

**MILLENNIUM SILVER CORP.**  
**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**THREE MONTHS ENDED MARCH 31, 2026 AND 2025**  
**(Expressed in Canadian Dollars)**  
**(unaudited)**

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

The accompanying unaudited condensed consolidated financial statements of Millennium Silver Corp. for the three months ended March 31, 2026, have been prepared by the management of the Company and approved by the Company's Audit Committee and the Company's Board of Directors.

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

The accompanying unaudited condensed consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management.

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

**Millennium Silver Corp.**  
**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**(Expressed in Canadian Dollars)**

	March 31, 2026 \$	December 31, 2025 \$
	(unaudited)	
Assets		
Current assets		
Cash and cash equivalents	2,490,280	35,773
Amounts receivable	31,812	2,862
Prepaid expenses	125	125
Total current assets	2,522,217	38,760
Non-current assets		
Exploration and evaluation assets	11,500	–
Total assets	2,533,717	38,760
Current liabilities		
Accounts payable and accrued liabilities	198,953	232,435
Loan payable (Note 6)	–	160,930
Due to related parties (Note 8)	7,000	132,875
Total liabilities	205,953	526,240
Shareholders' equity (deficit)		
Share capital (Note 7)	23,495,159	20,476,468
Share-based reserves (Note 7)	1,578,803	1,336,404
Share subscriptions received	5,500	370,450
Accumulated other comprehensive income	1,312,991	1,286,325
Deficit	(24,064,689)	(23,957,127)
Total shareholders' equity (deficit)	2,327,764	(487,480)
Total liabilities and shareholders' equity (deficit)	2,533,717	38,760

Nature of operations (Note 1)

Approved and authorized for issuance on behalf of the Board of Directors on June 1, 2026:

/s/ Robert Drago  
Director

/s/ Darren Timmer  
Director

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

**Millennium Silver Corp.**  
**CONDENSED CONSOLIDATED STATEMENTS ON OPERATIONS AND COMPREHENSIVE LOSS**  
**(Expressed in Canadian Dollars)**  
**(unaudited)**

	For the three months ended March 31,	
	2026 \$	2025 \$
Expenses		
Accounting and legal	21,212	20,319
Administration fees (Note 8)	350	–
Consulting fees (Note 8)	7,500	980
Directors' fees (Note 8)	7,000	6,000
Foreign exchange loss (gain)	(20,498)	619
Office and miscellaneous	608	4,787
Share-based compensation (Note 7)	152,718	–
Transfer agent and filing fees	32,384	6,382
<b>Total expenses</b>	<b>201,274</b>	<b>39,087</b>
Loss before other income (expense)	(201,274)	(39,087)
Other income (expense)		
Gain on settlement of debt (Note 6)	93,170	–
Interest income (expense)	(967)	(997)
Interest income	1,509	–
<b>Total other income (expense)</b>	<b>93,712</b>	<b>(997)</b>
Net loss for the period	(107,562)	(40,084)
Other comprehensive income (loss)		
Foreign currency translation	26,666	(7,028)
<b>Comprehensive loss for the period</b>	<b>(80,896)</b>	<b>(47,112)</b>
Loss per share, basic and diluted	–	–
<b>Weighted average number of shares outstanding, basic and diluted</b>	<b>273,056,981</b>	<b>221,505,226</b>

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

**Millennium Silver Corp.**  
**CONDENSED CONSOLIDATED STATEMENTS ON CHANGES IN SHAREHOLDERS' EQUITY (DEFICIT)**  
**(Expressed in Canadian Dollars)**  
**(unaudited)**

	Share Capital		Share-based reserves	Share subscriptions received	Accumulated other comprehensive income	Deficit	Total shareholders' equity (deficit)
	Number of shares	Amount \$					
Balance, December 31, 2025	221,505,226	20,476,468	1,336,404	370,450	1,286,325	(23,957,127)	(487,480)
Shares issued to settle debt	22,508,132	337,622	–	–	–	–	337,622
Shares issued for private placement	192,593,667	2,888,905	–	(364,950)	–	–	2,523,955
Share issuance costs	–	(207,836)	89,681	–	–	–	(118,155)
Fair value of stock options granted	–	–	152,718	–	–	–	152,718
Foreign currency translation adjustment	–	–	–	–	26,666	–	26,666
Net loss for the period	–	–	–	–	–	(107,562)	(107,562)
<b>Balance, March 31, 2026</b>	<b>436,607,025</b>	<b>23,495,159</b>	<b>1,578,803</b>	<b>5,500</b>	<b>1,312,991</b>	<b>(24,064,689)</b>	<b>2,327,764</b>
Balance, December 31, 2024	221,505,226	20,476,468	1,336,404	227,860	1,286,055	(23,745,615)	(418,828)
Foreign currency translation adjustment	–	–	–	–	(7,028)	–	(7,028)
Net loss for the period	–	–	–	–	–	(40,084)	(40,084)
<b>Balance, March 31, 2025</b>	<b>221,505,226</b>	<b>20,476,468</b>	<b>1,336,404</b>	<b>227,860</b>	<b>1,279,027</b>	<b>(23,785,699)</b>	<b>(465,940)</b>

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

**Millennium Silver Corp.**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**(Expressed in Canadian Dollars)**  
**(unaudited)**

	For the three months ended March 31,	
	2026	2025
	\$	\$
<b>Operating activities</b>		
Net loss for the period	(107,562)	(40,084)
Items not involving cash:		
Gain on settlement of debt	(93,170)	–
Share-based compensation	152,718	–
Changes in non-cash working capital items:		
Amounts receivable	(28,950)	(4,763)
Accounts payable and accrued liabilities	21,030	24,837
Due to related parties	7,000	6,000
<b>Net cash used in operating activities</b>	<b>(48,934)</b>	<b>(14,010)</b>
<b>Investing activities</b>		
Exploration and evaluation expenditures	(11,500)	(5,032)
<b>Net cash used in investing activities</b>	<b>(11,500)</b>	<b>(5,032)</b>
<b>Financing activities</b>		
Proceeds from issuance of common shares	2,523,955	–
Proceeds from related party loans	(36,555)	–
<b>Net cash provided by financing activities</b>	<b>2,487,400</b>	<b>–</b>
Effects of foreign exchange rate changes on cash	27,541	(6,337)
<b>Change in cash</b>	<b>2,454,507</b>	<b>(25,379)</b>
Cash, beginning of period	35,773	43,426
<b>Cash, end of period</b>	<b>2,490,280</b>	<b>18,047</b>
<b>Non-cash investing and financing activities:</b>		
Fair value of warrants issued for finder's fees	89,681	–
Shares issued for services and settlement of loans payable	337,622	–
Transfer of subscriptions received to common shares on private placement	364,950	–
Unpaid share issuance costs recorded in accounts payable	81,600	–
<b>Cash and cash equivalents is comprised of:</b>		
Cash in bank	1,563,357	18,047
Cash held in legal trust	926,923	–
	<b>2,490,280</b>	<b>18,047</b>

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

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**Millennium Silver Corp.**  
**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(Expressed in Canadian Dollars)**  
**(unaudited)**

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**THREE MONTHS ENDED MARCH 31, 2026**

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**1. Nature of Operations**

Millennium Silver Corp. (the "Company" or "MSC") is incorporated under the Business Corporations Act of British Columbia. The Company is listed on the TSX-Venture Exchange and its primary business is the acquisition, exploration, and evaluation of mineral properties in Nevada, USA. The address of the Company's registered office and its principal place of business is Suite 202, 2608 Shaughnessy Street, Port Coquitlam, British Columbia, Canada, V3C 3G6.

These condensed consolidated financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. As at March 31, 2026, the Company has an accumulated deficit of \$24,064,689. During the period ended March 31, 2026, the Company has generated no revenues, incurred a net loss of \$107,562, and used \$48,934 of cash for operating activities. The continued operations of the Company are dependent on its ability to generate future cash flows or obtain additional financing. Management has obtained sufficient working capital to meet the Company's liabilities and commitments for the next twelve months as they become due, although there is a risk that additional financing may be required for future exploration programs on the Company's exploration properties. Future financing may be at terms that are not favourable to the Company. These factors indicate the existence of a material uncertainty that may cast doubt upon the Company's ability to continue as a going concern. These condensed consolidated financial statements do not reflect any adjustments that may be necessary if the Company is unable to continue as a going concern.

**2. Statement of Compliance**

These condensed consolidated financial statements have been prepared in accordance with International Accounting Standards 34, "*Interim Financial Reporting*", and based on IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS") and the interpretations of the International Financial Reporting Interpretations Committee. These condensed consolidated financial statements should be read in conjunction with the Company's annual audited consolidated financial statements for the year ended December 31, 2025, which include the Company's material accounting policies, and have been prepared in accordance with the same methods of application.

These condensed consolidated financial statements have been prepared on a historical cost basis except for certain financial instruments, which are measured at fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

**3. Material Accounting Policies**

(a) Principles of consolidation

These condensed consolidated financial statements include the accounts of the Company and its wholly-owned subsidiary, International Millennium Mining Inc. ("IMMI"), a Nevada corporation. Control is achieved when the Company has the power to govern the financial and operating policies of an investee, so as to obtain benefits from its activities. Subsidiaries are fully consolidated from the date on which control is transferred to the group until the date on which control ceases. All inter-company transactions and accounts have been eliminated on consolidation.

**THREE MONTHS ENDED MARCH 31, 2026**

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**3. Material Accounting Policies** (continued)

(b) Significant accounting estimates and judgments

The preparation of these condensed consolidated financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These consolidated financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future and other sources of judgments and estimates that management has made at the consolidated statement of financial position date, that could result in a material adjustment to the carrying amounts of assets and liabilities. In the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Critical judgments

- The analysis of the going concern assumption, which requires management to take into account all available information about the future, which is at least, but not limited to, 12 months from the end of the reporting period; and
- The determination of whether it is likely that future economic benefits from exploration and evaluation expenditures are likely either from future exploitation or sale or where activities have not reached a stage which permits a reasonable assessment of the existence of reserves.

Estimates

- Recoverability of exploration and evaluation assets;
- Fair value of share-based compensation, including variables used in the calculation of fair values for finder's warrants and stock options granted; and
- Unrecognized deferred income tax assets.

**4. Accounting Standards Issued But Not Yet Effective**

Certain pronouncements have been issued by the IASB or the IFRS Interpretations Committee that are mandatory for accounting years beginning on or after January 1, 2026 or later years. Management does not believe the adoption of these future standards will have a material impact on the Company's condensed consolidated financial statements.

*IFRS 18 Presentation and Disclosure in Financial Statements*

In April 2024, the IASB issued IFRS 18 – Presentation and Disclosure in Financial Statements which will replace IAS 1, Presentation of Financial Statements. The key new concepts introduced in IFRS 18 relate to the structure of the statement of earnings (loss), required disclosures in the financial statements for certain earnings or loss performance measures that are reported outside an entity's financial statements and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general. IFRS 18 will apply for reporting periods beginning on or after January 1, 2027, and also applies to comparative information. The adoption of this standard is not expected to have a material impact on the Company's consolidated financial statements.

**Millennium Silver Corp.**  
**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
(Expressed in Canadian Dollars)  
(unaudited)

**THREE MONTHS ENDED MARCH 31, 2026**

**5. Exploration and Evaluation Assets**

(a) Nevada, USA Properties

(i) Silver Peak (Nivloc) Property, Esmeralda County

In September 2007, the Company established its interest in the Silver Peak (Nivloc) Property, located in Esmeralda County, Nevada, by acquiring 9 unpatented claims for US\$75,000 and 110,000 shares. During fiscal 2011, an additional 95 contiguous claims (the "Additional Claims") were staked and recorded.

In February 2011, and amended May 22, 2012, the Company executed an Option and Joint Venture Agreement, with Silver Reserve Corp. ("SRC"), pursuant to which the Company acquired the right to purchase up to 85% interest in 18 unpatented lode claims (the "NL Extension Claims") contiguous with and surrounding the Company's existing Silver Peak (Nivloc) Property.

The Company acquired the interest in the NL Extension Claims by making cash payments of US\$350,000 and by issuing 1,925,000 shares over a period of five years as follows:

	<b>Cash (US\$)</b>	<b>Common shares</b>
Upon execution of Letter of Intent (paid)	5,000	–
Upon execution of Agreement (paid 2011)	5,000	–
Upon receipt of TSX Venture approval (paid and issued)	15,000	275,000
On or before September 15, 2011 (paid and issued)	35,000	300,000
On or before September 15, 2012 (paid and issued)	50,000	300,000
On or before September 15, 2013 (paid and issued)	70,000	350,000
On or before September 15, 2014 (paid and issued)	70,000	350,000
On or before September 15, 2015 (paid and issued)	100,000	350,000
	<b>350,000</b>	<b>1,925,000</b>

On October 14, 2015, the Company made the final payment of US\$100,000 to SRC, thereby acquiring an 85% undivided interest in the Silver Peak (Nivloc) Property. The Company registered this 85% undivided interest in the Silver Peak (Nivloc) Property with the US Bureau of Land Management (the "US BLM") and Esmeralda County, Nevada.

Following the Company's completion of a positive feasibility study, the Silver Peak (Nivloc) Property was developed on a joint venture basis where SRC had the right to contribute to the development of the 122 claim Silver Peak (Nivloc) Property and retained a 15% interest therein. On January 7, 2016, the Company executed a Sale and Purchase Agreement, including an Option to Purchase Royalty Interest (the "Agreement"), to acquire SRC's remaining interests in the Silver Peak (Nivloc) Property (the "Transaction"). These interests include the following:

- (i) All rights, titles and interests owned by SRC in and to the remaining undivided 15% interest in and to the NL Extension Claims, and any and all licenses and permits pertaining thereto; and
- (ii) The sole and exclusive right and option to acquire a 15% interest in the 104 claims held by the Company (the "IMMC Claims").

Pursuant to the Agreement, the Company paid SRC US\$120,000 for the Silver Peak (Nivloc) Property interests detailed above (the "Silver Peak (Nivloc) Property Interests"), and SRC retained a royalty interest of 2% of Net Smelter Returns ("NSR") from the NL Extension Claims and the IMMC Claims (the "Royalty Interest").

**Millennium Silver Corp.**  
**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
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**THREE MONTHS ENDED MARCH 31, 2026**

**5. Exploration and Evaluation Assets** (continued)

(a) Nevada, USA Properties (continued)

(i) Silver Peak (Nivloc) Property, Esmeralda County (continued)

On December 22, 2016, the Company paid SRC US\$120,000 to acquire the 2% Royalty Interest, funded by Capital Mineral Resource Investments Limited ("CMRI"). As a condition of the funding the Company received from CMRI to purchase the Royalty Interest, 1% NSR of the Silver Peak (Nivloc) Property (the "1% Royalty Interest") was transferred to CMRI. CMRI granted to the Company an exclusive option to purchase 100% of CMRI's right, title and interest in the 1% Royalty Interest for \$2,000,000 for a period of ten years from December 24, 2016 (or any portion or portions thereof on a pro rata purchase price) at any time and from time to time on or before December 24, 2026.

In April 2017, the Company staked 42 lode claims, contiguous to the Silver Peak (Nivloc) Property, and acquired 8 unpatented lode claims contiguous thereto, all located in Esmeralda County, Nevada. The total cost was US\$62,700 and the issuance of 100,000 common shares of the Company.

In October 2017 (and amended on March 16, 2018), the Company executed Option Agreements with Silver Saddle Resources LLC ("Silver Saddle") and Consent to Assignment Agreements between the Company, Silver Saddle and two underlying property owners (the "Silver Saddle Agreements"), to acquire 25 unpatented lode mineral claims located contiguous with the Company's Silver Peak (Nivloc) Property (the "Silver Saddle Claims") in Esmeralda County, Nevada.

Pursuant to the Silver Saddle Agreements, the Company acquired a 100% interest in the Silver Saddle Claims, subject to various net smelter return ("NSR") royalties by making cash payments of US\$115,000 and by issuing 1,000,000 shares as follows:

	Cash (US\$)	Common shares
Upon execution of Letter of Intent (paid)	10,000	–
Upon receipt of TSX Venture approval (issued)	–	1,000,000
On or before December 31, 2017 (paid)	20,000	–
On or before March 29, 2018 (paid)	5,000	–
On or before June 30, 2018 (paid)	10,000	–
On or before March 29, 2019 (paid)	10,000	–
On or before April 30, 2019 (paid)	10,000	–
On or before March 29, 2020 (paid)	25,000	–
On or before May 15, 2020 (paid)	25,000	–
	<b>115,000</b>	<b>1,000,000</b>

The NSR royalties vary from 1.5% on eight of the claims, of which 1.25% NSR can be purchased for US\$190,000; 2.5% on seven of the claims, of which 1.25% NSR can be purchased for US\$110,000; and, 1.5% on ten of the claims, of which 0.5% NSR can be purchased for US\$500,000.

In November 2017, the Company staked an additional 14 claims contiguous to the Company's Silver Peak (Nivloc) Property claims for US\$11,484. The Company's total land holdings in the Silver Peak (Nivloc) Property area include 211 claims covering in excess of 4,000 acres (1,600 hectares).

During the year ended December 31, 2025, the Company recorded an impairment loss of \$84,622 (2024 - \$72,479) due to uncertainty surrounding the Company's ability to finance further exploration work.

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**Millennium Silver Corp.**  
**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(Expressed in Canadian Dollars)**  
**(unaudited)**

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**THREE MONTHS ENDED MARCH 31, 2026**

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**5. Exploration and Evaluation Assets** (continued)

(a) Nevada, USA Properties (continued)

(ii) Simon Property

Pursuant to an Option Agreement executed in December 2004, amended by a settlement agreement in November 2010, the Company acquired, and holds in good standing, a 100% interest in the Simon Property, consisting of 20 patented and 3 unpatented contiguous claims. The Company also acquired by staking, and holds, a further 34 contiguous unpatented mining claims, which are in good standing. The monthly payments are US\$2,000. There are no underlying royalties.

Pursuant to the terms of a non-binding Letter of Intent dated May 7, 2021, and as amended on July 6, 2021, June 15, 2022, and December 5, 2024 (the "Altair LOI"), between the Company and Altair Resources Inc. ("Altair"), a British Columbia company that is publicly traded on the TSX Venture Exchange (the "TSX-V") the Company granted Altair an option to earn 65% interest in the Simon Property, subject to a 2% net smelter return, in exchange for the issuance of 3,500,000 Altair common shares and exploration expenditures of \$3,200,000 over a six year period. During the year ended December 31, 2025, the agreement between the Company and Altair was terminated.

During the year ended December 31, 2025, the Company recorded an impairment loss of \$30,752 (2024 - \$nil) due to uncertainty surrounding the Company's ability to finance further exploration work. During the period ended March 31, 2026, the Company incurred option payments of \$11,500 on the property.

**6. Loans Payable**

- (a) As at March 31, 2026, the Company owed \$nil (December 31, 2025 - \$57,500) to a director of the Company, which is unsecured, non-interest bearing, and due on demand. In February 2026, the Company issued 3,833,333 common shares to settle the balance outstanding.
- (b) As at March 31, 2026, the Company owed \$nil (December 31, 2025 - \$25,000) to a family trust related to the former Chief Executive Officer of the Company, which is unsecured, non-interest bearing, and due on demand. In February 2026, the Company issued 1,666,667 common shares to settle the balance outstanding.
- (c) As at March 31, 2026, the Company owed \$nil (December 31, 2025 - \$27,000) and \$nil (December 31, 2025 - \$51,430 (US\$37,524)) on loans to a non-related party. The loans are unsecured, bear interest at 5% per annum, and are due on demand. During the period ended March 31, 2026, interest expense of \$949 (March 31, 2025 - \$997) was incurred on the loans with a corresponding credit to accounts payable and accrued liabilities. On March 31, 2026, the Company wrote off the principal balance of the loans payable of \$79,305 and accrued interest of \$13,865.

**7. Share Capital**

(i) Authorized

Unlimited common shares without par value.

On February 24, 2026, the Company issued 22,508,132 common shares at \$0.015 per share to settle outstanding debt of \$337,622, including 8,149,800 common shares to settle \$122,247 to a firm where the Chief Financial Officer is a partner, 8,858,332 common shares to settle \$132,875 of debt owed to directors of the Company, and 3,833,333 common shares to settle \$57,500 of loans payable to a director of the Company.

**Millennium Silver Corp.**  
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**THREE MONTHS ENDED MARCH 31, 2026**

**7. Share Capital** (continued)

(i) Authorized (continued)

On March 11, 2026, the Company issued 192,593,667 units at \$0.015 per unit for proceeds of \$2,888,905, of which \$330,580 was received prior to December 31, 2025. Included in the issuance was 1,000,000 units issued to a director of the Company for proceeds of \$15,000. Each unit is comprised of one common share and one non-transferable share purchase warrant, which is exercisable for a period of five years at an exercise price of \$0.05 per share for the first three years and \$0.10 per share thereafter. As part of the issuance, the Company incurred finders fees of \$118,155 and issued 7,877,020 non-transferable finders' warrants which is exercisable for a period of five years at an exercise price of \$0.05 per share for the first three years and \$0.10 per share thereafter. The fair value of the finders' warrants was \$89,681, which was determined using the Black-Scholes option pricing model assuming volatility of 168.5%, expected life of three years, risk-free rate of 2.85%, and no expected dividends.

(ii) Share purchase warrants

The following table summarizes the continuity of the Company's share purchase warrants:

	Number of warrants	Weighted average exercise price \$
Outstanding, December 31, 2024 and 2025	–	–
Issued	200,470,687	0.05
Outstanding, March 31, 2026	200,470,687	0.05

As at March 31, 2026, the following share purchase warrants were outstanding:

Number of outstanding warrants	Exercise price \$	Weighted Average Remaining Contractual Life (in years)	Expiry date
200,470,687	0.05*	4.90	March 11, 2031

\*the exercise price increases to \$0.10 per share after March 11, 2029.

(iii) Stock options

The Company has a stock option plan for its directors, employees, and consultants to acquire common shares at a price to be determined by the fair market value of the shares at the date of the grant. The Company may issue up to 10% of the outstanding common shares under the plan. Options granted under the Plan will have a maximum term of five years. Options granted to persons providing investor relations activities will become vested with the right to exercise at one-quarter of the options upon conclusion of every three months subsequent to the date of the grant of the options.

	Number of options	Weighted average exercise price \$
Outstanding, December 31, 2025	11,340,000	0.05
Granted	8,160,000	0.05
Outstanding, March 31, 2026	19,500,000	0.05

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**THREE MONTHS ENDED MARCH 31, 2026**

**7. Share Capital** (continued)

(iii) Stock options (continued)

Additional information regarding stock options as at March 31, 2026 is as follows:

Range of exercise prices \$	Number of options outstanding	Weighted average remaining contractual life (years)	Weighted average exercise price \$
0.05	19,500,000	2.1	0.05

During the period ended March 31, 2026, the Company granted 8,160,000 stock options to officers, directors, and consultants to the Company, which are exercisable at \$0.05 per share until January 11, 2031. The fair value of stock options granted was \$152,718, determined using the Black-Scholes option pricing model assuming volatility of 180%, expected life of five years, risk-free rate of 2.9%, and no expected dividends or forfeitures.

**8. Related Party Transactions**

Related party transactions have been measured at the exchange amount of consideration agreed between the related parties. Related party balances and transactions not disclosed elsewhere in these financial statements are listed below. The amounts due to related parties are unsecured, non-interest bearing, and due on demand:

- (a) As at March 31, 2026, the Company owes \$7,000 (2025 - \$132,875) to directors and former directors of the Company, which is included in due to related parties. The amounts owing are unsecured, non-interest bearing, and due on demand. During the three months ended March 31, 2026, the Company incurred directors' fees of \$7,000 (2025 - \$6,000) to directors of the Company. In February 2026, the Company issued 8,858,333 common shares to settle \$132,875 of balances owed to directors of the Company.
- (b) As at March 31, 2026, the Company owes \$7,875 (December 31, 2025 - \$122,247) to a firm where the Chief Financial Officer ("CFO") of the Company is a partner. The amount owing is included in accounts payable and accrued liabilities. During the three months ended March 31, 2026, the Company incurred \$7,500 (2025 - \$7,500) of professional fees to this company. In February 2026, the Company issued 8,149,800 common shares to settle \$122,247 of balances owed to a firm where the CFO is a partner.

The Company's key management consists of the CEO, CFO, and directors of the Company. Key management compensation have been disclosed in the above notes. Key management personnel were not paid post-employment benefit, termination fees or other long-term benefits.

**9. Financial Instruments and Risk Management**

The Company's financial instruments are exposed to certain financial risks, including credit risk, interest rate risk, liquidity risk, and currency risk.

(a) Fair values

The fair values of other financial instruments, which include cash and cash equivalents, accounts payable and accrued liabilities, loans payable, and amounts due to related parties, approximate their carrying values due to the relatively short-term maturity of these instruments.

(b) Credit risk

Financial instruments that potentially subject the Company to a concentration of credit risk consist primarily of cash. The Company limits its exposure to credit loss by placing its cash with high credit quality financial institutions. The carrying amount of financial assets represents the maximum credit exposure.

**THREE MONTHS ENDED MARCH 31, 2026**

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**9. Financial Instruments and Risk Management (continued)**

(c) Interest rate risk

The Company is not exposed to interest rate risk because its loans payable bear interest at a fixed interest rate. Fluctuations in interest rates do not have a significant impact on the Company's operations.

(d) Liquidity risk

Liquidity risk is the risk that the Company is unable to meet its financial obligations as they come due. The Company manages this risk by evaluating current and expected liquidity requirements and seeking financing arrangements as necessary.

(e) Currency risk

The functional currency of the Company is the Canadian dollar and the functional currency of the Company's wholly-owned subsidiary is the United States ("US") dollar. Currency risk is the risk to the Company's earnings that arises from fluctuations of foreign exchange rates and the degree of volatility of these rates. The Company operates in Canada and the US and a portion of the Company's expenditures are incurred in US dollars. A significant change in currency exchange rates between the Canadian and US currencies could have an effect on the Company's results of operations, financial position or cash flows. The Company does not use derivative instruments to reduce its exposure to foreign currency risk. As at March 31, 2026, the Company has cash on deposit totaling US\$755,385 (December 31, 2025 - US\$26,027) and loan payable of US\$nil (December 31, 2025 – US\$37,524).

(f) Price Risk

The Company is exposed to price risk with respect to commodity prices. The Company's ability to raise capital to fund exploration and development activities is subject to risks associated with fluctuations in the market price of commodities.

**10. Capital Management**

The Company manages its capital to maintain its ability to continue as a going concern and to provide returns to shareholders and benefits to other stakeholders. The capital structure of the Company consists of cash and equity comprised of issued share capital and equity reserve.

The Company manages its capital structure and makes adjustments to it in light of economic conditions. The Company, upon approval from its Board of Directors, will balance its overall capital structure through new share issues or by undertaking other activities as deemed appropriate under the specific circumstances.

The properties in which the Company currently has an interest are in the exploration stage. As such, the Company is dependent upon external financings to fund activities. In order to carry out planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties, if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company is not subject to externally imposed capital requirements and the Company's overall strategy with respect to capital risk management remains unchanged from the year ended December 31, 2025.