Management's Discussion and Analysis

For the Three Months Ended
June 30, 2026

(Expressed in Canadian dollars, except where indicated)

Dated August 12, 2026

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This Management's Discussion and Analysis ("MD&A") focuses on significant factors that have affected Silver Elephant Mining Corp. (the "Company", "Issuer", "Silver Elephant" or "ELEF") and its subsidiaries' performance and such factors that may affect its future performance. This MD&A should be read in conjunction with the Company's audited consolidated financial statements and related notes for the year ended March 31, 2026 (the "Annual Financial Statements"), the accompanying unaudited condensed interim consolidated financial statements for the interim period ended June 30, 2026, both of which were prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") and the Company's Annual Information Form ("AIF"), dated June 26, 2026 (the "AIF"), all of which are available under the Company's SEDAR+ profile at www.sedarplus.ca. The information contained in this MD&A is current to August 12, 2026.

For the purposes of this MD&A, "Financial Position Date" means June 30, 2026, "this quarter" or "current quarter" means the three month period ended June 30, 2026, the "prior year quarter" means the three month period ended June 30, 2025.

The information provided herein supplements but does not form part of the financial statements. Financial information is expressed in Canadian dollars, unless stated otherwise. All references to "$" or "dollars" in this MD&A refer to Canadian dollars. References to "US$" or "USD" refer to United States dollars and "MNT" refer to Mongolian Tugriks. Readers are cautioned that this MD&A contains "forward-looking statements" and that actual events may vary from management's expectations. Readers are encouraged to read the cautionary note contained herein regarding such forward-looking statements. Information on risks associated with investing in the Company's securities are contained in the AIF.

Profile

The Company is incorporated under the laws of the Province of British Columbia, Canada. The common shares without par value in the capital of the Company (the "Common Shares") are listed for trading on the Toronto Stock Exchange (the "TSX") under the symbol "ELEF" and on the Frankfurt Stock Exchange under the symbol "1P2" and are quoted on the OTCQB under the symbol "SILEF". The Company maintains its registered and records office at Suite 1008 – 409 Granville Street, Vancouver, British Columbia, Canada, V6C 1T2.

The Company is a mineral exploration company focused on the development of its Pulacayo Paca silver-lead-zinc project located in southwestern Bolivia (the "Pulacayo Paca Project"). The Company is also evaluating strategic acquisitions to expand its portfolio of projects.

The Company also holds interests in (a) the Ulaan Ovoo coal project located in Mongolia; and (b) the Chandgana coal project, located in Mongolia. The Ulaan Ovoo coal project and the Chandgana coal project have all been fully impaired.

Overall Performance and Outlook

The following highlights the Company's overall performance for the periods presented:

	Three Months Ended		
	June 30, 2026 ($)	June 30, 2025 ($)	Change ($)
Net income (loss)	558,764	(2,074,165)	2,632,929
Net income (loss) attributable to shareholders of the Company	558,764	(1,991,068)	2,549,832
Cash used in operating activities	(89,190)	(361,032)	271,842
Cash at end of period	603,513	345,480	258,033
Earnings (loss) per share attributable to shareholders of the Company – basic	0.01	(0.05)	0.06
Earnings (loss) per share attributable to shareholders of the Company – diluted	0.01	(0.05)	0.06

Corporate Updates

On June 11, 2026 the Company entered into a binding definitive Asset Purchase Agreement (the "Robinson-Lasher APA") with CleanTech to acquire the Robinson-Lasher zinc-germanium-gallium project (the "Robinson-Lasher Project"), located in the Illinois-Kentucky Fluorspar District in Livingston County, Kentucky (the "Robinson-Lasher Transaction").

Subject to the terms and conditions of the Robinson-Lasher APA, the Company will acquire the Robinson-Lasher Project by:

- issuing 6,300,000 common shares of Silver Elephant to CleanTech; and
- paying aggregate cash consideration of US$1,255,000 in scheduled installments of: US$85,000 on or before September 1, 2026; US$85,000 on or before September 1, 2027; US$85,000 on or before September 1, 2028; and US$1,000,000 on or before September 1, 2029 (subject to the conditions described below).

In addition, on or before September 1, 2029, Silver Elephant must incur a minimum of US$2,000,000 in exploration expenditures at the Robinson-Lasher project; and complete an independent technical report prepared by a qualified person. CleanTech, through its wholly owned US subsidiary, entered into an option to purchase ("OTP") the Robinson-Lasher Project from an arm's length third party. The OTP terms are detailed in CleanTech's news release dated August 12, 2025. Title to the Robinson-Lasher project will be transferred to Silver Elephant upon CleanTech fulfilling the OTP terms and Silver Elephant fulfilling the Robinson-Lasher Transaction terms.

Completion of the Robinson-Lasher Transaction remains subject to a number of conditions, including receipt of all required approvals under applicable securities laws and stock exchange requirements, including any required approval of the Toronto Stock Exchange and the TSX Venture Exchange, and, as applicable, any required disinterested shareholder approval of each of Silver Elephant and CleanTech.

On June 15, 2026, the Company announced the appointment of Mr. Anthony Garson to the Board of Directors, effective immediately. The Company also announced that Mr. Nigel Lees has retired from his position as Director of the Company, effective June 11, 2026.

Civil Claim Against Andean Precious Metals Corp.

On June 17, 2025 the Company announced that it has, together with its subsidiaries Apogee Minerals Bolivia S.A. and ASC Bolivia LDC Sucursal Bolivia, filed a Notice of Civil Claim (the "Claim") in the Supreme Court of British Columbia, against Andean Precious Metals Corp. ("Andean" or "APM") and three individuals: Federico Gil, Vice President of Legal and Administration of Andean; Juan Carlos Sandoval, Chief Financial Officer of Andean; and Humberto Rada, President of Empresa Minera Manquiri, S.A., Andean's wholly-owned Bolivian subsidiary (together with Andean, the "Defendants").

The Claim arises out of the mining production contract (the "MPC") entered into in 2019 between Apogee and Corporación Minera de Bolivia ("Comibol"), Bolivia's state-owned mining company, pursuant to which Comibol granted Apogee the right to conduct mining activities for 15 years, with a right to extend for a further 15 years, over certain of Comibol's mining concessions, including the Temeridad and Real del Monte concessions located in the Municipality of Uyuni, Department of Potosí, Bolivia (the "Pulacayo Paca Project").

The Claim alleges that the Defendants, with knowledge of the MPC and of the Company's Master Services Agreement (the "MSA") and Sales and Purchase Agreement (the "SPA") with Andean to acquire oxide materials from the Pulacayo Paca Project, acted in concert with one another to induce Comibol to terminate the MPC for the Defendants' commercial benefit and at the Company's expense. As a direct result of this conduct, the Claim alleges that Comibol terminated the MPC on December 16, 2024, without proper basis, and the Company suffered resulting damages.

The Claim seeks general and special damages, punitive damages, interest pursuant to the Court Order Interest Act (British Columbia), and costs, which together are not possible to estimate with precision as at the time of filing.

Discussion Of Operations

Pulacayo Paca Project, Bolivia

The Pulacayo Paca Project is 3,553 hectares of contiguous areas (the "Pulacayo Paca Project Area") located on the historical Pulacayo mine 18 kilometers east of the town of Uyuni in the Department of Potosí, in southwestern Bolivia. The Pulacayo Paca Project is located 460 kilometers south-southeast of the national capital of La Paz and 150 kilometers southwest of the City of Potosí, the Department capital. Since October 2023, as part of operating oxide production the Company has developed certain infrastructure to support operations at the Pulacayo Paca Project. On site infrastructure constructed to date includes access roads, truck scale, office and dispatch rooms, washroom and security facilities.

On October 26, 2020 the Company filed a National Instrument 43-101 compliant independent Technical Report (the "Technical Report") for the Pulacayo Paca Project titled "Mineral Resource Estimate Technical Report for the Pulacayo Project" prepared by Matthew Harrington, P.Geo., Michael Cullen, P.Geo and Osvaldo Arce, P. Geo. each an independent "Qualified Person" as defined in NI 43-101, with an effective date of September 27, 2023. The Technical Report delineated a resource estimate at the Pulacayo Paca Project.

The Pulacayo Paca Project Area is made up of eight mining areas in total as follows:

- The Apuradita Area (or "Apuradita"): One mining area covering 750 hectares, held directly by the Company through a mining administrative contract; and
- The MPC Area: Seven mining areas covering 2,803 hectares, held through temporary permits and a Mining Production Contract dated October 3, 2019, with the Comibol.

The Company views its social license as integral to the development of the Pulacayo Paca Project. The Company actively engages with the local communities, keeping them up to date with regular town hall meetings, funding local infrastructure projects and providing community members with employment opportunities. In October 2023, the Company's subsidiaries in Bolivia signed a Cooperation Agreement with several local communities whereby the Company committed to active community engagement and the communities expressed support for the Company's activities at the Pulacayo Paca Project Area and agreed to cooperate with the Company's ongoing exploration and development activities.

The Company's objectives in 2026 at the Pulacayo Paca Project are:

- Continue surface exploration and sampling at the Apuradita Area to refine target areas and grades for possible open pit operations;
- Generate representative metallurgical and processing performance data through bulk sampling and test work from the Sulphide Tunnel Project (as defined below); and
- Maintain social license through continued pro active community engagement.

Apuradita Area

To maintain the Apuradita Area concession in good standing, the Company must make annual property payments every January, for approximately US$4,000 which is subject to adjustment. The Apuradita Claim Area concession permits the Company to explore and develop the Apuradita Area.

MPC Area

The MPC grants, once approved by the Plurinational Legislative Assembly, the Company exploration rights and an exclusive right to develop the MPC Area for up to 30 years. As at the Financial Position Date, approval has not yet been received.

In asserting its rights and compliance, the Company relies on two temporary work permits issued by Comibol in December 2019 and November 2020, which expressly authorized the Company to commence and conduct operations within the MPC Area while the MPC approval process was pending. Notably, while the initial 2019 permit was valid for a ninety-day period, the subsequent permit issued in November 2020 was granted without a stated expiration date. These permits constitute valid, binding administrative acts that remain legally effective, as they have not expired by operation of law nor been expressly nullified or revoked by Comibol. Consequently, the Company's prior operations were conducted under the protection of these permits and the principles of good faith and legitimate expectations.

In December 2024, Comibol issued a notice of cancellation (the "Notice of Cancellation") of the MPC approval process, citing alleged illegal mining. The Company disputes the basis for the Notice of Cancellation and maintains it operated in compliance with applicable permits and authorizations. The Company is pursuing legal and administrative remedies in Bolivia, while continuing engagement with Comibol and the Mining Ministry. The Company remains committed to advancing the Pulacayo Paca Project. The Notice of Cancellation does not affect the Apuradita Area.

On October 31, 2025, an administrative-contentious lawsuit was filed and subsequently formally admitted by the Supreme Tribunal of Justice in Sucre, Bolivia, primarily for seeking to nullify the decisions by Comibol and the Ministry of Mining and Metallurgy that terminated the Company's Mining Production Contract. The Company has completed all required pre-trial notification steps and following the expiration of the defendant's response deadline on June 8, 2026, the Company as at the date of this MD&A is waiting to receive formal court notification regarding the Ministry's submitted response.

Sales and Purchase Agreement and Master Services Agreement

On September 11, 2023, the Company entered into the SPA with APM and its subsidiary (together "APM Group"), for the sale of up to 800,000 tonnes of silver-bearing oxide materials from the Company's Pulacayo Paca mining areas. In addition, the Company entered into the MSA with APM Group to provide expertise in mining operations, community relations, logistics and access to technical and geological information, in exchange for APM Group agreeing to pay the Company an aggregate of $7,109,500 (US$5,000,000) in installments, of which $4,286,358 (US$3,150,000) had been received.

On December 30, 2024, APM Group failed to pay additional consideration of US$1,000,000 (the "First Additional Consideration") that became payable on December 18, 2024 under the MSA and related SPA. After the expiry of the applicable contractual cure period, the Company terminated the MSA and SPA.

On January 14, 2025, the Company commenced arbitration proceedings (the "First Additional Consideration Arbitration") against APM Group in accordance with the dispute resolution provisions of the MSA to enforce payment of the First Additional Consideration, together with applicable interest and costs.

On January 26, 2026, the Company received a favorable arbitration award, pursuant to which the arbitrator found that APM breached the applicable agreement and ordered APM to pay the Company the First Additional Consideration of US$1,000,000, together with pre-judgment interest, to be partially offset by a security deposit held by the Company in the amount of US$274,554. On February 20, 2026, a net of US$753,009 was received.

In connection with the MSA, the shares of the Company's subsidiaries Illumina Silver Mining Corp., Apogee Minerals Bolivia S.A., ASC Bolivia Limited and ASC Holdings Limited (the "Escrowed Assets") were deposited into escrow pursuant to an escrow agreement dated September 11, 2023. As at the Financial Position Date, the Escrowed Assets remain subject to the escrow arrangements established under the MSA. Under those arrangements, the Escrowed Assets may only be released upon joint written instructions from the parties or pursuant to a court order, arbitral award or other direction from a competent authority. Accordingly, the Company does not expect the Escrowed Assets to have been transferred or re-registered while subject to escrow. While the Company obtained a favorable arbitration award on January 26, 2026, in respect of the First Additional Consideration Arbitration, the award did not expressly direct release of the Escrowed Assets. The Company is evaluating the steps required to obtain their release and continues to assert its rights in respect of those assets. Until released from escrow, the Company retains a beneficial interest in the Escrowed Assets and does not have legal possession or control of them. The timing and outcome of any release process remain uncertain.

Sulphide

On April 30, 2026, the Company announced that it had sold a second silver-lead concentrate lot from the Company's Apuradita Area in Bolivia. Approximately 8,936 oz of silver was contained in concentrate and sold at US$74.8 per oz. The processing campaign treated approximately 1,845 tonnes of Apuradita feed grading 248 g/t Ag and 0.8% Pb.

On June 12, 2026, the Company announced that 1,220 tonnes of silver-bearing material, with an average silver grade of 410 g/t Ag, has been trucked to the toll-milling facility from the Company's Apuradita Area in Bolivia. The silver-bearing material is ready for processing into a third batch of silver concentrate for expected sale in August.

On July 27, 2026, the Company announced that it had produced its third batch of silver concentrate via toll milling with Apuradita material feed. The third concentrate batch totaled approximately 32 tonnes with an average grade of 12,168 g/t silver and 32.75% lead. The assay results were provided by SpectrAA Laboratory in Potosí, Bolivia, an independent commercial analytical laboratory.

The aforementioned sulphide activities do not constitute commercial production and are incidental to the Company's metallurgy study for Apuradita.

Pulacayo Paca Royalty

The Pulacayo Paca Project is subject to a royalty of the greater of two percent (2%) of net smelter returns or US$3 per tonne from the sale of minerals. This royalty is payable to Oracle Commodity Holding Corp. ("Oracle").

<u>Robinson-Lasher Project, Kentucky, USA</u>

On June 11, 2026, the Company entered into a binding definitive Asset Purchase Agreement (the "Robinson-Lasher APA") with CleanTech to acquire the Robinson-Lasher zinc-germanium-gallium project (the "Robinson-Lasher Project"), located in the Illinois-Kentucky Fluorspar District in Livingston County, Kentucky (the "Robinson-Lasher Transaction").

Subject to the terms and conditions of the Robinson-Lasher APA, the Company will acquire the Robinson-Lasher Project by:

- issuing 6,300,000 common shares of Silver Elephant to CleanTech; and
- paying aggregate cash consideration of US$1,255,000 in scheduled installments of: US$85,000 on or before September 1, 2026; US$85,000 on or before September 1, 2027; US$85,000 on or before September 1, 2028; and US$1,000,000 on or before September 1, 2029 (subject to the conditions described below).

In addition, on or before September 1, 2029, Silver Elephant must incur a minimum of US$2,000,000 in exploration expenditures at the Robinson-Lasher project; and complete an independent technical report prepared by a qualified person. CleanTech, through its wholly owned US subsidiary, entered into an option to purchase ("OTP") the Robinson-Lasher Project from an arm's length third party. The OTP terms are detailed in CleanTech's news release dated August 12, 2025. Title to the Robinson-Lasher project will be transferred to Silver Elephant upon CleanTech fulfilling the OTP terms and Silver Elephant fulfilling the Robinson-Lasher Transaction terms.

Completion of the Robinson-Lasher Transaction remains subject to a number of conditions, including receipt of all required approvals under applicable securities laws and stock exchange requirements, including any required approval of the Toronto Stock Exchange and the TSX Venture Exchange, and, as applicable, any required disinterested shareholder approval of each of Silver Elephant and CleanTech.

On July 6, 2026, the Company provided an exploration update on the Robinson-Lasher Project. Historical drilling in 2008 on the Robinson-Lasher Project returned germanium values up to 350 g/t and gallium values up to 20 g/t within sphalerite mineralized zones in two of the four holes drilled. Down-hole composite assays include an 81.4 foot interval grading approximately 11.2% zinc and 114 g/t germanium (hole DXHR-01), and a 16.0 foot interval grading approximately 13.4% zinc and 199 g/t germanium (with a peak of 350 g/t germanium; hole DXHR-03).

<u>Ulaan Ovoo and Chandgana Projects</u>

On July 6, 2026, the Company's wholly owned Mongolian subsidiary executed a lease agreement (the "UO Lease") with an arms-length Mongolian mining and industrial conglomerate (the "UO Lessee"). Under the UO Lease, the UO Lessee will extract coal from Ulaan Ovoo and pay the Company a royalty of US$2 for every tonne of coal removed from Ulaan Ovoo during the first two years of the UO Lease. This royalty increases to US$3 per tonne from January 1, 2028.

(Expressed in Canadian dollars, except where indicated)

The UO Lessee has paid Silver Elephant US$300,000 in cash as a non-refundable advance royalty fee and is preparing, at its own and sole expense, to operate Ulaan Ovoo with its own equipment, supplies, housing and crew. The UO Lessee will pay all government taxes and royalties related to its mining operation at Ulaan Ovoo.

The UO Lease expires on December 31, 2031, unless terminated earlier in accordance with the UO Lease terms, and may be extended with the mutual consent of the parties. A non-refundable annual advance royalty fee of US$200,000 is payable by the UO Lessee after the first year of the UO Lease.

Royalty

The Ulaan Ovoo Project and Chandgana Project are subject to a royalty payable to Oracle, which is: a) for coal, the greater of US$2 per tonne or 3% of net smelter returns; and b) for minerals other than coal, 2% of net smelter returns on sale of minerals.

Investment in Oracle

On August 14, 2025, Oracle was deconsolidated from the Company's consolidated financial statements as a result of loss of de facto control from the sale of shares of Oracle (the "Oracle Deconsolidation"). However, as the Company still maintained significant influence over Oracle at that time, the Company applied the equity method of accounting for Oracle as applicable. The Company has significant influence over Oracle as a result of having the power to participate in the financial and operating policy decisions of Oracle but does not have control or joint control.

The Company recorded the carrying value of its investment in Oracle at its fair value of $494,002, resulting in a loss from deconsolidation of $491,624. The fair value of the Company's investment in Oracle is determined based on share price of Oracle during August 14, 2025.

As a result of dispositions of shares of Oracle, at June 30, 2026, the Company owned nil (March 31, 2026 – 12,200,110) common shares of Oracle with a fair value of $nil (March 31, 2026 – $488,004), representing approximately nil% (March 31, 2026 – 11%) of the issued and outstanding common shares.

	$
Balance, August 14, 2025	494,002
Disposition of Oracle common shares	(275,249)
Proportionate share of losses	(53,807)
Gain from changes in interest	45,295
Balance, March 31, 2026	**210,241**
Disposition of Oracle common shares	(212,727)
Proportionate share of losses	(11,793)
Gain from changes in interest	14,279
Balance, June 30, 2026	**-**

(Expressed in Canadian dollars, except where indicated)

The table below is a summary of the Company's exploration and evaluation assets:

Pulacayo Paca	**($)**
Balance, April 1, 2025	21,986,160
Geological and consulting	607,715
Personnel, camp and general	626,004
Metallurgy	507,260
Licenses, tax and permits	13,161
Proceeds from sale of concentrate	(252,223)
Proceeds from MSA	(1,369,070)
Foreign exchange	(313,040)
Balance, March 31, 2026	**21,805,967**
Geological and consulting	213,138
Personnel, camp and general	421,577
Proceeds from sale of concentrate	(958,277)
Foreign exchange	242,702
Balance, June 30, 2026	**21,725,107**

Summary Of Quarterly Results

The following tables summarize selected consolidated financial information prepared in accordance with IFRS for the eight most recently completed quarters:

Quarter Ending	**Quarter Name**	**Net Income (Loss) for the Quarter Attributable to Shareholders of the Company ($)**	**Basic Earnings (Loss) Per Share Attributable to Shareholders of the Company ($)**	**Diluted Earnings (Loss) Per Share Attributable to Shareholders of the Company ($)**
June 30, 2026	Q1 2027	558,764	0.01	0.01
March 31, 2026	Q4 2026	447,022	0.01	0.01
December 31, 2025	Q3 2026	26,282,753	0.51	0.49
September 30, 2025	Q2 2026	(1,748,492)	(0.04)	(0.04)
June 30, 2025	Q1 2026	(1,991,068)	(0.04)	(0.04)
March 31, 2025	Q4 2025	(1,231,803)[1]	(0.03)	(0.03)
December 31, 2024 (restated)	Q3 2025	(2,011,599)	(0.05)	(0.05)
September 30, 2024 (restated)	Q2 2025	(2,891,724)	(0.08)	(0.08)

[1] The Q4 2025 quarterly figure shown in the table above was derived based on the revised quarterly information related to the fiscal 2025 year. There was no change to the total net loss reported for the year ended March 31, 2025.

Net income and net income attributable to shareholders of the Company for the three months ended June 30, 2026 was $558,764, as compared to a net loss of $2,074,165 for the three months ended June 30, 2025. The prior year quarter's net loss is comprised of $1,991,068 attributable to shareholders of the Company and a net loss of $83,097 attributable to non-controlling interests.

Of note for the current quarter as compared to the prior year quarter, are the following items:

- Consulting and management fees decreased to $122,118, compared to $191,275. The decrease in the current quarter is mainly attributable to the resignation of the Company's Chief Legal Officer, and the Oracle Deconsolidation.

- Professional fees decreased to $84,244, compared to $232,804. The higher amount in the prior year quarter is primarily in connection with legal fees for an arbitration against APM related to the First Additional Consideration Arbitration. The current quarter is also lower because of the Oracle Deconsolidation.

- Salaries and benefits decreased to $162,232, relatively consistent with $167,767. The current quarter amount is partially reduced as a result of the Oracle Deconsolidation.

- Share-based payments of $52,694 compared to $114,638. Share-based payments is a non-cash expense, and such expense is recognized in profit or loss over the vesting period of the underlying share purchase options granted to certain directors, officers, employees and consultants of the Company. The current quarter amount is also partially reduced as a result of the Oracle Deconsolidation.

- Bad debt recovery of $116,189 this quarter compared to a bad debt expense of $22,711 during the prior year quarter, which relates to the Company's Bolivian activities in connection with the collectability of value-added tax and certain accounts receivable.

- Ulaan Ovoo tax assessment interest of $nil this quarter compared to $622,161 during the prior year quarter. The prior year quarter amount relates to a tax assessment the Company's Mongolian subsidiary received and subsequently successfully disputed resulting in a full dismissal and cancellation of the tax assessment.

- A gain on disposal of investment in Oracle of $208,449 this quarter, compared to $nil. During the current quarter the Company sold its remaining shares of Oracle and received total cash proceeds of $421,176.

- A gain of $748,711 from fair value changes in derivative liabilities this quarter, compared to a loss of $798,951 during the prior year quarter. The results for both quarters are mainly attributable to fair value changes of certain warrants which are considered derivative liabilities as the Company has an option to reduce the exercise price of such warrants. Changes in the Company's share price directly impact these derivative liabilities.

Variations Over the Quarters

Q4 2026 resulted in a net income of $447,022, mainly comprised of a gain of $1,951,327 from fair value changes in derivative liabilities, partially offset by a loss of $577,629 from foreign exchange, general and administrative expenses totalling $533,928, and $316,913 from care and maintenance of coal properties. General and administrative expenses include, but not limited to, salaries and benefits of $139,516, consulting and management fees of $128,294, professional fees of $120,408, and share-based payments of $67,568.

Q3 2026 resulted in a net income of $26,282,753, mainly comprised of Ulaan Ovoo tax assessment recovery of $20,911,750, and Ulaan Ovoo tax assessment interest recovery of $6,608,388, partially offset by general and administrative expenses totalling $771,367, and recognizing a loss of $1,107,474 from fair value changes in derivative liabilities. General and administrative expenses include, but not limited to, salaries and benefits of $138,146, consulting and management fees of $142,120, professional fees of $253,134, and share-based payments of $86,151.

Q2 2026 resulted in a net loss of $1,923,904, mainly comprised of general and administrative expenses totalling $705,168, recognizing a loss of $582,195 from deconsolidation of Oracle, and Ulaan Ovoo tax assessment interest of $621,499, a loss from equity accounted investment in Oracle of $202,520, partially offset by a gain of $376,035 from fair value changes in derivative liabilities, and a gain of $154,999 from the sale of the Triunfo Project to CleanTech . General and administrative expenses include, but not limited to, salaries and benefits of $136,362, consulting and management fees of $114,539, professional fees of $165,586, and share-based payments of $95,310.

Q1 2026 resulted in a net loss of $2,074,165, mainly comprised of general and administrative expenses totalling $867,388, recognizing a loss of $753,038 from fair value changes in derivative liabilities, and Ulaan Ovoo tax assessment interest of $622,161. General and administrative expenses include, but not limited to, salaries and benefits of $167,767, consulting and management fees of $191,275, professional fees of $232,804, and share-based payments of $114,638.

(Expressed in Canadian dollars, except where indicated)

Q4 2025 resulted in a net loss of $1,354,356, mainly comprised of general and administrative expenses totalling $907,728, recognizing a loss from impairment in investment in CleanTech of $785,119 and Ulaan Ovoo tax assessment interest of $658,385, partially offset by a gain from equity accounted investment in CleanTech of $633,130. General and administrative expenses include, but not limited to, salaries and benefits of $250,074, consulting and management fees of $183,181, professional fees of $179,590, and share-based payments of $99,817.

Q3 2025 resulted in a net loss of $2,165,212, mainly comprised of general and administrative expenses totalling $886,584, recognizing a loss from equity accounted investment in CleanTech of $323,035 and Ulaan Ovoo tax assessment interest of $664,826, other loss of $219,538, which includes $219,613 related to bad debt expense from the Company's Bolivian activities. General and administrative expenses include, but not limited to, salaries and benefits of $231,114, share-based payments of $157,341, and consulting and management fees of $178,597.

Q2 2025 resulted in a net loss of $3,071,235, mainly comprised of general and administrative expenses totalling $775,973, recognizing Ulaan Ovoo tax assessment interest of $652,678, a loss from equity accounted investment in CleanTech of $718,662 and a loss from the Nevada Vanadium Deconsolidation of $1,188,283. General and administrative expenses include, but not limited to, salaries and benefits of $161,200, share-based payments of $245,485, and consulting and management fees of $131,382.

Liquidity And Capital Resources

The Company utilizes existing cash received from prior issuances of equity instruments to provide liquidity to the Company and finance exploration projects.

As at the Financial Position Date, the Company had a working capital deficiency of $1,093,617 compared to $2,205,847 at March 31, 2026.

Cash flow information:

	Three Months Ended	
	June 30, 2026 ($)	**June 30, 2025 ($)**
Cash used in operating activities	(89,190)	(361,032)
Cash provided from (used in) investing activities	372,015	(412,697)
Cash provided from (used in) financing activities	(5,100)	847,730
Cash, end of the period	603,513	345,480

Cash Flow Highlights

Operating activities: During the three months ended June 30, 2026, the Company used $89,190 in operating activities, compared to $361,032 during the prior year quarter. The decrease in cash used in operating activities is mainly attributable to the Company managing its working capital and the Oracle Deconsolidation.

Investing activities**:** During the three months ended June 30, 2026, the Company received $372,015 from investing activities, compared to $412,697 used in investing activities during the prior year quarter. During the current quarter, the Company received $421,176 from the sale of shares of Oracle, partially offset by $49,161 invested in the Pulacayo Paca Project. During the prior year quarter, the Company invested $587,363 in the Pulacayo Paca Project, and $9,343 in derivative assets. These were partially offset by $84,009 from the sale of shares of CleanTech and $100,000 from the sale of shares of Oracle.

Financing activities**:** During the three months ended June 30, 2026, the Company used $5,100 on lease payments for the Company's Vancouver office. During the prior year quarter, the Company received $852,830 from share issuances, partially offset by lease payments of $5,100 for the Company's Vancouver office.

(Expressed in Canadian dollars, except where indicated)

As at the Financial Position Date, the Company had cash of $603,513, and current liabilities of $1,794,110. The Company will need to conduct additional financings to meet working capital requirements, and obligations as they become due.

Contractual Obligations

	Payments Due by Period		
	Less than 1 year ($)	1-3 years ($)	Total ($)
Lease Liabilities (Office Lease)	19,022	13,308	32,330
Total Contractual Obligations	**19,022**	**13,308**	**32,330**

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Related Party Transactions

The Company has a cost sharing agreement (the "CSA") with CleanTech and Oracle pursuant to which the companies provide each other with general, technical and administrative services, as reasonably requested, on a cost reimbursement basis.

During the three months ended June 30, 2026, the Company had related party transactions with key management personnel who provide management and consulting services to the Company. Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, and include, but are not limited to, the Chief Executive Officer ("CEO"), Executive Vice President, Finance & Chief Financial Officer ("EVP & CFO"), and executive and non-executive directors.

A summary of related party transactions is as follows:

	Three Months Ended	
	June 30, 2026 ($)	June 30, 2025 ($)
CSA fees charged by CleanTech, a company with certain directors and officers in common	39,978	-
CSA recoveries from CleanTech	(66,566)	(111,155)
CSA recoveries from Oracle, a company with certain a director and officers in common	(34,189)	-
Management fees charged by Linx Partners Ltd., a company controlled by John Lee, Director, CEO and Executive Chairman of the Company	108,938	108,938
Directors' fees	22,200	26,200
Salaries and benefits paid to key management of the Company	74,735	65,010
Share-based payments – John Lee	10,599	18,822
Share-based payments – directors	8,195	9,018
Share-based payments – key management of the Company	5,690	22,900
Share-based payments – former key management of the Company	1,335	6,236

(Expressed in Canadian dollars, except where indicated)

The Company had balances due to related parties as follows:

	June 30, 2026 ($)	March 31, 2026 ($)
Due from Cleantech	8,446	4,150
Due to Oracle	(231,438)	(242,582)
Directors' fees payable	(41,200)	(19,000)
Management fees advanced to (payable to) John Lee	(59,500)	29,750

Proposed Transactions

Other than as disclosed elsewhere in this MD&A, there are no other proposed transactions as at the date of this MD&A.

Critical Accounting Policies and Estimates

The preparation of financial statements in accordance with IFRS requires management to make estimates and assumptions which affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

Estimates and assumptions used by management where there is risk of material adjustments to assets and liabilities in future accounting periods include the assumptions used in determination of the fair value of share-based payments and warrant liabilities, estimation of taxes and related penalties and interest, the timing and amount of decommissioning, restoration and similar liabilities and contingent liabilities.

The Company assesses its mineral properties' rehabilitation provision at each reporting date or when new material information becomes available. Exploration, development and mining activities are subject to various laws and regulations governing the protection of the environment. In general, these laws and regulations are continually changing, and the Company has made, and intends to make in the future, expenditures to comply with such laws and regulations. Accounting for reclamation obligations requires management to make estimates of the future costs that the Company will incur to complete the reclamation work required to comply with existing laws and regulations at each location. Actual costs incurred may differ from those amounts estimated.

The preparation of financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments in preparing the Company's financial statements include determination of whether the Company has title and rights to the MPC Area within its Pulacayo Project, the assumption that the Company will continue as a going concern and whether the Company has significant influence over other entities, classification of expenditures as exploration and evaluation expenditures or operating expenses, the classification of financial instruments and determining de facto control.

Changes in Accounting Policies and Standards

Future Changes in Accounting Standards

In April 2024, the IASB issued *IFRS 18, Presentation and Disclosure in Financial Statements* ("IFRS 18"), the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:

- the structure of the statement of profit or loss;
- required disclosures in the financial statements for certain profit 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 replace IAS 1; many of the other existing principles in IAS 1 are retained, with limited changes. IFRS 18 will not impact the recognition or measurement of items in the financial statements, but it might change what an entity reports as its 'operating profit or loss'. IFRS 18 will apply for reporting periods beginning on or after 1 January 2027 and also applies to comparative information.

The Company is currently evaluating the impact of IFRS 18 on its consolidated financial statements.

Certain accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's consolidated financial statements.

Capital Management

Management considers its capital structure to consist of share capital, stock options and warrants. The Company manages its capital structure and makes adjustments to it, based on the funds available to, and required by the Company in order to support the acquisition, exploration and development of exploration and evaluation assets. The Board of Directors does not establish quantitative returns on capital criteria for management. In order to facilitate the management of its capital requirements, the Company prepares annual expenditure budgets that are updated as necessary depending on various factors.

The properties in which the Company currently holds interests are predominantly in the exploration and development stage; as such, the Company is dependent on external financing to fund its activities. In order to carry out exploration and development plans and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. There were no changes in management's approach to capital management during the three months ended June 30, 2026. Neither the Company nor its subsidiaries are subject to externally imposed capital requirements.

Fair Value Measurements and Financial Instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy establishes three levels to classify the inputs to valuation techniques used to measure fair value. The Company utilizes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value as follows:

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

Level 2 – inputs are quoted prices in markets that are not active, quoted prices for similar assets or liabilities in active markets, inputs other than quoted prices that are observable for the asset or liability (for example, interest rate and yield curves observable at commonly quoted intervals, forward pricing curves used to value currency and commodity contracts and volatility measurements used to value option contracts), or inputs that are derived principally from or corroborated by observable market data or other means; and

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

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs.

The Company has determined the estimated fair values of its financial instruments based upon appropriate valuation methodologies. As at the Financial Position Date, there were no financial assets measured and recognized in the statement of position that would be categorized as Level 2 or Level 3 in the fair value hierarchy above.

The fair value of the Company's financial instruments including cash, accounts payable and accrued liabilities and due to related parties approximates their carrying value due to the immediate or short-term maturity of these financial instruments. Restricted cash equivalents included in other non-current assets is readily convertible into cash, and therefore its carrying value approximates fair value. Derivative liabilities except when the Company issues a unit comprising common shares and warrants that have variability in its settlement ("Variable Warrants") are recorded at fair value based on the quoted market price at the end of each reporting period with changes in fair value through profit or loss. As at the Financial Position Date, the fair value of: derivative liabilities (fair value of warrants) is $447,078 (March 31, 2026 - $1,195,789). The Company does not offset financial assets with financial liabilities. Variable Warrants are classified as level 2. There were no transfers between Level 1, 2 and 3 for the three months ended June 30, 2026.

The Company's financial instruments are exposed to certain financial risks. The risk exposures and the impact on the Company's financial instruments at the Financial Position Date are summarized below. The Board of Directors periodically reviews with management the principal risks affecting the Company and the systems that have been put in place to manage these risks.

(a) Liquidity risk

Liquidity risk is the risk that an entity will be unable to meet its financial obligations as they fall due. The Company manages liquidity risk by preparing cash flow forecasts of upcoming cash requirements. As at the Financial Position Date, the Company had a cash balance of $603,513 (March 31, 2026 – $324,948) and accounts payable and accrued liabilities of $1,328,010 (March 31, 2026 - $1,440,612). Liquidity risk is assessed as very high.

The Company has a planning and budgeting process in place by which it anticipates and determines the funds required to support normal operation requirements as well as the growth and development of its mineral property interests. The Company coordinates this planning and budgeting process with its financing activities through the capital management process in normal circumstances.

(b) 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 is exposed to credit risk primarily associated with cash, and restricted cash equivalents included in other non-current assets. The carrying amount of financial assets included on the statements of financial position represents the maximum credit exposure.

(c) Market risk

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company's cash and restricted cash equivalents included in other non-current assets primarily include highly liquid investments that earn interest at market rates that are fixed to maturity. Due to the short-term nature of these financial instruments, fluctuations in market rates do not have significant impact on the fair values of the financial instruments as of the Financial Position Date. The Company manages interest rate risk by maintaining an investment policy that focuses primarily on preservation of capital and liquidity.

(ii) Foreign currency risk

The Company is exposed to foreign currency risk to the extent that monetary assets and liabilities held by the Company are not denominated in Canadian dollars. The Company has foreign exploration and development projects in Mongolia and Bolivia and undertakes transactions in various foreign currencies. The Company is therefore exposed to foreign currency risk arising from transactions denominated in a foreign currency and the translation of financial instruments denominated in US dollars, Mongolian tugrik, and Bolivian boliviano into its reporting currency, the Canadian dollar.

(iii) Commodity and equity price risk

Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. Commodity prices fluctuate on a daily basis and are affected by numerous factors beyond the Company's control. The supply and demand for these commodities, the level of interest rates, the rate of inflation, investment decisions by large holders of commodities including governmental reserves and stability of exchange rates can all cause significant fluctuations in prices. Such external economic factors are in turn influenced by changes in international investment patterns and monetary systems and political developments. The Company is also exposed to price risk with regards to equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market.

(Expressed in Canadian dollars, except where indicated)

(iv) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company's derivative financial liability includes Variable Warrants. A 10% increase or decrease in the market price of common shares of the Company has a corresponding effect of approximately $45,000 to net loss.

The Company closely monitors commodity prices, individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company. Fluctuations in value may be significant.

Sensitivity Analysis

A 1% change in interest rates does not have a material effect on the Company's profit or loss and equity.

The Company has certain cash balances, and accounts payables denominated in either the US Dollar, Mongolian Tugrik or Bolivian Boliviano (the "Foreign Currencies"), currencies other than the functional currency of Company. Based on the above, net exposures as at the Financial Position Date, with other variables unchanged, a 10% strengthening (weakening) of the Canadian dollar against the Mongolian Tugrik would impact net loss and comprehensive loss with other variables unchanged by approximately $8,000. A 10% strengthening (weakening) of the Canadian dollar against the Bolivian Boliviano would impact net loss and comprehensive loss with other variables unchanged by approximately $12,000. A 10% strengthening (weakening) of the US Dollar against the Canadian Dollar would impact net gain with other variables unchanged by approximately $4,000. The Company currently does not use any foreign exchange contracts to hedge this currency risk.

Outstanding Share Data

The Company has an authorized capital of an unlimited number of common shares without par value. The table below represents the Company's capital structure as at the dates presented:

	As at Date Of this MD&A	**June 30, 2026**
Common shares issued and outstanding	57,537,933	57,537,933
Share purchase options outstanding	4,800,750	4,800,750
Share purchase warrants	22,202,097	22,202,097

Qualified Person

The technical contents of this MD&A as it relates to the Pulacayo Project has been reviewed and approved by Carlos Zamora, CPG, an employee of the Company who is a Qualified Person as defined by National Instrument 43-101.

The technical contents of this MD&A as it relates to the Robinson-Lasher Project has been reviewed and approved by Michael Hendrickson, P.Geo, an independent Qualified Person as defined by National Instrument 43-101.

Risks And Uncertainties

The Company's business is the exploration, evaluation and development of mining properties. Thus, the Company's operations are speculative due to the high-risk nature of its business. The following list details existing and future material risks to the Company. The following risks are not necessarily listed in order of importance and are not exhaustive. Additional risks and uncertainties not currently known to the Company, or those that it currently deems to be immaterial, may become material and adversely affect the Company. The realization of any of these risks may materially and adversely impact the Company's business, financial condition or results of operations and/or the market price of the Company's securities. Certain risk factors are discussed in more detail under the heading "*Risk Factors*" in the AIF, which is available under the Company's SEDAR+ profile at www.sedarplus.ca.

- The Company's history of net losses;
- Capital costs, operating costs, production, and economic returns;

- Exploration and development risks;
- The Company has no history of profitable mineral production;
- The risks inherent to the estimation of mineral reserves and mineral resources;
- Environmental risks;
- Foreign operations risks associated with operating in Bolivia and Mongolia;
- Risks associated with the cancellation of the MPC;
- Government approvals and permits;
- Risks associated with the Company's property and mining interests;
- Risks associated with the Company's mineral claims, mining leases, licenses and permits;
- Title risks;
- Risks associated with claims from Indigenous or community groups;
- Risks associated with competition;
- Inherent mining and geological risks;
- The Company's reliance on key personnel;
- The volatility of mineral prices,
- Currency fluctuations;
- Global, national and local financial conditions;
- Risks associated with third-party contractors;
- Anti-bribery legislation;
- Uninsured risks;
- The Company has no history of making dividend payments;
- Related party transactions;
- Litigation and regulatory proceedings;
- Cyber security risks;
- Risks associated with being a foreign private issuer;
- Risks associated with non-Canadian investors;
- Risks associated with the Company's operations in emerging markets, including but not limited to restrictions on the repatriation of funds; and
- Emerging risks.

An emerging risk is a risk not well understood at the current time and for which the impacts on strategy and financial results are difficult to assess or are in the process of being assessed.

Capital Resources

As an exploration company, the Company has no regular cash in-flow from operations, and the level of operations is principally a function of availability of capital resources. The Company's capital resources are largely determined by the strength of the junior resource markets and by the status of the Company's projects in relation to these markets, and its ability to compete for investor support of its projects. To date, the principal sources of funding have been equity and debt financing. Many factors influence the Company's ability to raise funds, and there is no assurance that the Company will be successful in obtaining adequate financing with favourable terms, or at all, for these or other purposes including general working capital purposes. For the foreseeable future, as existing properties are explored, evaluated and developed, the Company will continue to seek capital through the issuance of equity, strategic alliances or joint ventures, and debt.

The Company expects to continue requiring cash for operations and exploration and evaluation activities as expenditures are incurred while no revenues are generated. Therefore, its continuance as a going concern is dependent upon its ability to obtain adequate financing to fund future operations based on annual budgets approved by the Company's board of directors, consistent with established internal control guidelines, and programs recommended in certain technical reports. The Company has managed its working capital by controlling its spending on its properties and operations. Due to the ongoing planned advancement of Pulacayo Paca Project milestones, the Company will continue to incur costs associated with exploration, evaluation and development activities, while no revenues are being generated.

Disclosure Controls and Procedures ("DC&P")

Disclosure controls and procedures are designed to provide reasonable assurance that information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in the securities legislation and include controls and procedures designed to ensure that information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted under securities legislation is accumulated and communicated to the Company's management, including its CEO and CFO, as appropriate to allow timely decisions regarding required disclosure.

The Company's CEO and CFO (the "Certifying Officers") are responsible for establishing and maintaining adequate DC&P. Under the supervision and with the participation of the Certifying Officers, the Company evaluated the effectiveness of its DC&P in accordance with requirements of National Instrument 52-109 ("NI 52-109"). As of March 31, 2026, based on the evaluation, the Company's Certifying Officers concluded that the Company's DC&P were effective.

There have been no changes in the Company's disclosure controls and procedures during the current quarter that have materially affected, or are reasonably likely to materially affect, disclosure controls and procedures.

Internal Controls over Financial Reporting ("ICFR")

The Company's management, with the participation of the Chief Executive Officer and Chief Financial Officer, is responsible for establishing and maintaining adequate internal control over financial reporting. The Company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. The Company's internal control over financial reporting includes those policies and procedures that:

- pertain to the maintenance of records that, in reasonable detail accurately and fairly reflect the transactions, acquisition and disposition of assets and liabilities;
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of the financial statements in accordance with IFRS and that receipts and expenditures are being made only in accordance with the authorization of management and directors of the Company; and
- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of assets, and incurrence of liabilities, that could have a material effect on the financial statements.

The Company evaluated the effectiveness of its ICFR as of March 31, 2026 based on the Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on the evaluation, the Company's Certifying Officers concluded that the Company's ICFR was effective as of March 31, 2026.

There have been no changes in the Company's internal control over financial reporting during the current quarter that have materially affected, or are reasonably likely to materially affect, internal control over financial reporting.

Limitations of Controls and Procedures

The Company's management, including the Chief Executive Officer and the Chief Financial Officer, believe that any disclosure controls and procedures or internal controls over financial reporting, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, they cannot provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been prevented or detected. These inherent limitations include the realities that judgements in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by unauthorized override of the control. The design of any systems of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Accordingly, because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

Production Disclaimer

The Company's production decision for the Pulacayo Paca Project was based on internal production models (the "Internal Model") rather than a pre-feasibility study or feasibility study demonstrating the economic and technical viability of mineral reserves. This decision was driven by the project's relatively low initial capital requirements – specifically the ability to bypass the construction of a processing facility – and the Company's existing knowledge of the resource base. As a result, there is a higher degree of uncertainty and a greater risk of technical and economic failure associated with this production decision. These risks, among others, include the inclusion of inferred mineral resources in the Internal Model that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be classified as mineral reserves.

In addition, certain analyses and studies that are typically completed as part of a pre-feasibility or feasibility study have not been undertaken, including detailed evaluations of mining and recovery methods, metallurgical performance, operating and capital costs, market conditions, and environmental and community considerations. There is no assurance given the known and unknown risks associated with the Pulacayo Paca Project, the Company will be able to operate profitably or that production will be sustained. In addition, there is no assurance that continued exploration of the Pulacayo Paca Project will demonstrate adequate additional mineralization which can be mined economically, and mining operations at Pulacayo Paca may not be sustainable beyond currently estimated resources or in the medium to long term, or at all.

Cautionary Note Regarding Forward-Looking Statements

Certain statements contained in this MD&A constitute "forward-looking statements" within the meaning of United States securities laws and "forward-looking information" within the meaning of Canadian securities laws and are intended to be covered by the safe harbors provided by such regulations (such forward-looking statements and forward-looking information are collectively referred to herein as "forward-looking statements"). These forward-looking statements concern anticipated developments in the Company's continuing and future operations in the United States, Canada, Bolivia and Mongolia, and the adequacy of the Company's financial resources and financial projections.

Forward-looking statements in this MD&A are frequently, but not always, identified by words such as "expects", "anticipates", "intends", "believes", "estimates", "potentially" or similar expressions, or statements that events, conditions or results "will", "may", "would", "could" or "should" occur or are "to be" achieved, and statements related to matters which are not historical facts. Information concerning management's expectations regarding the Company's future growth, results of operations, performance, business prospects and opportunities may also be deemed to be forward-looking statements, as such information constitutes predictions based on certain factors, estimates and assumptions subject to significant business, economic, competitive and other uncertainties and contingencies, and involve known and unknown risks which may cause the actual results, performance, or achievements to be different from future results, performance, or achievements contained in the forward- looking statements. Such forward-looking statements include but are not limited to statements regarding the Company's planned and future exploration and/or development of any of the Company's projects; permitting and feasibility any of the Company's projects; political instability and social unrest in Bolivia and other jurisdictions where the Company operates; the Company's goals regarding exploration, and development of, and production from its projects, and regarding raising capital and conducting further exploration and developments of its properties; approval by regulatory authorities and over-the-counter markets of filings or applications; the Company's future business plans; the Company's future financial and operating performance; the future price of silver, lead, zinc, vanadium and other metals; expectations regarding any environmental issues that may affect production or planned or future exploration and development programs and the potential impact of complying with existing and proposed environmental laws and regulations; the ability to obtain or maintain any required permits, licenses or other necessary approvals for the exploration or development of the Company's projects; government regulation of mineral exploration and development operations in Bolivia and other relevant jurisdictions; the Company's reliance on key management personnel, advisors and consultants; the volatility of global financial markets; the timing and amount of estimated future operating and exploration expenditures; the costs and timing of the development of new deposits; the continuation of the Company as a going concern; the likelihood of securing project financing; the impacts of changes in the legal and regulatory environment in which the Company operates; the timing and possible outcome of any pending litigation and regulatory matters; and other information concerning possible or assumed future results of the Company's operations, including: estimated future coal production at any of the Company's coal properties, and other information concerning possible or assumed future results of operations of the Company.

Statements relating to mineral resources are deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the mineral resources described exist in the quantities predicted or estimated and may be profitably produced in the future. Estimated values of future net revenue do not represent fair market value. There is no certainty that it will be commercially viable to produce any portion of the mineral resources.

Forward-looking statements are not guarantees of future performance and are based upon a number of estimates and assumptions of management at the date the statements are made including, among other things, the following: timely receipt of regulatory and governmental approvals (including licenses and permits) for the development, construction and production of the Company's properties and projects; there being no significant disruptions affecting operations, whether due to labour disruptions, pandemics; currency exchange rates being approximately consistent with current levels; certain price assumptions for silver, lead, zinc, vanadium and other metals; prices for and availability of fuel and electricity; parts and equipment and other key supplies remaining consistent with current levels and prices; production forecasts meeting expectations; the accuracy of the Company's current mineral resource estimates and of any metallurgical testing completed to date; labour and materials costs increasing on a basis consistent with the Company's current expectations; any additional required financing being available on reasonable terms; market developments and trends in global supply and demand for silver, lead, zinc, and other metals meeting expectations; favourable operating conditions; political stability; access to necessary financing; stability of labour markets and in market conditions in general; and estimates of costs and expenditures to complete the Company's programs. The Company has no assurance that any of these assumptions will prove to be correct.

Many of these assumptions are inherently subject to significant business, social, economic, political, regulatory, competitive and other risks and uncertainties, contingencies, and other factors that are not within the control of the Company and could thus cause actual performance, achievements, actions, events, results or conditions to be materially different from those projected in the forward-looking statements. Furthermore, such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from those reflected in the forward-looking statements, whether expressed or implied. Such factors include, among others, the following: the Company is an exploration stage company; the cost, timing and amount of estimated future capital, operating exploration, acquisition, development and reclamation activities; the volatility of the market price of the Common Shares; judgment of management when exercising discretion in the use of proceeds from offerings of securities; sales of a significant number of Common Shares in the public markets, or the perception of such sales, could depress the market price of the Common Shares; potential dilution with the issuance of additional Common Shares; none of the properties in which the Company has a material interest have mineral reserves; estimates of mineral resources are based on interpretation and assumptions and are inherently imprecise; the Company has not received any material revenue or net profit to date; exploration, development and production risks; no history of profitable mineral production; actual capital costs, operating costs, production and economic returns may differ significantly from those the Company has anticipated; foreign operations and political condition risks and uncertainties; legal and political risk; amendments to local laws; the ability to obtain, maintain or renew underlying licenses and permits; title to mineral properties; environmental risks; competitive conditions in the mineral exploration and mining business; availability of adequate infrastructure; the ability of the Company to retain its key management and employees and the impact of shortages of skilled personnel and contractors; limits of insurance coverage and uninsurable risk; reliance on third party contractors; the availability of additional financing on reasonable terms or at all; foreign exchange risk; impact of anti-corruption legislation; recent global financial conditions; changes to the Company's dividend policy; conflicts of interest; cyber security risks; litigation and regulatory proceedings; the obligations which the Company must satisfy in order to maintain its interests in its properties; the influence of third-party stakeholders; the Company's relationships with the communities in which it operates; human error; the speculative nature of mineral exploration and development in general, including the risk of diminishing quantities or grades of mineralization; and other risks and the factors discussed under the heading "Risk Factors" in the AIF and in analogous disclosure in other disclosure documents of the Company available on SEDAR+ at www.sedarplus.ca.
The foregoing list is not exhaustive and additional factors may affect any of the Company's forward-looking statements. Although the Company has attempted to identify important factors that could cause actual performance, achievements, actions, events, results or conditions to differ materially from those described in forward-looking statements, there may be other factors that cause performance, achievements, actions, events, results or conditions to differ from those anticipated, estimated or intended.

These forward-looking statements, may involve, but are not limited to, statements with respect to future events or future performance, the general performance of the assets of the Company, and the results of exploration, development and production activities as well as expansions projects relating to the properties of the Company. Such forward-looking statements, which reflect management's expectations regarding the Company's future growth, results of operations, performance, and business prospects and opportunities, are based on certain factors and assumptions, including, without limitation, management's perceptions of historical trends; current conditions; expected future developments; the ongoing operation of the properties of the Company; the accuracy of public statements *and disclosures made by the operators of such underlying properties; no material adverse change in the market price of the commodities that underlie the asset portfolio; no adverse development in respect of any significant property of the Company; the accuracy of expectations for the development of underlying properties that are not yet in production; and the absence of any other factors that could cause actions, events or results to differ from those anticipated, estimated or intended, and involve known and unknown risks and uncertainties which may cause the actual results, performance, or achievements to be materially different from future results, performance, or achievements expressed or implied by such forward-looking statements.*

(Expressed in Canadian dollars, except where indicated)

The forward-looking statements contained herein are made as of the date of this MD&A and the Company disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or results or otherwise, except as required by applicable law. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. All forward-looking statements attributable to the Company are expressly qualified by these cautionary statements.

Additional Information

Additional information relating to the Company is on SEDAR+ at www.sedarplus.ca.

General Corporate Information:

Head Office and Registered Office
Suite 1008 - 409 Granville Street,
Vancouver, BC, Canada, V6C 1T2
Tel: +1 (604) 569-3661

Odyssey Trust Company
350 - 409 Granville Street
Vancouver, BC V6C 1T2
Tel: +1 (604) 961-8633

Investor and Contact Information

Financial reports, news releases and corporate information can be accessed by visiting the Company's website at: www.silverelef.com. Investor & Media requests and queries can be emailed to: ir@silverelef.com

Directors and Officers

As at the date of this MD&A, the Company's directors and officers are as follows:

Directors	**Officers**
John Lee, Chief Executive Officer and Executive Chairman	John Lee, Chief Executive Officer and Executive Chairman
Greg Hall	Andrew Yau, EVP Finance & Chief Financial Officer
Anthony Garson	Stephanie Lee, Vice President, Legal
Douglas Flett	Tiffany Khoo, Corporate Secretary

Condensed Interim Consolidated Financial Statements
(Unaudited)

For the Three Months Ended
June 30, 2026

(Expressed in Canadian Dollars)

NOTICE OF NO REVIEW BY AUDITOR

In accordance with National Instrument 51-102 *Continuous Disclosure Obligations* of The Canadian Securities Administrators we hereby give notice that our condensed interim consolidated financial statements for the three months ended June 30, 2026, which follow this notice, have not been reviewed by an auditor.

(Expressed in Canadian Dollars)

	June 30, 2026 ($)	March 31, 2026 ($)
Assets		
Current assets		
Cash	603,513	324,948
Receivables	7,889	8,989
Prepaid expenses	80,645	111,215
Due from CleanTech (note 12)	8,446	4,150
	700,493	449,302
Non-current assets		
Exploration and evaluation assets (note 4)	21,725,107	21,805,967
Investment in Oracle (note 5)	-	210,241
Other non-current assets (note 6)	65,631	70,301
Total assets	**22,491,231**	**22,535,811**
Liabilities And Equity		
Current liabilities		
Accounts payable and accrued liabilities (note 12)	1,328,010	1,440,612
Derivative liabilities (note 8)	447,078	1,195,789
Other current liabilities (note 7)	19,022	18,748
	1,794,110	2,655,149
Non-current liabilities		
Provision for closure and reclamation (note 9)	1,668,640	1,596,119
Lease liability (note 7)	13,308	18,168
Total liabilities	3,476,058	4,269,436
Shareholders' Equity		
Share capital (note 10)	223,638,381	223,605,803
Reserves (note 10)	29,411,861	29,359,167
Accumulated other comprehensive income	1,210,354	1,105,592
Deficit	(235,245,423)	(235,804,187)
Total shareholders' equity	19,015,173	18,266,375
Total liabilities and equity	**22,491,231**	**22,535,811**

Nature of Operations and Going Concern (note 1)

Subsequent Events (note 20)

Approved by the Board of Directors

"John Lee"	*"Greg Hall"*
John Lee – Director	Greg Hall – Director

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

Silver Elephant Mining Corp.
Condensed Interim Consolidated Statements of Comprehensive Income (Loss) (Unaudited)
(Expressed in Canadian Dollars)

	Three Months Ended June 30, 2026 ($)	Three Months Ended June 30, 2025 ($)
General and administrative expenses		
Amortization (note 7)	4,670	4,670
Advertising and promotion	6,574	10,149
Consulting and management fees (note 12)	122,118	191,275
Directors fees (note 12)	22,200	37,200
Insurance	9,557	12,645
Office and administration	23,335	35,646
Professional fees	84,244	232,804
Salaries and benefits (note 12)	162,232	167,767
Share-based payments (note 10c, and 11b)	52,694	114,638
Stock exchange and shareholder services	48,486	37,040
Travel and accommodation	8,878	23,554
	(544,988)	(867,388)
Other items		
Bad debt recoveries (expense)	116,189	(22,711)
Ulaan Ovoo tax assessment interest (note 19)	-	(622,161)
Loss from equity accounted investment in Oracle (note 5)	(11,793)	-
Loss from equity accounted investment in CleanTech (note 11)	-	(48,040)
Gain from changes in interest in Oracle (note 5)	14,279	-
Gain on disposal of investment in Oracle (note 5)	208,449	-
Gain from care and maintenance of coal properties (note 14)	60,604	83,301
Gain (loss) from fair value change in derivative liabilities (note 8)	748,711	(798,951)
Finance expense	(514)	(773)
Foreign exchange gain (loss)	(32,173)	202,558
Net income (loss) for the period	**558,764**	**(2,074,165)**
Other comprehensive income:		
Foreign currency translation	104,762	1,538,235
Comprehensive income (loss) for the period	**663,526**	**(535,930)**
Net income (loss) attributable to:		
Equity holders of parent	558,764	(1,991,068)
Non-controlling interest (note 11)	-	(83,097)
	558,764	**(2,074,165)**
Comprehensive income (loss) attributable to:		
Equity holders of parent	663,526	(452,833)
Non-controlling interest (note 11)	-	(83,097)
	663,526	**(535,930)**
Basic earnings (loss) per share attributable equity holders of parent	0.01	(0.05)
Diluted earnings (loss) per share attributable equity holders of parent	0.01	(0.05)
Basic weighted average number of shares outstanding (note 10e)	57,463,919	44,161,643
Diluted weighted average number of shares outstanding (note 10e)	57,463,919	44,161,643

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

Silver Elephant Mining Corp.
Condensed Interim Consolidated Statements of Changes in Equity (Unaudited)
(Expressed in Canadian Dollars)

	Number of Shares	Share Capital ($)	Subscriptions Received ($)	Reserves ($)	AOCI[1] ($)	Deficit ($)	Total Shareholders' Equity (Deficit) ($)	NCI[2] ($)	Total ($)
Balance, April 1, 2025	41,439,633	221,208,020	60,000	28,678,391	(764,823)	(258,794,402)	(9,612,814)	(275,139)	(9,887,953)
Shares for services (note 10)	162,970	36,094	-	-	-	-	36,094	-	36,094
Private placements (note 10)	4,951,277	617,029	(60,000)	-	-	-	557,029	-	557,029
Finders' fees (note 10)	227,239	(41,568)	-	-	-	-	(41,568)	-	(41,568)
Share-based payments ("SBP") (note 10(c))	-	-	-	79,635	-	-	79,635	-	79,635
Changes in NCI ownership (note 11(a))	-	-	-	147,025	-	-	147,025	(47,025)	100,000
SBP – Oracle (note 11(b))	-	-	-	-	-	-	-	35,003	35,003
Net loss	-	-	-	-	-	(1,991,068)	(1,991,068)	(83,097)	(2,074,165)
Other comprehensive income	-	-	-	-	1,538,235	-	1,538,235	-	1,538,235
Balance, June 30, 2025	**46,781,119**	**221,819,575**	**-**	**28,905,051**	**773,412**	**(260,785,470)**	**(9,287,432)**	**(370,258)**	**(9,657,690)**
Balance, April 1, 2026	57,343,425	223,605,803	-	29,359,167	1,105,592	(235,804,187)	18,266,375	-	18,266,375
Shares for services (note 10)	194,508	32,578	-		-	-	32,578	-	32,578
SBP (note 10(c))	-	-	-	52,694	-	-	52,694	-	52,694
Net income	-	-	-	-	-	558,764	558,764	-	558,764
Other comprehensive income	-	-	-	-	104,762	-	104,762	-	104,762
Balance, June 30, 2026	**57,537,933**	**223,638,381**	**-**	**29,411,861**	**1,210,354**	**(235,245,423)**	**19,015,173**	**-**	**19,015,173**

[1] *Accumulated other comprehensive income (loss) ("AOCI")*
[2] *Non-controlling interest ("NCI")*

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

(Expressed in Canadian Dollars)

	Three Months Ended	
	June 30, 2026 ($)	**June 30, 2025 ($)**
Operating Activities		
Net income (loss) for the period	558,764	(2,074,165)
Items not involving cash:		
Amortization	4,670	4,670
Share-based payments	52,694	114,638
Gain (loss) from fair value change in derivative liabilities (note 8)	(748,711)	798,951
Loss from equity accounted investment in Oracle (note 5)	11,793	-
Gain from changes in interest in Oracle (note 5)	(14,279)	-
Gain on disposal of investment in Oracle (note 5)	(208,449)	-
Loss from equity accounted in CleanTech	-	48,040
Change in provision for closure and reclamation	80,089	(176,051)
Finance expense	514	773
Unrealized foreign exchange	96,354	(73,601)
	(166,561)	(1,356,745)
Changes in non-cash working capital		
Accounts receivable	1,100	45,327
Prepaid expenses	30,570	(94,697)
Accounts payable and accrued liabilities	49,997	426,019
Provision for Mongolia tax dispute (note 19)	-	622,161
Other current liabilities	-	(3,097)
Due from CleanTech	(4,296)	-
Cash used in operating activities	(89,190)	(361,032)
Investing Activities		
Exploration and evaluation assets	(49,161)	(587,363)
Derivative assets	-	(9,343)
Sale of common shares of Oracle	421,176	100,000
Sale of common shares of CleanTech	-	84,009
Cash provided from (used in) investing activities	372,015	(412,697)
Financing Activities		
Proceeds from share issuances (note 10(b))	-	852,830
Lease payments (note 7)	(5,100)	(5,100)
Cash provided from (used in) financing activities	(5,100)	847,730
Effect of foreign exchange on cash	840	(359)
Increase in cash	278,565	73,642
Cash, beginning of period	324,948	271,838
Cash, end of period	**603,513**	**345,480**

Supplemental cash flow information (note 15)

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

1. Description of Business and Nature of Operations

Silver Elephant Mining Corp. (the "Company" or "Silver Elephant") is incorporated under the laws of the province of British Columbia, Canada. The common shares of the Company are listed for trading on the Toronto Stock Exchange (the "TSX") under the symbol "ELEF" and on the Frankfurt Stock Exchange under the symbol "1P2" and are quoted on the OTCQB under the symbol "SILEF". The Company maintains its registered and records office at Suite 1008 – 409 Granville Street, Vancouver, British Columbia, Canada, V6C 1T2.

The Company is a mineral exploration company, with interests in the following projects; (a) the Pulacayo-Paca silver-lead-zinc project in Bolivia (the "Pulacayo Paca Project"), (b) the Ulaan Ovoo coal project located in Mongolia, and (c) the Chandgana coal project, located in Mongolia. The Ulaan Ovoo coal project and the Chandgana coal project have all been fully impaired. The recoverability of the amounts shown for exploration and evaluation assets is dependent upon, among other things, the existence of economically recoverable reserves (the Company has not completed the studies required to categorize any of its current resource as reserves), the ability of the Company to obtain necessary financing to complete the development of those activities and future profitable production or from proceeds of disposition. The Company's exploration and evaluation activities are not dependent on seasonality and may, subject to other constraints, operate year-round; however, the Company may adjust the level of exploration and evaluation activities to manage its capital structure in light of changes in global economic conditions. To date, the Company has not received any revenue from commercial mining operations and is not in commercial production.

These consolidated financial statements have been prepared on a going concern basis which implies that the Company will continue realizing assets and discharging liabilities in the normal course of business for the foreseeable future. Should the going concern assumption not continue to be appropriate, further adjustments to carrying values of assets and liabilities may be required.

At June 30, 2026 (the "Financial Position Date"), the Company had working capital deficiency of $1,093,617 (March 31, 2026 - $2,205,847) and an accumulated deficit of $235,245,423 (March 31, 2026 - $235,804,187). Accordingly, the ability of the Company to realize the carrying value of its assets and continue operations as a going concern is dependent upon its ability to raise additional debt or equity to fund ongoing costs of operations and/or secure new or additional partners in order to advance its projects. These material uncertainties may cast significant doubt upon the Company's ability to continue as a going concern; however, management continues to assess financing and strategic alternatives to support ongoing operations. These consolidated financial statements do not include any adjustments relating to the recovery of assets and classification of assets and liabilities that may arise should the Company be unable to continue as a going concern and such adjustments could be material.

2. Basis Of Presentation

(a) Statement of Compliance

These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standards 34, Interim Financial Reporting ("IAS 34") using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). These condensed interim consolidated financial statements have been prepared using the same accounting policies and methods of computation as the most recent annual financial statements for the year ended March 31, 2026.

Where necessary, comparative figures for the consolidated statements of financial position, consolidated statements of profit or loss and the consolidated statements of cash flows have been reclassified to conform to the current year's presentation. Such reclassifications enhance consistency and comparability with the current year's financial statements.

These condensed interim consolidated financial statements were approved by the Board of Directors and authorized for issue on August 12, 2026.

(Expressed in Canadian Dollars except where noted)

2. Basis Of Presentation - *continued*

(b) Basis of Measurement

These consolidated financial statements have been prepared on the historical cost basis. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

(c) Basis of Consolidation

Subsidiaries are all entities over which the Company has control. The Company controls an entity where the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. Subsidiaries are deconsolidated from the date that control ceases. All intercompany balances, transactions, income and expenses, and profits or losses are eliminated on consolidation.

These consolidated financial statements include the accounts of the Company and its subsidiaries as follows:

Entity	**Location**	**Ownership Interest at June 30, 2026**	**Project**
Apogee Minerals Bolivia SA ("Apogee Bolivia")	Bolivia	100%	Pulacayo Paca Project
ASC Bolivia LDC ("ASC Bolivia")	Cayman	100%	Pulacayo Paca Project
ASC Holdings Limited ("ASC Holdings")	Cayman	100%	n/a
Chandgana Coal LLC	Mongolia	100%	Chandgana Project
Empresa Minera Silver Elephant Bolivia S.A.	Bolivia	100%	n/a
Illumina Silver Mining Corp. ("ISMC")	Canada	100%	n/a
Mega Thermal Coal Corp. (formerly Asia Mining Inc.)	Canada	100%	n/a
Prophecy Power Generation LLC	Mongolia	100%	n/a
Red Hill Mongolia LLC	Mongolia	100%	Ulaan Ovoo Project
UGL Enterprises LLC	Mongolia	100%	Ulaan Ovoo Project
Oracle Commodity Holding Corp. ("Oracle")[1]	Canada	-	n/a

[1] Oracle was consolidated until August 14, 2025, the date on which it was deconsolidated.

De facto control exists in circumstances when an entity owns less than 50% voting rights in another entity but has control for reasons other than voting rights or contractual and other statutory means. These consolidated financial statements included the results of Oracle as management has determined that the Company had de facto control over this entity as the Company had the practical ability to direct the relevant activities of this entity for certain periods presented.

Oracle was consolidated until August 14, 2025, at which time it was deconsolidated due to loss of de facto control from the sale of shares of Oracle (note 11c).

(d) Significant Judgments and Estimates

The preparation of financial statements in accordance with IFRS requires management to make estimates and assumptions which affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

2. Basis Of Presentation - continued

Estimates and assumptions used by management where there is risk of material adjustments to assets and liabilities in future accounting periods include the assumptions used in determination of the fair value of share-based payments and warrant liabilities, estimation of taxes and related penalties and interest, the timing and amount of decommissioning, restoration and similar liabilities and contingent liabilities.

The Company assesses its mineral properties' rehabilitation provision at each reporting date or when new material information becomes available. Exploration, development and mining activities are subject to various laws and regulations governing the protection of the environment. In general, these laws and regulations are continually changing, and the Company has made, and intends to make in the future, expenditures to comply with such laws and regulations. Accounting for reclamation obligations requires management to make estimates of the future costs that the Company will incur to complete the reclamation work required to comply with existing laws and regulations at each location. Actual costs incurred may differ from those amounts estimated.

The preparation of financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments in preparing the Company's financial statements include determination of whether the Company has title and rights to the MPC Area within its Pulacayo Project (note 4), the assumption that the Company will continue as a going concern and whether the Company has significant influence over other entities, classification of expenditures as exploration and evaluation expenditures or operating expenses, the classification of financial instruments and determining de facto control (note 2(c)).

3. Material Accounting Policy Information

(a) Future Changes in Accounting Standards

In April 2024, the IASB issued *IFRS 18, Presentation and Disclosure in Financial Statements* ("IFRS 18"), the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:

- the structure of the statement of profit or loss;
- required disclosures in the financial statements for certain profit 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 replace IAS 1; many of the other existing principles in IAS 1 are retained, with limited changes. IFRS 18 will not impact the recognition or measurement of items in the financial statements, but it might change what an entity reports as its 'operating profit or loss'. IFRS 18 will apply for reporting periods beginning on or after 1 January 2027 and also applies to comparative information.

The Company is currently evaluating the impact of IFRS 18 on its consolidated financial statements.

Certain accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's consolidated financial statements.

(Expressed in Canadian Dollars except where noted)

4. Exploration and Evaluation Assets

Pulacayo Paca	**($)**
Balance, April 1, 2025	21,986,160
Geological and consulting	607,715
Personnel, camp and general	626,004
Metallurgy	507,260
Licenses, tax and permits	13,161
Proceeds from sale of concentrate	(252,223)
Proceeds from MSA	(1,369,070)
Foreign exchange	(313,040)
Balance, March 31, 2026	**21,805,967**
Geological and consulting	213,138
Personnel, camp and general	421,577
Proceeds from sale of concentrate	(958,277)
Foreign exchange	242,702
Balance, June 30, 2026	**21,725,107**

Pulacayo Paca Project, Bolivia

The Company is predominantly focused on the development of the Pulacayo Paca Project in Southwestern Bolivia.

The Pulacayo Paca Project Area is made up of eight mining areas in total as follows:

- Apuradita Area ("Apuradita"): one mining area covering 750 hectares, held directly by the Company through a mining administrative contract; and
- MPC Area: seven mining areas covering 2,803 hectares, held through a Mining Production Contract ("MPC") dated October 3, 2019, with Corporacion Minera de Bolivia ("Comibol").

Apuradita Area

To maintain the Apuradita concession in good standing, the Company must make annual property payments every January, for approximately US$4,000 which is subject to adjustment. The Apuradita concession permits the Company to explore and develop the Apuradita Area.

MPC Area

The MPC grants, once approved by the Plurinational Legislative Assembly, the Company exploration rights and an exclusive right to develop the MPC Area for up to 30 years. As at the Financial Position Date, approval has not yet been received.

In asserting its rights and compliance, the Company relies on two temporary work permits issued by Comibol in December 2019 and November 2020, which expressly authorized the Company to commence and conduct operations within the MPC Area while the MPC approval process was pending. Notably, while the initial 2019 permit was valid for a ninety-day period, the subsequent permit issued in November 2020 was granted without a stated expiration date. These permits constitute valid, binding administrative acts that remain legally effective, as they have not expired by operation of law nor been expressly nullified or revoked by Comibol. Consequently, the Company’s prior operations were conducted under the protection of these permits and the principles of good faith and legitimate expectations.

4. Exploration and Evaluation Assets – *continued*

In December 2024, Comibol issued a notice of cancellation (the "Notice of Cancellation") of the MPC approval process, citing alleged illegal mining. The Company disputes the basis for the Notice of Cancellation and maintains it operated in compliance with applicable permits and authorizations. The Company is pursuing legal and administrative remedies in Bolivia, while continuing engagement with Comibol and the Mining Ministry. The Company remains committed to advancing the Pulacayo Paca Project. The Notice of Cancellation does not affect the Apuradita Area.

Sales and Purchase Agreement and Master Services Agreement

On September 11, 2023, the Company entered into a Sales and Purchase Agreement (the "SPA") with Andean Precious Metals Corp. ("APM") and its subsidiary (together "APM Group"), for the sale of up to 800,000 tonnes of silver-bearing oxide materials from the Company's Pulacayo Paca mining areas. In addition, the Company entered into a Master Services Agreement (the "MSA") with APM Group to provide expertise in mining operations, community relations, logistics and access to technical and geological information, in exchange for APM Group agreeing to pay the Company an aggregate of $7,109,500 (US$5,000,000) in installments, of which $4,286,358 (US$3,150,000) had been received.

On December 30, 2024, APM Group failed to pay additional consideration of US$1,000,000 (the "First Additional Consideration") that became payable on December 18, 2024 under the MSA and related SPA. After the expiry of the applicable contractual cure period, the Company terminated the MSA and SPA.

On January 14, 2025, the Company commenced arbitration proceedings (the "First Additional Consideration Arbitration") against APM Group in accordance with the dispute resolution provisions of the MSA to enforce payment of the First Additional Consideration, together with applicable interest and costs.

On January 26, 2026, the Company received a favorable arbitration award in connection with the First Additional Consideration Arbitration. Pursuant to the binding decision, the arbitrator found that APM breached the MSA by failing to pay additional consideration owing to Silver Elephant and ordered APM to pay US$1,000,000 to the Company, together with pre-judgment interest of approximately US$36,077, compounded monthly from December 18, 2024 to the date of the award. The net proceeds of US$753,008 from the First Additional Consideration were received on February 20, 2026, net of a US$283,068 security deposit.

In connection with the MSA, shares of ISMC, Apogee Bolivia, ASC Bolivia and ASC Holdings (the "Escrowed Assets") are held in escrow. As at the Financial Position Date the Escrowed Assets remain held pursuant to escrow arrangements established under the MSA. While the Company obtained a favorable arbitration award on January 26, 2026 in respect of the First Additional Consideration Arbitration, the award did not expressly direct release of the escrowed shares. Under the applicable escrow arrangements, release of the shares requires either joint written instructions of the parties or a further order or direction from a court, arbitrator or other authority having jurisdiction. The Company is evaluating the steps required to obtain release of the escrowed shares and continues to assert its rights in respect of those shares. Until released from escrow, the Company retains only a beneficial interest in the shares and does not have legal possession or control of them. The timing and outcome of any release process remain uncertain.

4. Exploration and Evaluation Assets – *continued*

Royalty

The Pulacayo Paca Project is subject to a royalty payable to Oracle, being the greater of two percent (2%) of net smelter returns or US$3 per tonne from the sale of minerals.

Robinson-Lasher Project, Kentucky, USA

On June 11, 2026 the Company entered into a binding definitive Asset Purchase Agreement (the "Robinson-Lasher APA") with CleanTech to acquire the Robinson-Lasher zinc-germanium-gallium project (the "Robinson-Lasher Project"), located in the Illinois-Kentucky Fluorspar District in Livingston County, Kentucky (the "Robinson-Lasher Transaction").

Subject to the terms and conditions of the Robinson-Lasher APA, the Company will acquire the Robinson-Lasher Project by:

- issuing 6,300,000 common shares of Silver Elephant to CleanTech; and
- paying aggregate cash consideration of US$1,255,000 in scheduled installments of: US$85,000 on or before September 1, 2026; US$85,000 on or before September 1, 2027; US$85,000 on or before September 1, 2028; and US$1,000,000 on or before September 1, 2029 (subject to the conditions described below).

In addition, on or before September 1, 2029, Silver Elephant must incur a minimum of US$2,000,000 in exploration expenditures at the Robinson-Lasher project; and complete an independent technical report prepared by a qualified person. CleanTech, through its wholly owned US subsidiary, entered into an option to purchase ("OTP") the Robinson-Lasher Project from an arm's length third party. The OTP terms are detailed in CleanTech's news release dated August 12, 2025. Title to the Robinson-Lasher project will be transferred to Silver Elephant upon CleanTech fulfilling the OTP terms and Silver Elephant fulfilling the Robinson-Lasher Transaction terms.

Completion of the Robinson-Lasher Transaction remains subject to a number of conditions, including receipt of all required approvals under applicable securities laws and stock exchange requirements, including any required approval of the Toronto Stock Exchange and the TSX Venture Exchange, and, as applicable, any required disinterested shareholder approval of each of Silver Elephant and CleanTech.

Triunfo Project, Bolivia

On July 10, 2020, the Company entered into an agreement (the "Triunfo Agreement") with a third party (the "Triunfo Vendor") for the right to conduct mining exploration activities (the "Exploration Right") within the El Triunfo gold-silver-lead-zinc project in La Paz District, Bolivia (the "Triunfo Project") and the right, at the Company's election, to purchase the Triunfo Project for $1,393,300 (US$1,000,000) (the "Purchase Right" and together with the Exploration Right, the "Triunfo Rights").

On April 8, 2025, the Company entered into an option assignment agreement (the "Triunfo Assignment Agreement") with CleanTech pursuant to which the Company agreed to assign its rights in and to the Triunfo Agreement to CleanTech in exchange for $155,000 (received). The Triunfo Assignment Agreement was completed on August 6, 2025 and the Company recorded a gain on sale of asset of $154,999.

(Expressed in Canadian Dollars except where noted)

5. Investment in Oracle Commodity Holding Corp.

On August 14, 2025, Oracle was deconsolidated from the Company's consolidated financial statements as a result of loss of de facto control from the sale of shares of Oracle (the "Oracle Deconsolidation"). However, as the Company still maintained significant influence over Oracle at that time, the Company applied the equity method of accounting for Oracle as applicable. The Company has significant influence over Oracle as a result of having the power to participate in the financial and operating policy decisions of Oracle but does not have control or joint control.

The Company recorded the carrying value of its investment in Oracle at its fair value of $494,002, resulting in a loss from deconsolidation of $491,624. The fair value of the Company's investment in Oracle is determined based on share price of Oracle during August 14, 2025.

As a result of dispositions of shares of Oracle, at June 30, 2026, the Company owned nil (March 31, 2026 – 12,200,110) common shares of Oracle with a fair value of $nil (March 31, 2026 – $488,004), representing approximately nil% (March 31, 2026 – 11%) of the issued and outstanding common shares.

	$
Balance, August 14, 2025	494,002
Disposition of Oracle common shares	(275,249)
Proportionate share of losses	(53,807)
Gain from changes in interest	45,295
Balance, March 31, 2026	**210,241**
Disposition of Oracle common shares	(212,727)
Proportionate share of losses	(11,793)
Gain from changes in interest	14,279
Balance, June 30, 2026	-

6. Other Non-Current Assets

	June 30, 2026 ($)	March 31, 2026 ($)
Right of use asset (note 7)	31,131	35,801
Restricted cash equivalents	34,500	34,500
Total other non-current assets	**65,631**	**70,301**

(Expressed in Canadian Dollars except where noted)

7. Right of Use Assets and Lease Liabilities

The Company leases its office in Vancouver, Canada and has recognized a right of use asset and lease liability accordingly. The incremental borrowing rate for lease liability initially recognized as at March 1, 2025 was 5.8%. Right of use assets are included in *other non-current assets* and lease liabilities are included *other current liabilities* and *non-current lease liability*.

	Right of Use Assets ($)	Lease Liabilities ($)
Balance, April 1, 2025	54,480	(54,608)
Amortization	(18,679)	-
Lease payments	-	20,400
Accretion	-	(2,708)
Balance, March 31, 2026	**35,801**	**(36,916)**
Amortization	(4,670)	-
Lease payments	-	5,100
Accretion	-	(514)
Balance, June 30, 2026	**31,131**	**(32,330)**
Current portion		(19,022)
Non-current portion		(13,308)

8. Derivative Liabilities

Fair value of warrants include warrants issued by the Company that have a voluntary adjustment clause to provide the Company with the option to reduce the applicable warrant exercise price to any amount, subject to any requisite stock exchange approval. As a result, such warrants are measured at fair value using the Black-Scholes Option Pricing Model further discussed in note 11(d).

A continuity of derivative liabilities related to fair value of warrants is as follows:

	$
Balance, April 1, 2025	958,218
Warrants exercised	(28,200)
Derivative liabilities – fair value of warrants	713,861
Gain on change in fair value	(148,163)
Deconsolidation of Oracle	(299,927)
Balance, March 31, 2026	**1,195,789**
Gain on change in fair value	(748,711)
Balance, June 30, 2026	**447,078**

(Expressed in Canadian Dollars except where noted)

8. Derivative Liabilities - *continued*

Expiry Date	Number of Warrants	Share Price at June 30, 2026 ($)	Exercise Price ($)	Expected Price Volatility[1]	Risk Free Interest Rate	Expected Life (Years)	Expected Dividend Yield	Fair Value Per Warrant ($)	Total Fair Value ($)
August 17, 2026	319,999	0.115	0.30	84%	2.82%	0.13	-	-	-
April 29, 2027	456,900	0.115	0.30	95%	2.82%	0.83	-	0.02	4,569
May 24, 2027	125,000	0.115	0.30	100%	2.82%	0.90	-	0.02	1,250
July 23, 2027	2,475,778	0.115	0.30	126%	2.82%	1.06	-	0.04	74,273
August 13, 2027	163,254	0.115	0.30	123%	2.82%	1.12	-	0.05	4,898
October 17, 2027	409,900	0.115	0.30	121%	2.82%	1.30	-	0.05	12,297
November 4, 2027	595,000	0.115	0.30	120%	2.82%	1.35	-	0.05	17,850
January 27, 2028	2,319,000	0.115	0.30	117%	2.82%	1.58	-	0.06	92,760
February 16, 2028	921,000	0.115	0.30	116%	2.82%	1.63	-	0.06	36,840
May 5, 2028	3,945,266	0.115	0.30	114%	2.82%	1.85	-	0.06	157,811
June 25, 2028	893,250	0.115	0.30	115%	2.82%	1.99	-	0.06	35,730
June 27, 2028	220,000	0.115	0.30	115%	2.82%	1.99	-	0.06	8,800
	12,844,347								**447,078**

[1] The expected volatility was estimated by considering the average price volatility of the Company's shares over a historical period, taking into account the expected warrant life.

9. Provision for Closure and Reclamation

The Company's closure and reclamation costs consists of costs accrued based on the current best estimate of mine closure and reclamation activities that will be required at the Ulaan Ovoo site upon completion of mining activity. These activities include costs for earthworks, including land re-contouring and re-vegetation, water treatment and demolition. The Company's provision for future site closure and reclamation costs is based on the level of known disturbance at the reporting date, known legal requirements and estimates prepared by a third-party specialist.

Management used a risk-free interest rate of 3.74% at the Financial Position Date (March 31, 2026 – 3.88%) in preparing the Company's provision for closure and reclamation. Although the ultimate amount of reclamation costs to be incurred cannot be predicted with certainty, the total undiscounted amount of estimated cash flows required to settle the Company's estimated obligations is $2,643,960 (March 31, 2026 - $2,596,949) over the next 22 years from the Financial Position Date. The cash expenditures are expected to occur over a period of time extending several years after the projected mine closure of the mineral properties.

	($)
Balance, April 1, 2025	1,750,990
Change in estimate	(203,862)
Accretion	56,557
Foreign currency translation	(7,566)
Balance, March 31, 2026	**1,596,119**
Change in estimate	28,534
Accretion	51,555
Foreign currency translation	(7,568)
Balance, June 30, 2026	**1,668,640**

10. Share Capital

(a) Authorized

The authorized share capital of the Company consists of an unlimited number of common shares. At the Financial Position Date, the Company had 57,537,933 (March 31, 2026 – 57,343,425) common shares issued and outstanding.

(b) Equity Issuances

During the Three Months Ended June 30, 2026

During the three months ended June 30, 2026, the Company issued 194,508 (2025 – 162,970) shares for services to certain officers with a fair value of $32,578 (2025 - $36,094).

During the Year Ended March 31, 2026

On May 5, 2025, the Company closed a non-brokered private placement and issued 3,871,277 units at a price of $0.18 per unit for aggregate gross proceeds of $696,830. Each unit consists of one common share of the Company and one share purchase warrant. Each warrant entitles the holder to purchase one additional common share of the Company at a price of $0.30 per share until May 5, 2028. In connection with the closing, the Company issued 193,989 units as finder's fees with a value of $80,226. The Company allocated $127,693 of the proceeds to the share component, and $569,137 to the warrant component.

On June 25, 2025, the Company closed the first tranche of a non-brokered private placement offering raising gross proceeds of $172,000 through the issuance sale of 860,000 units at a price of $0.20 per unit. Each unit consists of one common share of the Company and one share purchase warrant with each whole warrant entitling the holder to purchase one additional common share of the Company at a price of $0.30 per share for a period of three years from issuance. In connection with the closing, 33,250 units were issued as finders' fees with a value of $13,467. The Company allocated $55,877 of the proceeds to the share component, and $116,123 to the warrant component.

On June 27, 2025, the Company closed the second and final tranche of a non-brokered private placement offering raising gross proceeds of $44,000 through the issuance sale of 220,000 units at a price of $0.20 per unit. Each unit consists of one common share of the Company and one share purchase warrant with each whole warrant entitling the holder to purchase one additional common share of the Company at a price of $0.30 per share for a period of three years from issuance. The Company allocated $15,400 of the proceeds to the share component, and $28,600 to the warrant component.

On September 17, 2025, the Company closed the first tranche of a non-brokered private placement offering raising gross proceeds of $264,308 through the issuance sale of 1,651,926 units at a price of $0.16 per unit. Each unit consists of one common share of the Company and one share purchase warrant with each whole warrant entitling the holder to purchase one additional common share of the Company at a price of $0.20 per share for a period of three years from issuance. In connection with the closing, 14,000 units were issued as finders' fees with a value of $4,235. Proceeds from private placements that include warrants that are not Variable Warrants are allocated first to common shares based on the market trading price of the common shares at the time the units are priced, and any excess is allocated to warrants (the "Residual Method"). Based on the Residual Method, the fair value of the warrants is $nil.

On October 15, 2025, the Company closed the second and final tranche of a non-brokered private placement offering raising gross proceeds of $445,411 through the issuance sale of 2,783,824 units at a price of $0.16 per unit. Each unit consists of one common share of the Company and one share purchase warrant with each warrant entitling the holder to purchase one additional common share of the Company at a price of $0.20 per share for a period of three years from issuance. In connection with the closing, 145,250 units were issued as finders' fees with a value of $71,083. The Company has allocated the entire proceeds to share capital and $nil to warrants by applying the Residual Method approach.

10. Share Capital - *continued*

On December 12, 2025, the Company closed the first tranche of a non-brokered private placement offering raising gross proceeds of $290,000 through the issuance sale of 1,160,000 units at a price of $0.25 per unit. Each unit consists of one common share of the Company and one share purchase warrant with each warrant entitling the holder to purchase one additional common share of the Company at a price of $0.30 per share for a period of three years from issuance. The Company has allocated the entire proceeds to share capital and $nil to warrants by applying the Residual Method approach.

On December 29, 2025, the Company closed the second and final tranche of a non-brokered private placement offering raising gross proceeds of $85,000 through the issuance sale of 340,000 units at a price of $0.25 per unit. Each unit consists of one common share of the Company and one share purchase warrant with each warrant entitling the holder to purchase one additional common share of the Company at a price of $0.30 per share for a period of three years from issuance. The Company has allocated the entire proceeds to share capital and $nil to warrants by applying the Residual Method approach.

On January 23, 2026, the Company closed the first tranche of a non-brokered private placement offering raising gross proceeds of $565,000 through the issuance sale of 2,260,000 units at a price of $0.25 per unit. Each unit consists of one common share of the Company and one share purchase warrant with each warrant entitling the holder to purchase one additional common share of the Company at a price of $0.32 per share for a period of three years from issuance. In connection with the closing, 21,000 units were issued as finders’ fees with a value of $11,161. The Company has allocated the entire proceeds to share capital and $nil to warrants by applying the Residual Method approach.

On February 13, 2026, the Company closed the second and final tranche of a non-brokered private placement offering raising gross proceeds of $260,000 through the issuance sale of 1,040,000 units at a price of $0.25 per unit. Each unit consists of one common share of the Company and one share purchase warrant with each warrant entitling the holder to purchase one additional common share of the Company at a price of $0.32 per share for a period of three years from issuance. In connection with the closing, 28,000 units were issued as finders’ fees with a value of $13,529. The Company has allocated the entire proceeds to share capital and $nil to warrants by applying the Residual Method approach.

During the year ended March 31, 2026, the Company issued 608,826 (2025 – 216,013) shares for services to certain of its directors, officers, employees, and consultants with a fair value of $137,825 (2025 - $49,375).

During the year ended March 31, 2026, the Company issued 16,250 shares in connection with stock options exercised (2025 – 105,000). The stock options were exercised for total proceeds of $3,900 (2025 - $29,750).

During the year ended March 31, 2026, a total of 656,200 share purchase warrants with an exercise price of $0.20-0.30 were exercised (2025 – 34,900 with an exercise price of $0.45) for total proceeds of $216,450 (2025 - $15,705).

(c) Share-based compensation plan

The Company has adopted an amended and restated incentive plan (the "2025 Incentive Plan"), approved by the Board on August 11, 2025 and subject to shareholder approval. The 2025 Incentive Plan is a rolling omnibus equity compensation plan that permits the grant of stock options, restricted share units ("RSUs"), stock appreciation rights ("SARs"), bonus shares and other share-based awards to directors, officers, employees and consultants of the Company and its subsidiaries. The aggregate number of common shares issuable pursuant to awards granted under the 2025 Incentive Plan may not exceed 10% of the Company's issued and outstanding common shares from time to time, less any shares issuable pursuant to outstanding awards. In addition, the aggregate number of common shares issuable pursuant to all security-based compensation arrangements other than the 2025 Incentive Plan may not exceed 5% of the Company's issued and outstanding common shares, and the aggregate number of common shares issuable pursuant to all security-based compensation arrangements may not exceed 10% of the Company's issued and outstanding common shares. Awards granted under the 2025 Incentive Plan are subject to the terms and conditions of the plan and applicable TSX Venture Exchange policies.

(Expressed in Canadian Dollars except where noted)

10. Share Capital - *continued*

The continuity of the Company's share options is as follows:

	Number of Options	Weighted Average Exercise Price ($)
Balance, April 1, 2025	3,468,875	0.46
Granted	2,055,000	0.26
Exercised	(16,250)	0.24
Cancelled	(850,625)	0.35
Balance, March 31, 2026	**4,657,000**	**0.39**
Granted	150,000	0.14
Cancelled	(6,250)	0.20
Balance, June 30, 2026	**4,800,750**	**0.38**

The following table summarizes the stock options outstanding as at the Financial Position Date.

	Options Outstanding		Options Exercisable	
Exercise Price ($)	Number of Options Outstanding	Weighted Average Remaining Contractual Life (Years)	Number of Options Exercisable	Weighted Average Remaining Contractual Life (Years)
0.14	150,000	4.97	-	-
0.24	50,000	4.66	6,250	4.66
0.28	50,000	4.39	12,500	4.39
0.39	215,000	4.24	53,750	4.24
0.30	195,000	4.24	48,750	4.24
0.225	100,000	4.28	25,000	4.28
0.24	1,056,250	3.98	408,750	3.98
0.56	15,309	3.26	15,309	3.26
0.65	34,691	3.26	34,691	3.26
0.465	175,000	3.09	150,000	3.09
0.51	720,000	3.02	598,125	3.02
0.27	729,500	2.22	729,500	2.22
0.51	180,000	1.82	180,000	1.82
0.43	230,000	1.50	230,000	1.50
0.57	900,000	1.15	900,000	1.15
	4,800,750	**2.87**	**3,392,625**	**2.36**

The fair value of each share option is estimated on the date of grant using the Black-Scholes Option Pricing Model that uses the assumptions noted in the table below. Expected volatilities are based on the historical volatility of the Company's shares, and other factors. The expected term of share options granted represents the period of time that share options granted are expected to be outstanding. The risk-free rate of periods within the contractual life of the share option is based on the Canadian government bond rate. Assumptions used for share options granted for the periods presented are as follows:

(Expressed in Canadian Dollars except where noted)

10. Share Capital – *continued*

For the Three Months Ended June 30, 2026

Grant Date	Number of Share Options	Share Price ($)	Exercise Price ($)	Expected Price Volatility	Risk Free Interest Rate	Expected Life (Years)	Expected Dividend Yield	Fair Value Per Option ($)	Total Fair Value ($)
June 18, 2026	150,000	0.135	0.14	104%	3.08%	5.0	-	0.10	15,000

For the Year Ended March 31, 2026

Grant Date	Number of Share Options	Share Price ($)	Exercise Price ($)	Expected Price Volatility	Risk Free Interest Rate	Expected Life (Years)	Expected Dividend Yield	Fair Value Per Option ($)	Total Fair Value ($)
February 26, 2026	50,000	0.27	0.24	103%	2.81%	5.0	-	0.21	10,500
November 20, 2025	50,000	0.265	0.28	103%	2.65%	5.0	-	0.20	10,000
October 16, 2025	215,000	0.36	0.39	103%	2.65%	5.0	-	0.27	58,050
October 16, 2025	195,000	0.36	0.30	103%	2.65%	5.0	-	0.28	54,600
October 10, 2025	100,000	0.24	0.225	103%	2.65%	5.0	-	0.19	19,000
October 1, 2025	100,000	0.215	0.215	103%	2.65%	5.0	-	0.17	17,000
September 24, 2025	50,000	0.195	0.195	102%	2.75%	5.0	-	0.15	7,500
June 20, 2025	1,295,000	0.245	0.24	102%	2.96%	5.0	-	0.19	246,050
	2,055,000								**422,700**

(d) Warrants

The continuity of the Company's warrants is as follows:

	Number of Warrants	Weighted Average Exercise Price ($)
Balance, April 1, 2025	**14,916,258**	**0.59**
Issued	14,622,516	0.27
Expired	(6,680,477)	0.30
Exercised	(656,200)	0.29
Balance, March 31, 2026, and June 30, 2026	**22,202,097**	**0.28**[1]

[1] *Exercise price for 8,924,393 and* 2,601,865 *warrants were amended to $0.30 on April 8, 2025, and September 25, 2025 respectively. See below for further details.*

(Expressed in Canadian Dollars except where noted)

10. Share Capital – *continued*

As of the Financial Position Date, the following warrants were outstanding:

Expiry Date	Remaining Life (Years)	Number of Warrants	Exercise Price ($)
August 17, 2026	0.13	319,999	0.30
April 29, 2027	0.83	456,900	0.30
May 24, 2027	0.90	125,000	0.30
July 23, 2027	1.06	2,475,778	0.30
August 13, 2027	1.12	163,254	0.30
October 17, 2027	1.30	409,900	0.30
November 4, 2027	1.35	595,000	0.30
January 27, 2028	1.58	2,319,000	0.30
February 19, 2028	1.58	921,000	0.30
May 5, 2028	1.85	3,945,266	0.30
June 25, 2028	1.99	893,250	0.30
June 27, 2028	1.99	220,000	0.30
September 17, 2028	2.22	1,635,926	0.20
October 15, 2028	2.30	2,872,824	0.20
December 12, 2028	2.45	1,160,000	0.30
December 29, 2028	2.50	340,000	0.30
January 23, 2029	2.57	2,281,000	0.32
February 13, 2029	2.63	1,068,000	0.32
	2.14	**22,202,097**	**0.28**

On April 22, 2025, the exercise price of 8,924,393 share purchase warrants previously issued to non-insiders was amended to $0.30 as follows:

Expiry Date	Original Exercise Price ($)	Amended Exercise Price ($)	Number of Warrants Repriced
May 1, 2025	1.60	0.30	463,800
May 20, 2025	1.60	0.30	496,200
August 25, 2025	0.65	0.30	175,400
December 5, 2025	0.55	0.30	1,652,266
December 9, 2025	0.55	0.30	30,000
March 22, 2026	0.55	0.30	1,500,000
March 31, 2026	0.55	0.30	851,650
August 17, 2026	0.45	0.30	229,999
April 29, 2027	0.45	0.30	331,900
May 24, 2027	0.45	0.30	125,000
July 23, 2027	0.70	0.30	2,475,778
August 13, 2027	0.70	0.30	87,500
October 17, 2027	0.55	0.30	409,900
November 4, 2027	0.55	0.30	95,000
			8,924,393

(Expressed in Canadian Dollars except where noted)

10. Share Capital - *continued*

On September 25, 2025, the exercise price of 2,601,865 share purchase warrants previously issued to insiders was amended to $0.30 as follows:

Expiry Date	Original Exercise Price ($)	Amended Exercise Price ($)	Number of Warrants Repriced
December 5, 2025	0.55	0.30	1,500,000
March 31, 2026	0.55	0.30	311,111
August 17, 2026	0.45	0.30	90,000
April 29, 2027	0.45	0.30	125,000
August 13, 2027	0.70	0.30	75,754
November 4, 2027	0.55	0.30	500,000
			2,601,865

(e) Earnings (Loss) per Share

	Three Months Ended	
	June 30, 2026 ($)	June 30, 2025 ($)
Basic earnings (loss) per share attributable to equity holders of parent	0.01	(0.05)
Diluted earnings (loss) per share attributable to equity holders of parent	0.01	(0.05)
Income (loss) for the year attributable to equity holders of parent	**558,764**	**(1,991,068)**

	Three Months Ended	
	June 30, 2026 ($)	June 30, 2025 ($)
Shares outstanding, beginning of the year	57,343,425	41,439,633
Effect of shares issued for share offerings	-	2,491,239
Effect of finder's fees	-	123,702
Effect of shares for services	120,494	107,068
Basic weighted average number of shares outstanding	**57,463,919**	**44,161,643**
Effect of dilutive share options	-	-
Effect of dilutive warrants	-	-
Diluted weighted average number of shares outstanding	**57,463,919**	**44,161,643**

For the three months ended June 30, 2026 and 2025, the Company's common share equivalents including stock options and warrants were not included in the diluted loss per share calculation as the effect would be anti-dilutive.

(Expressed in Canadian Dollars except where noted)

11. Non-Controlling Interest

The following table presents the movements of non-controlling interests:

	Oracle ($)
Balance, April 1, 2025	(275,139)
Change in ownership (a)	(133,117)
Net loss	(258,509)
Share-based payments (b)	17,502
Deconsolidation of Oracle (c)	649,263
Balance, March 31, 2026 and June 30, 2026	**-**

As Oracle was deconsolidated from the Company's consolidated financial statements (note 11c) on August 14, 2025 (the "Oracle Deconsolidation Date"), non-controlling interest disclosure relating to Oracle is provided up until this date of deconsolidation.

a) Change in ownership of subsidiaries:

<u>Oracle</u>

From April 1, 2025 to the Oracle Deconsolidation Date (the "Final Oracle Period"), Oracle issued nil shares in connection with stock options exercised (April 1, 2024 to September 30, 2024 (the "Oracle Prior Year Period") – 50,000). The stock options were exercised for total proceeds of $nil (Oracle Prior Year Period - $2,500).

During the Final Oracle Period, Oracle issued 27,778 and cancelled 65,150 (Oracle Prior Year Period – nil) shares for services to certain of its directors, officers, employees, and consultants with a fair value of $1,875 and $1,641 respectively (Oracle Prior Year Period - $nil).

b) During the Final Oracle Period, Oracle recorded share-based payments of $17,502 and was expensed as general and administrative expenses.

Oracle did not grant any share purchase options during the Final Oracle Period.

(Expressed in Canadian Dollars except where noted)

11. Non-Controlling Interest - *continued*

c) Effective August 14, 2025, the Company deconsolidated Oracle, and recognized a loss on deconsolidation of Oracle of $491,624 with detail as follows:

	$
Assets	
Current assets	451,762
Investment in CleanTech[1]	336,536
Royalty interests	70,000
Liabilities	
Accounts payable and accrued liabilities	(140,168)
Derivative liability	(299,927)
Derecognition of net assets of Oracle	**(418,203)**
Derecognition of non-controlling interest of Oracle	(649,263)
Retained investment in Oracle	494,002
Consideration received	81,840
Loss from deconsolidation of Oracle	**(491,624)**

[1] During the three months ended June 30, 2025, the Company recorded proportionate share of losses from equity accounted investment in CleanTech of $48,040.

12. Related Party Transactions

The Company has a cost sharing agreement (the "CSA") with CleanTech and Oracle pursuant to which the companies provide each other with general, technical and administrative services, as reasonably requested, on a cost reimbursement basis.

During the three months ended June 30, 2026, the Company had related party transactions with key management personnel who provide management and consulting services to the Company. Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, and include, but are not limited to, the Chief Executive Officer ("CEO"), Executive Vice President, Finance & Chief Financial Officer ("EVP & CFO"), and executive and non-executive directors.

(Expressed in Canadian Dollars except where noted)

12. Related Party Transactions - *continued*

A summary of related party transactions is as follows:

	Three Months Ended	
	June 30, 2026 ($)	**June 30, 2025 ($)**
CSA fees charged by CleanTech, a company with certain directors and officers in common	39,978	-
CSA recoveries from CleanTech	(66,566)	(111,155)
CSA recoveries from Oracle, a company with certain a director and officers in common	(34,189)	-
Management fees charged by Linx Partners Ltd., a company controlled by John Lee, Director, CEO and Executive Chairman of the Company	108,938	108,938
Directors' fees	22,200	26,200
Salaries and benefits paid to key management of the Company	74,735	65,010
Share-based payments – John Lee	10,599	18,822
Share-based payments – directors	8,195	9,018
Share-based payments – key management of the Company	5,690	22,900
Share-based payments – former key management of the Company	1,335	6,236

The Company had balances due to related parties as follows:

	June 30, 2026 ($)	**March 31, 2026 ($)**
Due from Cleantech	8,446	4,150
Due to Oracle	(231,438)	(242,582)
Directors' fees payable	(41,200)	(19,000)
Management fees advanced to (payable to) John Lee	(59,500)	29,750

(Expressed in Canadian Dollars except where noted)

13. Segmented Information

The Company operates in one operating segment, being the acquisition, exploration and development of mineral properties. Assets by geographical area are as follows:

	June 30, 2026 ($)	March 31, 2026 ($)
Current assets		
Canada	195,311	388,167
Mongolia	436,408	1,544
Bolivia	68,774	59,591
	700,493	449,302
Non-current assets		
Canada	65,631	280,542
Bolivia	21,725,107	21,805,967
	21,790,738	22,086,509
Total assets		
Canada	260,942	668,709
Mongolia	436,408	1,544
Bolivia	21,793,881	21,865,558
	22,491,231	**22,535,811**

14. Care and Maintenance of Coal Properties

The Company's Ulaan Ovoo Project has been impaired to value of $nil (2026 - $nil) and all property costs incurred, including changes in the provision for closure and reclamation costs, are presented net of incidental income earned from the property.

	Three Months Ended	
	June 30, 2026 ($)	June 30, 2025 ($)
Site maintenance costs	(66,475)	(85,570)
Provision for closure and reclamation – change in estimate	(28,534)	232,608
Provision for closure and reclamation – accretion	(51,555)	(56,557)
Bad debt recoveries (expense)	207,168	(7,180)
	60,604	**83,301**

The Ulaan Ovoo Project and Chandgana Project is subject to a royalty payable to Oracle, which is: a) for coal, the greater of US$2 per tonne or 3% of net smelter returns; and b) for minerals other than coal, 2% of net smelter returns on sale of minerals.

(Expressed in Canadian Dollars except where noted)

15. Supplemental Cash Flow Information

	Three Months Ended	
	June 30, 2026 ($)	**June 30, 2025 ($)**
Non-Cash Financing and Investing Activities:		
Exploration and evaluation expenditures included in accounts payable	130,022	204,359
Shares for services	32,578	36,094
Finders' units	-	41,568
	162,600	**282,021**

16. Capital Management

Management considers its capital structure to consist of share capital, stock options and warrants. The Company manages its capital structure and makes adjustments to it, based on the funds available to, and required by the Company in order to support the acquisition, exploration and development of exploration and evaluation assets. The Board of Directors does not establish quantitative returns on capital criteria for management. In order to facilitate the management of its capital requirements, the Company prepares annual expenditure budgets that are updated as necessary depending on various factors.

The properties in which the Company currently holds interests are predominantly in the exploration and development stage; as such, the Company is dependent on external financing to fund its activities. In order to carry out exploration and development plans and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. There were no changes in management's approach to capital management during the three months ended June 30, 2026. Neither the Company nor its subsidiaries are subject to externally imposed capital requirements.

17. Fair Value Measurements and Financial Instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy establishes three levels to classify the inputs to valuation techniques used to measure fair value. The Company utilizes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value as follows:

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

Level 2 – inputs are quoted prices in markets that are not active, quoted prices for similar assets or liabilities in active markets, inputs other than quoted prices that are observable for the asset or liability (for example, interest rate and yield curves observable at commonly quoted intervals, forward pricing curves used to value currency and commodity contracts and volatility measurements used to value option contracts), or inputs that are derived principally from or corroborated by observable market data or other means; and

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

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs.

The Company has determined the estimated fair values of its financial instruments based upon appropriate valuation methodologies. As at the Financial Position Date, there were no financial assets measured and recognized in the statement of position that would be categorized as Level 2 or Level 3 in the fair value hierarchy above.

17. Fair Value Measurements and Financial Instruments - *continued*

The fair value of the Company's financial instruments including cash, accounts payable and accrued liabilities and due to related parties approximates their carrying value due to the immediate or short-term maturity of these financial instruments. Restricted cash equivalents included in other non-current assets is readily convertible into cash, and therefore its carrying value approximates fair value. Derivative liabilities except when the Company issues a unit comprising common shares and warrants that have variability in its settlement ("Variable Warrants") are recorded at fair value based on the quoted market price at the end of each reporting period with changes in fair value through profit or loss. As at the Financial Position Date, the fair value of: derivative liabilities (fair value of warrants) is $447,078 (March 31, 2026 - $1,195,789). The Company does not offset financial assets with financial liabilities. Variable Warrants are classified as level 2. There were no transfers between Level 1, 2 and 3 for the three months ended June 30, 2026.

18. Financial Risk Management

The Company's financial instruments are exposed to certain financial risks. The risk exposures and the impact on the Company's financial instruments at the Financial Position Date are summarized below. The Board of Directors periodically reviews with management the principal risks affecting the Company and the systems that have been put in place to manage these risks.

(a) Liquidity risk

Liquidity risk is the risk that an entity will be unable to meet its financial obligations as they fall due. The Company manages liquidity risk by preparing cash flow forecasts of upcoming cash requirements. As at the Financial Position Date, the Company had a cash balance of $603,513 (March 31, 2026 – $324,948) and accounts payable and accrued liabilities of $1,328,010 (March 31, 2026 - $1,440,612). Liquidity risk is assessed as very high.

The Company has a planning and budgeting process in place by which it anticipates and determines the funds required to support normal operation requirements as well as the growth and development of its mineral property interests. The Company coordinates this planning and budgeting process with its financing activities through the capital management process in normal circumstances.

(b) 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 is exposed to credit risk primarily associated with cash, and restricted cash equivalents included in other non-current assets. The carrying amount of financial assets included on the statements of financial position represents the maximum credit exposure.

(c) Market risk

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company's cash and restricted cash equivalents included in other non-current assets primarily include highly liquid investments that earn interest at market rates that are fixed to maturity. Due to the short-term nature of these financial instruments, fluctuations in market rates do not have significant impact on the fair values of the financial instruments as of the Financial Position Date. The Company manages interest rate risk by maintaining an investment policy that focuses primarily on preservation of capital and liquidity.

18. Financial Risk Management - *continued*

(ii) Foreign currency risk

The Company is exposed to foreign currency risk to the extent that monetary assets and liabilities held by the Company are not denominated in Canadian dollars. The Company has foreign exploration and development projects in Mongolia and Bolivia and undertakes transactions in various foreign currencies. The Company is therefore exposed to foreign currency risk arising from transactions denominated in a foreign currency and the translation of financial instruments denominated in US dollars, Mongolian tugrik, and Bolivian boliviano into its reporting currency, the Canadian dollar.

(iii) Commodity and equity price risk

Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. Commodity prices fluctuate on a daily basis and are affected by numerous factors beyond the Company's control. The supply and demand for these commodities, the level of interest rates, the rate of inflation, investment decisions by large holders of commodities including governmental reserves and stability of exchange rates can all cause significant fluctuations in prices. Such external economic factors are in turn influenced by changes in international investment patterns and monetary systems and political developments. The Company is also exposed to price risk with regards to equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market.

(iv) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company's derivative financial liability includes Variable Warrants. A 10% increase or decrease in the market price of common shares of the Company has a corresponding effect of approximately $45,000 to net loss.

The Company closely monitors commodity prices, individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company. Fluctuations in value may be significant.

Sensitivity Analysis

A 1% change in interest rates does not have a material effect on the Company's profit or loss and equity.

The Company has certain cash balances, and accounts payables denominated in either the US Dollar, Mongolian Tugrik or Bolivian Boliviano (the "Foreign Currencies"), currencies other than the functional currency of Company. Based on the above, net exposures as at the Financial Position Date, with other variables unchanged, a 10% strengthening (weakening) of the Canadian dollar against the Mongolian Tugrik would impact net loss and comprehensive loss with other variables unchanged by approximately $8,000. A 10% strengthening (weakening) of the Canadian dollar against the Bolivian Boliviano would impact net loss and comprehensive loss with other variables unchanged by approximately $12,000. A 10% strengthening (weakening) of the US Dollar against the Canadian Dollar would impact net gain with other variables unchanged by approximately $4,000. The Company currently does not use any foreign exchange contracts to hedge this currency risk.

(Expressed in Canadian Dollars except where noted)

19. Mongolia Tax Matter

On September 11, 2024, the Company received a tax notice of assessment with respect to the transfer of certain licenses of its Ulaan Ovoo project from one wholly owned subsidiary to another wholly owned subsidiary (the "Ulaan Ovoo License Transfer") of $26,226,754 (63,787,924,960 Mongolian Tugriks) (the "Ulaan Ovoo Tax Assessment") from Mongolia's Capital City Tax Office ("CCTO") in connection with the Ulaan Ovoo License Transfer. The Ulaan Ovoo Tax Assessment is comprised of: 1) $13,066,830 (31,780,752,566 Mongolian Tugriks) related to corporate income tax ("CIT") and related penalties and interest, and 2) $13,159,924 (32,007,172,394 Mongolian Tugriks) related to value added tax ("VAT") and related penalties and interest. The Ulaan Ovoo License Transfer was completed on January 5, 2022. Prior to the completion of the Ulaan Ovoo License Transfer, the Company sought tax clarifications and on October 11, 2021 received confirmation from Mongolia's Large Taxpayer's Office ("LTPO") confirming the Ulaan Ovoo License Transfer would not be subject to CIT as the ultimate owner of the subsidiaries affected by the Ulaan Ovoo License Transfer remained unchanged. The Company is also of the opinion VAT should not apply to the Ulaan Ovoo License Transfer as there was no consideration transferred to and received by the applicable subsidiaries, and treatment of such would generally follow the same treatment as CIT. Accordingly, the Company filed a dispute for the Ulaan Ovoo Tax Assessment on October 18, 2024.

On January 23, 2026, the Mongolian Tax Tribunal (the "Tribunal") issued a decision dismissing and cancelling the Ulaan Ovoo Tax Assessment. The Tribunal's decision is final. Accordingly, the related taxes, penalties, and interest expense were reversed in the consolidated statement of profit or loss during the year ended March 31, 2026.

The following table presents the changes resulting from the Ulaan Ovoo Tax Assessment:

	CIT ($)	**VAT ($)**	**Total ($)**
Balance, April 1, 2024	12,195,126	12,259,582	24,454,708
Accrued interest	1,282,377	1,342,269	2,624,646
Foreign exchange	300,408	302,364	602,772
Balance as of March 31, 2025	**13,777,911**	**13,904,215**	**27,682,126**
Foreign exchange	(802,077)	(809,429)	(1,611,506)
Derecognition	(12,975,834)	(13,094,786)	(26,070,620)
Balance as of March 31, 2026 and June 30, 2026	-	-	-

20. Subsequent Event(s)

On July 6, 2026, the Company's wholly owned Mongolian subsidiary executed a lease agreement (the "UO Lease") with an arms-length Mongolian mining and industrial conglomerate (the "UO Lessee"). Under the UO Lease, the UO Lessee will extract coal from Ulaan Ovoo and pay the Company a royalty of US$2 for every tonne of coal removed from Ulaan Ovoo during the first two years of the UO Lease. This royalty increases to US$3 per tonne from January 1, 2028.

The UO Lessee has paid Silver Elephant US$300,000 in cash as a non-refundable advance royalty fee and is preparing, at its own and sole expense, to operate Ulaan Ovoo with its own equipment, supplies, housing and crew. The UO Lessee will pay all government taxes and royalties related to its mining operation at Ulaan Ovoo.

The UO Lease expires on December 31, 2031, unless terminated earlier in accordance with the UO Lease terms, and may be extended with the mutual consent of the parties. A non-refundable annual advance royalty fee of US$200,000 is payable by the UO Lessee after the first year of the UO Lease.