

BLACKROCK SILVER CORP.

Consolidated Financial Statements

For the Years Ended October 31, 2025 and 2024

(Expressed in Canadian Dollars)



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Independent Auditor's Report

To the Shareholders of Blackrock Silver Corp.

Opinion

We have audited the consolidated financial statements of Blackrock Silver Corp. and its subsidiary (the "Company"), which comprise the consolidated statements of financial position as at October 31, 2025 and October 31, 2024, and the consolidated statements of loss and comprehensive loss, cash flows and changes in equity for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policy information (the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the Company as at October 31, 2025 and October 31, 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial statements, which indicate that the Company has not generated revenue, reported a net loss of \$21,079,757 for the year ended October 31, 2025 and an accumulated deficit of \$102,489,490 as at that date. As stated in Note 1, these events and conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect to this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matter described below to be the key audit matter to be communicated in our report.



Impairment testing on the Silver Cloud Project

Description of the key audit matter

At each reporting date, management assesses the Company's exploration and evaluation assets for indicators of impairment in accordance with IFRS 6 *Exploration for and Evaluation of Mineral Resources* ("IFRS 6"). This assessment involves judgement, including whether the rights to tenure for the areas of interest are current, and the Company's ability and intention to continue to evaluate and develop the area of interest. In performing their assessment management identified an impairment indicator and tested the Silver Cloud Project in accordance with IAS 36 *Impairment of Assets*. We have therefore considered this a Key Audit Matter due to the significant judgements and estimates involved in testing early stage mineral projects for impairment.

Please refer to Note 2 and Note 3 to the financial statements for the Company's accounting policy information and the judgments and estimates applied by management in assessing impairment indicators and testing the Silver Cloud Project for impairment. Note 6 includes detailed information on the area of interest and the results of management's impairment testing.

How the key audit matter was addressed in the audit

Our audit procedures included but were not limited to:

- Obtaining and reviewing management's assessment of impairment indicators under IFRS 6;
- Obtaining an understanding of the current exploration program and any associated risks through discussions with management and review of technical reports;
- Assessing that the Company's right to tenure for the areas of interest, which included obtaining supporting documentation and performing title search for the mining licenses;
- Analyzing the Company's ability and intention to continue to evaluate the areas of interest, which included performing an assessment of the Company's cash flow forecast models, discussions with management as to the intentions and strategy of the Company, and comparison of these to other audited information.
- Performed substantive procedures to test the assumptions and estimates included in management's impairment testing.
- Included individuals on our engagement team with specialized skills in the area of valuations.
- Reviewed the disclosures in the financial statements with respect to the identification of an impairment indicator and the impairment testing performed by management.

Other Information

Management is responsible for the other information. The other information comprises the information included in Management's Discussion and Analysis (the "MD&A"). Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. We obtained the MD&A prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.



Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Rob Scupham.

BDO Canada LLP

Chartered Professional Accountants
Vancouver, British Columbia

February 27, 2026

BLACKROCK SILVER CORP.

Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)

	October 31, 2025	October 31, 2024
Assets		
Current assets		
Cash and cash equivalents	\$ 7,694,159	\$ 9,399,493
Amounts receivable	121,998	107,192
Prepaid expenses and deposits (Note 4)	229,201	222,010
Total current assets	8,045,358	9,728,695
Non-current assets		
Guaranteed investment certificate (Note 12)	-	33,000
Equipment and right-of-use asset (Note 5)	364,218	316,693
Exploration and evaluation assets (Note 6)	7,845,608	7,174,804
Total assets	16,255,184	17,253,192
Liabilities and Shareholders' Equity		
Current liabilities		
Accounts payable and accrued liabilities	370,232	1,111,022
Due to related parties (Note 8)	84,956	68,595
Lease liability	29,348	27,599
Share compensation liability (Note 7)	284,954	157,148
Total current liabilities	769,490	1,364,364
Long-term liabilities		
Lease liability	13,852	42,354
Share compensation liability (Note 7)	143,012	75,679
Total long-term liabilities	156,864	118,033
Shareholders' Equity		
Share capital (Note 7)	106,347,144	86,350,108
Reserves (Note 7)	10,822,381	10,242,291
Accumulated other comprehensive income	648,795	588,129
Deficit	(102,489,490)	(81,409,733)
Total shareholders' equity	15,328,830	15,770,795
Total liabilities and shareholders' equity	16,255,184	17,253,192

Nature of Operations and Going Concern (Note 1)
Commitments and Contingencies (Note 12)
Subsequent Events (Note 15)

Approved by the Directors:

"David Laing"
David Laing, Director

"Tony Wood"
Tony Wood, Director

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

BLACKROCK SILVER CORP.

Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)

	Year Ended October 31,	
	2025	2024
Exploration expenditures (Note 6)		
Drilling (Note 5)	\$ 13,290,666	\$ 7,203,060
Environmental study	1,810,863	-
Geology and consulting (Note 5)	1,490,138	1,120,847
Geophysics	343,473	26,274
Legal fees	57,041	81,682
Property investigation	6,383	27,287
	(16,998,564)	(8,459,150)
Operating expenses		
Accounting and audit	216,454	199,734
Bank charges and interest	13,993	11,840
Change in fair value of share compensation liability (Note 7)	136,666	31,903
Consulting fees (Note 8)	250,890	204,463
Depreciation	28,155	16,424
Directors' fees (Note 8)	92,188	48,000
Insurance	135,768	123,353
Legal fees	154,191	147,068
Management fees (Note 8)	1,442,477	1,313,811
Marketing and communications	345,493	366,364
Office (Note 8)	211,264	183,380
Regulatory and filing fees	159,681	243,529
Rent	-	7,003
Share-based payments (Notes 7 and 8)	553,447	323,739
Travel	180,073	176,857
Wages	216,524	208,656
	(4,137,264)	(3,606,124)
Other income (expenses)		
Foreign exchange loss	(232,474)	124,395
Interest income	288,545	183,802
	56,071	308,197
Net Loss for the Year	(21,079,757)	(11,757,077)
Other comprehensive income		
Items that may be reclassified to profit or loss		
Foreign currency translation adjustment	60,666	96,093
Total Comprehensive Loss for the Year	\$ (21,019,091)	\$ (11,660,984)
Basic and Diluted Loss per Share	\$ (0.07)	\$ (0.05)
Weighted average number of shares outstanding		
Basic and Diluted	308,669,324	231,878,593

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

BLACKROCK SILVER CORP.

Consolidated Statements of Cash Flows

(Expressed in Canadian dollars)

	Year Ended October 31,	
	2025	2024
Cash provided by (used for):		
Operating activities		
Net loss for the year	\$ (21,079,757)	\$ (11,757,077)
Interest income	(288,545)	(183,802)
Adjustment for items not involving cash:		
Depreciation included in exploration expenditures	52,029	47,926
Depreciation	28,155	16,424
Foreign exchange	60,261	176,837
Share-based payments	553,447	323,739
Change in fair value of share compensation liability	136,666	31,903
	(20,537,744)	(11,344,050)
Changes in non-cash operating capital:		
Amounts receivable	(14,806)	(34,436)
Prepaid expenses and deposits	24,997	191,831
Accounts payable and accrued liabilities	(733,328)	959,649
Due to related parties	16,687	16,136
	(21,244,194)	(10,210,870)
Investing activities		
Exploration and evaluation assets	(619,643)	(1,928,902)
Equipment purchase	(127,091)	(47,307)
Cash interest received	288,545	183,802
	(458,189)	(1,792,407)
Financing activities		
Issuance of common shares	21,468,766	22,737,114
Repayment of lease liability	(26,753)	(14,511)
Share issuance costs	(1,220,649)	(1,646,690)
Settlement of restricted share units	(106,455)	(157,499)
Settlement of performance share units	(59,509)	-
	20,055,400	20,918,414
Increase (decrease) in cash	(1,646,983)	8,915,137
Effect of exchange rate changes on cash	(58,351)	(171,825)
Cash, beginning of the year	9,399,493	656,181
Cash, end of the year	\$ 7,694,159	\$ 9,399,493
Supplementary disclosure:		
Non-cash share issue costs	\$ 285,930	\$ 427,693
Change in fair value of share compensation liability during settlement of RSUs	\$ (2,305)	\$ (5,283)

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

BLACKROCK SILVER CORP.

Consolidated Statements of Changes in Equity
(Expressed in Canadian dollars)

	Number of shares	Share capital	Reserves	Accumulated other comprehensive income	Deficit	Total equity
Balance at October 31, 2023	193,019,295	\$ 65,144,084	\$ 10,233,351	\$ 492,036	\$ (69,652,656)	\$ 6,216,815
Private placements	76,718,750	21,100,000	-	-	-	21,100,000
Share issue costs	-	(2,074,383)	427,693	-	-	(1,646,690)
Shares issued in settlement of RSUs, net of share issuance costs	536,349	157,499	-	-	-	157,499
Warrants and finder's warrants exercised	3,451,575	1,159,917	(154,002)	-	-	1,005,915
Share options exercised	2,345,000	862,991	(389,291)	-	-	473,700
Share-based payments	-	-	124,540	-	-	124,540
Foreign currency translation adjustment	-	-	-	96,093	-	96,093
Net loss for the year	-	-	-	-	(11,757,077)	(11,757,077)
Balance at October 31, 2024	276,070,969	86,350,108	10,242,291	588,129	(81,409,733)	15,770,795
Private placements	38,334,100	12,650,253	1,150,023	-	-	13,800,276
Share issue costs	-	(1,506,579)	285,930	-	-	(1,220,649)
Shares issued in settlement of RSUs, net of share issuance costs	305,751	106,455	-	-	-	106,455
Shares issued in settlement of PSUs, net of share issuance costs	156,602	59,509	-	-	-	59,509
Warrants and finder's warrants exercised	17,260,081	8,489,091	(1,078,398)	-	-	7,410,693
Deferred share units settled	129,576	47,661	(47,661)	-	-	-
Share options exercised	606,666	150,646	(58,813)	-	-	91,833
Share-based payments	-	-	329,009	-	-	329,009
Foreign currency translation adjustment	-	-	-	60,666	-	60,666
Net loss for the year	-	-	-	-	(21,079,757)	(21,079,757)
Balance at October 31, 2025	332,863,745	\$ 106,347,144	\$ 10,822,381	\$ 648,795	\$ (102,489,490)	\$ 15,328,830

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

BLACKROCK SILVER CORP.

Notes to the Consolidated Financial Statements
(Expressed in Canadian dollars)
Year Ended October 31, 2025

1. NATURE OF OPERATIONS AND GOING CONCERN

Blackrock Silver Corp. (“our”, “Blackrock” or the “Company”) was incorporated on April 16, 1999 under the laws of the province of British Columbia, Canada, and its principal activity is the acquisition, exploration and development of mineral properties located in Canada and the United States (“US”). The Company’s shares trade on the TSX Venture Exchange (“TSX-V”) under the symbol “BRC.V” and also trade on the OTCQB under the symbol “BKRRF”.

The head office, registered address, principal address and records office of the Company are located at 1570 – 200 Burrard Street, Vancouver, British Columbia, Canada V6C 3L6.

As the Company is in the exploration stage, the recoverability of amounts shown for exploration and evaluation assets and the Company’s ability to continue as a going concern is dependent upon the discovery of economically recoverable reserves, continuation of the Company’s interest in the underlying resource claims, the ability of the Company to obtain necessary financing to complete their development and upon future profitable production or proceeds from the disposition thereof. The amounts shown as exploration and evaluation assets represent net costs to date, less amounts amortized and/or written off, and do not necessarily represent present, future values or amounts invested in the assets. The Company has chosen an accounting policy of expensing exploration expenditures on the properties and only capitalizing direct acquisition and holding costs.

The Company has incurred losses since inception and has an accumulated operating deficit of \$102,489,490 at October 31, 2025 (2024 - \$81,409,733). For the year ended October 31, 2025, the Company had a net loss of \$21,079,757 (2024 - \$11,757,077), cash flows used in operating activities of \$21,244,194 (2024 - \$10,210,870) and current assets less current liabilities of \$7,275,868 (2024 - \$8,364,331). The Company expects to incur future losses in the exploration of its mineral properties.

To fund the Company’s exploration activity for at least the next twelve-month period, the Company will be drawing down its current cash, maintaining cost control measures and raising additional proceeds either by way of private placements or exercise of share purchase options, warrants and finders’ warrants. To support the Company’s financing requirements, the Company filed a base shelf prospectus (the “Prospectus”) on August 18, 2025. The Prospectus allows the Company to raise up to \$100,000,000, for a period of 25 months, at a price at, or above, the market price at the time of the financing.

While these consolidated financial statements (“financial statements”) have been prepared with the assumption that the Company will be able to meet its obligations and continue its operations for its next fiscal year, the aforementioned conditions indicate the existence of material uncertainties, which may cast significant doubt on the Company’s ability to continue as a going concern, and therefore may not be able to discharge its liabilities in the normal course of business. Realization values may be substantially different from carrying values as shown and these financial statements do not give effect to adjustments that would be necessary if the Company were not to continue as a going concern.

2. BASIS OF PRESENTATION

These financial statements were authorized for issue on February 27, 2026 by the directors of the Company.

Statement of compliance to IFRS Accounting Standards

These financial statements of the Company have been prepared in accordance with international Financial Reporting Standards as issued by the International Accounting Standards Board (“IFRS Accounting Standards”) These financial statements comply with International Accounting Standard (“IAS”) 1 *Presentation of Financial Statements*.

BLACKROCK SILVER CORP.

Notes to the Consolidated Financial Statements
(Expressed in Canadian dollars)
Year Ended October 31, 2025

2. BASIS OF PRESENTATION – Continued

Basis of preparation

These financial statements have been prepared on a historical cost basis, except for financial instruments classified as fair value through profit or loss (“FVTPL”) that have been measured at fair value. In addition, these financial statements have been prepared using the accrual basis of accounting.

These financial statements, including comparatives, have been prepared on the basis of IFRS Accounting Standards that are published at the time of preparation and that are effective or available for adoption on November 1, 2024.

Basis of consolidation

The financial statements of the Company include the following subsidiary:

Name of subsidiary	Place of incorporation	Percentage ownership
Blackrock Gold Corp.	USA	100%

Blackrock Gold Corp. (“Blackrock US”) was incorporated on May 9, 2018. The Company consolidates the subsidiary on the basis that it controls the subsidiary. Control exists when the Company is exposed to or has the rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Blackrock US has a December 31 year-end, differing from the Company’s year-end of October 31 for tax purposes.

All intercompany transactions and balances are eliminated on consolidation.

Accounting estimates and judgments

The preparation of these financial statements requires management to make estimates and judgments and form assumptions that affect the reported amounts and other disclosures in these financial statements. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions and conditions.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods.

Critical accounting estimates are estimates and assumptions made by management that may result in material adjustments to the carrying amounts of assets and liabilities within the next financial year.

Accounting estimates and judgments include recoverability of exploration and evaluation costs and impairment of exploration and evaluation assets.

Determining whether to test for impairment of mineral exploration properties and deferred exploration assets requires management’s judgment regarding the following factors, among others: the year for which the entity has the right to explore in the specific area has expired or will expire in the near future, and is not expected to be renewed; substantive expenditure on further exploration and evaluation of mineral resources in a specific area is neither budgeted nor planned; exploration for and evaluation of mineral resources in a specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; or sufficient data exists to indicate that, although a development in a specific area is likely to proceed, the carrying amounts of the exploration assets are unlikely to be recovered in full from successful development or by sale.

BLACKROCK SILVER CORP.

Notes to the Consolidated Financial Statements
(Expressed in Canadian dollars)
Year Ended October 31, 2025

2. BASIS OF PRESENTATION – Continued

Foreign currencies

The Company assesses functional currency on an entity-by-entity basis based on the related fact pattern and only when events and conditions of the underlying transactions have changed; however, the presentation currency used in these financial statements is determined at management's discretion.

The functional currency of the parent company, and the presentation currency applicable to these financial statements, is the Canadian dollar. The functional currency of the Company's wholly owned subsidiary is the US dollar.

Transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing on dates of transactions. At each consolidated statement of financial position reporting date, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at each reporting date. Non-monetary items denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Foreign currency translation differences are recognized as a foreign currency translation adjustment in other comprehensive income (loss) and accumulated in equity.

Future accounting standards and interpretations

Accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are assessed below if applicable or are expected to have a significant impact on the Company's financial statements.

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, which replaces IAS 1.

IFRS 18 introduces:

- (i) New requirements on presentation within the statement of profit or loss;
- (ii) Disclosure standards regarding management defined performance measures; and
- (iii) Principles for aggregation and disaggregation of financial information in the financial statements and the notes.

IFRS 18 will be effective for annual reporting periods beginning on or after January 1, 2027. IFRS 18 is to be applied retrospectively. The Company is currently assessing the impact that IFRS 18 will have on its consolidated financial statements.

BLACKROCK SILVER CORP.

Notes to the Consolidated Financial Statements
(Expressed in Canadian dollars)
Year Ended October 31, 2025

3. MATERIAL ACCOUNTING POLICIES

Cash and cash equivalents

Cash consists of balances on deposit and investments in highly liquid short-term deposits that are readily convertible into known amounts of cash, and which are subject to insignificant risks of changes in fair value.

Financial instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of a financial instrument.

At initial recognition, financial assets are measured at fair value and are classified as, and subsequently measured at, amortized cost, fair value through other comprehensive income or FVTPL. At initial recognition, financial liabilities are measured at fair value and are classified as, and subsequently measured at, amortized cost and FVTPL. For financial assets and financial liabilities not at FVTPL, fair value is adjusted for transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognized immediately in the consolidated statement of loss and comprehensive loss.

The Company's financial instruments are classified and subsequently measured as follows:

<u>Account</u>	<u>Classification</u>
Cash and cash equivalents	Amortized cost
Amounts receivable (excluding Goods and Services Tax/sales tax)	Amortized cost
Deposits	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Lease liability	Amortized cost
Due to related parties	Amortized cost
Share compensation liability	FVTPL

Expected credit losses

The Company recognizes an allowance using the expected credit loss ("ECL") model on financial assets classified and subsequently measured at amortized cost. The Company has elected to use the simplified approach for measuring ECL by using a lifetime expected loss allowance for all amounts receivable. Under this model, impairment provisions are based on credit risk characteristics and days past due. When there is no reasonable expectation of collection, financial assets classified and subsequently measured at amortized cost are written off. Indications of credit risk arise based on failure to pay and other factors. Should objective events occur after an impairment loss is recognized, a reversal of impairment is recognized in the consolidated statement of loss and comprehensive loss.

BLACKROCK SILVER CORP.

Notes to the Consolidated Financial Statements

(Expressed in Canadian dollars)

Year Ended October 31, 2025

3. MATERIAL ACCOUNTING POLICIES – Continued

Exploration and evaluation assets

Upon acquiring the legal right to explore a mineral property (exploration and evaluation assets), all direct costs related to the acquisition and holding of a mineral property are capitalized. Exploration and evaluation expenditures incurred prior to the determination of the feasibility of mining operations and the decision to proceed with development are recognized in the consolidated statement of loss as incurred, net of recoveries. Costs incurred before the Company has obtained the legal rights to explore an area are charged to the consolidated statement of loss. Exploration and evaluation assets are assessed for impairment if (i) sufficient data exists to determine technical feasibility and commercial viability, and (ii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount. Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets within equipment. Recoverability of the carrying amount of any exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

Equipment

Equipment is recorded at cost less accumulated depreciation and any impairment losses. Equipment includes its purchase price, any costs directly attributable to bringing equipment to the location and condition necessary for it to be capable of operating in the manner intended by management and the estimated close down and restoration costs associated with dismantling and removing the asset. Upon sale or abandonment of any equipment, the cost and related accumulated depreciation and impairment losses, are written off and any gains or losses thereon are included in the consolidated statement of loss and comprehensive loss.

The carrying amounts of equipment are depreciated on a straight-line basis over the estimated useful life. When parts of an item of equipment have different useful lives, they are accounted for as separate items (or components).

Equipment: 2- to 23-year basis

Depreciation methods and useful lives are reviewed at each annual reporting date and adjusted as appropriate. Depreciation is expensed through the consolidated statement of loss and comprehensive loss.

Impairment of non-current assets

The Company's exploration and evaluation assets are reviewed for impairment if there is any indication that the carrying amount may not be recoverable. If any such indication is present, the recoverable amount of the asset is estimated in order to determine whether impairment exists. Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

An asset's recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value, using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount is reduced to the recoverable amount. Impairment is recognized immediately in the consolidated statement of loss and comprehensive loss. Where an impairment subsequently reverses, the carrying amount is increased to the revised estimate of recoverable amount, but only to the extent that this does not exceed the carrying value that would have been determined if no impairment had previously been recognized. A reversal is recognized as a reduction in the impairment charge for the period.

BLACKROCK SILVER CORP.

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(Expressed in Canadian dollars)
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3. MATERIAL ACCOUNTING POLICIES – Continued

Reclamation provision

The Company provides for the costs of future reclamation activities at the time it conducts exploration and evaluation activities and records the present value of the estimated reclamation expenditures required to restore the exploration sites in the year in which the obligation is incurred. When the obligation is recognized, the estimated expenditures are recorded in operations. Changes in estimated reclamation expenditures will be recognized as changes to the corresponding assets and reclamation liability in the year in which they occur. As of October 31, 2025 and 2024, there has been no reclamation provision recognized.

Share capital

Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares, warrants and share options are recognized as a deduction from equity, net of any tax effects. Common shares issued for consideration other than cash, are valued based on their market value at the date the agreement to issue shares was concluded.

The Company uses the residual method in determining the fair value of warrants issued to subscribers, which method provides for the allocation of the consideration received to the fair value of the common shares issued and allocating any residual amount to the warrants issued.

Share-based payments

Share options

The Company grants share purchase options to directors, officers, employees and consultants to purchase common shares. The fair value of options granted is recognized as a share-based payment expense with a corresponding increase in reserves. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee.

The fair value is measured at grant date and recognized over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option pricing model taking into account the terms and conditions upon which the options were granted.

BLACKROCK SILVER CORP.

Notes to the Consolidated Financial Statements
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3. MATERIAL ACCOUNTING POLICIES – Continued

Deferred share units

A Deferred Share Unit (“DSU” or “DSUs”) Plan was established for employees, officers and directors of the Company. The DSUs vest, at a minimum, for a period of one year or a period exceeding one year as determined by the Company. Each DSU entitles the DSU holder to settle vested DSUs in common shares of the Company on the settlement date. The settlement date of the DSUs is considered the date at which the DSU holders services are terminated with the Company upon death or termination of employment. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee.

The cost of the DSUs is measured at fair value on the date of grant based on the market price of the Company’s common shares and recognized as a share-based payment expense, over the period which the DSUs vest, with a corresponding increase in reserves. The cost of DSUs is recognized as an equity instrument, in accordance with IFRS 2 *Share-based Payments*, in the Company’s consolidated statement of financial position.

Share compensation liability

As part of the Company’s Omnibus Equity Incentive Plan, the Company has granted Restricted Share Units (“RSU” or “RSUs”) and Performance Share Units (“PSU” or “PSUs”) for employees, officers and directors of the Company.

RSUs vest equally over a three-year period and entitle the RSU holder to settle vested RSUs in cash or common shares of the Company, at the holder’s option, at the market price of the Company’s publicly traded common shares on the settlement date, less applicable tax withholdings.

PSUs vest equally over a three-year period, subject to the achievement of certain corporate and individual performance criteria, and entitle the PSU holder to settle vested PSUs in cash or common shares, or a combination of cash and shares of the Company, as determined at the sole discretion of the Compensation Committee of the Board of Directors of the Company, at the market price of the Company’s publicly traded common shares on the settlement date, less applicable tax withholdings.

The cost of the RSUs and PSUs are measured, initially, at fair value on the date of grant based on the market price of the Company’s common shares. The cost of RSUs and PSUs are recognized as a liability, in accordance with IFRS 2 *Share-based Payments*, in the Company’s consolidated statement of financial position. The liability is remeasured at each reporting period, with changes in the fair value of the liability being recognized in the Company’s consolidated statement of loss and comprehensive loss. Until such time as the holder elects to settle the RSUs and PSUs as either cash settlement or equity settlement, in accordance with the Omnibus Equity Incentive Plan (Note 7), the RSUs and PSUs continue to be recognized as a liability.

Earnings or loss per share

The Company presents the basic and diluted earnings or loss per share data for its common shares, calculated by dividing the earnings or loss attributable to common shareholders of the Company by the weighted average number of shares outstanding during the year. Diluted earnings or loss per share is determined by adjusting the earnings or loss attributable to common shareholders and the weighted average number of common shares outstanding for the effects of all dilutive potential common shares. The calculation of diluted loss per share excludes the effects of various conversions and exercises of options and warrants that would be anti-dilutive.

BLACKROCK SILVER CORP.

Notes to the Consolidated Financial Statements
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3. MATERIAL ACCOUNTING POLICIES – Continued

Income taxes

The Company accounts for income taxes using the asset and liability method on temporary differences between the carrying amounts of assets and liabilities on the consolidated statement of financial position and their corresponding tax values, using enacted or substantially enacted income tax rates at each consolidated statement of financial position date. Deferred tax assets also result from unused losses and other deductions carried forward. The valuation of deferred tax assets is reviewed on a regular basis and adjusted to the extent that it is not probable that sufficient taxable profit will be available to allow all or a part of the deferred income tax asset to be utilized by use of a valuation allowance to reflect the estimated realizable amount.

Leases

IFRS 16 *Leases* provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value.

At inception of a contract, the Company assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Leases of right-of-use assets are recognized at the lease commencement date at the present value of the aggregate lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, and otherwise at the Company's incremental borrowing rate. At the commencement date, a right-of-use asset is measured at cost, which is comprised of the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any decommissioning and restoration costs, less any lease incentives received.

Each lease payment is allocated between repayment of the lease principal and interest. Interest on the lease liability in each period during the lease term is allocated to produce a constant periodic rate of interest on the remaining balance of the lease liability. Except where the costs are included in the carrying amount of another asset, the Company recognizes in profit or loss (a) the interest on a lease liability and (b) variable lease payments not included in the measurement of a lease liability in the period in which the event or condition that triggers those payments occurs. The Company subsequently measures a right-of-use asset at cost less any accumulated depreciation and any accumulated impairment losses; and adjusted for any remeasurement of the lease liability. Right-of-use assets are depreciated over the shorter of the asset's useful life and the lease term, except where the lease contains a bargain purchase option a right-of-use asset is depreciated over the asset's useful life.

4. PREPAID EXPENSES AND DEPOSITS

Prepaid expenses at October 31, 2025 and 2024 is comprised of the following:

	2025	2024
Exploration expenditures	\$ 48,346	\$ 38,014
Insurance	47,385	47,371
Marketing and lead generation	104,257	80,950
Other prepaid expenses and deposits	29,213	55,675
	\$ 229,201	\$ 222,010

BLACKROCK SILVER CORP.

Notes to the Consolidated Financial Statements
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5. EQUIPMENT AND RIGHT-OF-USE-ASSET

	Equipment	Right-of-Use Asset	Total
<i>Cost</i>			
Balance, October 31, 2023	\$ 361,911	\$ -	\$ 361,911
Additions	47,307	84,464	131,771
Foreign currency translation	2,059	-	2,059
Balance, October 31, 2024	411,277	84,464	495,741
Additions	127,091	-	127,091
Foreign currency translation	1,731	-	1,731
Balance, October 31, 2025	\$ 540,099	\$ 84,464	\$ 624,563
<i>Depreciation</i>			
Balance, October 31, 2023	\$ 113,266	\$ -	\$ 113,266
Additions	47,926	16,424	64,350
Foreign currency translation	1,432	-	1,432
Balance, October 31, 2024	162,624	16,424	179,048
Additions	52,029	28,155	80,184
Foreign currency translation	1,113	-	1,113
Balance, October 31, 2025	\$ 215,766	\$ 44,579	\$ 260,345
<i>Net Book Value</i>			
October 31, 2024	\$ 248,653	\$ 68,040	\$ 316,693
October 31, 2025	\$ 324,333	\$ 39,885	\$ 364,218

Depreciation related to the assets specific to exploration activity was recorded as a part of exploration expenditures (Note 6) on the consolidated statement of loss and comprehensive loss. The total depreciation related exploration assets were \$52,029 (2024 – 47,926). Of this total, \$48,286 (2024 - \$47,744) was recorded as part of drilling costs and \$3,743 (2024 - \$182) was recorded in geology and consulting.

6. EXPLORATION AND EVALUATION ASSETS

Title disclaimer

As at October 31, 2025, and 2024, all of the Company's exploration and evaluation assets are located in Nevada, United States. Title to mining properties involves certain inherent risks due to the difficulties of determining the validity of certain claims, as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristics of many mining properties. The Company has investigated title to its mineral properties and, to the best of its knowledge, its properties are in good standing.

BLACKROCK SILVER CORP.

Notes to the Consolidated Financial Statements
(Expressed in Canadian dollars)
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6. EXPLORATION AND EVALUATION ASSETS – Continued

United States

Acquisition and Holding Costs	Silver Cloud		Tonopah		Total
Balance, October 31, 2023	\$	2,115,690	\$	3,064,656	\$ 5,180,346
Additions		405,704		1,523,198	1,928,902
Foreign currency translation		10,941		54,615	65,556
Balance, October 31, 2024		2,532,335		4,642,469	7,174,804
Additions		341,837		277,806	619,643
Foreign currency translation		16,247		34,914	51,161
Balance, October 31, 2025	\$	2,890,419	\$	4,955,189	\$ 7,845,608

The acquisition cost and exploration and evaluation expenditures relating to the West Silver Cloud property have been included with those of Silver Cloud, while Tonopah North and West expenditures have been included together.

The exploration expenditures for the year ended October 31, 2025 were as follows:

Exploration Expenditures	Silver Cloud		Tonopah		Generative	Total
Drilling	\$	25,477	\$	13,265,189	\$ -	\$ 13,290,666
Environmental study		-		1,810,863	-	1,810,863
Geology and consulting		3,304		1,486,414	420	1,490,138
Geophysics		-		343,473	-	343,473
Legal fees		-		57,041	-	57,041
Property investigation		-		-	6,383	6,383
Total	\$	28,781	\$	16,962,980	\$ 6,803	\$ 16,998,564

The exploration expenditures for the year ended October 31, 2024 were as follows:

Exploration Expenditures	Silver Cloud		Tonopah		Generative	Total
Drilling	\$	61,090	\$	7,141,970	\$ -	\$ 7,203,060
Geology and consulting		8,163		1,110,821	1,863	1,120,847
Geophysics		-		26,274	-	26,274
Legal		-		81,489	193	81,682
Property investigation		-		-	27,287	27,287
Total	\$	69,253	\$	8,360,554	\$ 29,343	\$ 8,459,150

Tonopah West Project

On February 24, 2020, the Company, through its subsidiary, Blackrock US, entered into the Blackrock Gold Corp. Option Agreement (the “OA”) with Nevada Select Royalty, Inc. (“Nevada Select”), a wholly owned subsidiary of Ely Gold Royalties Inc., with respect to 17 unpatented mining claims and 23 patented mining claims (the “Tonopah Claims”), 2 unpatented mining claims and 74 patented mining claims (the “Cliff ZZ Claims”), collectively known as the Nevada Select Claims, situated in Esmeralda and Nye counties, Nevada, and known as the Tonopah West Project (the “Project”). The OA gives and grants Blackrock US the sole and exclusive right and option to purchase 100% of Nevada Select’s right, title and interest in and to the Project, including the existing data (as defined) possessed by Nevada Select and any additional data, information and records regarding the Project acquired by Nevada Select during the option period.

BLACKROCK SILVER CORP.

Notes to the Consolidated Financial Statements
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6. EXPLORATION AND EVALUATION ASSETS – Continued

Tonopah West Project - Continued

The term of the OA is until the first to occur of (i) the option closing; (ii) the termination of the OA; or (iii) four years from April 1, 2020 (the “Initial Closing Date”). Until all option payments have been made and the option is exercised and closed, Blackrock US must pay all claim maintenance and rental fees for the Nevada Select Claims.

Pursuant to the OA, the total purchase price of US\$3,000,000 will be paid by the following option payments:

- (i) On the Initial Closing Date, US\$325,000 (\$464,815) (paid);
- (ii) 1st anniversary of the Initial Closing Date, US\$325,000 (\$409,695) (paid);
- (iii) 2nd anniversary of the Initial Closing Date, US\$650,000 (\$812,630) (paid);
- (iv) 3rd anniversary of the Initial Closing Date, US\$700,000 (\$957,740) (paid); and
- (v) 4th anniversary of the Initial Closing Date, US\$1,000,000 (\$1,349,900) (paid).

Upon the option exercise, Blackrock US will grant Nevada Select a 3% net smelter returns mineral production royalty in respect of all products (as defined) produced from the Nevada Select Claims. The Company exercised the option in March 2024, acquiring 100% interest in the Tonopah West Project.

During the option period and following the option exercise, if the option closing occurs and unless otherwise agreed to by the parties, if either party or its affiliate acquires, directly or indirectly, any additional mining claims, located wholly or partly within the area of interest (as defined), the after-acquired interest will be included in and form part of the Nevada Select Claims and will be subject to the OA. If any unpatented or patented claims or other property are or become subject to any third-party royalty obligations that existed prior to initial closing, the royalty will be reduced so that the total royalty percentage on each of the mining claims or real property interests comprising the Project does not exceed 3%.

On April 6, 2021, the Company announced that it had acquired three strategic patented mining claims covering the centre portion of the project area. Blackrock acquired the three claims through a land swap with local land owners. The Company acquired surface and mineral rights to 14.3 hectares in exchange for surface rights covering 19.8 hectares. The Company retains the mineral rights beneath the 19.8 hectares. After completion of the transaction, the Company controls mineral rights on 19 unpatented lode mining claims and 100 patented lode claims (fee lands) totaling 566.5 hectares (1,400 acres).

In addition, on July 19, 2021, the Company increased its land position to the north and west of the existing patented lands. The Company has staked an additional 260 unpatented lode mining claims covering approximately 21 square kilometres, more than tripling its land position within this prolific mining camp.

The Company’s wholly owned Nevada subsidiary, Blackrock US, entered into an option agreement (the “Option Agreement”) with Tearlach Resources Limited (TSX-V: TEA) and its wholly owned Nevada subsidiary, Pan Am Lithium (Nevada) Corp. (collectively, “Tearlach”) pursuant to which Tearlach has been granted the option to acquire, in two stages, up to a 70% interest in the lithium minerals in certain unpatented mining claims forming a portion of the Company’s Tonopah North project (the “Tonopah North Project”) in Esmeralda County and Nye County, Nevada, upon incurring cumulative exploration expenditures of US\$15,000,000 and the completion of a feasibility study within five years.

Pursuant to the Option Agreement, Tearlach agreed to pay an initial US\$50,000 (\$68,435) (paid) for exclusive negotiating rights for the Tonopah North Project and agreed to pay an additional option payment of US\$100,000, in cash, on or before April 30, 2024, failing which the Company shall have the right to terminate the Option Agreement.

BLACKROCK SILVER CORP.

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6. EXPLORATION AND EVALUATION ASSETS – Continued

Tonopah West Project - Continued

On May 15, 2024, the Company announced it had terminated the option agreement entered into with Tearlach on January 9, 2023. Tearlach failed to make its US\$100,000 option payment on April 30, 2024 and was unable to make the payment during the 10-day cure period.

Silver Cloud Project

On October 27, 2017, the Company entered into a Lease Agreement (the “Lease”) with Pescio Exploration, LLC (“Pescio” or the “Lessor”) with respect to 552 unpatented lode mining claims situated in Elko County, Nevada, and known as the Silver Cloud Project (the “Property”). The Lease affords Blackrock all rights and privileges incidental to ownership, including rights to explore, develop and mine the Property. The term of the Lease is 10 years from October 27, 2017 (the “Effective Date”), and so long thereafter as: a) exploration and/or development is taking place on the Property, and/or b) the Property is held by Blackrock or its successors and assigns, unless earlier terminated in accordance with the terms of the Lease.

In June 2019, the Company completed negotiations to amend the Lease terms and conditions with the underlying owner. The amended Lease provides for lower upfront payments, a reduction of the net smelter return royalty through a buyout, and a purchase option for the Property. The agreement was further amended on October 27, 2023.

Pursuant to the original, and first amendment, Lease, to acquire and maintain the Lease in good standing, Blackrock:

- a) Reimbursed the Lessor US\$92,308 (\$120,296) for the 2017 Bureau of Land Management (“BLM”) fees;
- b) Paid US\$100,000 (\$130,320) and issued 1,000,000 common shares of the Company to the Lessor at a price of \$0.13 per share;
- c) Paid lease payments to the Lessor as follows:
 - i. 1st anniversary of the Effective Date, October 27, 2018, US\$100,000 (\$131,810) (paid);
 - ii. 2nd anniversary of the Effective Date, October 27, 2019, US\$75,000 (\$98,731) (paid);
 - iii. 3rd anniversary of the Effective Date, October 27, 2020, US\$100,000 (\$131,640) (paid);
 - iv. 4th anniversary of the Effective Date, October 27, 2021, US\$150,000 (\$188,565) (paid);
 - v. 5th anniversary of the Effective Date, October 27, 2022, US\$200,000 (\$266,020) (paid);
- d) Must perform a minimum total of 25,000 feet (completed) of drilling on the Property during the first five years of the term of the Lease;
- e) Must pay all BLM permit costs. The Company paid BLM fees of US\$91,080 (\$121,546) in 2023 and US\$91,080 (\$111,910) in 2022; and
- f) Must make additional payments to the Lessor of US\$500,000 in year 6, US\$750,000 in year 7 and US\$1,500,000 per year starting in year 8.

Pursuant to the amending agreement:

- (i) The Company must make the following cash payments:
 - i. January 27, 2024, payment of US\$75,000 (\$100,868) (paid);
 - ii. 7th anniversary of the Effective Date, October 27, 2024, US\$100,000 (\$138,720) (paid);
 - iii. 8th anniversary of the Effective Date, October 27, 2025, US\$125,000 (\$175,175) (paid)
 - iv. 9th anniversary of the Effective Date, October 27, 2026, US\$125,000;
 - v. 10th anniversary of the Effective Date, October 27, 2027 to 15th anniversary of the Effective Date, October 27, 2031, US\$150,000 per year; and
 - vi. 16th anniversary of the Effective Date and all subsequent anniversaries the Lease is in effect, US\$175,000 per year (subject to annual adjustment for inflation).

BLACKROCK SILVER CORP.

Notes to the Consolidated Financial Statements
(Expressed in Canadian dollars)
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6. EXPLORATION AND EVALUATION ASSETS – Continued

Silver Cloud Project – Continued

- (ii) the Company shall have the right, exercisable any time within 10 years of the date of the Amendment, to buy down the 3.5% royalty payable to the Owner to 2% by way of cash payment to the Owner of US\$4.5 million;
- (iii) in substitution of the previous drilling commitment on Silver Cloud provided for in the Lease, the Company is now required to incur work expenditures on Silver Cloud in a minimum amount of: (A) US\$500,000 on or before October 27, 2030; and (B) a further US\$500,000 on or before October 27, 2033, representing a cumulative total work commitment of \$1,000,000;
- (iv) the Company's option to purchase 100% of Silver Cloud (the "Purchase Option") has been amended to provide for a purchase price of: (A) US\$5,000,000 if the Purchase Option is exercised on or before October 27, 2029; and (B) US\$7,000,000 (subject to annual inflationary increases) if the Purchase Option is exercised after October 27, 2029; and
- (v) the Company has agreed to pay to the Owner a one-time cash payment of US\$75,000 (\$100,868) in the event that the Company sells all or the majority of its interest in the mining claims comprising Silver Cloud or enters into or forms a joint venture on Silver Cloud wherein another party may earn an interest in at least fifty-percent (50%) of Silver Cloud.

The Property is subject to a production royalty equal to 0.5% of the net smelter returns. The Company has the right to purchase the royalty at any time for US\$500,000.

The Company assesses exploration and evaluation assets for impairment indicators at each reporting date. For the Silver Cloud property, an impairment indicator was identified, substantive expenditure neither budgeted nor planned. The circumstances represent an impairment indicator under IFRS 6, as it may indicate that the carrying amount of the asset may not be recoverable.

The Company performed an impairment assessment of its Silver Cloud property as at October 31, 2025 in accordance with IAS 36 Impairment of Assets. Management assesses, at each reporting date, whether indicators of impairment or reversal exist and, when required, estimates the recoverable amount of the property.

As at October 31, 2025, the carrying value of the Silver Cloud property was \$2,890,419. The recoverable amount was determined using a fair value less costs of disposal ("FVLCD") approach based primarily on observable market data and valuation multiples derived from comparable exploration-stage entities. Management estimated an implied value range of approximately \$8.2 million to \$12.0 million. As the recoverable amount exceeded the carrying value, no impairment charge or reversal was recognized during the period.

The recoverable amount was estimated using a market-based methodology. Key inputs included peer company trading multiples, market capitalization metrics, and other relevant external market information. The valuation reflects management's assessment of market participant assumptions and current industry conditions applicable to exploration-stage mineral properties. The fair value measurement incorporates significant unobservable inputs and is therefore categorized within Level 3 of the fair value hierarchy.

The impairment assessment requires the use of estimates and judgment, including:

- selection of comparable peer entities and applicable valuation multiples;
- adjustments for project stage, jurisdiction, and relative risk profile; and
- estimated costs of disposal.

Changes in these assumptions could materially affect the estimated recoverable amount.

BLACKROCK SILVER CORP.

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7. SHARE CAPITAL

a) Authorized

The authorized share capital of the Company consists of unlimited common shares without par value.

b) Issued

During the year ended October 31, 2025, the Company issued the following common shares:

- (i) On January 30, 2025, the Company closed a “bought deal” public offering of units of the Company (the “January 2025 Offering”) consisting of 38,334,100 units of the Company at a price of \$0.36 per unit for aggregate gross proceeds of \$13,800,276. Each unit issued pursuant to the January 2025 Offering consisted of one Common Share and one-half of one common share purchase warrant. Each whole warrant entitles the holder to acquire one Common Share at an exercise price of \$0.50 until January 30, 2027. Based on the residual value method, \$1,150,023 was attributed to the warrants.

In connection with the January 2025 Offering, the Company paid a cash commission to the underwriters of \$799,184 and issued 2,219,955 brokers’ warrants, each brokers’ warrant exercisable for one Common Share at a price of \$0.36 per Common Share until January 30, 2027.

- (ii) A total of 305,751 restricted share units (“RSUs”) vested, with all RSU holders electing to have the RSUs settled in cash. The Company issued, and sold, 305,751 common shares for gross proceeds of \$107,795 and incurred settlement costs of \$1,005. The net proceeds of \$106,790 were used to settle the vested RSUs.
- (iii) A total of 17,260,081 share purchase warrants were exercised for total proceeds of \$7,410,693. In connection with the exercise of the warrants, a total of \$1,078,398 was transferred to share capital representing the fair value attributed to certain warrants exercised.
- (iv) A total of 129,576 common shares of the Company were issued to settle 129,576 deferred share units (“DSUs”) upon departure of two independent directors. In relation to the departure, an additional 75,472 DSUs were forfeited by the directors.
- (v) A total of 156,602 PSUs vested, with all PSU holders electing to have the PSUs settled in cash. The Company issued, and sold, 156,602 common shares for gross proceeds of \$58,205 and incurred share issuance costs of \$460. The net proceeds of \$57,745 were used to settle the vested RSUs.
- (vi) A total of 606,666 share purchase options were exercised for gross proceeds of \$91,833. In connection with the exercise of the options, a total of \$58,813 was transferred to share capital representing the fair value attributed to the options.

During the year ended October 31, 2024, the Company issued the following common shares:

- (i) On September 20, 2024, the Company closed a non-brokered private placement of 15,625,000 common of the Company at a price of \$0.32 per share for gross proceeds of \$5,000,000.

The common shares to be issued under the private placement will have a hold period of four months and one day from the closing date.

The Company paid a finder’s fee of 3% of the proceeds, \$150,000, of the financing in cash.

BLACKROCK SILVER CORP.

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7. SHARE CAPITAL – Continued

b) Issued – continued

- (ii) On May 29, 2024, the Company closed a brokered private placement offering for gross proceeds of \$10,350,000 consisting of 32,343,750 units of the Company at a price of \$0.32 per unit. Each unit is comprised of one common share of the Company and one-half of one common share purchase warrant of the Company. Each whole warrant entitles the holder thereof to acquire one common share at a price of \$0.48 until May 29, 2026. Based on the residual value method, no value was attributed to the warrants.

In connection with the financing, the Company paid a cash commission of \$618,177 and granted finders' warrants totalling 1,931,805 to purchase common shares of the Company at an exercise price of \$0.32 per common share, expiring May 29, 2026. The warrants were fair valued at \$261,373.

Each warrant entitles the recipient to purchase one common share of the Company at an exercise price of \$0.275 and will vest as to one-third on each of the first, second and third anniversaries of the date of grant and will expire on March 25, 2029.

- (iii) On January 26, 2024, the Company closed a brokered private placement offering for gross proceeds of \$5,750,000 consisting of 28,750,000 units of the Company at a price of \$0.20 per unit.

Each unit is comprised of one common share of the Company and one-half of one common share purchase warrant of the Company. Each whole warrant entitles the holder thereof to acquire one common share at a price of \$0.30 until January 26, 2027. Based on the residual value method, no value was attributed to the warrants.

In connection with the financing, the Company paid a cash commission of \$336,000 and granted finders' warrants totalling 1,680,000 to purchase common shares of the Company at an exercise price of \$0.30 per common share, expiring January 26, 2027. The warrants were fair valued at \$166,320.

- (iv) A total of 2,345,000 common shares were issued upon exercise of share purchase options for gross proceeds of \$473,700. A total of \$389,291 was transferred to share capital, from reserves, upon exercise representing the fair value of the share purchase options on date of grant.
- (v) During the period, a total of 536,349 RSUs vested, with all RSU holders electing to have the RSUs settled in cash. The Company issued, and sold, 536,349 common shares for net proceeds of \$132,642. The net proceeds were used to settle the vested RSUs.
- (vi) The Company received gross proceeds of \$311,115 from the exercise of 1,555,575 finders' warrants. A total of \$154,002 was transferred to share capital, from reserves, upon exercise representing the fair value of the finders' warrants on date of grant.

Share issuance costs

During the year ended October 31, 2025, total share issuance costs of \$1,506,579 (2024 - \$2,074,383) comprised of cash outflows of \$1,220,649 (2024 - \$1,646,690) relating to commissions and legal fees, and non-cash outflows of \$285,930 (2024 - \$427,963) relating to finders' warrants.

BLACKROCK SILVER CORP.

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7. SHARE CAPITAL – Continued

c) Omnibus Equity Incentive Plan

On December 9, 2022, shareholders of the Company approved a new Omnibus Equity Incentive Plan (the “Plan”), replacing the Company’s previous approved stock option plan and RSU plan. Under the newly adopted Plan, the Company is permitted to grant share purchase options, RSUs, deferred share units (“DSUs”), performance share units (“PSUs”) and other share-based awards.

The Plan is a “rolling up to 10% and fixed up to 10%” security-based compensation plan, as defined in Policy 4.4 *Security Based Compensation* of the TSX-V. The Plan is a: (a) “rolling” plan pursuant to which the number of shares that are issuable pursuant to the exercise of share purchase options granted hereunder shall not exceed 10% of the issued shares of the Company as at the date of any share option grant, and (b) “fixed” plan under which the number of shares of the Company that are issuable pursuant to all awards other than share options granted hereunder and under any other security based compensation plan of the Company, in aggregate is a maximum of 18,297,864 shares. Any RSUs, DSUs, PSUs or other share-based awards granted under the Plan will reduce the corresponding number of share options available for grant under the Plan.

d) Share purchase options

The Company adopted an incentive stock option plan (the “Plan”), which provides that the number of shares issuable under the Plan may not exceed 10% of the issued and outstanding common shares of the Company. Options granted under the Plan may have a maximum term of 10 years. The exercise price of options granted under the Plan may not be less than the discounted market price of the shares on grant date, or such other price as may be agreed to by the Company and accepted by the TSX-V.

The continuity of share purchase options for the years ended October 31, 2025 and 2024 is as follows:

	2025		2024	
	Number of Options	Weighted Average Exercise Price \$	Number of Options	Weighted Average Exercise Price \$
Balance, beginning of the period	8,004,797	0.92	9,595,000	0.79
Granted	1,320,307	0.42	954,797	0.28
Exercised	(606,666)	0.15	(2,345,000)	0.20
Expired/Cancelled	(2,760,000)	0.79	(200,000)	0.31
Forfeited	(146,182)	0.275	-	-
Outstanding, end of the period	5,812,256	0.90	8,004,797	0.92
Exercisable, end of the period	3,957,316	1.04	7,050,000	1.00

BLACKROCK SILVER CORP.

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7. SHARE CAPITAL – Continued

d) Share purchase options - Continued

The options have a weighted average life of 1.78 (2024 - 1.56) years.

Expiry Date	Number of Options (Outstanding)	Number of Options (Exercisable)	Exercise Price
			\$
February 24, 2026	2,260,000	2,260,000	0.91
October 4, 2026	1,430,000	1,430,000	0.79
March 25, 2029	801,949	267,316	0.275
January 17, 2030	1,320,307	-	0.42
	5,812,256	3,957,316	

The fair value of the share purchase options for the year ended October 31, 2025, and 2024, as determined by the Black-Scholes option pricing model was estimated using the following assumptions:

	2025	2024
Risk-free interest rate	3.01%	3.51%
Expected annual volatility	92.06%	103.97%
Expected life (years)	5.00	5.00
Grant date fair value	0.3005	0.2089
Dividend yield	0%	0%

e) Warrants

The continuity of warrants for the years ended October 31, 2025 and 2024 is as follows:

	2025		2024	
	Number of Warrants	Weighted Average Exercise Price	Number of Warrants	Weighted Average Exercise Price
		\$		\$
Balance, beginning of the year	40,859,775	0.47	23,771,400	0.88
Issued	19,167,050	0.50	30,546,875	0.40
Exercised	(13,777,550)	0.45	(1,896,000)	0.37
Expired	(5,733,000)	0.75	(11,562,500)	1.14
Outstanding, end of the year	40,516,275	0.45	40,859,775	0.47

BLACKROCK SILVER CORP.

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7. SHARE CAPITAL – Continued

e) Warrants – Continued

The warrants have a weighted average life of 0.97 (2024 - 1.65) years.

Expiry Date	Number of Warrants	Exercise Price	Grant Date Fair Value
		\$	\$
March 17, 2026	3,098,650	0.50	0.10
May 29, 2026	12,889,925	0.48	0.00
January 26, 2027	9,020,000	0.30	0.00
January 30, 2027	15,507,700	0.50	0.07
	40,516,275		

f) Restricted share units

On July 20, 2020, the Company adopted its RSU plan for the purpose of securing for the Company and its shareholders the benefits of incentive inherent in share ownership by the employees, officers and directors of the Company and its affiliates who, in the judgment of the Board of Directors (the “Board”) and the Compensation Committee, will be largely responsible for the Company’s future growth and success. Subject to the specific provisions of the RSU plan, eligibility, vesting period, terms of the RSUs and the number of RSUs granted are to be determined by the Board or the Compensation Committee at the time of the grant. Each award granted entitles the participant to receive one RSU. Within two business days of the award grant, the participant must send a written settlement election to the Company choosing whether it wishes the awards to be subject to cash or share settlement procedures. The RSUs vest over a three-year period with one-third vesting on the first anniversary date, one-third on the second anniversary date and the final one-third on the third anniversary date.

The continuity of restricted share units for the years ended October 31, 2025 and 2024 is as follows:

	2025	2024
	Number of RSUs	Number of RSUs
Balance, beginning of the year	486,501	1,022,850
Settled	(305,751)	(536,349)
Outstanding, end of the year	180,750	486,501

In accordance with IFRS 2 *Share-based Payments*, where there is an option to settle the payment in cash, the entity recognizes the services received and a liability to pay for those services. Until the liability is settled, the Company remeasures the fair value of the liability at the end of each reporting period and at date of settlement, with any changes in fair value recognized in profit and loss for the period.

BLACKROCK SILVER CORP.

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7. SHARE CAPITAL – Continued

f) Restricted share units - Continued

The following table summarizes the status of the Company's outstanding RSUs as at October 31, 2025:

Grant date	Vesting Date	RSUs Outstanding	Grant Date Fair Value
			\$
April 20, 2023	April 20, 2026	180,750	0.36

g) Performance share units

Pursuant to the Company's Plan, the Company granted its officers and employees PSUs during the period. Each PSU entitles the recipient to receive one common share, or a cash payment equal to the fair market value (as defined in the Plan) of the common shares on the vesting date, or a combination of common shares and cash, as determined at the sole discretion of the Compensation Committee of the Board of Directors of the Company. The PSUs awarded will vest as to one-third on each of the first, second and third anniversaries of the date of grant, subject to the achievement of certain corporate and individual performance criteria.

The cost of the PSUs is measured at fair value on the date of grant based on the market price of the Company's common shares and recognized as a share-based payment expense, over the period which the PSUs vest, with a corresponding increase in reserves. The cost of PSUs is recognized as an equity instrument, in accordance with IFRS 2 *Share-based Payments*, in the Company's consolidated statement of financial position.

The continuity of PSUs for the years ended October 31, 2025 and 2024 as follows:

	2025	2024
	Number of PSUs	Number of PSUs
Balance, beginning of the year	469,811	-
Granted	640,286	469,811
Exercised	(156,602)	-
Outstanding, end of the year	953,495	469,811

The following table summarizes the status of the Company's outstanding PSUs as at October 31, 2025:

Grant date	Vesting Date	PSUs Outstanding	Grant Date Fair Value
			\$
March 25, 2024	March 25, 2026	156,605	0.27
March 25, 2024	March 25, 2027	156,604	0.27
January 17, 2025	January 17, 2026	213,428	0.42
January 17, 2025	January 17, 2027	213,429	0.42
January 17, 2025	January 17, 2028	213,429	0.42
		953,495	

BLACKROCK SILVER CORP.

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7. SHARE CAPITAL – Continued

h) Share compensation liability – RSUs and PSUs

The Company has recognized the RSUs and PSUs in accordance with IFRS 2. The Company, where there is an option to settle the payment in cash, recognizes the services received and a liability to pay for those services. Until the liability is settled, the Company remeasures the fair value of the liability at the end of each reporting period and at date of settlement, with any changes in fair value recognized in profit and loss for the period. The fair value of the outstanding RSUs and PSUs as at October 31, 2025 was \$0.64 (2024 - \$0.45).

The continuity of share compensation liability for the years ended October 31, 2025 and 2024 is as follows:

	2025	2024
	Share Compensation Liability	Share Compensation Liability
Balance, beginning of the year	\$ 232,827	\$ 159,223
Share-based compensation	224,438	199,199
RSU and PSU settlement, net of share issuance costs	(168,269)	(152,215)
Change in fair value	138,970	26,620
Outstanding, end of the year	\$ 427,966	\$ 232,827

The current portion of the share compensation liability is \$284,954 (2024 - \$157,148) and the long-term portion of the liability is \$143,012 (2024 - \$75,679). Of the total liability, \$330,495 (2024 - \$75,366) relates to the PSUs and \$97,471 (2024 - \$157,461) relates to RSUs.

i) Deferred share units

On April 20, 2023, the Company granted 197,180 DSUs to the independent directors of the Company. The DSUs have a vesting period of 12 months. The Company further issued a total of 150,944 to its independent directors in March 2024. In accordance with the Plan, the DSUs are to be credited to the holder's DSU account upon vesting. Once vested, the DSUs would remain unsettled until such time as the holder ceases to be in their role with the Company.

The following table summarizes the status of the Company's outstanding DSUs as at October 31, 2025 and 2024:

	2025	2024
	Number of DSUs	Number of DSUs
Balance, beginning of the year	348,124	197,180
Granted	174,286	150,944
Settled	(129,576)	-
Forfeited	(75,472)	-
Outstanding, end of the year	317,362	348,124

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7. SHARE CAPITAL – Continued

i) Deferred share units - Continued

The following table summarizes the status of the Company's outstanding DSUs as at October 31, 2025:

Grant date	Vesting Date	DSUs Outstanding	Grant Date Fair Value
April 20, 2023	April 20, 2024	67,604	\$0.36
March 25, 2024	March 25, 2025	75,472	\$0.27
December 3, 2024	December 3, 2025	85,000	\$0.25
January 17, 2025	January 17, 2026	89,286	\$0.42
		317,362	

During the year, the Company recognized share-based compensation expense of \$40,956 (2024 - \$53,437) related to the DSUs.

i) Finders' warrants

The continuity of finders' warrants for the years ended October 31, 2025 and 2024 is as follows:

	2025		2024	
	Number of Warrants	Weighted Average Exercise Price	Number of Warrants	Weighted Average Exercise Price
		\$		\$
Balance, beginning of the year	3,521,298	0.36	2,050,661	0.56
Issued	2,219,955	0.36	3,611,805	0.26
Exercised	(3,482,531)	0.35	(1,555,575)	0.20
Expired	-	-	(585,593)	0.86
Outstanding, end of the year	2,258,722	0.35	3,521,298	

Expiry Date	Number of Finders' Warrants	Exercise Price
		\$
March 17, 2026	136,993	0.37
January 26, 2027	84,000	0.20
May 29, 2026	289,770	0.32
January 30, 2027	1,747,959	0.36
	2,258,722	

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7. SHARE CAPITAL – Continued

i) Finders' warrants - Continued

The finders' warrants have a weighted average life of 1.11 (2024 - 1.40) years.

The fair value of the finders' warrants for the year ended October 31, 2025 as determined by the Black-Scholes option pricing model was estimated using the following assumptions:

	2025 (weighted average)	2024 (weighted average)
Risk-free interest rate	2.73%	4.09%
Expected annual volatility	74.19%	72.61%
Expected life (years)	2.73	2.456
Grant date fair value	0.129	0.118
Dividend yield	0%	0%

8. RELATED PARTY TRANSACTIONS

All transactions with related parties have occurred in the normal course of operations and have been measured at fair value, which is the amount agreed to by the related parties.

As at October 31, 2025, the Company owed \$84,956 (2024 - \$68,595) to related parties. A total of \$24,727 (2024 - \$26,032) in management fees, \$8,579 (2024 - \$7,021) in office fees, \$16,457 (2024 - \$19,308) in exploration fees and a total of \$35,193 (2024 - \$16,234) is payable as expense reimbursements to Tanadog Management and Technical Services, Inc., a company controlled by the current chairman of the board.

Key management compensation

	Expenditure	For the Years Ended	
		October 31, 2025	October 31, 2024
Tanadog Management and Technical Services Inc.	Management Fees	\$ 429,895	\$ 402,796
	Office Fees	101,259	98,355
	Exploration Fees	199,392	136,125
The Mining Recruitment Group Ltd.	Management Fees	411,642	375,480
Randy Minhas	Management Fees	279,913	261,305
Silver Green Resources	Management Fees	321,027	274,230
		\$ 1,743,128	\$ 1,548,291

During the year ended October 31, 2025, \$78,337 (2024 - \$106,284) in share-based compensation related to share options, RSUs and DSUs for the directors of the Company. In addition, the independent directors were paid directors' fees totaling \$92,188 (2024 - \$48,000).

During the year ended October 31, 2025, \$363,810 (2024 - \$186,518) in share-based payments and \$71,714 (2024 - \$59,017) in health and dental benefit premiums were paid to or on behalf of officers of the Company.

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9. INCOME TAXES

A reconciliation of the expected income tax recovery to the actual income tax recovery for the years ended October 31, 2025 and 2024 is as follows:

	2025	2024
Net loss for the year	\$ (21,079,757)	\$ (11,757,077)
Canadian federal and provincial income tax rates	27.00%	27.00%
Expected income tax recovery	(5,692,000)	(3,174,000)
Difference between Canadian and Foreign tax rates	(1,362,000)	183,000
Net effect of non-deductible amounts and other	268,000	110,000
Share issuance costs	(407,000)	(560,000)
Change in valuation allowance	7,193,000	3,441,000
	\$ -	\$ -

The significant components of the Company's deferred income tax assets at October 31, 2025 and 2024 are as follows:

	2025	2024
Deferred tax assets:		
Exploration and evaluation assets	\$ 12,826,000	\$ 10,183,000
Non-capital loss carry-forwards	15,129,000	10,447,000
Capital loss carry-forwards	111,000	111,000
Equipment	12,000	9,000
Share issuance costs	697,000	727,000
Total deferred tax assets	28,775,000	21,477,000
Unrecognized deferred tax assets	(28,775,000)	(21,477,000)
Net	\$ -	\$ -

The Company did not recognize the deferred tax asset for the year ended October 31, 2025, and 2024, as it was unlikely to be realized.

The Company has capital and non-capital losses expiring for which deductions against future taxable income are uncertain as follows:

Expiry dates	Canadian Non-capital losses	Canadian capital losses	Canadian resource pool	US Non-capital losses
2026-2045	\$26,959,000			
No expiry		\$819,000	\$1,473,000	\$31,457,000 CAD

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10. CAPITAL MANAGEMENT

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to pursue the development of its projects. In the management of capital, the Company includes the components of shareholders' equity and cash. There are no external restrictions on the use of the Company's capital.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may issue new shares, issue debt, acquire or dispose of assets, or adjust the amount of cash.

The Company is dependent on the capital markets as its sole source of operating capital and the Company's capital resources are largely determined by the strength of the junior resource markets, by the status of the Company's projects in relation to these markets and its ability to compete for investment or support of its projects.

11. FINANCIAL INSTRUMENTS AND FINANCIAL RISK FACTORS

Financial instruments

Financial instruments must be classified at one of three levels within a fair value hierarchy according to the relative reliability of the inputs used to estimate their values. The three levels of the hierarchy are as follows:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2: Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3: Inputs that are not based on observable market data.

Share compensation liability is measured using Level 1 inputs. The Company does not have any financial instruments that are measured using Level 2 and 3 inputs. During the period, there were no transfers between Level 1, Level 2 and Level 3 classified assets and liabilities.

The Company's financial instruments are exposed to certain financial risks, including the following:

Financial risk factors

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts. The majority of cash is deposited in bank accounts held with two major banks, one in Canada and one in the US. As most of the Company's cash is held by two banks, there is a concentration of credit risk. This risk is managed by using major banks that are high credit quality financial institutions, as determined by rating agencies.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. The Company attempts to manage liquidity risk by maintaining a sufficient cash balance. Liquidity requirements are managed based on expected cash flows to ensure that there is sufficient capital in order to meet short-term obligations. As at October 31, 2025, the Company had cash and cash equivalents of \$7,964,159 (2024 - \$9,399,493) to settle current liabilities of \$769,490 (2024 - \$1,364,364).

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11. FINANCIAL INSTRUMENTS AND FINANCIAL RISK FACTORS – Continued

Foreign currency risk

The Company's functional currency is the Canadian dollar; however, there are expenses, assets and liabilities in US dollars. The Company is exposed to financial risk arising from fluctuations in foreign exchange rates and the degree of volatility in these rates. As at October 31, 2025, the Company had cash and cash equivalents balances of US\$4,462,208 (2024 - US\$5,872,942) and accounts payable and accrued liabilities of US\$285,034 (2024 - US\$821,372). Should the Canadian exchange rate against the US dollar change by 1%, the potential impact on the Company's net loss would be approximately \$66,500. The Company does not use derivative instruments to reduce its exposure to foreign currency risk.

12. COMMITMENTS AND CONTINGENCIES

Commitments related to the Company's properties are disclosed in Note 6. The Company has no other commitments that extend more than 12 months into the future.

The Company has corporate credit cards with limits totalling \$33,000. The GIC was being held as security for the credit cards by the bank until 2025. The funds were returned to the Company during the year as the bank no longer required the security on the credit cards.

13. SEGMENTED INFORMATION

The Company considers itself to operate in a single operating segment, being resource exploration. The Company's assets and liabilities are located within two geographical areas, Canada and the state of Nevada in the United States of America.

	2025		2024	
<i>Total Assets</i>				
Canada	\$	6,138,439	\$	9,624,279
USA		10,116,745		7,628,913
	\$	16,255,184	\$	17,253,192
<i>Total Liabilities</i>				
Canada	\$	557,601	\$	371,560
USA		368,753		1,110,837
	\$	926,354	\$	1,482,397
<i>Exploration Expenditures</i>				
Canada	\$	-	\$	-
USA		16,998,564		8,459,150
	\$	16,998,564	\$	8,459,150
<i>Operating Expenditures</i>				
Canada	\$	3,999,307	\$	3,478,540
USA		137,957		127,584
	\$	4,137,264	\$	3,606,124

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14. LEASE LIABILITY

On April 1, 2024, the Company entered into an office lease agreement with a 36-month term and monthly payments of \$2,673. At the date of recognition, the lease liability was measured at the present value of the lease payments that were not paid at that date. The lease payments are discounted using an incremental borrowing rate of 9.20%.

Upon initial recognition, the Company recognized a lease liability, and a corresponding right of use asset, of \$84,464, with \$27,581 of the balance being the current portion of the lease liability and \$56,883 being the long-term portion of the lease liability.

	Year Ended October 31, 2025	Year Ended October 31, 2024
	Lease Liability	Lease Liability
Balance, beginning of the year	\$ 69,953	\$ -
Lease liability	-	84,464
Interest expense	5,327	4,203
Repayment	(32,080)	(18,714)
Outstanding, end of the year	\$ 43,200	\$ 69,953

The short-term component of the lease liability is a \$29,348 (2024 - \$27,599) and the long-term portion is \$13,852 (2024 - \$42,354).

The expected timing of the undiscounted lease payments as at October 31, 2025 is as follows:

(i) Less than one year	\$32,080
(ii) One to three years	\$14,186

15. SUBSEQUENT EVENTS

The following transactions, not disclosed elsewhere in the financial statements, occurred subsequent to the year-end:

- (i) On January 8, 2026, the Company closed a brokered private placement offering for gross proceeds of \$15,000,000 consisting of 13,636,300 units of the Company at a price of \$1.10 per unit. Each unit is comprised of one common share of the Company and one-half of one common share purchase warrant of the Company. Each whole warrant entitles the holder thereof to acquire one common share at a price of \$1.50 until January 8, 2028. Based on the residual value method, no value was attributed to the warrants.

In connection with the financing, the Company paid a cash commission of \$689,997 and granted finders' warrants totaling 627,270 to purchase common shares of the Company at an exercise price of \$1.50 per common share, expiring January 8, 2028.

- (ii) On January 19, 2026, the Company granted 344,766 PSU's to officers and an employee, 86,538 DSU's to the independent directors, and 824,380 share purchase options to directors, officers, an employee and consultants. The PSU's vest over a three-year period with one-third vesting on each of the first, second, and third anniversaries of the date of grant.

The share purchase options vest over a three-year period with one-third vesting on each of the first, second, and third anniversaries of the date of grant. The options exercisable for a period of 5 years at an exercise price of \$1.57.

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15. SUBSEQUENT EVENTS - Continued

- (iii) On January 17, 2026, a total of 213,430 PSUs vested, with all PSU holders electing to have the PSUs settled in cash. The Company issued, and sold, 213,430 common shares for gross proceeds of \$350,900 and incurred share issuance costs of \$2,632. The net proceeds of \$348,268 were used to settle the vested PSUs.
- (iv) A total of 1,900,000 share options were exercised for total proceeds of \$1,723,000.
- (v) A total of 14,807,305 share purchase warrants and finders' warrants were exercised for total proceeds of \$6,394,229.