



Condensed Interim Consolidated Financial Statements

(Unaudited - expressed in Canadian Dollars)

For the three and nine months ended September 30, 2020 and 2019

**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 and 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	September 30 2020	December 31 2019
		\$	\$
Assets			
Current			
Cash		12,617,402	445,384
Short-term investments	4	2,567,120	2,600,000
Receivables and prepaid expenditures	5	328,222	253,955
Marketable securities		77,361	-
		15,590,105	3,299,339
Non-current			
Property and equipment	6	409,572	468,631
Mineral properties	7	18,456,802	14,373,356
Reclamation deposit		59,354	42,181
Value-added tax receivable	8	56,129	62,642
Total Assets		34,571,962	18,246,149
Liabilities			
Current			
Accounts payable and accrued liabilities	9	188,967	461,144
Shares to be issued		-	44,000
Deferred rent		20,167	26,649
Lease obligation – short-term	10	147,150	115,290
		356,284	647,083
Non-current			
Lease obligation – long-term	10	230,295	311,063
Total Liabilities		586,579	958,146
Shareholders' Equity			
Share capital	11(b)	41,468,445	24,262,551
Share-based payment reserve	11(c)	1,870,336	1,593,426
Accumulated other comprehensive income		289,522	(89,599)
Accumulated deficit		(9,642,920)	(8,478,375)
		33,985,383	17,288,003
Total Liabilities and Shareholders' Equity		34,571,962	18,246,149

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

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 and nine months ended September 30, 2020 and 2019

(Unaudited - expressed in Canadian dollars)

	Note	Three months ended September 30		Nine months ended September 30	
		2020	2019	2020	2019
		\$	\$	\$	\$
Expenses					
Administrative and office		19,980	14,141	55,312	45,894
Consulting	13	44,433	40,337	121,502	123,634
Depreciation		44,881	35,879	123,421	108,091
Exploration and evaluation		1,430	327	3,149	5,082
Filing and listing fees		15,165	10,857	59,402	37,009
Professional fees	13	50,635	49,223	127,106	122,086
Salaries and benefits	13	67,352	61,236	191,449	196,791
Share-based payments	11(c),13	56,379	51,741	242,316	101,213
Shareholder communications		138,574	97,403	322,652	259,229
Travel and related costs		484	36,309	50,799	86,182
Loss before other items		(439,313)	(397,453)	(1,297,108)	(1,085,211)
Foreign exchange (loss) gain		(50,411)	9,296	(11,348)	(866)
Finance charge on leases		(7,758)	(9,045)	(24,097)	(28,780)
(Loss) gain on marketable securities		(16,287)	-	28,501	-
Income from sublease of office		21,815	15,868	79,514	80,194
Interest and other income		37,727	11,810	59,993	14,603
Net loss for the period		(454,227)	(369,524)	(1,164,545)	(1,020,060)
Other comprehensive (loss) income for the period					
Currency translation adjustment		(374,636)	156,667	379,121	(340,477)
Comprehensive (loss) income for the period		(828,863)	(212,857)	(785,424)	(1,360,537)
Loss per share					
Basic and diluted		(0.00)	(0.00)	(0.01)	(0.01)
Weighted average number of shares outstanding					
Basic and diluted		193,563,978	143,987,730	178,187,776	119,382,561

Silver One Resources Inc.
Condensed Interim Consolidated Statements of Cash Flows
For the nine months ended September 30, 2020 and 2019
(Unaudited - expressed in Canadian dollars)

	Note	2020	Nine months ended September 30 2019
		\$	\$
Cash (used in) provided by:			
Operating activities			
Net loss for the period		(1,164,545)	(1,020,060)
Depreciation		123,421	108,091
Share-based payments	11(c),13	242,316	101,213
Unrealized foreign exchange		8,793	(231)
Unrealized gain on marketable securities		(28,501)	-
Changes in working capital items			
Receivables and prepaid expenditures		(123,127)	(111,504)
Accounts payable and accrued liabilities		(38,476)	(39,966)
Deferred rent		(6,482)	(6,482)
		(986,601)	(968,939)
Investing activities			
Cash out (purchase) of short-term investments	4	47,550	(2,450,000)
Mineral property expenditures		(3,193,182)	(1,274,214)
Property and equipment expenditures		(6,197)	-
Reclamation deposit		(17,053)	-
Value-added tax incurred		(1,324)	(29,919)
		(3,170,206)	(3,754,133)
Financing activities			
Repayment of lease obligation		(106,035)	(91,451)
Issuance of shares pursuant to private placement	11(b)	14,705,000	5,599,750
Cash share issuance costs		(268,214)	(144,508)
Shares to be issued		(44,000)	(292,500)
Proceeds from exercise of options	11(c)	123,570	30,874
Proceeds from exercise of warrants	11(d)	1,918,504	234,700
		16,328,825	5,336,865
Increase in cash		12,172,018	613,793
Cash - beginning of period		445,384	328,714
Cash - end of period		12, 617,402	942,507

Supplemental cash flow information – Note 14

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, 2018		97,217,249	17,240,479	1,257,184	535,254	(6,847,913)	12,185,004
IFRS 16 transition adjustment on January 1, 2019	17	-	-	-	-	(16,139)	(16,139)
Balance, January 1, 2019 (restated)		97,217,249	17,240,479	1,257,184	535,254	(6,864,052)	12,168,865
Shares issued on the Candelaria option agreement	7(a)	5,827,338	1,329,700	-	-	-	1,329,700
Shares issued from private placement	11(b)	44,182,334	5,626,750	-	-	-	5,626,750
Less: Share issue costs		-	(215,723)	44,215	-	-	(171,508)
Shares issued for Net Smelter Agreement	7(b)	250,000	60,000	-	-	-	60,000
Share-based payments	11(c),13	-	-	101,213	-	-	101,213
Exercise of options	11(c)	617,499	61,566	(30,692)	-	-	30,874
Exercise of warrants	11(d)	1,173,502	234,700	-	-	-	234,700
Net loss for the period		-	-	-	-	(1,020,060)	(1,020,060)
Cumulative translation adjustment		-	-	-	(340,477)	-	(340,477)
Balance, September 30, 2019		149,267,922	24,337,472	1,371,920	194,777	(7,884,112)	18,020,057
Candelaria option agreement share value adjustment		-	(76,822)	-	-	-	(76,822)
Share-based payments	11(c),13	-	-	222,087	-	-	222,087
Exercise of warrants	11(d)	6,600	1,901	(581)	-	-	1,320
Net loss for the period		-	-	-	-	(594,263)	(594,263)
Cumulative translation adjustment		-	-	-	(284,376)	-	(284,376)
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	11(b)	41,931,111	14,705,000	-	-	-	14,705,000
Less: Share issue costs		-	(330,992)	62,778	-	-	(268,214)
Share-based payments	11(c),13	-	-	242,316	-	-	242,316
Shares issued on the Candelaria option agreement	7(a)	871,000	278,720	84,572	-	-	363,292
Shares issued on Silver Phoenix option agreement	7(a)	500,000	390,000	-	-	-	390,000
Shares issued on mineral properties	7(a)	26,050	8,336	-	-	-	8,336
Exercise of options	11(c)	493,999	213,071	(89,501)	-	-	123,570
Exercise of warrants	11(d)	6,279,520	1,941,759	(23,255)	-	-	1,918,504
Net loss for the period		-	-	-	-	(1,164,545)	(1,164,545)
Cumulative translation adjustment		-	-	-	379,121	-	379,121
Balance, September 30, 2020		199,376,202	41,468,445	1,870,336	289,522	(9,642,920)	33,985,383

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 and nine months ended September 30, 2020 and 2019

(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") and has a 100% interest in three Mexican silver projects: Peñasco Quemado in the state of Sonora, La Frazada in the state of Nayarit, and Pluton in the state of Durango.

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 September 30, 2020, the Company had an accumulated deficit of \$9,642,920, 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-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 subsidiaries is US dollars. The currency translation adjustment resulting from the translation of the foreign subsidiaries' 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 and nine months ended September 30, 2020 and 2019

(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 November 26, 2020.

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, 2019. Accordingly, they should be read in conjunction with the annual consolidated financial statements for the year ended December 31, 2019.

Accounting standards issued but not yet effective

There are no accounting pronouncements with future effective dates that are applicable or are expected to have a material impact on the Company's financial statements.

4. Short-term investments

Short-term investments include highly liquid, redeemable GIC investments in an active market with original maturities of one year or less.

5. Receivables and prepaid expenditures

	September 30 2020	December 31 2019
	\$	\$
Short-term receivables		
GST receivable	7,865	18,622
Other receivables ¹	177,052	160,142
Prepaid expenditures	143,305	75,191
	328,222	253,955

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 and nine months ended September 30, 2020 and 2019

(Unaudited - expressed in Canadian dollars)

6. Property and equipment

	Building ¹	Leasehold Improvements	Office Furniture and Equipment	Total
	\$	\$	\$	\$
Cost				
Balance at December 31, 2018	-	53,351	20,501	73,852
IFRS 16 transition adjustment (Note 17)	525,191	-	-	525,191
Additions	-	-	36,315	36,315
Foreign exchange	-	-	(656)	(656)
Balance at December 31, 2019	525,191	53,351	56,160	634,702
Additions	57,127	-	6,197	63,324
Foreign exchange	-	-	1,038	1,038
Balance at September 30, 2020	582,318	53,351	63,395	699,064
Accumulated depreciation				
Balance at December 31, 2018	-	(11,628)	(9,483)	(21,111)
Depreciation	(128,618)	(10,670)	(5,672)	(144,960)
Balance at December 31, 2019	(128,618)	(22,298)	(15,155)	(166,071)
Depreciation	(106,825)	(8,003)	(8,593)	(123,421)
Balance at September 30, 2020	(235,443)	(30,301)	(23,748)	(289,492)
Net – December 31, 2019	396,573	31,053	41,005	468,631
Net – September 30, 2020	346,875	23,050	39,647	409,572

¹The amount disclosed above under building relates solely to a right-of-use asset from the office rental lease.

Silver One Resources Inc.

Notes to the Condensed Interim Consolidated Financial Statements For the three and nine months ended September 30, 2020 and 2019 (Unaudited - expressed in Canadian dollars)

7. Mineral properties

a) US properties

	Balance September 30 2020	Additions September 30 2020	Balance December 31 2019	Additions December 31 2019	Transfers ¹ December 31 2019	Balance December 31 2018
	\$	\$	\$	\$	\$	\$
Candelaria						
Option payments - shares	3,831,678	-	3,831,678	1,252,878	-	2,578,800
Acquisition costs - shares	384,572	371,628	12,944	-	-	12,944
Acquisition costs - cash	115,150	102,062	13,088	-	-	13,088
Consulting fees	1,051,722	346,791	704,931	339,209	-	365,722
Drilling	1,555,474	744,791	810,683	581,772	-	228,911
Field supplies and other costs	150,897	46,245	104,652	43,737	-	60,915
Laboratory and analysis fees	396,418	51,710	344,708	97,491	-	247,217
Land payments	818,003	215,995	602,008	212,901	-	389,107
Staking and survey costs	124,040	1,937	122,103	21,324	-	100,779
Travel and accommodation fees	165,990	40,000	125,990	36,855	-	89,135
Currency translation adjustment	218,106	145,787	72,319	(265,890)	-	338,209
	8,812,050	2,066,946	6,745,104	2,320,277	-	4,424,827
Cherokee						
Consulting fees	504,329	126,810	377,519	245,722	131,797	-
Field supplies and other costs	17,810	3,137	14,673	11,103	3,570	-
Laboratory and analysis fees	80,821	64,103	16,718	11,192	5,526	-
Land payments	821,275	186,152	635,123	210,983	424,140	-
Staking and survey costs	125,379	-	125,379	-	125,379	-
Travel and accommodation fees	123,724	36,559	87,165	65,928	21,237	-
Currency translation adjustment	40,013	33,078	6,935	(45,697)	52,632	-
	1,713,351	449,839	1,263,512	499,231	764,281	-
Eastern Nevada						
Consulting fees	161,012	24,374	136,638	38,055	(131,797)	230,380
Field supplies and other costs	5,949	1,352	4,597	1,533	(3,570)	6,634
Laboratory and analysis fees	2,482	-	2,482	-	(5,526)	8,008
Land payments	158,925	45,278	113,647	46,663	(424,140)	491,124
Staking and survey costs	8,970	-	8,970	-	(125,379)	134,349
Travel and accommodation fees	27,849	2,737	25,112	6,035	(21,237)	40,314
Currency translation adjustment	11,114	7,632	3,482	(12,015)	(52,632)	68,129
	376,301	81,373	294,928	80,271	(764,281)	978,938
Phoenix Silver						
Acquisition costs - cash	487,609	487,609	-	-	-	-
Acquisition costs - shares	390,000	390,000	-	-	-	-
Consulting fees	183,942	183,942	-	-	-	-
Field supplies and other costs	1,665	1,665	-	-	-	-
Laboratory and analysis fees	10,036	10,036	-	-	-	-
Land payments	89,520	89,520	-	-	-	-
Staking and survey costs	48,280	48,280	-	-	-	-
Travel and accommodation fees	4,575	4,575	-	-	-	-
Currency translation adjustment	12,157	12,157	-	-	-	-
Total	1,227,784	1,227,784	-	-	-	-
USA total	18,456,802	4,083,446	8,303,544	2,899,779	-	5,403,765

¹The transfers above relate to the separation of Eastern Nevada costs into both Eastern Nevada and Cherokee. This was completed in order to more accurately disclose the area in which the costs were incurred.

Silver One Resources Inc.

Notes to the Condensed Interim Consolidated Financial Statements For the three and nine months ended September 30, 2020 and 2019 (Unaudited - expressed in Canadian dollars)

7. 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") (formerly Silver Standard Resources Inc.), 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.

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. 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.

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

On April 14, 2020, the Company further amended the Candelaria Option. The Company agreed with each of SSR and Maverix Metals Inc. ("Maverix") whereby the Company will reduce its payment obligation under its Candelaria Option Agreement (the "Amended Candelaria Option Agreement") 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 of not less than 2,500,000 ounces of silver per annum (the "Production Payment");
- In consideration of the Company assuming the Production Payment, SSR agreed to relinquish the 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 (each a "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 and nine months ended September 30, 2020 and 2019 (Unaudited - expressed in Canadian dollars)

7. 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 and USD \$5,000 in shares, 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 US \$350,000 within five days of TSX Venture Exchange 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); (ii) 1,000,000 shares on the date that is twelve months from the Effective Date; (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.

Silver One Resources Inc.

Notes to the Condensed Interim Consolidated Financial Statements For the three and nine months ended September 30, 2020 and 2019 (Unaudited - expressed in Canadian dollars)

7. Mineral properties (continued)

b) Mexican properties

	Balance September 30 2020 \$	Additions September 30 2020 \$	Balance December 31 2019 \$	Additions December 31 2019 \$	Balance December 31 2018 \$
Peñasco Quemado					
Acquisition costs	3,194,966	-	3,194,966	-	3,194,966
Consulting fees	121,890	-	121,890	42,051	79,839
Drilling	151,520	-	151,520	151,520	-
Field supplies and other costs	27,162	-	25,036	16,130	8,906
Laboratory and analysis fees	22,459	873	21,586	6,608	14,978
Land payments	350,274	83,863	266,411	85,841	180,570
Royalty payments	37,692	-	37,692	37,692	-
Geophysics	112,416	-	112,416	-	112,416
Travel and accommodation fees	33,828	-	33,828	7,323	26,505
Currency translation adjustment	42,510	105,145	(62,635)	(187,240)	124,605
	4,094,717	192,007	3,902,710	159,925	3,742,785
La Frazada					
Acquisition costs	2,086,202	-	2,086,202	-	2,086,202
Consulting fees	27,865	156	27,709	7,457	20,252
Laboratory and analysis fees	8,150	-	8,150	-	8,150
Land payments	23,292	6,696	16,596	6,857	9,739
Royalty payments	22,156	-	22,156	22,156	-
Travel and accommodation	7,140	-	7,140	966	6,174
Field supplies and other costs	3,473	-	3,473	33	3,440
Currency translation adjustment	17,350	57,569	(40,219)	(106,269)	66,050
	2,195,628	64,421	2,131,207	(68,800)	2,200,007
Pluton					
Acquisition costs	1,091,245	-	1,091,245	-	1,091,245
Consulting fees	2,517	-	2,517	350	2,167
Land payments	65,290	-	65,290	-	65,290
Royalty payments	361	-	361	361	-
Warehouse and storage costs	4,029	107	3,922	1,136	2,786
Impairment	(1,069,799)	-	(1,069,799)	-	(1,069,799)
Currency translation adjustment	(56,672)	969	(57,641)	(1,755)	(55,886)
	36,971	1,076	35,895	92	35,803
Mexico total	6,327,316	257,504	6,069,812	91,217	5,978,595

Restructure of net smelter return agreements on Mexican properties

On December 17, 2018, The Company entered into agreements with First Mining Gold Corp. ("First Mining") regarding the restructuring of the Net Smelter Return ("NSR") agreements associated with the Peñasco Quemado, La Frazada and Pluton properties that were acquired from First Mining in 2016. The original NSR agreements granted to First Mining were a 2.5% NSR on each property, with a buyback of up to 1.5% for USD \$ 1,000,000 per property. The new NSR agreements grant a 1.5% NSR per property with a buyback of 1% for USD \$500,000. On January 16, 2019, Silver One issued 250,000 common shares at a value of \$60,000 as consideration for this reduction of the NSR agreements.

Silver One Resources Inc.

Notes to the Condensed Interim Consolidated Financial Statements For the three and nine months ended September 30, 2020 and 2019 (Unaudited - expressed in Canadian dollars)

8. Value-added tax receivable

The Company, through its Mexican subsidiary, MTP, pays value-added tax on the purchases of goods and services at a rate of 16%. The amount paid or payable is recoverable and MTP has been successful in applying for and receiving refunds in the past from the local tax authorities. However, there is no guarantee that this will continue and, as such, the value-added tax receivable has been recorded as a non-current asset.

9. Accounts payable and accrued liabilities

	September 30 2020	December 31 2019
	\$	\$
Accounts payable	164,592	428,644
Accrued liabilities	24,375	32,500
	188,967	461,144

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

10. Lease obligation

The Company entered into office leases on February 2018 and June 2020. The terms and the outstanding balances as at September 30, 2020 and December 31, 2019 are as follows:

	September 30 2020	December 31 2019
	\$	\$
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.	329,299	426,353
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.	48,146	-
Total lease obligation	377,445	426,353
Less: Current portion	(147,150)	(115,290)
Non-current portion	230,295	311,063

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

	\$
2020	40,206
2021	188,418
2022	171,148
2023	13,169
Total minimum lease payments	412,941
Less: imputed interest	(35,496)
Total present value of minimum lease payments	377,445
Less: Current portion	(147,150)
Non-current portion	230,295

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 three and nine months ended September 30, 2020 was \$21,815 and \$79,514 (2019 - \$15,868 and \$80,194). Subsequent to period end, the Company signed a new sublease agreement. See Note 18.

Silver One Resources Inc.

Notes to the Condensed Interim Consolidated Financial Statements For the three and nine months ended September 30, 2020 and 2019

(Unaudited - expressed in Canadian dollars)

11. Share capital

a) **Authorized:** Unlimited common shares without par value.

b) Shares issued

Common shares: 199,376,202 (December 31, 2019 – 149,274,522).

During the period ended September 30, 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 \$0.65 per share for a period of three years from the date of issue;
- 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. (each whole warrant being a “Warrant” of the Company). Each whole Warrant will entitle the holder to purchase one share at an exercise price of \$0.40 per share for a period of three years from the date of the issue of the Warrants. 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”) valued at \$363,292 pursuant to the Amended Candelaria Option Agreement (see Note 7(a)). Each Unit consists of one share and one-half of one share purchase warrant (each a “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;
- Issued 500,000 common shares valued at \$390,000 pursuant to the Phoenix Silver Agreement (see Note 7(a));
- Issued 26,050 common shares to stake additional claims at the Candelaria Project;
- Issued 493,999 common shares for the exercise of options in the amount of \$213,071. A value of \$89,501 was transferred from the share-based payment reserve to share capital as a result; and
- Issued 6,279,520 common shares for the exercise of warrants in the amount of \$1,941,759. A value of \$23,255 was transferred from the share-based payment reserve to share capital as a result.

During the year ended December 31, 2019, the Company:

- Issued 39,808,000 units (“Units”) at a price of \$0.125 per unit for gross proceeds of \$4,976,000 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. (each whole warrant being a “Warrant” of the Company). Each whole Warrant will entitle the holder to purchase one share at an exercise price of \$0.20 per share for a period of three years from the date of the issue of the Warrants. Under the financing, the Company paid finders’ fees totaling \$46,290, 216,000 shares (\$27,000) and 502,320 Warrants (\$44,215);
- Issued 4,158,334 units (“Units”) at a price of \$0.15 per Unit for gross proceeds of \$623,750 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 (each whole warrant being a “Warrant” of the Company). Each whole Warrant will entitle the holder to purchase one share at an exercise price of \$0.20 per share for a period of three years from the date of the issue of the Warrants. As at December 31, 2018, \$292,500 in shares to be issued was recorded as a liability related to this private placement;

Silver One Resources Inc.

Notes to the Condensed Interim Consolidated Financial Statements For the three and nine months ended September 30, 2020 and 2019 (Unaudited - expressed in Canadian dollars)

11. Share capital (continued)

b) Shares issued

- Issued 5,827,338 common shares valued at USD \$1,000,000 (\$1,252,878) pursuant to the Option Agreement for the Candelaria Project (see Note 7(a));
- Issued 250,000 common shares as consideration for this reduction of the NSR agreements on the Company's Mexican properties valued at \$60,000 (see Note 7(b));
- Issued 617,499 common shares for the exercise of options in the amount of \$30,874. A value of \$30,692 was transferred from the share-based payment reserve to share capital as a result; and
- Issued 1,180,102 common shares for the exercise of warrants in the amount of \$236,020. A value of \$581 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 September 30, 2020 and December 31, 2019 and the changes for the periods then ended are as follows:

	Number	Weighted average exercise price \$
Balance as at December 31, 2018	7,547,496	0.22
Exercised	(617,499)	0.05
Granted – March 15, 2019	200,000	0.22
Granted – July 19, 2019	2,435,000	0.26
Granted – October 15, 2019	150,000	0.30
Forfeited – May 29, 2019	(275,000)	0.45
Balance as at December 31, 2019	9,439,997	0.24
Exercised	(493,999)	0.19
Granted – September 28, 2020	2,575,000	0.70
Forfeited – September 30, 2020	(50,000)	0.40
Balance as at September 30, 2020	11,470,998	0.35

The total share-based payment expense recorded during the three and nine months ended September 30, 2020 was \$56,379 and \$242,316 (2019: \$51,741 and \$101,213).

Silver One Resources Inc.

Notes to the Condensed Interim Consolidated Financial Statements For the three and nine months ended September 30, 2020 and 2019 (Unaudited - expressed in Canadian dollars)

11. Share capital (continued)

c) Options (continued)

The following table summarizes information about the share options as at September 30, 2020:

Exercise price per share of options outstanding	Number of options outstanding	Weighted average remaining life (years)	Number of options exercisable	Expiry date
\$0.05	3,499,998	0.85	3,499,998	August 5, 2021
\$0.33	615,000	0.92	615,000	August 31, 2021
\$0.22	200,000	1.45	200,000	March 15, 2022
\$0.58	575,000	1.57	575,000	April 27, 2022
\$0.57	200,000	1.71	200,000	June 15, 2022
\$0.45	200,000	2.07	200,000	October 24, 2022
\$0.45	150,000	2.27	150,000	January 8, 2023
\$0.40	1,160,500	2.63	1,160,500	May 17, 2023
\$0.26	2,183,000	3.80	1,309,800	July 19, 2024
\$0.30	112,500	4.04	84,375	October 15, 2024
\$0.70	2,575,000	5.00	-	September 28, 2025

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
March 15, 2019	3.00	1.61%	nil	80%	\$0.08
July 19, 2019	5.00	1.36%	nil	87%	\$0.21
October 15, 2019	5.00	1.56%	nil	89%	\$0.18
September 28, 2020	5.00	0.35%	nil	93%	\$0.67

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 September 30, 2020 and December 31, 2019 and the changes for the periods then ended are as follows:

	Number	Weighted average exercise price
		\$
Balance as at December 31, 2018	5,375,001	0.60
Granted – January 7, 2019	2,079,170	0.20
Granted – July 10, 2019	19,904,000	0.20
Granted (finders' warrants) – July 10, 2019	502,320	0.20
Exercised	(1,180,102)	0.20
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	(6,279,520)	0.31
Balance as at September 30, 2020	42,083,587	0.40

Silver One Resources Inc.

Notes to the Condensed Interim Consolidated Financial Statements For the three and nine months ended September 30, 2020 and 2019 (Unaudited - expressed in Canadian dollars)

11. Share capital (continued)

d) Warrants (continued)

The balance of warrants outstanding as at September 30, 2020 is as follows:

Expiry Date	Exercise Price \$	Remaining Life (Years)	Warrants Outstanding
October 23, 2020	0.60	0.06	4,175,001
January 7, 2022	0.20	1.27	1,030,668
July 10, 2022	0.20	1.78	16,108,200
January 13, 2023	0.40	2.29	4,826,000
January 17, 2023	0.40	2.30	4,827,000
April 14, 2023	0.40	2.54	435,500
July 10, 2023	0.65	2.79	10,681,218

Subsequent to period end 3,566,251 warrants expired unexercised.

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
July 10, 2019	3.00	1.80%	nil	86%	\$0.09
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.

12. 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 September 30, 2020 and December 31, 2019 is as follows:

Non-current assets	September 30 2020	December 31 2019
	\$	\$
Canada	375,316	434,149
USA	12,223,095	8,380,207
Mexico	6,383,446	6,132,454
Total	18,981,857	14,946,810

Silver One Resources Inc.

Notes to the Condensed Interim Consolidated Financial Statements For the three and nine months ended September 30, 2020 and 2019 (Unaudited - expressed in Canadian dollars)

13. 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 the three months ended September 30, 2020 and 2019:

	Three months ended September 30		Nine months ended September 30	
	2020	2019	2020	2019
	\$	\$	\$	\$
Consulting fees	50,000	44,797	140,000	134,901
Professional fees	13,993	11,745	43,296	40,006
Salaries and benefits	66,000	60,000	190,097	183,953
Share-based payments	26,305	20,744	113,201	34,103

Consulting fees include amounts paid to Raul Diaz, a director of the Company, for geological consulting services. Included in the amounts above is \$48,394 and \$101,595 in consulting fees for the three and nine months ended September 30, 2020 that was capitalized to mineral properties (2019 - \$33,545 and \$90,574).

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 and nine months ended September 30, 2020, the Company received lease income from a related company with common directors in the amount of \$5,173 and \$22,848 respectively (2019 - \$7,934 and \$40,097).

As at September 30, 2020, directors, officers or their related companies owed the Company \$101,462 (December 31, 2019 - \$79,133) and were owed \$25,253 (December 31, 2019 - \$17,937) 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.

14. 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 period ended September 30, 2020:

- The issuance of 26,050 common shares valued at \$8,336 as payment for extra claims staked at the Candelaria Project;
- The issuance of 871,000 units ("Units") valued at \$363,292 pursuant to the Amended Candelaria Option Agreement (see Note 7(a)). Each Unit consists of one share and one-half of one share purchase warrant (each a "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;
- The issuance of 500,000 common shares valued at \$390,000 pursuant to the Phoenix Silver Agreement (see Note 7(a));
- Marketable securities received as a shares-for-debt payment of \$48,860 on receivables outstanding;
- Recognition of a right-of-use asset and related lease obligation in the amount of \$57,127 related to an office lease (see note 10); and
- Movement of \$233,701 in mineral property exploration expenditures in accounts payable and accrued liabilities.

Silver One Resources Inc.

Notes to the Condensed Interim Consolidated Financial Statements For the three and nine months ended September 30, 2020 and 2019

(Unaudited - expressed in Canadian dollars)

14. Supplemental cash flow information (continued)

During the period ended September 30, 2019:

- The issuance of 5,827,338 common shares valued at \$1,329,700 pursuant to the Option Agreement for the Candelaria Project (see Note 7(a));
- The issuance of 250,000 common shares as consideration for this reduction of the NSR agreements on the Company's Mexican properties valued at \$60,000 (see Note 7(b));
- Movement of \$179,757 in mineral property exploration expenditures in accounts payable and accrued liabilities; and
- The issuance of 216,000 common shares valued at \$27,000 and 502,320 warrants valued at \$44,215 as part of the finders' fees paid in the July 10, 2019 private placement.

The Company paid or accrued \$nil for income taxes during the year ended December 31, 2019 (2018 - \$nil).

15. Financial instruments

Classification of financial instruments

The Company's financial instruments consist of cash, short-term investments, reclamation deposit, accounts receivable, accounts payable and accrued liabilities, and lease obligation. These financial instruments are classified as financial assets and liabilities at amortized cost and are reported at amortized cost.

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, 2019.

16. 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 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 nine months ended September 30, 2020.

Silver One Resources Inc.

Notes to the Condensed Interim Consolidated Financial Statements For the three and nine months ended September 30, 2020 and 2019

(Unaudited - expressed in Canadian dollars)

17. Adoption of New IFRS Pronouncements

On January 1, 2019, the Company adopted IFRS 16 using the modified retrospective application method, where the 2018 comparatives are not restated and a cumulative catch up adjustment is recorded on January 1, 2019 for any differences identified, including adjustments to the opening accumulated deficit balance.

On the date of transition, the Company recorded a right-of-use asset of \$525,191 related to the office rent in property and equipment, and the lease obligation of \$541,330 was recorded as at January 1, 2019, discounted using the Company's incremental borrowing rate of 7.71%, and measured at an amount equal to the lease obligation as if IFRS 16 had been applied since the commencement date. The net difference between right-of-use assets and lease liabilities on the date of transition was recognized as an accumulated deficit adjustment of \$16,139 on January 1, 2019.

18. Subsequent events

Definitive Agreement to sell Mexican Silver Assets

On November 19, 2020, the Company entered into a share purchase agreement (the "Purchase Agreement") with Plymouth Realty Capital Corp. ("Plymouth"), a capital pool company, to sell its Canadian subsidiary KCP Minerals Inc., which holds all of its Mexican silver properties.

Under the terms of the Purchase Agreement, the Company has agreed to transfer to Plymouth a 100% interest in all of its Mexican Silver Properties and, in consideration of which, Plymouth will issue \$6,000,000 in cash and shares of Plymouth as follows: (a) pay \$1,000,000 in cash, and (b) issue \$5,000,000 of common shares of Plymouth to the Company.

Plymouth will also grant a 1.5-per-cent net smelter return royalty on each of the silver properties. At the option of Plymouth, Plymouth may repurchase two-thirds of the royalty (being a 1-per-cent net smelter return royalty) with a payment equal to \$500,000 (U.S.) for each of the silver properties.

In connection with the completion of the transaction, Plymouth will complete a private placement financing of 10,000,000 subscription receipts at \$1.00 per subscription receipt for total proceeds of \$10,000,000 to fund the exploration and development of the Mexican silver properties (the "Offering"). Plymouth will also change its name to Silverton Metals Corp. and list the post-Split common shares under a new stock symbol.

Sublease of office space

Subsequent to period end, 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. This will replace previous sublease agreements that were in place.

Exercise of warrants

Subsequent to period end, 1,271,690 warrants of the Company were exercised for gross proceeds of \$508,738.

Exercise of options

Subsequent to period end, 583,750 options of the Company were exercised for gross proceeds of \$58,563.