



Prince Silver Corp.
(formerly Hawthorn Resources Corp.)

Condensed Interim Consolidated Financial Statements
(Expressed in Canadian Dollars)
(Unaudited – Prepared by Management)

For the six months ended January 31, 2026, and 2025

NOTICE TO READER

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

The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management. The Company's independent auditor has not performed a review of these condensed interim consolidated financial statements in accordance with standards established by the Canadian Institute of Chartered Professional Accountants of Canada for a review of condensed interim consolidated financial statements by an entity's auditor.

Prince Silver Corp. (formerly Hawthorn Resources Corp.)
Condensed Interim Consolidated Statement of Financial Position
For the six months ended January 31, 2026, and 2025
(Expressed in Canadian dollars)
(Unaudited – Prepared by Management)

As at	January 31, 2026	July 31, 2025
ASSETS		
Current		
Cash	\$ 4,364,990	\$ 3,185,465
Receivables and prepaids (Note 3)	<u>92,452</u>	<u>99,699</u>
	4,457,442	3,285,164
Reclamation deposit (Note 6)	25,220	25,744
Exploration and evaluation assets (Note 6)	<u>6,629,756</u>	<u>6,629,756</u>
	<u>\$ 11,112,418</u>	<u>\$ 9,940,664</u>
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIENCY)		
Current		
Accounts payable and accrued liabilities (Note 4)	<u>\$ 290,357</u>	<u>\$ 199,547</u>
Shareholders' equity (deficiency)		
Share capital (Note 7)	13,937,680	11,111,652
Reserves (Note 7)	958,231	129,957
Subscriptions received (Note 7)	377,972	-
Deficit	<u>(4,451,822)</u>	<u>(1,500,492)</u>
	<u>10,822,061</u>	<u>9,741,117</u>
	<u>\$ 11,112,418</u>	<u>\$ 9,940,664</u>

Nature and continuance of operations (Note 1)
Subsequent events (Note 13)

Approved on Behalf of the Board on March 31, 2026

"Robert Wrixon"
Robert Wrixon - Director

"Derek Iwanaka"
Derek Iwanaka - Director

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

Prince Silver Corp. (formerly Hawthorn Resources Corp.)
Condensed Interim Consolidated Statement of Loss and Comprehensive Loss
For the six months ended January 31, 2026, and 2025
(Expressed in Canadian dollars)
(Unaudited – Prepared by Management)

	For the three months ended January 31, 2026	For the three months ended January 31, 2025	For the six months ended January 31, 2026	For the six months ended January 31, 2025
Expenses				
Bank charges and interest	\$ 1,375	\$ -	2,431	\$ -
Exploration expenses (Note 6)	709,658	-	1,173,877	-
Investor relations	81,460	-	417,902	-
Management fees (Note 8)	141,784	15,000	257,159	15,000
Office and rent	15,434	785	38,684	1,270
Professional fees (Note 8)	58,707	21,668	97,224	35,063
Share-based compensation (Note 7, 8)	488,607	29,490	852,294	29,490
Travel and conference	12,634	-	32,876	-
Transfer agent, listing and filing fees	50,541	6,271	90,497	15,884
Loss before the undernoted	(1,560,200)	\$ (73,214)	(2,962,944)	\$ (96,707)
Other income (expenses)				
Interest income	14,405	-	14,405	-
Foreign exchange	4	-	(2,791)	-
Net income (loss) and comprehensive income (loss) for the period	(1,545,791)	-	(2,951,330)	-
Basic and diluted loss per common share	(0.03)	\$ (0.00)	(0.06)	\$ (0.01)
Weighted average number of common shares outstanding – basic and diluted	51,828,756	20,730,330	49,902,553	18,382,404

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

Prince Silver Corp. (formerly Hawthorn Resources Corp.)

Condensed Interim Consolidated Statements of Changes in Shareholders' Equity (Deficiency)

For the six months ended January 31, 2026, and 2024

(Expressed in Canadian dollars)

(Unaudited – Prepared by Management)

	Number of Shares	Share Capital	Reserves	Subscriptions Received in Advance	Deficit	Total
Balance, July 31, 2024	12,045,000*	\$ 665,016	\$ 18,804	\$ -	\$ (725,494)	\$ (41,674)
Private placement	3,750,000	500,000	-	-	-	500,000
Share issuance costs	-	(32,676)	-	-	-	(32,676)
Share-based payments	-	-	29,490	-	-	29,490
Loss for the period	-	-	-	-	(96,707)	(96,707)
Balance, January 31, 2025	15,795,000	\$ 1,132,340	\$ 48,294	\$ -	\$ (822,201)	\$ 358,433
Balance, July 31, 2025	46,211,440	\$ 11,111,652	\$ 129,957	\$ -	\$ (1,500,492)	\$ 9,741,117
Private placements	5,429,750	2,725,040	-	-	-	2,725,040
Share issuance costs	-	(52,230)	-	-	-	(52,230)
Warrants exercised	227,370	92,851	(1,903)	-	-	90,948
Options exercised	225,000	60,367	(22,117)	-	-	38,250
Share-based payments	-	-	852,294	-	-	852,294
Subscription received	-	-	-	377,972	-	377,972
Loss for the period	-	-	-	-	(2,951,330)	(2,951,330)
Balance, January 31, 2026	52,093,560	\$ 13,937,680	\$ 958,231	\$ 377,972	\$ (4,451,822)	\$ 10,822,061

*During the year ended July 31, 2025, the Company completed a share consolidation on the basis of 1 old share for 0.75 of a new share. All historical share values are retrospectively restated.

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

Prince Silver Corp. (formerly Hawthorn Resources Corp.)

Condensed Interim Consolidated Statement of Cash Flows

For the six months ended January 31, 2026, and 2025

*(Expressed in Canadian dollars)**(Unaudited – Prepared by Management)*

For the six months ended January 31,	2026	2025
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the period	\$ (2,951,330)	\$ (96,707)
Items not involving cash:		
Share-based payments	852,294	29,490
Foreign exchange	524	-
Changes in non-cash working capital items:		
Receivables and prepaid expenses	7,247	(7,026)
Accounts payable and accrued liabilities	90,810	(90,652)
Net cash used in operating activities	(2,000,455)	(164,895)
CASH FLOWS FROM INVESTING ACTIVITY		
Exploration and evaluation assets	-	(60,000)
Net cash used in investing activity	-	(60,000)
CASH FLOWS FROM FINANCING ACTIVITIES		
Private placement	2,725,040	500,000
Share issuance costs	(52,230)	(22,800)
Warrants exercised	90,948	-
Options exercised	38,250	-
Subscriptions received in advance	377,972	-
Net cash provided by financing activities	3,179,980	477,200
Change in cash for the period	1,179,525	252,305
Cash, beginning of the period	3,185,465	11,613
Cash, end of the period	4,364,990	263,918

Note 11 – Supplemental disclosures with respect to cash flows.

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

Prince Silver Corp. (formerly Hawthorn Resources Corp.)
Notes to the Condensed Interim Consolidated Financial Statements
For the six months ended January 31, 2026, and 2025
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1 NATURE AND CONTINUANCE OF OPERATIONS

Prince Silver Corp. (formerly *Hawthorn Resources Corp.*) (the “Company” or “Prince Silver”) was incorporated under the laws of the Province of British Columbia and is listed on the Canadian Securities Exchange (“CSE”) under the symbol *PRNC*, on the OTC market under the symbol *PRNCF* and on the Frankfurt Stock Exchange (“FSE”) under the symbol *T130*. The address of its head office is located at Suite 2500-700W Georgia Street, Vancouver, British Columbia, Canada V7Y 1B3. The Company’s registered and records office is Suite 2500-700W Georgia Street, Vancouver, British Columbia, Canada V7Y 1B3.

On July 11, 2025, the Company completed the acquisition (the “Acquisition”) of all issued and outstanding shares of Stampede Metals Corporation (“Stampede”), a private Nevada-based company, from Stampede Metals Limited, (“Stampede AU”), pursuant to a Share Exchange Agreement, as amended. For more details refer to Note 5.

The Company is currently in the exploration stage and has not yet generated revenues from operations. The continuation of the Company as a going concern is dependent upon its ability to secure additional financing, the continued support of its shareholders, and the successful exploration and development of its mineral properties.

These condensed interim consolidated financial statements have been prepared on a going concern basis in accordance with IFRS Accounting Standards (“IFRS”) with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business.

The Company’s ability to continue as a going concern is dependent upon its ability to raise funds primarily through the issuance of shares or achieve profitable operations. The Company has incurred losses since inception and has an accumulated deficit of \$4,451,822. The outcome of these matters cannot be predicted at this time. If the Company is unable to obtain additional financing, management may be required to curtail certain expenses. Based on financings completed during fiscal 2025 and subsequently management estimates it has sufficient funding for the ensuing 12 months.

On July 11, 2025, the Company completed a share consolidation on the basis of one old share for 0.75 of a new share. All references to the number of shares, per share amounts, and related calculations have been restated retrospectively to reflect this consolidation.

2 BASIS OF PREPARATION

Statement of compliance

These condensed interim consolidated financial statements, including comparatives, have been prepared in accordance with IFRS and International Accounting Standards (“IAS”) 34 “Interim Financial Reporting” as issued by the International Accounting Standards Board (“IASB”).

This condensed interim consolidated financial report does not include all of the information required of a full annual consolidated financial report and is intended to provide users with an update in relation to events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the end of the last annual reporting period. It is therefore recommended that this condensed interim consolidated financial report be read in conjunction with the audited financial statements of the Company for the years ended July 31, 2025, and 2024.

Basis of presentation

The condensed interim consolidated financial statements have been prepared on a historical cost basis, except for certain financial instruments 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.

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Basis of consolidation

These condensed interim consolidated financial statements include the accounts of Prince Silver Corp. (the “Company”) and its wholly owned subsidiary, Stampede Metals Corporation, incorporated in the United States of America.

Subsidiaries are entities controlled by the Company. Control exists when the Company has power over the investee, is exposed to or has rights to variable returns from its involvement with the investee, and has the ability to use its power to affect those returns. Control is generally presumed to exist when the Company holds more than one-half of the voting rights of an entity, either directly or indirectly.

When assessing control, the Company considers the existence and effect of potential voting rights that are currently exercisable or convertible. Subsidiaries are fully consolidated from the date control is obtained and are deconsolidated from the date control ceases.

All intercompany transactions, balances, and unrealized gains or losses arising from intercompany transactions have been eliminated in full on consolidation.

Name of subsidiary	Country of incorporation	Proportion of ownership interest	Principal activity
Stampede Metals Corporation	United States of America	100%	Mineral exploration

Use of judgments and estimates

The preparation of these condensed interim consolidated financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the condensed interim consolidated financial statements and the reported expenses during the period. Actual results could differ from these estimates.

Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances, as the basis for its estimates and assumptions. Revisions to accounting estimates are recognized prospectively from the period in which the estimates are revised. Actual outcomes may differ from those estimates under different assumptions and conditions.

The key areas of judgment applied in the preparation of the condensed interim consolidated financial statements that could result in a material adjustment to the carrying amounts of assets and liabilities are as follows:

- Going concern

The assessment of the Company’s ability to continue as a going concern and to raise additional funding to cover its ongoing operating expenditures and to meet its liabilities for the ensuing year, involves significant judgment based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances (Note 1).

- Functional currency

The functional currency of the Company and its subsidiaries is the Canadian dollar; however, determination of the functional currency may involve certain judgments to determine the primary economic environment which are re-evaluated for each entity or if conditions change.

- Valuation of exploration and evaluation assets

The recognition of exploration and evaluation assets requires judgment regarding future recoverability and carrying cost. The cost model is utilized and the value of the exploration and evaluation assets is based on

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the acquisition expenditures incurred. At every reporting period, management assesses the potential impairment which involves assessing whether or not facts or circumstances exist that suggest the carrying amount exceeds the recoverable amount.

- Acquisition of business vs. acquisition of assets

In determining whether an acquisition should be accounted for as a business combination or as an acquisition of assets, management applies significant judgment in assessing whether the acquired set of activities and assets constitutes a business as defined in IFRS 3 Business Combinations.

This assessment requires consideration of whether the acquired entity includes inputs, substantive processes, and the ability to produce outputs. For the acquisition completed during the year (Note 5), management concluded that the transaction represents an asset acquisition, as the acquired asset did not constitute a business under IFRS 3. In particular, the acquired entity did not include substantive processes necessary to generate outputs, and therefore the set of activities and assets does not meet the definition of a business.

3 RECEIVABLES AND PREPAID EXPENSES

	January 31, 2026	July 31, 2025
GST receivable	\$ 15,571	\$ 37,498
Prepaid expenses	76,881	62,201
	\$ 92,452	\$ 99,699

4 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	January 31, 2026	July 31, 2025
Accounts payable	\$ 272,857	\$ 164,547
Accrued liabilities	17,500	35,000
	\$ 290,357	\$ 199,547

5 ACQUISITION OF STAMPEDE

On July 11, 2025, the Company completed the acquisition of all issued and outstanding shares of Stampede, which holds the rights to the Prince Silver and Stampede Gap projects located in southeastern Nevada, pursuant to a Share Exchange Agreement, as amended. As Stampede did not qualify as a business combination according to the definition in IFRS 3, Business Combination; rather the transaction was accounted for as an asset acquisition by the issuance of shares of the Company, for the net assets of Stampede.

In connection with the closing of the Acquisition, the Company:

- Issued 15,000,000 units (the “Consideration Units”), each consisting of one common share and 0.56666667 of a contingent value right (“CVR”), to Stampede AU. The CVRs are convertible into up to 8,500,000 common shares if defined resource milestones are achieved within four years. The Company retains the right to accelerate the milestone conversion within the first year, in which case the number of milestone shares would be reduced by 20%. If the defined resource milestones is not achieved within four years, the CVRs will expire.
- Issued 350,000 common shares to an arm’s length party as finder’s consideration at a fair value of \$0.40 per share for \$140,000 in total.

The aggregate purchase consideration for the acquisition consists of the Company issuing 15,000,000 common shares of the Company. The purchase price allocation is as follows:

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Shares	\$ 6,000,000
Finders' shares	140,000
Transaction costs	367,668
Total	\$ 6,507,668
<hr/>	
Cash	\$ 34,538
Bond	25,447
Prepays	16,022
Exploration and evaluation asset*	6,629,756
Payables and loans**	(198,095)
	\$ 6,507,668

* The purchase consideration has been allocated amongst the acquired properties using a market approach considering the land attributes and exploration stage.

** Prior to the closing of the Acquisition, payables and loans totaled \$198,095, consisting of \$68,420 due to Prince Silver which eliminated upon acquisition, \$102,630 in loans which were non-interest bearing and due on demand, which were repaid subsequent to the closing date, and \$27,045 in accounts payable.

6 EXPLORATION AND EVALUATION ASSETS

As at January 31, 2026, the Company has the following exploration and evaluation assets:

	Stampede project	Prince Silver Project	Broken Handle Project
Acquisition costs, July 31, 2024	-	-	69,500
Additions:			
Acquisition costs	2,209,919	4,419,837	103,000
Deductions:			
Impairment of property	-	-	(172,500)
Acquisition costs, July 31, 2025	\$ 2,209,919	\$ 4,419,837	\$ -
Acquisition costs, January 31, 2026	\$ 2,209,919	\$ 4,419,837	\$ -

During the six months ended January 31, 2026, the Company incurred the following exploration expenses:

	For the six months ended January 31, 2026	
	Prince Silver Project	Stampede project
Camp costs	\$ 24,051	\$ -
Assaying	58,603	-
Field equipment rental	29,893	-
Field supplies	35,948	-
Field and general operations	53,375	-
Drilling and supply	523,344	-
Geological consulting and services	206,317	52,247
Reporting	6,370	-
Vehicle rental and maintenance	43,219	-
Acquisition and claim maintenance	72,575	67,702
Total	\$1,053,695	\$ 119,949

During the six months ended January 31, 2025, the Company did not incur any exploration expenses.

a) Prince

On February 10, 2023 (the "Execution Date"), and subsequently amended, the Company's subsidiary Stampede entered into a mineral exploration lease and option to purchase agreement (the "Prince Agreement") with Prince

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Mine, LLC (the “Owner”) an arms-length third party. The Owner holds certain mining claims in the Ely Mining District, Lincoln County, in the State of Nevada (the “Prince Mine”).

Lease

Under the terms of the Prince Agreement, Stampede is granted a mineral exploration lease (the “Lease”) to enter upon and occupy the Prince Mine for mineral exploration, evaluation of project feasibility and all other reasonable purposes. The Lease commenced on March 31, 2023 (the “Lease Commencement Date”) and continues for 8 years unless terminated, extended, cancelled, or until the Prince Options are exercised. The Lease payments by making the following payments:

- US\$25,000 due 15 days after the Execution Date (paid);
- US\$25,000 due 15 days after March 31, 2023 (the “Lease Commencement Date”) (paid);
- US\$80,000 due on or before March 31, 2024 (paid);
- US\$80,000 due on or before March 31, 2025 (paid);
- US\$80,000 due on or before March 31, 2026 (paid);
- US\$100,000 due on or before March 31, 2027;
- US\$100,000 due on or before March 31, 2028;
- US\$100,000 due on or before March 31, 2029;
- US\$100,000 due on or before March 31, 2030 and every year thereafter if the Owner allows further extensions of the Lease term.

Option

Under the terms of the Prince Agreement, the Company is granted two exclusive options (the “Prince Options”) to purchase up to a 100% interest in the Prince Mine, in up to 2 tranches.

Option 1:

The Company has the right and option to acquire the Prince Mine exclusive of the Bullion Belcher No 1 claims (“Option 1”) on or after the Lease Commencement Date until March 31, 2030 and so long thereafter if the Owner allows further extensions of the Lease term. To exercise Option 1, the Company must:

- Provide written notice to the Owner of intent to exercise Option 1;
- Pay US\$2,750,000 to the Owner less any payments made under the Lease.

Option 2:

If the Company exercises Option 1, the Company has the right and the option to acquire the Bullion Belcher No. 1 claims (“Option 2”) on or after Option 1 has been exercised for a term of 36 months thereafter. To exercise Option 2, the Company must:

- Exercise Option 1;
- Provide the Owner 1 year’s advance notice of the Company’s intent to exercise option 2;
- Pay US\$1,040,000 to the Owner

b) Lucky Boy

On May 10, 2022, (the “Effective Date”) and subsequently amended on October 6, 2023, Stampede entered into a mineral exploration lease and option to purchase agreement (the “Lucky Boy Agreement”) with Mile Wide Land & Cattle L.L.C. (the “Seller”) a non-arms-length third party. The Seller holds certain mining claims in Lincoln County, in the State of Nevada (“Lucky Boy”). Under the terms of the Lucky Boy Agreement, the Company has the right to enter upon and occupy Lucky Boy for mineral exploration, mining, extraction and processing of minerals for a lease term of 50 years with an option to extend for an additional 10 years. The Lucky Boy Agreement also grants the Company the sole, exclusive and irrevocable option (the “Lucky Boy Option”) to purchase Lucky Boy for 50 years from the Effective Date. Under the terms of the Lucky Boy Agreement, the Company agrees to:

- a) Pay US\$92,000 to the Seller on or before the Effective Date (paid);

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- b) Pay US\$1,000 to the Seller per year, credited towards any future royalties;
- c) Reimburse any costs to the Seller in the acquisition and maintenance of Lucky Boy during the lease period.

Upon exercise of the Lucky Boy Option, the Company will grant the seller a 1.0% net return royalty. The Company retains the right of first refusal to match any offer to buy the Sellers 1.0% net return royalty.

The Company may elect to exercise the Lucky Boy Option at any time following the first anniversary of the Effective Date by giving written notice of its election to the Seller. Upon exercise of the Lucky Boy Option, the Company must pay US\$95,000 within 30 days of the option exercise net of the execution date payment of US\$92,000.

c) Manhattan

On April 20, 2021 (the “Effective Date”), Stampede entered into an option to purchase agreement (the “Manhattan Gap Agreement”) with Renaissance Exploration Inc. (the “Optionor”) an arms-length third party. The Manhattan Gap Agreement grants the Company the option (the “Manhattan Gap Option”) to acquire 100% interest in certain mining claims in Lincoln County, in the State of Nevada (“Manhattan Gap Project”). In order to maintain the Manhattan Gap Option in good standing, the Company must:

- a) Pay US\$18,243 in cash to the Optionor within 5 business days of the Effective Date (paid);
- b) Perform exploration work on the Manhattan Gap Project:
 - A minimum of 500 meters of drilling on the Manhattan Gap Project on or before the first anniversary of the Effective Date (completed);
 - An aggregate of 7,500 meters of drilling the Manhattan Gap Project on or before the sixth anniversary of the Effective Date;
 - If the Company has a shortfall in the amount of drilling by the sixth anniversary of the Effective Date, the Company can make a cash payment of US\$500,000 to the Optionor to maintain the Manhattan Gap Option on or before the sixth anniversary of the Effective Date.
- c) Upon commencement of commercial production on the Manhattan Gap Project, the Company will pay the Optionor US\$2.50 per ounce of gold equivalent based on JORC (2012) mineral reserves estimates in a feasibility study at the time of commencement.

Upon exercise of the Manhattan Gap Option, the Company will grant a 1.5% net smelter return royalty to the Optionor with no buydown rights.

d) Broken Handle Property

On December 15, 2020, the Company entered into an option agreement (the “Broken Handle Agreement”) with Origen Resources Inc. (the “Optionor”), as subsequently amended, to acquire a 75% right, title and interest (the “Acquired Interest”) to certain claims (the “Broken Handle Project”) subject to a 1.5% net smelter return (“NSR”) royalty on the Acquired Interest (the “Optionor 1.5% NSR”) and a 1% NSR (“1% NSR”) payable to an arm’s-length private company. The Company will have the right to purchase from Origen 1% of the Optionor 1.5% NSR within one year of commencement of commercial production, at a cost of \$1,000,000.

Under the terms of the agreement, the Company could acquire the interest by:

- a) paying an aggregate of \$263,000 and issuing an aggregate of 900,000 shares to Origen as follows:
 - i. \$15,000 upon signing of the Broken Handle Agreement (paid);

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- ii. \$25,000 and issuing 150,000 shares within 15 days of acceptance of the National Instrument (“NI”) 43-101 report by a recognised Canadian Stock Exchange and approval to list the shares to trade (“Exchange Approval Date”) (paid and issued with a fair value of \$19,500);
 - iii. Issuing 200,000 shares on or before February 22, 2024 (issued with a fair value of \$10,000);
 - iv. \$10,000 on or before October 22, 2024 (paid);
 - v. \$50,000 on or before November 15, 2024 (paid);
 - vi. \$43,000 on or before February 22, 2025 (paid);
 - vii. \$40,000 and issuing 150,000 shares on or before August 22, 2025; and
 - viii. \$80,000 and issuing 400,000 shares on or before August 22, 2026.
- b) incurring \$530,000 in exploration expenditures as follows:
- i. \$100,000 on or before February 22, 2024 (completed);
 - ii. \$400,000 on or before August 22, 2026; and
 - iii. \$30,000 of additional exploration expenditures required by October 1, 2025 to maintain the claims in good standing for a further year.

On September 29, 2025, the Company notified Origen Resources Inc. of its decision to relinquish all rights and interests under the Broken Handle Agreement. The related impairment of \$172,500 was recognized in the fiscal year ended July 31, 2025.

7 SHARE CAPITAL

(a) Authorized

Unlimited number of common shares without par value.

(b) Issued and outstanding

Six months ended January 31, 2026

On September 12, 2025, the Company closed a non-brokered private placement for total gross proceeds of \$1,250,000 through the issuance of 3,125,000 units at a price of \$0.40 per unit. Each unit consists of one common share and one-half common share purchase warrant, with each whole warrant exercisable to acquire one common share at a price of \$0.60 for a period of 12 months from the date of issuance. In connection with the private placement, the Company paid aggregate cash finders’ fees of \$10,195.

On October 27, 2025, the Company closed the first tranche of a non-brokered private placement for gross proceeds of \$1,475,040 through the issuance of 2,304,750 units at a price of \$0.64 per unit. Each unit consists of one common share and one-half common share purchase warrant, with each whole warrant exercisable to acquire one additional common share at a price of \$0.95 for a period of 18 months from the date of issuance. Finder’s fees of \$30,035 were paid in connection with the financing and recorded \$12,000 in other share issuance costs through accounts payable.

Six months ended January 31, 2025

During the six-month period ended January 31, 2025, the Company closed a non-brokered private placement financing and issued 5,000,000 common shares at a price of \$0.10 per common share for aggregate gross

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proceeds of \$500,000. The Company paid \$22,800 as finders' fees and recorded \$9,876 in other share issuance costs through accounts payable.

(c) Escrowed shares

As at January 31, 2026, the Company had 279,000 common shares subject to time-based escrow release restrictions. These shares are released on February 22, 2026.

(d) Stock options and agent options

The Company has adopted an incentive stock option plan, which provides that the Company may grant to directors, officers, employees and technical consultants to the Company, non-transferable stock options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed a rolling 10% of the Company's issued and outstanding common shares at the time the options are granted. Vesting of stock options is at the discretion of the Board of Directors.

Six months ended January 31, 2026

On August 5, 2025, the Company granted 3,150,000 stock options at an exercise price of \$0.51 per stock option to its directors, consultants and employees. The options will vest over 24 months with one quarter vesting six months from date of grant and one quarter vesting every 6 months thereafter. The Company recognized \$748,274 in share-based compensation in the condensed interim consolidated statement of loss and comprehensive loss related to the stock options. This amount was also recorded as reserves on the condensed interim consolidated statement of financial position.

On November 4, 2025, the Company granted 950,000 incentive stock options at an exercise price of \$0.45 to directors, employees and advisors. The options will vest over a 24-months period, with one quarter vesting six months from the date of grant and the remainder vesting in equal quarterly installments every six months thereafter. The Company recognized \$104,020 in share-based compensation in the condensed interim consolidated statement of loss and comprehensive loss related to the stock options. This amount was also recorded as reserves on the condensed interim consolidated statement of financial position.

Six months ended January 31, 2025

During the six-month period ended January 31, 2025, the Company granted 225,000 stock options at an exercise price of \$0.17 per stock option to an officer of the Company. All stock options vested upon grant and expire five years after the grant date. During the six-month period ended January 31, 2025, the Company recognized \$29,490 in share-based compensation in the statement of loss and comprehensive loss related to the stock options. This amount was also recorded as reserves on the consolidated statement of financial position.

The following weighted average assumptions were used for the valuation of stock options:

	January 31, 2026	January 31, 2025
Risk-free interest rate	2.73-2.94%	3.08%
Expected life of options	5 years	5 years
Expected stock price volatility	152.35-156.14%	100.00%
Expected dividend yield	0.00%	0.00%
Share price	\$0.46-0.51	\$0.13
Fair value of options granted	\$0.43-0.46	\$0.09

The following is a summary of the Company's stock options and agent options activity:

Prince Silver Corp. (formerly Hawthorn Resources Corp.)

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For the six months ended January 31, 2026, and 2025

(Expressed in Canadian dollars)

(Unaudited – Prepared by Management)

	Stock options		Agent options	
	Number	Weighted Average Exercise Price	Number	Weighted Average Exercise Price
Balance, July 31, 2024	-	\$ -	262,500	\$ 0.13
Granted	225,000	0.17	-	-
Exercised/Expired *	-	-	(262,500)	0.13
Exercisable, July 31, 2025	225,000	\$ 0.17	-	\$ -
Granted	4,100,000	\$ 0.50	-	-
Exercised/Expired **	(225,000)	0.17	-	-
Exercisable, January 31, 2026	4,100,000	\$ 0.50	-	-

*During the year ended July 31, 2025, 259,125 agent options were exercised for gross proceeds of \$34,550. The remaining 3,375 agent options expired unexercised.

** During the period ended January 31, 2026, 225,000 stock options were exercised for gross proceeds of \$38,250.

As of January 31, 2026, the Company has stock options outstanding and exercisable to acquire common shares of the Company as follows:

	Expiry date	Exercise Price \$	Remaining life (years)	Number of options outstanding	Number of options exercisable
Stock Options	August 5, 2030	0.51	4.51	3,150,000	3,150,000
	November 4, 2030	0.45	4.76	950,000	950,000

(e) Warrants

The changes in warrants issued are as follows:

	Number of Warrants	Weighted Average Exercise Price
Outstanding Warrants, July 31, 2024	-	-
Issued	7,772,761	\$0.40
Expired	-	-
Outstanding Warrants, July 31, 2025	7,772,761	\$0.40
Issued	1,562,500	\$0.60
Issued	1,152,375	\$0.95
Exercised	(348,111)	\$0.40
Outstanding Warrants, October 31, 2025	10,130,266	\$0.49

At January 31, 2026, warrants enabling the holders to acquire common shares as follows:

Expiry Date	Weighted Average Exercise Price	Number of Warrants	Weighted Average Remaining Contractual Life in Years
December 23, 2026	\$0.40	7,415,391	0.89
September 12, 2026	\$0.60	1,562,500	0.61
April 27, 2027	\$0.95	1,152,375	1.24
Weighted average exercise price and remaining contractual life	\$0.49	10,130,266	0.89

The fair value of the finders' warrants issued was estimated at the grant date based on the Black-Scholes valuation model with the following weighted average assumptions:

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	January 31, 2026	July 31, 2025
Risk-free interest rate	n/a	2.74%
Expected dividend yield	n/a	0.00%
Share price	n/a	\$0.40
Expected stock price volatility	n/a	162.84%
Average expected warrant life	n/a	1.45 years
Fair value of warrants granted	n/a	\$0.27

8 RELATED PARTY TRANSACTIONS

Key management personnel includes those persons having authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consists of members of the Board and corporate officers, including the Company's Chief Executive Officer, Chief Financial Officer and President.

During the six months ended January 31, 2026 and 2025, the Company entered into the following transactions with related parties, not disclosed elsewhere in these condensed interim consolidated financial statements:

	January 31, 2026	January 31, 2025
Consulting fees	\$ 88,711	\$ 9,000
Management fees	78,648	15,000
Share-based compensation	612,982	29,490
	\$ 780,341	\$ 53,490

As at January 31, 2026, \$8,181 (July 31, 2025 - \$16,800) was included in accounts payable and accrued liabilities owing to officers and directors of the Company in relation to management fees and reimbursement of expenses.

9 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial instruments

Cash, accounts payable, reclamation deposit and accrued liabilities are carried at amortized cost. The Company considers that the carrying amount of these financial assets and liabilities measured at amortized cost to approximate their fair value due to the short-term nature of the financial instruments.

Credit risk

Financial instruments that potentially subject the Company to a significant concentration of credit risk consist primarily of cash and reclamation deposit. The Company limits its exposure to credit loss by placing its cash in a major Canadian bank.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to pay financial instrument liabilities as they come due. As at January 31, 2026, the Company had a working capital of \$4,167,085 (July 31, 2025 – \$3,085,617). The Company's financial obligations are limited to accounts payable and accrued liabilities, all of which have contractual maturities of less than a year.

Interest rate risk

The Company's financial asset exposed to interest rate risk consists of cash. As at January 31, 2026, the Company maintained all of its cash balance on deposit with a major Canadian bank. The Company does not have interest-bearing debt and does not rely on interest income for its operational forecast.

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Foreign currency risk

The Company may at times be exposed to foreign currency risk on fluctuations related to cash, accounts payable and accrued liabilities, denominated in a US Dollar. A 10% fluctuation between the Canadian dollar and the US Dollar would impact profit or loss by approximately \$9,760 (July 31, 2025 - \$4,931).

Price risk

The Company is exposed to price risk with respect to commodity prices. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company.

10 CAPITAL MANAGEMENT

The Company’s capital management objective is to maintain financial capacity that is strong to sustain the future development of the business.

The Company’s capital structure includes shareholders’ equity. The Company manages its capital structure to maximize its financial flexibility to adjust to changes in economic conditions. The Company is not subject to externally imposed capital requirements. There were no changes to the Company’s management of capital for the six months ended January 31, 2026.

11 SUPPLEMENT DISCLOSURES WITH RESPECT TO CASH FLOWS

During the six months ended January 31, 2026, the Company reclassified \$24,020 from reserves to share capital in connection with the exercise of 225,000 agent options and of 7,000 finder’s warrants.

The Company did not have significant non-cash transactions during the six months ended January 31, 2025.

12 SEGMENTED INFORMATION

The Company operates in one reportable segment, being the acquisition, exploration and evaluation of mineral resources. The Company’s exploration and evaluation assets are located in Canada and the United States as follows:

	January 31, 2026	July 31, 2025
Exploration and evaluation assets		
Canada	-	-
United States	6,629,756	6,629,756
	\$ 6,629,756	\$ 6,629,756

Reclamation bonds are posted in the United States.

13 SUBSEQUENT EVENTS

On February 10, 2026, the Company closed its non-brokered private placement for total gross proceeds of \$4,750,000. In connection with the closing, the Company issued an aggregate of 6,785,713 units at a price of \$0.70 per Unit. Each Unit consists of one common share of the Company and one-half of one common share purchase warrant. Each whole warrant entitles the holder to acquire one additional common share at an exercise price of \$1.00 for a period of two years from the date of issuance.

In February 2026, the Company issued 138,887 common shares upon the exercise of warrants at \$0.40 for total proceeds of \$55,555.