
Accretion expense on restoration provisions	10,661	5,335
Loss on sale of equipment	-	68,218
Share-based compensation	668,537	602,763
Gain on sale of marketable securities	-	(182,928)
Gain on disposition of indemnification asset	-	(175,939)
Gain on disposition of Marlin Gold Mining Ltd.	-	(24,266,842)
Retirement of concession fees	-	(6,496,684)
Changes in non-cash operating items:		
Receivables	(59,783)	(3,080)
Prepaid expenses	(84,630)	(78,214)
Concession fees payable	310,178	6,728,755
Value added tax	(276,777)	266,166
Accounts payable and accrued liabilities	(137,962)	(189,214)
Net cash (used in) operating activities	(5,299,041)	(2,952,197)
CASH FLOWS FROM INVESTING ACTIVITIES		
(Purchase) disposal of equipment	(22,021)	63,606
Disposal of marketable securities	-	874,272
Disposal of indemnification asset	-	674,650
Disposal of Marlin Gold Mining Ltd. - cash disposed	-	(3,218)
Net cash (used in) provided by investing activities	(22,021)	1,609,310
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from the issuance of shares	15,644,700	3,039,174
Exercise of warrants	2,139,452	727,377
Share issue costs	(1,235,118)	(203,042)
Net cash provided by financing activities	16,549,034	3,563,509
Change in cash during the period	11,227,972	2,220,622
Cash, beginning of period	1,162,255	100,573
Cash, end of period	12,390,227	2,321,195

Supplemental disclosure with respect to cash flows (Note 11)

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

GR SILVER MINING LTD.**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**

(Expressed in Canadian Dollars)

(Unaudited)

	Share Capital		Reserves	Deficit	Total
	Number of Shares	Amount			
		\$	\$	\$	\$
December 31, 2023	302,521,197	58,207,921	8,351,160	(82,711,596)	(16,152,515)
Private placement	21,507,338	3,039,174	-	-	3,039,174
Exercise of warrants	5,357,848	727,377	-	-	727,377
Share issue costs - cash	-	(203,042)	-	-	(203,042)
Finders' fees - warrants issued	-	(76,486)	76,486	-	-
Residual value of warrants	-	(33,500)	33,500	-	-
Reclassification of reserves on exercise of warrants	-	151,736	(151,736)	-	-
Share-based compensation	-	-	602,763	-	602,763
Net income for the period	-	-	-	20,624,150	20,624,150
September 30, 2024	329,386,383	61,813,180	8,912,173	(62,087,446)	8,637,907
December 31, 2024	332,548,013	62,325,693	8,922,893	(63,426,753)	7,821,833
Private placement	83,190,000	15,644,700	-	-	15,644,700
Exercise of warrants	14,783,592	2,139,452	-	-	2,139,452
Redemption of PSUs	600,000	120,000	(120,000)	-	-
Share issue costs - cash	-	(1,235,118)	-	-	(1,235,118)
Finders' fees - warrants issued	-	(706,924)	706,924	-	-
Residual value of warrants	-	(1,897,500)	1,897,500	-	-
Reclassification of reserves on exercise of warrants	-	306,160	(306,160)	-	-
Share-based compensation	-	-	668,537	-	668,537
Net loss for the period	-	-	-	(5,858,949)	(5,858,949)
September 30, 2025	431,121,605	76,696,463	11,769,694	(69,285,702)	19,180,455

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

GR SILVER MINING LTD.**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

September 30, 2025

(Expressed in Canadian Dollars)

(Unaudited)

1. NATURE OF OPERATIONS AND GOING CONCERN

GR Silver Mining Ltd. (the “Company” or “GR Silver”) was incorporated on November 8, 2012, under the laws of British Columbia. The Company’s registered and records office is 5th Floor 410 West Georgia Street, Vancouver, B.C. V6B 1Z3. The Company’s head office is located at 15th floor 409 Granville Street, Vancouver B.C. V6C 1T2. To date, the Company has not generated any operating revenue. The Company trades on the TSX Venture Exchange (TSX-V) under the trading symbol GRSL.

The Company is in the business of acquiring and exploring exploration and evaluation assets and has not yet determined whether any of its properties contain reserves that are economically recoverable. The recoverability of the amounts shown for exploration and evaluation assets are dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of those reserves and upon future profitable production.

The Company currently has no source of operating cash flow and no assurance that additional funding will be available for future exploration and development programs at its properties or to enable the Company to fulfill its obligations under any applicable agreements. The Company’s ability to continue as a going concern is dependent on its ability to obtain additional sources of financing to continue to explore, evaluate and develop its mineral properties and, ultimately, to achieve profitable operations. While the Company has been successful in obtaining funding in the past, there is no assurance that future financing will be available or be available on favorable terms. The ability to secure financing may be impaired, or such financing may not be available on favorable terms due to conditions beyond the Company’s control, such as uncertainty in capital markets, changes in commodity prices or country-specific risk factors. Furthermore, the global economy is currently faced with significant uncertainty due to ongoing global conflicts, and trade tensions, which may continue to impact the Company’s costs and could result in modification or termination of planned work programs.

These consolidated financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and thus be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these consolidated financial statements.

As at September 30, 2025, the Company has a working capital of \$11,234,321 and an accumulated deficit of \$69,285,702. The Company expects to incur further losses in the exploration and advancement of its mineral projects. Management estimates its current working capital will be sufficient to fund its current level of activities for the next twelve months.

2. MATERIAL ACCOUNTING POLICIES**Statement of compliance**

These condensed interim consolidated financial statements have been prepared under International Accounting Standard 34 Interim Financial Reporting (“IAS 34”), using accounting policies consistent with IFRS Accounting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”) and Interpretations of the IFRS Interpretations Committee (“IFRIC”).

GR SILVER MINING LTD.**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

September 30, 2025

(Expressed in Canadian Dollars)

(Unaudited)

2. MATERIAL ACCOUNTING POLICIES (Continued)**Basis of presentation**

These condensed interim consolidated financial statements do not include all the information required for full annual IFRS financial statements and therefore should be read in conjunction with the Company's annual consolidated financial statements for the year ended December 31, 2024, and are prepared consistent with the accounting policies disclosed therein. Operating results for the nine-month period ended September 30, 2025, are not necessarily indicative of the results that may be expected for the year ending December 31, 2025.

The consolidated financial statements incorporate the accounts of the Company and its subsidiaries: Goldplay de Mexico SA de CV, Minera San Marcial SA de CV, Minera Matatan SA de CV ("Matatan"), and Mineral La Rastra SA de CV which are all incorporated in Mexico and engaged in the business of resource exploration.

The Company's formerly owned subsidiary Marlin Gold Mining Ltd. ("Marlin"), which owns 100% of Oro Gold de S.A. de C.V. ("Oro Gold") and Marlin Gold Trading Inc., were consolidated until the date of disposition which occurred on July 16, 2024. The Company consolidates its subsidiaries on the basis that it controls the subsidiaries through its ability to govern its financial and operating policies. All intercompany transactions and balances are eliminated on consolidation.

Comparative figures

The Company has restated the comparative figure for the classification of VAT receivable between operating and investing cash flows. There was no impact on the condensed interim consolidated statement of financial position.

3. RECEIVABLES

The Company's receivables consist of the following:

	September 30, 2025	December 31, 2024
	\$	\$
GST input tax credits	33,453	9,825
Other receivables	39,064	2,909
Current receivable	72,517	12,734
Value added tax receivable	485,093	208,316
Total receivable	557,610	221,050

The Company reports value added tax ("VAT") receivable from the taxation authorities in Mexico as a long-term receivable due to a historically lengthy collection cycle.

GR SILVER MINING LTD.**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

September 30, 2025

(Expressed in Canadian Dollars)

(Unaudited)

4. EQUIPMENT

	Office Equipment	Mobile Equipment	Exploration Equipment	Buildings	Total
COST	\$	\$	\$	\$	\$
Balance, December 31, 2023	75,605	140,618	1,209,707	973,910	2,399,840
Disposal	-	(67,876)	(232,856)	-	(300,732)
Balance, December 31, 2024	75,605	72,742	976,851	973,910	2,099,108
Additions	-	-	22,021	-	22,021
Disposal	-	-	-	-	-
Balance, September 30, 2025	75,605	72,742	998,872	973,910	2,121,129
ACCUMULATED DEPRECIATION					
Balance, December 31, 2023	54,277	140,618	521,209	690,967	1,407,071
Depreciation	6,333	-	168,170	4,640	179,143
Disposal	-	(67,876)	(99,896)	-	(167,772)
Balance, December 31, 2024	60,610	72,742	589,483	695,607	1,418,442
Depreciation	4,460	-	121,856	3,368	129,684
Balance, September 30, 2025	65,070	72,742	711,339	698,975	1,548,126
NET BOOK VALUE					
December 31, 2024	14,995	-	387,368	278,303	680,666
September 30, 2025	10,535	-	287,533	274,935	573,003

5. EXPLORATION AND EVALUATION ASSETS

The Company's capitalized acquisition expenditures on its exploration and evaluation assets are as follows:

	Plomosas Project		Total
	San Marcial Property, Mexico	Plomosas Property, Mexico	
	\$	\$	\$
Balance, December 31, 2023, December 31, 2024	4,045,500	3,379,319	7,424,819
Reclamation provision (Note 9)	-	(295,511)	(295,511)
Balance, September 30, 2025	4,045,500	3,083,808	7,129,308

San Marcial Property, Mexico

The Company owns a 100% interest in the San Marcial Property located in the Rosario Mining District, Sinaloa, Mexico. The San Marcial Property is subject to a net smelter royalty ("NSR") of 0.75%. The Company has a buy-back right on the NSR that can be exercised at any time by paying \$1,250,000. The Company also assumed a pre-existing 3% NSR on the San Marcial Property which is subject to a buy back right on the NSR of US\$600,000 per 1% that can be exercised by the Company at any time and from time to time, in whole or in part.

GR SILVER MINING LTD.**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

September 30, 2025

(Expressed in Canadian Dollars)

(Unaudited)

5. EXPLORATION AND EVALUATION ASSETS (Continued)**Plomosas Property, Mexico**

The Company owns a 100% interest in the Plomosas Property located in the Rosario Mining District, Sinaloa, Mexico. The Plomosas Property is subject to a 2% NSR with half of the NSR (i.e., 1% NSR) being subject to a buy-back for US\$1,000,000. The Company also assumed a pre-existing NSR ranging between 1.75% and 3.5% based on the price of zinc.

Goldplay de Mexico Mineral Concessions, Mexico

The Company has a 100% interest in concessions registered under Goldplay de Mexico S.A de CV, formerly referred to collectively as the “El Habal Property”. The properties are subject to an NSR between 1.0% and 1.5%.

The Company has issued an option to purchase a 1% NSR on the concessions which can be exercised by payment to the Company of US\$1,000,000 per 0.5% NSR, for a total option exercise price of US\$2,000,000 for a 1% NSR. The Company also issued a 1% royalty on concessions adjacent to the project.

La Trinidad Property, Mexico

Through its 100% ownership of Marlin Gold Mining Ltd. (“Marlin”) the Company owned a 100% interest in the La Trinidad Property located in the Rosario Mining District, Sinaloa, Mexico up until July 16, 2024 (see below).

The Company had an agreement with the vendor of the La Trinidad Property under which the vendor had agreed to remediate and indemnify the Company against reclamation obligations that existed at the time of acquisition in 2021. (Note 9).

During the year ended December 31, 2023, the Company determined that the carrying value of its interest in the La Trinidad property was impaired as no additional expenditures were planned going forward. The Company accordingly recorded an impairment charge of \$12,589,327 in relation to the book value of the asset.

On July 16, 2024, the Company closed a Share Purchase Agreement (“SPA”) with a private arm’s-length Canadian company (“PrivateCo”) and sold its 100% interest in Marlin. Marlin owns, amongst other assets, a 100% interest in Oro Gold de S.A. de C.V. (“Oro Gold”) a private Mexican company that owns 100% of certain mineral concessions, including the past producing La Trinidad mine. In accordance with the SPA the Company transferred to PrivateCo all existing assets and rights, including Oro Gold, in consideration for which the Company received a 0.5% NSR Royalty on the concessions owned by Oro Gold and a 10-year first right of refusal on any disposition of the concessions.

	September 30,
	2024
	\$
Consideration received - 0.5% NSR	-
Net assets sold:	
Cash	3,218
Receivables	9,778
Prepaid expenses	25,703
Value added tax	139,593
Accounts payable	(701,362)
Concession taxes payable	(21,417,454)
Asset retirement obligation	(2,326,318)
Total	(24,266,842)
Gain on sale of Marlin Gold Mining Ltd.	24,266,842

GR SILVER MINING LTD.**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

September 30, 2025

(Expressed in Canadian Dollars)

(Unaudited)

6. EXPLORATION EXPENDITURES

Exploration expenditures for the nine-month period ended September 30, 2025:

	Plomosas Project		Total
	San Marcial Property, Mexico	Plomosas Property, Mexico	
	\$	\$	\$
Community relations	1,053	97,220	98,273
Consulting	-	53,116	53,116
Drilling	1,186,157	9,110	1,195,267
Environmental	76,978	61,663	138,641
Engineering	-	102,908	102,908
Field	150,295	196,416	346,711
Geochemistry	12,514	2,915	15,429
Geological	186,452	156,708	343,160
Metallurgical	-	16,507	16,507
Total	1,613,449	696,563	2,310,012

Exploration expenditures for the nine-month period ended September 30, 2024:

	La Trinidad Project, Mexico *	Plomosas Project		Total
		San Marcial Property, Mexico	Plomosas Property, Mexico	
	\$	\$	\$	\$
Community relations	415,523	31,562	64,423	511,508
Drilling	-	(10,120)	9,205	(915)
Environmental	-	12,514	3,031	15,545
Field	15,711	55,714	214,168	285,593
Geological	-	212,464	168,102	380,566
Geochemistry	-	-	10,304	10,304
Total	431,234	302,134	469,233	1,202,601

*The La Trinidad Project was disposed of July 16, 2024 (Note 5).

GR SILVER MINING LTD.**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

September 30, 2025

(Expressed in Canadian Dollars)

(Unaudited)

7. MINING CONCESSION FEES

	Goldplay Concessions Mexico ⁽¹⁾	Plomosas Project		La Trinidad Project, Mexico ⁽²⁾	Total
		San Marcial Property, Mexico	Plomosas Property, Mexico		
September 30, 2025					
	\$	\$	\$	\$	\$
Concession fees	368,346	40,103	292,157	-	700,606

	Goldplay Concessions Mexico ⁽¹⁾	Plomosas Project		La Trinidad Project, Mexico ⁽²⁾	Total
		San Marcial Property, Mexico	Plomosas Property, Mexico		
September 30, 2024					
	\$	\$	\$	\$	\$
Concession fees	334,687	59,658	335,904	7,076,401	7,806,650
Retirement ⁽³⁾	-	-	-	(6,496,684)	(6,496,684)
Net expense	334,687	59,658	335,904	579,717	1,309,966

Balances owing:

Fees payable - December 31, 2024	603,556	-	137,299	-	740,855
Fees payable - September 30, 2025	1,051,033	-	-	-	1,051,033

(1) The Goldplay concessions are considered non-core and not currently under development.

(2) On July 16, 2024, the Company closed a SPA with PrivateCo and sold its 100% interest in Marlin, and the La Trinidad concession fees payable of \$21,417,454 (Note 5) were acquired by PrivateCo.

(3) During the period ended September 30, 2024, a portion of the concession fees became statute barred and are no longer payable resulting in the Company recognizing a concession fee retirement.

8. RELATED PARTY TRANSACTIONS

Key management personnel include those people who have authority and responsibility for planning, directing and controlling the activities of the Company. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers. Key management personnel compensation for the nine-month periods ended September 30, 2025, and September 30, 2024, ended was:

	September 30, 2025	September 30, 2024
Key management personnel compensation	\$	\$
Salaries	419,987	377,414
Consulting	65,250	58,500
Directors' fees	30,000	-
Share-based compensation	389,377	379,884
Total	904,614	815,798

Included in accounts payable at September 30, 2025 was \$30,000 in directors' fees owing to related parties.

GR SILVER MINING LTD.**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

September 30, 2025

(Expressed in Canadian Dollars)

(Unaudited)

9. RECLAMATION PROVISIONS

As at September 30, 2025, the Company's reclamation provisions are related to the Company's Plomosas Project (Note 5). The reclamation provision was calculated using an inflation rate of 3.7% and a discount rate of 10% (2024 – inflation rate 3.7% and discount rate 10%) with the assumption that the reclamation will be settled between 2039 and 2041. Significant activities include land rehabilitation, demolition and removal and restoration costs. The amounts and timing of the reclamation will vary depending on several factors including exploration success and alternative mining plans. Reclamation provisions are evaluated on an annual basis or when material facts or circumstances arise resulting in revisions to previous estimates.

On December 31, 2021, the Company acquired the La Trinidad project and assumed a reclamation provision of \$2,431,930 relating to the project reclamation and dismantling and removal of buildings, salvaged topsoil replacement and recontouring and grading. Mako Mining Corp. ("Mako") is responsible for certain costs estimated at \$1,190,055 which was previously recorded as an indemnification asset (Note 5).

During the year ended December 31, 2024, the Company closed a waiver and release agreement with Mako under which the parties were mutually released from the indemnification for a portion of reclamation totalling \$1,190,055.

In consideration for the waiver and release, Mako paid the Company \$674,650 (US\$500,000) cash, and issued 296,710 common shares of Mako to the Company, initially valued at \$691,344. As a result of the transaction the Company recorded a gain on disposition of indemnification asset of \$176,299. During the year ended December 31, 2024, the Company disposed of all of the Mako Shares and recorded a gain on disposition of marketable securities of \$182,928. During the three months ended September 30, 2024 the Company recorded a loss on marketable securities of \$113,772 due to a decline in the fair market value of the Mako Shares during the three month period.

	September 30, 2025	December 31, 2024
	\$	\$
Balance - opening	526,120	2,847,403
Change in estimates	(295,511)	-
Disposition of Marlin Gold Mining Ltd. (Note 5)	-	(2,326,318)
Foreign exchange	-	(300)
Accretion expense	10,661	5,335
Balance - closing	241,270	526,120

During the nine-month period ended September 30, 2025, the Company recorded accretion expense of \$10,661 (September 30, 2024 - \$5,335).

GR SILVER MINING LTD.**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

September 30, 2025

(Expressed in Canadian Dollars)

(Unaudited)

10. SHARE CAPITAL AND RESERVES

Authorized – Unlimited common shares without par value.

During the nine-month period ended September 30, 2025, the Company:

- a) Issued 14,783,592 common shares upon the exercise of warrants raising gross proceeds of \$2,139,452. The Company had a reclassification of reserves on exercise of these warrants in the amount of \$306,160.
- b) On May 27, 2025, the Company closed a non-brokered private placement of 14,190,000 units at a price of \$0.13 per unit for gross proceeds of \$1,844,700. Each unit consisted of one common share in the capital of the Company and one-half of one common share purchase warrant and each whole warrant is exercisable into one common share of the Company at an exercise price of \$0.19 per warrant until May 27, 2027. The Company paid cash finders fees of \$104,442 and issued 803,400 agents warrants valued at \$75,087 using the following Black-Scholes assumptions: risk free interest rate of 2.58%, expected life of 2 years, volatility of 109.90% and dividend rate of 0%. Each agent warrant is exercisable into one common share at an exercise price of \$0.19 per share until May 27, 2027. Additional share issue costs of \$27,041 were incurred in connection with this financing and was recorded as an offset to share capital, as share issue costs.
- c) On August 13, 2025, the Company closed a brokered private placement of 69,000,000 units at a price of \$0.20 per unit for gross proceeds of \$13,800,000. Each unit consisted of one common share of the Company and one-half of one common share purchase warrant. Each whole warrant is exercisable into one common share of the Company at an exercise price of \$0.28 per warrant until August 13, 2028. The Company valued the warrants at \$1,897,500 using the residual value approach. The Company paid cash finders fees of \$828,000 and issued 4,140,000 broker warrants. Each broker warrant is exercisable into one unit at an exercise price of \$0.20 per share until August 13, 2028. Each unit is comprised of one common share and one common share purchase warrant exercisable at a price of \$0.28 until August 13, 2028. The broker warrants were valued \$631,837 using the following Black-Scholes assumptions: risk free interest rate of 2.58%, expected life of 3 years, volatility of 103% and dividend rate of 0%. Additional share issue costs of \$275,635 were incurred in connection with this financing and was recorded as an offset to share capital, as share issue costs.
- d) On July 15, 2025, the Company issued 600,000 common shares upon the redemption of PSUs.

During the year ended December 31, 2024, the Company:

- a) Completed a non-brokered private placement of 14,807,338 units at a price of \$0.16 per unit for gross proceeds of \$2,369,174. Each unit consisted of one common share in the capital of the Company and one-half of one common share purchase warrant and each whole warrant is exercisable into one common share of the Company at an exercise price of \$0.22 per warrant until September 26, 2026. The Company paid cash finders fees of \$113,788 and issued 696,180 agents warrants valued at \$67,987 using the following Black-Scholes assumptions: risk free interest rate of 2.97%, expected life of 2 years, volatility of 83.31% and dividend rate of 0%. Each agent warrant is exercisable into one common share at an exercise price of \$0.22 per share until September 26, 2026. Additional share issue costs of \$35,014 were incurred in connection with this financing and was recorded as an offset to share capital, as share issue costs.
- b) Completed a non-brokered private placement of 6,700,000 units at a price of \$0.10 per unit for gross proceeds of \$670,000. Each unit consisted of one common share in the capital of the Company and one-half of one common share purchase warrant and each whole warrant is exercisable into one common share of the Company at an exercise price of \$0.15 per warrant until February 9, 2026. The Company valued the warrants at \$33,500 using the residual value approach. The Company paid cash finders fees of \$35,820 and issued 358,200 agents warrants valued at \$8,499 using the following Black-Scholes assumptions: risk free interest rate of 4.20%, expected life of 2 years, volatility of 66.66% and dividend rate of 0%. Each agent warrant is exercisable into one common share at an exercise price of \$0.15 per share until February 9, 2026. Additional share issue costs of \$18,420 were incurred in connection with this financing and was recorded as an offset to share capital, as share issue costs.

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10. SHARE CAPITAL AND RESERVES (Continued)During the year ended December 31, 2024, the Company (Continued):

- c) Issued 8,019,478 common shares on the exercise of warrants for proceeds of \$1,013,309. The Company had a reclassification of reserves on exercise of these warrants in the amount of \$250,317.
- d) Issued 500,000 common shares on the exercise of options for proceeds of \$92,500. The Company recorded a reclassification of reserves on exercise of these options of \$69,000.

Omnibus Long-Term Incentive Plan

The Company has adopted an omnibus long-term incentive plan ("LTIP"), which provides that the Board of Directors of the Company may from time-to-time, at its discretion, and in accordance with the TSX-V requirements, grant to directors, officers, consultants, and employees of the Company stock options, deferred share units ("DSU"), performance share units ("PSU"), restricted share units ("RSU") or other such share-based instruments deemed to be consistent with the purposes of the plan. The LTIP reserves a number of common shares for issuance pursuant to the grant of stock options that will not exceed a rolling 10% of the Company's issued and outstanding common shares at the time the options are granted. All other share-based compensation awards are subject to a maximum of 19,521,680 common shares as a separate allotment. Vesting of share-based compensation awards is at the discretion of the Board of Directors, subject to minimum requirements of the TSX-V. Stock options are exercisable for a maximum of 10 years, and the exercise price of the stock options is set in accordance with the policies of the TSX-V.

Under the LTIP, the Company may determine vesting periods for DSUs, PSUs and RSUs at the time of grant, but such vesting shall not be less than one year in accordance with TSX-V requirements. The Company also has the option to settle vested DSUs, PSUs and RSUs by either issuing one common share for each unit or make a cash payment calculated by multiplying the number of vested share units to be redeemed by the market price per share on the date of settlement.

Stock options

Stock option transactions are summarized as follows:

	Number of Options	Weighted Average Exercise Price \$
Balance at December 31, 2023	8,065,000	0.37
Granted	5,000,000	0.20
Exercised	(500,000)	0.185
Expired	(2,868,333)	0.47
Balance at December 31, 2024	9,696,667	0.27
Granted	2,010,000	0.16
Expired	(1,336,667)	0.27
Balance at September 30, 2025	10,370,000	0.24

The weighted average remaining contractual life of outstanding options at September 30, 2025, was 3.19 years (December 31, 2024 – 3.16 years). The weighted average remaining contractual life of exercisable options at September 30, 2025, was 2.60 years (December 31, 2024 – 2.86 years).

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10. SHARE CAPITAL AND RESERVES (Continued)

As at September 30, 2025, the Company had stock options outstanding as follows:

Expiry date	Number of Options	Number of Exercisable Options	Exercise Price \$
May 13, 2026	385,000	385,000	0.710
October 5, 2026	30,000	30,000	0.290
January 21, 2026	1,010,000	1,010,000	0.740
January 26, 2027	35,000	35,000	0.200
April 6, 2027	300,000	300,000	0.250
January 18, 2028	300,000	300,000	0.120
May 10, 2028	300,000	300,000	0.090
November 23, 2028	1,500,000	1,500,000	0.060
May 7, 2029	3,480,000	2,946,667	0.200
June 10, 2029	120,000	120,000	0.200
August 13, 2029	600,000	400,000	0.160
October 23, 2029	300,000	100,000	0.280
April 2, 2030	1,260,000	993,333	0.155
June 30, 2030	750,000	750,000	0.175
	10,370,000	9,170,000	

During the period ended September 30, 2025, the Company recognized share-based payments expense of \$320,342 (September 30, 2024 - \$460,366) in connection with the vesting of stock options granted in current and previous periods.

The following weighted average assumptions were used for the Black-Scholes option pricing model valuation of stock options granted during the periods ended were as follows:

	September 30, 2025	September 30, 2024
Risk-free interest rate	2.61%	3.63%
Expected life of options	5 years	5 years
Annualized volatility	93%	86%
Dividend rate	0%	0%

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10. SHARE CAPITAL AND RESERVES (Continued)**Deferred Share Units (“DSU”)**

Under the LTIP, the Company may elect to fix a portion of the non-executive director’s fees to be payable in the form of DSUs. In addition, each independent director may elect to participate in the grant of additional DSUs in lieu of Director’s fees payable in cash. The Company expensed \$64,315 which was included in share-based compensation expense during the period ended September 30, 2025 (September 30, 2024 - \$11,147) related to the grant of DSUs that fully vest after one year.

DSU transactions are summarized as follows:

	Number of DSUs
Balance at December 31, 2023	-
Granted	315,862
Cancelled	(72,794)
Balance at December 31, 2024	243,068
Granted	441,464
Balance at September 30, 2025	684,532
Vested at September 30, 2025	145,588

Performance Share Units (“PSU”)

Under the LTIP, the Company may grant PSUs to any eligible participant under the LTIP. The PSUs will vest on the later of one year after their date of grant and the successful completion of specific short-term Key Performance Indicators provided the recipient is an eligible participant under the LTIP. The Company expensed \$283,880, included in share-based compensation expense during the period ended September 30, 2025 (September 30, 2024 - \$131,250) related to the grant of PSUs.

PSU transactions are summarized as follows:

	Number of PSUs
Balance at December 31, 2023	-
Granted	1,800,000
Balance at December 31, 2024	1,800,000
Granted	3,837,205
Converted to common shares	(600,000)
Balance at September 30, 2025	5,037,205
Vested at September 30, 2025	1,200,000

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10. SHARE CAPITAL AND RESERVES (Continued)**Warrants**

The following common shares purchase warrants entitle the holder thereof to purchase one common share for each warrant. Warrant transactions are summarized as follows:

Expiry date	Number of Warrants	Exercise Price
		\$
February 9, 2026	2,948,200	0.15
September 26, 2026	7,987,347	0.22
November 10, 2026	30,000,000	0.07
May 27, 2027	7,877,700	0.19
August 13, 2028*	4,140,000	0.20
August 13, 2028	34,200,000	0.28
	87,153,247	

*Exercisable to acquire one unit at a price of \$0.20 each until August 13, 2028. Each unit consists of one common share and one half of one share purchase warrant exercisable at a price of \$0.28 until August 13, 2028.

The weighted average remaining contractual life of warrants outstanding at September 30, 2025, was 0.62 years (December 31, 2024 – 1.02) years.

Warrants outstanding are as follows:

	Number of Warrants	Weighted Average Exercise Price
		\$
Balance at December 31, 2023	86,195,157	0.17
Issued	11,808,047	0.20
Exercised	(8,019,478)	0.13
Balance at December 31, 2024	89,983,726	0.18
Issued	46,538,400	0.26
Exercised	(14,783,592)	0.14
Expired	(34,585,287)	0.28
Balance at September 30, 2025	87,153,247	0.19

The weighted average Black-Scholes inputs for finders warrants granted are as follows:

	September 30, 2025	December 31, 2024
Risk-free interest rate	2.58%	3.39%
Expected life (years)	2.89 years	2 years
Annualized volatility	103%	78%
Dividend rate	0%	0%

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11. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

Significant non-cash transactions during the period ended September 30, 2025, were:

- Issued 4,493,400 agent warrants valued at \$706,924.
- Recorded a reclassification of share compensation reserve of \$306,160 in relation to warrants exercised.
- Recorded a reclassification of share compensation reserve of \$120,000 in relation to PSUs converted to common shares.
- Recorded \$1,897,500 as the residual value of certain warrants issued in private placements.

Significant non-cash transactions during the period ended September 30, 2024; were:

- Issued 1,054,380 agent warrants valued at \$76,486.
- Received 296,710 common shares of Mako valued at \$691,344 in settlement of indemnification asset.
- Recorded a reclassification of share compensation reserve of \$151,736 in relation to warrants exercised.
- Recorded \$33,500 as the residual value of certain warrants issued in private placements.

12. SEGMENTED INFORMATION

The business of the Company is the acquisition and exploration of mineral properties which is considered one business segment.

Geographic information of non-current assets is as follows:

September 30, 2025	Canada	Mexico	Total
	\$	\$	\$
Equipment	1,228	571,775	573,003
Exploration and evaluation assets	-	7,129,308	7,129,308
Value added tax receivable	-	485,093	485,093
Total	1,228	8,186,176	8,187,404

December 31, 2024	Canada	Mexico	Total
	\$	\$	\$
Equipment	1,585	679,081	680,666
Exploration and evaluation assets	-	7,424,819	7,424,819
Value added tax receivable	-	208,316	208,316
Total	1,585	8,312,216	8,313,801

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13. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The carrying value of cash, receivables, accounts payable and accrued liabilities, and Mexico mining concession fees approximate their fair value because of the short-term nature of these instruments.

Financial risk factors

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash, receivables and value added tax. Management believes that the credit risk concentration with respect to financial instruments included in receivables is remote and has deposited cash in high credit quality financial institutions. Credit risk with respect to value added taxes due from a government agency in Canada is low and undeterminable in Mexico based on past refund practices of the Mexican tax authorities. Value added taxes are subject to review and potential adjustment by taxation authorities.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they come due. The Company's ability to continue as a going concern is dependent on management's ability to raise the required capital through future equity or debt issuances. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board are actively involved in the review, planning, and approval of significant expenditures and commitments. The Company is exposed to liquidity risk.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

Interest rate risk

The Company's current policy is to invest excess cash in investment-grade demand investments issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. Concession fees past due are subject to accruing interest at rates set by the Government of Mexico. Such interest rates are publicly issued and applied against overdue amounts as accrued to the concession fees liability.

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13. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Continued)*Foreign currency risk*

The Company is exposed to foreign currency risk on fluctuations related to assets and liabilities that are denominated in foreign currency. As at September 30, 2025, amounts exposed to foreign currency risk include cash of MXN\$2,687,195, value added tax receivable of MXN\$6,390,370 accounts payable of MXN\$4,329,087 and concession fees payable of MXN\$13,845,778. A 10% change in foreign exchange rates will affect profit or loss by approximately \$69,000.

Price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's profit or loss and its ability to finance, due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on profit or loss and economic value due to commodity price movements and volatilities. Fluctuations in value may be significant.

14. CAPITAL MANAGEMENT

The Company defines capital that it manages as shareholders' equity, consisting of issued common shares, stock options, DSUs, PSUs, and warrants.

The Company manages its capital structure and adjusts it, based on the funds available to the Company, to support the acquisition and exploration of exploration and evaluation assets.

The Company has historically relied on and currently relies on the equity markets to fund all its activities. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient economic potential and if it has adequate financial resources to do so. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company is not subject to externally imposed capital restrictions. There were no changes to the Company's approach to capital management during the year.

15. NET INCOME (LOSS) PER SHARE

	Three months ended		Nine months ended	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
	\$	\$	\$	
Net income (loss)	(2,822,682)	25,735,963	(5,858,949)	20,624,150
Weighted average number of common shares outstanding - basic	371,673,524	314,712,026	362,443,821	311,308,301
Dilutive effect of stock options and warrants	-	54,174,222	-	54,174,222
Weighted average number of common shares outstanding - diluted	371,673,524	368,886,248	362,443,821	365,482,523
Basic income (loss) per share	(0.01)	0.08	(0.02)	0.07
Diluted income (loss) per shares	(0.01)	0.07	(0.02)	0.06

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16. SUBSEQUENT EVENTS

Subsequent to September 30, 2025:

- a) Issued 845,172 common shares upon the exercise of warrants raising gross proceeds of \$127,246.
- b) On October 2, 2025, the Company issued 1,200,000 common shares upon conversion of PSUs.
- c) On October 2, 2025, the Company granted 600,000 stock options exercisable at a price of \$0.33 for a period of five years to officers of the Company. The options vest one third on grant, one third on the first anniversary date, and one third on the second anniversary date.