



Safi Silver Corp. (formerly Trigon Metals Inc.)

Condensed interim Consolidated financial statements

For the three months ended June 30, 2026 and 2025

(Expressed in U.S. Dollars)

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

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

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

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

Safi Silver Corp. (formerly Trigon Metals Inc.)
Condensed Interim Consolidated Statements of Financial Position
(Unaudited - Expressed in US dollars)

As at	Notes	June 30, 2026	March 31, 2026
ASSETS			
Current assets			
Cash		\$ 472,330	\$ 2,106,088
Amounts receivable	4	8,174,593	5,329,283
Prepaid expenses		23,255	34,642
Total current assets		8,670,178	7,470,013
Non-current assets			
Amounts receivable	4	8,721,009	11,540,410
Net smelter royalty	14	2,253,176	2,253,176
Total Assets		\$ 19,644,363	\$ 21,263,599
LIABILITIES			
Current			
Accounts payable and accrued liabilities	6,11	\$ 2,470,792	\$ 3,008,666
Loan payable	13	2,282,367	2,186,721
Warrant liability	10	3,925	6,704
Acquisition fee payable	5	466,221	475,285
Total current liabilities		5,223,305	5,677,376
Non-current liabilities			
Loan payable	13	599,344	599,344
Acquisition fee payable	5	792,047	779,796
Total Liabilities		\$ 6,614,696	\$ 7,056,516
(Deficiency) equity attributable to shareholders of Safi Silver Corp.:			
Share capital	9	52,103,217	52,103,217
Contributed surplus	10	2,332,995	2,049,635
Currency translation reserve		149,930	149,930
Deficit		(41,556,475)	(40,095,699)
Total Equity (Deficiency)		13,029,667	14,207,083
Total Liabilities and Equity (Deficiency)		\$ 19,644,363	\$ 21,263,599

Approved by the Board of Directors on August 26, 2026.

"Jed Richardson"

Jed Richardson
Director

"Larisa Sprott"

Larisa Sprott
Director

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

Safi Silver Corp. (formerly Trigon Metals Inc.)
Condensed Interim Consolidated Statements of (Loss) and Comprehensive (Loss)
(Unaudited - Expressed in US dollars)

	Three months ended June 30,	
	2026	2025
Expenses		
Consulting fees	\$ 215,520	\$ 304,254
Professional fees	37,627	220,936
Travel and related costs	6,956	33,056
Investors relations and filing fees	8,059	77,913
General and administrative costs	39,924	44,180
Exploration and evaluation expenditures	961,613	176,850
Share-based compensation	283,360	-
Foreign exchange loss (gain)	(199,782)	99,900
Total expenses before the undernoted	\$ 1,353,277	\$ 957,089
Other income (expense)		
Other (expenses)	(16,790)	2,749
Finance (charges), net	(93,488)	(457,243)
Change in fair value of warrant liability	2,779	(11,163)
Net (loss) from continuing operations	\$ (1,460,776)	\$ (1,422,746)
Net (loss) from discontinued operations	-	(2,305,196)
Net (loss)	\$ (1,460,776)	\$ (3,727,942)
Net (loss) and comprehensive (loss) from continuing operations attributable to:		
Shareholders of Safi Silver Corp.	\$ (1,460,776)	\$ (1,422,746)
Net (loss) and comprehensive (loss) from discontinued operations attributable to:		
Shareholders of Safi Silver Corp.	\$ -	\$ (2,134,925)
Non-controlling interest		(170,271)
	\$ -	\$ (2,305,196)
(Loss) per share		
Basic and diluted, from continuing operations	(0.03)	(0.03)
Basic and diluted, from discontinued operations	-	(0.04)
Weighted average number of common shares outstanding		
Basic	55,139,081	54,459,081
Diluted	55,139,081	54,459,081

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

Safi Silver Corp. (formerly Trigon Metals Inc.)
Condensed Interim Consolidated Statements of Shareholders' Equity
(Unaudited - Expressed in US dollars)

Attributable to equity owners of Safi Silver Corp. (formerly Trigon Metals Inc.)										
	Notes	Number of common shares	Share Capital	Contributed surplus	Deficit	Cumulative translation reserve	Total shareholders' (deficiency) equity	Non-controlling interest	Total (deficiency) equity	
Balance as at March 31, 2025		54,459,081	\$ 51,950,470	\$ 2,191,579	\$ (65,414,821)	\$ 10,543,512	\$ (729,260)	\$ (5,428,224)		\$ (6,157,484)
Net loss from continuing operations		-	-	-	(1,422,746)	-	(1,422,746)	-		(1,422,746)
Net loss from discontinued operations	14	-	-	-	(2,134,925)	-	(2,134,925)	(170,271)		(2,305,196)
Share and warrant issue costs	9,10	-	(6,516)	-	-	-	(6,516)	-		(6,516)
Balance as at June 30, 2025		54,459,081	\$ 51,943,954	\$ 2,191,579	\$ (68,972,492)	\$ 10,543,512	\$ (4,293,447)	\$ (5,598,495)		\$ (9,891,942)
Balance as at March 31, 2026		55,139,081	\$ 52,103,217	\$ 2,049,635	\$ (40,095,699)	\$ 149,930	\$ 14,207,083	-		\$ 14,207,083
Net income from continuing operations		-	-	-	(1,460,776)	-	(1,460,776)			(1,460,776)
Stock options granted	9,10	-	-	203,400	-	-	203,400	-		203,400
RSUs granted	9,10	-	-	79,960	-	-	79,960	-		79,960
Balance as at June 30, 2026		55,139,081	\$ 52,103,217	\$ 2,332,995	\$ (41,556,475)	\$ 149,930	\$ 13,029,667	-		\$ 13,029,667

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

Safi Silver Corp. (formerly Trigon Metals Inc.)
Condensed Interim Consolidated Statements of Cash Flows
(Unaudited - Expressed in US dollars)

		Three months ended June 30,	
	Notes	2026	2025
Cash provided by (used in):			
Operating activities			
Net (loss) from continuing operations		\$ (1,460,776)	\$ (1,422,746)
Adjustments for items not affecting cash:			
Finance charges		123,488	-
Change in fair value of warrant liability	10	(2,779)	11,163
Share-based compensation	10	283,360	-
Foreign exchange gain		(24,655)	2,719
Net cash from operating activities from continuing operations before changes in working capital		(1,081,362)	(1,408,864)
Net changes in non-cash working capital from continuing operations			
Change in amounts receivable		(25,909)	(13,776)
Change in prepaid expenses		11,387	53,968
Change in accounts payable and accrued liabilities		(537,874)	(283,769)
Net cash flows from continuing operations used in operating activities		(1,633,758)	(1,652,441)
Net cash flows from discontinued operations used in operating activities	14	-	(691,819)
Financing activities			
Share and warrant issuance costs	9	-	(6,516)
Loan received from Horizon	13	-	2,645,915
Net cash flows from continuing operations provided by financing activities		-	2,639,399
Cash flows from continuing operations during the period		(1,633,758)	986,958
Cash flows from discontinued operations during the period	14	-	(691,819)
Cash - beginning of period		2,106,088	1,037,235
Cash - end of period		\$ 472,330	\$ 1,332,374

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Safi Silver Corp. (formerly Trigon Metals Inc.)
Notes to the condensed interim consolidated financial statements
For the three months ended June 30, 2026 and 2025
(Unaudited - Expressed in US dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Safi Silver Corp. (formerly Trigon Metals Inc.) (the “Company” or “Safi”) was incorporated under the Business Corporations Act of Canada on April 1, 2005. On April 1, 2026, the Company changed its name from Trigon Metals Inc. to Safi Silver Corp. and its stock symbol from “TM” to “SF”. The Company’s head office is located at 658 Lansdowne Avenue, Toronto, Ontario, M6H 3Y8.

These consolidated financial statements were reviewed, approved and authorized for issue by the Board of Directors on August 26, 2026.

The principal business activities of Safi and its subsidiaries (collectively, the “Company”) are the acquisition, maintenance, exploration and development of mines and mineral properties on the African continent. The business of exploring for minerals and mining involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines. Significant time and major expenses may be required to establish ore reserves, to develop metallurgical processes, to acquire construction and operating permits and to construct mining and processing facilities. The Company’s ability to continue as a going concern is dependent upon the Company obtaining the necessary financing to complete the exploration, evaluation and development of its properties, the discovery of economically recoverable reserves and future profitable operations, or alternatively upon the Company’s ability to dispose of its interests on an advantageous basis.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of operations of such properties, these procedures do not guarantee the Company’s title. Property title may be subject to government licensing requirements or regulations, unregistered prior agreements, unregistered claims, indigenous claims, and non-compliance with regulatory, social and environmental requirements. The Company’s property interests may also be subject to increases in taxes and royalties, renegotiation of contracts, political uncertainty and currency exchange fluctuations and restrictions.

Going concern

These condensed interim consolidated financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. A different basis of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future.

As announced on December 23, 2025, Safi completed the sale of its Kombat Mine to Horizon Corporation Limited (“Horizon”). At June 30, 2026, the Company had working capital of \$3,446,873, compared to working capital of \$1,792,637 at March 31, 2026. The condensed interim consolidated financial statements have been prepared on the assumption that the Company will continue as a going concern.

Future operations are dependent upon the Company’s ability to finance expenditure requirements and upon the achievement of profitable operations. Management believes it will be successful in raising the necessary funding to continue operations in the normal course of operations; however, there is no assurance that these funds will be available on terms acceptable to the Company or at all. These financial statements do not include adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue operations. Such adjustments could be material.

Safi Silver Corp. (formerly Trigon Metals Inc.)
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(Unaudited - Expressed in US dollars)

2. MATERIAL ACCOUNTING POLICIES

Statement of compliance

These condensed consolidated interim financial statements of the Company and its subsidiaries have been prepared in accordance with International Accounting Standards ("IAS") 34, Interim Financial Reporting, as issued by the International Accounting Standards Board ("IASB") and accounting policies based on International Financial Reporting Standards ("IFRS") and International Financial Reporting Interpretation Committee ("IFRIC") interpretations.

The accounting policies as set out in the Company's audited consolidated financial statements for the year ended March 31, 2026 were consistently applied to all periods presented, unless otherwise noted below.

The preparation of condensed interim financial statements in accordance with International Accounting Standards ("IAS") 34, Interim Financial Reporting, requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies. Certain disclosures included in the annual financial statements have been condensed or omitted. Accordingly, these unaudited condensed consolidated interim financial statements should be read in conjunction with the annual audited consolidated financial statements as at March 31, 2026.

Basis of preparation

These condensed interim consolidated financial statements have been prepared on a historical cost basis except for certain financial instruments, which are stated at their fair values. In addition, these condensed interim consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information. All amounts have been rounded to the nearest dollar, unless otherwise indicated.

Consolidation

These consolidated financial statements incorporate the accounts of Safi Silver Corp. (formerly Trigon Metals Inc.) and its subsidiaries, Safi Silver Corp. (formerly "Trigon (Morocco) Holding Corp"). (Canada) 100% (2025 – 100%) and Technomine Africa Sarl ("Technomine") (Morocco) 100% (2025 – 100%). Upon completion of the sale of the Kombat Mine on December 31, 2025, the Company has deconsolidated the following subsidiaries: PNT Financeco Corp. (Mauritius) 100% (2025 – 100%), Kombat Holdings Namibia (Pty) Ltd. (Namibia) 100% (2025 - 100%), Trigon Mining (Namibia) (Pty) Ltd. ("Trigon Namibia") (Namibia) 80% (2025 – 80%), Kombat Streamco Corp. (100%), and Base Metal Investments and Services (amalgamated with PNT Financeco Corp.) (2025 – 100%). All intercompany transactions, balances, income and expenses are eliminated on consolidation. Safi Silver Corp. was incorporated during the year ending March 31, 2023. The Company also has a 25% interest in Copperbelt Mineral Exploration (Pty) Ltd. On April 1, 2026, Trigon Metals Inc. amalgamated with Safi Silver Corp. and changed its name to Safi Silver Corp.

Subsidiaries consist of entities over which the Company is exposed to, or has rights to, variable returns as well as the ability to affect those returns through the power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date control is transferred to the Company and are de-consolidated from the date control ceases. These consolidated financial statements include all the assets, liabilities, revenues, expenses and cash flows of the Company and its subsidiaries after eliminating inter-entity balances and transactions.

For non-wholly owned, controlled subsidiaries, the net assets attributable to outside equity shareholders are presented as "non-controlling interests" in the equity section of the consolidated statement of financial position. Profit for the period that is attributable to non-controlling interests is calculated based on the ownership of the minority shareholders in the subsidiary. Warrants and stock options issued by subsidiaries, exercisable into subsidiary shares, are presented as a component of non-controlling interest in the consolidated statement of financial position.

When the Company ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognized in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are reclassified to profit or loss.

The partial disposition of an interest resulting in a loss of control meets the definition of a disposal group. A disposal group qualifies as a discontinued operation if it is a component of an entity that either has been disposed of or is classified as held for sale.

Safi Silver Corp. (formerly Trigon Metals Inc.)
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(Unaudited - Expressed in US dollars)

2. MATERIAL ACCOUNTING POLICIES (Continued)

The unaudited condensed consolidated interim financial statements were prepared using the same accounting policies and methods as those used in the Company's consolidated financial statements for the year ended March 31, 2026.

Future accounting standards issued but not yet effective

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB or IFRIC that are mandatory for annual accounting periods beginning on January 1, 2026, or later. Updates that are not applicable or are not consequential to the Company have been excluded. The following have not yet been adopted and are being evaluated to determine their impact on the Company.

In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements to improve reporting of financial performance. The new standard replaces IAS 1, Presentation of Financial Statements. IFRS 18 introduces new categories and required subtotals in the statement of profit and loss and also requires disclosure of management-defined performance measures. It also includes new requirements for the location, aggregation and disaggregation of financial information. The standard is effective for annual reporting periods beginning on or after January 1, 2027, including interim financial statements. Retrospective application is required, and early adoption is permitted.

3. CRITICAL ACCOUNTING ESTIMATES AND MANAGEMENT JUDGMENTS

The preparation of the condensed interim consolidated financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reported period. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The significant areas of judgment and estimation uncertainty considered by management in preparing the consolidated financial statements include:

Critical judgment in applying accounting policies:

- Assets' carrying values and impairment charges

Events or changes in circumstances can give rise to significant impairment charges or reversals of impairment in a particular year. Management exercises its judgment in determining when such events or changes in circumstances have arisen and where such circumstances evidence a significant or prolonged decline of fair value on assets indicating impairment.

In the determination of carrying values and impairment charges, management looks at the higher of recoverable amount or fair value less costs to sell in the case of assets and at objective evidence, significant or prolonged decline of fair value on financial assets indicating impairment. These determinations and their individual assumptions require that management make a decision based on the best available information at each reporting period.

In the event that the fair value less costs to sell exceeds the carrying values, management looks at prior year impairments and reverses impairments up to the cost of the asset.

- Determination of measurement of NSR

The Company holds a NSR in a mineral property. The NSR is initially recognized at cost, including directly attributable acquisition costs. The NSR is considered an intangible asset with a definite useful life. Accordingly, the NSR is amortized and is assessed for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable.

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3. CRITICAL ACCOUNTING ESTIMATES AND MANAGEMENT JUDGMENTS (continued)

Critical judgment in applying accounting policies (continued):

- Determination of functional currency

Based on the primary indicators in IAS 21 – The Effects of Change in Foreign Exchange Rates – the US dollar has been determined as the presentation currency of the Company, with the US dollar as the functional currency for all subsidiaries, as the US dollar is the currency in which funds from financing activities (i.e. issuing debt and equity instruments) are generated and because the activities of the foreign operation are carried out as an extension of the reporting entity, rather than being carried out with a significant degree of autonomy. Effects of changes in foreign exchange rates are recorded as foreign exchange gain (loss) on the statement of loss. If the functional currency of the Moroccan and Namibian entities had been the Moroccan Dirham (“MAD”) and Namibian dollar (“N\$”) respectively, the effect of changes in foreign exchange rates would have been reflected as other comprehensive income and carried as a cumulative translation adjustment within accumulated other comprehensive income in the equity section of the consolidated statement of financial position.

- Expected credit losses

Determining allowance for expected credit losses (“ECLs”) requires management to make assumptions about historical patterns for probability of default, the timing of collection and the amount of incurred credit losses, which are adjusted based on management’s judgment about whether economic conditions and credit terms are such that actual losses may be higher or lower than what historical patterns suggest.

Key sources of estimation uncertainty:

- Depreciation rates

Mine asset development costs and the environmental rehabilitation obligation are depreciated on a straight-line basis over the life of mine production. All other buildings and equipment are depreciated on a straight-line basis over three to ten years. The Company believes these represent the best approximation of the asset utility to the Company. If the estimated life had been longer than management’s estimate, the carrying amount of the asset would have been higher.

- Assets’ carrying values and impairment charges

The determination of carrying values and impairment charges and their individual assumptions require that management make an estimate based on the best available information at each reporting period including the future expectation of mine development to extend life of mine. Under situations where management has determined indicators of impairment are present, an impairment assessment will be performed by management whereupon management looks at the higher of recoverable amount or fair value less costs to sell in the case of assets.

3. CRITICAL ACCOUNTING ESTIMATES AND MANAGEMENT JUDGMENTS (continued)

Key sources of estimation uncertainty (continued):

- Mineral Reserve and Mineral Resource estimates

The figures for Mineral Reserves and Mineral Resources are determined in accordance with National Instrument 43-101, "Standards of Disclosure for Mineral Projects", issued by the Canadian Securities Administrators. There are numerous uncertainties inherent in estimating Mineral Reserves and Mineral Resources, including many factors beyond the Company's control.

Such estimation is a subjective process, and the accuracy of any Mineral Reserve or Mineral Resource estimate is a function of the quantity and quality of available data and of the assumptions made and judgments used in engineering and geological interpretation. Differences between management's assumptions, including economic assumptions such as metal prices and market conditions, and future circumstances could have a material effect in the future on the Company's financial position and results of operation.

- Share-based payment transactions and warrants and warrant liability

The Company records share-based compensation at fair value over the vesting period. The Company also issues warrants. The fair value of the options and warrants is determined using the Black-Scholes options pricing model and management assumptions including the expected dividend yield, expected volatility, forfeiture rate, risk free rate and expected life. Should the underlying assumptions change, it will impact the fair value. Such judgments and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates.

- Determination of discount rates

Determination of the discount rate for acquisition fees payable is based on comparison to similar interest-bearing debt instruments of a group of comparative companies.

- Initial recognition of net smelter royalty

The initial recognition and measurement of the NSR royalty interest involved significant management judgment and estimation uncertainty. The fair value was determined using assumptions including forecast commodity prices, expected production, mine life, etc. Management considered available technical information and valuation analyses in determining the value of the NSR.

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3. CRITICAL ACCOUNTING ESTIMATES AND MANAGEMENT JUDGMENTS (continued)

Key sources of estimation uncertainty (continued):

- Income, value added, withholding and other taxes

In assessing the probability of realizing income tax assets recognized, management makes estimates related to expectations of future taxable income, applicable tax planning opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified. Estimates of future taxable income are based on forecasted cash flows from operations and the application of existing tax laws in each jurisdiction. The Company considers whether relevant tax planning opportunities are within the Company's control, are feasible, and are within management's ability to implement. Examination by applicable tax authorities is supported based on individual facts and circumstances of the relevant tax position examined in light of all available evidence. Where applicable tax laws and regulations are either unclear or subject to ongoing varying interpretations, it is reasonably possible that changes in these estimates can occur that materially affect the amounts of income tax assets recognized. Also, future changes in tax laws could limit the Company from realizing the tax benefits from the deferred tax assets. The Company reassesses unrecognized income tax assets at each reporting period.

The Company is subject to income, value added, withholding and other taxes. Significant judgment is required in determining the Company's provisions for taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. The determination of the Company's income, value added, withholding and other tax liabilities requires interpretation of complex laws and regulations. The Company's interpretation of taxation law as applied to transactions and activities may not coincide with the interpretation of the tax authorities. All tax related filings are subject to government audit and potential reassessment subsequent to the financial statement reporting period. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the tax related accruals and deferred income tax provisions in the period in which such determination is made.

- Date of completion of technical report

Determination of the date of completion of the Company's technical report impacts the carrying amount of acquisition fees payable and is estimated based on available cash flows and anticipated availability of experts to engage in completing the technical report.

4. AMOUNTS RECEIVABLE

	Note	June 30, 2026	March 31, 2026
Sales taxes receivable	\$	57,826	\$ 32,236
Proceeds from sale of Kombat Mine - current	14	8,116,448	5,297,047
	\$	8,174,593	\$ 5,329,283
Proceeds from sale of Kombat Mine - Long term	14	\$ 8,721,009	\$ 11,540,410

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5. EXPLORATION AND EVALUATION EXPENDITURES

	Three months ended June 30,	
	2026	2025
<u>Technomine, Morocco</u>		
Assay and survey	\$ 4,047	\$ -
Field office and support	82,802	176,850
Drilling	68,873	-
Consulting and labour	146,505	-
Travel	3,599	-
	\$ 305,826	\$ 176,850
<u>Copperbelt, Namibia</u>		
Property acquisition	\$ 640,537	\$ -
Field office and support	15,250	-
	\$ 655,787	\$ -
Total exploration and evaluation expenditures	\$ 961,613	\$ 176,850

Safi Silver Corporation

On September 24, 2020, the Company acquired a 100% equity interest in Technomine, a Moroccan company, from Technomine's previous shareholders (the "Vendors"). Technomine owns a 100% interest in the Silver Hill Project ("Silver Hill") and Addana Project ("Addana") in Morocco. Below are the terms of the transaction:

1. Pay to the Vendors \$369,467 (CAD\$500,000) in cash (paid) and issue 6,000,000 common shares (issued) on closing of the Transaction (the "First Payment"). The common shares were valued at \$554,200 (CAD\$750,000) based on their trading price subsequent to the signing of the share purchase agreement.
2. On the one-year anniversary of the closing of the transaction, Trigon was to pay to the Vendors \$295,574 (CAD\$400,000) (outstanding) and issue such number of Trigon common shares equal to \$184,734 (CAD\$250,000) (based on their trading price at the time) (outstanding) (the "Second Payment").
3. Upon the completion of an independent National Instrument 43-101 compliant Mineral Resource estimate at Silver Hill showing at least 100,000 tonnes of contained copper and/or equivalent, Trigon shall issue such number of shares equal to \$923,668 (CAD\$1,250,000) (based on their trading price at the time) to the Vendors (outstanding).

The second acquisition fee payable is presented in the financial statements as the net present value of the future payments, discounted by 15%. As of June 30, 2026, the second acquisition fee payable has been accreted to \$792,047.

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5. EXPLORATION AND EVALUATION EXPENDITURES (continued)

The net present value of the second acquisition fee payable was originally calculated using an estimated completion date of March 31, 2025 for the completion of the technical report. In the year ended March 31, 2025, the Company reassessed the estimated completion date of the technical report, changing the estimated completion date to March 31, 2027. This change impacted the net present value calculation for the second acquisition fee payable. The effect of these changes on the net present value of the second acquisition fee payable is as follows below.

Second acquisition fee payable as at March 31, 2025	\$	657,471
Accretion adjustment		103,355
Effect of exchange differences		18,970
Second acquisition fee payable as at March 31, 2026	\$	779,796
Accretion		27,842
Effect of exchange differences		(15,591)
Second acquisition fee payable as at June 30, 2026	\$	792,047

In addition, the Company paid \$33,252 (CAD\$45,000) cash and issued 300,000 common shares to Majilias Inc. for its role as an arm's length finder. The common shares were valued at \$27,710 (CAD\$37,500) based on their trading price subsequent to the signing of the share purchase agreement. The finder shall also be entitled to share consideration comprising the Second Payment, when paid by Safi.

On February 14, 2024, Safi announced plans to spin out its wholly-owned subsidiary, Safi Silver Corp. ("Safi Silver"), which held the Company's Moroccan assets, namely the Silver Hill and Addana Projects, pursuant to a plan of arrangement under section 192 of the *Canada Business Corporations Act* (the "Proposed Arrangement"). The Company received an interim order from the Ontario Superior Court of Justice (Commercial List) in respect of the Proposed Arrangement and on April 9, 2024, Safi shareholders approved the Proposed Arrangement. In September 2025, the Company decided not to proceed with the Proposed Arrangement and Safi Silver ceased being classified as an asset held for distribution and discontinued operation.

At June 30, 2026, all claims held by Safi Silver were in good standing.

Acquisition of Kalahari Copperbelt Project option

On March 14, 2024, the Company announced that it had completed the acquisition of Base Metal Investments and Services ("Base Metal"), a private Mauritius domiciled company, that held an option (the "Copperbelt Option") to acquire up to a 70% stake in the Kalahari Copperbelt Project (the "Transaction"). The Copperbelt Option provides Safi the right to attain up to 70% interest in Copperbelt Exploration (Pty) Ltd. ("Copperbelt") which wholly owns the Kalahari Copperbelt Project (the "Copperbelt Project").

As consideration for the Transaction, Safi issued to Commodity Makers International ("Commodity Makers"), the sole shareholder of Base Metal, 2,720,000 Trigon common shares at CAD\$0.85 per share based on the quoted market price of the Company's shares on the date of issuance, for a total value of \$1,712,593. In addition, the Company issued 1,280,000 Safi common shares to Commodity Makers for an aggregate total number of 4 million Safi common shares as compensation for the consulting services provided by Mr. Rennie Morkel, Dr. Andreas Rompel and Mr. Grant Sboros after closing of the transaction. 640,000 common shares (total value of \$263,926) were issued during the year ended March 31, 2025, and 640,000 common shares (total value of \$145,446) were issued during the year ended March 31, 2026, as compensation for consulting services provided.

Concurrently with the closing of the Transaction, Base Metal acquired a 25% equity interest in Copperbelt (the "Initial Acquisition"). As consideration for the Initial Acquisition, Safi, on behalf of Base Metal, paid USD\$60,000 to Ongwe Minerals (Pty) Ltd., the vendor of Copperbelt, and committed to funding USD\$1M in exploration expenditures on the Copperbelt Project by June 14, 2026, which was paid in full prior to this date.

The Base Metal acquisition is considered an asset acquisition as it does meet the definition of a business. There were no assets acquired or liabilities assumed as a result of this acquisition other than the Copperbelt Project.

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5. EXPLORATION AND EVALUATION EXPENDITURES (continued)

As at June 30, 2026, the four licenses associated with the Copperbelt Project were in good standing.

The Copperbelt Project has not been sold with the Kombat Mine and will remain within the Company's portfolio together with Safi Silver. The Company has fulfilled its earn in commitment to maintain its rights to attain up to a 70% interest to this property.

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	June 30, 2026		March 31, 2026
Trade payables	\$	501,767	\$ 592,678
Accruals		1,969,025	2,415,988
	\$	2,470,792	\$ 3,008,666

7. FINANCIAL INSTRUMENTS

Financial instruments measured at fair value on the consolidated statements of financial position are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The Company's financial instruments consist of cash, amounts receivable, accounts payable and accrued liabilities, loan payable, warrant liability and acquisition fees payable. The fair value of the Company's cash, amounts receivable, accounts payable and accrued liabilities and loan payable all approximate their carrying values due to the short-term nature of these instruments.

The non-current portion of the acquisition fees payable is recorded at a 15% discount rate. The liability component of the warrant liability is recorded at fair value.

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7. FINANCIAL INSTRUMENTS (continued)

Financial assets and financial liabilities as at June 30, 2026 and March 31, 2026 were as follows:

	Assets & liabilities at amortized cost	Assets & liabilities at fair value through profit & loss	TOTAL
<u>At June 30, 2026</u>			
Financial assets:			
Cash	\$ 472,330	\$ -	\$ 472,330
Receivables	16,895,602	-	\$ 16,895,602
Financial liabilities:			
Accounts payable and accrued liabilities	(2,470,792)	-	(2,470,792)
Loan payable	(2,881,711)	-	(2,881,711)
Warrant liability	-	(3,925)	(3,925)
Acquisition fee payable	(1,258,268)	-	(1,258,268)
<u>At March 31, 2026</u>			
Financial assets:			
Cash	\$ 2,106,088	\$ -	\$ 2,106,088
Receivables	\$ 16,869,693	\$ -	\$ 16,869,693
Financial liabilities:			
Accounts payable and accrued liabilities	(3,008,666)	-	(3,008,666)
Loan payable	(2,786,065)	-	(2,786,065)
Warrant liability	-	(6,704)	(6,704)
Acquisition fee payable	(1,255,081)	-	(1,255,081)

Level 2 hierarchy

The warrant liability is classified as a Level 2 financial instrument within the hierarchy of the Company's financial instruments, measured at FVPL in the condensed interim consolidated statements of financial position as at June 30, 2026 and March 31, 2026.

Within Level 2, the Company includes inputs other than quoted prices that are observable for the liability such as volatility of the underlying shares, interest rates and time to expiry.

Level 3 hierarchy

Within Level 3, the Company includes an asset for which observable inputs are not available for use in the fair valuation of this asset. The key assumptions used in the valuation of these instruments related to the Kombat Mine included (but were not limited to): the exercise date of the option, the buyback percentage, the date at which the percentage of silver sold under the streaming arrangement would be reduced, the monthly production of copper and silver concentrate, and future pricing and volatility of copper and silver during the option period. The Company's level 3 financial instruments relate to the stream buyback which was included in the discontinued operations.

Valuations of assets for which market quotations are not readily available, are inherently uncertain, may fluctuate within short periods of time and are based on estimates, and determination of fair value may differ materially from the values that would have resulted if a ready market existed for the investments. Given the size of this asset, such changes may have had a significant impact on the Company's financial condition or operating results.

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8. CAPITAL MANAGEMENT AND FINANCIAL RISK FACTORS

The Company considers its capital structure to include the components of shareholders' equity. Management's objective is to ensure that there is sufficient capital to minimize liquidity risk and to continue as a going concern. Although the Company has been successful in the past in obtaining financing through the sale of equity securities, there can be no assurance that the Company will be able to obtain adequate financing in the future, or that the terms of such financings will be favourable.

Risk management is carried out by the management team under policies approved by the Board of Directors. The Company's capital management objectives, policies and processes have remained unchanged during the three months ended June 30, 2026 and 2025. The Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than of the TSX Venture Exchange ("TSXV") which requires adequate working capital or financial resources of the greater of (i) \$50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of six months. As of June 30, 2026, the Company believes it is compliant with the policies of the TSXV.

Financial risks

The Company's financial instruments comprise cash, amounts receivable, accounts payable and accrued liabilities, loan payable, warrant liability and acquisition fees payable. The main use of these financial instruments is to fund operations and the pursuit of capital transactions. The main risks that could adversely affect the Company's financial assets, liabilities or future cash flows are credit risk, liquidity risk and market risk.

Management mandates and agrees policies for managing each of these risks. The Company is exposed to a variety of financial risks by virtue of its activities including, but not limited to, those summarized below.

The following discussion also includes a sensitivity analysis that is intended to illustrate the sensitivity to changes in market variables on the Company's financial instruments and show the impact on income or loss and shareholders' equity, where applicable. The sensitivity analysis has been prepared for the three months ended June 30, 2026, using the amounts of other financial assets and liabilities held as at the consolidated statement of financial position date.

Credit risk

Credit risk arises when a failure by counterparties to discharge their obligations could reduce the amount of future cash inflows from financial assets. The Company minimizes its credit risk by dealing with reputable customers with strong credit ratings. Further, prior to the sale of the Kombat Mine, the Company had been prepaid for a substantial portion of its silver sales in advance as part of its silver streaming arrangement, further reducing the Company's credit risk exposure. With respect to credit risk arising from financial assets of the Company, which comprise cash and amounts receivables, the Company's exposure to credit risk arises from default of counterparties, with a maximum exposure equal to the carrying amount of these instruments. As cash balances are held with high credit quality financial institutions, the credit risk to the Company is considered minimal. The Company monitors and is subject to normal industry credit risks.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its obligations associated with financial liabilities as they come due. The Company's ability to continue as a going concern is dependent on management's ability to raise the required capital through future equity or debt issuances.

The Company manages its liquidity risk by forecasting cash flows required for operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning, and approval of significant expenditures and commitments.

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8. CAPITAL MANAGEMENT AND FINANCIAL RISK FACTORS (Continued)

Liquidity risks (continued)

The Company's contractual liabilities and obligations are as follows:

	< 1 year	1 to 3 years	4 to 5 years	>5 years	Total
Accounts payable and accrued liabilities	\$ 2,470,792	\$ -	\$ -	\$ -	\$ 2,470,792
Loan payable	2,282,367	599,344	-	-	2,881,711
Acquisition fee payable	466,221	792,047	-	-	1,258,268
Balance June 30, 2026	\$ 5,219,380	\$ 1,391,391	\$ -	\$ -	\$ 6,610,771
Accounts payable and accrued liabilities	\$ 3,008,666	\$ -	\$ -	\$ -	\$ 3,008,666
Loan payable	2,186,721	599,344	-	-	2,786,065
Acquisition fee payable	475,285	779,796	-	-	1,255,081
Balance March 31, 2026	\$ 5,670,672	\$ 1,379,140	\$ -	\$ -	\$ 7,049,812

The Company's approach to managing liquidity risk is to endeavour to have sufficient liquidity to meet liabilities when due. As at June 30, 2026, the Company had a cash balance of \$472,330 and receivables of \$16,895,602 (March 31, 2026: \$472,330 and \$16,869,693, respectively). As at June 30, 2026, the Company's financial liabilities from continuing operations consisted of accounts payable and accrued liabilities of \$2,470,792 (March 31, 2026: \$3,008,666) all due in less than one year, and other current liabilities of \$2,752,513 (March 31, 2026 - \$2,668,810), and non-current liabilities of \$1,391,391 (March 31, 2026 - \$1,379,140).

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates, commodities and equity prices will affect the Company's income or the value of its holdings of financial instruments. The ability of the Company to explore, evaluate and develop its exploration and mining properties and the future profitability of the Company are directly related to the price of base and precious metals. The Company monitors metal prices to determine the appropriate course of action to be taken.

Foreign currency risk

Foreign currency risk is created by fluctuations in the fair value or cash flows of financial instruments due to changes in foreign exchange rates and exposure as a result of investment in its subsidiaries. The Company is exposed to currency risk by incurring certain expenditures in Canadian dollars, US dollars, Namibian dollars and South African Rand in Namibia and Moroccan Dirham and US dollars in Morocco. The Company has sought to minimize this risk by keeping its cash reserves in US dollars and only purchasing Canadian dollars, Namibian dollars, South African Rand and Moroccan Dirham as needed.

Sensitivity analysis

The carrying amount of cash, amounts receivable, and accounts payable and accrued liabilities equals fair market value. The effect of changes in foreign exchange rates on net loss is deemed insignificant as the number and amount of foreign-currency transactions are relatively small. Had the foreign exchange rates been higher (lower) by 10%, the foreign exchange in the consolidated statement of loss would have been lower (higher) by approximately \$194,000 (three months ended June 30, 2025: \$133,000).

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9. SHARE CAPITAL

(a) Authorized:
Unlimited number of voting common shares
Unlimited number of non-voting preferred shares, issuable in series

(b) Issued:

Reconciliation of the number and value of common shares as at June 30, 2026 and March 31, 2026 is as follows. All issued shares are fully paid.

	Note	Number of shares	Issued capital
Balance, March 31, 2025		54,459,081	\$ 51,950,470
Shares issued for consulting	14	640,000	145,446
Cost of issue		-	(6,516)
Option exercise		40,000	13,817
Balance, March 31, 2026 and June 30, 2026		55,139,081	\$ 52,103,217

10. EQUITY RESERVES

	No. of Options	Weighted Average Exercise Price (CAD)	Grant Date Fair Value of Options	Restricted Share Units	TOTAL
March 31, 2025	3,366,000	\$1.12	\$ 2,191,579	-	\$ 2,191,579
Granted	225,000	\$0.25	16,100	-	16,100
Expired	(230,000)	\$1.15	(151,744)	-	(151,744)
Exercised	(40,000)	\$0.255	(6,300)	-	(6,300)
March 31, 2026	3,321,000	\$1.07	\$ 2,049,635	-	\$ 2,049,635
Stock Options Granted	1,050,000	\$0.40	203,400	-	203,400
RSUs Granted	-	-	-	79,960	79,960
June 30, 2026	4,371,000	\$0.91	\$ 2,253,035	79,960	\$ 2,332,995

Options

Under the Company's stock option plan, the Company may grant options to its directors, officers, employees and consultants for up to 10% of the outstanding common stock. Under the plan, the exercise price of each option must not be less than the market price of the Company's stock on the date of grant, less any allowable discount. The maximum term of a stock option is five years.

There were 1,050,000 options granted during the three months ended June 30, 2026 (225,000 options granted during the year ended March 31, 2026). The weighted average life of total outstanding options is 2.82 years at June 30, 2026 (March 31, 2026 – 2.41 years).

As at June 30, 2026, the Company had stock options outstanding and exercisable as follows:

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10. EQUITY RESERVES (Continued)

Option Summary					Black-Scholes Assumptions				
Grant date	Expiry date	Number outstanding	Number exercisable	Exercise price (CAD)	Grant date fair value	Dividend yield (%)	Expected volatility (%)	Expected life (years)	Risk free rate (%)
21-Feb-22	21-Feb-27	822,000	822,000	\$1.70	828,604	0	117	5	1.74
26-Aug-22	26-Aug-27	150,000	150,000	\$0.75	75,593	0	115	5	3.25
23-May-24	23-May-29	1,999,000	1,999,000	\$0.95	1,073,138	0	103	5	3.68
14-Nov-24	14-Nov-29	125,000	125,000	\$0.82	56,200	0	103	5	3.18
01-Aug-25	01-Aug-27	225,000	225,000	\$0.25	16,100	0	76	2	2.69
29-May-26	29-May-31	1,050,000	1,050,000	\$0.40	203,400	0	82	5	3.05
		4,371,000	4,371,000		\$ 2,253,035				

The expected volatility is based on historical share prices of the Company.

Restricted Share Unit Incentive Plans

On May 28, 2026, the Company granted and issued an aggregate of 3,975,000 RSUs to officers, directors and consultants of the Company. Each RSU entitles the holder to receive one common share of the Company upon the vesting of such RSU. The RSUs will vest in two installments with two thirds of the grant of the RSUs vesting on the one-year anniversary of the grant date and the remaining one-third of the grant of RSUs vesting on the second-year anniversary of the grant date. The fair value of these RSUs was determined to be \$0.40 per unit on the date of grant based on the quoted market price of the Company's shares on the grant date. Upon vesting, the Company is obligated to deliver to the holder of the RSUs 2,650,000 common shares of the Company on May 28, 2027 and 1,325,000 common shares of the Company on May 28, 2028. For the three months ended June 30, 2026, share-based compensation expense of \$79,960 was recognized for the RSU incentive plan.

Warrant liability and compensation options

As at June 30, 2026, the Company had the following common share purchase warrants and compensation options outstanding that are classified as liabilities:

	Grant date	Expiry date	Number outstanding	Exercise price (CAD)	Fair value at period end	Dividend yield (%)	Expected volatility (%)	Expected life (years)	Risk free rate (%)
Warrants on units	12-Jul-23	12-Jul-26	2,500,000	\$1.50	\$ -	0	99	3	4.33
Broker compensation options	12-Jul-23	12-Jul-26	204,450	\$1.00	\$ -	0	99	3	4.33
Broker compensation options	12-Jul-23	12-Jul-26	83,400	\$1.00	\$ -	0	99	3	4.33
Finder warrants	21-Feb-25	21-Feb-27	36,600	\$0.25	\$ 3,856	0	73	2	2.73
Finder warrants	06-Mar-25	06-Mar-27	960	\$0.25	\$ 69	0	73	2	2.63
			2,825,410		\$ 3,925				

* Subsequent to June 30, 2026, the warrant expiry date was extended to December 31, 2026.

The expected volatility is based on historical share prices of the Company. The weighted average life of the outstanding warrants was 0.04 years at June 30, 2026.

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11. RELATED PARTY TRANSACTIONS

Compensation of key management

Key management includes the Company's directors, officers and senior executives. Compensation awarded to key management included:

	Three months ended	
	June 30,	
	2026	2025
Consulting fees	\$ 153,605	\$ 306,641
Share-based payments	211,668	-
	\$ 365,273	\$ 306,641

The Company paid \$10,894 in rent to 14122917 Canada Inc., a company controlled by Mr. Jed Richardson for office rent for the three months ended June 30, 2026 (2025 - \$10,733).

Included in accounts payable and accrued liabilities as at June 30, 2026 was approximately \$46,976 for consulting fees and expenses charged by current and former officers, directors and senior executives of the Company (March 31, 2026: \$89,798) and \$1,509,655 (March 31, 2026 - \$1,836,039) for change of control expenses. Such amounts are unsecured, non-interest bearing and with no fixed terms of payment.

Nil of consulting fees related to key management personnel were included in loss from discontinued operations for the three months ended June 30, 2026 (\$103,805 for the three months ended June 30, 2025).

Management contracts

The Company is party to certain management contracts and severance obligations. These contracts contain minimum pay on termination of approximately CAD\$426,000 (\$300,000) (March 31, 2026 – CAD\$426,000 (\$306,000)) which are due within one year and additional contingent payments of up to CAD\$1,740,000 (\$1,224,000) (March 31, 2026 – CAD\$1,740,000 (\$1,248,000)) to be made to the officers of the Company upon the occurrence of certain events such as a change of control.

12. COMMITMENTS AND CONTINGENCIES

Legal claims

From time to time, the Company is named as a party to claims or involved in proceedings, including legal, regulatory and tax related, in the ordinary course of its business. While the outcome of these matters may not be estimable at period end, the Company makes provisions, where possible, for the estimated outcome of such claims or proceedings. Should a loss result from the resolution of any claims or proceedings that differs from these estimates, the difference will be accounted for as a charge to net loss in that period.

Environmental

The Company's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and are generally becoming more restrictive. The Company believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

Silver Hill Project

The Company completed its acquisition of 100% equity interest in Technomine, a Moroccan company from Technomine's shareholders on September 24, 2020. The Company is required to meet the terms of the transaction outlined in the definitive agreement as consideration of the acquisition.

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12. COMMITMENTS AND CONTINGENCIES (continued)

Finder's Fees

The Company entered into a Finder Agreement with Brightmind Ventures Limited ("Brightmind"), dated September 1, 2024 (the "Finder Agreement"), pursuant to which Brightmind was engaged to identify and source parties interested in participating in equity financings of the Company from time to time. Pursuant to the terms of the Finder Agreement, completion of the Horizon Transaction will trigger a cash fee to be paid by the Company to Brightmind in the approximate aggregate amount of \$480,000 (the "M&A Transaction Fee"), assuming all instalment payments are received by the Company. Due to the deferred nature of the Instalment Payments, pursuant to the Finder Agreement, Safi shall pay the *pro rata* portion of the M&A Transaction Fee to Brightmind upon Safi's receipt of each Instalment Payment. One \$60,000 instalment was paid in April 2026. Brightmind is not a Non-Arm's Length party to Safi, Horizon, the Purchaser, or their associates and affiliates. The fee has been accrued in these condensed interim consolidated financial statements.

13. LOAN PAYABLE

On December 12, 2024, Horizon entered into a loan agreement with the Company for \$5 million which was subsequent reduced to \$4 million ("Horizon Loan") as described in note 14 as part of the Horizon Transaction.

The loan bears interest at a rate of 15% and matures in 2 years. The loan includes a six-month grace period on the payment of any interest. Interest payments commenced at the end of the six-month grace period and will be paid in 18 equal amortized repayments, subject to settlement by way of offset against the Production Payment as set out in Note 14 below. The loan is secured by a general security agreement over all the assets of the Company.

An additional loan amount of \$2,000,000 (the "Additional Loan") was also made available to the Company on the same terms as the Horizon Loan to provide flexibility for further financing. The Additional Loan will be repaid by offsetting the loan amount, including accrued interest, against the eighth instalment payment for the Proposed Horizon Transaction.

On July 16, 2025, a further amendment between the Company and Horizon was entered into for an additional \$7,200,000 loan. The purpose of the new loan was to fund Namibian carrying costs including capital projects until transaction closing. The \$7,200,000 loan had the same terms as the initial \$4,000,000 loan.

As part of the sale of the Kombat Mine, \$7,630,230 of the aggregate loans received from Horizon was transferred to and sold with the Kombat Mine. As of June 30, 2026, the loan payable, including accrued interest, retained by the Company was \$2,881,711 with additional interest accrued to June 30, 2026.

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14. SALE OF KOMBAT MINE

Sale of Kombat Mine

The Company signed a definitive agreement for the sale of the Company's interest in the Kombat Mine to Kamino Minerals Ltd., an affiliate of Horizon on May 27, 2025. The transaction was approved on July 4, 2025 by the shareholders at the annual general and special meeting. The sale closed on December 23, 2025. The Company recorded a gain on disposal of the Kombat Mine of \$27,743,299, and this amount was recorded through the statement of income (loss) during the year ended March 31, 2026.

Purchase Consideration

Kamino will pay to the Company a total purchase consideration of \$24,000,000 in cash transaction and the purchase consideration comprises:

- \$1 for the shares in Trigon Ontario; and
- \$23,999,999 for the shares in PNT and the PNT Loan, subject to a purchase price adjustment for outstanding liabilities owing to IXM S.A. and Sprott Private Resource Streaming and Royalty (B) Corp. and Sprott Mining Inc. (collectively, "Sprott") on closing (the "Purchase Price Adjustment").

The Purchase Consideration will be settled in eight equal instalments, with the first instalment paid on April 4, 2026, and the second instalment paid on July 2, 2026. The six remaining instalments will be payable every three months from the date of the second instalment.

In addition, the Purchaser will make an additional cash payment (the "Production Payment") to Trigon thirty days following the Copper Stream Step-Down Date as defined in the Sprott Stream Agreement. The Production Payment ranges between \$3,500,000 and \$13,000,000, dependent on copper price. This contingent consideration has not been included in the purchase consideration of the mine as of March 31, 2026 as the probability of collection cannot be reasonably assumed at this time given Horizon has not yet restarted the mine, nor shared a planned mine production schedule. The remaining portion of the Horizon Loan (excluding the Additional Loan) as set out in Note 13, will be repaid by offsetting the loan amount, including accrued interest, against the Production Payment.

As further consideration, Trigon will be granted a royalty on the Kombat Mine from Trigon Mining (Namibia) (Pty) Ltd (subsequently renamed New Horizon Copper (Pty) Ltd), the registered owner of the Kombat Mine, of 1.0% of copper net smelter returns on a per invoice basis, payable if the invoiced copper price on final invoicing is greater than \$4.00 per pound (the "Royalty") for up to 20 quarters with 8 allowable deferrals. Such royalty is to be paid exclusively from Horizon's equity ownership. Payments under the Royalty will commence once the Kombat Mine achieves copper metal production of 1,000 tonnes for each of two consecutive calendar months. This contingent consideration has been fair valued at \$2,253,176 and included in the purchase consideration of the mine. As at June 30, 2026 and March 31, 2026, the Net Smelter Royalty ("NSR") has a balance of \$2,253,176 on the statement of financial position.

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14. SALE OF KOMBAT MINE (continued)

Below is a summary of costs included in discontinued operations in the comparative three months ended June 30, 2025:

	Three months ended June 30, 2025
Revenue	481,348
Cost of sales	318,658
Cost of sales - depreciation	345,975
Gross income (loss)	(183,285)
Expenses	
Exploration and evaluation expenditures	461,635
Professional fees	60,981
Accretion expense	1,090,575
Loss on asset disposal	13,305
Finance charges	228,442
Foreign exchange loss (gain)	167,506
Other expense	99,467
Net (loss) income	\$ (2,305,196)

The exploration and evaluation expenditures in the three months ended June 30, 2025 from the Kombat Mine discontinued operation of \$461,635 are related to the costs of personnel and general and administration activities incurred in respect of the Kombat project in Namibia.

	Three months ended June 30, 2025
Field office and support	\$ 228,912
Consulting and labour	224,268
Licence and permit	3,755
Travel	4,700
	\$ 461,635

15. SUBSEQUENT EVENTS

Subsequent to June 30, 2026, the Company announced that the exercise price of the 2,500,000 common share purchase warrants has been reduced from \$1.50 to \$0.50. Each Warrant entitles the holder to acquire one Safi Silver common share at a price of \$0.50. The expiry date of the warrants was also extended to December 31, 2026.

Subsequent to June 30, 2026, 750,000 stock options of the Company were exercised at \$0.40 for gross proceeds of CAD\$300,000.