



FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: Silver Dollar Resources Inc. (the "Issuer")

Trading Symbol: SLV

Number of Outstanding Listed Securities: 26,982,620

Date: September 3, 2020

This Monthly Progress Report must be posted before the opening of trading on the fifth trading day of each month. This report is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by Exchange Policies. If material information became known and was reported during the preceding month to which this report relates, this report should refer to the material information, the news release date and the posting date on the Exchange website.

This report is intended to keep investors and the market informed of the Issuer's ongoing business and management activities that occurred during the preceding month. Do not discuss goals or future plans unless they have crystallized to the point that they are "material information" as defined in the Policies. The discussion in this report must be factual, balanced and non-promotional.

General Instructions

- (a) Prepare this Monthly Progress Report using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the items must be in narrative form. State when the answer to any item is negative or not applicable to the Issuer. The title to each item must precede the answer.
- (b) The term "Issuer" includes the Issuer and any of its subsidiaries.

- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

Report on Business

1. *Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive disclose this fact.*

As reported in its Monthly Progress Report for the month of June 2020, Silver Dollar Resources Inc. entered into a letter of intent with First Majestic Silver Corp. in June setting out the proposed terms by which Silver Dollar would acquire an option to purchase up to 100% of First Majestic's La Joya silver project in Durango, Mexico.

As reported in its August 10, 2020 press release, Silver Dollar entered into a definitive agreement with First Majestic relating to the La Joya silver project.

Under the terms of the definitive agreement, to exercise its first option and acquire an 80% interest in the La Joya property, Silver Dollar will pay First Majestic \$1.3 million cash over four years (of which \$300,000 was paid upon execution), issue shares equal to 19.9% of Silver Dollar's then-outstanding common shares (in respect of which, 5,146,401 shares were issued August 14, 2020), incur \$1 million of exploration expenditures within the first five years, and grant First Majestic a 2% net smelter returns royalty. If Silver Dollar incurs the exploration expenditures within the first three years, however, First Majestic will waive the final \$600,000 – or nearly half – of the cash option payments.

Silver Dollar may exercise its second option and acquire the remaining 20% (for an aggregate 100% interest) of the La Joya property by providing notice to First Majestic within 30 days of earning the first 80% interest and issuing to First Majestic additional shares equal to 5% of Silver Dollar's then-outstanding common shares.

2. *Provide a general overview and discussion of the activities of management.*

As described above, in August 2020 management focused its activities on its due diligence investigation of the La Joya project and negotiating the terms of a definitive agreement with First Majestic.

3. *Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.*

As reported in its August 25, 2020 press release, during the course of its due diligence relating to the La Joya silver project, Silver Dollar identified results from the Phase 3 drilling program completed by SilverCrest Mines Inc. ("SilverCrest") between February 17 and March 29, 2014 that were not previously reported. Records of the Phase 3 program were obtained by Silver Dollar through the file-sharing arrangement under the definitive agreement with First Majestic. Announcement of the drilling program was included in the final Management Discussion and Analysis issued by SilverCrest, dated November 12, 2014, for the three and nine months ended September 30, 2013, which reads:

"La Joya Project third quarter highlights: SilverCrest completed a 17 hole in-fill drilling program (2,698 metres). The program provides valuable information that will enable SilverCrest to advance towards an updated resource model in H1 2015."

The updated resource model was never completed due to First Majestic's acquisition of SilverCrest that was completed on October 1, 2015.

The Phase 3 drilling program targeted infill drilling along the Main Mineralized Trend and was successful in confirming significant mineralization in 15 of 17 holes (two holes were drilled for geotechnical logging and no assay records have been located). The results provide Silver Dollar with further confidence in the extent of the mineralized system and verify several key features of the polymetallic Ag-Cu-Au deposit identified in the National Instrument (NI) 43-101 Preliminary Economic Assessment Technical Report (the "PEA"), with Effective Date of October 21, 2013, and Released Date of December 5, 2013 (refer to SEDAR) including:

- Confirmed presence of high-grade mineralization with 2014 highest assay grades reported for Ag of 1,915 grams per tonne (g/t) over 0.45 metre (hole LJ DD14-116 from 26.4 to 26.85 m), Cu of 20.4 % over 0.55 metre (hole LJ DD14-116 from 86 to 86.55 m), and Au of 33.5 g/t over 1.0 metre (hole LF DD14-120 from 211.15 to 212.15 m),
- Presence of discrete high-grade stockwork and structurally controlled veining (SCSV) style mineralization such as in hole LJ DD14-116 that intercepted 2.0 metres (from 86 to 88 m) grading 723.5 g/t Ag, 8.97 % Cu and 0.09 g/t Au, or 1,778.1 g/t silver equivalent (AgEq),
- Continuous broad intervals of mineralization hosted in replacement manto style mineralization, such as in hole LJ DD14-114 that intercepted 66.4

metres (from 27.1 to 93.5 m) grading 43.5 g/t Ag, 0.27 % Cu and 0.38 g/t Au, or 98.21 g/t AgEq, and

- Outcropping and near-surface mineralization, such as in holes LJ DD14-109 that intercepted 21.92 metres (from 1.8 to 23.72 m) grading 31.5 g/t Ag, 0.36 % Cu and 0.95 g/t Au, or 130.4 g/t AgEq.

Drilling results from the eastern extent of the (approximately east-west striking) SCSV revealed excellent exploration potential for extension of the deposit further to the east where hole LJ DD14-116 intercepted two broad mineralized zones grading 75.7 g/t Ag, 0.55 % Cu, and 0.06 g/t Au, or 143.9 g/t AgEq, over 25.1 metres (from 19.1 to 44.2 m), and 106.2 g/t Ag, 1.20 % Cu, and 0.29 g/t Au, or 264.0 g/t AgEq, over 23.1 metres (from 82.4 to 105.5 m).

Notably, hole LJ DD14-116 was drilled near to the previous holes LJ DD12-79 (48.8 metres grading 53.1 g/t Ag, 0.37 % Cu, and 0.06 g/t Au, from 102.2 to 150.8 m) and LJ DD12-86 (45 metres grading 135.5 g/t Ag, 1.14 % Cu and 0.11 g/t Au, from 67 to 112 m) along the interpreted Tecolote structure, which remains open to the east. This eastern area is a primary exploration target representing a 750-metre-wide (approximate horizontal distance) gap where no drilling has been undertaken and is flanked on the east by the Santo Nino Deposit.

Assay highlights from drill hole core samples are summarized in the following table:

Hole ID	From	To	Width (m)	Au g/t	Ag g/t	Cu %	AgEq * (values from 2013 PEA)	AgEq ** (current values)
LJ DD14-109	1.8	23.72	21.92	0.73	32.7	0.36	100.1	118.6
Including	1.8	6.2	4.4	3.45	12.3	0.10	193.3	230.8
	120.6	125.75	5.15	0.10	112.1	0.57	166.1	184.7
LJ DD14-110	10.3	22.6	12.3	0.36	99.8	0.71	179.0	204.7
including	16.8	21.3	4.5	0.56	189.6	1.34	333.1	380.3
	98.2	104.8	6.6	0.05	47.1	0.15	62.4	67.5
LJ DD14-111	34.95	35.9	0.95	0.12	210.2	2.11	397.4	463.9
	56.9	58.6	1.7	0.04	139.7	0.41	177.5	190.8
	143	149.35	6.35	0.38	55.8	0.25	96.3	107.9
	162.4	165.35	2.95	0.29	57.0	0.11	80.8	87.0
LJ DD14-112	88.9	91.3	2.4	0.04	95.5	0.51	141.4	157.6
LJ DD14-113	93.75	96.4	2.65	0.06	108.8	0.56	160.0	177.9
	146.9	149.5	2.6	0.09	47.1	0.25	72.8	81.4
LJ DD14-114	13.7	14.9	1.2	0.09	192.9	2.58	419.7	500.8
	27.1	93.5	66.4	0.38	43.5	0.27	85.9	98.2
including	67.7	70.85	3.15	1.26	219.0	1.48	409.6	468.2

Hole ID	From	To	Width (m)	Au g/t	Ag g/t	Cu %	AgEq * (values from 2013 PEA)	AgEq ** (current values)
	131.7	138.85	7.15	0.30	26.6	0.14	53.2	60.4
	160.4	178.1	18.1	0.26	6.9	0.15	32.6	39.8
LJ DD14-115	30.85	36.95	6.1	0.06	233.8	1.24	343.4	382.5
including	34.15	35.15	1	0.17	734.0	3.75	1,064.5	1,182.2
	44.9	68.3	23.4	0.34	31.7	0.12	58.9	66.0
	74.8	79.2	4.4	0.40	48.6	0.26	91.0	103.0
	134.8	137.05	2.25	0.41	90.4	0.84	182.5	212.5
LJ DD14-116	19.1	44.2	25.1	0.06	75.7	0.55	126.2	143.9
including	19.1	28.2	9.1	0.04	185.1	1.37	305.2	348.2
and	26.4	28.2	1.8	0.11	602.3	4.64	1,006.4	1,151.1
	82.4	105.5	23.1	0.29	106.2	1.20	223.9	264.0
including	86	88	2	0.09	723.5	8.97	1499.2	1,778.1
LJ DD14-117	61	80.8	19.8	0.36	29.5	0.36	78.4	93.2
including	74.5	75.8	1.3	0.88	219.0	2.05	439.1	511.3
	106.8	108.6	1.8	0.85	46.7	0.53	134.2	158.9
LJ DD14-118	54	58	4	0.14	72.8	0.35	109.5	121.6
	64	104.2	40.2	0.05	32.9	0.49	77.3	93.0
including	68	74.3	6.3	0.06	61.7	1.35	181.2	223.8
and	93.4	97.7	4.3	0.12	79.3	1.00	171.2	203.3
	132.75	149.85	17.1	0.44	14.8	0.16	50.9	60.4
LJ DD14-119	63.15	74.8	11.65	0.06	82.7	0.99	171.1	202.5
including	72.4	73.8	1.4	0.26	387.1	4.62	797.4	943.3
	91.4	95.5	4.1	0.28	35.2	0.34	78.4	91.8
	119	122.5	3.5	0.62	44.3	0.45	114.0	134.2
LJ DD14-120	39.5	43.1	3.6	0.05	91.6	0.49	136.5	152.3
	59.65	68.35	8.7	0.14	59.1	0.27	89.2	98.9
including	67.3	68.35	1.05	0.08	375.2	1.09	472.8	507.3
	96.25	151.1	54.85	0.10	36.5	0.23	61.5	69.7
including	130.2	134.6	4.4	0.17	171.5	1.41	301.7	347.2
	199.5	217.15	17.64	2.30	31.7	0.12	157.6	184.5
including	208.5	212.15	3.65	10.43	52.3	0.22	592.6	703.6
LJ DD14-121	Geotechnical hole, no assays							
LJ DD14-122	68.7	70.55	1.4	0.18	225.4	1.95	402.1	464.3
	90.9	93.5	2.6	1.53	5.5	0.10	90.6	109.0
	99.9	101.6	1.7	1.88	32.6	0.32	154.2	183.0
	129.25	131.2	1.95	0.04	33.7	0.37	67.3	79.1
	150.8	152.75	1.95	0.37	46.6	0.36	96.2	111.0

FORM 7 – MONTHLY PROGRESS REPORT

January 2015

Page 5

Hole ID	From	To	Width (m)	Au g/t	Ag g/t	Cu %	AgEq * (values from 2013 PEA)	AgEq ** (current values)
LJ DD14-123	Geotechnical hole, no assays							
LJ DD14-124	116.4	122.65	6.25	0.20	94.0	0.77	170.5	196.5
LJ DD14-125	26.75	37.05	10.3	0.02	34.1	0.02	37.4	38.4
	120.45	126.6	6.15	0.07	67.2	0.11	80.2	84.3
	200.6	201.85	1.25	0.07	121.7	0.54	171.5	188.9

Notes:

- lengths are downhole length
- the reported assay values have been validated by SLV using laboratory certificates and digital drill hole database, however, SLV has not yet reviewed drill core nor verified the drill hole survey information
- all intercept lengths are reported as downhole length
- * AgEq as calculated in the La Joya NI 43-101 PEA Technical Report (Effective Date October 21, 2013) which used metal prices of US\$ 24/oz silver, US\$ 1,200/oz gold, and US\$ 3/lb copper, and equal metallurgical recoveries.
- ** AgEq as calculated using current metals price assumptions of US\$ 17.50/oz silver, US\$ 1,500/oz gold, and US\$ 3/lb copper, along with preliminary and conceptual metallurgical recoveries reported in the PEA of 85% Ag, 85% Cu and 60% Au.

Sample Analyses and QA/QC

Sampling of the drill core was conducted along the entire length of each hole below overburden (excepting hole LJ DD14-117, where sampling started at 34.55 m downhole depth) generally at 1 metre sample lengths, up to a maximum of 5.5 metres, except within visually mineralized intervals where sample intervals respected geological contacts down to a minimum interval of 0.10 metre downhole length. A total of 2,596 drill core samples were collected.

The samples were submitted to the Inspectorate preparation lab based in Durango, Mexico, and shipped to Acme Laboratories (both labs part of the Bureau Veritas Group Companies), based in Vancouver, Canada for analysis. Samples were crushed and split from which 250-gram subsamples were pulverized to 200 mesh.

All samples were submitted for 33 trace elements inductively coupled plasma emission spectroscopy (ICP-ES) (using aqua regia digestion), and 30-gram fire assay (FA) (using lead fusion) with atomic absorption spectrometry (AAS) analyses for gold. Where gold assays exceeded the upper FA-AAS detection limit of 10 g/t, or where silver assays exceeded the upper ICP-ES detection limit of 100 g/t, then analysis was conducted for both gold and silver using fire assay with a gravimetric finish. Any copper, lead or zinc assay exceeding the upper ICP-ES detection limit of 10,000 ppm triggered re-analysis of all three elements at higher grade ICP-ES detection limits.

Additionally, 279 samples were submitted to the laboratory for quality assurance and control (QA/QC). These were comprised of 246 blank samples and 33 certified standard reference samples. No duplicate samples appear to have been collected as part of this campaign. The QA/QC results have been reviewed and no concerns have been identified.

Garry Clark, P.Geo., of Clark Exploration Consulting, a "Qualified Person" as defined in NI 43-101, has reviewed and approved the technical content herein.

4. *Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.*

Not applicable.

5. *Describe any new business relationships entered into between the Issuer, the Issuer's affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.*

The Issuer entered into no new business relationships during the preceding month other than relationships entered into in the ordinary course of business.

6. *Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announced.*

The Issuer terminated no business relationships during the preceding month other than relationships terminated in the ordinary course of business.

7. *Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship.*

As described herein, in August 2020, Silver Dollar entered into a definitive agreement setting out the terms of an option to purchase up to 100% of First Majestic's La Joya silver project in Durango, Mexico.

8. *Describe the acquisition of new customers or loss of customers.*

Not applicable.

9. *Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks.*

Not applicable.

10. *Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.*

Not applicable.

11. *Report on any labour disputes and resolutions of those disputes if applicable.*

Not applicable.

12. *Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.*

Not applicable.

13. *Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.*

The Issuer incurred and repaid no indebtedness during the preceding month other than indebtedness incurred and repaid in the ordinary course of business.

14. *Provide details of any securities issued and options or warrants granted.*

Security	Number Issued	Details of Issuance	Use of Proceeds ⁽¹⁾
Common shares	1,514,110	Issued pursuant to the exercise of warrants	\$355,067 aggregate proceeds which the Issuer will use for general working capital
Common shares	5,146,401	Issued pursuant to a property option agreement	\$9,160,594 consideration under an option to purchase a mineral property

(1) State aggregate proceeds and intended allocation of proceeds.

15. *Provide details of any loans to or by Related Persons.*

Not applicable.

16. *Provide details of any changes in directors, officers or committee members.*

Not applicable.

17. *Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.*

Since December 2019, the COVID-19 pandemic has led governments worldwide to enact emergency measures to combat the spread of the virus. These measures, which included, among other things, the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally, resulting in an economic slowdown. Such events may continue to result in a period of business disruption, and in reduced operations, any of which could have a material adverse impact on the Issuer's results of operations, financial condition and the market and trading price of the Issuer's securities.

As of the date of this Monthly Progress Report, the duration and eventual impact of the COVID-19 pandemic remains unknown. In particular, it is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Issuer. A number of businesses have suspended or scaled back their operations and development for precautionary purposes or as governments have maintained a state of emergency or taken other actions. The breadth and ongoing impact of the COVID-19 pandemic on investors, businesses, the global economy and financial and commodity markets may also have a material adverse impact on the Issuer's results of operations and financial conditions and the market and trading price of the Issuer's securities.

Certificate of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.

2. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated September 3, 2020.

Michael Romanik
Name of Director or Senior Officer

/s/ Michael Romanik
Signature

President and Chief Executive Officer
Official Capacity

Issuer Details

<i>Name of Issuer</i> Silver Dollar Resources Inc.	<i>For Month End</i> August 2020	<i>Date of Report (YY/MM/DD)</i> 20/09/03
<i>Issuer Address</i> Suite 416, 108 – 800 Kelly Road		
<i>City/Province/Postal Code</i> Victoria, BC, V9B 6J9	<i>Issuer Fax No.</i> (250) 474-7997	<i>Issuer Telephone No.</i> (250) 474-7999
<i>Contact Name</i> Michael Romanik	<i>Contact Position</i> President	<i>Contact Telephone No.</i> (204) 726-0151
<i>Contact Email Address</i> romanikm@mymts.net	<i>Web Site Address</i> https://silverdollarresources.com	