



OUTCROP
SILVER

OUTCROP SILVER & GOLD CORPORATION

Condensed Interim Consolidated Financial Statements

For the six months ended February 28, 2026 and 2025

(unaudited)

OUTCROP SILVER & GOLD CORPORATION
Condensed interim consolidated statements of financial position
(Unaudited - expressed in Canadian dollars)

As at	Notes	February 28, 2026	August 31, 2025
ASSETS			
Current assets			
Cash		\$ 22,577,626	\$ 5,107,316
Marketable securities	5	5,041,733	2,384,895
Receivables		94,011	53,740
Advances and prepaid expenses		420,537	867,713
Assets held for sale	6	-	10,000
		28,133,907	8,423,664
Non-current assets			
Equipment	7	488,270	88,570
Investment in associate	6	10,000	-
Reclamation bond		-	16,299
Mineral properties	8	9,857,537	9,844,317
		10,355,807	9,949,186
Total assets		\$ 38,489,714	\$ 18,372,850
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Accounts payable and accrued liabilities	9	\$ 1,629,507	\$ 1,156,626
Total liabilities		\$ 1,626,507	\$ 1,156,626
SHAREHOLDERS' EQUITY			
Share capital	10	\$ 124,036,142	\$ 96,728,072
Share subscriptions receivable	10	(59,400)	-
Reserves	10	34,791,358	33,427,190
Accumulated other comprehensive loss		(91,898)	(39,309)
Deficit		(121,815,995)	(112,899,729)
Total shareholders' equity		36,860,207	17,216,224
Total liabilities and shareholders' equity		\$ 38,489,714	\$ 18,372,850
Nature of operations and going concern	1		
Subsequent events	15		

Approved for issue by the Board of Directors on April 13, 2026.

On behalf of the Board of Directors:

"Ian Harris"
 Ian Harris, Director

"Kevin Nishi"
 Kevin Nishi, Director

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

OUTCROP SILVER & GOLD CORPORATION

Condensed interim consolidated statements of loss and comprehensive loss

(Unaudited - expressed in Canadian dollars)

	Note	Three months ended		Six months ended	
		February 28, 2026	February 28, 2025	February 28, 2026	February 28, 2025
Expenses					
Exploration	8,11	\$ 3,705,506	\$ 2,114,972	\$ 7,035,458	\$ 4,340,334
Foreign exchange		370,892	66,693	713,741	28,349
General and administrative	11	1,075,234	943,274	1,962,910	1,499,682
Investor relations		229,100	148,799	741,714	418,899
Professional fees	11	258,205	101,138	339,392	183,221
Stock-based compensation	10,11	67,054	522,312	250,435	1,046,469
Wages and benefits	11	715,134	163,474	857,390	248,756
		(6,421,125)	(4,060,662)	(11,901,040)	(7,765,710)
Other income (expenses)					
Interest income		140,238	32,713	263,282	33,885
Unrealized gain on marketable securities	5	1,108,519	-	2,721,492	
		1,248,757	32,713	2,984,774	33,885
Loss for the period		(5,172,368)	(4,027,949)	(8,916,266)	(7,731,825)
Foreign currency translation differences for foreign operations		(62,629)	79,157	(52,589)	84,870
Comprehensive loss for the period		\$ (5,234,997)	\$ (3,948,792)	\$ (8,968,855)	\$ (7,646,955)
Basic and diluted loss per share		\$ (0.01)	\$ (0.01)	\$ (0.02)	\$ (0.02)
Weighted average number of common shares outstanding – basic and diluted		472,801,746	339,297,743	455,316,747	329,970,709

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

OUTCROP SILVER & GOLD CORPORATION
Condensed interim consolidated statements of cash flows
(Unaudited - expressed in Canadian dollars)

Six months ended	February 28, 2026	February 28, 2025
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss for the period	\$ (8,916,266)	\$ (7,731,825)
<i>Adjustments for items not involving cash:</i>		
Depreciation	13,536	14,362
Stock-based compensation	250,435	1,046,469
Interest expense	-	24
Unrealized gain on marketable securities	(2,721,492)	-
Unrealized foreign exchange	(43,931)	(47,149)
	(11,417,718)	(6,718,119)
<i>Net changes in non-cash working capital items:</i>		
Receivables	(40,271)	1,797
Advances and prepaid expenses	447,176	(178,269)
Accounts payable and accrued liabilities	472,881	(367,539)
Net cash outflows from operating activities	(10,537,932)	(7,262,130)
CASH FLOWS FROM INVESTING ACTIVITIES		
Exploration and evaluation assets	-	230,228
Equipment acquisitions	(413,236)	(27,825)
Net cash inflows (outflows) from investing activities	(413,236)	202,403
CASH FLOWS FROM FINANCING ACTIVITIES		
Shares issued	30,222,486	9,969,644
Share issue costs	(1,860,083)	(258,481)
Repayment of lease liability	-	(1,732)
Net cash inflows from financing activities	28,362,403	9,709,431
Effect of foreign exchange on cash	59,075	26,465
Change in cash during the period	17,470,310	2,676,169
Cash, beginning of period	5,107,316	1,122,749
Cash, end of period	\$ 22,577,626	\$ 3,798,918

Supplemental disclosure with respect to cash flows – Note 14

OUTCROP SILVER & GOLD CORPORATION
Condensed interim consolidated statements of shareholders' equity
(Unaudited - expressed in Canadian dollars)

	Number of Shares	Share Capital	Share Subscription Receivable	Stock-Based Reserves	Warrant Reserves	DSU Reserves	Accumulated Other Comprehensive Income (Loss)	Deficit	Total
Balance, August 31, 2024	290,524,636	\$ 78,313,834	\$ -	\$13,317,985	17,374,359	\$ 15,750	\$ (53,327)	\$ (95,170,512)	\$ 13,798,089
Common shares issued	47,996,823	8,999,644	-	-	970,000	-	-	-	9,969,644
Common shares issued for acquisition	3,074,499	678,265	-	-	-	-	-	-	678,265
Share issue costs	-	(258,481)	-	-	-	-	-	-	(258,481)
Transfer of fair value of warrants exercised	-	767,388	-	-	(767,388)	-	-	-	-
Transfer of fair value of options exercised	-	398,313	-	(398,313)	-	-	-	-	-
Stock-based compensation	-	-	-	1,046,469	-	-	-	-	1,046,469
Foreign currency translation adjustment	-	-	-	-	-	-	84,870	-	84,870
Loss for the period	-	-	-	-	-	-	-	(7,731,825)	(7,731,825)
Balance, February 28, 2025	341,595,958	\$ 88,898,963	\$ -	\$13,966,141	\$17,576,971	\$ 15,750	\$ 31,543	\$ (102,902,337)	\$ 17,587,031
Balance, August 31, 2025	385,233,529	\$ 96,728,072	\$ -	\$14,804,601	\$18,606,839	\$ 15,750	\$ (39,309)	\$ (112,899,729)	\$ 17,216,224
Common shares issued	98,364,680	26,637,886	(59,400)	-	3,644,000	-	-	-	30,222,486
Share issue costs	-	(1,860,083)	-	-	-	-	-	-	(1,860,083)
Transfer of fair value of warrants exercised	-	1,600,739	-	-	(1,600,739)	-	-	-	-
Transfer of fair value of options exercised	-	929,528	-	(929,528)	-	-	-	-	-
Stock-based compensation	-	-	-	250,435	-	-	-	-	250,435
Foreign currency translation adjustment	-	-	-	-	-	-	(52,589)	-	(52,589)
Loss for the period	-	-	-	-	-	-	-	(8,916,266)	(8,916,266)
Balance, February 28, 2026	483,598,209	\$ 124,036,142	\$ (59,400)	\$14,125,508	\$20,650,100	\$ 15,750	\$ (91,898)	\$ (121,815,995)	\$ 36,860,207

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

OUTCROP SILVER & GOLD CORPORATION

Notes to the Condensed Interim Consolidated Financial Statements

For the six months ended February 28, 2026 and 2025

(Unaudited - expressed in Canadian dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Outcrop Gold & Silver Corporation (“Outcrop” or the “Company”) is a publicly traded company incorporated under the laws of the Province of British Columbia, Canada. The Company’s shares are listed for trading on the Toronto Stock Exchange (“TSX”) under the symbol “OCG”. The Company transitioned from the Toronto Venture Exchange (“TSX-V”) on November 18, 2025. The Company’s corporate registered and records office is located at #905 – 1111 West Hastings Street, Vancouver, British Columbia, V6E 2J3. The Company is engaged in the identification, acquisition, exploration, and development of mineral properties in Colombia and USA. The Company has not placed any of its mineral properties into production and is therefore considered to be in the exploration stage. These condensed interim consolidated financial statements of the Company for the six months ended February 28, 2026, are comprised of the results of the Company and its subsidiaries.

These condensed interim consolidated financial statements are prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business in the foreseeable future. Management estimates its current working capital will be sufficient to fund its current level of activities for the next twelve months. The Company’s ability to continue on a going concern basis beyond the next twelve months depends on its ability to successfully raise additional financing for the substantial capital expenditures required to achieve planned principal operations. These condensed interim consolidated financial statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate, which could be material.

2. BASIS OF PRESENTATION

Statement of compliance

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

These condensed interim consolidated financial statements do not include all the information required for full annual financial statements and, accordingly, should be read in conjunction with the Company’s annual consolidated financial statements for the year ended August 31, 2025.

Basis of measurement

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

Functional and presentation currency

The presentation currency of the Company is the Canadian dollar.

Items included in the financial statements of each entity in the Company are measured using the currency of the primary economic environment in which the entity operates (the “functional currency”), which has been determined for each entity within the Company using an analysis of the consideration factors identified in IAS 21, *The Effects of Changes in Foreign Exchange Rates*. The functional currency of Outcrop, the parent company, is the Canadian dollar; that of the Company’s US subsidiaries, Zaya Resources Ltd., and Lustrum Exploration Corp., are the United States dollar. The functional

OUTCROP SILVER & GOLD CORPORATION
Notes to the Condensed Interim Consolidated Financial Statements
For the six months ended February 28, 2026 and 2025
(Unaudited - expressed in Canadian dollars)

2. BASIS OF PRESENTATION *(continued)*

currency of all the Company's Canadian subsidiaries is the Canadian dollar, and that of all the Colombian branch operations and Colombian simplified share companies is also the Canadian dollar.

Use of estimates and judgments

The preparation of the consolidated financial statements in conformity with IFRS requires management to make estimates, judgments and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

In preparing these condensed interim consolidated financial statements, significant judgments made by management in applying the Company's accounting policies and key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended August 31, 2025.

Level of control or influence over companies

The accounting for investments in other companies can vary depending on the degree of control and influence over those other companies. Management is required to assess at each reporting date the Company's control and influence over these other companies. Management has used its judgment to determine which companies are controlled and require consolidation and those which are significantly influenced and require equity accounting.

3. MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies applied by the Company in these condensed interim consolidated financial statements are the same as those applied as at and for the year ended August 31, 2025. with the addition of the below.

Investment in associates

The Company accounts for its investment, over which it has significant influence, as an investment in associate using the equity method, whereby the investment is initially recorded at cost, and subsequently adjusted to recognize the Company's share of earnings or losses from the associated company. The consolidated statements of loss and comprehensive loss reflect the share of the net loss of the associated company from the acquisition date forward. Changes in the Company's interest in its associated company resulting in dilution gains or losses, are recognized in the consolidated financial statements of loss and comprehensive loss.

The Company determines whether any objective evidence of impairment exists at each reporting date. If impaired, the carrying value of the investment is written down to its recoverable amount.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the consolidated statement of loss and comprehensive loss.

OUTCROP SILVER & GOLD CORPORATION
Notes to the Condensed Interim Consolidated Financial Statements
For the six months ended February 28, 2026 and 2025
(Unaudited - expressed in Canadian dollars)

3. MATERIAL ACCOUNTING POLICY INFORMATION *(continued)*

New standards, interpretations and amendments

IFRS 18 Presentation and Disclosure in Financial Statements, which will replace IAS 1, Presentation of Financial Statements aims to improve how companies communicate in their financial statements, with a focus on information about financial performance in the statement of profit or loss, in particular additional defined subtotals, disclosures about management-defined performance measures and new principles for aggregation and disaggregation of information. IFRS 18 is accompanied by limited amendments to the requirements in IAS 7 Statement of Cash Flows. IFRS 18 is effective from January 1, 2027. Companies are permitted to apply IFRS 18 before that date.

The Company is currently assessing the impact the new standard will have on its financial statements.

4. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Categories of Financial Assets and Financial Liabilities

Financial instruments are classified into one of the following categories: amortized cost; fair value through profit or loss ("FVTPL"); fair value through other comprehensive income ("FVOCI").

The carrying values of the Company's financial instruments are classified into the following categories:

Financial Instrument	Category	February 28, 2026	August 31, 2025
Cash	Amortized cost	\$ 22,577,626	\$ 5,107,316
Marketable securities	FVTPL	\$ 5,041,733	\$ 2,384,895
Receivables	Amortized cost	\$ 59,117	\$ 21,483
Reclamation bond	Amortized cost	\$ -	\$ 16,299
Accounts payable and accrued liabilities	Amortized cost	\$ 1,629,507	\$ 1,156,626

The Company's financial instruments recorded at fair value require disclosure about how the fair value was determined based on significant levels of inputs described in the following hierarchy:

Level 1 – Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and value to provide pricing information on an ongoing basis.

Level 2 – Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the marketplace.

Level 3 – Valuations with inputs for the asset or liability that are not based on observable market data.

The recorded amounts for cash, receivables, reclamation bond and accounts payable and accrued liabilities approximate their fair value due to their short-term nature. The Company's marketable securities is a level 1 financial instrument.

OUTCROP SILVER & GOLD CORPORATION
Notes to the Condensed Interim Consolidated Financial Statements
For the six months ended February 28, 2026 and 2025
(Unaudited - expressed in Canadian dollars)

4. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT *(continued)*

Risk Management

All aspects of the Company's risk management objectives and policies are consistent with those disclosed in the Company's consolidated financial statements for the year ended August 31, 2025.

5. MARKETABLE SECURITIES

The Company received 20,090,000 common shares of Silver Mines Limited ("Silver Mines") with a fair value of \$2,266,812 as first earn-in initial share payment for the Kramer Hills property on July 1, 2025. As at February 28, 2026, the Silver Mines shares held by the Company had a fair value of \$5,041,733 resulting in a unrealized gain on marketable securities of \$2,721,492 and unrealized foreign exchange gain of \$64,654 being recorded on the consolidated statements of loss and comprehensive loss. The shares are subject to escrow restrictions and are not freely tradable until July 1, 2026.

6. ASSETS HELD FOR SALE AND LIABILITIES ASSOCIATED WITH ASSETS HELD FOR SALE

On September 22, 2025, the Company entered into an agreement with Bullfrog Gold Corporation ("Bullfrog") to transfer all of the issued and outstanding shares of its subsidiary, Zacapa Gold BC to Bullfrog in exchange for 10,000,000 shares of Bullfrog valued at \$10,000. Zacapa Gold BC held title to the South Bullfrog property and as such, the property and its related net assets have been impaired to the consideration of \$10,000 at August 31, 2025. The Company recognized an impairment of \$1,049,211 which includes \$1,044,403 related to the South Bullfrog property and \$4,808 relates to the net assets of Zacapa Gold BC during the year ended August 31, 2025.

During the six months period ended February 28, 2026, upon completion of the transaction, the assets of Bullfrog classified as assets held for sale were fully derecognized from the Company's consolidated statement of financial position and the Company recognized an investment in associate.

	Amounts
Assets	
Reclamation bond	\$ 17,517
Mineral properties – South Bullfrog	1,044,403
Accounts payable and accrued liabilities	(2,709)
Impairment recognized at August 31, 2025	(1,049,211)
Total assets held for sale August 31, 2025	\$ 10,000
Reclassification to investment in associate	(10,000)
Total assets held for sale February 28, 2026	\$ -

OUTCROP SILVER & GOLD CORPORATION
Notes to the Condensed Interim Consolidated Financial Statements
For the six months ended February 28, 2026 and 2025
(Unaudited - expressed in Canadian dollars)

7. EQUIPMENT

	Land	Computer Equipment	Field Equipment	Right-of-use asset	TOTAL
Cost					
Balance at August 31, 2024	\$ -	\$ 81,914	\$ 157,856	\$ 51,986	\$ 291,756
Assets retired	-	37,891	-	-	37,891
Balance at August 31, 2025	\$ -	\$ 119,805	\$ 157,856	\$ 51,986	\$ 329,647
Assets acquired	413,236	-	-	-	413,236
Balance at February 28, 2026	\$ 413,236	\$ 119,805	\$ 157,856	\$ 51,986	\$ 742,883
Accumulated depreciation					
Balance at August 31, 2024	\$ -	\$ 75,502	\$ 87,916	\$ 50,272	\$ 213,690
Depreciation	-	4,689	20,984	1,714	27,387
Assets retired	-	-	-	-	-
Balance at August 31, 2025	\$ -	\$ 80,191	\$ 108,900	\$ 51,986	\$ 241,077
Depreciation	-	6,193	7,343	-	13,536
Balance at February 28, 2026	\$ -	\$ 86,384	\$ 116,243	\$ 51,986	\$ 254,613
Net book value, August 31, 2025	\$ -	\$ 39,614	\$ 48,956	\$ -	\$ 88,570
Net book value, February 28, 2026	\$ 413,236	\$ 33,421	\$ 41,613	\$ -	\$ 488,270

8. MINERAL PROPERTIES

Outcrop acquires mineral properties through application, staking, and third-party vendors, some of which are subject to net smelter return royalties (“NSR”) or underlying lease payments. Subsequent to the acquisition of mineral properties, the Company may enter into agreements to sell a portion of its interests in its mineral properties to third parties in exchange for exploration expenditures, royalty interests, cash, or share-based payments.

Outcrop cannot guarantee title to all of its mineral properties as the properties may be subject to prior mineral rights applications with priority, prior unregistered agreements or transfers, and/or the title may be affected by undetected defects. Certain of the mineral rights held by Outcrop are held under applications for mineral rights and until final approval of such applications is received, the Company’s rights to such mineral rights may not materialize and the exact boundaries of Outcrop’s properties may be subject to adjustment.

OUTCROP SILVER & GOLD CORPORATION
Notes to the Condensed Interim Consolidated Financial Statements
For the six months ended February 28, 2026 and 2025
(Unaudited - expressed in Canadian dollars)

8. MINERAL PROPERTIES *(continued)*

Mineral Properties as at February 28, 2026

	August 31, 2025	Effect of movement in exchange rates	February 28, 2026
Argelia	\$ 265,240	-	265,240
Mallama	298,216	-	298,216
Oribella	41,568	-	41,568
Santa Ana	5,087,012	-	5,087,012
Pearl	430,961	(1,166)	429,795
Kramer	3,721,320	14,386	3,735,706
TOTAL	\$ 9,844,317	\$ 13,220	\$ 9,857,537

Mineral Properties as at August 31, 2025

	August 31, 2024	Additions	Recovery	Impairment	Effect of movement in exchange rates	August 31, 2025
Antares	\$ 112,987	\$ -	\$ -	\$ (112,987)	\$ -	\$ -
Argelia	265,240	-	-	-	-	265,240
Mallama	298,216	-	-	-	-	298,216
Oribella	41,568	-	-	-	-	41,568
Santa Ana	4,408,747	678,265	-	-	-	5,087,012
South Bullfrog	1,035,240	-	-	(1,044,403)	9,163	-
Pearl	516,346	-	(89,955)	-	4,570	430,961
Kramer	6,627,179	893,230	(3,847,142)	-	48,053	3,721,320
TOTAL	\$ 13,305,523	\$ 1,571,495	\$ (3,937,097)	\$ (1,157,390)	\$ 61,786	\$ 9,844,317

Exploration Expenditures

	For the six months ended	
	February 28, 2026	February 28, 2025
Santa Ana	\$ 7,019,228	\$ 4,195,847
South Bullfrog	-	1,975
Pearl	15,801	1,017
Kramer	429	141,495
TOTAL	\$ 7,035,458	\$ 4,340,334

Argelia Project

On June 15, 2017, the Company executed an option agreement (the “Argelia Option”) by and among Bullet Holding Corp. (“Bullet”), Esquimal S.O.M. (“Esquimal”), and the Company to acquire the Argelia property, consisting of three applications.

The Company must meet the following payment schedule to maintain the option:

OUTCROP SILVER & GOLD CORPORATION

Notes to the Condensed Interim Consolidated Financial Statements

For the six months ended February 28, 2026 and 2025

(Unaudited - expressed in Canadian dollars)

8. MINERAL PROPERTIES (continued)

- US\$100,000 by June 22, 2017 (paid);
- 162,427 common shares upon TSX-V approval of issuance (*issued*);
- US\$100,000 upon conversion of applications to titles;
- US\$100,000 upon receipt of approval for forestry subtraction or upon the Company commencing drill applications for any of the titles;
- US\$100,000 upon receipt of drill permits;
- US\$250,000 upon announcement of an NI 43-101 resource of >500,000 oz/au total in all categories (M+I+I) ("Announcement Date");
- US\$250,000 one year following the Announcement Date.

A residual net profits interest ("NPI") of 4% or an NSR of 1.5%, whichever is greater, will be payable to the vendor until US\$6,000,000 has been paid, at which time an NSR of 1.5% will be payable for the life of the mine.

Mallama Project

On August 31, 2017, Outcrop completed the acquisition of the Mallama Project ("Mallama") by an outright purchase of 100% of the shares of the Colombian simplified share company, Mallama SAS.

During the fiscal year ended August 31, 2017, Outcrop paid a total of \$298,216 in outstanding fees due to Agencia Nacional de Minería ("ANM") prior to the final effective date of the purchase. Upon receipt of suitable drill permits on Mallama, without any future time constraint, Outcrop is required to make an additional payment of US\$200,000 to the former shareholders of Mallama SAS. An NSR of 4% will be payable to the former shareholders, with a minimum of US\$1,000,000 payable within three years of the commencement of commercial production, capped at US\$4,000,000 over the life of the mine.

Oribella Project

On May 13, 2014, the Company acquired the Oribella Project in the Antioquia Department of Colombia through a purchase agreement with Antioquia Gold Inc. ("Antioquia Gold").

Upon registration of the property with ANM as a contract, Outcrop will reimburse Antioquia Gold for the application payment of COP 101,136,976 (approximately US\$35,000). Oribella is subject to a 0.5% royalty to Antioquia Gold that can be purchased for US\$1,500,000 and a 2% royalty to Barrick Gold.

Santa Ana Project

On January 24, 2020, the Company completed the acquisition of 100% of the Santa Ana project located in the Municipality of Falan, Tolima Department, Colombia through the purchase of all of the issued and outstanding shares of Malew. Consideration of 24,000,000 common shares of Outcrop with a value of \$2,640,000 were issued for all of the issued and outstanding shares of Malew. Malew's wholly owned subsidiary, Santa Ana S.A.S., owns the Santa Ana Project.

On July 28, 2020, the Company increased the Santa Ana land position with the acquisition of additional adjacent claims at a cost of \$333,433 (US\$250,000) and 1,000,000 shares of the Company valued at \$580,000. On November 14, 2022, the Company issued 2,104,054 common shares with a value of US\$500,000 after the first of the mining concession agreements was registered in the Assignee's name with the National Mining Registry. The vendors retained a 2% NSR royalty interest in the concession agreements. The Company has the option to purchase 1% of the NSR for US\$500,000 cash. On September

OUTCROP SILVER & GOLD CORPORATION

Notes to the Condensed Interim Consolidated Financial Statements

For the six months ended February 28, 2026 and 2025

(Unaudited - expressed in Canadian dollars)

8. MINERAL PROPERTIES (continued)

23, 2024, the Company issued 3,074,499 common shares with a fair value of \$678,265 (US\$500,000) to Activos Mineros de Colombia S.A.S. as the final payment for the Santa Ana Project.

South Bullfrog Project

Through the acquisition of Zacapa in November 2023, the Company acquired a 100% interest in the South Bullfrog gold Project located in Beatty, Nevada.

On September 22, 2025, the Company agreed to transfer all shares of its subsidiary, Zacapa Gold BC, to Bullfrog in exchange for 10,000,000 Bullfrog shares valued at \$10,000 (Note 6), which resulted in an impairment for the year ended August 31, 2025.

Pearl Project

Through the acquisition of Zacapa in November 2023, the Company acquired a 100% of the Pearl porphyry copper project located near San Manuel, Arizona. On September 12, 2024 Golden Mile Resources purchased an option on Pearl for A\$100,000 (Australian Dollars) and a 1% NSR royalty. Golden Mile has the option to earn-in to 51% by funding A\$2,000,000 in exploration expenditures by September 12, 2027. Golden Mile may also earn an additional 34% by funding an additional A\$10,000,000 in exploration expenditures within 5 years. Upon completing the earn-in a joint venture will be formed with both parties funding proportionally. If either party dilutes below 10%, their interest will convert to an additional 1% NSR royalty. At such time that a JORC compliant resource achieves 750,000 tonnes of contained copper at a minimum grade of 0.3%, Golden Mile will pay Outcrop Silver A\$2,000,000.

Kramer Hills Project

Acquired on the acquisition of Zacapa in November 2023, the Kramer Hills gold project is located in San Bernardino, California. The project is subject to a 2% NSR. Under the terms of the option agreement, the Company has until August 15, 2026, to acquire 100% of Kramer under the payment terms as expressed below:

- US\$10,000 per month beginning August 23, 2023 and continuing every month until the twelve (12) month anniversary from the Payment Date (*paid*);
- US\$300,000 in cash payable on August 15, 2024 (*paid*);
- US\$650,000 in cash payable on August 15, 2025 (*paid by Silver Mines*) and
- US\$1,250,000 in cash payable on August 15, 2026.

On June 11, 2025, the Company granted Silver Mines an option to earn up at an 80% interest in Kramer Hills in return for paying US\$500,000 in cash (*paid*) and issuing 22,090,000 shares of Silver Mines (subject to escrow until July 1, 2026).

First Earn-In (to 50%):

- Incur not less than US\$3,500,000 in exploration expenditures by July 1, 2027;
- pay the final US\$1,250,000 Kramer option payment due on August 15, 2026; and
- pay the Company US\$1,500,000 in shares of Silver Mines within sixty days following the satisfaction of the First Earn-In Condition.

OUTCROP SILVER & GOLD CORPORATION
Notes to the Condensed Interim Consolidated Financial Statements
For the six months ended February 28, 2026 and 2025
(Unaudited - expressed in Canadian dollars)

8. MINERAL PROPERTIES *(continued)*

Further Earn-In (to 80%):

- Pay to the Company an additional US\$2,000,000 in shares of Silver Mines on or before the expiry date of the Further Earn-in Period.

Once Silver Mines has earned an 80% interest it will provide the Company with a free carry interest through to the completion of a feasibility study on the project.

9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

As at	February 28, 2026	August 31, 2025
Accounts payable and accrued liabilities – Canada	\$ 267,584	\$ 127,834
Accounts payable and accrued liabilities – Colombia	1,329,629	993,957
Amounts payable to related parties – Canada	32,294	34,835
TOTAL	\$ 1,629,507	\$ 1,156,626

10. SHARE CAPITAL

a) Authorized

An unlimited number of common shares without par value.

b) Share Issuance

At February 28, 2026, the Company had 483,598,209 common shares issued and outstanding (February 28, 2025 – 341,595,958).

During the six months ended February 28, 2026, the Company:

- Issued 27,247,180 common shares following the exercise of warrants for gross proceeds of \$6,115,386 of which \$59,400 is recorded as subscription receivable;
- Issued 5,337,500 common shares following the exercise of options for gross proceeds of \$1,143,500; and
- Completed a public offering of 65,780,000 units of the Company at a price of \$0.35 per unit for gross proceeds of \$23,023,000. Each unit is comprised of one common share and one-half of one common share purchase warrant, which is exercisable at price of \$0.55 for a period of 24 months.

The assumptions used in the Black-Scholes Option-Pricing Model for the relative fair value allocation of gross proceeds between shares and warrants were an expected life of 2 years, an expected dividend of \$nil, a risk-free interest rate of 2.45%, and an expected volatility of 90.79%. Share issue costs incurred in connection with the offering amounted to \$1,860,083.

OUTCROP SILVER & GOLD CORPORATION
Notes to the Condensed Interim Consolidated Financial Statements
For the six months ended February 28, 2026 and 2025
(Unaudited - expressed in Canadian dollars)

10. SHARE CAPITAL *(continued)*

During the six months ended February 28, 2025, the Company:

- Issued 17,946,800 common shares following the exercise of warrants for gross proceeds of \$3,621,196;
- Issued 3,268,750 common shares following the exercise of options for gross proceeds of \$474,000;
- Issued 4,054,000 common shares under its at-the-market equity program (the “ATM Program”) for gross proceeds of \$874,448;
- Issued 3,074,499 common shares with a fair value of \$678,265 (US\$500,000) to Activos Mineros de Colombia S.A.S. on September 23, 2024 as the final payment for the Santa Ana Project; and
- Completed a non-brokered private placement on October 3, 2024 by issuing 22,727,273 units at a price of \$0.22 per unit for gross proceeds of \$5,000,000. Each unit is comprised of one common share and one-half on one common share purchase warrant, which is exercisable at price of \$0.30 for a period of 24 months.

c) Stock Options Outstanding

The Company has a fixed stock option plan which was approved by shareholders on December 4, 2025 (the “Fixed Plan”) and replaced the previous fixed stock options plan. Under the Fixed Plan, the maximum number of stock options that can be issued is capped at 46,560,940. The stock options can be granted for a maximum term of ten years and vesting terms of each stock option grant is determined by the Board of Directors at the time of the grant.

The Company also has an award plan (the “RSU/DSU Plan”) which permits the grant of restricted share units of the Company (“RSUs”) and/or deferred share units of the Company (“DSUs”) whereby the maximum number of common shares reserved for issue under the RSU/DSU Plan shall not exceed 28,802,564 common shares of the Company. In addition, the aggregate number of common shares issuable pursuant to the RSU/DSU Plan combined with all of the Company’s other securities-based compensation arrangements, including the Company’s stock option plan, shall not exceed 10% of the Company’s outstanding shares. The term for the restricted period of any RSU granted shall not exceed ten years.

OUTCROP SILVER & GOLD CORPORATION
Notes to the Condensed Interim Consolidated Financial Statements
For the six months ended February 28, 2026 and 2025
(Unaudited - expressed in Canadian dollars)

10. SHARE CAPITAL *(continued)*

The stock option continuity for the six months ended February 28, 2026, is as follows:

Number Outstanding August 31, 2025	Exercised	Expired/Cancelled	Number Outstanding February 28, 2026	Exercise Price per Share	Expiry Date	Weighted Avg Remaining Contractual Life (in years)
1,850,000	-	(1,850,000)	-	-	-	-
2,800,000	(400,000)	-	2,400,000	0.30	Apr 19, 2026	0.14
200,000	(200,000)	-	-	-	-	-
3,200,000	(1,200,000)	-	2,000,000	0.22	Apr 08, 2027	1.11
400,000	-	-	400,000	0.25	Oct 05, 2027	1.60
400,000	-	-	400,000	0.26	Oct 05, 2027	1.60
6,550,000	(1,400,000)	-	5,150,000	0.22	Jul 20, 2028	2.39
250,000	-	-	250,000	2.00	Jan 26, 2027	0.91
68,750	-	(62,500)	6,250	2.80	Jan 26, 2027	0.91
6,250	-	-	6,250	0.92	Jan 26, 2027	0.91
162,500	(37,500)	(37,500)	87,500	0.44	Dec 8, 2027	1.78
887,500	(762,500)	-	125,000	0.20	Jul 18, 2028	2.39
3,793,750	(1,012,500)	-	2,781,250	0.16	Mar 26, 2029	3.07
500,000	-	-	500,000	0.27	Oct 31, 2029	3.07
6,250,000	(150,000)	-	6,100,000	0.27	Oct 31, 2029	3.07
4,925,000	(175,000)	(50,000)	4,700,000	0.20	Apr 30, 2030	4.17
500,000	-	-	500,000	0.20	Aug 5, 2030	4.44
32,743,750	(5,337,500)	(2,000,000)	25,406,250	\$ 0.25	(weighted average)	2.81
		Exercisable	25,156,250	\$ 0.25	(weighted average)	2.81

The stock option continuity for the six months ended February 28, 2025, is as follows:

Number Outstanding August 31, 2024	Granted	Exercised	Expired/Cancelled	Number Outstanding February 28, 2025	Exercise Price per Share	Expiry Date	Weighted Avg Remaining Contractual Life (in years)
1,750,000	-	(1,750,000)	-	-	\$ -	-	-
200,000	-	-	-	200,000	0.56	Jul 24, 2025	0.40
1,850,000	-	-	-	1,850,000	0.40	Oct 20, 2025	0.64
2,800,000	-	-	-	2,800,000	0.30	Apr 19, 2026	1.14
200,000	-	-	-	200,000	0.24	Aug 5, 2026	1.43
3,450,000	-	(250,000)	-	3,200,000	0.22	Apr 08, 2027	2.11
50,000	-	(50,000)	-	-	-	-	-
900,000	-	-	(500,000)	400,000	0.25	Oct 05, 2027	2.60
400,000	-	-	-	400,000	0.26	Oct 05, 2027	2.60
7,650,000	-	(400,000)	(500,000)	6,750,000	0.22	Jul 20, 2028	3.39
250,000	-	-	-	250,000	2.00	Jan 26, 2027	1.91
75,000	-	-	(6,250)	68,750	2.80	Jan 26, 2027	1.91
6,250	-	-	-	6,250	0.92	Jan 26, 2027	1.91
62,500	-	-	(62,500)	-	-	-	-
168,750	-	-	(6,250)	162,500	0.44	Dec 8, 2027	2.78
1,350,000	-	(462,500)	-	887,500	0.20	Jul 18, 2028	3.39
4,525,000	-	(356,250)	(75,000)	4,093,750	0.16	Mar 26, 2029	4.07
-	500,000	-	-	500,000	0.27	Oct 31, 2029	4.67
-	6,250,000	-	-	6,250,000	0.25	Oct 31, 2029	4.67
25,687,500	6,750,000	(3,268,750)	(1,150,000)	28,018,750	\$ 0.27	(weighted average)	3.17
			Exercisable	24,481,250	\$ 0.24	(weighted average)	2.95

OUTCROP SILVER & GOLD CORPORATION
Notes to the Condensed Interim Consolidated Financial Statements
For the six months ended February 28, 2026 and 2025
(Unaudited - expressed in Canadian dollars)

10. SHARE CAPITAL *(continued)*

As at February 28, 2026, a total of 25,156,250 of the outstanding stock options were vested and exercisable, with a weighted average exercise price of \$0.25.

Stock-Based Compensation

The fair value of each option granted to employees, officers, and directors was estimated on the date of the grant using the Black-Scholes Option-Pricing Model.

The Company recorded \$250,435 in stock-based compensation expense (February 28, 2025 - \$1,046,469) for options vested during the six months ended February 28, 2026. The assumptions used in the Black-Scholes Option-Pricing Model to estimate the fair value of each option grant were an expected life of 5 years, expected dividend of \$nil, and:

	Aug 6, 2025	Apr 30, 2025	Nov 7, 2024	Oct 31, 2024
Risk-free interest rate	2.94%	2.67%	3.03%	3.02%
Expected volatility	93.17%	97%	103.01%	103.28%
Fair value	\$0.22	\$0.15	\$0.19	\$0.21

Share Purchase Warrants

The share purchase warrant continuity for the six months ended February 28, 2026 is as follows:

Number Outstanding August 31, 2025	Granted	Exercised	Expired/Cancelled	Number Outstanding February 28, 2026	Exercise Price per Share	Expiry Date	Weighted Avg Remaining Contractual Life (in years)
13,569,366	-	(10,499,800)	(3,069,566)	-	-	-	-
2,476,057	-	-	(2,476,057)	-	-	-	-
4,856,153	-	(1,407,580)	-	3,448,573	0.30	Jul 7, 2026	0.35
16,550,000	-	(12,647,300)	-	3,902,700	0.22	Mar 14, 2026	0.04
1,380,000	-	(1,380,000)	-	-	-	-	-
11,363,636	-	-	-	11,363,636	0.30	Oct 2, 2026	0.59
16,988,636	-	(1,312,500)	-	15,676,136	0.30	Mar 27, 2027	1.07
814,763	-	-	-	814,763	0.22	Mar 27, 2027	1.07
-	32,890,000	-	-	32,890,000	0.55	Oct 3, 2027	1.59
67,998,611	32,890,000	(27,247,180)	(5,545,623)	68,095,808	\$ 0.42	<i>(weighted average)</i>	1.15

OUTCROP SILVER & GOLD CORPORATION
Notes to the Condensed Interim Consolidated Financial Statements
For the six months ended February 28, 2026 and 2025
(Unaudited - expressed in Canadian dollars)

10. SHARE CAPITAL *(continued)*

The share purchase warrant continuity for the six months ended February 28, 2025 is as follows:

Number Outstanding August 31, 2024	Granted	Exercised	Expired/Cancelled	Number Outstanding February 28, 2025	Exercise Price per Share	Expiry Date	Weighted Avg Remaining Contractual Life (in years)
19,710,000	-	(16,355,000)	(3,355,000)	-	-	-	-
19,455,700	-	-	-	19,455,700	0.22	Sep 22, 2025	0.56
732,002	-	(96,800)	-	635,202	0.22	Sep 22, 2025	0.56
9,048,500	-	-	-	9,048,500	0.35	May 10, 2025	0.19
1,085,820	-	-	-	1,085,820	0.25	May 10, 2025	0.19
2,476,057	-	-	-	2,476,057	0.88	Oct 28, 2025	0.66
4,856,153	-	-	-	4,856,153	0.30	Jul 7, 2026	1.35
18,195,000	-	(1,495,000)	-	16,700,000	0.22	Mar 14, 2026	1.04
1,380,000	-	-	-	1,380,000	0.15	Mar 14, 2026	1.04
-	11,363,636	-	-	11,363,636	0.30	Oct 2, 2026	1.59
76,939,232	11,363,636	(17,946,800)	(3,355,000)	67,001,068	\$ 0.28	(weighted average)	0.87

11. RELATED PARTY TRANSACTIONS

The Company's related parties consist of companies with directors and officers in common, and companies owned in whole or in part by executive officers and directors as follows:

Related Party Name	Nature of Transactions
Farris LLP (" Farris "), a company in which Jay Sujir is a partner	Legal services
I2 Services SAS (" I2 "), a company related to Ian Harris	Cost reimbursement
Slater Corporate Services Corporation (" SCSC "), a company related to Ian Slater	Cost reimbursement, Corporate Secretary, CFO, corporate compliance services, accounting, and financial reporting

- a) The Company incurred the following fees in connection with companies owned or partially owned by key management (Chief Executive Officer and Chief Financial Officer) and/or directors. Expenses have been measured at the exchange amount, which is determined on a cost recovery basis.

	Three months ended		Six months ended	
	February 28, 2026	February 28, 2025	February 28, 2026	February 28, 2025
Cost reimbursement - SCSC	-	240,000	-	480,000
Cost reimbursement – I2	252,937	213,298	510,011	369,867
Legal fees – Farris	18,402	29,731	214,268	45,353
Total	\$ 271,339	\$ 243,269	\$ 724,279	\$ 895,250

- b) Amounts owing to related parties are disclosed in Note 9. All amounts are unsecured, with no specific terms of repayment.

OUTCROP SILVER & GOLD CORPORATION
Notes to the Condensed Interim Consolidated Financial Statements
For the six months ended February 28, 2026 and 2025
(Unaudited - expressed in Canadian dollars)

11. RELATED PARTY TRANSACTIONS *(continued)*

- c) Compensation of directors and members of key management personnel, including amounts disclosed in Note 11(a) and (b) were as follows:

	Three months ended		Six months ended	
	February 28, 2026	February 28, 2025	February 28, 2026	February 28, 2025
Exploration	\$ 45,481	\$ 82,689	\$ 107,302	\$ 137,965
Legal fees ⁽¹⁾	18,402	5,080	214,268	19,853
Reimbursement of expense ⁽²⁾	-	1,955	-	4,566
Stock-based compensation	43,666	446,257	156,796	839,434
Director fees	29,334	-	29,334	-
Wages and benefits	131,765	93,558	246,765	159,558
Total	\$ 268,648	\$ 629,539	\$ 754,465	\$ 1,161,376

⁽¹⁾ Amounts are included in professional fees and share issuance costs.

⁽²⁾ Amount is included in general and administrative expenses and wages and benefits.

12. SEGMENTED DISCLOSURE

The Company operates in the mineral exploration sector within Colombia and USA.

Note 8 provides disclosure as to the geographic location of the Company's mineral properties and exploration expenditures.

As at February 28, 2026	Canada	Colombia	USA	Total
Equipment	\$ 212	\$ 488,058	\$ -	\$ 488,270
Mineral properties	-	5,692,036	4,165,501	9,857,537

As at August 31, 2025	Canada	Colombia	USA	Total
Equipment	\$ 544	\$ 88,026	\$ -	\$ 88,570
Reclamation bond	-	-	16,299	16,299
Mineral properties	-	5,692,036	4,152,281	9,844,317

13. MANAGEMENT OF CAPITAL

The Company manages its common shares, stock options and warrants as capital (Note 10). The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of its mineral properties and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable level of risk.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt, acquire or dispose of assets, or adjust the amount of cash.

OUTCROP SILVER & GOLD CORPORATION
Notes to the Condensed Interim Consolidated Financial Statements
For the six months ended February 28, 2026 and 2025
(Unaudited - expressed in Canadian dollars)

13. MANAGEMENT OF CAPITAL *(continued)*

To facilitate the management of its capital requirements, the Company prepares expenditure budgets that are updated as necessary depending on various factors including successful capital deployment and general industry conditions.

To maximize ongoing exploration expenditures, the Company does not pay dividends. The Company's investment policy is to keep its cash treasury on deposit in interest-bearing Canadian chartered bank accounts and short-term guaranteed investment certificates.

The Company estimates that it will require additional funding to carry out its exploration plans and operations through the next twelve months. The Company is not subject to any externally imposed capital restrictions.

There were no changes in the management of capital during the six months ended February 28, 2026.

14. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

For the six months ended	February 28, 2026		February 28, 2025	
Non-cash investing and financing activities:				
Relative fair value of unit warrants	\$	3,644,000	\$	970,000
Transfer of fair value of options exercised		929,528		398,313
Transfer of fair value of warrants exercised		1,600,739		767,388
Shares issued for purchase to Activos Mineros		-		678,265
Interest received	\$	263,282	\$	33,885

15. SUBSEQUENT EVENTS

Subsequent to February 28, 2026, the Company:

- Issued 4,032,700 common shares following the exercise of warrants for gross proceeds of \$913,594;
- On March 16, 2026, 200,000 warrants at \$0.22 expired unexercised.