

BP SILVER CORP.

**Condensed Interim Consolidated Financial Statements
For the Three Months Ended December 31, 2025 and 2024
(Unaudited - Expressed in Canadian dollars)**

BP SILVER CORP.

NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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

The Audit Committee of the Board of Directors has reviewed the condensed interim consolidated financial statements and related financial reporting matters.

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

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Condensed Interim Consolidated Statements of Financial Position
(Unaudited - Expressed in Canadian dollars)

	Note	December 31, 2025	September 30, 2025
		\$	\$
Assets			
Current Assets			
Cash and cash equivalents		1,393,615	2,384,239
Prepaid expenses		39,581	9,384
Accounts receivable		4,311	13,686
		1,437,507	2,407,309
Non-Current Assets			
Exploration and evaluation assets	5	557,012	301,943
		557,012	301,943
Total Assets		1,994,519	2,709,252
Liabilities			
Current Liabilities			
Accounts payable and accrued liabilities	8	91,999	237,123
Due to related parties	8	-	320,422
Total Liabilities		91,999	557,545
Equity			
Share capital	7	4,022,894	3,916,252
Contributed surplus		857,967	490,240
Accumulated other comprehensive loss		(2,680)	12,620
Deficit		(2,596,742)	(2,005,556)
Shareholders' Equity		2,281,439	2,413,556
Non-controlling interests		(378,919)	(261,849)
Total Equity		1,902,520	2,151,707
Total Liabilities and Equity		1,994,519	2,709,252

Nature of operations and continuance of business (Note 1)
Subsequent event (Note 11)

Approved by the Board of Directors on February 27, 2026:

"Tim Shearcroft"
Director

"Rob McMorran"
Director

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Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
For the Three Months Ended December 31, 2025 and 2024
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	Note	2025	2024
		\$	\$
Expenses			
Exploration and evaluation expenses	5	533,717	60,464
Professional fees and consulting fees	8	35,672	7,714
General and administrative expenses		17,258	1,685
Transfer agent and filing fees		24,331	-
Share-based compensation	7	108,472	-
Loss before other items		(719,450)	(69,863)
Other items			
Foreign exchange gain		13,527	490
Loss on settlement of debt	7	(12,426)	-
		1,101	490
Net loss		(718,349)	(69,373)
Other comprehensive income			
Items that may be reclassified to profit or loss:			
Exchange differences on translation of foreign operations		(5,207)	8,383
Total comprehensive loss for the period		(723,556)	(60,990)
Net loss for the period attributable to:			
Shareholders of the Company		(591,186)	(41,304)
Non-controlling interests		(127,163)	(28,069)
		(718,349)	(69,373)
Total comprehensive loss for the period attributable to:			
Shareholders of the Company		(606,486)	(28,467)
Non-controlling interests		(117,070)	(32,523)
		(723,556)	(60,990)
Loss per share, basic and diluted		(0.01)	(0.00)
Weighted average number of shares outstanding, basic and diluted		50,381,847	37,218,576

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

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Condensed Interim Consolidated Statements of Changes in Equity
For the Three Months Ended December 31, 2025 and 2024
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	Common Shares	Share Capital	Contributed Surplus	Accumulated other comprehensive loss	Deficit	Non- Controlling Interests	Total
	#	\$	\$	\$	\$	\$	\$
Balance, September 30, 2024	33,972,674	1,044,829	-	(14,781)	(809,172)	(149,341)	71,535
Exchange difference on translation of foreign operations	-	-	-	12,837	-	(4,454)	8,383
Net loss for the period	-	-	-	-	(41,304)	(28,069)	(69,373)
Balance, December 31, 2024	33,972,674	1,044,829	-	(1,944)	(850,476)	(181,864)	10,545
Shares issued pursuant to reverse takeover	5,032,501	754,875	-	-	-	-	754,875
Replacement warrants issued pursuant to reverse takeover	(6,796,046)	(436,804)	436,804	-	-	-	-
Shares issued for cash	16,666,633	2,499,995	-	-	-	-	2,499,995
Finders' warrants issued	-	(47,541)	47,541	-	-	-	-
Share issuance costs	-	(112,602)	-	-	-	-	(112,602)
Shares issued for debt	1,423,333	213,500	-	-	-	-	213,500
Share-based compensation	-	-	5,895	-	-	-	5,895
Exchange difference on translation of foreign operations	-	-	-	14,564	-	(4,928)	9,636
Net loss for the period	-	-	-	-	(1,155,080)	(75,057)	(1,230,137)
Balance, September 30, 2025	50,299,095	3,916,252	490,240	12,620	(2,005,556)	(261,849)	2,151,707
Warrant exercises	271,900	54,857	(477)	-	-	-	54,380
Shares issued for debt	89,285	51,785	-	-	-	-	51,785
Warrants issued for exploration and evaluation assets	-	-	259,732	-	-	-	259,732
Share-based compensation	-	-	108,472	-	-	-	108,472
Exchange difference on translation of foreign operations	-	-	-	(15,300)	-	10,093	(5,207)
Net loss for the period	-	-	-	-	(591,186)	(127,163)	(718,349)
Balance, December 31, 2025	50,660,280	4,022,894	857,967	(2,680)	(2,596,742)	(378,919)	1,902,520

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Condensed Interim Consolidated Statements of Cash Flows
For the Three Months Ended December 31, 2025 and 2024
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	2025	2024
	\$	\$
Cash provided by (used in):		
Operating activities		
Net loss	(718,349)	(69,373)
Items not affecting cash:		
Share-based compensation	108,472	-
Loss on settlement of debt	12,426	-
Unrealized foreign exchange loss	(544)	(2,012)
Changes in non-cash working capital items:		
Prepaid expenses	(30,197)	6,489
Accounts receivable	9,375	(18)
Accounts payable and accrued liabilities	(105,765)	3,861
Due to related parties	-	(20,176)
Net cash used in operating activities	(724,582)	(81,229)
Financing activities		
Proceeds from warrant exercises	54,380	-
Proceeds from (repayments of) loans	(320,422)	75,000
Net cash provided by (used in) financing activities	(266,042)	75,000
Decrease in cash and cash equivalents for the period	(990,624)	(6,229)
Cash and cash equivalents, beginning of period	2,384,239	8,191
Cash and cash equivalents, end of period	1,393,615	1,962

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

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Notes to the Condensed Interim Consolidated Financial Statements
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1. NATURE OF OPERATIONS AND CONTINUANCE OF BUSINESS

BP Silver Corp. (“BP Silver” or the “Company”) was incorporated under the Business Corporations Act of British Columbia on September 22, 2016. The Company was formed as a Capital Pool Company (“CPC”) as defined in Policy 2.4 of the TSX Venture Exchange (the “Exchange”) for the purpose of acquiring an asset or business that would constitute a qualifying transaction (“Qualifying Transaction”) in accordance with Policy 2.4 of the Exchange.

On September 25, 2025, the Company completed its Qualifying Transaction through a three-cornered amalgamation with BP Exploration Corp. (“BPEX”) and 1299840 B.C. Ltd, a wholly owned subsidiary of the Company, whereby the Company acquired all of the issued and outstanding common shares of BPEX in exchange for 27,176,628 common shares on a post-consolidated basis. The Company’s shares were consolidated on a 4:3 basis upon completion of the Qualifying Transaction. Prior to closing, BPEX cancelled 6,796,046 common shares in exchange for 3,629,380 share purchase warrants. Upon completion of the Qualifying Transaction, Farstarcap Investment Corp. changed its name to BP Silver Corp. (Note 4).

The Qualifying Transaction constitutes a reverse-takeover transaction whereby BPEX became a wholly owned subsidiary of BP Silver for legal purposes. For accounting purposes BPEX is considered the acquirer and BP Silver the acquiree; therefore, the Company and these condensed interim consolidated financial statements are a continuation of the financial statements of BPEX. The net assets of BP Silver at the date of the Qualifying Transaction are deemed to have been acquired by BPEX and these condensed interim consolidated financial statements include the results of operations of BP Silver from the date of acquisition, September 25, 2025.

The Company is now involved in the acquisition, exploration and development of silver projects in Bolivia, including a 52% interest in the Cosuño project in addition to its Titiri polymetallic project. BPEX was incorporated under the Business Corporations Act (British Columbia) on February 10, 2020. Its principal office is located at Suite 1100-1199 West Hastings Street, Vancouver, B.C. V6E 3T5, Canada.

At the date of these condensed interim consolidated financial statements, the Company has not yet determined whether any of its mineral right interests contain mineral reserves that are economically recoverable. Accordingly, the carrying amount of its exploration and evaluation assets represents the cumulative acquisition costs incurred to date which does not necessarily reflect present or future values. The recovery of these costs is dependent on the discovery of economically recoverable mineral reserves and the ability of the Company to obtain the necessary financing to undertake continuing exploration and development, and to resolve any environmental, regulatory or other constraints.

These condensed interim consolidated financial statements have been prepared on a going concern basis, which assumes that the Company will be able to continue in operation for a reasonable period of time and will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. Notwithstanding the above, the Company’s business activities are in the development stage, the Company has a history of recurring losses and no source of revenue or operating cash flow. Operations in recent years have been funded from the issuance of share capital, cash on hand and loans from shareholders. Given its current stage of operations, the Company’s ability to continue as a going concern is contingent on its ability to continue to obtain additional financing. In the event the Company is unable to raise adequate financing or meet its current obligations, the carrying value of the Company’s assets could be subject to material adjustments. These condensed interim consolidated financial statements do not reflect adjustments to the carrying values of assets and liabilities which may be required should the Company be unable to continue as a going concern.

These condensed interim consolidated financial statements are presented in Canadian dollars and all values are rounded to the nearest dollar except where otherwise indicated.

These condensed interim consolidated financial statements were authorized for issue by the Board of Directors on February 27, 2026 and have been prepared in accordance with the IFRS Accounting Standards (“IFRS”)

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issued by the International Accounting Standards Board (“IASB”) and Interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”).

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

2. MATERIAL ACCOUNTING POLICY INFORMATION

These condensed interim consolidated financial statements have been prepared in accordance with IFRS as issued by the International Accounting Standards Board (“IASB”) applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. The condensed interim consolidated financial statements should be read in conjunction with the annual consolidated financial statements for the year ended September 30, 2025, which have been prepared in accordance with IFRS as issued by the IASB.

The Company uses the same accounting policies and methods of computation as in the annual consolidated financial statements for the year ended September 30, 2025.

These condensed interim consolidated financial statements have been prepared on an accrued basis and are based on the historical cost basis and modified where applicable.

Subsidiaries and the basis of consolidation

These condensed interim consolidated financial statements include the accounts of the Company and its subsidiaries at the end of the reporting period as follows:

	Incorporation	Percentage owned	
		December 31, 2025	September 30, 2025
BP Exploration Corp.	Canada	100%	100%
Roxwell Silver Minera S.A. (“Roxwell”)	Bolivia	100%	100%
Companies owned by Roxwell:			
Emisur Minera S.A. (“Emisur”)	Bolivia	52%	52%

Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities, generally, but not in all cases, accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company controls another entity. Judgement is also exercised in respect of the functional currency of foreign subsidiaries.

Where the Company’s interest is less than 100%, the interest attributable to outside shareholders is reflected in non-controlling interest. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Company’s equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling interests’ share of changes in equity since the date of the combination.

All inter-company transactions and balances have been eliminated on consolidation.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

For full details on the critical accounting estimates and judgements affecting the Company, please refer to the Company’s annual consolidated financial statements and notes for the year ended September 30, 2025.

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4. QUALIFYING TRANSACTION

On September 25, 2025, the Company completed its Qualifying Transaction through a three-cornered amalgamation with BPEX. The Company's shares were consolidated on a 4:3 basis upon completion of the Qualifying Transaction. The Company acquired all of the outstanding shares of BPEX in exchange for 27,176,628 common shares on a post-consolidated basis. Prior to closing, BPEX cancelled 6,796,046 common shares in exchange for 3,629,380 share purchase warrants. Each share purchase warrant is exercisable at \$0.10 per share and for 5 years from the date of issue (Note 7).

The Qualifying Transaction constitutes a reverse-takeover transaction whereby BPEX became a wholly owned subsidiary of BP Silver for legal purposes. For accounting purposes, BPEX is considered the acquirer and BP Silver the acquiree; therefore, the Company and these consolidated financial statements are a continuation of the financial statements of BPEX. The net assets of BP Silver at the date of the Qualifying Transaction are deemed to have been acquired by BPEX and these condensed interim consolidated financial statements include the results of operations of BP Silver from the date of acquisition, September 25, 2025.

The following table summarizes the allocation of the purchase price to the fair value of the assets acquired and liabilities assumed at the date of acquisition:

Consideration paid:	
Fair value of 5,032,501 common shares at \$0.15	754,875
Cash, net	63,682
Total consideration paid	818,557
Net assets acquired (liabilities)	
Prepaid expenses	2,907
Accounts payable	(77,707)
Loans (Note 6)	(40,000)
Net liabilities acquired	(114,800)
Listing expense	933,357

5. EXPLORATION AND EVALUATION ASSETS

	Cosuño	Titiri	Total
Balance, September 30, 2024	134,823	22,842	157,665
Additions	139,210	-	139,210
Foreign currency translation	4,354	714	5,068
Balance, September 30, 2025	278,387	23,556	301,943
Additions	259,732	-	259,732
Foreign currency translation	(4,299)	(364)	(4,663)
Balance, December 31, 2025	533,820	23,192	557,012

Cosuño Project

On March 16, 2022, the Company's wholly owned subsidiary Roxwell entered into a sale and purchase agreement to acquire a 100% interest in Emisur, a Bolivian entity whose primary asset is the Cosuño silver project (the "Cosuño Project").

The Company acquired a 52% interest by making a cash payment of US\$100,250. As a result of the transaction, the Company recorded the pro-rata fair value of the non-controlling interest's portion of the net assets of Emisur at the time of acquisition, resulting in a charge of \$460 (US\$345) to non-controlling interest. The non-controlling

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interest of 48% can be acquired by the Company by making the following payments (as amended and extended on November 14, 2025):

- US\$100,000 by September 30, 2025 (CAD\$139,210 - paid on September 18, 2025);
- US\$150,000 by September 30, 2026;
- US\$350,000 by September 30, 2028; and
- US\$2,300,000 by September 29, 2029.

In consideration of the extension, the Company issued 750,000 common share purchase warrants to the vendor valued at \$259,732 (Note 7).

If the Company is unable to fulfill the payment obligations to acquire the remaining 48% interest, the 52% interest currently held will be returned to the previous shareholders of Emisur.

The Cosuño project is subject to a 2% Net Smelter Returns royalty ("NSR") which can be repurchased at any time for US\$5,000,000.

Titiri Project

Through its wholly owned subsidiary Roxwell, the Company has staked the Titiri project. The application for the mineral titles remains pending.

The Titiri project is subject to a 2% NSR which can be repurchased at any time for US\$5,000,000. There is a one-time right to purchase 100% of the NSR for US\$2,500,000 exercisable within five years from the commencement of drilling of the project.

Exploration and Evaluation Expenses for the Three Months Ended December 31, 2025

	Cosuño	Titiri	Total
Geological consulting	72,566	-	72,566
Drilling	293,208	-	293,208
Field camp	111,947	-	111,947
Office and miscellaneous	26,384	-	26,384
Permit and license	-	2,636	2,636
Salaries	713	-	713
Sampling and assaying	1,350	-	1,350
Travel	24,913	-	24,913
Total exploration costs	531,081	2,636	533,717

Exploration and Evaluation Expenses for the Three Months Ended December 31, 2024

	Cosuño	Titiri	Total
Community relations	5,524	-	5,524
Consulting fees	3,115	-	3,115
Field camp	21,208	-	21,208
Office and miscellaneous	6,740	-	6,740
Permit and license	-	1,993	1,993
Salaries	2,642	-	2,642
Sampling and assaying	3,199	-	3,199
Travel	16,043	-	16,043
Total exploration costs	58,471	1,993	60,464

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Subject to the Company obtaining a NI 43-101 resource estimate (inferred or better) totalling at least 70,000,000 ounces silver equivalent first being established at Cosuño or Titiri, certain shareholders of the Company will be eligible to receive 3,500,000 common shares or the cash equivalent, at the Company's election.

6. LOAN PAYABLE

On October 15, 2024, the Company entered into a loan agreement with a third-party for \$150,000. The loan is non-interest bearing and was convertible to shares by the lender when the Company completed a listing of its shares on a stock exchange in Canada or otherwise matured two years from the date of the first advance of the loan. In connection with the completion of the Qualifying Transaction (Note 4), on September 15, 2025, the Company entered into a debt settlement agreement for the above loan and settled the balance in exchange for 1,000,000 common shares of the Company.

As part of the Qualifying Transaction, the Company assumed loans of \$40,000, which were non-interest bearing and due on demand. Upon completing the Qualifying Transaction, the Company issued 266,667 common shares to settle the \$40,000 in loans (Note 4).

7. EQUITY

a) Authorized

Unlimited number of common shares without par value.

b) Financings

During the three months ended December 31, 2025:

On December 17, 2025, the Company issued 89,285 common shares at a price of \$0.42 per share to settle outstanding debt of \$37,500.

The Company issued 271,900 common shares for gross proceeds of \$54,380 pursuant to the exercise of warrants.

During the year ended September 30, 2025:

Concurrent with the closing of the Qualifying Transaction, the Company issued 16,666,633 units (a "Unit") at a price of \$0.15 per Unit for gross proceeds of \$2,499,995. Each Unit is comprised of one common share of the Company and one-half of one share purchase warrant (a "Warrant"). Each Warrant entitles the holder to acquire one additional share at a price of \$0.20 per share for a period of two years from the date of issue. The Company issued 687,960 finders' warrants which entitle the holder to acquire one additional share at a price of \$0.20 per share for a period of 1.97 years from the date of issue. The finders' warrants were determined to have a fair value of \$47,541. In connection with the financing, the Company incurred cash share issuance costs of \$112,602.

The Company settled outstanding loans of \$190,000 through the issuance of 1,266,667 common shares. The Company also settled \$27,697 of accounts payable in exchange for 156,666 common shares at a deemed price of \$0.15 per share.

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c) Stock options

The balance of stock options outstanding and exercisable as at December 31, 2025 and September 30, 2025 and the changes for the periods then ended are as follows:

	Number of Options	Weighted Average Exercise Price \$/share	Weighted Average Life Remaining (years)
Balance, September 30, 2024	-	-	-
Granted	3,590,000	0.15	4.99
Balance, September 30, 2025	3,590,000	0.15	4.99
Balance, December 31, 2025	3,590,000	0.15	4.74
Unvested	(3,590,000)	0.15	4.74
Vested and exercisable	-	-	-

The Company recorded share-based compensation expense of \$108,472 during the three months ended December 31, 2025 (2024: \$nil).

Stock options outstanding as at December 31, 2025, are as follows:

Number Outstanding	Number Exercisable	Exercise Price \$/share	Expiry Date
3,590,000	-	0.15	September 25, 2030

d) Warrants

In consideration of the extension of the sale and purchase agreement to acquire a 100% interest in Emisur, the Company issued 750,000 common share purchase warrants to the vendor, exercisable at a price of \$0.42 per share for a period of two years from the date of issuance (Note 5). The fair value of the warrants was calculated at \$259,732 using the Black-Scholes option pricing model using the following assumptions: risk-free interest rate of 2.60%, expected dividend rate of 0%, expected volatility of 100% and forfeiture rate of 0%.

As at December 31, 2025, the Company has 13,128,757 (September 30, 2025: 12,650,657) warrants outstanding and exercisable. The balance of warrants outstanding and exercisable as at December 31, 2025 and September 30, 2025 and the changes for the periods then ended are as follows:

	Number of Warrants	Weighted Average Exercise Price \$/share
Balance, September 30, 2024	-	-
Issued	12,650,657	0.17
Balance, September 30, 2025	12,650,657	0.17
Issued	750,000	0.42
Exercised	(271,900)	0.20
Balance, December 31, 2025	13,128,757	0.18

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The warrants outstanding as of December 31, 2025, are as follows:

Number Outstanding	Exercise Price \$/share	Expiry Date
681,060*	0.20	September 9, 2027
8,068,317	0.20	September 19, 2027
750,000**	0.42	November 5, 2027
3,629,380	0.10	September 19, 2030
13,128,757	0.18	

*Finders' warrants

** Warrants issued in connection with the extension of the option terms on the Cosuño project (Note 5)

8. RELATED PARTY TRANSACTIONS

The Company's related parties consist of companies controlled by Chief Executive Officer ("CEO") of the Company, the Company's Chief Financial Officer ("CFO") and the Company's Chief Operating Officer ("COO").

The Company incurred the following fees and salaries during the period in the normal course of operations with companies controlled by key management, including the CEO, CFO, COO and/or directors. Transactions have been measured at the exchange amount, which is the consideration determined and agreed to by the related parties.

During the three months ended December 31, 2025, the Company incurred \$12,150 (2024: \$nil) of professional fees to a company where the CFO is a managing director and \$77,286 (2024: \$nil) of share-based compensation to directors and officers of the Company.

The Company incurred \$39,378 (2024 - \$nil) in geological consulting fees to the Chief Operating Officer.

As at December 31, 2025, the Company had \$59,236 (September 30, 2025 - \$28,184) due to related parties in accounts payable. Amounts owing are non-interest bearing and due on demand. As at December 31, 2025, the Company had \$nil (September 30, 2025 - \$320,422) of loans payable to related parties.

During the year ended September 30, 2024, a company controlled by the CEO ("Lender") provided an unsecured loan to the Company in the principal amount of US\$65,000 (\$87,743). The amount was non-interest bearing and could be called by the lender at any time in part or full or converted to shares.

During the year ended September 30, 2025, a further US\$15,000 (\$21,607) was advanced and US\$30,000 (\$41,783) was repaid. On March 14, 2025, the Company entered into a loan agreement for the remaining loan balance of US\$50,000 (\$67,567). The loan was due 18 months ("Maturity Date") following the date the Company either (i) completed a listing of its shares on a stock exchange in Canada, or (ii) completed a transaction with an existing public company whereby BPEX shareholders receive shares of the public company which began trading on a stock exchange in Canada (the "Listing Date"). The loan bore interest at the rate of 10% per annum, calculated and accruing from the Listing Date and payable on, the Maturity Date.

On May 7, 2025, the Company entered into a loan agreement with the CEO for a total of \$21,898 (\$15,000 and US\$5,000). The loan is due on the earlier of (i) closing of the Qualifying Transaction ("QT"), and (ii) nine months following the date of the agreement ("New Maturity Date") provided (a) the parties may agree to convert the loan and accrued interest to common shares of the Company in the event that the QT fails to close, and (b) the Company may repay the loan, in whole or in part, at any time and from time to time, prior to the Maturity Date. The loan will bear interest at the rate of 10% per annum, calculated and accruing to, and payable on, the New Maturity Date.

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On May 15, 2025, the Company entered into two additional loan agreements. One agreement with a director of the Company and another with a company controlled by another director of the Company. Each loan for \$15,000, with the same terms as the loan agreement with the CEO. Both loans were repaid in full in October 2025.

On July 25, 2025, the Lender and the Company entered into a second loan agreement for a further US\$15,000 (\$20,555) bearing interest at 10% per annum. The loan is due the earlier of (i) closing of the QT, and (ii) three months following the date of the agreement should the QT fail to close.

On August 25, 2025, the Lender entered into a third loan agreement to extend \$27,000 to the Company. Terms of the loan agreement are the same as the second agreement.

On September 12, 2025, the Lender entered into a fourth loan agreement to extend a further \$150,000 to the Company. Terms of the loan agreement are the same as the second agreement. All loans were repaid in full in October 2025.

During the three months ended December 31, 2025, the Company accrued interest of \$nil (2024: \$nil). As at December 31, 2025, the Company had \$nil (September 30, 2025 - \$320,422) of loans payable to the related parties.

Each of the Cosuño Property and Titiri project are subject to 2.0% NSR, as granted by the Company to each of Fairfax Mining Corp., a company controlled by the CEO of the Company, and the COO in consideration of their assistance of locating and acquiring the two projects. The Company retains the right at any time to purchase each 2.0% NSR for US\$5,000,000, and a one-time right to purchase the Titiri NSR within the first five years following commencement of drilling for US \$2,500,000.

9. FINANCIAL AND CAPITAL RISK MANAGEMENT – FINANCIAL INSTRUMENTS

Financial risk management

The Company's activities expose it to a variety of financial risks, which include liquidity risk, interest rate risk, currency risk and credit risk.

a) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk by raising additional capital as required from time to time.

b) Currency risk

The Company faces foreign exchange risk exposures arising from transactions denominated in foreign currencies.

The Company's main foreign exchange risks arise with respect to the Bolivian Boliviano and to a lesser degree, the U.S. dollar. The Company continuously monitors this exposure to determine if any mitigation strategies become necessary and maintains limited balances in foreign currencies to avoid continuous fluctuation.

c) Interest Rate Risk

Included in the results of operations of the Company are interest income on U.S. dollar, and Canadian dollar cash and cash equivalents. The Company receives interest on cash based on market interest rates. As at December 31, 2025, with other variables unchanged, a 1% change in Prime rates would have had no material impact on the Company's net loss and no effect on other comprehensive loss.

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Notes to the Condensed Interim Consolidated Financial Statements
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(Unaudited - Expressed in Canadian dollars)

d) Credit Risk

Financial instruments that potentially subject the Company to credit risk consists of cash and cash equivalents. Cash is maintained with financial institutions in Canada and Bolivia and is redeemable on demand. The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represents the Company's maximum exposure to credit risk.

Capital Risk Management

The Company's capital structure is comprised of working capital (current assets minus current liabilities) and equity. The Company's objectives when managing its capital structure are to maintain financial flexibility to preserve the Company's access to capital markets and its ability to meet its financial obligations. The Company's management is responsible for capital management and to determine the future capital management requirements.

Capital management is undertaken to ensure a secure, cost-effective supply of funds and that the Company's corporate and project requirements are met.

Financial Instruments by Category

The Company's financial instruments consist of cash and cash equivalents, receivables (excluding GST), trade payables and other liabilities and due to related parties. Financial instruments are initially recognized at fair value with subsequent measurement depending on classification as described below. Classification of financial instruments depends on the purpose for which the financial instruments were acquired or issued, their characteristics, and the Company's designation of such instruments.

The fair value of cash and cash equivalents, receivables and trade payables and other liabilities approximate their carrying values due to the short-term maturities of these financial instruments.

The Company is required to make disclosures about the inputs to fair value measurements, including their classification within a hierarchy that prioritizes the inputs to fair value measurement. The three levels of the fair value hierarchy are:

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

10. SEGMENTED INFORMATION

At December 31, 2025, the Company has two reportable segments: mineral exploration and corporate, and has operations in two geographical areas, Canada and Bolivia.

Operating segments

	Three months ended December 31,	
	2025	2024
	\$	\$
Net loss		
Mineral exploration	(519,382)	(60,464)
Corporate	(198,967)	(8,909)
	(718,349)	(69,373)

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Notes to the Condensed Interim Consolidated Financial Statements

For the Three Months Ended December 31, 2025 and 2024

(Unaudited - Expressed in Canadian dollars)

	December 31, 2025	September 30, 2025
	\$	\$
Assets		
Mineral exploration	605,700	301,943
Corporate	1,388,819	2,407,309
	1,994,519	2,709,252

Geographic segments

	Three months ended December 31,	
	2025	2024
	\$	\$
Net loss		
Canada	(519,382)	(6,014)
Bolivia	(198,967)	(63,359)
	(718,349)	(69,373)

	December 31, 2025	September 30, 2025
	\$	\$
Assets		
Canada	1,388,819	2,388,713
Bolivia	605,700	320,539
	1,994,519	2,709,252

11. SUBSEQUENT EVENT

The Company issued 2,706,165 common shares for gross proceeds of \$428,062 pursuant to the exercise of warrants subsequent to December 31, 2025.