Silver Dollar Resources Inc.
(An exploration stage company)

Condensed Consolidated Interim Financial Statements
(Expressed in Canadian Dollars)
(Unaudited)

February 28, 2026

Notice of No Auditor Review

The accompanying unaudited condensed consolidated interim financial statements were prepared by management and approved by the Audit Committee and the Board of Directors.

The Company’s independent auditors have not performed a review of these condensed consolidated interim financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity’s auditors.

Silver Dollar Resources Inc.

(An exploration stage company)

Condensed Consolidated Interim Statements of Financial Position

(Expressed in Canadian Dollars)
(Unaudited)

		February 28 2026		August 31 2025
ASSETS				
Current				
Cash and cash equivalents	$	5,380,404	$	526,932
Accounts receivable		39,238		23,157
Prepaid expenses		111,018		47,278
Marketable securities (note 5)		5,175,270		-
		10,705,930		597,367
Equipment		78,542		4,496
Exploration and evaluation assets (note 6)		12,972,430		16,314,326
	$	23,756,902	$	16,916,189
LIABILITIES				
Current				
Accounts payable and accrued liabilities	$	31,268	$	100,590
SHAREHOLDERS' EQUITY				
Share capital (note 7)		28,695,130		22,838,992
Share-based payment reserve (note 7)		1,649,360		2,894,193
Accumulated other comprehensive income		538,257		142,994
Deficit		(7,157,113)		(9,060,580)
		23,725,634		16,815,599
	$	23,756,902	$	16,916,189

Nature and continuance of operations (note 1)
Subsequent events (note 11)

The accompanying Notes to the Condensed Consolidated Interim Financial Statements are an integral part of these financial statements

Silver Dollar Resources Inc.

(An exploration stage company)

Condensed Consolidated Interim Statements of Operations and Comprehensive Income (Loss)
(Expressed in Canadian Dollars)
(Unaudited)

Six-month periods ended February 28, 2026 and 2025

	2026	2025
Expenses		
Consulting	$ 148,276	$ 123,988
Depreciation	556	504
Foreign exchange loss (gain)	3,356	(17)
Insurance	10,990	15,073
Interest and bank charges	3,595	3,683
Listing and filing fees	36,300	28,588
Management and administration fees (note 8)	98,500	50,500
Office	4,845	10,481
Professional fees	100,744	68,040
Rent	1,630	20,092
Share-based compensation (note 7)	790,364	-
Transfer agent	13,716	3,981
Travel and promotion	128,051	26,449
Operating loss	(1,340,923)	(351,362)
Other income (expense)		
Interest income	50,003	5,238
Gain on sale of exploration and evaluation asset (note 6)	143,261	-
Loss on write-down of exploration and evaluation asset (note 11)	(69,198)	-
Realized gain on securities	97,970	-
Unrealized gain on securities	862,700	-
	1,084,736	5,238
Loss for the period	(256,187)	(346,124)
Other comprehensive income		
Exchange difference on translating foreign operations	395,263	310,503
Total comprehensive income (loss)	$ 139,076	$ (35,621)
Loss per share - basic and diluted	$ -	$ (0.01)
Weighted average number of shares outstanding	70,912,682	54,796,554

The accompanying Notes to the Condensed Consolidated Interim Financial Statements are an integral part of these financial statements

Silver Dollar Resources Inc.
(An exploration stage company)

Condensed Consolidated Interim Statements of Changes in Shareholders' Equity
(Expressed in Canadian Dollars)
(Unaudited)

Six-month periods ended February 28, 2026 and 2025

	Issued Share Capital		Share-based	Accumulated Other Comprehensive		
	Number	Amount	Payment Reserve	Income (Loss)	Deficit	Total
Balances, August 31, 2024	**50,752,355**	**$ 21,385,128**	**$ 2,707,602**	**$ (222,694)**	**$ (8,230,728)**	**$ 15,639,308**
Shares issued for cash (note 7)	6,000,000	1,500,000	-	-	-	1,500,000
Share issuance costs (note 7)	-	(46,136)	23,736	-	-	(22,400)
Transfer upon option expiration	-	-	(5,250)	-	5,250	-
Loss for the period	-	-	-	-	(346,124)	(346,124)
Exchange difference on translating foreign operations	-	-	-	310,503	-	310,503
Balances, February 28, 2025	**56,752,355**	**22,838,992**	**2,726,088**	**87,809**	**(8,571,602)**	**17,081,287**
Transfer upon option expiration	-	-	(193,944)	-	193,944	-
Share-based compensation (note 7)	-	-	362,049	-	-	362,049
Loss for the period	-	-	-	-	(682,922)	(682,922)
Exchange difference on translating foreign operations	-	-	-	55,185	-	55,185
Balances, August 31, 2025	**56,752,355**	**22,838,992**	**2,894,193**	**142,994**	**(9,060,580)**	**16,815,599**
Shares issued for cash (note 7)	16,857,150	5,900,003	-	-	-	5,900,003
Shares issued for warrants exercised (note 7)	965,800	433,114	(1,854)	-	-	431,260
Shares issued for options exercised (note 7)	435,000	194,810	(64,310)	-	-	130,500
Share issuance costs (note 7)	-	(671,789)	190,621	-	-	(481,168)
Transfer upon option expiration	-	-	(2,159,654)	-	2,159,654	-
Share-based compensation (note 7)	-	-	790,364	-	-	790,364
Loss for the period	-	-	-	-	(256,187)	(256,187)
Exchange difference on translating foreign operations	-	-	-	395,263	-	395,263
Balances, February 28, 2026	**75,010,305**	**$ 28,695,130**	**$ 1,649,360**	**$ 538,257**	**$ (7,157,113)**	**$ 23,725,634**

The accompanying Notes to the Condensed Consolidated Interim Financial Statements are an integral part of these financial statements

Silver Dollar Resources Inc.
(An exploration stage company)

Condensed Consolidated Interim Statements of Cash Flows
(Expressed in Canadian Dollars)
(Unaudited)

Six-month periods ended February 28, 2026 and 2025

		2026		2025
Operating activities				
Loss for the period	$	(256,187)	$	(346,124)
Adjustment for items not involving cash:				
Depreciation		556		504
Foreign exchange loss (gain)		3,356		(17)
Share-based compensation		790,364		-
Realized gain on securities		(97,970)		-
Unrealized gain on securities		(862,700)		-
Loss on write-down of exploration and evaluation asset		69,198		-
Gain on sale of exploration and evaluation asset		(143,261)		-
		(496,644)		(345,637)
Changes in non-cash working capital:				
Accounts receivable		(16,081)		(13,728)
Prepaid expenses		(63,740)		(340,274)
Accounts payable and accrued liabilities		(76,046)		47,617
		(652,511)		(652,022)
Investing activities				
Investments in exploration and evaluation assets		(849,004)		(1,916,077)
Purchase of equipment		(74,602)		(1,037)
Proceeds from sale of marketable securities		57,088		-
		(866,518)		(1,917,114)
Financing activities				
Proceeds from issuance of shares, net		5,418,835		1,477,600
Proceeds from warrants exercised		431,260		-
Proceeds from options exercised		130,500		-
		5,980,595		1,477,600
Net change in cash and cash equivalents		4,461,566		(1,091,536)
Effect of foreign exchange on cash and cash equivalents		391,906		7,446
Cash and cash equivalents, beginning of period		526,932		2,454,191
Cash and cash equivalents, end of period	$	5,380,404	$	1,370,101
Supplemental cash flow information				
Interest received	$	50,003	$	5,238
Income taxes paid		-		-

Non-cash financing and investing transactions (note 9)

The accompanying Notes to the Condensed Consolidated Interim Financial Statements are an integral part of these financial statements

1. Nature and Continuance of Operations

The Company was incorporated on November 19, 2018 under the laws of the Province of British Columbia, Canada.

The Company is in the business of exploring its mineral exploration assets and has not yet determined whether these properties contain ore reserves that are economically recoverable. As of February 28, 2026, the Company was in the exploration stage and had interests in properties in Durango, Mexico and Ontario, Canada.

These condensed consolidated interim financial statements have been prepared on a going concern basis, which presumes the realization of assets and discharge of liabilities in the normal course of business for the foreseeable future. The ability of the Company to continue as a going concern and 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, and upon future profitable production or proceeds from the disposition thereof.

The Company has sustained losses from operations and has an ongoing requirement for capital investment to explore its exploration and evaluation assets. As of February 28, 2026, the Company had working capital of $10,674,662 (August 31, 2025 – $496,777). Based on its current plans, budgeted expenditures and cash requirements, the Company does not have sufficient cash to finance its current plans and will need to raise substantial additional capital to accomplish its plans over the next several years. The Company intends to seek additional financing through equity financing, though there can be no assurance as to the availability or terms upon which such financing might be available.

The Company's business may be affected by changes in political and market conditions, such as interest rates, availability of credit, inflation rates, tariffs, changes in laws, and national and international circumstances. Recent geopolitical events and potential global economic challenges, such as the risk of higher inflation and trade disputes, may create further uncertainty and risk with respect to the prospects of the Company's business.

These material uncertainties may cast significant doubt upon the Company's ability to continue as a going concern. These condensed consolidated interim financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue in business.

The address of the Company is 179 - 2945 Jacklin Road, Suite 416, Victoria, British Columbia, V9B 6J9, Canada.

2. Material Accounting Policies

Basis of Presentation

These condensed consolidated interim financial statements, including comparatives, have been prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and comply with IAS 34 – Interim Financial Reporting. The policies applied herein are based on IFRS issued and outstanding as of the date the Board of Directors approved these condensed consolidated interim financial statements.

These condensed consolidated interim financial statements are presented in the Company's presentation currency – the Canadian dollar – on a historical cost basis except for certain items that are measured at fair value. The accounting policies described herein have been applied consistently to all years presented in these condensed consolidated interim financial statements.

These condensed consolidated interim financial statements incorporate the financial statements of the Company and the following subsidiaries:

		Control	
Subsidiary	Country	February 28, 2026	August 31, 2025
Meta Victoria, S.A. de C.V.	Mexico	100%	100%
SVL Minerals Ltd.	Canada	100%	100%
Silvercrest de Mexico, S.A. de C.V.	Mexico	100%	100%
Zona Victoria, S.A. de C.V.	Mexico	100%	100%
Silver Dollar Resources (Idaho), Inc.	USA	100%	100%

Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The condensed consolidated interim financial statements include the accounts of the Company and its subsidiaries. Intercompany balances, transactions, income and expenses are eliminated on consolidation.

Significant Accounting Estimates and Judgements

The preparation of these condensed consolidated interim financial statements requires management to make certain estimates, judgements and assumptions that affect the reported amounts of assets and liabilities at the financial statement date and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates.

These condensed consolidated interim financial statements include estimates which, by their nature, are uncertain. The impact of such estimates is pervasive throughout the condensed consolidated interim financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future years if the revision affects both current and future periods.

These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

2. Material Accounting Policies (continued)

Significant Accounting Estimates and Judgements (continued)

Critical Accounting Estimates
There were no significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting period, which could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made.

Critical Accounting Judgements
Critical accounting judgements are accounting policies that have been identified as being complex or involving subjective judgements or assessments. The Company made the following critical accounting judgements:

Going concern
The preparation of these condensed consolidated interim financial statements requires management to make judgements regarding the ability of the Company to continue as a going concern as discussed in Note 1.

Exploration and evaluation expenditures
The application of the Company's accounting policy for exploration and evaluation expenditures requires judgement in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. If, after an expenditure is capitalized, information becomes available suggesting that the recovery of the expenditure is unlikely, the amount capitalized is written off to profit or loss in the period the new information becomes available.

New Accounting Standards and Interpretations Not Yet Adopted

IFRS 18: Presentation and Disclosure in Financial Statements
IFRS 18 introduces three sets of new requirements to give investors more transparent and comparable information about companies' financial performance for better investment decisions:

a) three defined categories for income and expenses – operating, investing and financing – to improve the structure of the income statement and require all companies to provide new defined subtotals, including operating profit;
b) requirement for companies to disclose explanations of management-defined performance measures that are related to the income statement; and
c) enhanced guidance on how to organize information and whether to provide it in the primary financial statements or in the notes.

This new standard is effective for reporting periods beginning on or after January 1, 2027. The Company will be evaluating the impact on future consolidated financial statements.

3. Capital Management

The Company manages its capital to continue as a going concern largely through issuances of shares. These share issues depend on several factors, including a positive mineral exploration environment, positive stock market conditions, a company's track record and the experience of management. The capital structure of the Company consists of shareholders' equity, comprising share capital, share-based payment reserve and deficit. The Company is not subject to any external capital requirements. There were no changes to the Company's approach to capital management during the period ended February 28, 2026.

4. Financial Instruments

The fair value of the Company's accounts payable and accrued liabilities approximates their carrying value due to the short-term nature of these instruments unless otherwise noted. It is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments.

The Company monitors and manages the risks relating to its financial instruments through analysis of exposures by degree and magnitude of risks. These risks include credit risk, liquidity risk and market risk.

Credit risk

Credit risk refers to the risk that another entity will default on its contractual obligations resulting in financial loss to the Company. As of February 28, 2026, such contractual obligations comprised cash and cash equivalents held with high creditworthy financial institutions in the amount of $5,380,404 (August 31, 2025 – $526,932). Management considers this risk to be negligible.

Liquidity risk

Liquidity risk refers to the risk that the Company will not be able to meet its financial obligations when they become due or can only do so at excessive cost. As of February 28, 2026, the Company had working capital of $10,674,662 (August 31, 2025 – $496,777). Management anticipates that the Company will be able to meet its obligations as they become due.

Market risk

Market risk is the risk that the fair value of a financial instrument will fluctuate because of currency risk, interest rate risk and other price risk.

4. Financial Instruments (continued)

Currency risk
Currency risk is the risk that the fair value or future cash flows of financial instruments will fluctuate as a result of changes in foreign exchange rates. The Company has operations in Canada, Mexico and United States and incurs expenditures in Canadian dollars, Mexican pesos and United States dollars. The fluctuation of the foreign exchange rates will have an impact upon the results of the Company. The Company does not hold substantial financial assets and liabilities in currencies other than the functional currency of each individual entity. A fluctuation in the exchange rates between Canadian dollars, Mexican pesos and United States dollars of 10% would result in a $15,789 change in the Company's cash and cash equivalents and a nominal change in profit or loss. The Company does not use any techniques to mitigate currency risk.

Interest rate risk
Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. Interest earned on cash and cash equivalents is at nominal interest rates, and therefore, the Company does not consider interest rate risk to be significant. The Company has no interest-bearing financial liabilities.

Other price risk
Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk. Management considers this risk to be negligible.

Fair Value Hierarchy

Financial instruments recorded at fair value in the Condensed Consolidated Interim Statements of Financial Position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

Level 2 – valuation techniques based on inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 – valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair value hierarchy requires the use of observable market inputs whenever such inputs exist. A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value.

(Expressed in Canadian Dollars)

4. Financial Instruments (continued)

Fair Value Hierarchy (continued)

The following tables present the financial instruments recorded at fair value in the Condensed Consolidated Interim Statements of Financial Position, classified using the fair value hierarchy described above:

Assets as at February 28, 2026	Level 1	Level 2	Level 3
Cash and cash equivalents	$5,380,404	$ -	$ -
Marketable securities – shares	$ -	$5,175,270	$ -

Assets as at August 31, 2025	Level 1	Level 2	Level 3
Cash and cash equivalents	$ 526,932	$ -	$ -

5. Marketable Securities

Marketable securities as of February 28, 2026 comprised the following:

Description	Shares	Cost	Fair Value
Bold Ventures Inc.	50,000	$ 5,000	$ 5,500
Bunker Hill Mining Corp.	21,025,001	4,277,113	4,884,155
Canasil Resources Inc.	813,000	24,390	56,910
Chesapeake Gold Corp.	5,000	21,920	22,950
Goldsky Resources Corp.	20,000	66,460	84,400
Hamilton Capital Partners Inc.	1,500	21,762	23,730
Metal Source Mining Corp.	30,000	27,510	29,100
Naughty Ventures Corp.	200,000	19,800	26,000
Satellos BioScience Corp.	2,500	24,670	42,525
Total		$4,488,625	$5,175,270

Marketable securities as of August 31, 2025 comprised the following:

Description	Shares	Cost	Fair Value
Canasil Resources Inc.	6,666,667	$ 100,000	$ -

6. Exploration and Evaluation Assets

La Joya Project, Durango, Mexico

In August 2020, the Company acquired an option to purchase an initial 80% interest in SVL Minerals Ltd. and, if exercised, a second option to acquire the remaining 20% interest. SVL Minerals Ltd. indirectly owns the La Joya Project, a group of 15 mineral concessions located southeast of Durango in the State of Durango, Mexico.

The Company exercised the first option in May 2023 and acquired an 80% interest in SVL Minerals Ltd. by: (i) paying $700,000 plus annual holding costs over the preceding three years, (ii) issuing 5,146,401 shares of the Company in August 2020 with a fair value of $0.99 per share, and (iii) incurring exploration expenditures on the property over the preceding three years of not less than $1,000,000.

Concurrently, the Company exercised the second option and acquired the remaining 20% interest in SVL Minerals Ltd. by issuing an additional 2,205,118 shares of the Company in May 2023 with a fair value of $0.345 per share. The optionor reserved for itself a 2% net smelter returns royalty.

Upon closing the transaction, SVL Minerals Ltd. and its subsidiary, Silvercrest de Mexico, S.A. de C.V., became wholly owned subsidiaries of the Company.

Lake County Project, Oregon, USA

In November 2025, the Company and its wholly owned subsidiary, Silver Dollar Resources (Idaho), Inc. (“Silver Dollar Idaho”), acquired an option to purchase a 100% interest in 106 lode mining claims located in Lake County, Oregon, USA. Under the terms of the agreement, Silver Dollar Idaho would be transferred title to the claims if the following payments were made and exploration work was undertaken:

i) $26,800 on the later of the Effective Date (paid),
ii) $10,000 on or before the date that is 6 months after the Effective Date,
iii) $30,000 on or before the date that is 12 months after the Effective Date,
iv) $15,000 on or before the date that is 18 months after the Effective Date,
v) $15,000 on or before the date that is 24 months after the Effective Date,
vi) $20,000 on or before the date that is 30 months after the Effective Date,
vii) $20,000 on or before the date that is 36 months after the Effective Date; and
viii) Completion of a 2,000-metre drilling program on or before the date that is 36 months after the Effective Date.

Furthermore, if Silver Dollar Idaho began commercial production on any part of the property, Silver Dollar Idaho would pay a 2% net smelter returns royalty in respect of the claims, a 1% net smelter returns royalty on after-acquired lode mining claims staked directly or indirectly by or on behalf of Silver Dollar Idaho, and a 0.5% net smelter returns royalty in respect of after-acquired properties acquired directly or indirectly by or on behalf of Silver Dollar Idaho from an arm’s length vendor, including but not limited to State of Oregon Trust lands.

6. Exploration and Evaluation Assets (continued)

Lake County Project, Oregon, USA (continued)

Following the exercise of the option and for so long as Silver Dollar Idaho owned any of the lode mining claims comprising the claims, Silver Dollar Idaho would pay to the vendor an advance (a "Royalty Advance") on the production royalty in the amount of $12,500 not later than 30 days after the end of each fiscal quarter of the Company. The sum of all such Royalty Advances paid would be deducted from any production royalties payable.

Subsequent to the end of the period, the Company terminated its option to purchase the Lake County, Oregon claims and a write down of $69,198 was recorded for the six months ended February 28, 2026. The termination is effective May 7, 2026.

Nora Project, Durango, Mexico

In April 2023, the Company entered into an agreement to purchase the Nora Project comprising four mineral concessions located northwest of Durango in the State of Durango, Mexico. The original agreement provided that the Company may earn a 100% interest in the project by paying the optionor $375,000, incurring exploration expenditures of $3,000,000 over five years, and granting to the optionor a 3% net smelter returns royalty, of which the Company could buy back one-third for $3,000,000. In addition, after granting the royalty, the Company would pay an annual royalty of $25,000 which would be offset against the royalty buyback.

In February 2024, the parties amended the option agreement to waive all option payments and instead transfer the property to the Company as consideration for its $134,779 of exploration expenditures incurred to date and the grant of a 2% net smelter returns royalty, of which the Company may buy back half for $1,000,000.

In August 2023, management determined that the asset was impaired after analyzing the vendor's historical data and the Company wrote down the carrying amount to zero. After further analysis, management recommenced fieldwork in 2024 based on historical data it considered reliable.

Ranger-Page Project, Idaho, USA

In July 2024, the Company and its wholly owned subsidiary, Silver Dollar Idaho, entered into an agreement to acquire the Ranger-Page Project located in Shoshone County, Idaho, USA, which includes the option rights under the Government Gulch Option and Joint Venture Agreement (the "Government Gulch Agreement") and the Page Mine Mineral Rights Lease and Option Agreement (the "Page Mine Agreement").

On December 11, 2025, the Company and Silver Dollar Idaho sold the Ranger Page Project and under the terms of the asset purchase agreement, Silver Dollar Idaho received 23,333,334 common shares of Bunker Hill Mining Corp, with 10% of the total cost payable in respect of finders' fees. The shares were valued at US$3,480,000. The Bunker Hill common shares are subject to a statutory six-month hold period and contractual escrow, and will be released in accordance with the following schedule:

(Expressed in Canadian Dollars)

6. Exploration and Evaluation Assets (continued)

Ranger-Page Project, Idaho, USA (continued)

Release Date	Release from Contractual Escrow
6-month anniversary of Closing Date	2,333,333 Shares
9-month anniversary of Closing Date	2,333,333 Shares
12-month anniversary of Closing Date	18,666,668 Shares

A gain of $143,261 was recorded from the sale of the Ranger Page project for the six month period ended February 28, 2026

7. Share Capital

Authorized

An unlimited number of common shares without par value.

Escrow Shares

The Company is party to an agreement dated July 12, 2024 pursuant to which 1,250,000 shares are subject to a contractual escrow. The shares will be released on August 6, 2026.

Common Shares

In October 2025, the Company completed a private placement of 16,857,100 units at a price of $0.35 per unit for gross proceeds totaling $5,900,003. Each unit comprised one common share and one share purchase warrant. Each full warrant entitles the holder to purchase an additional common share at a price of $0.45 until October 3, 2028. The Company paid finders' fees in respect of the offering of $418,854 cash and 992,409 warrants exercisable at $0.35 per share until October 3, 2028 and with a fair value of $190,621. The Company also incurred legal fees of $62,314 related to the offering.

During the six months ended February 28, 2026, 965,800 warrants were exercised for gross proceeds of $431,260 with an average exercise price of $0.45. $1,854 was transferred from share-based payment reserve as a result.

During the six months ended February 28, 2026, 435,000 options were exercised for gross proceeds of $130,500 with an average exercise price of $0.40. $64,310 was transferred from share-based payment reserve as a result.

Warrants

As of February 28, 2026, the Company had outstanding warrants to purchase 3,022,600 common shares exercisable at $0.40 per share until October 29, 2026, warrants to purchase 15,958,350 common shares at $0.45 per share until October 3, 2028, and warrants to purchase 992,409 common shares at $0.35 per share until October 3, 2028 (August 31, 2025 – 3,089,600 common shares at $0.40 per share).

(Expressed in Canadian Dollars)

7. Share Capital (continued)

Long-Term Incentive Securities

The Company adopted a long-term incentive plan whereby up to a maximum of: (i) 10% of the outstanding shares of the Company as of the date of grant are reserved for the grant and issuance of incentive stock options ("Stock Options"); and (ii) 10% of the outstanding shares of the Company as of the date of award are reserved for the settlement of deferred share units, restricted share units and performance share units (which, with the Stock Options, are collectively referred to as "Incentive Securities"). Under the plan, the exercise price of a Stock Option may not be set at less than the market price of the Company's common shares on the grant date and the Stock Options may be exercisable for up to 10 years. The aggregate number of Incentive Securities granted to any one related person during any twelve-month period may not exceed 5% of the issued shares of the Company. Furthermore, the aggregate number of Stock Options granted to all investor relations representatives during any twelve-month period may not exceed 2% of the issued shares of the Company.

Incentive Securities are subject to such restrictions, performance criteria and vesting criteria as the Company's board may establish in the applicable award agreement. Incentive Securities will vest and become payable by the issuance of common shares at the end of the restriction period if all applicable restrictions have lapsed, upon satisfaction of the performance criteria or upon satisfaction of the vesting criteria, as the case may be.

In October 2025, the company granted Stock Options to purchase up to 300,000 shares of the Company at a price of $0.35 per share until October 8, 2030.

In December 2025, the company granted Stock Options to purchase up to 1,850,000 shares of the Company at a price of $0.55 per share until December 30, 2030.

The Company recorded share-based compensation of $790,364 during the six-month period ended February 28, 2026.

The fair value of Stock Options issued during the six-month periods ended February 28, 2026 and 2025 was estimated using the Black-Scholes option valuation model with the following assumptions:

	Total or Weighted Average	
	2026	2025
Number of options	2,150,000	-
Number of options vested	2,150,000	-
Estimated life	5 years	-
Share price at date of vesting	$ 0.52	-
Option exercise price	$ 0.52	-
Risk-free interest rate	2.92%	-
Estimated annual volatility (based on historical volatility)	80.57%	-
Expected dividends	$ -	-
Option fair value	$ 0.344	-
Compensation cost	$ 790,364	-

(Expressed in Canadian Dollars)

7. Share Capital (continued)

Long-Term Incentive Securities (continued)

A summary of the Company's Stock Options as of February 28, 2026 and August 31 2025, and the changes for the periods ending on those dates is as follows:

	Number Outstanding and Exercisable		Weighted Average Exercise Price	Weighted Average Remaining Life (Years)
Balances, August 31, 2024	2,700,000	$	1.49	1.2
Stock options granted	2,050,000		0.30	
Stock options expired	(550,000)		0.47	
Balances, August 31, 2025	4,200,000		1.04	2.4
Stock options granted	2,150,000		0.52	
Stock options exercised	(435,000)		0.30	
Stock options expired	(1,850,000)		1.75	
Balances, February 28, 2026	4,065,000	$	0.52	4.2

A summary of Stock Options outstanding as of February 28, 2026 and August 31, 2025 is as follows:

		Number of Stock Options Outstanding and Exercisable	
Exercise Price Per Share	Expiry Date	February 28, 2026	August 31, 2025
$1.75	November 13, 2025	-	300,000
$1.75	December 14, 2025	-	1,550,000
$1.75	March 9, 2026	300,000	300,000
$0.30	March 28, 2030	1,615,000	2,050,000
$0.35	October 8, 2030	300,000	-
$0.55	December 31, 2030	1,850,000	-
		4,065,000	4,200,000

8. Related Party Transactions

The following transactions with related parties have been valued in these condensed consolidated interim financial statements at the exchange amount, which is the amount of consideration established and agreed to by the parties. As of February 28, 2026 and August 31, 2025, the Company owed no amounts to directors and officers of the Company in the ordinary course of business. Amounts due to related parties are without interest, unsecured and without stated terms of repayment.

Key Management Compensation

During the six-month period ended February 28, 2026, the Company paid management and administration fees of $Nil (2025 – $30,000) to a corporation owned by the Company's Former Chief Executive Officer and paid management and administration fees of $75,000 (2025 – $Nil) to a proprietorship owned by the Company's Chief Executive Officer.

(Expressed in Canadian Dollars)

9. Non-Cash Financing and Investing Transactions

During the six-month period ended February 28, 2026, the Company issued 992,409 warrants exercisable at $0.35 per share until October 3, 2028 and with a fair value of $190,621 as finders' fees in respect of a private placement.

During the six-month period ended February 28, 2025, the Company issued 89,600 warrants exercisable at $0.40 per share until October 29, 2026 and with a fair value of $23,736 as finders' fees in respect of a private placement.

As of February 28 2026, there was $10,661 of accounts payable and accrued liabilities related to the Company's exploration and evaluation assets (August 31, 2025 – $3,935).

As of February 28, 2026 the company had $4,546,647 invested in Guaranteed Investment Certificates (GICs) including $4,500,000 of principal cash and $46,647 of accrued interest. The GICs are as follows:

	Amount	Interest Rate	Date of Issuance	Maturity Date	Accrued Interest
GIC #1	$1,000,000	3.02%	October 9, 2025	October 9, 2027	$11,749
GIC #2	2,000,000	2.62%	October 9, 2025	October 9, 2026	20,386
GIC #3	1,500,000	Variable	October 9, 2025	October 9, 2026	14,512
Total	$4,500,000				$46,647

10. Segmented Disclosure

The Company has one operating segment: mineral exploration and development. The Company's reportable segments are summarized as follows:

Geographical Information

Non-current assets	Canada	Mexico	United States	Total
February 28, 2026	$ 3,940	$ 13,047,032	-	13,050,972
August 31, 2025	$ 4,496	$ 12,253,031	$ 4,061,295	$ 16,318,822

11. Subsequent Events

Subsequent to the end of the period, the Company terminated its option to purchase its claims located in Lake County, Oregon and a write down of $69,198 was recorded for the six months ended February 28, 2026. The termination is effective May 7, 2026.

Subsequent to the end of the period, options to purchase 300,000 shares of the Company expired unexercised.

Subsequent to the end of the period, restricted share units vested and 575,000 shares of the Company with a fair value of $0.32 per share were issued to directors, officers and consultants.

Silver Dollar Resources Inc.
(An exploration stage company)

Condensed Consolidated Interim Schedule of Exploration and Evaluation Assets
(Expressed in Canadian Dollars)
(Unaudited)

Six-month period ended February 28, 2026

	La Joya	Nora	Lake County	Ranger-Page	Totals
Acquisition costs					
Option payments, cash	$ -	$ -	$ 37,123	$ -	$ 37,123
Foreign exchange	126,802	325	-	17,330	144,457
Staking, renewal and other	82,185	11,488	-	-	93,673
Write-down			(37,123)	(2,251,352)	(2,288,475)
	208,987	11,813	-	(2,234,022)	(2,013,222)
Opening balance	7,322,545	27,649	-	2,234,022	9,584,216
	7,531,532	39,462	-	-	7,570,994
Deferred exploration expenditures					
Access rights	507	-	-	-	507
Assays	8,547	3,580	-	-	12,127
Camp costs	2,726	1,426	-	-	4,151
Drilling, drill planning and due diligence	109,540	-	-	26,521	136,061
Environmental consulting	855	7,684	-	-	8,539
Field costs	8,061	-	12,210	-	20,271
Geological consulting	23,792	-	17,114	-	40,906
Meals and lodging	20,889	588	2,750	-	24,227
Reporting and analysis	8,546	-	-	-	8,546
Transport	26,159	2,469	-	-	28,629
Foreign exchange	265,702	7,528	-	14,627	287,857
Write-down	-	-	(32,074)	(1,868,421)	(1,900,495)
	475,324	23,275	-	(1,827,273)	(1,328,674)
Opening balance	4,720,805	182,032	-	1,827,273	6,730,110
	5,196,129	205,307	-	-	5,401,436
Balance, February 28, 2026	$12,727,661	$244,769	$ -	$ -	$12,972,430

Silver Dollar Resources Inc.
(An exploration stage company)

Condensed Consolidated Interim Schedule of Exploration and Evaluation Assets
(Expressed in Canadian Dollars)
(Unaudited)

Six-month period ended February 28, 2025

	La Joya	Nora	Ranger-Page	Totals
Acquisition costs				
Option payments, cash	$ -	$ -	$ 42,099	$ 42,099
Staking, renewal and other	71,821	-	-	71,821
Foreign exchange	38,698	-	133,360	172,058
	110,519	-	175,459	285,978
Opening balance	7,064,555	-	1,882,548	8,947,103
	7,175,074	-	2,058,007	9,233,081
Deferred exploration expenditures				
Access rights	-	9,398	-	9,398
Assays	5,538	-	-	5,538
Camp costs	720	5,029	-	5,749
Drilling, drill planning and due diligence	89,675	-	1,612,389	1,702,064
Geological consulting	37,289	-	-	37,289
Meals and lodging	9,185	9,092	-	18,277
Reporting and analysis	19,051	-	-	19,051
Transport	2,944	5,775	-	8,719
Foreign exchange	82,110	1,787	47,119	131,016
	246,512	31,081	1,659,508	1,937,101
Opening balance	4,179,383	159,323	8,310	4,347,016
	4,425,895	190,404	1,667,818	6,284,117
Balance, February 28, 2025	$11,600,969	$ 190,404	$ 3,725,825	$15,517,198