



Condensed Interim Consolidated Financial Statements

(Unaudited - expressed in Canadian Dollars)
For the three months ended March 31, 2021 and 2020

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

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

The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by management and reviewed by the Audit Committee of the Board of Directors of the Company.

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

Silver One Resources Inc.
Condensed Interim Consolidated Statements of Financial Position
(Unaudited - expressed in Canadian dollars)

	Note	March 31 2021 \$	December 31 2020 \$
Assets			
Current			
Cash		12,938,146	11,341,666
Short-term investments	5	119,533	2,518,560
Receivables and prepaid expenditures	7	332,533	327,995
Net investment in sublease	11	140,448	150,818
Marketable securities	6	3,466,183	178,583
Assets held for sale	4	-	6,116,184
		16,996,843	20,633,806
Non-current			
Net investment in sublease	11	125,587	161,758
Long-term receivables	4	1,109,667	-
Property and equipment	8	62,617	72,199
Mineral properties	9	16,678,438	13,478,126
Reclamation deposit		79,338	80,329
Total Assets		35,052,490	34,426,218
Liabilities			
Current			
Accounts payable and accrued liabilities	10	1,081,693	899,117
Deferred rent		15,846	18,006
Lease obligations	11	171,754	167,680
		1,269,293	1,084,803
Non-current			
Lease obligations	11	132,316	176,606
Total Liabilities		1,401,609	1,261,409
Shareholders' Equity			
Share capital	12(b)	43,502,839	42,111,498
Share-based payment reserve	12(c)	2,518,538	2,195,819
Accumulated other comprehensive income		(835,553)	(595,060)
Accumulated deficit		(11,534,943)	(10,547,448)
		33,650,881	33,164,809
Total Liabilities and Shareholders' Equity		35,052,490	34,426,218

Nature of operations and going concern – Note 1
 Commitments – Note 18
 Subsequent events – Note 19

APPROVED BY THE DIRECTORS

 "Claudia Tornquist" Director

 "Barry Girling" Director

Silver One Resources Inc.
Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
For the three months ended March 31, 2021 and 2020
(Unaudited - expressed in Canadian dollars)

	Note	Three months ended March 31	
		2021	2020
		\$	\$
Expenses			
Administrative and office		35,009	18,725
Consulting	14	40,230	41,113
Depreciation	8	9,216	38,291
Director fees	14	15,000	-
Exploration and evaluation		-	1,130
Filing and listing fees		28,589	22,049
Professional fees	14	26,131	38,046
Salaries and benefits	14	74,128	64,097
Share-based payments	12(c),14	351,153	101,580
Shareholder communications		103,700	75,853
Travel and related costs		961	42,771
Loss before other items		(684,117)	(443,655)
Foreign exchange (loss) gain		(56,026)	112,074
Finance charge on leases		(6,308)	(8,946)
Loss on marketable securities		(42,804)	-
Income from sublease of office		5,499	27,928
Interest and other income		11,610	2,117
Loss on sale of KCP Minerals Inc.	4	(215,349)	-
Net loss for the period		(987,495)	(310,482)
Other comprehensive loss for the period			
Currency translation adjustment		(240,493)	1,468,264
Comprehensive loss for the period		(1,227,988)	1,157,782
Loss per share			
Basic and diluted		(0.00)	(0.00)
Weighted average number of shares outstanding			
Basic and diluted		202,852,382	167,833,629

Silver One Resources Inc.
Condensed Interim Consolidated Statements of Cash Flows
For the three months ended March 31, 2021 and 2020
(Unaudited - expressed in Canadian dollars)

	Three months ended	
	2021	March 31 2020
	\$	\$
Cash (used in) provided by:		
Operating activities		
Net loss for the period	(987,495)	(310,482)
Depreciation	9,216	38,291
Share-based payments	351,153	101,580
Unrealized foreign exchange	119,091	(85,748)
Loss on marketable securities	42,804	-
Loss on sale of KCP Minerals Inc.	215,349	-
Changes in working capital items		
Receivables and prepaid expenditures	29,830	(174,831)
Accounts payable and accrued liabilities	49,830	(573)
Deferred rent	(2,160)	(2,160)
	(172,382)	(433,923)
Investing activities		
Cash out (purchase) of short-term investments	2,399,027	(2,912,250)
Mineral property expenditures	(2,477,362)	(1,765,640)
Property and equipment expenditures	-	(4,989)
Reclamation deposit	(17,053)	(17,053)
Value-added tax incurred	(239)	(507)
Proceeds from sale of marketable securities	169,596	-
Proceeds from sale of KCP Minerals Inc.	1,250,000	-
	1,323,969	(4,700,439)
Financing activities		
Repayment of lease obligation	(40,216)	(33,845)
Proceeds from exercise of warrants	547,807	235,600
Proceeds from exercise of options	35,100	-
Issuance of shares pursuant to private placement	-	5,205,000
Cash share issuance costs	-	(164,209)
Shares to be issued	-	(44,000)
	542,691	5,198,546
Change in cash held in assets held for sale	843	-
Effect of foreign exchange on cash	(98,641)	-
Increase in cash	1,596,480	64,184
Cash - beginning of period	11,341,666	445,384
Cash - end of period	12,938,146	509,568

Supplemental cash flow information – Note 15

Silver One Resources Inc.

Condensed Interim Consolidated Statements of Changes in Equity

(Unaudited - expressed in Canadian dollars)

	Note	Number of common shares	Share capital	Share-based payment reserve	AOCI	Accumulated deficit	Total
			\$	\$	\$	\$	\$
Balance, December 31, 2019		149,274,522	24,262,551	1,593,426	(89,599)	(8,478,375)	17,288,003
Shares issued from private placement	12(b)	20,820,000	5,205,000	-	-	-	5,205,000
Less: Share issue costs		-	(188,848)	24,639	-	-	(164,209)
Share-based payments	12(c),14	-	-	101,580	-	-	101,580
Shares issued on mineral properties	9(a)	26,050	8,336	-	-	-	8,336
Exercise of warrants	12(d)	1,178,000	238,505	(2,905)	-	-	235,600
Net loss for the period		-	-	-	-	(310,482)	(310,482)
Cumulative translation adjustment		-	-	-	1,468,264	-	1,468,264
Balance, March 31, 2020		171,298,572	29,525,544	1,716,740	1,378,665	(8,788,857)	23,832,092
Shares issued from private placement	12(b)	21,111,111	9,500,000	-	-	-	9,500,000
Less: Share issue costs		-	(142,144)	38,139	-	-	-104,005
Share-based payments	12(c),14	-	-	523,534	-	-	523,534
Shares issued on the Candelaria option agreement	9(a)	871,000	278,720	84,572	-	-	363,292
Shares issued on Silver Phoenix option agreement	9(a)	500,000	390,000	-	-	-	390,000
Exercise of options	12(c)	1,171,498	339,890	(143,070)	-	-	196,820
Exercise of warrants	12(d)	6,379,460	2,219,488	(24,096)	-	-	2,195,392
Net loss for the period		-	-	-	-	(1,758,591)	(1,758,591)
Cumulative translation adjustment		-	-	-	(1,973,725)	-	(1,973,725)
Balance, December 31, 2020		201,331,641	42,111,498	2,195,819	(595,060)	(10,547,448)	33,164,809
Share-based payments	12(c),14	-	-	351,153	-	-	351,153
Shares issued on Silver Phoenix option agreement	9(a)	1,000,000	780,000	-	-	-	780,000
Exercise of options	12(c)	135,000	63,534	(28,434)	-	-	35,100
Exercise of warrants	12(d)	1,620,289	547,807	-	-	-	547,807
Net loss for the period		-	-	-	-	(987,495)	(987,495)
Cumulative translation adjustment		-	-	-	(240,493)	-	(240,493)
Balance, March 31, 2021		204,086,930	43,502,839	2,518,538	(835,553)	(11,534,943)	33,650,881

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

Silver One Resources Inc.
Notes to the Condensed Interim Consolidated Financial Statements
For the three months ended March 31, 2021 and 2020
(Unaudited - expressed in Canadian dollars)

1. Nature of operations and going concern

Silver One Resources Inc. (the "Company" or "Silver One") was incorporated pursuant to the provisions of the Business Corporations Act (British Columbia) on June 8, 2007.

The Company's principal activities include the acquisition, exploration and development of mineral properties. The Company has an option agreement to acquire a 100% interest in the Candelaria silver project (the "Candelaria Project" or "Candelaria") located in Nevada and has claims staked in eastern Nevada, including the Cherokee project ("Cherokee Project" or "Cherokee"). The Company also has an option agreement to acquire 100% interest in the Phoenix Silver property in Arizona ("Phoenix Silver Property" or "Phoenix Silver").

On March 3, 2021, the Company completed the sale of its subsidiary, KCP Minerals Inc. ("KCP"), which through its 100% interest in Minera Terra Plata S.A. de C.V. holds the Company's three Mexican silver exploration projects to Silverton Metals Corp. ("Silverton"). See note 4.

These condensed interim consolidated financial statements have been prepared on a going concern basis, which assumes that the Company will be able to meet its obligations and continue its operations for the next twelve months. As at March 31, 2021, the Company had an accumulated deficit of \$11,534,943, and expects to incur further losses in the development of the business. As a result, the Company may be unable 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 dependant on its ability to obtain necessary financing to meet its corporate and deferred exploration expenditures and discharge its liabilities in the normal course of business. Although the Company has been successful in obtaining financing in the past, there can be no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company.

Should the Company be unable to continue as a going concern, asset realization values may be substantially different from their carrying values. These consolidated financial statements do not give effect to adjustments that would be necessary to carrying values and the classification of assets and liabilities should the Company be unable to continue as a going concern. Such adjustments could be material.

Silver One is a public company listed on the TSX Venture Exchange ("TSX-V") under the symbol "SVE", on the OTCQX Marketplace under the symbol "SLVRF", and on the Frankfurt Stock Exchange under the symbol "BRK1".

The Company's corporate office is located at Suite 200-550 Denman St, Vancouver, British Columbia, V6G 3H1.

2. Basis of preparation

Statement of compliance and functional currency

These condensed interim consolidated financial statements have been presented in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee ("IFRIC"), applicable to the preparation of interim financial statements, including IAS 34, *Interim Financial Reporting*.

These condensed interim consolidated financial statements have been prepared on a historical cost basis. These condensed interim consolidated financial statements are presented in Canadian dollars, which is the functional currency of the Company's Canadian entities. The functional currency of the Company's foreign subsidiary is US dollars. The currency translation adjustment resulting from the translation of the foreign subsidiary's US dollar functional currency to the Company's Canadian dollar presentation currency is charged to other comprehensive income or loss, and included in accumulated other comprehensive income or loss within the shareholders' equity section of the statement of financial position.

The accounts of subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. Inter-company transactions, balances and unrealized gains or losses on transactions are eliminated.

Silver One Resources Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2021 and 2020

(Unaudited - expressed in Canadian dollars)

2. Basis of preparation (continued)

Statement of compliance and functional currency (continued)

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

COVID-19

In March 2020 the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or results of operations at this time.

These condensed interim consolidated financial statements were approved by the board of directors on May 19, 2021.

3. Accounting policies

These condensed interim consolidated financial statements have been prepared on a basis consistent with the significant accounting policies disclosed in the annual financial statements for the year ended December 31, 2020. Accordingly, they should be read in conjunction with the annual consolidated financial statements for the year ended December 31, 2020.

Accounting standards issued but not yet effective

On May 14, 2020, the International Accounting Standards Board published an amendment to IAS 16 Property, Plant and Equipment - Proceeds before Intended Use. The amendments prohibit deducting from the cost of property, plant and equipment any proceeds received from selling items produced while bringing that asset for its intended use. Instead, proceeds received will be recognized as sales proceeds and related cost in profit or loss. The effective date is for annual periods beginning on or after January 1, 2022, with early adoption permissible. The amendment to this standard is not expected to have a material impact on the Company's financial statements.

As at March 31, 2021, there are no other accounting pronouncements with future effective dates that are applicable or are expected to have a material impact on the Company's financial statements.

4. Sale of KCP Minerals Inc.

On March 3, 2021, the Company completed the sale of its subsidiary, KCP Minerals Inc. ("KCP"), which through its 100% interest in Minera Terra Plata S.A. de C.V. holds the Company's three Mexican silver exploration projects to Silverton Metals Corp. ("Silverton") (the "KCP Purchase Agreement").

Under the terms of the KCP Purchase Agreement, the Company transferred to Silverton its 100% interest in KCP and, in consideration, Silverton will pay in cash and shares as follows: (a) \$1,250,000 in cash upon closing (received); (b) issue 4,375,000 common shares of Silverton to the Company (issued); (c) pay \$750,000 in cash 18 months after closing; and (d) pay \$500,000 in cash 24 months after closing. The common shares received are subject to an escrow release schedule where 10% of shares will be released on April 6, 2021 and 8% every 6 months for a period of 36 months.

In connection with the KCP Purchase Agreement, Silverton granted the Company a 1.5% NSR on each of the Mexican silver properties. At the option of Silverton, Silverton may repurchase two-thirds of the NSR (1%) with a payment equal to US \$500,000 for each of the Mexican silver properties.

Silver One Resources Inc.
Notes to the Condensed Interim Consolidated Financial Statements
For the three months ended March 31, 2021 and 2020
(Unaudited - expressed in Canadian dollars)

4. Sale of KCP Minerals Inc. (continued)

The major classes of assets and liabilities of KCP classified as held for sale as at December 31, 2020 were as follows:

	December 31 2020
	\$
Cash	7,551
VAT receivable	60,051
Prepaid expenditures and other	14,163
Mineral properties	6,039,388
Accounts payable	(4,969)
Total assets held for sale	6,116,184

These assets and related liabilities were measured at carrying amounts, which was the lower of their carrying amount and estimated fair value less costs to sell.

The loss on the disposal of KCP is as follows:

	\$
Total assets held for sale at December 31, 2020	6,116,184
Change in assets held for sale	(54,148)
Net assets of KCP at March 3, 2021	6,062,036
Consideration received	(5,846,687)
Loss on sale of KCP	215,349

The consideration consists of the following:

	\$
Cash received on sale	1,250,000
Shares received (4,375,000 shares at \$0.80/share)	3,500,000
Cash to be received 18 months from sale	750,000
Cash to be received 24 months from sale	500,000
Total consideration	6,000,000
Discount of long-term consideration receivable	(153,313)
Total consideration	5,846,687

The \$750,000 to be received 18 months from the date of sale and the \$500,000 to be received 24 months from the date of sale have been recorded as long-term receivables. The amounts have been discounted to their present value using a borrowing rate of 8% and at March 31, 2021 were \$1,109,667.

5. Short-term investments

Short-term investments of \$119,533 (December 31, 2020 - \$2,518,560) include highly liquid, redeemable GIC investments in an active market with original maturities of one year or less.

Silver One Resources Inc.
Notes to the Condensed Interim Consolidated Financial Statements
For the three months ended March 31, 2021 and 2020
(Unaudited - expressed in Canadian dollars)

6. Marketable securities

	March 31 2021	December 31 2020
	\$	\$
Beginning balance	178,583	-
Additions	3,500,000	48,860
Disposals	(169,596)	(26,722)
Realized gain on marketable securities	151,812	20,722
Unrealized (loss) gain on marketable securities	(194,616)	135,723
	3,466,183	178,583

During the year ended December 31, 2020, marketable securities were received as a shares-for-debt payment of \$48,860 on receivables outstanding. Of the 814,331 shares received, 100,000 shares were sold resulting in a realized gain of \$20,722.

During the three months ended March 31, 2021, 260,000 more shares were sold for a realized gain of \$151,812.

On March 3, 2021, the Company completed the sale of its subsidiary KCP to Silverton. As part of the consideration, the Company received 4,375,000 common shares of Silverton at a value of \$3,500,000. See Note 4.

7. Receivables and prepaid expenditures

	March 31 2021	December 31 2020
	\$	\$
GST receivable	17,774	12,575
Other receivables ¹	191,876	224,617
Prepaid expenditures	122,883	90,803
	332,533	327,995

¹ Other receivables includes amounts due from the subleasing the Company's office space. Prepaid expenditures primarily include amounts in connection with insurance, investor relations conferences and marketing activities.

Silver One Resources Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2021 and 2020

(Unaudited - expressed in Canadian dollars)

8. Property and equipment

	Building ¹	Leasehold Improvements	Office Furniture and Equipment	Total
	\$	\$	\$	\$
Cost				
Balance at December 31, 2019	525,191	53,351	56,160	634,702
Additions	57,127	-	6,197	63,324
Disposals	(525,191)	(53,351)	(12,767)	(591,309)
Foreign exchange	-	-	10	10
Balance at December 31, 2020	57,127	-	49,600	106,727
Foreign exchange	-	-	(1,377)	(1,377)
Balance at March 31, 2021	57,127	-	48,223	105,350
Accumulated depreciation				
Balance at December 31, 2019	(128,618)	(22,298)	(15,155)	(166,071)
Depreciation	(135,482)	(9,781)	(11,153)	(156,416)
Disposals	247,438	32,079	8,442	287,959
Balance at December 31, 2020	(16,662)	-	(17,866)	(34,528)
Depreciation	(7,141)	-	(1,064)	(8,205)
Balance at March 31, 2021	(23,803)	-	(18,930)	(42,733)
Net – December 31, 2020	40,465	-	31,734	72,199
Net – March 31, 2021	33,324	-	29,293	62,617

¹The amount disclosed above under building relates solely to right-of-use assets from the office rental leases. In December 2020, the original office lease was subleased to a third party and the lease asset was derecognized.

Silver One Resources Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2021 and 2020

(Unaudited - expressed in Canadian dollars)

9. Mineral properties

a) US properties

	Balance March 31 2021	Additions March 31 2021	Balance December 31 2020	Additions December 31 2020	Balance December 31 2019
	\$	\$	\$	\$	\$
Candelaria					
Option payments - shares	3,831,678	-	3,831,678	-	3,831,678
Acquisition costs - shares	384,572	-	384,572	371,628	12,944
Acquisition costs - cash	115,150	-	115,150	102,062	13,088
Consulting fees	1,742,088	305,039	1,437,049	732,118	704,931
Drilling	4,551,483	1,906,786	2,644,697	1,834,014	810,683
Field supplies and other costs	172,923	10,077	162,846	58,194	104,652
Laboratory and analysis fees	704,119	203,468	500,651	155,943	344,708
Land payments	817,159	-	817,159	215,151	602,008
Staking and survey costs	124,040	-	124,040	1,937	122,103
Travel and accommodation	370,634	123,796	246,838	120,848	125,990
Currency translation	(352,640)	(141,083)	(211,557)	(283,876)	72,319
	12,461,206	2,408,083	10,053,123	3,308,019	6,745,104
Phoenix Silver					
Acquisition costs - cash	487,609	-	487,609	487,609	-
Acquisition costs - shares	1,170,000	780,000	390,000	390,000	-
Consulting fees	364,130	21,331	342,799	342,799	-
Field supplies and other costs	1,665	-	1,665	1,665	-
Laboratory and analysis fees	10,036	-	10,036	10,036	-
Land payments	89,520	-	89,520	89,520	-
Staking and survey costs	48,280	-	48,280	48,280	-
Travel and accommodation	8,527	466	8,061	8,061	-
Currency translation	(80,262)	(23,229)	(57,033)	(57,033)	-
	2,099,505	778,568	1,320,937	1,320,937	-
Cherokee					
Consulting fees	594,623	31,710	562,913	185,394	377,519
Field supplies and other costs	19,628	475	19,153	4,480	14,673
Laboratory and analysis fees	97,379	-	97,379	80,661	16,718
Land payments	821,275	-	821,275	186,152	635,123
Staking and survey costs	125,379	-	125,379	-	125,379
Travel and accommodation	146,810	-	146,810	59,645	87,165
Currency translation	(61,813)	(21,582)	(40,231)	(47,166)	6,935
	1,743,281	10,603	1,732,678	469,166	1,263,512
Eastern Nevada					
Consulting fees	176,426	7,596	168,830	32,192	136,638
Field supplies and other costs	6,044	95	5,949	1,352	4,597
Laboratory and analysis fees	7,161	-	7,161	4,679	-
Land payments	158,925	-	158,925	45,278	113,647
Staking and survey costs	8,970	-	8,970	-	-
Travel and accommodation	27,849	-	27,849	2,737	25,112
Currency translation	(10,929)	(4,633)	(6,296)	(9,778)	3,482
	374,446	3,058	371,388	76,460	294,928
USA total	16,678,438	3,200,312	13,478,126	5,174,582	8,303,544

Silver One Resources Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2021 and 2020

(Unaudited - expressed in Canadian dollars)

9. Mineral properties (continued)

a) US properties (continued)

Candelaria Option Agreement

On January 16, 2017, the Company entered into an option agreement (the "Option Agreement") with a subsidiary of SSR Mining Inc. ("SSR"), to acquire a 100% interest in the Candelaria silver project (the "Candelaria Project or "Candelaria") located in Nevada, USA.

In order to exercise the option, the Company is required to:

- issue USD \$1,000,000 in shares to SSR on the date that the parties satisfy the conditions to the Agreement, including obtaining final approval of the TSX-V (the "Effective Date") (paid);
- issue an additional USD \$1,000,000 in shares on each of the three anniversaries of the Effective Date (first and second year anniversary payments paid); and
- assume the USD \$2,000,000 reclamation bond on the property immediately prior to exercise of the option.

Upon satisfying the terms set forth above, the Company will have earned a 100% interest in the property subject to a 3% net smelter returns royalty payable to Teck Resources USA on production from a certain claims group of the property and a charge of \$0.01 per ton payable for waste rock dumped on certain claims.

The Company issued 1,332,900 common shares at a fair value price of \$1.00 per share to satisfy the initial option payment of USD \$1,000,000, the Company issued 2,828,636 common shares at a fair value of \$0.44 per share in order to satisfy the first anniversary payment of USD \$1,000,000, and the Company issued 5,827,338 common shares at a fair value of \$0.215 to satisfy the second anniversary payment of USD \$1,000,000.

On July 25, 2019, the Company amended the Candelaria Option Agreement ("Amended Agreement"). The Amended Agreement deferred the assumption of the USD \$2,200,000 bond obligation by the Company until January 2023.

On April 14, 2020, the Company further amended the Candelaria Option (the "Amended Candelaria Option Agreement"). The Company agreed with each of SSR and Maverix Metals Inc. ("Maverix") whereby the Company will reduce its payment obligation with SSR and, in consideration of which, assume a future production payment due to Maverix.

Under the Amended Candelaria Option Agreement:

- The Company agreed to assume the obligation to pay Maverix US\$1,000,000 upon Candelaria achieving commercial production (the "Production Payment");
- In consideration of the Company assuming the Production Payment, SSR agreed to relinquish the third anniversary option payment of US\$1,000,000 in shares of Silver One and instead agreed to receive US\$100,000 in units of Silver One (issued);
- In consideration of Maverix agreeing to the Company's assumption of the Production Payment, Maverix received US \$100,000 in units of Silver One (issued); and
- Maverix agreed to amend the Production Payment so that the Company may satisfy it with US\$500,000 cash and \$500,000 in shares of the Company on the first anniversary after commencement of commercial production at Candelaria.

Each unit was comprised of one share and one-half of one share purchase warrant with each whole warrant entitling the holder to purchase one additional share at a price of \$0.40 per share for a period of three years from the date of issue.

Silver One Resources Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2021 and 2020

(Unaudited - expressed in Canadian dollars)

9. Mineral properties (continued)

a) US properties (continued)

Additional Candelaria claims acquired

In March 2018, the Company entered into an agreement to acquire 10 non-patented mineral claims located along the eastern structural projection of the Candelaria mineralized system. These claims are located immediately east of the former producing Mount Diablo open pit. Silver One has acquired these claims for the consideration of USD \$10,000 plus the issuance of 38,235 common shares at a fair value of \$0.34 per share (total of USD \$10,000).

In November 2019, the Company acquired an additional three patented claims, located within the company's claims. Consideration for these patents consisted of USD \$75,000 cash (paid) and USD \$5,000 in shares (issued), subject to a 2% NSR that can be purchased for USD \$50,000 plus USD \$ 5,000 in Silver One's shares issued at market price on the date of the issuance.

Signing of lease/purchase agreement on five patented claims at the Cherokee Project in eastern Nevada

In July 2018, the Company entered into a lease/purchase agreement with Castelton Park LLC ("Castelton") of Sparks, Nevada to acquire five patented claims at its Cherokee Project. These patents lie within the Company's Cherokee claim holdings in Lincoln County located in eastern Nevada.

The terms of the Lease/Purchase Agreement include three payments over a 2-year lease, consisting of a payment for USD \$23,125 upon execution of the agreement (paid), USD \$34,688 on the first anniversary (paid) and USD \$24,687 on the second anniversary (paid). This provides Silver One with a 100% interest in all patented claims. Castelton will also receive a payment of USD \$100,000 for every 7.5 million silver equivalent ounces of mineral resources calculated on the property, subject to a maximum of USD \$1,000,000.

Phoenix Silver Acquisition

On February 4, 2020, the Company entered into an agreement (the "Phoenix Silver Agreement") with Granite-Solid LLC (the "Optionor") whereby the Company has the option to acquire a 100% interest in the Phoenix Silver Property. The Phoenix Silver Property consists of 86 unpatented lode claims and 2 unpatented placer claims, located in Gila County, Arizona.

The Company may exercise the option by making the following cash payments and share issuances:

- paying the Optionor USD \$350,000 within five days of TSX-V acceptance of the Phoenix Silver Agreement (the "Effective Date") (paid); and
- issuing the Optionor: (i) 500,000 shares on the date that is six (6) months from the Effective Date (issued at a value of \$390,000); (ii) 1,000,000 shares on the date that is twelve months from the Effective Date (issued at a value of \$780,000); (iii) 2,500,000 shares on the date that is twenty-four months from the Effective Date; (iv) 3,000,000 shares on the date that is thirty-six months from the Effective Date; and (v) 3,000,000 shares on the date that is forty-eight months from the Effective Date.

The Phoenix Silver Agreement is subject to a five-mile area of interest. Further, after two years of the Effective Date, Silver One has the right to require the Optionor to include other unpatented placer claims under this Phoenix Silver Agreement for no additional consideration.

The Phoenix Silver Property is subject to an underlying 2% Net Smelter Royalty ("NSR") to the original prospectors of the project. Each 1% NSR may be purchased for US \$500,000 resulting in a total of US \$1,000,000 for the entire underlying NSR.

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9. Mineral properties (continued)

b) Mexican properties

	Balance March 31 2021	Additions March 31 2021	Balance December 31 2020	Additions December 31 2020	Balance December 31 2019
			\$	\$	\$
Peñasco Quemado					
Acquisition costs	-	-	3,194,966	-	3,194,966
Consulting fees	-	-	121,890	-	121,890
Drilling	-	-	151,520	-	151,520
Field supplies and other costs	-	-	27,162	2,126	25,036
Laboratory and analysis fees	-	-	22,459	873	21,586
Land payments	-	-	350,274	83,863	266,411
Royalty payments	-	-	37,692	-	37,692
Geophysics	-	-	112,416	-	112,416
Travel and accommodation fees	-	-	33,828	-	33,828
Currency translation adjustment	-	-	(143,823)	(81,188)	(62,635)
Transferred to assets held for sale	-	-	(3,908,384)	(3,908,384)	-
	-	-	-	3,902,710	3,902,710
La Frazada					
Acquisition costs	-	-	2,086,202	-	2,086,202
Consulting fees	-	-	27,865	156	27,709
Laboratory and analysis fees	-	-	8,150	-	8,150
Land payments	-	-	23,292	6,696	16,596
Royalty payments	-	-	22,156	-	22,156
Travel and accommodation	-	-	7,140	-	7,140
Field supplies and other costs	-	-	3,473	-	3,473
Currency translation adjustment	-	-	(82,563)	(42,344)	(40,219)
Transferred to assets held for sale	-	-	(2,095,715)	(2,095,715)	-
	-	-	-	(2,131,207)	2,131,207
Pluton					
Acquisition costs	-	-	1,091,245	-	1,091,245
Consulting fees	-	-	2,517	-	2,517
Land payments	-	-	65,290	-	65,290
Royalty payments	-	-	361	-	361
Warehouse and storage costs	-	-	4,029	107	3,922
Impairment	-	-	(1,069,799)	-	(1,069,799)
Currency translation adjustment	-	-	(58,354)	(713)	(57,641)
Transferred to assets held for sale	-	-	(35,289)	(35,289)	-
	-	-	-	(35,895)	35,895
Mexico total	-	-	-	(6,069,812)	6,069,812

Sale of Mexican properties

On March 3, 2021, the Company completed the sale of its subsidiary KCP, which holds the Company's three Mexican silver exploration projects to Silverton. See Note 4.

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10. Accounts payable and accrued liabilities

	March 31 2021	December 31 2020
	\$	\$
Accounts payable	1,041,068	866,617
Accrued liabilities	40,625	32,500
	1,081,693	899,117

Accounts payable include amounts owing for consulting, exploration, and general corporate expenditures. Accrued liabilities include an accrual of audit fees and other administrative expenses.

11. Lease obligation

The Company entered into office leases on February 2018 and June 2020. The terms and the outstanding balances as at March 31, 2021 and December 31, 2020 are as follows:

	March 31 2021	December 31 2020
	\$	\$
Right-of-use asset from office lease repayable in monthly instalments between \$10,676 and \$14,878, an interest rate of 7.71% per annum and an end date of January 2023.	269,291	302,756
Right-of-use asset from office lease repayable in monthly instalments of \$2,500, an interest rate of 7.72% per annum and an end date of May 2022.	34,779	41,530
Total lease obligation	304,070	344,286
Less: current portion	(171,754)	(167,680)
Non-current portion	132,316	176,606

The following is a schedule of the Company's future minimum lease payments related to the office lease obligation:

	\$
2021	141,892
2022	171,148
2023	13,170
Total minimum lease payments	326,210
Less: imputed interest	(22,140)
Total present value of minimum lease payments	304,070
Less: Current portion	(171,754)
Non-current portion	132,316

The Company subleases part of their office space on a month-to-month basis to other companies. The total lease income from the subleasing of the office for the period ended March 31, 2021 was \$5,499 (2020 - \$27,928).

During the period ended March 31, 2021, the Company recorded \$6,308 (2020 - \$8,946) of interest expense related to the leases.

Sublease of office space

The Company entered into a new agreement to sublease one of its office spaces beginning on December 1, 2020 through January 31, 2023 for approximately \$84,000 per annum. The right-of-use asset related to the office was derecognized and a net investment in sublease was set up.

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11. Lease obligation (continued)

As at March 31, 2021 and December 31, 2020 the net investment in sublease was made up of the following:

	March 31	December 31
	2021	2020
Net investment in sublease	\$	\$
Short-term	140,448	150,818
Long-term	125,587	161,758
Total receivables	266,035	312,576

12. Share capital

a) Authorized: Unlimited common shares without par value.

b) Shares issued

Common shares: 204,086,930 (December 31, 2020 – 201,331,641).

During the period ended March 31, 2021, the Company:

- Issued 1,000,000 common shares valued at \$780,000 pursuant to the Phoenix Silver Agreement (see Note 9(a));
- Issued 135,000 common shares for the exercise of options in the amount of \$35,100. A value of \$28,434 was transferred from the share-based payment reserve to share capital as a result; and
- Issued 1,620,289 common shares for the exercise of warrants in the amount of \$547,807.

During the year ended December 31, 2020, the Company:

- Issued 21,111,111 units (“Units”) at a price of \$0.45 per Unit for gross proceeds of \$9,500,000 as part of a private placement. Each Unit is comprised of one common share and one-half of one common share purchase warrant (“Warrant”), with each whole Warrant entitling the holder to purchase one additional common share at an exercise price of \$0.65 per share for a period of three years from the date of issue. Under the financing, the Company paid cash finders’ fees of \$67,730 and 125,660 Warrants with a fair value of \$38,139;

Issued 20,820,000 units (“Units”) at a price of \$0.25 per Unit for gross proceeds of \$5,205,000 as part of a private placement. Under the private placement, each Unit consists of one common share in the capital of the Company and one-half of one share purchase warrant (“Warrant”), with each whole Warrant entitling the holder to purchase one additional common share at an exercise price of \$0.40 per share for a period of three years from the date of the issue. Under the financing, the Company paid finders’ fees totaling \$188,848, \$164,209 cash and 156,000 Warrants (\$24,639);

- Issued 871,000 units (“Units”) with a total value of \$363,292 where \$278,720 was allocated to the common share and \$84,572 to the attached warrant pursuant to the Amended Candelaria Option Agreement (see Note 9(a)). Each Unit consists of one share and one-half of one common share purchase warrant (“Warrant”) with each whole Warrant entitling the holder to purchase one additional common share at an exercise price of \$0.40 per share for a period of three years from the date of issue;

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12. Share capital (continued)

b) Shares issued (continued)

- Issued 500,000 common shares valued at \$390,000 pursuant to the Phoenix Silver Agreement (see Note 9(a));
- Issued 26,050 common shares valued at \$8,336 to stake additional claims at the Candelaria Project;
- Issued 1,171,498 common shares for the exercise of options in the amount of \$196,820. A value of \$143,070 was transferred from the share-based payment reserve to share capital as a result; and
- Issued 7,557,460 common shares for the exercise of warrants in the amount of \$2,430,992. A value of \$27,001 was transferred from the share-based payment reserve to share capital as a result.

c) Options

The Company has adopted a share option plan that allows for the issuance of up to 10% of the issued and outstanding shares as incentive share options to directors, officers, employees and consultants to the Company. Share options granted under the plan may be subject to vesting provisions as determined by the Board of Directors.

The vesting provisions of all options are the following: 25% - 6 months from the grant date, 35% - 1 year from the grant date, and 40% - 1.5 years from the grant date.

The Company's share options outstanding as at March 31, 2021 and December 31, 2020 and the changes for the periods then ended are as follows:

	Number	Weighted average exercise price
		\$
Balance as at December 31, 2019	9,439,997	0.24
Exercised	(1,171,498)	0.17
Granted – September 28, 2020	2,575,000	0.70
Forfeited – September 30, 2020	(50,000)	0.40
Balance as at December 31, 2020	10,793,499	0.35
Granted – January 28, 2021	200,000	0.65
Exercised	(135,000)	0.34
Balance as at March 31, 2021	10,858,499	0.35

The total share-based payment expense recorded during the three months ended March 31, 2021 was \$351,153 (2020: \$101,580).

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12. Share capital (continued)

c) Options (continued)

The following table summarizes information about the share options as at March 31, 2021:

Exercise price per share of options outstanding	Number of options outstanding	Weighted average remaining life (years)	Number of options exercisable	Expiry date
\$0.05	2,949,999	0.35	2,949,999	August 5, 2021
\$0.33	615,000	0.42	615,000	August 31, 2021
\$0.22	200,000	0.96	200,000	March 15, 2022
\$0.58	575,000	1.07	575,000	April 27, 2022
\$0.57	200,000	1.21	200,000	June 15, 2022
\$0.45	200,000	1.57	200,000	October 24, 2022
\$0.45	150,000	1.78	150,000	January 8, 2023
\$0.40	1,085,500	2.13	1,085,500	May 17, 2023
\$0.26	2,048,000	3.30	2,048,000	July 19, 2024
\$0.30	60,000	3.55	36,000	October 15, 2024
\$0.70	2,575,000	4.50	643,750	September 28, 2025
\$0.65	200,000	4.83	-	January 28, 2026

The fair value of options recognized in the period has been estimated using the Black-Scholes Pricing Model with the following assumptions on the grant date of the options:

Issue date	Expected Option life (years)	Risk free interest rate	Dividend yield	Expected volatility ¹	Weighted average fair value
September 28, 2020	5.00	0.31%	nil	93%	\$0.48
January 28, 2021	5.00	0.33%	nil	94%	\$0.46

Note 1: The volatility used is the Company's own share volatility for a period equal to the life of the options.

d) Warrants

The Company's warrants outstanding as at March 31, 2021 and December 31, 2020 and the changes for the periods then ended are as follows:

	Number	Weighted average exercise price
		\$
Balance as at December 31, 2019	26,680,389	0.28
Granted – January 13, 2020	5,650,000	0.40
Granted – January 17, 2020	4,916,000	0.40
Granted – April 14, 2020	435,500	0.40
Granted – July 14, 2020	10,681,218	0.65
Exercised	(7,557,460)	0.31
Expired	(3,566,251)	0.60
Balance as at December 31, 2020	37,239,396	0.38
Exercised	(1,620,289)	0.34
Balance as at March 31, 2021	35,619,107	0.38

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12. Share capital (continued)

d) Warrants (continued)

The balance of warrants outstanding as at March 31, 2021 is as follows:

Expiry Date	Exercise Price \$	Remaining Life (Years)	Warrants Outstanding
January 7, 2022	0.20	0.77	1,030,668
July 10, 2022	0.20	1.28	14,549,610
January 13, 2023	0.40	1.79	4,576,000
January 17, 2023	0.40	1.80	4,710,000
April 14, 2023	0.40	2.04	435,500
July 10, 2023	0.65	2.28	10,317,329

The fair value of finders' warrants recognized in the period has been estimated using the Black-Scholes Pricing Model with the following assumptions on the grant date of the options:

Issue date	Expected Warrant life (years)	Risk free interest rate	Dividend yield	Expected volatility ¹	Weighted average fair value
January 17, 2020	3.00	1.57%	nil	88%	\$0.16
April 14, 2020	3.00	0.34%	nil	98%	\$0.19
July 14, 2020	3.00	0.23%	nil	97%	\$0.30

Note 1: The volatility used is the Company's own share volatility for a period equal to the life of the warrants.

13. Segment information

The Company operates in a single reportable operating segment, being the acquisition, exploration and retention of mineral property assets. Geographic segment information of the Company's non-current assets as at March 31, 2021 and December 31, 2020 is as follows:

Non-current assets	March 31 2021	December 31 2020
	\$	\$
Canada	1,269,501	203,246
USA	16,786,146	13,589,166
Total	18,055,647	13,792,412

14. Related party transactions

The Company's related parties consist of the Company's directors and officers, and any companies associated with them. The Company incurred the following charges during three months ended March 31, 2021 and 2020:

	Three months ended March 31 2021	Three months ended March 31 2020
	\$	\$
Consulting fees	52,500	45,000
Director fees	15,198	-
Professional fees	9,630	16,127
Salaries and benefits	73,930	64,097
Share-based payments	186,881	46,824

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14. Related party transactions (continued)

Consulting fees include amounts paid to Raul Diaz, a director of the Company, for geological consulting services. Included in the amounts above is \$42,270 in consulting fees for the three months ended March 31, 2021 that was capitalized to mineral properties (2020 - \$31,257).

Professional fees include amounts paid to Malaspina Consultants Inc., a company in which the CFO, Carmen Amezcua Hernandez, is an associate.

Salaries and benefits include amounts paid to Greg Crowe, President and Chief Executive Officer of the Company.

Share-based payments include options granted to officers and directors.

During the three months ended March 31, 2021, the Company received lease income from a related company with common directors in the amount of \$2,896 (2020 - \$8,555).

As at March 31, 2021, directors, officers or their related companies owed the Company \$119,175 (December 31, 2020 - \$116,279) and were owed \$33,787 (December 31, 2020 - \$29,829) in respect of services. The amounts due to related parties are unsecured, non-interest-bearing and due on demand.

Key management includes directors and executive officers of the Company. Other than the amounts disclosed above, there was no other compensation paid or payable to key management for employee services for the reported periods.

15. Supplemental cash flow information

Investing and financing activities that do not have a direct impact on the current cash flows are excluded from the cash flow statements. The following transactions were excluded from the consolidated statement of cash flows:

During the three months ended March 31, 2021:

- The issuance of 1,000,000 common shares valued at \$780,000 pursuant to the Phoenix Silver Agreement (see Note 9(a)); and
- Movement of \$133,477 in mineral property exploration expenditures in accounts payable and accrued liabilities.

During the three months ended March 31, 2020:

- The issuance of 26,050 common shares valued at \$8,336 as payment for extra claims staked at the Candelaria Project; and
- Movement of \$104,176 in mineral property exploration expenditures in accounts payable and accrued liabilities.

The Company paid or accrued \$nil for income taxes during the three months ended March 31, 2021 (2020 - \$nil).

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16. Financial instruments

Classification of financial instruments

The Company's financial instruments consist of cash, short-term investments, marketable securities, receivables, net investment in sublease, accounts payable and accrued liabilities and lease obligations. The Company classifies its cash, short-term investments, receivables and net investment in sublease as financial assets at amortized cost. The Company classifies its accounts payable and accrued liabilities and lease obligations as financial liabilities at amortized cost. There have been no changes to the classification of financial instruments since December 31, 2020.

Financial instruments risk management

The Board of Directors has overall responsibility for the determination of the Company's risk management objectives and policies. The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility.

The Company thoroughly examines the various financial instruments and risks to which it is exposed and assesses the impact and likelihood of those risks. These risks include foreign currency risk, interest rate risk, credit risk, and liquidity risk. Where material, these risks are reviewed and monitored by the Board of Directors.

There have been no changes in any risk management policies since December 31, 2020.

17. Management of capital

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 exploration of and retention of its mineral properties. In the management of capital, the Company includes its components of shareholders' equity.

The capital structure of the Company consists of equity attributable to common shareholders, comprised of issued capital, reserves and deficit.

The Company maintains and adjusts its capital structure based on changes in economic conditions and the Company's planned requirements. The Company may adjust its capital structure by issuing new equity, issuing new debt, or acquiring or disposing of assets, and controlling the capital expenditures program. The Company is not subject to externally imposed capital requirements.

The Company does not have a source of revenue. As such, the Company is dependent on external financing to fund its activities. In order to pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed.

Management reviews its capital management policies on an ongoing basis. There were no changes in the Company's approach to capital management during the three months ended March 31, 2021.

18. Commitments

The President, CEO and director has a long-term employment agreement with the Company. The agreement has a termination clause whereby he is entitled to the equivalent of sixteen times his then current monthly salary plus two additional months for each year of working after two years. As at March 31, 2021, this equated to \$506,000 (December 31, 2020 - \$506,000).

Silver One Resources Inc.

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19. Subsequent events

Exercise of warrants

Subsequent to period end, 475,000 warrants of the Company were exercised for gross proceeds of \$180,000.

Exercise of options

Subsequent to period end, 225,000 options of the Company were exercised for gross proceeds of \$11,250.