



Condensed Interim Consolidated Financial Statements

For the three and six months ended June 30, 2024 and 2023

(Unaudited - expressed in Canadian Dollars)

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**NOTICE OF NO AUDITOR REVIEW OF  
CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

Under National Instrument 51-102, Part 4, subsection 4.3(3) (a), if an auditor has not performed a review of the condensed interim consolidated financial statements they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by management and reviewed by the Audit Committee of the Board of Directors of the Company.

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

**Silver One Resources Inc.**  
**Condensed Interim Consolidated Statements of Financial Position**  
*(Unaudited - expressed in Canadian dollars)*

	Note	June 30 2024	December 31 2023
		\$	\$
<b>Assets</b>			
<b>Current</b>			
Cash		5,793,336	959,557
Short-term investments	4	-	278,501
Receivables and prepaid expenditures	5	941,077	908,824
Marketable securities	6	109,416	143,680
		6,843,829	2,290,562
<b>Non-current</b>			
Mineral properties	7	31,811,368	29,936,700
Property and equipment		31,666	40,837
Reclamation deposits	7	3,529,673	3,419,898
<b>Total Assets</b>		<b>42,216,536</b>	<b>35,687,997</b>
<b>Liabilities</b>			
<b>Current</b>			
Accounts payable and accrued liabilities	8	86,062	100,917
		86,062	100,917
<b>Non-current</b>			
Reclamation obligation	9	847,327	789,551
<b>Total Liabilities</b>		<b>933,389</b>	<b>890,468</b>
<b>Shareholders' Equity</b>			
Share capital	10(b)	58,608,202	52,408,840
Share-based payment reserve	10(c)	5,625,986	5,409,683
Accumulated other comprehensive income		1,424,255	370,096
Accumulated deficit		(24,375,296)	(23,391,090)
		41,283,147	34,797,529
<b>Total Liabilities and Shareholders' Equity</b>		<b>42,216,536</b>	<b>35,687,997</b>

Nature of operations and going concern – Note 1

**APPROVED BY THE DIRECTORS**

\_\_\_\_\_  
*"Claudia Tornquist"* Director

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*"Barry Girling"* Director

# Silver One Resources Inc.

## Condensed Interim Consolidated Statements of Loss and Comprehensive Loss For the three and six months ended June 30, 2024 and 2023

(Unaudited - expressed in Canadian dollars)

	Note	Three months ended June 30 2024	Three months ended June 30 2023	Six months ended June 30 2024	Six months ended June 30 2023
		\$	\$	\$	\$
<b>Expenses</b>					
Administrative and office		43,169	32,424	82,154	65,353
Consulting	12	40,125	200,005	93,525	254,905
Depreciation		5,245	5,250	10,416	10,534
Director fees	12	19,500	19,500	39,000	39,000
Exploration and evaluation		3,089	12,474	3,089	18,345
Filing and listing fees		50,411	44,531	70,893	61,511
Professional fees		28,980	111,840	85,861	146,738
Salaries and benefits	12	69,751	69,432	142,104	144,021
Share-based payments	10(c),12	75,189	132,558	192,990	277,681
Shareholder communications		67,443	91,719	132,129	193,900
Travel and related costs		44,632	17,832	71,078	102,948
<b>Loss before other items</b>		(447,534)	(737,565)	(923,239)	(1,314,936)
Loss on marketable securities	6	(21,834)	(79,214)	(34,264)	(214,607)
Accretion of reclamation obligation	9	(16,230)	-	(32,228)	-
Foreign exchange loss		(4,028)	(61,020)	(2,647)	(70,911)
Interest and other income		2,025	12,900	8,172	37,900
Finance charge on leases		-	-	-	(86)
Income from sublease of office		-	-	-	85
<b>Net loss for the period</b>		(487,601)	(864,899)	(984,206)	(1,562,555)
<b>Other comprehensive income (loss) for the period</b>					
Currency translation adjustment		394,516	(628,751)	1,054,159	(658,948)
<b>Comprehensive (loss) income for the period</b>		(93,085)	(1,493,650)	69,953	(2,221,503)
<b>Loss per share</b>					
Basic and diluted		(0.00)	(0.00)	(0.00)	(0.01)
<b>Weighted average number of shares outstanding</b>					
Basic and diluted		248,943,909	239,078,929	248,334,019	229,070,338

**Silver One Resources Inc.**  
**Condensed Interim Consolidated Statements of Cash Flows**  
**For the six months ended June 30, 2024 and 2023**  
*(Unaudited - expressed in Canadian dollars)*

	Six months ended June 30	
	2024	2023
	\$	\$
<b>Cash (used in) provided by:</b>		
<b>Operating activities</b>		
Net loss for the period	(984,206)	(1,562,555)
Share-based payments	192,990	277,681
Loss on marketable securities	34,264	214,607
Accretion of reclamation obligation	32,228	-
Depreciation	10,416	10,534
Unrealized foreign exchange	(12,949)	10,461
Interest on long-term receivables	-	(5,944)
Changes in working capital items		
Receivables and prepaid expenditures	(32,253)	(81,575)
Net investment in sublease	-	12,925
Accounts payable and accrued liabilities	(18,106)	(12,193)
Deferred rent	-	(720)
	(777,616)	(1,136,779)
<b>Investing activities</b>		
Mineral property expenditures	(437,867)	(708,330)
Cash out (purchase) of short-term investments	278,501	(5,846)
Purchase of reclamation deposit	-	(3,434,160)
	(159,366)	(4,148,336)
<b>Financing activities</b>		
Proceeds from private placement	5,907,759	5,000,000
Cash share issuance costs	(154,634)	(7,960)
Proceeds from exercise of options	4,550	-
Repayment of lease obligation	-	(13,079)
	5,757,675	4,978,961
<b>Effect of foreign exchange on cash</b>	13,086	(9,604)
<b>Increase (decrease) in cash</b>	4,833,779	(315,758)
<b>Cash - beginning of period</b>	959,557	3,065,488
<b>Cash - end of period</b>	5,793,336	2,749,730

Supplemental cash flow information – Note 13

# Silver One Resources Inc.

## Condensed Interim Consolidated Statements of Changes in Equity

(Unaudited - expressed in Canadian dollars)

	Number of common shares	Share capital	Share-based payment reserve	AOCI	Accumulated deficit	Total
		\$	\$	\$	\$	\$
<b>Balance, December 31, 2022</b>	217,717,207	46,659,300	4,794,589	1,047,325	(20,183,448)	32,317,766
Shares issued from private placement	23,809,524	5,000,000	-	-	-	5,000,000
Less: Share issue costs	-	(7,960)	-	-	-	(7,960)
Share-based payments	-	-	277,681	-	-	277,681
Shares issued on Silver Phoenix option agreement	3,000,000	675,000	-	-	-	675,000
Shares issued on Candelaria agreement	250,000	82,500	-	-	-	82,500
Net loss for the period	-	-	-	-	(1,562,555)	(1,562,555)
Cumulative translation adjustment	-	-	-	(658,948)	-	(658,948)
<b>Balance, June 30, 2023</b>	<b>244,776,731</b>	<b>52,408,840</b>	<b>5,072,270</b>	<b>388,377</b>	<b>(21,746,003)</b>	<b>36,123,484</b>
Share-based payments	-	-	337,413	-	-	337,413
Net loss for the period	-	-	-	-	(1,645,087)	(1,645,087)
Cumulative translation adjustment	-	-	-	(18,281)	-	(18,281)
<b>Balance, December 31, 2023</b>	<b>244,776,731</b>	<b>52,408,840</b>	<b>5,409,683</b>	<b>370,096</b>	<b>(23,391,090)</b>	<b>34,797,529</b>
Shares issued from private placement	21,099,138	5,907,759	-	-	-	5,907,759
Less: Share issue costs	-	(181,633)	26,999	-	-	(154,634)
Share-based payments	-	-	192,990	-	-	192,990
Shares issued on Silver Phoenix option agreement	3,000,000	465,000	-	-	-	465,000
Exercise of options	17,500	8,236	(3,686)	-	-	4,550
Net loss for the period	-	-	-	-	(984,206)	(984,206)
Cumulative translation adjustment	-	-	-	1,054,159	-	1,054,159
<b>Balance, June 30, 2024</b>	<b>268,893,369</b>	<b>58,608,202</b>	<b>5,625,986</b>	<b>1,424,255</b>	<b>(24,375,296)</b>	<b>41,283,147</b>

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

# Silver One Resources Inc.

## Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended June 30, 2024 and 2023

(Unaudited - expressed in Canadian dollars)

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### 1. Nature of operations and going concern

Silver One Resources Inc. (the "Company" or "Silver One") was incorporated pursuant to the provisions of the Business Corporations Act (British Columbia) on June 8, 2007.

The Company's principal activities include the acquisition, exploration and development of mineral properties. The Company owns a 100% interest in the Candelaria silver project in Nevada (the "Candelaria Project" or "Candelaria"), a 100% interest in the Phoenix Silver property in Arizona ("Phoenix Silver Property" or "Phoenix Silver"), and a 100% interest in the Cherokee project in Nevada ("Cherokee Project" or "Cherokee").

These condensed interim consolidated financial statements have been prepared on a going concern basis, which assumes that the Company will be able to meet its obligations and continue its operations for the next twelve months. As at June 30, 2024, the Company had an accumulated deficit of \$24,375,296, and expects to incur further losses in the development of the business. As a result, the Company may be unable to realize its assets and discharge its liabilities in the normal course of business. The Company's ability to continue as a going concern is dependant on its ability to obtain necessary financing to meet its corporate and deferred exploration expenditures and discharge its liabilities in the normal course of business. Although the Company has been successful in obtaining financing in the past, there can be no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company.

Should the Company be unable to continue as a going concern, asset realization values may be substantially different from their carrying values. These condensed interim consolidated financial statements do not give effect to adjustments that would be necessary to carrying values and the classification of assets and liabilities should the Company be unable to continue as a going concern. Such adjustments could be material.

Silver One is a public company listed on the TSX Venture Exchange ("TSX-V") under the symbol "SVE", on the OTCQX Marketplace under the symbol "SLVRF", and on the Frankfurt Stock Exchange under the symbol "BRK1".

The Company's corporate office is located at Suite 1000, 1055 W Hastings St., Vancouver, BC Canada, V6E 2E9.

### 2. Basis of preparation

#### Statement of compliance and functional currency

These condensed interim consolidated financial statements have been presented in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB"), applicable to the preparation of interim financial statements, including IAS 34, *Interim Financial Reporting*.

These condensed interim consolidated financial statements have been prepared on a historical cost basis. These condensed interim consolidated financial statements are presented in Canadian dollars, which is the functional currency of the Company's Canadian entity. The functional currency of the Company's foreign subsidiary is US dollars. The functional currency of an entity is translated into the presentation currency using the period-end rates for assets and liabilities while the operations and cash flows are translated using average rates of exchange. Exchange adjustments arising when net assets and profit or loss are translated into the presentation currency are taken into a separate component of equity and reported in other comprehensive income or loss.

The accounts of the subsidiary are prepared for the same reporting period as the parent company, using consistent accounting policies. All intercompany transactions, balances, income and expenses are eliminated in full upon consolidation.

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

These condensed interim consolidated financial statements were approved by the board of directors on August 14, 2024.

# Silver One Resources Inc.

## Notes to the Condensed Interim Consolidated Financial Statements

### For the three and six months ended June 30, 2024 and 2023

(Unaudited - expressed in Canadian dollars)

#### 3. Material accounting policies

These condensed interim consolidated financial statements have been prepared on a basis consistent with the material accounting policies disclosed in the annual financial statements for the year ended December 31, 2023. Accordingly, they should be read in conjunction with the annual consolidated financial statements for the year ended December 31, 2023.

#### Accounting standards issued but not yet effective

As at June 30, 2024, there are no IFRS Accounting Standards with future effective dates that are expected to have a material impact on the Company.

#### 4. Short-term investments

Short-term investments of \$nil (December 31, 2023 - \$278,501) include highly liquid money market funds in an active market with original maturities of one year or less.

#### 5. Receivables and prepaid expenditures

	June 30 2024	December 31 2023
	\$	\$
GST receivable	6,133	5,209
Short-term receivable from sale of KCP <sup>1</sup>	812,500	812,500
Prepaid expenditures <sup>2</sup>	122,444	91,115
	941,077	908,824

<sup>1</sup> Short-term receivable from sale of KCP includes an amount owing as described below plus an expected credit loss applied of \$437,500

<sup>2</sup> Prepaid expenditures primarily include amounts in connection with insurance, investor relations conferences and marketing activities.

#### Short-term receivable from sale of KCP

On March 3, 2021, the Company completed the sale of its subsidiary, KCP Minerals Inc. ("KCP"), which through its 100% interest in Minera Terra Plata S.A. de C.V. held the Company's three Mexican silver exploration projects to Lodestar Battery Metals Corp. ("Lodestar") (the "KCP Purchase Agreement").

Under the terms of the KCP Purchase Agreement, the Company transferred to Lodestar its 100% interest in KCP and, in consideration, Lodestar will pay in cash and shares as follows: (a) \$1,250,000 in cash upon closing (received); (b) issue 4,375,000 common shares of Lodestar to the Company (issued); (c) pay \$750,000 in cash 18 months after closing; and (d) pay \$500,000 in cash 24 months after closing (as at the date of filing both of these amounts are in arrears). The common shares received are subject to an escrow release schedule where 10% of shares will be released on April 6, 2021 and 15% will be every 6 months thereafter for a period of 36 months.

The \$750,000 to be received 18 months from the date of sale and the \$500,000 to be received 24 months from the date of sale were initially recorded as long-term receivables. The amount was discounted to its present value using a borrowing rate of 8% and at June 30, 2024 was \$1,250,000 (December 31, 2023 - \$1,250,000). As at June 30, 2024 and December 31, 2023, the entire amount was included in current assets.

The Company assesses annually the expected credit losses associated with its accounts receivable balances. The impairment methodology applied depends on whether there has been a significant increase in credit risk. As at June 30, 2024 and December 31, 2023, given the credit risk determined to be present, the Company applied an expected credit loss against the outstanding balance of \$437,500.



# Silver One Resources Inc.

## Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended June 30, 2024 and 2023

(Unaudited - expressed in Canadian dollars)

### 6. Marketable securities

	June 30 2024	December 31 2023
	\$	\$
Beginning balance	143,680	445,787
Unrealized loss on marketable securities	(34,264)	(302,107)
	109,416	143,680

Marketable securities includes 4,375,000 common shares received as part of the KCP Purchase Agreement (note 5) as well as 414,331 shares held in Hello Pal International that were received as shares-for-debt in 2020.

### 7. Mineral properties

	Balance June 30 2024	Additions June 30 2024	Balance December 31 2023	Additions December 31 2023	Balance December 31 2022
	\$	\$	\$	\$	\$
<b>Candelaria</b>					
Option payments – shares	3,831,678	-	3,831,678	-	3,831,678
Acquisition costs – shares	467,072	-	467,072	82,500	384,572
Acquisition costs – cash	115,150	-	115,150	-	115,150
Consulting fees	3,986,524	230,447	3,756,077	430,760	3,325,317
Drilling	7,332,365	-	7,332,365	-	7,332,365
Field supplies and other costs	534,316	27,411	506,905	61,303	445,602
Laboratory and analysis fees	2,069,995	34,597	2,035,398	322,117	1,713,281
Land payments	1,763,237	24,218	1,739,019	312,785	1,426,234
Staking and survey costs	211,474	-	211,474	-	211,474
Travel and accommodation	997,943	20,736	977,207	74,617	902,590
Reclamation obligation	789,551	-	789,551	789,551	-
Currency translation	1,291,015	718,506	572,509	(478,397)	1,050,906
	23,390,320	1,055,915	22,334,405	1,595,236	20,739,169
<b>Phoenix Silver</b>					
Acquisition costs - cash	487,609	-	487,609	-	487,609
Acquisition costs - shares	3,222,500	465,000	2,757,500	675,000	2,082,500
Consulting fees	567,993	53,785	514,208	70,378	443,830
Field supplies and other costs	6,814	188	6,626	197	6,429
Laboratory and analysis fees	28,033	11,247	16,786	5,765	11,021
Land payments	533,637	6,355	527,282	224,161	303,121
Staking and survey costs	180,796	19,313	161,483	61,619	99,864
Travel and accommodation	20,919	1,511	19,408	7,608	11,800
Currency translation	222,885	152,431	70,454	(102,276)	172,730
	5,271,186	709,830	4,561,356	942,452	3,618,904
<b>Cherokee</b>					
Consulting fees	770,982	7,062	763,920	3,148	760,772
Drilling	439,312	-	439,312	-	439,312
Field supplies and other costs	75,559	2,360	73,199	622	72,577
Laboratory and analysis fees	133,917	-	133,917	-	133,917
Land payments	1,244,105	1,051	1,243,054	138,338	1,104,716
Staking and survey costs	125,450	-	125,450	-	125,450
Travel and accommodation	187,050	837	186,213	805	185,408
Currency translation	173,487	97,613	75,874	(67,010)	142,884
	3,149,862	108,923	3,040,939	75,903	2,965,036
<b>Total</b>	<b>31,811,368</b>	<b>1,874,668</b>	<b>29,936,700</b>	<b>2,613,591</b>	<b>27,323,109</b>

# Silver One Resources Inc.

## Notes to the Condensed Interim Consolidated Financial Statements

### For the three and six months ended June 30, 2024 and 2023

(Unaudited - expressed in Canadian dollars)

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#### 7. Mineral properties (continued)

##### Candelaria Option Agreement

On January 16, 2017, the Company entered into an option agreement (the "Option Agreement") with a subsidiary of SSR Mining Inc. ("SSR"), to acquire a 100% interest in the Candelaria silver project (the "Candelaria Project or "Candelaria") located in Nevada, USA.

In order to exercise the option, the Company was required to:

- issue US\$1,000,000 in shares to SSR on the date that the parties satisfy the conditions to the Agreement, including obtaining final approval of the TSX-V (the "Effective Date") (paid);
- issue an additional US\$1,000,000 in shares on each of the three anniversaries of the Effective Date (first and second year anniversary payments paid); and
- assume the US\$2,000,000 reclamation bond on the property immediately prior to exercise of the option (assumed with value of US\$2,491,757).

Upon satisfying the terms set forth above, the Company would earn a 100% interest in the property subject to a 3% net smelter returns royalty payable to Teck Resources USA on production from a certain claims group of the property and a charge of \$0.01 per ton payable for waste rock dumped on certain claims.

The Company issued 1,332,900 common shares at a fair value price of \$1.00 per share to satisfy the initial option payment of US\$1,000,000, the Company issued 2,828,636 common shares at a fair value of \$0.44 per share in order to satisfy the first anniversary payment of US\$1,000,000, and the Company issued 5,827,338 common shares at a fair value of \$0.215 to satisfy the second anniversary payment of US\$1,000,000. It was further obligated to issue an additional US\$1,000,000 worth of Silver One shares in January 2020. However, Silver One entered into an agreement with SSR and Maverix Metals Inc. ("Maverix") whereby:

1. Silver One will assume a Production Payment obligation by SSR to Maverix (formerly to Kinross). For this, SSR agreed to relinquish the option payment of US\$1,000,000 in shares of Silver One and instead received US\$100,000 in units of Silver One (issued). This agreement obliges Silver One to assume the obligation to pay Maverix US\$1,000,000 upon Candelaria achieving commercial production of not less than 2,500,000 ounces of silver per annum (the "Production Payment").
2. In consideration of Maverix agreeing to Silver One's assumption of the Production Payment, Maverix will receive US\$100,000 in units of Silver One.
3. Maverix has agreed to amend the Production Payment so that Silver One may satisfy it with US\$500,000 cash and \$500,000 in shares of Silver One on the first anniversary after commencement of commercial production at Candelaria.

Each unit is comprised of one share of Silver One and one-half of one share purchase warrant (each a "Warrant") with each whole Warrant entitling the holder to purchase one additional share at a price of \$0.40 per share for a period of three years.

On July 25, 2019, the Company amended the Candelaria Option Agreement ("Amended Agreement"). The Amended Agreement deferred the assumption of the bond obligation by the Company until January 2023. In December 2022, the Amended Agreement was further amended to extend the assumption of the bond obligation by Silver One by an additional sixty days, and in April 2023, the parties extended the period for the assumption of the bond obligation by Silver One until May 28, 2023. The Company issued 250,000 common shares to SSR for the amendment of the Candelaria Option agreement to extend the option end date.

During the year ended December 31, 2023, the Company assumed the reclamation bond of US\$2,491,757 and on May 31, 2023, the Company acquired a 100% interest in Candelaria without a royalty payable to SSR. As at June 30, 2024, the reclamation bond is recognized on the statement of financial position at \$3,529,673.

# Silver One Resources Inc.

## Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended June 30, 2024 and 2023

(Unaudited - expressed in Canadian dollars)

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### 7. Mineral properties (continued)

#### Additional Candelaria claims acquired

In March 2018, the Company entered into an agreement to acquire 10 non-patented mineral claims located along the eastern structural projection of the Candelaria mineralized system. These claims are located immediately east of the former producing Mount Diablo open pit. Silver One has acquired these claims for the consideration of US\$10,000 plus the issuance of 38,235 common shares at a fair value of \$0.34 per share (total of US\$10,000).

In November 2019, the Company acquired an additional three patented claims, located within the company's claims. Consideration for these patents consisted of US\$75,000 cash (paid) and US\$5,000 in shares (issued), subject to a 2% NSR that can be purchased for US\$50,000 plus US\$5,000 in Silver One's shares issued at market price on the date of the issuance.

#### Phoenix Silver Acquisition

On February 4, 2020 (the "Effective Date"), the Company entered into an agreement (the "Phoenix Silver Agreement") with Granite-Solid LLC (the "Optionor") whereby the Company has the option to acquire a 100% interest in the Phoenix Silver Property. The Phoenix Silver Property consists of 86 unpatented lode claims and 2 unpatented placer claims, located in Gila County, Arizona.

The Company may exercise the option by making the following cash payments and share issuances:

- paying the Optionor US\$350,000 within five days of TSX-V acceptance of the Phoenix Silver Agreement (the "Effective Date") (paid); and
- issuing the Optionor: (i) 500,000 shares on the date that is six (6) months from the Effective Date (issued); (ii) 1,000,000 shares on the date that is twelve months from the Effective Date (issued); (iii) 2,500,000 shares on the date that is twenty-four months from the Effective Date (issued); (iv) 3,000,000 shares on the date that is thirty-six months from the Effective Date (issued); and (v) 3,000,000 shares on the date that is forty-eight months from the Effective Date (issued).

The Phoenix Silver Agreement is subject to a five-mile area of interest. Further, after two years of the Effective Date, Silver One has the right to require the Optionor to include other unpatented placer claims under this Phoenix Silver Agreement for no additional consideration.

The Phoenix Silver Property is subject to an underlying 2% Net Smelter Royalty ("NSR") to the original prospectors of the project. Each 1% NSR may be purchased for US\$500,000 resulting in a total of US\$1,000,000 for the entire underlying NSR.

On February 8, 2024, the Company exercised its option to acquire a 100% interest in the Phoenix Silver Project.

#### Signing of lease/purchase agreement on five patented claims at the Cherokee Project

In July 2018, the Company entered into a lease/purchase agreement with Castleton Park LLC ("Castleton") of Sparks, Nevada to acquire five patented claims at its Cherokee Project. These patents lie within the Company's Cherokee claim holdings in Lincoln County located in eastern Nevada.

The terms of the Lease/Purchase Agreement include three payments over a 2-year lease, consisting of a payment for US\$23,125 upon execution of the agreement (paid), US\$34,688 on the first anniversary (paid) and US\$24,687 on the second anniversary (paid). This provides Silver One with a 100% interest in all patented claims. Castleton will also receive a payment of US\$100,000 for every 7.5 million silver equivalent ounces of mineral resources calculated on the property, subject to a maximum of US\$1,000,000.

# Silver One Resources Inc.

## Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended June 30, 2024 and 2023

(Unaudited - expressed in Canadian dollars)

### 8. Accounts payable and accrued liabilities

	June 30 2024	December 31 2023
	\$	\$
Accounts payable	61,845	52,573
Accrued liabilities	24,217	48,344
	86,062	100,917

Accounts payable include amounts owing for consulting, exploration, and general corporate expenditures. Accrued liabilities include an accrual of audit fees and other administrative expenses.

### 9. Reclamation obligation

The reclamation obligation is related to the Candelaria Project and is estimated based upon the present value of expected cash flows using estimates of inflation and risk-free discount rate. The undiscounted amount of cash flows required to settle the reclamation obligation was estimated at US\$2,491,757 as at June 30, 2024 (December 31, 2023 – US\$2,491,757).

The key assumptions on which the provision estimates were based on for the six months ended June 30, 2024 and year ended December 31, 2023 were:

- Expected timing of the cash flows between 2047-2051 based on the expected life of the Candelaria Project
- An inflation rate of 2.00%
- A discount rate of 7.96%

The following table provides a summary of changes in the reclamation obligation:

	Reclamation Obligation
	\$
<b>Balance as at December 31, 2022</b>	-
Assumption of bond	789,551
<b>Balance as at December 31, 2023</b>	789,551
Accretion of reclamation obligation	32,228
Foreign exchange adjustment	25,548
<b>Balance as at June 30, 2024</b>	847,327

# Silver One Resources Inc.

## Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended June 30, 2024 and 2023

(Unaudited - expressed in Canadian dollars)

### 10. Share capital

a) **Authorized:** Unlimited common shares without par value.

#### b) Shares issued

Common shares: 268,893,369 (December 31, 2023 – 244,776,731).

During the three months ended June 30, 2024, the Company:

- Issued 21,099,138 units of the Company (the "Units") in a non-brokered private placement financing at a price of \$0.28 per Unit for aggregate gross proceeds of \$5,907,759. Each Unit is comprised of one common share ("Share") and one-half of one common share purchase warrant ("Warrant"), with each whole Warrant entitling the holder to purchase one additional common share at \$0.40 per Share for a period of three years from the date of issue;
- Issued 17,500 common shares for the exercise of options in the amount of \$4,550. A value of \$3,686 was transferred from the share-based payment reserve to share capital as a result; and
- Issued 3,000,000 common shares valued at \$465,000 pursuant to the Phoenix Silver Agreement (Note 7).

During the year ended December 31, 2023, the Company:

- Issued 23,809,524 common shares of the Company in a non-brokered private placement financing at a price of \$0.21 per share for aggregate gross proceeds of \$5,000,000;
- Issued 3,000,000 common shares valued at \$675,000 pursuant to the Phoenix Silver Agreement (Note 7); and
- Issued 250,000 common shares as consideration for extending the Candelaria Option Agreement (Note 7).

#### c) Options

The Company has adopted a share option plan that allows for the issuance of up to 10% of the issued and outstanding shares as incentive share options to directors, officers, employees and consultants to the Company. Share options granted under the plan may be subject to vesting provisions as determined by the Board of Directors.

The vesting provisions of all options are the following: 25% - 6 months from the grant date, 35% - 1 year from the grant date, and 40% - 1.5 years from the grant date.

The Company's share options outstanding as at June 30, 2024 and December 31, 2023 and the changes for the periods then ended are as follows:

	Number	Weighted average exercise price
		\$
<b>Balance as at December 31, 2022</b>	12,108,500	0.52
Granted – March 13, 2023	150,000	0.30
Granted – July 27, 2023	1,995,000	0.40
Granted – October 15, 2023	200,000	0.25
Forfeited	(150,000)	0.30
Expired	(1,235,500)	0.40
<b>Balance as at December 31, 2023</b>	13,068,000	0.51
Exercised	(17,500)	(0.26)
Expired	(2,030,500)	(0.26)
<b>Balance as at June 30, 2024</b>	11,020,000	0.55

# Silver One Resources Inc.

## Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended June 30, 2024 and 2023

(Unaudited - expressed in Canadian dollars)

### 10. Share capital (continued)

#### c) Options (continued)

The total share-based payment expense recorded during the three and six months ended June 30, 2024 was \$75,189 and \$192,990 (2023: \$132,558 and \$277,681).

The following table summarizes information about the share options as at June 30, 2024:

Exercise price per share of options outstanding	Number of options outstanding	Weighted average remaining life (years)	Number of options exercisable	Expiry date
\$0.30	60,000	0.29	60,000	October 15, 2024
\$0.70	2,575,000	1.25	2,575,000	September 28, 2025
\$0.65	100,000	1.58	100,000	January 28, 2026
\$0.67	100,000	1.69	100,000	March 9, 2026
\$0.75	50,000	1.81	50,000	April 23, 2026
\$0.75	2,950,000	1.93	2,950,000	June 6, 2026
\$0.45	100,000	2.56	100,000	January 20, 2027
\$0.45	300,000	2.82	300,000	April 26, 2027
\$0.33	2,590,000	3.15	2,590,000	August 25, 2027
\$0.40	1,995,000	4.08	498,750	July 27, 2028
\$0.25	200,000	4.30	200,000	October 15, 2028

The fair value of options recognized in the period has been estimated using the Black-Scholes Pricing Model with the following assumptions on the grant date of the options:

Issue date	Expected Option life (years)	Risk-free interest rate	Dividend yield	Expected volatility <sup>1</sup>	Weighted average fair value
March 13, 2023	5.00	2.82%	Nil	89%	\$0.19
July 27, 2023	5.00	3.88%	Nil	89%	\$0.25
October 15, 2023	5.00	4.28%	Nil	89%	\$0.16

Note 1: The volatility used is the Company's own share volatility for a period equal to the life of the options.

#### d) Warrants

The Company's warrants outstanding as at June 30, 2024 and December 31, 2023 and the changes for the periods then ended are as follows:

	Number	Weighted average exercise price
		\$
<b>Balance as at December 31, 2022</b>	19,163,829	0.53
Expired	(675,160)	0.45
<b>Balance as at December 31, 2023</b>	18,488,669	0.54
Issued – June 20, 2024	10,549,570	0.40
Issued (finders' warrants) – June 20, 2024	237,006	0.40
<b>Balance as at June 30, 2024</b>	29,275,245	0.48

# Silver One Resources Inc.

## Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended June 30, 2024 and 2023

(Unaudited - expressed in Canadian dollars)

### 10. Share capital (continued)

#### d) Warrants (continued)

The balance of warrants outstanding as at June 30, 2024 is as follows:

Expiry Date	Exercise Price \$	Remaining Life (Years)	Warrants Outstanding
January 13, 2025	0.40	0.54	4,576,000
January 17, 2025	0.40	0.55	3,721,000
July 14, 2025	0.65	1.04	10,191,669
June 20, 2027	0.40	2.97	10,549,570
June 20, 2027	0.40	2.97	237,006

The fair value of finders warrants recognized in the period has been estimated using the Black-Scholes Pricing Model with the following assumptions on the grant date of the warrants:

Issue date	Expected Warrant life	Risk-free interest rate	Dividend yield	Expected volatility <sup>1</sup>	Weighted average fair value
June 20, 2024	3.00	3.53%	Nil	73%	\$0.11

Note 1: The volatility used is the Company's own share volatility for a period equal to the life of the warrants.

### 11. Segment information

The Company operates in a single reportable operating segment, being the acquisition, exploration and retention of mineral property assets within the USA. All non-current assets are located within this operating segment.

### 12. Related party transactions

The Company's related parties consist of the Company's directors and officers, and any companies associated with them. The Company incurred the following charges during the three and six months ended June 30, 2024 and 2023:

	Three months ended		Six months ended	
	2024	June 30 2023	2024	June 30 2023
	\$	\$	\$	\$
Consulting fees	70,500	63,000	133,500	126,000
Director fees	19,500	19,500	39,000	39,000
Salaries and benefits	69,431	69,432	141,683	144,021
Share-based payments	47,111	63,086	117,594	137,607

Consulting fees include amounts paid to Amezquita Management Inc., a company of which the CFO is President, as well as amounts paid to Raul Diaz, a director of the Company, for geological consulting services. Included in the amounts above is \$43,600 and \$89,695 in consulting fees for the three and six months ended June 30, 2024 that was capitalized to mineral properties (2023 - \$46,113 and \$90,213).

Director fees were paid to the directors of the Company.

Salaries and benefits include amounts paid to Greg Crowe, President and Chief Executive Officer of the Company.

# Silver One Resources Inc.

## Notes to the Condensed Interim Consolidated Financial Statements

### For the three and six months ended June 30, 2024 and 2023

(Unaudited - expressed in Canadian dollars)

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#### 12. Related party transactions (continued)

Share-based payments include options granted to officers and directors.

As at June 30, 2024, directors, officers or their related companies were owed \$3,675 (December 31, 2023 - \$3,675) in respect of services. The amounts due to related parties are included in accounts payable.

Key management includes directors and executive officers of the Company. Other than the amounts disclosed above, there was no other compensation paid or payable to key management for employee services for the reported periods.

#### 13. Supplemental cash flow information

Investing and financing activities that do not have a direct impact on the current cash flows are excluded from the cash flow statements. The following transactions were excluded from the consolidated statement of cash flows:

During the six months ended June 30, 2024:

- The issuance of 237,006 finders' warrants valued at \$26,999 as part of the finders' fees paid in the June 20, 2024 private placement;
- The issuance of 3,000,000 common shares valued at \$465,000 pursuant to the Phoenix Silver Agreement (see Note 7); and
- Movement of \$3,251 in mineral property exploration expenditures in accounts payable and accrued liabilities.

During the six months ended June 30, 2023:

- The issuance of 3,000,000 common shares valued at \$675,000 pursuant to the Phoenix Silver Agreement (see Note 7); and
- The issuance of 250,000 common shares valued at \$82,500 as consideration for extending the Candelaria Option Agreement (see Note 7); and
- Movement of \$90,690 in mineral property exploration expenditures in accounts payable and accrued liabilities.

The Company paid or accrued \$nil for income taxes during the six months ended June 30, 2024 (2023 - \$nil).

#### 14. Financial instruments

##### Classification of financial instruments

The Company's financial instruments consist of cash, short-term investments, receivables, marketable securities, and accounts payable and accrued liabilities. The Company classifies its cash, short-term investments, receivables and net investment in sublease as financial assets at amortized cost. The Company classifies its accounts payable and accrued liabilities and lease obligations as financial liabilities at amortized cost. The Company classifies its marketable securities as FVTPL. There have been no changes to the classification of financial instruments since December 31, 2023.

##### Fair value

Financial instrument disclosures establish a fair value hierarchy that requires the Company to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The Company primarily applies the market approach for recurring fair value measurements. This section describes three input levels that may be used to measure fair value:

Level 1 – unadjusted quoted prices in active markets for identical assets or liabilities. An active market for the asset or liability is a market in which transactions for the asset or liability occur with sufficient frequency and volume to provide information on an ongoing basis.



# Silver One Resources Inc.

## Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended June 30, 2024 and 2023

(Unaudited - expressed in Canadian dollars)

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### 14. Financial instruments (continued)

#### Fair value (continued)

Level 2 – quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 – unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The fair value of cash, short-term investments, receivables, and accounts payable and accrued liabilities approximates their carrying values. Marketable securities are measured at fair value using level 1 inputs.

#### Financial instruments risk management

The Board of Directors has overall responsibility for the determination of the Company's risk management objectives and policies. The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility.

The Company thoroughly examines the various financial instruments and risks to which it is exposed and assesses the impact and likelihood of those risks. These risks include foreign currency risk, interest rate risk, credit risk, and liquidity risk. Where material, these risks are reviewed and monitored by the Board of Directors.

There have been no changes in any risk management policies since December 31, 2023.

### 15. Management of capital

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the exploration of and retention of its mineral properties. In the management of capital, the Company includes its components of shareholders' equity.

The capital structure of the Company consists of equity attributable to common shareholders, comprised of issued capital, reserves and deficit.

The Company maintains and adjusts its capital structure based on changes in economic conditions and the Company's planned requirements. The Company may adjust its capital structure by issuing new equity, issuing new debt, or acquiring or disposing of assets, and controlling the capital expenditures program. The Company is not subject to externally imposed capital requirements.

The Company does not have a source of revenue. As such, the Company is dependent on external financing to fund its activities. In order to pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed.

Management reviews its capital management policies on an ongoing basis. There were no changes in the Company's approach to capital management during the six months ended June 30, 2024.