
**SILVER STORM MINING LTD.
(FORMERLY GOLDEN TAG RESOURCES LTD.)
CONDENSED INTERIM CONSOLIDATED
FINANCIAL STATEMENTS
THREE AND SIX MONTHS ENDED
SEPTEMBER 30, 2024
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)**

Notice To Reader

The accompanying unaudited condensed interim consolidated financial statements of Silver Storm Mining Ltd. (formerly Golden Tag Resources Ltd.) (the "Company") have been prepared by and are the responsibility of management. The unaudited condensed interim consolidated financial statements have not been reviewed by the Company's auditors.

Silver Storm Mining Ltd. (formerly Golden Tag Resources Ltd.)

Condensed Interim Consolidated Statements of Financial Position

(Expressed in Canadian Dollars)

(Unaudited)

	As at September 30, 2024	As at March 31, 2024
ASSETS		
Current assets		
Cash and cash equivalents (note 5)	\$ 1,698,464	\$ 1,206,905
Restricted cash (note 6)	-	61,611
Marketable securities (note 7)	42,000	42,000
Sales taxes receivable (note 8)	123,482	121,744
Prepaid expenses and other assets (note 9)	748,446	791,773
Total current assets	2,612,392	2,224,033
Non-current assets		
Restricted cash (note 6)	33,369	53,310
Sales taxes receivable (note 8)	642,280	527,288
Inventories (note 10)	1,074,468	1,022,286
Property, plant and equipment (note 11)	13,290,793	13,344,231
Right-of-use assets (note 12)	1,273,122	1,629,588
Other long-term assets	49,526	99,077
Mining interests (note 13)	15,223,207	15,307,787
Total assets	\$ 34,199,157	\$ 34,207,600
EQUITY AND LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities (note 14)	\$ 1,917,430	\$ 1,528,738
Due to First Majestic Silver Corp. (note 22)	4,030,438	3,927,889
Lease obligations (note 15)	279,382	363,581
Total current liabilities	6,227,250	5,820,208
Non-current liabilities		
Lease obligations (note 15)	1,152,839	1,369,022
Decommissioning liabilities (note 16)	7,715,499	7,403,422
Contingent consideration (note 17)	312,182	272,384
Total liabilities	15,407,770	14,865,036
Equity		
Share capital (note 18)	54,216,955	50,284,705
Shares to be issued (note 18)	-	57,198
Options reserves (note 19)	3,615,379	1,952,885
Warrant reserves (note 18)	2,754,967	732,681
Accumulated other comprehensive (loss) income	257,961	433,701
Deficit	(42,053,875)	(34,118,606)
Total equity	18,791,387	19,342,564
Total equity and liabilities	\$ 34,199,157	\$ 34,207,600

Nature of operations and going concern (note 1)

Contingencies and commitments (note 23)

Subsequent event (note 25)

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

Silver Storm Mining Ltd. (formerly Golden Tag Resources Ltd.)

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss

(Expressed in Canadian Dollars)

(Unaudited)

	Three Months Ended		Six Months Ended	
	September 30,		September 30,	
	2024	2023	2024	2023
Operating expenses				
Administrative costs	88,936	26,206	155,455	41,524
Foreign exchange loss	41,735	8,871	27,613	75,824
Listing, filing and transfer agency fees (note 22)	7,458	26,184	19,491	55,337
Management, consulting fees and directors' fees (note 22)	120,616	182,097	269,932	619,482
Mineral property expenses (note 13)	2,759,534	10,517,552	4,914,381	10,580,593
Professional fees (note 22)	116,776	99,682	232,851	296,426
Promotion costs	55,182	109,884	206,661	294,748
Rent	-	28,826	-	40,044
Salaries	32,521	33,442	77,127	105,783
Investor relations	73,093	16,022	183,118	27,278
Stock based compensation (note 19)	-	-	1,662,494	-
Project investigation costs	-	621,866	-	621,866
Total operating expenses	3,295,851	11,670,632	7,749,123	12,758,905
Accretion (notes 4 and 17)	110,398	-	243,516	-
Depreciation (note 12)	45,084	-	90,167	-
Finance cost (note 15)	6,147	-	13,302	-
Finance income	(16,653)	(51,028)	(80,934)	(107,069)
Gain on settlement of debt (note 18)	(34,031)	-	(34,031)	-
Rent	(18,305)	-	(45,874)	-
Unrealized loss on change in fair value of marketable securities (note 7)	7,000	10,500	-	28,000
Net loss for the period	\$ (3,395,491)	\$ (11,630,104)	\$ (7,935,269)	\$ (12,679,836)
Other comprehensive (loss) income				
Items that may be reclassified to profit or loss				
Exchange differences on translating foreign operations	\$ 112,890	\$ 25,178	\$ (175,740)	\$ 85,736
Other comprehensive (loss) income for the period	112,890	25,178	(175,740)	85,736
Total comprehensive loss for the period	\$ (3,282,601)	\$ (11,604,926)	\$ (8,111,009)	\$ (12,594,100)
Basic and diluted loss per share (note 20)	\$ (0.01)	\$ (0.04)	\$ (0.02)	\$ (0.05)
Weighted average number of common shares outstanding - basic and diluted	453,782,980	309,562,548	451,206,828	263,193,557

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

Silver Storm Mining Ltd. (formerly Golden Tag Resources Ltd.)

Condensed Interim Consolidated Statements of Cash Flows

(Expressed in Canadian Dollars)

(Unaudited)

	Six Months Ended September 30,	
	2024	2023
Operating activities		
Net loss for the period	\$ (7,935,269)	\$(12,679,836)
Non-cash items:		
Stock based compensation (note 19)	1,662,494	-
Depreciation (notes 11 and 12)	194,701	175,158
Accretion (notes 16 and 17)	398,892	-
Finance cost (note 15)	102,368	-
Foreign exchange loss	41,347	307,601
Mining property expenses (note 4)	-	9,578,060
Gain on settlement of debt (note 18)	(34,031)	-
Unrealized loss on change in fair value of marketable securities (note 7)	-	28,000
Changes in working capital items (note 21)	671,759	(2,393,436)
Net cash used in operating activities	(4,897,739)	(4,984,453)
Investing activities		
Purchase of property, plant and equipment (note 11)	(38,613)	-
Net cash used in investing activities	(38,613)	-
Financing activities		
Proceeds from private placements (note 18)	6,042,802	5,065,178
Share issue costs (note 18)	(286,433)	(192,990)
Proceeds from options exercised (note 19)	-	100,000
Lease obligation payments (note 15)	(178,805)	(29,319)
Net cash provided by financing activities	5,577,564	4,942,869
Net change in cash and cash equivalents	641,212	(41,584)
Effect of change in foreign exchange rate on cash	(149,653)	3,775
Cash and cash equivalents, beginning of period	1,206,905	7,824,485
Cash and cash equivalents, end of period	\$ 1,698,464	\$ 7,786,676
Cash	\$ 791,048	\$ 4,556,511
Cash equivalents	907,416	3,230,165
Cash and cash equivalents	\$ 1,698,464	\$ 7,786,676
Supplementary cash flow information		
Shares issued for settlement of debt	\$ 140,969	\$ -

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

Silver Storm Mining Ltd. (formerly Golden Tag Resources Ltd.)

Condensed Interim Consolidated Statements of Changes in Equity

(Expressed in Canadian Dollars)

(Unaudited)

	Number of shares	Share capital	Shares to be issued	Options reserves	Warrants reserves	Accumulated other comprehensive income	Deficit	Total
Balance, March 31, 2023	216,824,566	\$ 28,821,512	\$ 2,013,344	\$ 2,983,559	\$ 762,151	\$ 303,821	\$ (26,771,825)	\$ 8,112,562
Private placement	35,392,610	7,078,522	(2,013,344)	-	-	-	-	5,065,178
Warrants	-	(1,589,149)	-	-	1,589,149	-	-	-
Share issue costs	-	(204,076)	-	-	11,086	-	-	(192,990)
Options exercised	1,250,000	184,663	-	(84,663)	-	-	-	100,000
Acquisition - La Parrilla	143,673,684	15,085,737	-	-	-	-	-	15,085,737
Options cancelled	-	-	-	(929,076)	-	-	929,076	-
Net loss and comprehensive loss	-	-	-	-	-	85,736	(12,679,836)	(12,594,100)
Balance, September 30, 2023	397,140,860	\$ 49,377,209	\$ -	\$ 1,969,820	\$ 2,362,386	\$ 389,557	\$ (38,522,585)	\$ 15,576,387
Balance, March 31, 2024	397,390,860	\$ 50,284,705	\$ 57,198	\$ 1,952,885	\$ 732,681	\$ 433,701	\$ (34,118,606)	\$ 19,342,564
Private placement	55,454,546	6,100,000	(57,198)	-	-	-	-	6,042,802
Warrants	-	(1,930,177)	-	-	1,930,177	-	-	-
Share issue costs	-	(378,542)	-	-	92,109	-	-	(286,433)
Shares issued for settlement of debt	972,200	140,969	-	-	-	-	-	140,969
Stock based compensation	-	-	-	1,662,494	-	-	-	1,662,494
Net loss and comprehensive loss	-	-	-	-	-	(175,740)	(7,935,269)	(8,111,009)
Balance, September 30, 2024	453,817,606	\$ 54,216,955	\$ -	\$ 3,615,379	\$ 2,754,967	\$ 257,961	\$ (42,053,875)	\$ 18,791,387

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

Silver Storm Mining Ltd. (formerly Golden Tag Resources Ltd.)

Notes to Condensed Interim Consolidated Financial Statements

Three and Six Months Ended September 30, 2024 and 2023

(Expressed in Canadian Dollars)

(Unaudited)

1. Nature of operations and going concern

Silver Storm Mining Ltd. (formerly Golden Tag Resources Ltd.) (the "Company" or "Silver Storm") is incorporated under the Canada Business Corporations Act and holds advanced stage silver projects located in Durango, Mexico. The principal business of the Company is to acquire, explore and develop interests in exploration and evaluation assets. The address of the Company's registered office and its principal place of business are 22 Adelaide Street West, Suite 2020, Bay Adelaide Centre, Toronto, Ontario, Canada.

The Company's common shares started trading on the OTCQB November 5, 2020 at the opening of the market under the stock symbol "GTAGF" and remains listed on the TSX Venture Exchange ("TSXV") under the ticker symbol "GOG".

On May 9, 2023, the Company announced the listing of the Company's common share on the Frankfurt Stock Exchange under the trading symbol "GTD".

On August 14, 2023, the Company completed the acquisition of a 100% interest in the La Parrilla Silver Mine Complex ("La Parrilla") located in San Jose de La Parrilla, Durango, Mexico.

A certificate of amendment was filed on October 30, 2023 to change the name of the Company to "Silver Storm Mining Ltd.". On November 7, 2023, the Company's common shares started trading on the TSXV under the new trading symbol "SVRS", on the OTCQB under the new trading symbol "SVRSF" and on the Frankfurt Stock Exchange under the new trading symbol "SVR".

These unaudited condensed interim consolidated financial statements comprise of the financial statements of Silver Storm Mining Ltd. and its wholly-owned subsidiaries, Golden Tag Mexico SA de CV and Parrilla Plata Mining, S.A. de C.V., which were incorporated in Mexico.

Effective January 1, 2023, the Company changed its financial year-end from December 31 to March 31 to better align its financial reporting and tax planning with its business planning. The change in year-end resulted in the Company's filing a one-time, fifteen-month transition year covering the period of January 1, 2023 to March 31, 2024.

These unaudited condensed interim consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. To date, the Company has not yet determined whether its mineral properties contain mineral deposits that are economically recoverable, and the Company has not yet generated income or cash flows from its operations. During the six months ended September 30, 2024, the Company incurred a net loss of \$7,935,269 and as at September 30, 2024, the Company's current liabilities exceed its current assets by \$3,614,858 and it has an accumulated deficit of \$42,053,875. The Company's ability to continue its operations and to realize assets at their carrying values is dependent upon its ability to raise financing and generate profits and positive cash flows from operations in order to cover its operating costs. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

From time to time, the Company generates working capital to fund its operations by raising additional capital through equity or debt financing. However, there is no assurance it will be able to continue to do so in the future. These unaudited condensed interim consolidated financial statements do not give effect to any adjustments required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying unaudited condensed interim consolidated financial statements. Such adjustments could be material.

Silver Storm Mining Ltd. (formerly Golden Tag Resources Ltd.)

Notes to Condensed Interim Consolidated Financial Statements

Three and Six Months Ended September 30, 2024 and 2023

(Expressed in Canadian Dollars)

(Unaudited)

2. Basis of presentation

Statement of compliance

These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") under international Accounting Standard 34 – Interim Financial Reporting. These unaudited condensed interim consolidated financial statements do not include all the notes required in annual financial statements and accordingly, should be read in conjunction with the annual consolidated financial statements for the fifteen month period ended March 31, 2024.

Approval of financial statements

The Company's Board of Directors approved these unaudited condensed interim consolidated financial statements on November 27, 2024.

Basis of preparation

These unaudited condensed interim consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information and certain financial instruments measured at fair value.

Basis of consolidation

The Company's unaudited condensed interim consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company. Control exists when the Company has power over an investee, exposure or rights, to variable returns from its involvement with the investee and the ability to use its power over the investee to affect the amount of the Company returns.

Details of controlled entities are as follows:

<u>Entity</u>	<u>Country of Incorporation</u>	<u>Holding</u>	<u>Functional Currency</u>
Golden Tag Mexico, S.A. de C.V.	Mexico	100%	United States Dollar
Parrilla Plata Mining, S.A. de C.V.	Mexico	100%	United States Dollar

Intercompany transactions have been eliminated on consolidation.

Functional and presentation currency

These unaudited condensed interim consolidated financial statements are presented in Canadian dollars, unless otherwise stated, which is the Company's functional currency. The functional currency of the Company's Mexican subsidiaries is the United States dollar ("US dollar"). The Company has adopted the Canadian dollar as its presentation currency.

Silver Storm Mining Ltd. (formerly Golden Tag Resources Ltd.)

Notes to Condensed Interim Consolidated Financial Statements

Three and Six Months Ended September 30, 2024 and 2023

(Expressed in Canadian Dollars)

(Unaudited)

3. Material accounting policy information

These unaudited condensed interim consolidated financial statements were prepared using the same accounting policies, methods of computation and basis of presentation as outlined in note 3 – Material Accounting Policy Information, as described in the Company's annual audited consolidated financial statements for the fifteen month period ended March 31, 2024.

4. Acquisition

On August 14, 2023, the Company completed its transaction (the "Transaction") with First Majestic Silver Corp. ("First Majestic") to acquire a 100% interest in the La Parrilla property in the locality of San Jose de la Parrilla, Durango, Mexico through its wholly-owned subsidiary Parrilla Plata Mining, S.A. de C.V.

Under the terms of the Transaction, the consideration for the acquisition with a fair value of \$22,448,682 included the following:

- the issuance of 143,673,684 common shares of the Company (valued at \$15,086,004 based on the closing price of August 14, 2023);
- aggregate cash payments of US\$2,700,000 (CAD\$3,037,772) (unpaid as at September 30, 2024) discounted rate of 12.7% over a period of eighteen months;
- US\$5.75 million when either (a) 5 million ounces of silver equivalent ("Ag.Eq") reserves are declared from the La Parrilla Property, or (b) 22 million ounces of Ag.Eq of measured and indicated resources are declared, from the La Parrilla Property (valued at CAD\$270,117 based on probability of achieving this milestone);
- US\$5.05 million when a new zone is discovered on the La Parrilla claims inclusive of a NI 43-101 resource of 12.5 million ounces of Ag.Eq (valued at \$nil based on probability of achieving this milestone is 0%); and
- VAT payable on acquisition of \$3,768,028 (\$3,163,751 paid as at March 31, 2024).

The Transaction does not constitute a business combination as the La Parrilla Property did not meet the definition of a business in accordance with IFRS 3 - Business combinations. For accounting purposes, the Transaction is accounted for as an equity-settled share-based payment transaction in accordance with IFRS 2 - Share-based payments.

The Company will pay cash of US\$10.8 million, as contingent consideration for the acquisition if certain milestones are met. The Company has determined the fair value of the contingent consideration on the Transaction date based on the probability of achieving each respective milestone. Management estimated the probability of achieving the first milestone to be 5% in three years, and the probability of the other milestones being reached to be 0%. The first milestone amount of \$5.75 million has been discounted using the 3 years CCC-rated materials corporate bond rate, which is an estimate of the Company's credit adjusting borrowing rate at the Transaction date. The fair value of the total milestone payments is \$270,117.

Silver Storm Mining Ltd. (formerly Golden Tag Resources Ltd.)

Notes to Condensed Interim Consolidated Financial Statements

Three and Six Months Ended September 30, 2024 and 2023

(Expressed in Canadian Dollars)

(Unaudited)

4. Acquisition (continued)

The following table summarizes the total consideration paid and the fair value of the identifiable net assets assumed as of the date of acquisition:

Consideration paid:

143,673,684 common shares	\$ 15,086,004
Cash payment	3,037,772
Contingent consideration	270,117
VAT paid on acquisition	3,768,028
Transaction costs	286,761
	<u>\$ 22,448,682</u>

Less fair value of net assets:

Inventories	\$ 1,048,589
Prepaid expenses and other assets	33,491
Property, plant and equipment	13,423,869
Right-of-use assets	1,437,586
Other long-term assets	97,731
Accounts payable and accrued liabilities	(191,403)
Lease obligations	(1,437,586)
Decommissioning liabilities	(7,226,187)
Total fair value of net assets acquired	<u>\$ 7,186,090</u>
Mining assets	<u>\$ 15,262,592</u>

During the three and six months ended September 30, 2024, the Company recognized accretion of \$100,780 and \$201,870, respectively on the US\$2,700,000 cash payment obligation which has been presented with the accretion expense on the unaudited condensed interim consolidated statement of loss and comprehensive loss.

5. Cash and cash equivalents

	September 30, 2024	March 31, 2024
Bank balances	\$ 791,048	\$ 832,364
Short-term deposits	907,416	374,541
Total	<u>\$ 1,698,464</u>	<u>\$ 1,206,905</u>

6. Restricted cash

	September 30, 2024	March 31, 2024
Current balance	\$ -	\$ 61,611
Non-current balance	33,369	53,310
Total	<u>\$ 33,369</u>	<u>\$ 114,921</u>

On July 3, 2024, one of the security letter of credits of \$61,611 was released.

Silver Storm Mining Ltd. (formerly Golden Tag Resources Ltd.)

Notes to Condensed Interim Consolidated Financial Statements

Three and Six Months Ended September 30, 2024 and 2023

(Expressed in Canadian Dollars)

(Unaudited)

7. Marketable securities

Balance as at March 31, 2024 and December 31, 2022	\$	42,000	\$	49,000
Unrealized gain (loss) on change in fair value of marketable securities		-		(7,000)
Balance as at September 30, 2024 and March 31, 2024	\$	42,000	\$	42,000

Marketable securities consist of 700,000 common shares of Sirius Resources Inc.:

	September 30, 2024	March 31, 2024
	\$ 42,000	\$ 42,000

8. Sales taxes receivable

	September 30, 2024	March 31, 2024
Aging analysis		
GST receivable	\$ 123,482	\$ 121,744
VAT receivable	642,280	527,288
Total	765,762	649,032
Less current balance	(123,482)	(121,744)
Non-current balance	\$ 642,280	\$ 527,288

9. Prepaids and other assets

	September 30, 2024	March 31, 2024
Mining rights	\$ 495,231	\$ 444,652
Prepaid insurance	97,642	192,285
Other prepaid expenses	155,573	154,836
Total	\$ 748,446	\$ 791,773

10. Inventories

Inventories consist of materials and supplies. The following is a breakdown of inventories:

	September 30, 2024	March 31, 2024
Materials and supplies	\$ 1,074,468	\$ 1,022,286

Silver Storm Mining Ltd. (formerly Golden Tag Resources Ltd.)

Notes to Condensed Interim Consolidated Financial Statements

Three and Six Months Ended September 30, 2024 and 2023

(Expressed in Canadian Dollars)

(Unaudited)

11. Property, plant and equipment

	Land	Buildings	Machinery and equipment	Other	Total
Cost					
Balance as at March 31, 2024	\$ 772,781	\$ 5,720,054	\$ 6,688,867	\$ 187,125	\$ 13,368,827
Additions	-	-	-	38,613	38,613
Foreign exchange	(4,270)	(31,605)	(34,785)	(1,034)	(71,694)
Balance as at September 30, 2024	\$ 768,511	\$ 5,688,449	\$ 6,654,082	\$ 224,704	\$ 13,335,746
Accumulated Depreciation					
Balance as at March 31, 2024	\$ -	\$ -	\$ -	\$ 24,596	\$ 24,596
Depreciation	-	-	-	20,455	20,455
Foreign exchange	-	-	-	(98)	(98)
Balance as at September 30, 2024	\$ -	\$ -	\$ -	\$ 44,953	\$ 44,953
Carrying Amounts					
Balance as at March 31, 2024	\$ 772,781	\$ 5,720,054	\$ 6,688,867	\$ 162,529	\$ 13,344,231
Balance as at September 30, 2024	\$ 768,511	\$ 5,688,449	\$ 6,654,082	\$ 179,751	\$ 13,290,793

Included in Other are computer equipment, office equipment, laboratory equipment and transportation equipment. During the three and six month ended September 30, 2024, depreciation of \$10,085 and \$20,455, respectively for the property, plant and equipment is included in mineral property expenses on the unaudited condensed interim consolidated statement of loss and comprehensive loss.

12. Right-of-use assets

Balance as at March 31, 2024	\$ 1,629,588
Foreign exchange	(182,220)
Depreciation	(174,246)
Balance as at September 30, 2024	\$ 1,273,122

The right-of-use assets consist of 1 lease agreement for office space, 2 lease agreements for vehicles and 1 lease agreement for the land. The lease agreements have terms between 1 year to 8 years.

During the three and six month ended September 30, 2024, depreciation expense of \$36,322 and \$84,080, respectively relating to the vehicles and land leases has been presented in mineral property expenses, and depreciation of \$45,081 and \$90,167, respectively relating to the office space has been included in depreciation expense in the unaudited condensed interim consolidated statement of loss and comprehensive loss.

The Company has sub-leased a portion of the space under its office lease. The Company has classified the sub-leases as operating leases. During the three and six month ended September 30, 2024, rent income of \$43,195 and \$67,195, respectively relating the sub-leases has been included in rent income in the unaudited condensed interim consolidated statement of loss and comprehensive loss.

During the six months ended September 30, 2024, 2 lease agreements for vehicles terminated.

Silver Storm Mining Ltd. (formerly Golden Tag Resources Ltd.)

Notes to Condensed Interim Consolidated Financial Statements

Three and Six Months Ended September 30, 2024 and 2023

(Expressed in Canadian Dollars)

(Unaudited)

13. Mining interests

La Parrilla Property

The La Parrilla Silver Mine is a complex consisting of five non-operational underground mines, a non-operational open pit mine and a 2,000 tonne per day processing facility located southeast of the city of Durango, the capital of Durango State. The La Parrilla property consists of 41 contiguous mining concessions covering a total of 69,478 hectares.

Metalla Royalty & Streaming Ltd. ("Metalla") retains a 2% net smelter return royalty on the La Parrilla Property.

The La Parrilla Silver Mine has been on care and maintenance since September 2019 and no royalties have been incurred as of September 30, 2024.

During the three and six months ended September 30, 2024, recovery of processing plant material of \$493,868 was recorded against mineral property expenses.

	La Parrilla Property
Balance as at March 31, 2024	\$ 15,307,787
Foreign exchange	(84,580)
Balance as at September 30, 2024	\$ 15,223,207

Mexico San Diego Property

The Company holds a 100% interest in the San Diego Property, Durango State, Mexico. Golden Minerals Company has a 2% net smelter return royalty on the property. This was the only mining property that the Company holds the rights to explore as at December 31, 2022.

14. Accounts payable and accrued liabilities

	September 30, 2024	March 31, 2024
Accounts payable	\$ 1,163,395	\$ 266,933
Payroll and related benefits	81,765	53,028
Other accrued liabilities	672,270	1,208,777
Total	\$ 1,917,430	\$ 1,528,738

Silver Storm Mining Ltd. (formerly Golden Tag Resources Ltd.)

Notes to Condensed Interim Consolidated Financial Statements

Three and Six Months Ended September 30, 2024 and 2023

(Expressed in Canadian Dollars)

(Unaudited)

15. Lease obligations

During the three and six months ended September 30, 2024, finance costs of \$42,671 and \$89,066, respectively relating to the vehicle and land leases have been included in mineral property expenses, and \$6,147 and \$13,302, respectively relating to the office lease has been included in finance costs expense on the unaudited condensed interim consolidated statement of loss and comprehensive loss.

A reconciliation for lease obligations is as follows:

Balance as at March 31, 2024	\$ 1,732,603
Finance costs	102,368
Operating lease payments	(178,805)
Foreign exchange	(223,945)
Balance as at September 30, 2024	1,432,221
Less current balance	(279,382)
Non-current balance	\$ 1,152,839

16. Decommissioning liabilities

A reconciliation for decommissioning liability is as follows:

Balance as at March 31, 2024	\$ 7,403,422
Movements during the period:	
Accretion expense	357,246
Foreign exchange	(45,169)
Balance as at September 30, 2024	\$ 7,715,499

The provision for decommissioning was estimated using the following inputs and assumptions:

- Undiscounted future reclamation costs: \$10,892,818
- Risk free rate used: 9.61%
- Inflation rate used: 4.37%
- Weighted average expected timing of cash outflows (years): 20 years

Silver Storm Mining Ltd. (formerly Golden Tag Resources Ltd.)

Notes to Condensed Interim Consolidated Financial Statements

Three and Six Months Ended September 30, 2024 and 2023

(Expressed in Canadian Dollars)

(Unaudited)

17. Contingent consideration

Balance as at March 31, 2024	\$	272,384
Movements during the period:		
Accretion expense		41,646
Foreign exchange		(1,848)
Balance as at September 30, 2024	\$	312,182
Less current balance		-
Non-current balance	\$	312,182

18. Equity

(a) Share capital

Authorized share capital: An unlimited number of the following classes of shares:

- Common shares, voting
- Preferred shares, non-voting, redeemable for the amount paid thereon, all rights and privileges to be determined by the Board of Directors.

Issued during the six months ended September 30, 2024

(i) On April 2, 2024, the Company closed the first tranche of a non-brokered private placement. Under the first tranche, the Company issued 13,340,455 units at a price of \$0.11 per unit for aggregate gross proceeds of \$1,467,450. Each unit consists of one common share and one-half of one common share purchase warrant. Each whole warrant issued pursuant to the first tranche entitles the holder thereof to acquire one common share at a price of \$0.16 until April 4, 2026. The fair value of the 6,670,228 warrants is \$0.06 using the Black-Scholes option valuation model with the following assumptions: an expected volatility of 96%, a risk-free interest rate of 4.24%, an expected unit life of 2 years, no expected dividend yield and a price at date of grant of \$0.13.

On April 10, 2024, the Company completed the second and final tranche of the non-brokered private placement. In connection with the second tranche, the Company issued an aggregate of 42,114,091 units at a price of \$0.11 per unit for aggregate gross proceeds of \$4,632,550. Each unit consists of one common share and one-half of one common share purchase warrant. Each whole warrant issued pursuant to the second tranche entitles the holder thereof to acquire one common share at a price of \$0.16 until April 10, 2026. The fair value of the 21,057,046 warrants is \$0.07 using the Black-Scholes option valuation model with the following assumptions: an expected volatility of 96%, a risk-free interest rate of 4.35%, an expected unit life of 2 years, no expected dividend yield and a price at date of grant of \$0.145.

In connection with the first and second tranche, the Company paid aggregate cash finder's fees of \$231,502 and issued 1,127,515 finder's warrants. Each finder's warrant entitles the holder to purchase one common share at a price of \$0.11 for a period of 24 months from the date of issuance. The fair value of the 1,127,515 finders' warrants was estimated at \$0.07 to \$0.09 using the Black-Scholes option valuation model with the following assumptions: an expected volatility of 96%, a risk-free interest rate of 4.24% to 4.35%, an expected unit life of 2 years, no expected dividend yield and a price at date of grant of \$0.13 to \$0.145.

As at March 31, 2024, \$57,198 was received by the Company related to the non-brokered private placement.

(ii) On July 4, 2024, the Company issued 972,200 common shares of the Company to settle \$175,000 of accounts payable for professional services. The fair value of the shares issued was \$140,969, resulting in a gain on settlement of debt of \$34,031.

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(Unaudited)

18. Equity (continued)

Issued during the fifteen months ended March 31, 2024

(iii) On August 14, 2023, the Company issued 143,673,684 common shares for the acquisition of La Parrilla.

(iv) The Company raised \$7,078,522 pursuant to a subscription receipt offering. Immediately prior to the completion of the Transaction, in accordance with their terms, each subscription receipt of the Company issued pursuant to the offering was exchanged for one common share of the Company and one-half of one common share purchase warrant with each warrant exercisable into one common share at an exercise price of \$0.34 until August 14, 2026. The fair value of the 17,696,305 warrants is \$0.04 using the Black-Scholes option valuation model with the following assumptions: an expected volatility of 88%, a risk-free interest rate of 4.47%, an expected unit life of 3 years, no expected dividend yield and a price at date of grant of \$0.11.

In connection in the offering, the Company agreed to pay certain eligible arm's length parties who introduced subscribers to the offering: (1) up to 7% cash fees, and (2) up to 7% finders' warrants. The finders' warrants entitle the holder to acquire one common share at a price of \$0.20 until August 14, 2025. The finders for the offering and their fees paid include: \$192,894 cash and 620,700 finders' warrants. The fair value of the 620,700 finders' warrants was estimated at \$0.04 using the Black-Scholes option valuation model with the following assumptions: an expected volatility of 86%, a risk-free interest rate of 4.72%, an expected unit life of 2 years, no expected dividend yield and a price at date of grant of \$0.11.

First Majestic Silver Corp. ("First Majestic") subscribed to 18,009,000 subscription receipts pursuant to the offering. All of these subscription receipts were converted to common shares and warrants on August 14, 2023 in connection with the closing of the Transaction. Following completion of the offering and conversion of the subscription receipts, First Majestic owns and exercises control or direction over 161,682,684 common shares and 9,004,500 warrants, representing approximately 40.8% of the issued and outstanding common shares on a non-diluted basis and approximately 43% of the issued and outstanding common shares on a partially diluted basis (assuming the exercise of all warrants held by First Majestic).

(b) Share purchase warrants

Outstanding warrants entitle their holders to subscribe to an equivalent number of common shares, the continuity of activity for warrants is as follows:

	#	Weighted average exercise price \$
Balance as at December 31, 2022	6,668,000	0.40
Issued	17,696,305	0.34
Issued broker warrants	620,700	0.20
Expired warrants	(6,668,000)	0.40
Balance as at March 31, 2024	18,317,005	0.34
Issued	27,727,274	0.16
Issued broker warrants	1,127,515	0.11
Balance as at September 30, 2024	47,171,794	0.23

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18. Equity (continued)

(b) Share purchase warrants (continued)

During the six months ended September 30, 2024

On April 2, 2024, the Company issued 6,670,228 warrants exercisable into common shares at an exercise price of \$0.16 until April 4, 2026. The fair value of the 6,670,228 warrants was estimated at \$0.06 using the Black-Scholes option valuation model with the following assumptions: an expected volatility of 96%, a risk-free interest rate of 4.24%, an expected unit life of 2 years, no expected dividend yield and a price at date of grant of \$0.13.

On April 10, 2024, the Company issued 21,057,046 warrants exercisable into common shares at an exercise price of \$0.16 until April 10, 2026. The fair value of the 21,057,046 warrants was estimated at \$0.07 using the Black-Scholes option valuation model with the following assumptions: an expected volatility of 96%, a risk-free interest rate of 4.35%, an expected unit life of 2 years, no expected dividend yield and a price at date of grant of \$0.145.

In addition, the Company issued 1,127,515 finder's warrants exercisable into common shares at an exercise price of \$0.11 until April 4, 2026 to April 10, 2026. The fair value of the 1,127,515 finders' warrants was estimated at \$0.07 to \$0.09 using the Black-Scholes option valuation model with the following assumptions: an expected volatility of 96%, a risk-free interest rate of 4.24% to 4.35%, an expected unit life of 2 years, no expected dividend yield and a price at date of grant of \$0.13 to \$0.145.

During the fifteen months ended March 31, 2024

On August 14, 2023, the Company issued 17,696,305 warrants exercisable into common shares at an exercise price of \$0.34 until August 14, 2026. The fair value of the 17,696,305 warrants was estimated at \$0.04 using the Black-Scholes option valuation model with the following assumptions: an expected volatility of 88%, a risk-free interest rate of 4.47%, an expected unit life of 3 years, no expected dividend yield and a price at date of grant of \$0.11.

In addition, the Company issued 620,700 finder's warrants exercisable into common shares at an exercise price of \$0.20 until August 14, 2025. The fair value of the 620,700 finders' warrants was estimated at \$0.04 using the Black-Scholes option valuation model with the following assumptions: an expected volatility of 86%, a risk-free interest rate of 4.72%, an expected unit life of 2 years, no expected dividend yield and a price at date of grant of \$0.11.

At September 30, 2024, the following exercisable warrants were outstanding:

Number of warrants	Price (\$)	Expiry date
620,700	0.20	14-Aug-25
355,250	0.11	04-Apr-26
6,670,228	0.16	04-Apr-26
772,265	0.11	10-Apr-26
21,057,046	0.16	10-Apr-26
17,696,305	0.34	14-Aug-26
47,171,794	0.23	

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19. Stock options

Outstanding options entitle their holders to subscribe to an equivalent number of common shares, the continuity for activity is as follows:

	#	Weighted average exercise price \$
Balance as at December 31, 2022	12,600,000	0.28
Expired	(3,700,000)	0.25
Exercised	(1,500,000)	0.08
Balance as at March 31, 2024	7,400,000	0.32
Issued	12,800,000	0.17
Balance as at September 30, 2024	20,200,000	0.22

As at September 30, 2024, 20,200,000 (March 31, 2024 - 7,400,000) options are exercisable. The average share price on the exercise of stock options for the six months ended September 30, 2024 was \$nil (fifteen months ended March 31, 2024 - \$0.10).

During the six months ended September 30, 2024

On April 22, 2024, 12,800,000 stock options were granted to certain directors, officers and employees of the Company to purchase common shares at a price of \$0.165 per share until April 22, 2029. The options vested immediately. The fair value of the options was estimated using the Black-Scholes option pricing model with the following assumptions: dividend yield - 0%; volatility - 106%; risk-free interest rate - 3.79%, an expected life of 5 years, no expected dividend yield and a price at date of grant of \$0.17. The fair value attributed to these options was \$1,662,494 and was expensed in the unaudited condensed interim consolidated statements of loss and credited to options reserves. During the three and six months ended September 30, 2024, included in stock based compensation is \$nil and \$1,662,494, respectively (three and six months ended September 30, 2023 - \$nil) related to the vested portion of these options.

20. Loss per share

The calculation of basic loss per share is based on the loss for the period divided by the weighted average number of shares in circulation during the period. In calculating the diluted loss per share, potential ordinary shares such as share options and warrants have not been included as their exercise prices were higher than the Company's share price as at September 30, 2024 and September 30, 2023. Details of share options and warrants issued that could potentially dilute loss per share in the future are given in notes 18 and note 19.

Both the basic and diluted loss per share have been calculated using the loss as the numerator, i.e. no adjustment to the loss were necessary for the six months ended September 30, 2024 and September 30, 2023.

	Three Months Ended September 30, 2024	Three Months Ended September 30, 2023	Six Months Ended September 30, 2024	Six Months Ended September 30, 2023
Loss for the period	\$ (3,395,491)	\$(11,630,104)	\$ (7,935,269)	\$(12,679,836)
Weighted average number of shares in circulation	453,782,980	309,562,548	451,206,828	263,193,557
Basic and diluted loss per share	\$ (0.01)	\$ (0.04)	\$ (0.02)	\$ (0.05)

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21. Additional cash flow information

The changes in working capital items are as follows:

	Six Months Ended September 30, 2024	Six Months Ended September 30, 2023
Restricted cash	\$ 81,552	\$ -
Sales taxes receivable	(116,730)	(3,846,672)
Prepaid expenses and other assets	43,327	(282,649)
Inventories	(52,182)	4,338
Other long-term assets	49,551	-
Accounts payable and accrued liabilities	563,692	290,468
Due to First Majestic	102,549	1,441,079
	\$ 671,759	\$ (2,393,436)

22. Major shareholders and related party transactions

Major shareholders

To the knowledge of the directors and senior officers of the Company, as at September 30, 2024, no person or corporation beneficially owns or exercises control or direction over common shares of the Company carrying more than 20% of the voting rights attached to all common shares of the Company other than set out below:

	Number of Common Shares	Percentage of Outstanding Common Shares
First Majestic	161,682,684	36%

First Majestic acquired 143,673,684 common shares of the Company during 2023 as part of the acquisition of La Parrilla (note 18(a)(iii)) and 18,009,000 units issued during 2023 as part of the private placement (note 18(a)(iv)). Balance due to First Majestic as at September 30, 2024 is \$4,030,438 (March 31, 2024 - \$3,927,889). First Majestic is considered a related party by virtue of its shareholdings.

Related party transactions

The Company's related parties include private companies controlled by directors and joint key management, as described below. Unless otherwise stated, none of the transactions incorporated special terms and conditions and no guarantees were given or received. Outstanding balances are usually settled in cash.

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22. Major shareholders and related party transactions (continued)

Related party transactions (continued)

Transactions with key management personnel

Key management personnel of the Company are members of the Board of Directors as well as members of key management personnel.

Remuneration includes the following expenses:

	Three months ended September 30, 2024	Three months ended September 30, 2023	Six months ended September 30, 2024	Six months ended September 30, 2023
Management and administration fees paid to private companies controlled by directors and officers	\$ 163,985	\$ 181,135	\$ 357,970	\$ 618,520
Professional fees paid to private companies controlled by directors and officers	44,651	6,438	58,183	32,706
Listing, filing and transfer agency fees paid to private companies controlled by officers	2,055	12,361	5,085	17,440
Rent received from a company with common officers	24,000	-	48,000	-
Stock based compensation	-	-	1,350,776	-
	\$ 234,691	\$ 199,934	\$ 1,820,014	\$ 668,666

Included in accounts payable and accrued liabilities are amounts due to companies owned and controlled by key management personnel of \$140,162 and to directors of \$nil (March 31, 2024 - \$461,848 and \$65,000).

23. Contingencies and commitments

The Company's operations are subject to governmental laws and regulations regarding environmental protection. Environments' consequences, their impact and their duration are difficult to determine. To the best of its knowledge, management believes that the Company's operations are in compliance with all applicable laws and regulations. Provisions for estimated costs are recorded when environmental remedial efforts are likely and costs can be reasonably estimated.

Refer to note 17.

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24. Segment reporting

Segmented information on a geographic basis is as follows:

			Three Months Ended September 30, 2024		Three Months Ended September 30, 2023	
	Canada	Mexico	Canada	Mexico	Canada	Mexico
Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

			Six Months Ended September 30, 2024		Six Months Ended September 30, 2023	
	Canada	Mexico	Canada	Mexico	Canada	Mexico
Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

			As at September 30, 2024		As at March 31, 2024	
	Canada	Mexico	Canada	Mexico	Canada	Mexico
Non-current assets	\$ 225,416	\$31,361,349	\$31,586,765	\$ 315,583	\$31,667,984	\$31,983,567

25. Subsequent event

On November 25, 2024, the Company announced that the Company's transition and succession plan for the role of Chief Financial Officer ("CFO"). Mr. Carmelo Marrelli, the Company's current CFO, will be stepping down from his position once a suitable successor is appointed. To ensure a smooth transition, the Company has commenced the search for a new CFO, however Mr. Marrelli will remain available as needed to facilitate a seamless transition of responsibilities to his successor.