



**Consolidated Financial Statements**

**For the Year Ended  
March 31, 2025**

**(Expressed in Canadian Dollars)**

# Mao & Ying LLP

CHARTERED PROFESSIONAL ACCOUNTANTS

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## INDEPENDENT AUDITOR'S REPORT

To the Shareholders of **Silver Elephant Mining Corp.**

### Opinion

We have audited the consolidated financial statements of Silver Elephant Mining Corp. (the "Company"), which comprise the statements of financial position as at March 31, 2025 and 2024, and the statements of loss and comprehensive loss, changes in equity, and cash flows for the years ended March 31, 2025 and 2024, and notes to the consolidated financial statements, including a summary of material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2025 and 2024, and its financial performance and its cash flows for the years ended March 31, 2025 and 2024 in accordance with IFRS Accounting Standards as issued by international Accounting Standards Board (IASB).

### Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the consolidated financial statements* section of our report. We are independent of the Company in accordance with ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the consolidated financial statements, which describes matters and conditions that indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined the matters described below to be the key audit matters to be communicated in this report.

#### Impairment Assessment of Exploration and Evaluation Assets ("E&E Assets")

As described in Note 9 to the consolidated financial statements, the carrying amount of the Company's E&E Assets was \$21,986,161 as at March 31, 2025.

The principal considerations for our determination that the assessment of impairment of the E&E Assets is a key audit matter are that there was judgment made by management when assessing whether there were indicators of impairment for the E&E Assets, specifically relating to the assets' carrying amount which is impacted by the Company's intent and ability to continue to explore and evaluate these assets. This in turn led to a high degree of auditor judgment, subjectivity, and effort in performing procedures to evaluate audit evidence relating to the judgments made by management in their assessment of indicators of impairment that could give rise to the requirement to prepare an estimate of the recoverable amount of the E&E Asset.

Our audit procedures included, among others:

- Evaluating the intent for the E&E Assets through discussion and communication with management;
- Reviewing the Company's recent expenditure activity; and

- Evaluating management’s assessment of impairment indicators;

#### Mongolian Tax Assessment

As described in Note 27 to the consolidated financial statements, during the year ended March 31, 2025, the Company received a tax assessment related to certain mining license transfer that occurred in 2022 between two wholly-owned subsidiaries. The assessment includes Corporate Income Tax (CIT), Value-Added Tax (VAT), penalties, and interest, totaling approximately \$26.2 million.

We considered this a key audit matter due to the complexity of the underlying tax matters, the significant judgment involved in assessing the recognition and disclosure requirements under IFRS, and the potential impact on prior period financial statements. The matter required a high degree of auditor judgment and effort, particularly in evaluating management’s interpretation of tax laws and accounting standards, and the appropriateness of their conclusions.

Our audit procedures included, among others:

- Obtaining and reviewing relevant tax documentation, including correspondence with the Mongolian tax authority and supporting technical analyses prepared by management.
- Evaluating management’s basis for its original tax treatment and its updated assessment in light of the assessment.
- Engaging our tax specialist to assess the technical merits of management’s position and the implications under applicable local tax laws and IFRS requirements.
- Testing the measurement and recognition of the provisions for CIT and VAT, including penalties and interest.
- Evaluating the adequacy and transparency of the related disclosures in the financial statements, particularly with respect to the significant judgments made and the nature and impact of the prior period financial statements.

#### Pulacayo Paca Project

As disclosed in Note 9 to the consolidated financial statements, the Company’s Pulacayo Paca Project is governed by a production contract with a state-owned entity, which remains subject to legislative approval. During the year ended March 31, 2025, the state-owned entity issued an administrative resolution annulling the approval process for the contract, citing alleged non-compliance by the Company. This development has introduced significant uncertainty regarding the legal status of the Company’s rights to the underlying E&E assets.

We considered this a key audit matter due to the significant judgment involved in assessing whether the Company retains valid and enforceable rights to the mining concessions as of the reporting date. Management’s assessment required the interpretation of complex local mining laws and administrative procedures, and an evaluation of ongoing legal and regulatory developments. These matters involved a high degree of auditor judgment and effort in evaluating the adequacy of audit evidence supporting management’s conclusions.

Our audit procedures included the following:

- Discussing with management regarding their assessment of the legal and financial implications, including the probability of a successful appeal.
- Reviewing key correspondence between the Company and the state-owned entity regarding the annulment, appeals, and supporting legal arguments.
- Evaluating legal opinion provided by the Company’s independent external legal counsel.
- Obtaining direct legal confirmation from the Company’s external legal counsel to independently corroborate their view on the enforceability of the Company’s rights and the status of the administrative proceedings.
- Performing tests, on a sample basis, of the capitalized expenditures incurred during the year.
- Assessing the adequacy of the related financial disclosures, including management’s assessment of

the legal risk, status of appeal, and potential financial implications.

### **Other Information**

Management is responsible for the other information. The other information comprises the Management's Discussion and Analysis. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management and Those Charged with Governance for the Consolidated financial statements**

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with IFRS Accounting Standards as issued by IASB, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Consolidated financial statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a

going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Other Matter**

As discussed in Note 27 to the consolidated financial statements, the consolidated financial statements for the year ended March 31, 2024 have been restated to correct a misstatement. The adjustments were audited as part of our audit of the consolidated financial statements for the year ended March 31, 2025

The engagement partner on the audit resulting in this independent auditor's report is Shaohua Huang.

*Mao & Ying LLP*

Chartered Professional Accountants  
Vancouver, Canada  
June 30, 2025



	March 31, 2025 (\$)	March 31, 2024 (\$)
<b>Assets</b>		
Current assets		
Cash	271,838	2,209,099
Receivables (note 4)	52,294	82,616
Prepaid expenses	62,901	284,692
Derivative assets (note 5)	5,099	-
	392,132	2,576,407
Non-current assets		
Exploration and evaluation assets (note 9)	21,986,161	42,253,511
Investment in CleanTech (note 10)	546,719	1,534,784
Royalty interest (note 11)	75,000	-
Other non-current assets	117,730	61,922
Land (note 6)	-	3,627,076
Buildings and structures (note 8)	-	657,567
Equipment (note 7)	-	28,516
<b>Total assets</b>	<b>23,117,742</b>	<b>50,739,783</b>
<b>Liabilities And Equity</b>		
Current liabilities		
Accounts payable and accrued liabilities (note 18)	2,518,677	3,672,760
Provision for Mongolia tax dispute (note 27)	27,682,126	24,454,707
Due to CleanTech (note 18)	12,276	1,926,807
Other current liabilities (note 12, 14)	1,004,710	1,318,336
Promissory note (note 13)	-	3,985,681
	31,217,789	35,358,291
Non-current liabilities		
Provision for closure and reclamation (note 15)	1,750,990	2,085,996
Lease liability (note 12)	36,916	7,936
Other non-current liabilities (note 14)	-	2,437,914
<b>Total liabilities</b>	<b>33,005,695</b>	<b>39,890,137</b>
<b>Equity</b>		
Share capital (note 16)	221,208,020	219,568,237
Subscriptions received (note 16)	60,000	-
Reserves (note 16)	28,678,391	28,740,877
Accumulated other comprehensive income	(764,823)	(272,777)
Deficit	(258,794,402)	(250,565,748)
Equity attributable to equity holders of parent	(9,612,814)	(2,529,411)
Equity attributable to non-controlling interest (note 17)	(275,139)	13,379,057
<b>Total equity</b>	<b>(9,887,953)</b>	<b>10,849,646</b>
<b>Total liabilities and equity</b>	<b>23,117,742</b>	<b>50,739,783</b>
Nature of Operations and Going Concern (note 1)		
Subsequent Events (note 28)		

**Approved by the Board of Directors**

*"John Lee"*

John Lee – Director

*"Greg Hall"*

Greg Hall – Director

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

**Silver Elephant Mining Corp.**

## Consolidated Statements of Loss and Comprehensive Loss

(Expressed in Canadian Dollars)



	Year Ended	
	March 31, 2025 (\$)	March 31, 2024 (\$) (Restated – Note 27)
<b>General and administrative expenses</b>		
Amortization (note 7, 8 and 12)	35,756	478,198
Advertising and promotion	59,217	115,002
Consulting and management fees (note 18)	631,496	1,023,411
Director fees (note 18)	142,800	222,778
Insurance	84,912	158,014
Office and administration	180,293	474,575
Professional fees	530,183	1,061,851
Salaries and benefits (note 18)	1,045,346	1,464,417
Share-based payments (note 16c, 17b, 17c and 17d)	624,514	1,472,006
Stock exchange and shareholder services	307,647	332,824
Travel and accommodation	61,164	156,512
	<b>(3,703,328)</b>	<b>(6,959,588)</b>
<b>Other items</b>		
Other income	154,644	215,745
Gain from changes in interest in CleanTech (note 10)	271,087	-
Impairment of investment in CleanTech (note 10)	(785,119)	-
Ulaan Owoo Tax Assessment (note 27)	-	(5,971,792)
Ulaan Owoo Tax Assessment Interest (note 27)	(2,624,646)	(2,740,082)
Loss from equity accounted investment in CleanTech (note 10)	(1,160,582)	(122,445)
Loss from care and maintenance of coal properties (note 20)	(449,107)	(375,551)
Loss from deconsolidation of Nevada Vanadium (note 17e)	(1,188,283)	-
Gain from fair value change in derivative liabilities	277,219	388,589
Finance expense	(79,925)	(247,787)
Impairment of exploration and evaluation asset (note 9)	(71,985)	(1,249,257)
Foreign exchange loss	(11,646)	(19,387)
Loss from deconsolidation of CleanTech (note 10)	-	(1,373,090)
Gain from sale of Titan project	-	430,257
<b>Net loss for the year</b>	<b>(9,371,671)</b>	<b>(18,024,388)</b>
Other comprehensive income:		
Foreign currency translation	(108,952)	(805,464)
<b>Comprehensive loss for the year</b>	<b>(9,480,623)</b>	<b>(18,829,852)</b>
Net loss attributable to:		
Equity holders of parent	(8,228,654)	(15,249,919)
Non-controlling interest (note 17)	(1,143,017)	(2,774,469)
	<b>(9,371,671)</b>	<b>(18,024,388)</b>
Comprehensive loss attributable to:		
Equity holders of parent	(8,529,233)	(16,076,732)
Non-controlling interest (note 17)	(951,390)	(2,753,120)
	<b>(9,480,623)</b>	<b>(18,829,852)</b>
Basic and diluted loss per share attributable equity holders of parent	(0.22)	(0.47)
Basic and diluted weighted average number of shares outstanding (note 16e)	36,960,228	32,593,257

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

**Silver Elephant Mining Corp.**

## Consolidated Statements of Shareholders' Equity

(Expressed in Canadian Dollars)



	Number of Shares	Share Subscription Capital (\$)	Received (\$)	Reserves (\$)	AOCI <sup>1</sup> (\$)	Deficit (\$)	Total Shareholders' Equity (\$)	NCI <sup>2</sup> (\$)	Total (\$)
Balance, April 1, 2023 (restated – note 27)	32,084,966	219,321,270	-	28,958,228	554,036	(235,315,829)	13,517,705	33,441,020	46,958,725
Shares issued to settle liability (note 16)	116,953	54,967	-	-	-	-	54,967	-	54,967
Private placements (note 16)	639,999	192,000	-	-	-	-	192,000	-	192,000
Share-based payments (“SBP”) (note 16(c))	-	-	-	477,081	-	-	477,081	-	477,081
Changes in NCI ownership (note 17(a))	-	-	-	(694,432)	-	-	(694,432)	3,702,430	3,007,998
Derecognition – CleanTech	-	-	-	-	-	-	-(21,915,893)	(21,915,893)	
SBP - CleanTech (note 17(d))	-	-	-	-	-	-	-	383,036	383,036
SBP - Nevada Vanadium (note 17(c))	-	-	-	-	-	-	-	393,565	393,565
SBP - Oracle (note 17(b))	-	-	-	-	-	-	-	128,019	128,019
Net loss (restated) (note 27)	-	-	-	-	-	(15,249,919)	(15,249,919)	(2,774,469)	(18,024,388)
Other comprehensive loss (restated) (note 27)	-	-	-	-	(826,813)	-	(826,813)	21,349	(805,464)
<b>Balance, March 31, 2024 (restated)</b>	<b>32,841,918</b>	<b>219,568,237</b>	<b>-</b>	<b>28,740,877</b>	<b>(272,777)</b>	<b>(250,565,748)</b>	<b>(2,529,411)</b>	<b>13,379,057</b>	<b>10,849,646</b>
Balance, April 1, 2024	32,841,918	219,568,237	-	28,740,877	(272,777)	(250,565,748)	(2,529,411)	13,379,057	10,849,646
Bonus shares (note 16)	124,270	37,380	-	-	-	-	37,380	-	37,380
Shares for services (note 16)	216,013	49,375	-	-	-	-	49,375	-	49,375
Private placements (note 16)	7,779,054	1,618,263	-	-	-	-	1,618,263	-	1,618,263
Finders' fees (note 16)	338,478	(110,690)	-	-	-	-	(110,690)	-	(110,690)
Stock options exercised	105,000	29,750	-	6,600	-	-	36,350	-	36,350
Warrant exercised	34,900	15,705	-	-	-	-	15,705	-	15,705
Shares to be issued (note 16)	-	-	60,000	-	-	-	60,000	-	60,000
SBP (note 16(c))	-	-	-	442,555	-	-	442,555	-	442,555
Changes in NCI ownership (note 17(a))	-	-	-	(248,009)	-	-	(248,009)	454,222	206,213
Derecognition - Nevada Vanadium (note 17)	-	-	-	(263,632)	(191,467)	-	(455,099)	(13,340,680)	(13,795,779)
SBP - Nevada Vanadium (note 17(d))	-	-	-	-	-	-	-	17,630	17,630
SBP – Oracle (note 17(b))	-	-	-	-	-	-	-	166,022	166,022
Net loss	-	-	-	-	-	(8,228,654)	(8,228,654)	(1,143,017)	(9,371,671)
Other comprehensive loss	-	-	-	-	(300,579)	-	(300,579)	191,627	(108,952)
<b>Balance, March 31, 2025</b>	<b>41,439,633</b>	<b>221,208,020</b>	<b>60,000</b>	<b>28,678,391</b>	<b>(764,823)</b>	<b>(258,794,402)</b>	<b>(9,612,814)</b>	<b>(275,139)</b>	<b>(9,887,953)</b>

<sup>1</sup> Accumulated other comprehensive income (loss) (“AOCI”)

<sup>2</sup> Non-controlling interest (“NCI”)

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



	Year Ended	
	March 31, 2025 (\$)	March 31 2024 (Restated – Note 27) (\$)
<b>Operating Activities</b>		
Net loss for the year	(9,371,671)	(18,024,388)
Items not involving cash:		
Amortization and accretion	35,756	494,504
Share-based payments	624,514	1,472,006
Loss (gain) from fair value change in derivative liabilities	(277,219)	(388,589)
Impairment of investment in CleanTech (note 10)	785,119	-
Impairment of exploration and evaluation asset (note 9)	71,985	1,249,257
Loss from equity accounted in CleanTech (note 10)	1,160,582	122,445
Loss from deconsolidation of Nevada Vanadium (note 17e).	1,188,283	-
Change in provision for closure and reclamation	91,843	(1,860)
Finance expense	79,925	247,787
Gain from changes in interest	(271,087)	-
Unrealized foreign exchange	(68,102)	40,245
Gain from sale of Titan Project included in other income (note 9)	-	(430,257)
Impairment of marketable securities	-	199,257
Gain from sale of partial land included in other income (note 6)	-	(119,803)
Loss from deconsolidation of CleanTech (note 10)	-	1,373,090
	(5,950,072)	(13,766,306)
Changes in non-cash working capital		
Accounts receivable	22,846	331,596
Prepaid expenses	178,111	(17,142)
Accounts payable and accrued liabilities	(2,015,718)	(200,643)
Provision for Mongolia tax dispute (note 27)	2,624,646	8,711,874
Other current liabilities	(14,769)	1,066,523
Other non-current liabilities	1,157,490	2,869,072
Due to CleanTech	399,058	744,945
Cash used in operating activities	(3,598,408)	(260,081)
<b>Investing Activities</b>		
Exploration and evaluation assets	(866,010)	(1,826,069)
Derivative assets	(5,099)	-
Royalty interest	(75,000)	-
Deconsolidation of Nevada Vanadium	(18,335)	-
Sale of shares of CleanTech	15,742	212,765
Net proceeds from sale of partial land (note 6)	-	507,161
Net proceeds from sale of Titan Project (note 9)	-	231,000
Deconsolidation of CleanTech (note 10)	-	(776,249)
Cash used in investing activities	(948,702)	(1,651,392)



**Consolidated Statements of Cash Flows - continued**

	Year Ended	
	March 31, 2025 (\$)	March 31 2024 (Restated – Note 27) (\$)
<b>Financing Activities</b>		
Proceeds from share issuances (note 16(b))	2,504,526	192,000
Subscription receipts (note 18)	60,000	-
Proceeds from stock options exercised	36,350	-
Proceeds from warrants exercised	15,705	-
Proceeds from share issuance of subsidiaries (note 17(a))	384,275	2,233,036
Partial repayment of promissory note (note 13)	(344,240)	(508,571)
Lease payments (note 12)	(23,145)	(21,855)
Subsidiary subscriptions received	-	720,707
<b>Cash from financing activities</b>	<b>2,633,471</b>	<b>2,615,317</b>
Effect of foreign exchange on cash	5,128	286
Increase (decrease) in cash	(1,908,511)	704,130
Cash, beginning of year	2,209,099	1,504,969
Restricted cash	(28,750)	-
<b>Cash, end of year</b>	<b>271,838</b>	<b>2,209,099</b>

Supplemental cash flow information (note 21)

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

## Silver Elephant Mining Corp.

Notes to the Consolidated Financial Statements

For the Year Ended March 31, 2025

(Expressed in Canadian Dollars except where noted)

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### 1. Description of Business and Nature of Operations

Silver Elephant Mining Corp. (the “Company” or “Silver Elephant”) is incorporated under the laws of the province of British Columbia, Canada. The common shares of the Company are listed for trading on the Toronto Stock Exchange (the “TSX”) under the symbol “ELEF” and on the Frankfurt Stock Exchange under the symbol “1P2” and are quoted on the OTCQB under the symbol “SILEF”. The Company maintains its registered and records office at Suite 1008 – 409 Granville Street, Vancouver, British Columbia, Canada, V6C 1T2.

The Company is a mineral exploration company, with interests in the following projects; (a) the Pulacayo-Paca silver-lead-zinc project in Bolivia (the “Pulacayo Paca Project”), (b) the Ulaan Ovoo coal project located in Mongolia, and (c) the Chandgana coal project, located in Mongolia. The Ulaan Ovoo coal project and the Chandgana coal project have all been fully impaired. The recoverability of the amounts shown for exploration and evaluation assets are dependent upon the existence of economically recoverable reserves (the Company has not completed the studies required to categorize any of its current resource as reserves), the ability of the Company to obtain necessary financing to complete the development of those reserves and upon future profitable production or from proceeds of disposition. The Company’s exploration and evaluation activities are not dependent on seasonality and may operate year-round; however, the Company may adjust the level of exploration and evaluation activities to manage its capital structure in light of changes in global economic conditions. To date, the Company has not received any revenue from commercial mining operations and is not in commercial production.

These consolidated financial statements have been prepared on a going concern basis which implies that the Company will continue realizing assets and discharging liabilities in the normal course of business for the foreseeable future. Should the going concern assumption not continue to be appropriate, further adjustments to carrying values of assets and liabilities may be required.

At March 31, 2025 (the “Financial Position Date”), the Company had working capital deficiency of \$30,825,657 (March 31, 2024 - \$32,781,884) and an accumulated deficit of \$258,794,402 (March 31, 2024 - \$250,565,748). Accordingly, the ability of the Company to realize the carrying value of its assets and continue operations as a going concern is dependent upon its ability to raise additional debt or equity to fund ongoing costs of operations and/or secure new or additional partners in order to advance its projects. These material uncertainties may cast significant doubt upon the Company’s ability to continue as a going concern. These consolidated financial statements do not include any adjustments relating to the recovery of assets and classification of assets and liabilities that may arise should the Company be unable to continue as a going concern and such adjustments could be material.

### 2. Basis Of Presentation

#### (a) Statement of Compliance

These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”), and Interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”).

These consolidated financial statements were approved by the Board of Directors and authorized for issue on June 30, 2025.

## Silver Elephant Mining Corp.

Notes to the Consolidated Financial Statements

For the Year Ended March 31, 2025

(Expressed in Canadian Dollars except where noted)



### 2. Basis Of Presentation - continued

#### (b) Basis of Measurement

These consolidated financial statements have been prepared on the historical cost basis. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information. Certain amounts in the prior period have been reclassified to conform with the presentation in the current period.

#### (c) Basis of Consolidation

Subsidiaries are all entities over which the Company has control. The Company controls an entity where the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. Subsidiaries are deconsolidated from the date that control ceases. All intercompany balances, transactions, income and expenses, and profits or losses are eliminated on consolidation.

These consolidated financial statements include the accounts of the Company and its subsidiaries as follows:

Entity	Location	Ownership Interest at March 31, 2025	Project
Apogee Minerals Bolivia SA ("Apogee Bolivia")	Bolivia	100%	Paca Project
ASC Bolivia LDC ("ASC Bolivia")	Cayman	100%	Paca Project
ASC Holdings Limited ("ASC Holdings")	Cayman	100%	n/a
Chandgana Coal LLC	Mongolia	100%	Chandgana Project
Empresa Minera Silver Elephant Bolivia S.A.	Bolivia	100%	n/a
Illumina Silver Mining Corp. ("ISMC")	Canada	100%	Triunfo Project
Mega Thermal Coal Corp. (formerly Asia Mining Inc.)	Canada	100%	n/a
Prophecy Power Generation LLC	Mongolia	100%	n/a
Red Hill Mongolia LLC	Mongolia	100%	Ulaan Ovoo Project
UGL Enterprises LLC	Mongolia	100%	Ulaan Ovoo Project
Oracle Commodity Holding Corp. ("Oracle")	Canada	35%	n/a

De facto control exists in circumstances when an entity owns less than 50% voting rights in another entity but has control for reasons other than voting rights or contractual and other statutory means. These consolidated financial statements include the results of Oracle, CleanTech Vanadium Mining Corp. (formerly Flying Nickel Mining Corp.) ("CleanTech" or "Flying Nickel") and Nevada Vanadium Mining Corp. ("Nevada Vanadium") and its subsidiaries, as applicable, as management has determined that the Company has or had de facto control over these entities as the Company has the practical ability to direct the relevant activities of these entities for certain periods presented.

As at the date of the Spin-off Arrangement (note 17), the Company had a 40% ownership interest in Oracle. As at the Financial Position Date, this ownership interest decreased to 35%. The Company has de facto control over Oracle since the Company has: 1) power over Oracle, 2) exposure or rights to variable returns from its involvement with Oracle, and 3) the ability to use its power over Oracle to affect the amount of its returns from Oracle. As a result, the Company consolidates the accounts of Oracle in its consolidated financial statements, which also included the accounts of Nevada Vanadium (and its subsidiaries), and CleanTech for certain periods.

## Silver Elephant Mining Corp.

Notes to the Consolidated Financial Statements

For the Year Ended March 31, 2025

(Expressed in Canadian Dollars except where noted)

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### 2. Basis Of Presentation – continued

As at the date of the Spin-off Arrangement, Oracle had a 41% ownership interest in CleanTech and a 46% ownership interest in Nevada Vanadium. Oracle ceased to have de facto control over CleanTech as at October 1, 2023, therefore CleanTech and its Minago Project were deconsolidated from the Company's financial statements effective October 1, 2023 (note 10). On August 16, 2024, CleanTech acquired Nevada Vanadium and therefore Nevada Vanadium was deconsolidated (note 17e).

#### (d) Significant Judgments and Estimates

The preparation of financial statements in accordance with IFRS requires management to make estimates and assumptions which affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

Estimates and assumptions used by management where there is risk of material adjustments to assets and liabilities in future accounting periods include the estimated useful lives of depreciated and amortized assets, assumptions used in determination of the fair value of share-based payments, estimation of taxes and related penalties and interest, the timing and amount of decommissioning, restoration and similar liabilities and contingent liabilities.

The Company assesses its mineral properties' rehabilitation provision at each reporting date or when new material information becomes available. Exploration, development and mining activities are subject to various laws and regulations governing the protection of the environment. In general, these laws and regulations are continually changing, and the Company has made, and intends to make in the future, expenditures to comply with such laws and regulations. Accounting for reclamation obligations requires management to make estimates of the future costs that the Company will incur to complete the reclamation work required to comply with existing laws and regulations at each location. Actual costs incurred may differ from those amounts estimated.

The preparation of financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments in preparing the Company's financial statements include determination of whether the Company has title and rights to the MPC Area within its Pulacayo Project (note 9), tax assessments, specifically the Ulaan Ovoo Tax Assessment (note 27), contingent liabilities (note 26), the assumption that the Company will continue as a going concern and whether the Company has significant influence over other entities, classification of expenditures as exploration and evaluation expenditures or operating expenses, the classification of financial instruments and determining de facto control (note 2(c)).

## Silver Elephant Mining Corp.

Notes to the Consolidated Financial Statements

For the Year Ended March 31, 2025

(Expressed in Canadian Dollars except where noted)



### 3. Material Accounting Policy Information

#### (a) Foreign Currency Translation

The functional currency for each of the Company's subsidiaries is the currency of the primary economic environment and the Company reconsiders the functional currency of its entities if there is a change in events and conditions which determined the primary economic environment. Management has determined the functional currency of all entities to be the Canadian dollar except as noted below:

Entity	Location	Functional Currency
Apogee Minerals Bolivia SA	Bolivia	US Dollar
Empresa Minera Silver Elephant Bolivia S.A.	Bolivia	US Dollar
ASC Bolivia LDC	Cayman	US Dollar
Chandgana Coal LLC	Mongolia	Mongolian Tugrik
Prophecy Power Generation LLC	Mongolia	Mongolian Tugrik
Red Hill Mongolia LLC	Mongolia	Mongolian Tugrik
UGL Enterprises LLC	Mongolia	Mongolian Tugrik

Transactions in foreign currencies are translated into the functional currency at exchange rates at the date of the transactions. Foreign currency differences arising on translation are recognized in profit or loss. Foreign currency monetary assets and liabilities are translated at the functional currency exchange rate at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. All gains and losses on translation of these foreign currency transactions are included in profit or loss.

At the end of each reporting period, assets and liabilities of the entities whose functional currency is not the Canadian dollar are translated at the rate of exchange at the statement of financial position date. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are reflected in other comprehensive income or loss for the year.

#### (b) Exploration and Evaluation Assets

Upon acquiring the legal right to explore a property, costs related to the acquisition, exploration and evaluation are capitalized by property. If commercially profitable ore reserves are developed, capitalized costs of the related exploration and evaluation assets are reclassified as mining assets and amortized using the unit of production method. If, after management review, it is determined that capitalized acquisition, exploration and evaluation costs are not recoverable over the estimated economic life of the exploration and evaluation assets, or the exploration and evaluation assets are abandoned, or management deems there to be an impairment in value, the exploration and evaluation assets is written down to its net realizable value.

Administration and overhead costs that are not directly attributable to a specific exploration area are charged to the consolidated statement of income.

Any option payments received by the Company from third parties or tax credits refunded to the Company are credited to the capitalized cost of the exploration and evaluation assets. If payments received exceed the capitalized cost of the exploration and evaluation assets, the excess is recognized as income in the year received. The amounts shown for exploration and evaluation assets do not necessarily represent present or future values. The recoverability of the exploration and evaluation asset is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development, and future profitable production or proceeds from the disposition thereof.

## Silver Elephant Mining Corp.

Notes to the Consolidated Financial Statements

For the Year Ended March 31, 2025

(Expressed in Canadian Dollars except where noted)

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### 3. Material Accounting Policy Information - *continued*

General exploration costs consist of exploration expenditures incurred in the process of evaluating potential property acquisitions. Such expenditures will continue to be expensed until the property is acquired.

The proceeds from royalties granted and operator fees earned are deducted from the costs of the related property and any excess is recorded as income.

#### (c) Impairment assessment of exploration and evaluation assets

The application of the Company's accounting policy for exploration and evaluation expenditure requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances.

All capitalized exploration and evaluation assets are monitored for indications of impairment at each reporting period. The Company considered the following facts and circumstances in determination if it should test exploration and evaluation assets for impairment:

- (i) the period for which the Company has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed;
- (ii) substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned;
- (iii) exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; and
- (iv) sufficient data exists to indicate that, although development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation assets is unlikely to be recovered in full from successful development or by sale.

Where a potential impairment is indicated, assessments are performed for each area of interest. To the extent that deferred exploration expenditures are not expected to be recovered, an impairment is charged to profit or loss. Exploration areas where reserves have been discovered, but require major capital expenditure before production can begin, are continually evaluated to ensure that commercial quantities of reserves exist or to ensure that additional exploration work is underway as planned.

An impairment charge relating to an exploration and evaluation asset may be subsequently reversed when new exploration results or actual or potential proceeds on sale or farm-out of the property result in a revised estimate of the recoverable amount but only to the extent that this does not exceed the original carrying value of the property that would have resulted if no impairment had been recognized. General exploration costs in areas of interest in which the Company has not secured rights are expensed as incurred.

The recoverability of amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain financing to complete development of the properties, and on future production or proceeds of disposition.

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

## Silver Elephant Mining Corp.

Notes to the Consolidated Financial Statements

For the Year Ended March 31, 2025

(Expressed in Canadian Dollars except where noted)



### 3. Material Accounting Policy Information - continued

#### (d) Equipment

Equipment is stated at cost less accumulated depreciation and accumulated impairment losses, if any. The cost of an item of property and equipment consists of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use, and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Amortization of equipment is recorded as follows:

Computer equipment	Declining balance - 45%
Buildings and structures	Straight line over 25 years
Furniture and equipment	Declining balance - 20%
Mining equipment	Declining balance - 20%
Vehicles	Declining balance - 30%
Right-of-use asset	Straight line over term of lease

#### (e) Impairment of Long-Lived Assets

At each reporting date, the Company reviews the carrying amounts of its long-lived assets to determine whether there are any indications of impairment. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any.

The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of cash inflows of other assets or groups of assets (the "cash-generating unit" or "CGU"). This generally results in the Company evaluating its non-financial assets on an exploration asset by exploration asset basis.

If the carrying amount of an asset or CGU exceeds its recoverable amount, the carrying amount of the asset or CGU is reduced to its recoverable amount. An impairment loss is recognized as an expense in the statement of comprehensive loss.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reduced if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of amortization, if no impairment loss had been recognized.

#### (f) Lease liabilities

Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by the interest rate implicit in the lease or the incremental borrowing rate if the interest rate cannot be readily determined. Subsequently, the lease liability is measured at amortized cost using the effective interest rate method, and accreted accordingly.

## Silver Elephant Mining Corp.

Notes to the Consolidated Financial Statements

For the Year Ended March 31, 2025

(Expressed in Canadian Dollars except where noted)

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### 3. Material Accounting Policy Information - continued

#### (g) Closure and Reclamation Provision

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of exploration and evaluation assets and equipment, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future rehabilitation cost estimates arising from the decommissioning of plant and other site preparation work is capitalized to mining assets along with a corresponding increase in the restoration provision in the period incurred. Discount rates using a pre-tax rate that reflects the time value of money are used to calculate the net present value. The rehabilitation asset is depreciated on the same basis as mining assets.

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to mining assets with a corresponding entry to the provision. The Company's estimates are reviewed annually for changes in regulatory requirements, discount rates, and changes in estimates. Changes in the net present value, excluding changes in the Company's estimates of reclamation costs, are charged to profit and loss for the year.

#### (h) Finance Income and Expenses

Finance expense comprises interest expense on borrowings and unwinding of the discount on provisions. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognized in profit or loss using the effective interest method.

#### (i) Income Taxes

Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred income taxes are accounted for using the liability method of tax allocation. Under this method deferred income tax assets and liabilities are recognized for the tax consequences of temporary differences by applying substantively enacted statutory tax rates applicable to future years to differences between the financial statement carrying amounts and the tax bases of existing assets and liabilities.

The effect on deferred taxes for a change in tax rates is generally recognized in income in the period that includes the substantive enactment.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, the deferred tax asset is reduced.

Deferred income tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis. Current and deferred taxes relating to items recognized directly in equity is recognized in equity and not in the statement of comprehensive loss.

#### (j) Loss per Share

Loss per share is calculated using the weighted average number of common shares outstanding during the period. The calculation of diluted loss per share assumes that outstanding options and warrants are exercised and the proceeds are used to repurchase shares of the Company at the average market price of the shares for the period. The effect is to increase the number of shares used to calculate diluted earnings per share and is only recognized when the effect is dilutive.

## Silver Elephant Mining Corp.

Notes to the Consolidated Financial Statements

For the Year Ended March 31, 2025

(Expressed in Canadian Dollars except where noted)

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### 3. Material Accounting Policy Information - continued

#### (k) Share-Based Payments

The Company grants share-based awards, including options, as an element of compensation to directors, officers, employees and service providers. Details of the Company's share option plan are disclosed in note 16c.

The Company uses the Black-Scholes Option Pricing Model to measure the fair value for all share options granted, modified or settled during the period. Compensation expense is recorded based on the fair value of the award at the grant date, amortized over the vesting period. Each reporting date prior to vesting, the cumulative expense representing the extent to which the vesting period has expired and management's best estimate of the awards that are ultimately expected to vest is computed. The movement in cumulative expense is recognised in the statement of comprehensive loss or as capitalized mineral resource property cost with a corresponding entry within equity, against share-based payments reserve. No expense is recognised for awards that do not ultimately vest. When options are exercised, the proceeds received, together with any related amount in share-based payments reserve, are credited to share capital.

#### (l) Units Comprising Common Shares and Warrants

The proceeds from private placements that include warrants that do not have variability in its settlement are allocated first to common shares based on the market trading price of the common shares at the time the units are priced, and any excess is allocated to warrants.

When the Company issues a unit comprising common shares and warrants that have variability in its settlement ("Variable Warrants"), the warrants are classified as financial liabilities in accordance with IAS 32 (resulting from settlement features that do not meet the "fixed-for-fixed" equity classification criterion), and the common shares are classified as equity.

Each component is initially measured at fair value at the date of issuance as follows:

- warrant liability is measured at fair value using an appropriate valuation technique, such as the Black-Scholes option pricing model; and
- common shares are measured based on its fair value.

The total proceeds received from the issuance are then allocated to each component on a relative fair value basis.

The warrant liability is subsequently remeasured at fair value through profit or loss in accordance with IFRS 9. Changes in fair value are recognized in the statement of profit or loss at each reporting date. The common shares, classified as equity, are not subsequently remeasured.

Transaction costs are allocated between the components based on their initial recognition. Incremental costs that are directly attributable to the issuance of the warrant liability are added to the carrying amount of the liability. Transaction costs related to the equity component are deducted from equity, either from share capital or share premium, as applicable.

## Silver Elephant Mining Corp.

Notes to the Consolidated Financial Statements

For the Year Ended March 31, 2025

(Expressed in Canadian Dollars except where noted)



### 3. Material Accounting Policy Information - continued

#### (m) Financial Instruments

The Company's classification of its financial instruments is as follows:

<u>Asset or Liability</u>	<u>IFRS 9 Classification</u>
Cash	Amortized cost
Receivables	Amortized cost
Restricted cash equivalents included in other non-current assets	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Due to CleanTech.	Amortized cost
Promissory note	Amortized cost
Derivative assets and liabilities	FVTPL

<sup>1</sup> Fair value through profit and loss ("FVTPL")

#### Classification

On initial recognition, the Company classifies its financial instruments in the following categories: at ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVTOCI if it meets both of the following conditions and is not designated as FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

An equity investment that is held for trading is measured at FVTPL. For other equity investments that are not held for trading, the Company may irrevocably elect to designate them as FVTOCI. This election is made on an investment-by-investment basis.

All financial assets not classified or measured at amortized cost or FVTOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Company has elected to measure them at FVTPL.

## Silver Elephant Mining Corp.

Notes to the Consolidated Financial Statements

For the Year Ended March 31, 2025

(Expressed in Canadian Dollars except where noted)

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### 3. Material Accounting Policy Information - continued

#### Measurement

##### *Financial Assets at FVTOCI*

Elected investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses recognized in other comprehensive income (loss).

##### *Financial assets and liabilities at amortized cost*

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

##### *Financial Assets and Liabilities at FVTPL*

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are recognized in profit or loss in the period in which they arise. Where management has opted to recognize a financial liability at FVTPL, any changes associated with the Company's own credit risk will be recognized in other comprehensive income (loss).

##### *Impairment of Financial Assets at Amortized Cost*

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the credit risk of the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the statement of comprehensive profit or loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

##### *Derecognition*

###### Financial Assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in profit or loss. However, gains and losses on derecognition of financial assets classified as FVTOCI remain within accumulated other comprehensive income (loss).

###### Financial Liabilities

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. Generally, the difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.



**3. Material Accounting Policy Information - continued**

(n) Non-controlling Interest

Non-controlling interest in the Company's less than wholly owned subsidiaries is classified as a separate component of equity. On initial recognition, non-controlling interest is measured at the fair value of the non-controlling entity's contribution into the related subsidiary. Subsequent to the original transaction date, adjustments are made to the carrying amount of non-controlling interest for the non-controlling interest's share of changes to the subsidiary's equity.

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are recorded as equity transactions. The carrying amount of non-controlling interest is adjusted to reflect the change in the non-controlling interest's relative interest in the subsidiary, and the difference between the adjustment to the carrying amount of non-controlling interests and the Company's share of proceeds received and/or consideration paid is recognized directly in equity and attributed to owners of the Company.

(o) Investment in Associate

An associate is an entity over which the Company has significant influence, and which is neither a subsidiary nor a joint arrangement. The Company has significant influence over an entity when it has the power to participate in the financial and operating policy decisions of the associate but does not have control or joint control.

During the year ended March 31, 2024, the Company adopted *Exposure Draft ED/2014/4: Measuring Quoted Investments in Subsidiaries, Joint Ventures and Associates at Fair Value: Proposed amendments to IFRS 10, IFRS 12, IAS 27, IAS 28, IAS 36 and Illustrative Examples for IFRS 13, IASB, September 2014 ("ED/2014/4")*

In September 2014, in response to these questions regarding the unit of account for an investment in a listed subsidiary, joint venture or associate, the IASB proposed amendments to clarify that:

- The unit of account for investments in subsidiaries, joint ventures and associates should be the investment as a whole and not the individual financial instruments that constitute the investment.
- For investments that are comprised of financial instruments for which a quoted price in an active market is available, the requirement to use P×Q would take precedence, irrespective of the unit of account. Therefore, for all such investments, the fair value measurement would be the product of P×Q, even when the reporting entity has an interest that gives it control, joint control or significant influence over the investee.
- When testing CGUs for impairment, if those CGUs correspond to an entity whose financial instruments are quoted in an active market, the fair value measurement would be the product of P×Q.

When testing for impairment in accordance with IAS 36, the recoverable amount of a CGU is the higher of its value in use or fair value less costs of disposal. The fair value component of fair value less costs of disposal is required to be measured in accordance with IFRS 13.

When a CGU effectively corresponds to a listed entity, the same issue arises regarding whether the requirement to use P×Q, without adjustment, to measure fair value applies.

Consistent with its proposal in relation to listed investments in subsidiaries, joint ventures and associates, the IASB proposed that, if the CGU corresponds to an entity whose financial instruments are quoted in an active market, the requirement to use P×Q would apply.



### 3. Material Accounting Policy Information - continued

The IASB proposed the following transition requirements:

- For quoted investments in subsidiaries, joint ventures and associates, an entity would recognise a cumulative catch-up adjustment to opening retained earnings for the period in which the proposed amendments are first applied. The entity would then recognise the change in measurement of the quoted investments during that period in profit or loss (i.e., retrospective application).
- For impairment testing in accordance with IAS 36, an entity would apply the requirements on a prospective basis. If an entity incurs an impairment loss or reversal during the period of initial application, it would provide quantitative information about the likely effect on the impairment loss, or reversal amount, had the amendments been applied in the immediately preceding period presented.

The exposure draft did not include a proposed effective date. However, permitting early adoption was proposed.

Under the equity method, the Company's investment in the common shares of the associate is initially recognized based on PxQ and subsequently increased or decreased to recognize the Company's share of net income and losses of the associate, after any adjustments necessary to give effect to uniform accounting policies, any other movement in the associate's reserves, and for impairment losses after the initial recognition date. The Company's share of income and losses of the associate is recognized in profit or loss during the period. Dividends and repayment of capital received from an associate are accounted for as a reduction in the carrying amount of the Company's investment. At the end of each reporting period, the Company assesses whether there is any objective evidence that an investment in an associate is impaired. Objective evidence includes observable data indicating there is a significant or prolonged decline in the fair value of an equity investment below its cost. When there is objective evidence that an investment is impaired, the carrying amount of such investment is compared to its recoverable amount, being the higher of its fair value less costs of disposal and value-in use. If the recoverable amount of an investment is less than its carrying amount, the carrying amount is reduced to its recoverable amount and an impairment loss is recognized in the period in which the relevant circumstances are identified. When an impairment loss reverses in a subsequent period, the carrying amount of the investment is increased to the revised estimate of recoverable amount to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had an impairment loss not been previously recognized. A reversal of an impairment loss is recognized in profit or loss in the period in which the reversal occurs.

#### (p) Changes in Accounting Policies

##### *Classification of liabilities as current or non-current (amendments to IAS 1)*

The amendments aim to promote consistency in applying the requirements by helping entities determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current.

The amendments are applied on or after the first annual reporting period beginning on or after January 1, 2024, with early application permitted. The amendments were implemented by the Company effective April 1, 2024 and did not have a material impact on the Company's consolidated financial statements.

#### (q) Future Changes in Accounting Standards

In April 2024, the IASB issued *IFRS 18, Presentation and Disclosure in Financial Statements* ("IFRS 18"), the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:

## Silver Elephant Mining Corp.

Notes to the Consolidated Financial Statements

For the Year Ended March 31, 2025

(Expressed in Canadian Dollars except where noted)



### 3. Material Accounting Policy Information - continued

- the structure of the statement of profit or loss;
- required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements; and
- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

IFRS 18 will replace IAS 1; many of the other existing principles in IAS 1 are retained, with limited changes. IFRS 18 will not impact the recognition or measurement of items in the financial statements, but it might change what an entity reports as its 'operating profit or loss'. IFRS 18 will apply for reporting periods beginning on or after 1 January 2027 and also applies to comparative information.

The Company is currently evaluating the impact of IFRS 18 on its consolidated financial statements.

Certain accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's consolidated financial statements.

### 4. Receivables

	March 31, 2025 (\$)	March 31, 2024 (\$)
Value added tax receivables	52,294	37,197
Other receivables	-	45,419
<b>Total</b>	<b>52,294</b>	<b>82,616</b>

### 5. Derivative Assets

The Company's derivative assets are comprised of commodity and treasury contracts.

	\$
Balance, April 1, 2023 and March 31, 2024	-
Investment in derivative assets	208,309
Realized loss on derivative assets	(203,210)
<b>Balance, March 31, 2025</b>	<b>5,099</b>

**Silver Elephant Mining Corp.**

Notes to the Consolidated Financial Statements

For the Year Ended March 31, 2025

(Expressed in Canadian Dollars except where noted)

**6. Fish Creek Ranch**

On April 6, 2022, Nevada Vanadium acquired the Fish Creek Ranch property (the “Fish Creek Ranch”) located in Eureka County, Nevada USA. The Fish Creek Ranch is adjacent to the Gibellini Project, contains a part of the irrigation canal, and will provide support to the Gibellini Project (note 9) in the form of water supply.

On September 21, 2023, Nevada Vanadium sold a parcel of land from the Fish Creek Ranch for gross proceeds of \$539,555 (US\$400,041), of which \$168,594 (US\$125,000) was used to partially repay the promissory note (note 13). Transaction costs totaled \$32,393 (US\$24,018). The carrying amount of the land before disposal was \$419,752 (US\$310,720)

The Fish Creek Ranch was deconsolidated from the Company’s consolidated financial statements as a result the Nevada Vanadium Transaction (note 17e).

The carrying value of land at the Fish Creek Ranch is as follows:

	\$
Balance, April 1, 2023	4,044,061
Disposals	(419,752)
Foreign exchange effect	2,767
<b>Balance, March 31, 2024</b>	<b>3,627,076</b>
Foreign exchange effect	36,150
Deconsolidation of Nevada Vanadium	(3,663,226)
<b>Balance, March 31, 2025</b>	<b>-</b>

**Silver Elephant Mining Corp.**

Notes to the Consolidated Financial Statements

For the Year Ended March 31, 2025

(Expressed in Canadian Dollars except where noted)

**7. Equipment**

The following table summarizes the Company's equipment information as at the dates presented:

	Computer Equipment (\$)	Furniture and Equipment (\$)	Vehicles (\$)	Mining Equipment (\$)	Fish Creek Ranch Equipment (\$)	Total (\$)
<b>Cost</b>						
Balance, April 1, 2023	101,928	276,830	241,208	12,221	479,443	1,111,630
Foreign exchange	-	-	(487)	26	(21,735)	(22,196)
<b>Balance, March 31, 2024</b>	<b>101,928</b>	<b>276,830</b>	<b>240,721</b>	<b>12,247</b>	<b>457,708</b>	<b>1,089,434</b>
Foreign exchange	-	-	1,129	111	4,029	5,269
Deconsolidation of Nevada Vanadium	-	-	(57,977)	(12,358)	(461,737)	(532,072)
<b>Balance, March 31, 2025</b>	<b>101,928</b>	<b>276,830</b>	<b>183,873</b>	<b>-</b>	<b>-</b>	<b>562,631</b>
<b>Accumulated Amortization</b>						
Balance, April 1, 2023	(101,928)	(276,830)	(204,031)	(2,797)	(89,366)	(674,952)
Amortization	-	-	(17,148)	(2,439)	(362,813)	(382,400)
Foreign exchange	-	-	(1,429)	(269)	(1,868)	(3,566)
<b>Balance, March 31, 2024</b>	<b>(101,928)</b>	<b>(276,830)</b>	<b>(222,608)</b>	<b>(5,505)</b>	<b>(454,047)</b>	<b>(1,060,918)</b>
Amortization	-	-	(4,350)	(618)	(3,163)	(8,131)
Foreign exchange	-	-	(400)	(55)	(4,527)	(4,982)
Deconsolidation of Nevada Vanadium	-	-	43,485	6,178	461,737	511,400
<b>Balance, March 31, 2025</b>	<b>(101,928)</b>	<b>(276,830)</b>	<b>(183,873)</b>	<b>-</b>	<b>-</b>	<b>(562,631)</b>
<b>Net book value, March 31, 2024</b>	<b>-</b>	<b>-</b>	<b>18,113</b>	<b>6,742</b>	<b>3,661</b>	<b>28,516</b>
<b>Net book value, March 31, 2025</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Silver Elephant Mining Corp.**

Notes to the Consolidated Financial Statements

For the Year Ended March 31, 2025

(Expressed in Canadian Dollars except where noted)

**8. Buildings and Structures**

The continuity of buildings and structures relating to the Fish Creek Ranch are as follows:

	(\$)
<b>Cost</b>	
Balance, April 1, 2023	713,657
Foreign exchange effect	686
<b>Balance, March 31, 2024</b>	<b>714,343</b>
Foreign exchange effect	7,120
Deconsolidation of Nevada Vanadium	(721,463)
<b>Balance, March 31, 2025</b>	<b>-</b>
<b>Accumulated Amortization</b>	
Balance, April 1, 2023	(28,077)
Amortization	(28,450)
Foreign exchange effect	(249)
<b>Balance, March 31, 2024</b>	<b>(56,776)</b>
Amortization	(7,216)
Foreign exchange effect	(564)
Deconsolidation of Nevada Vanadium	<b>64,556</b>
<b>Balance, March 31, 2025</b>	<b>-</b>
<b>Net book value, March 31, 2024</b>	<b>657,567</b>
<b>Net book value, March 31, 2025</b>	<b>-</b>

## Silver Elephant Mining Corp.

Notes to the Consolidated Financial Statements

For the Year Ended March 31, 2025

(Expressed in Canadian Dollars except where noted)



### 9. Exploration and Evaluation Assets

	Bolivia		Canada	USA	Total (\$)
	Pulacayo Paca (\$)	Triunfo (\$)	Minago (\$)	Gibellini (\$)	
Balance, April 1, 2023	22,542,977	1,268,538	22,402,786	18,693,280	64,907,581
Licenses, tax and permits	14,359	3,003	132,917	37,297	187,576
Geological and consulting	422,516	413	-	110,653	533,582
Feasibility study	-	-	47,297	19,917	67,214
Exploration and drilling	-	-	114,409	-	114,409
Royalties	-	-	-	269,930	269,930
Personnel, camp and general	322,920	1,450	174,005	37,311	535,686
Proceeds from MSA (note 14)	(431,158)	-	-	-	(431,158)
Impairment	-	(1,235,460)	-	-	(1,235,460)
Deconsolidation of CleanTech (note 10)	-	-	(22,871,414)	-	(22,871,414)
Foreign exchange	192,586	(37,943)	-	20,922	175,565
<b>Balance, March 31, 2024</b>	<b>23,064,200</b>	<b>1</b>	<b>-</b>	<b>19,189,310</b>	<b>42,253,511</b>
Licenses, tax and permits	3,031	73,929	-	16,389	93,349
Geological and consulting	462,782	310	-	6,862	469,954
Feasibility study	-	-	-	4,334	4,334
Exploration and drilling	11,913	-	-	-	11,913
Personnel, camp and general	532,377	-	-	1,693	534,070
Proceeds from MSA <sup>1</sup>	(2,650,929)	-	-	-	(2,650,929)
Impairment	-	(71,985)	-	-	(71,985)
Foreign exchange	562,786	(2,254)	-	190,640	751,172
Deconsolidation of Nevada Vanadium (note 17e)	-	-	-	(19,409,228)	(19,409,228)
<b>Balance, March 31, 2025</b>	<b>21,986,160</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>21,986,161</b>

<sup>1</sup> Net of \$944,475 to be settled with APM.

#### Pulacayo Paca Project, Bolivia

The Company is predominantly focused on the development of the Pulacayo Paca Project in Southwestern Bolivia.

The Pulacayo Paca Project Area is made up of eight concessions in total: one concession held directly by the Company (the “Apurudita Area”) of the Paca Pulacayo Project Area and seven concessions (the “MPC Area”) held through temporary permits and a Mining Production Contract (“MPC”) dated October 3, 2019 with the Corporacion Minera de Bolivia (“Comibol”).

The Apurudita concession is held through a Mining Administrative Contact (“MAC”). The MAC provides the Company with direct ownership rights. To maintain the Apurudita Area concession in good standing, the Company must make certain annual payments. The Apurudita Claim Area concession permits the Company to explore and develop the Apurudita Area. The MPC grants, once approved by the Plurinational Legislative Assembly, the Company exploration rights and an exclusive right to develop the MPC Area for up to 30 years. As at the Financial Position Date, approval has not yet been received.

In December 2024, the Company received a notice of cancellation (the “Notice of Cancellation”) of the approval process for the MPC from Comibol citing alleged illegal mining. The Company maintains that it has operated in full compliance under temporary permits issued by Comibol in accordance with the MPC and received proper authorizations for its activities in the MPC Area. The Company remains committed to the development path for the Pulacayo Paca Project and has filed certain applications and appeals in Bolivia to reverse the Notice of Cancellation. The Notice of Cancellation does not affect the Apurudita Area.

## Silver Elephant Mining Corp.

Notes to the Consolidated Financial Statements

For the Year Ended March 31, 2025

(Expressed in Canadian Dollars except where noted)



### 9. Exploration and Evaluation Assets – *continued*

On September 11, 2023, the Company entered into a sales and purchase agreement (the “SPA”) with Andean Precious Metals Corp. (“APM”) and its subsidiary (together “APM Group”), for the sale of up to 800,000 tonnes (the “SPA Quantity”) of silver-bearing oxide materials from the Company’s Pulacayo Paca property. In addition, the Company entered into a master services agreement (the “MSA”) with APM Group to provide expertise in mining operations, community relations, logistics and access to technical and geological information, in exchange for APM Group agreeing to pay the Company an aggregate of \$7,177,500 (US\$5,000,000) (the MSA Payments”) in installments, of which \$4,286,358 (US\$3,150,000) has been received.

In connection with the MSA, shares of ISMC, Apogee Bolivia, ASC Bolivia and ASC Holdings are held in escrow. These shares will be released upon the earlier of:

- (a) the escrow agent receiving a joint written notice from Silver Elephant and APM; or
- (b) the escrow agent receives a written direction or decision of a duly appointed arbitrator or court of competent jurisdiction in each case pursuant to the dispute resolution mechanisms provided for in the MSA directing the escrow agent to release the shares.

On December 30, 2024, the Company terminated the MSA and SPA (the “MSA and SPA Termination”) as a result of APM Group’s failure to pay a \$1,435,500 (US\$1,000,000) bonus payment based on silver price reaching a certain threshold (the “First Additional Consideration”). The First Additional Consideration became due once the London Bullion Market Association silver spot price averaged over US\$28 per oz for the previous 260 trading-day interval. The Company maintains that the First Additional Consideration is payable and is pursuing appropriate recourse.

#### Triunfo Project, Bolivia

On July 10, 2020, the Company entered into an agreement (the “Triunfo Agreement”) with a third party (the “Triunfo Vendor”) for the right to conduct mining exploration activities (the “Exploration Right”) within the El Triunfo gold-silver-lead-zinc project in La Paz District, Bolivia (the “Triunfo Project”) and the right, at the Company’s election, to purchase the Triunfo Project for \$1,435,500 (US\$1,000,000) (the “Purchase Right” and together with the Exploration Right, the “Triunfo Rights”).

On April 8, 2025, the Company entered into an option assignment agreement with CleanTech pursuant to which the Company proposes to assign its rights in and to the Triunfo Agreement to CleanTech in exchange for \$155,000 (received). Closing of this transaction is subject to the satisfaction of certain conditions precedent thereto including, without limitation, satisfactory completion of due diligence in respect of the Triunfo Project by CleanTech, the receipt of the requisite regulatory and stock exchange approvals by each of Silver Elephant and CleanTech, and the execution of an amendment to the Triunfo Agreement in form and substance acceptable to CleanTech. CleanTech has provided Silver Elephant with a refundable deposit in the amount of \$155,000 which such deposit shall be repaid in the event the Transaction is not completed by December 31, 2025 or if the Option Assignment Agreement is otherwise terminated.

The Purchase Right can be exercised at any time after the Triunfo Vendor completes the required Bolivian administrative procedures for the Triunfo Project until July 13, 2025 or such further period as the parties may agree. To secure the Triunfo Rights, the Company paid the Triunfo Vendor \$135,676 (US\$100,000) upon execution of the Triunfo Agreement. Until the Company exercises its Purchase Right, beginning in 2021 the Company must pay the Triunfo Vendor \$71,775 (US\$50,000) on June 15 of each year to maintain the Triunfo Rights. The Company may elect to terminate the Triunfo Agreement at any time. If the Company exercises the Purchase Right, the Triunfo Vendor will maintain up to a 5% interest of the profits, net of taxes and royalties, derived from the sale of concentrate produced from the Triunfo Project (the “Residual Interest”).

## Silver Elephant Mining Corp.

Notes to the Consolidated Financial Statements

For the Year Ended March 31, 2025

(Expressed in Canadian Dollars except where noted)

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### 9. Exploration and Evaluation Assets – *continued*

If the Company exercises the Purchase Right, the Company may reduce some or all of the Residual Interest at any time by making a lump sum payment to the Triunfo Vendor at any time to reduce some or all of the Residual Interest as follows:

- the Residual Interest may be extinguished for \$430,650 (US\$300,000);
- the Residual Interest may be reduced by 4% for \$358,875 (US\$250,000);
- the Residual Interest may be reduced by 3% for \$287,100 (US\$200,000);
- the Residual Interest may be reduced by 2% for \$215,325 (US\$150,000); or
- the Residual Interest may be reduced by 1% for \$143,550 (US\$100,000).

During the year ended March 31, 2025, the Company recorded an impairment charge of \$71,985 related to the Triunfo Project. As at the Financial Position Date, the Triunfo Project was impaired to \$1.

#### Minago Project, Manitoba Canada

The Minago property is located in northern Manitoba, Canada within the southern part of the Thompson Nickel Belt, approximately 107 kilometers north of the Town of Grand Rapids, Manitoba and 225 kilometres south of the City of Thompson, Manitoba. Provincial Highway 6 transects the eastern portion of the Minago property. The Minago Project is comprised of 94 mining claims and two mining leases.

On October 1, 2023, the Minago Project was deconsolidated from the Company's consolidated financial statements (note 10).

#### Gibellini Project, USA

The Gibellini Project is comprised of the Gibellini, Bisoni and Louie Hill vanadium deposits and associated claims located in the State of Nevada, USA.

On September 18, 2020, the company completed the acquisition of the Bisoni vanadium property situated immediately southwest of the Gibellini Project pursuant to an asset purchase agreement (the "Bisoni APA") dated August 18, 2020, with Cellcube Energy Storage Systems Inc. ("Cellcube"). The Bisoni property comprised of 201 lode mining claims. As consideration for the acquisition of the Bisoni property under the Bisoni APA, the Company issued 4 million Common Shares (the "Bisoni APA Shares") and paid \$200,000 cash to Cellcube. Additionally, subject to TSX approval, if, on or before December 31, 2023, the price of European vanadium pentoxide on the Metal Bulletin (or an equivalent publication) exceeds US\$12.00 a pound for 30 consecutive days, the Company will issue to Cellcube additional common shares with a value of \$500,000 calculated based upon the 5-day volume weighted average price of the common shares immediately following the satisfaction of the vanadium pentoxide pricing condition (the "Bisoni Condition"). The Gibellini Project and its obligations were transferred to Nevada Vanadium on January 14, 2022 as a result of the Spin-off Arrangement. The Bisoni condition was potentially met on April 5, 2022, and derivative liabilities of \$500,000 was recognized (the "Bisoni Liability") by Nevada Vanadium.

On August 16, 2024, the Gibellini Project along with the Bisoni Liability was deconsolidated from the Company's consolidated financial statements (note 17e).

## Silver Elephant Mining Corp.

Notes to the Consolidated Financial Statements

For the Year Ended March 31, 2025

(Expressed in Canadian Dollars except where noted)



### 10. Investment in CleanTech Vanadium Mining Corp.

As a result of the Spin-off Arrangement (note 17), the Company consolidated CleanTech from January 14, 2022 to September 30, 2023, the period for which the Company had de facto control over CleanTech. Effective October 1, 2023, the Company deconsolidated CleanTech as de facto control was lost due to dilution. However, as the Company still maintains significant influence over CleanTech, it has applied the equity method of accounting for CleanTech. The Company has significant influence over CleanTech as a result of having the power to participate in the financial and operating policy decisions of CleanTech but does not have control or joint control.

The Company recorded the carrying value of its investment in CleanTech at its fair value of \$1,657,229, resulting in a loss from deconsolidation of \$1,373,090. The fair value of the Company's investment in CleanTech is determined based on share price of CleanTech on October 12, 2023.

On August 16, 2024, CleanTech acquired Nevada Vanadium (note 17e), and as a result, the Company's 27,602,912 shares of Nevada Vanadium were exchanged for 27,602,912 shares of CleanTech with a fair value of \$698,997.

	\$
Balance, April 1, 2023	-
Derecognition of net assets of CleanTech	24,946,212
Derecognition of non-controlling interest of CleanTech	(21,915,893)
Fair value loss from deconsolidation of CleanTech	(1,373,090)
Proportionate share of losses	(122,445)
<b>Balance, March 31, 2024</b>	<b>1,534,784</b>
Disposition of CleanTech common shares	(12,448)
Fair value of considerations received	698,997
Proportionate share of losses	(1,160,582)
Gain from changes in interest	271,087
Impairment of investment in associate	(785,119)
<b>Balance, March 31, 2025</b>	<b>546,719</b>

As at March 31, 2025, the Company owned approximately 13% (March 31, 2024 – 7.4%) of the common shares of CleanTech.

CleanTech had no contingent liabilities or capital commitments as at March 31, 2025 and March 31, 2024.

**Silver Elephant Mining Corp.**

Notes to the Consolidated Financial Statements

For the Year Ended March 31, 2025

(Expressed in Canadian Dollars except where noted)

**10. Investment in CleanTech Vanadium Mining Corp. - continued**

The following tables illustrate the summarized financial information of CleanTech:

	March 31, 2025 (\$)	March 31, 2024 (\$)
Current assets	3,809,639	2,225,116
Non-current assets	13,070,985	20,972,961
Current liabilities	4,763,753	481,448
<b>Equity</b>	<b>12,116,871</b>	<b>22,716,629</b>

	Year Ended	
	March 31, 2025 (\$)	March 31 2024 (\$)
General and administrative expenses	(2,243,601)	(1,565,943)
Other items	(12,644,066)	(3,797)
<b>Net loss for the year</b>	<b>(14,887,667)</b>	<b>(1,569,740)</b>

**11. Royalty Interests**

On January 14, 2022, under the terms of the Spin-off Arrangement (note 17), Oracle acquired certain mineral property net smelter royalty agreements ("Transferred Royalties"). No value was attributed to these royalties at the time.

The Transferred Royalties included the following:

## (a) Titan Royalty Agreement

Oracle will receive a two per cent (2%) royalty on all mineral products produced from certain mineral claims and leases in Manitoba relating to Silver Elephant's former Titan project after the commencement of commercial production if the V205 Vanadium Pentoxide Flake 98% price per pound exceeds US\$12.00.

On August 4, 2023, Silver Elephant assigned its Titan Project to which the Titan Royalty Agreement relates to, to a third party.

On August 4, 2023, Oracle granted to a third party, the right to acquire the Titan NSR at any time, for \$1,000,000 in cash. The third party paid Oracle \$5,000 as consideration for this right.

## (b) Minago Royalty Agreement

Oracle will receive a two per cent (2%) royalty on all mineral products produced from certain mineral claims and leases from the Minago Project in Manitoba after the commencement of commercial production if the average price per pound of nickel exceeds US\$15.

**Silver Elephant Mining Corp.**

Notes to the Consolidated Financial Statements

For the Year Ended March 31, 2025

(Expressed in Canadian Dollars except where noted)

**11. Royalty Interests – continued**

## (c) Gibellini Royalty Agreement

The Gibellini Project is located near Eureka in Nevada’s Battle Mountain region. The Gibellini Project is made up of 547 unpatented lode claims held directly by CleanTech (the “Gibellini Claim Area”) and 40 unpatented lode claims held through a long-term lease agreement (the “Gibellini Lease Area”). The Gibellini Project hosts three separate vanadium deposits each with a 43-101 compliant resource estimate.

The Gibellini Claim Area is subject to a royalty payable to Oracle. CleanTech is to pay, among other things, a royalty equal to 2% of returns in respect of all mineral products produced from the Gibellini Claim Area after the commencement of commercial production. On March 3, 2025, the Company entered into an amended agreement with CleanTech to remove an underlying threshold price to trigger royalty payments in exchange for \$200,000, of which \$75,000 has been paid and \$125,000 to be paid upon V205 Vanadium Pentoxide Flake 98% price exceeds US\$12 per pound for 180 consecutive days.

The Gibellini Lease Area also subject a second royalty payable to Oracle on substantially the same terms as the Gibellini Claim Area Royalty and together with the Gibellini Claim Area Royalty.

**12. Right of Use Assets and Lease Liabilities**

The company leases its office in Vancouver, Canada and has recognized a right of use asset and lease liability accordingly. The incremental borrowing rate for lease liability initially recognized as at August 1, 2022 was 5.6%. Right of use assets are included in *other non-current assets* and lease liabilities are included *other current liabilities* and *non-current lease liability*.

	Right of Use Assets (\$)	Lease Liabilities (\$)
Balance, April 1, 2023	47,989	(49,837)
Amortization	(20,567)	-
Lease payments	-	21,855
Accretion	-	(2,304)
<b>Balance, March 31, 2024</b>	<b>27,422</b>	<b>(30,286)</b>
Additions	56,036	(56,036)
Amortization	(20,410)	-
Lease payments	-	23,182
Accretion	-	(1,364)
Cancellations	(8,568)	9,896
<b>Balance, March 31, 2025</b>	<b>54,480</b>	<b>(54,608)</b>
Current portion		17,692
Non-current portion		36,916

**Silver Elephant Mining Corp.**

Notes to the Consolidated Financial Statements

For the Year Ended March 31, 2025

(Expressed in Canadian Dollars except where noted)

**13. Promissory Note**

In conjunction with the acquisition of Fish Creek Ranch on April 6, 2022 (note 6), Nevada Vanadium borrowed US\$3,000,000 (approximately \$3,752,400) in the form of a promissory note (the “CVB Loan”) from Cache Valley Bank (“CVB”). The CVB Loan is secured by the equipment, buildings and structures, and land and water rights of Fish Creek Ranch. The CVB Loan bears a simple interest of 5.5% per annum and is repayable in full upon CVB’s demand. If no demand is made by CVB, the CVB loan is repayable in installments as follows:

	(\$)
April 6, 2023 (US\$251,045) (paid)	339,977
September 22, 2023 (US\$125,000) (paid)	168,594
April 6, 2024 (US\$251,045) (paid)	344,240
November 5, 2024 (US\$17,500) (paid)	24,328
April 6, 2025 (US\$251,045) <sup>2</sup>	360,375
April 6, 2026 (US\$251,045)	360,375
April 6, 2027 (US\$2,610,314)	3,747,106
	<b>5,344,995</b>

The CVB Loan is accounted for using the effective interest rate method, utilizing an implied interest rate of 5.27%. The continuity of the CVB Loan is as follows:

	(\$)
Balance, April 1, 2023	4,271,857
Payments	(508,571)
Finance expense	218,131
Foreign exchange	4,264
<b>Balance, March 31, 2024</b>	<b>3,985,681</b>
Payments	(344,240)
Finance expense	71,762
Foreign exchange	23,364
Deconsolidation of Nevada Vanadium	(3,736,567)
<b>Balance, March 31, 2025</b>	<b>-</b>

During the year ended March 31, 2025 the Company accrued finance expense of \$71,762 (2024 - \$218,131) related to the CVB Loan.

The CVB Loan was deconsolidated from the Company’s consolidated financial statements as a result the Nevada Vanadium Transaction (note 17(e)).

**Silver Elephant Mining Corp.**

Notes to the Consolidated Financial Statements

For the Year Ended March 31, 2025

(Expressed in Canadian Dollars except where noted)


**14. Other Current Liabilities and Non-Current Liabilities**

## (a) Other Current Liabilities

	March 31, 2025 (\$)	March 31, 2024 (\$)
Derivative liabilities – fair value of warrants	958,218	-
Derivative liabilities – January 14, 2022 Warrants	28,800	72,000
	987,018	72,000
Derivative liabilities – contingent liability (note 9)	-	157,463
Advances from APM Group	-	1,066,523
Lease liability	17,692	22,350
<b>Total other current liabilities</b>	<b>1,004,710</b>	<b>1,318,336</b>

Fair value of warrants include warrants issued by the Company that have a voluntary adjustment clause to provide the Company with the option to reduce the applicable warrant exercise price to any amount, subject to any requisite stock exchange approval. As a result, such warrants are measured at fair value using the Black-Scholes Option Pricing Model further discussed in note 16(c).

Expiry Date	Number of Warrants	Share Price at March 31, 2025 (\$)	Exercise Price (\$)	Expected Price Volatility <sup>1</sup>	Risk Free Interest Rate	Expected Life (Years)	Expected Dividend Yield	Fair Value	
								Per Warrant (\$)	Total Fair Value (\$)
May 1, 2025	463,800	0.20	1.60	100%	2.46%	0.08	-	-	-
May 20, 2025	496,200	0.20	1.60	100%	2.46%	0.14	-	-	-
August 25, 2025	325,400	0.20	0.65	100%	2.46%	0.40	-	-	-
December 5, 2025	3,152,266	0.20	0.55	100%	2.46%	0.68	-	0.01	31,523
December 9, 2025	30,000	0.20	0.55	100%	2.46%	0.69	-	0.01	300
March 22, 2026	1,500,000	0.20	0.55	100%	2.46%	0.98	-	0.02	30,000
March 31, 2026	1,162,761	0.20	0.55	100%	2.46%	1.00	-	0.03	34,883
August 17, 2026	319,999	0.20	0.45	100%	2.46%	1.38	-	0.05	16,000
April 29, 2027	456,900	0.20	0.45	100%	2.46%	2.08	-	0.07	31,983
May 24, 2027	125,000	0.20	0.45	100%	2.46%	2.15	-	0.07	8,750
July 23, 2027	2,475,778	0.20	0.70	100%	2.46%	2.31	-	0.06	148,547
August 13, 2027	163,254	0.20	0.70	100%	2.46%	2.37	-	0.06	9,795
October 17, 2027	409,900	0.20	0.55	100%	2.46%	2.55	-	0.07	28,693
November 4, 2027	595,000	0.20	0.55	100%	2.46%	2.60	-	0.08	47,600
January 27, 2028	2,319,000	0.20	0.28	100%	2.46%	2.83	-	0.11	255,090
February 16, 2028	921,000	0.20	0.30	100%	2.46%	2.88	-	0.11	101,310
	<b>14,916,258</b>								<b>744,474</b>

<sup>1</sup> The expected volatility was estimated by considering the average price volatility of the Company's shares over a historical period, taking into account the expected option life.

**Silver Elephant Mining Corp.**

Notes to the Consolidated Financial Statements

For the Year Ended March 31, 2025

(Expressed in Canadian Dollars except where noted)



**14. Other Current Liabilities and Non-Current Liabilities - continued**

Oracle

Expiry Date	Number of Warrants	Share Price	Exercise Price (\$)	Expected Price Volatility <sup>1</sup>	Risk Free Interest Rate	Expected Life (Years)	Expected Dividend Yield	Fair Value	Total Fair Value (\$)
		at March 31, 2025 (\$)						Per Warrant (\$)	
March 28, 2027	16,040,600	0.03	0.06	100%	2.46%	1.99	-	0.01	160,406
May 9, 2027	200,000	0.03	0.15	100%	2.46%	2.11	-	0.01	2,000
June 12, 2027	5,133,750	0.03	0.15	100%	2.46%	2.20	-	0.01	51,338
	<b>21,374,350</b>								<b>213,744</b>

<sup>1</sup> The expected volatility was estimated by considering the average price volatility of the Company's shares over a historical period, taking into account the expected option life.

At March 31, 2025 and 2024 the Company did not have sufficient shares of CleanTech to fulfill the potential obligations of the January 14, 2022 Warrants and as described in 16(d), the Company recognized derivative liabilities relating to the CleanTech shares that may potentially need to be transferred relating to the January 14, 2022 Warrants as noted below.

A continuity of derivative liabilities related to warrants is as follows:

	\$
Balance, April 1, 2023	401,042
Gain on change in fair value	(329,042)
<b>Balance, March 31, 2024</b>	<b>72,000</b>
Gain on change in fair value	(43,200)
<b>Balance, March 31, 2025</b>	<b>28,800</b>

**Silver Elephant Mining Corp.**

Notes to the Consolidated Financial Statements

For the Year Ended March 31, 2025

(Expressed in Canadian Dollars except where noted)

**14. Other Current Liabilities and Non-Current Liabilities - continued**

## (b) Other Non-Current Liabilities

As at the Financial Position Date, the Company has received a total of \$4,018,461 (US\$3,150,000) of the \$7,177,500 (US\$5,000,000) from APM Group (note 9) related to the MSA Payments. Under the SPA, the Company has delivered a total of 273,815 wet tonnes since inception to March 31, 2025. Amounts included in *Other Non-Current Liabilities* represent funds received in excess of the pro-rata portion of the SPA Quantity that the Company has fulfilled, and reclassified to Exploration and Evaluation as the SPA Quantity is fulfilled. As a result of the MSA and SPA Termination, the full amount of MSA Payments received has been reclassified to Exploration and Evaluation.

	(\$)
April 1, 2023	-
MSA Proceeds	2,869,072
Reclassified to Exploration and Evaluation Assets (note 9)	(431,158)
<b>Balance, March 31, 2024</b>	<b>2,437,914</b>
MSA Proceeds	1,157,490
Reclassified to Exploration and Evaluation Assets (note 9)	(3,595,404)
<b>Balance, March 31, 2025</b>	<b>-</b>

## Silver Elephant Mining Corp.

Notes to the Consolidated Financial Statements

For the Year Ended March 31, 2025

(Expressed in Canadian Dollars except where noted)



### 15. Provision for Closure and Reclamation

The Company's closure and reclamation costs consists of costs accrued based on the current best estimate of mine closure and reclamation activities that will be required at the Ulaan Ovoo site upon completion of mining activity. These activities include costs for earthworks, including land re-contouring and re-vegetation, water treatment and demolition. The Company's provision for future site closure and reclamation costs is based on the level of known disturbance at the reporting date, known legal requirements and estimates prepared by a third-party specialist.

Management used a risk-free interest rate of 3.32% at the Financial Position Date (March 31, 2024 – 3.34%) in preparing the Company's provision for closure and reclamation. Although the ultimate amount of reclamation costs to be incurred cannot be predicted with certainty, the total undiscounted amount of estimated cash flows required to settle the Company's estimated obligations is \$2,734,764 (March 31, 2024 - \$3,438,665) over the next 24 years from the Financial Position Date. The cash expenditures are expected to occur over a period of time extending several years after the projected mine closure of the mineral properties.

	(\$)
Balance, April 1, 2023	2,022,335
Change in estimate	(1,860)
Accretion	63,087
Foreign currency translation	2,434
<b>Balance, March 31, 2024</b>	<b>2,085,996</b>
Change in estimate	40,262
Accretion	51,581
Foreign currency translation	(426,849)
<b>Balance, March 31, 2025</b>	<b>1,750,990</b>

### 16. Share Capital

#### (a) Authorized

The authorized share capital of the Company consists of an unlimited number of common shares. At the Financial Position Date, the Company had 41,439,633 (March 31, 2024 – 32,841,918) common shares issued and outstanding.

#### (b) Equity Issuances

##### During the Year Ended March 31, 2025

On April 2, 2024, the Company issued 124,270 bonus shares with a deemed price of \$0.3008 per common share to the Company's directors, officers, employees, and consultants valued at \$37,380.

On April 29, 2024, the Company closed a non-brokered private placement and issued 950,000 units at a price of \$0.30 per unit for aggregate gross proceeds of \$285,000. Each unit consists of one common share of the Company and one-half of one share purchase warrant. Each whole warrant entitles the holder to purchase one additional common share of the Company at a price of \$0.45 per share until April 29, 2027. In connection with the closing, the Company issued 33,600 units as finder's fees with a value of \$10,080 and \$420 in cash. The Company allocated \$185,596 of the proceeds to the share component, and \$98,984 to the warrant component.

## Silver Elephant Mining Corp.

Notes to the Consolidated Financial Statements

For the Year Ended March 31, 2025

(Expressed in Canadian Dollars except where noted)

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### 16. Share Capital - continued

On May 23, 2024, the Company closed a non-brokered private placement and issued 250,000 units at a price of \$0.30 per unit for aggregate gross proceeds of \$75,000. Each unit consists of one common share of the Company and one-half of one share purchase warrant. Each whole warrant entitles the holder to purchase one additional common share of the Company at a price of \$0.45 per share until May 23, 2027. The Company allocated \$46,084 of the proceeds to the share component, and \$28,916 to the warrant component.

On July 23, 2024, the Company closed the first tranche of a non-brokered private placement offering raising gross proceeds of \$1,111,584 through the issuance sale of 2,315,800 units at a price of \$0.48 per unit. Each unit consists of one common share of the Company and one share purchase warrant with each warrant entitling the holder to purchase one additional common share of the Company at a price of \$0.70 per share for a period of three years from issuance. In connection with the closing, 159,978 units were issued as finders' fees. The Company allocated \$723,649 of the proceeds to the share component, and \$387,935 to the warrant component.

On August 13, 2024, the Company closed a non-brokered private placement and issued 163,254 units at a price of \$0.48 per unit for aggregate gross proceeds of \$78,362. Each unit consists of one common share of the Company and one share purchase warrant. Each warrant entitles the holder to purchase one additional common share of the Company at a price of \$0.70 per share until August 13, 2027. The Company allocated \$52,447 of the proceeds to the share component, and \$25,915 to the warrant component.

On October 17, 2024, the Company closed the first tranche of a non-brokered private placement offering raising gross proceeds of \$198,450 through the issuance sale of 405,000 units at a price of \$0.49 per unit. Each unit consists of one common share of the Company and one share purchase warrant with each warrant entitling the holder to purchase one additional common share of the Company at a price of \$0.55 per share for a period of three years from issuance. In connection with the closing, 4,900 units were issued as finders' fees. The Company allocated \$121,055 of the proceeds to the share component, and \$77,395 to the warrant component.

On November 4, 2024, the Company closed the second tranche of a non-brokered private placement offering raising gross proceeds of \$291,550 through the issuance sale of 595,000 units at a price of \$0.49 per unit. Each unit consists of one common share of the Company and one share purchase warrant with each whole warrant entitling the holder to purchase one additional common share of the Company at a price of \$0.55 per share for a period of three years from issuance. The Company allocated \$182,619 of the proceeds to the share component, and \$108,931 to the warrant component.

On January 27, 2025, the Company closed the first tranche of a non-brokered private placement offering raising gross proceeds of \$330,000 through the issuance sale of 2,200,000 units at a price of \$0.15 per unit. Each unit consists of one common share of the Company and one share purchase warrant with each whole warrant entitling the holder to purchase one additional common share of the Company at a price of \$0.30 per share for a period of three years from issuance. In connection with the closing, 119,000 units were issued as finders' fees. The Company allocated \$222,558 of the proceeds to the share component, and \$107,442 to the warrant component.

On February 19, 2025, the Company closed the first tranche of a non-brokered private placement offering raising gross proceeds of \$135,000 through the issuance sale of 900,000 units at a price of \$0.15 per unit. Each unit consists of one common share of the Company and one share purchase warrant with each whole warrant entitling the holder to purchase one additional common share of the Company at a price of \$0.30 per share for a period of three years from issuance. In connection with the closing, 21,000 units were issued as finders' fees. The Company allocated \$82,742 of the proceeds to the share component, and \$52,258 to the warrant component.

During the year ended March 31, 2025, the Company issued 105,000 shares in connection with stock options exercised (2024 – nil). The stock options were exercised for total proceeds of \$36,350 (2024 - \$nil).

**Silver Elephant Mining Corp.**

Notes to the Consolidated Financial Statements

For the Year Ended March 31, 2025

(Expressed in Canadian Dollars except where noted)

**16. Share Capital - continued**

During the year ended March 31, 2025 a total of 34,900 share purchase warrants with an exercise price of \$0.45 were exercised for total proceeds of \$15,705.

During the year ended March 31, 2025, the Company issued 216,013 (2024 – nil) shares for services to certain of its directors, officers, employees, and consultants with a fair value of \$49,375 (2024 - \$nil).

During the year ended March 31, 2025, the Company received an aggregate of \$60,000 for a private placement in progress, which closed on May 5, 2025 (note 28), subsequent to the Financial Position Date.

During the Year Ended March 31, 2024

On April 24, 2023, the Company issued 116,953 shares with a fair value of \$54,968 to settle \$54,968 in directors' fees owing to certain directors.

On August 17, 2023, the Company closed a non-brokered private placement through the issuance of 639,999 units at a price of \$0.30 for gross proceeds of \$192,000. Each unit consists of one common share of the Company and one-half share purchase warrant with each whole warrant entitling the holder to purchase one additional share of the Company at a price of \$0.45 per share for 24 months. In connection with the closing, finder's fees of \$210 were paid.

## (c) Share-based compensation plan

The Company has a 10% (based on the Company's issued and outstanding common shares) rolling equity-based compensation plan in place for the issuance of options and stock appreciation rights and a separate 5% (based on the Company's shares issued and outstanding common shares as of the last financial year end) rolling equity-based compensation plan in place for bonus shares, as approved by the Company's shareholders on September 10, 2021 (the "2021 Plan"). Under the 2021 Plan the Company may grant stock options, bonus shares or stock appreciation rights. All stock options and other share-based awards granted by the Company, or to be granted by the Company, since the implementation of the 2021 Plan will be issued under, and governed by, the terms and conditions of the 2021 Plan. The stock option vesting terms are determined by the Board of Directors on the date of the grant with a maximum term of 10 years.

The continuity of the Company's share options is as follows:

	Number of Options	Weighted Average Exercise Price (\$)
Balance, April 1, 2023	2,431,250	1.54
Granted	1,304,500	0.32
Expired	(98,750)	3.01
Cancelled	(1,142,500)	2.45
<b>Balance, March 31, 2024</b>	<b>2,494,500</b>	<b>0.43</b>
Granted	1,275,000	0.51
Exercised	(105,000)	0.27
Cancelled	(195,625)	0.43
<b>Balance, March 31, 2025</b>	<b>3,468,875</b>	<b>0.46</b>

**Silver Elephant Mining Corp.**

Notes to the Consolidated Financial Statements

For the Year Ended March 31, 2025

(Expressed in Canadian Dollars except where noted)


**16. Share Capital - continued**

The following table summarizes the stock options outstanding as at the Financial Position Date.

Exercise Price (\$)	Options Outstanding		Options Exercisable		
	Number of Options Outstanding	Weighted Average Remaining Contractual Life (Years)	Number of Options Exercisable	Weighted Average Remaining Contractual Life (Years)	
0.56	30,618	4.61	3,827	4.61	
0.65	69,382	4.51	8,673	4.51	
0.465	200,000	4.34	50,000	4.34	
0.51	865,000	4.27	216,250	4.27	
0.27	893,875	3.47	656,656	3.47	
0.51	180,000	3.07	157,500	3.07	
0.43	230,000	2.75	230,000	2.75	
0.57	1,000,000	2.40	1,000,000	2.40	
	<b>3,468,875</b>	<b>3.37</b>	<b>2,322,906</b>	<b>3.01</b>	

The fair value of each share option is estimated on the date of grant using the Black-Scholes Option Pricing Model that uses the assumptions noted in the table below. Expected volatilities are based on the historical volatility of the Company's shares, and other factors. The expected term of share options granted represents the period of time that share options granted are expected to be outstanding. The risk-free rate of periods within the contractual life of the share option is based on the Canadian government bond rate. Assumptions used for share options granted for the periods presented are as follows:

For the Year Ended March 31, 2025

Grant Date	Number of Share Options	Share Price (\$)	Exercise Price (\$)	Expected Price Volatility <sup>1</sup>	Risk Free Interest Rate	Expected Life (Years)	Expected Dividend Yield	Fair Value Per Option (\$)	Total Fair Value (\$)
November 7, 2024	30,618	0.57	0.56	99%	3.01%	5.0	-	0.43	13,166
October 3, 2024	69,382	0.64	0.65	99%	2.85%	5.0	-	0.48	33,303
July 31, 2024	200,000	0.455	0.465	101%	3.03%	5.0	-	0.35	70,000
July 7, 2024	975,000	0.52	0.51	101%	3.41%	5.0	-	0.40	390,000
	<b>1,275,000</b>								<b>506,469</b>

<sup>1</sup> The expected volatility was estimated by considering the average price volatility of the Company's shares over a historical period, taking into account the expected option life.

For the Year Ended March 31, 2024

Grant Date	Number of Share Options	Share Price (\$)	Exercise Price (\$)	Expected Price Volatility	Risk Free Interest Rate	Expected Life (Years)	Expected Dividend Yield	Fair Value Per Option (\$)	Total Fair Value (\$)
September 18, 2023	1,019,500	0.31	0.27	105%	3.92%	5.0	-	0.25	254,875
April 24, 2023	285,000	0.54	0.51	107%	2.97%	5.0	-	0.43	122,550
	<b>1,019,500</b>								<b>377,425</b>

**Silver Elephant Mining Corp.**

Notes to the Consolidated Financial Statements

For the Year Ended March 31, 2025

(Expressed in Canadian Dollars except where noted)

**16. Share Capital - continued**

As a result of the Spin-off Arrangement (note 17), each holder of the Company's stock options (the "January 14, 2022 Options") as at January 14, 2022, is entitled to receive, upon exercise of each such option at the same original exercise price and in accordance with the terms of such option, one share of each of CleanTech and Nevada Vanadium; two shares of the Oracle and one share of Silver Elephant. This is deemed a modification to the original stock options. As at January 14, 2022, there were 1,463,250 January 14, 2022 Options outstanding. As at the Financial Position Date there were nil (March 31, 2024 – nil) January 14, 2022 Options outstanding.

**(d) Warrants**

The continuity of the Company's warrants is as follows:

	Number of Warrants	Weighted Average Exercise Price (\$)
Balance, April 1, 2023	7,130,427	0.70
Issued	319,999	0.45
<b>Balance, March 31, 2024</b>	<b>7,450,426</b>	<b>0.69</b>
Exercised	(34,900)	0.45
Issued	7,500,732	0.49
<b>Balance, March 31, 2025</b>	<b>14,916,258</b>	<b>0.59</b>

As of the Financial Position Date, the following warrants were outstanding:

Expiry Date	Remaining Life (Years)	Number of Warrants	Exercise Price (\$)
May 1, 2025 <sup>1</sup>	0.08	463,800	1.60
May 20, 2025 <sup>1</sup>	0.14	496,200	1.60
August 25, 2025	0.40	325,400	0.65
December 5, 2025	0.68	3,152,266	0.55
December 9, 2025	0.69	30,000	0.55
March 22, 2026	0.98	1,500,000	0.55
March 31, 2026	1.00	1,162,761	0.55
August 17, 2026	1.38	319,999	0.45
April 29, 2027	2.08	456,900	0.45
May 24, 2027	2.15	125,000	0.45
July 23, 2027	2.31	2,475,778	0.70
August 13, 2027	2.37	163,254	0.70
October 17, 2027	2.55	409,900	0.55
November 4, 2027	2.60	595,000	0.55
January 27, 2028	2.83	3,240,000	0.30
	<b>1.65</b>	<b>14,916,258</b>	<b>0.59</b>

<sup>1</sup> On May 15, 2023, these warrants were extended by 2 years; the date presented is post-extension.

**Silver Elephant Mining Corp.**

Notes to the Consolidated Financial Statements

For the Year Ended March 31, 2025

(Expressed in Canadian Dollars except where noted)

**16. Share Capital - continued**

As a result of the Spin-off Arrangement (note 17), each holder of the Company's warrants (the "January 14, 2022 Warrants") as at closing on January 14, 2022, is entitled to receive, upon exercise of each such warrant at the same original exercise price and in accordance with the terms of such warrant, one share of each of CleanTech and Nevada Vanadium; two shares of Oracle and one share of Silver Elephant. As at January 14, 2022, there were 1,447,814 January 14, 2022 Warrants outstanding. As at the Financial Position Date there were 960,000 (March 31, 2024 – 960,000) January 14, 2022 Warrants outstanding.

## (e) Loss per Share

	Year Ended	
	March 31, 2025	March 31, 2024
	(\$)	(\$)
Basic loss per share attributable to equity holders of parent	(0.22)	(0.47)
Diluted loss per share attributable to equity holders of parent	(0.22)	(0.47)
<b>Loss for the year attributable to equity holders of parent</b>	<b>(8,228,654)</b>	<b>(15,249,919)</b>

	Year Ended	
	March 31, 2025	March 31, 2024
	(\$)	(\$)
Shares outstanding, beginning of the year	32,841,918	32,084,966
Effect of shares issued for share offerings	3,705,982	398,688
Effect of shares issued to settle liability	-	109,603
Effect of finder's fees	166,926	-
Effect of bonus shares	123,930	-
Effect of shares for services	40,700	-
Effect of stock options exercised	63,561	-
Effect of warrants exercised	17,211	-
<b>Basic weighted average number of shares outstanding</b>	<b>36,960,228</b>	<b>32,593,257</b>
Effect of dilutive share options	-	-
Effect of dilutive warrants	-	-
<b>Diluted weighted average number of shares outstanding</b>	<b>36,960,228</b>	<b>32,593,257</b>

For the years ended March 31, 2025 and 2024, the Company's common share equivalents including stock options and warrants were not included in the diluted loss per share calculation as the effect would be anti-dilutive.

**Silver Elephant Mining Corp.**

Notes to the Consolidated Financial Statements

For the Year Ended March 31, 2025

(Expressed in Canadian Dollars except where noted)

**17. Non-Controlling Interest**

On January 14, 2022, the Company completed a strategic reorganization of the Company's business through a statutory plan of arrangement (the "Spin-off Arrangement") under the Business Corporations Act (British Columbia), dated November 8, 2021. Pursuant to the Spin-off Arrangement, the common shares of the Company were consolidated on a 10:1 basis and each holder of common shares of the Company received in exchange for every 10 pre-consolidation common shares held: (i) one post-consolidation common share of the Company; (ii) one common share of CleanTech; (iii) one common share of Nevada Vanadium; and (iv) two common shares of Oracle (formerly Battery Metals Royalties Corp.).

As a result of the Spin-off Arrangement:

- i. certain intercompany royalties held by the Company were transferred to Oracle in exchange for the issuance of 1,785,430 Oracle shares;
- ii. the Minago Project was spun out, into CleanTech in exchange for the issuance of 50,000,000 CleanTech shares, and the assumption of certain liabilities related to the underlying assets;
- iii. and the Gibellini Project was spun out, into Nevada Vanadium in exchange for the issuance of 50,000,000 Nevada Vanadium shares, and the assumption of certain liabilities related to the underlying assets; and
- iv. Oracle purchased 22,953,991 of the outstanding shares of both Nevada Vanadium and CleanTech in exchange for the issuance of 78,214,570 Oracle shares to the Company.

In addition, as a result of the Spin-off Arrangement, each of the Company's option and warrant holders as at January 14, 2022, (a "Holder") is entitled to receive, upon exercise of each such warrant and option at the same original exercise price and in accordance with the terms of such warrant and option, one share of each of CleanTech and Nevada Vanadium; two shares of Oracle (collectively, the "Reserved Shares"); and one share of Silver Elephant.

The following table presents the movements of non-controlling interests:

	CleanTech (\$)	Nevada Vanadium (\$)	Oracle (\$)	Total (\$)
Balance, April 1, 2023	20,598,018	13,196,655	(353,653)	33,441,020
Change in ownership (a)	1,807,315	1,356,271	538,844	3,702,430
Net loss	(883,005)	(1,467,890)	(423,574)	(2,774,469)
Share-based payments (b, c and d)	393,565	383,036	128,019	904,620
Other comprehensive income	-	21,349	-	21,349
Deconsolidation of CleanTech (note 10)	(21,915,893)	-	-	(21,915,893)
<b>Balance, March 31, 2024</b>	<b>-</b>	<b>13,489,421</b>	<b>(110,364)</b>	<b>13,379,057</b>
Change in ownership (a)	-	87,344	366,878	454,222
Net loss	-	(445,342)	(697,675)	(1,143,017)
Share-based payments (b, c and d)	-	17,630	166,022	183,652
Other comprehensive income	-	191,627	-	191,627
Deconsolidation of Nevada Vanadium	-	(13,340,680)	-	(13,340,680)
<b>Balance, March 31, 2025</b>	<b>-</b>	<b>-</b>	<b>(275,139)</b>	<b>(275,139)</b>

## Silver Elephant Mining Corp.

Notes to the Consolidated Financial Statements

For the Year Ended March 31, 2025

(Expressed in Canadian Dollars except where noted)

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### 17. Non-Controlling Interest - *continued*

As CleanTech was deconsolidated from the Company's financial statements (note 10) on October 1, 2023, non-controlling interest disclosure relating to Flying Nickel is provided up until this date of deconsolidation.

As Nevada Vanadium was deconsolidated from the Company's financial statements (note 17e) on August 16, 2024, non-controlling interest disclosure relating to Nevada Vanadium is provided up until this date of deconsolidation.

#### a) Change in ownership of subsidiaries:

##### Oracle

On March 28, 2024, Oracle closed a non-brokered private placement raising gross proceeds of \$800,000 through the issuance of 16,000,000 units at a price of \$0.05 per unit. Each unit consists of one common share of Oracle and one share purchase warrant with each warrant entitling the holder to purchase one additional common share of Oracle at a price of \$0.06 per share until March 28, 2027. Oracle has issued an aggregate of 40,600 finders' units, each consisting of one common share of Oracle and one share purchase warrant entitling the holder to purchase one additional common share of Oracle at a price of \$0.06 per share until March 28, 2027. Silver Elephant subscribed for 3,500,000 units totalling \$175,000.

On May 9, 2024, Oracle closed a non-brokered private placement and issued 200,000 units at a price of \$0.05 per unit for aggregate gross proceeds of \$10,000. Each unit consists of one common share of Oracle and one share purchase warrant. Each warrant entitles the holder to purchase one additional common share of Oracle at a price of \$0.06 per share until May 9, 2027.

On June 12, 2024, Oracle closed a non-brokered private placement raising gross proceeds of \$548,350 through the issuance of 4,985,000 units at a price of \$0.11 per unit. Each unit consists of one common share of Oracle and one share purchase warrant with each warrant entitling the holder to purchase one additional share at a price of \$0.15 per share until June 12, 2027. In addition, 148,750 units were issued in connection with this private placement as finder's fees.

On July 22, 2024, Oracle issued 105,263 shares to settle liability with a deemed price of \$0.095 per common share to the Oracle's director valued at \$10,000.

During the year ended March 31, 2025, Oracle issued 50,000 shares in connection with stock options exercised (2024 – nil). The stock options were exercised for total proceeds of \$2,500 (2024 - \$nil).

During the year ended March 31, 2025, Oracle issued 112,372 (2024 – nil) shares for services to certain of its directors, officers, employees, and consultants with a fair value of \$3,125 (2024 - \$nil).

##### CleanTech

On April 17, 2023, CleanTech closed a non-brokered private placement and issued 1,250,000 units for gross proceeds of \$200,000. Each unit consists of one common share of CleanTech and one share purchase warrant with each warrant entitling the holder to purchase one additional share of CleanTech at a price of \$0.20 per share for 36 months from closing.

On May 12, 2023, CleanTech closed a non-brokered private placement and issued 200,000 units for gross proceeds of \$32,000. Each unit consists of one common share of CleanTech and one share purchase warrant with each warrant entitling the holder to purchase one additional share of CleanTech at a price of \$0.20 per share for 36 months from closing.

## Silver Elephant Mining Corp.

Notes to the Consolidated Financial Statements

For the Year Ended March 31, 2025

(Expressed in Canadian Dollars except where noted)

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### 17. Non-Controlling Interest - *continued*

On August 14, 2023, CleanTech closed a non-brokered private placement of 6,800,000 common shares raising gross proceeds of \$680,000. The private placement was priced at \$0.10 per share.

As at September 30, 2023, CleanTech received an aggregate of \$720,707 in subscription receipts for a private placement, which closed subsequent to the date the Company deconsolidating CleanTech (note 10).

#### Nevada Vanadium

On April 28, 2023, Nevada Vanadium closed a non-brokered private placement and issued an aggregate of 570,000 units at a price of \$0.14 per unit for aggregate gross proceeds of \$79,800. Each unit consists of one common share of Nevada Vanadium and one share purchase warrant with each warrant entitling the holder to purchase one additional share of Nevada Vanadium at a price of \$0.18 per share for 36 months from closing. Oracle subscribed for 350,000 units totalling \$49,000.

On May 19, 2023, Nevada Vanadium closed a non-brokered private placement and issued an aggregate of 1,602,143 units at a price of \$0.14 per unit for aggregate gross proceeds of \$224,300. Each unit consists of one common share of Nevada Vanadium and one share purchase warrant with each warrant entitling the holder to purchase one additional share of Nevada Vanadium at a price of \$0.18 per share for 36 months from closing. Oracle subscribed for 645,000 units totalling \$90,300.

On July 5, 2023, Nevada Vanadium closed a private placement of 742,857 units at a price of \$0.14 per unit, for aggregate gross proceeds of \$104,000. Each unit consists of one common share of Nevada Vanadium and one share purchase warrant with each warrant entitling the holder to purchase one additional share of Nevada Vanadium at a price of \$0.18 per share for 36 months from the closing date. Nevada Vanadium has allocated \$78,000 to share capital and \$26,000 to warrants by applying the Residual Method approach. There were no finders' fees associated with this private placement. Oracle subscribed for 742,857 units totalling \$104,000.

On July 5, 2023, Nevada Vanadium closed a non-brokered private placement and issued 3,500,000 common shares at a price of \$0.08 per share for gross proceeds of \$280,000.

On October 24, 2023, Nevada Vanadium closed a non-brokered private placement and issued 2,115,440 units at a price of \$0.08 per unit for aggregate gross proceeds of \$169,235. Each unit consists of one common share of Nevada Vanadium and one-half of one share purchase warrant. Each whole warrant entitles the holder to purchase one additional common share of Nevada Vanadium at a price of \$0.10 per share until October 24, 2026.

On January 31, 2024, Nevada Vanadium closed a non-brokered private placement and issued 1,025,000 units at a price of \$0.08 per unit for aggregate gross proceeds of \$82,000. Each unit consists of one common share of Nevada Vanadium and one-half of one share purchase warrant. Each whole warrant entitles the holder to purchase one additional common share of Nevada Vanadium at a price of \$0.10 per share until January 31, 2027.

On April 3, 2024, Nevada Vanadium closed a non-brokered private placement and issued 725,733 units at a price of \$0.06 per unit for aggregate gross proceeds of \$43,544. Each unit consists of one common share of Nevada Vanadium and one share purchase warrant. Each warrant entitles the holder to purchase one additional common share of Nevada Vanadium at a price of \$0.08 per share until April 3, 2027.

- b) During the year ended March 31, 2025, Oracle recorded share-based payments of \$166,022 (2024 – \$128,019) and was expensed as general and administrative expenses.

**Silver Elephant Mining Corp.**

Notes to the Consolidated Financial Statements

For the Year Ended March 31, 2025

(Expressed in Canadian Dollars except where noted)

**17. Non-Controlling Interest - continued**

The fair value of each stock option is estimated on the date of grant using the Black-Scholes Option Pricing Model with the assumptions presented in the table below. Expected volatilities are based on historical volatility of the comparable companies as Oracle has a limited history of trading. The expected term of share options granted represents the period of time that the granted share options are expected to be outstanding. The risk-free interest rate is based on the Canadian government bond rate.

Assumptions used for stock options granted by Oracle are as follows:

Grant Date	Number of Share Options	Exercise Price (\$)	Expected Price Volatility	Risk Free Interest Rate	Expected Life (Years)	Expected Dividend Yield	Fair Value Per Option (\$)	Total Fair Value (\$)
December 4, 2023	7,990,000	0.05	101%	3.46%	5.0	-	0.04	319,600
February 1, 2024	300,000	0.05	101%	3.24%	5.0	-	0.04	12,000
October 3, 2024	200,000	0.09	98%	2.85%	5.0	-	0.07	14,000
November 19, 2024	500,000	0.05	99%	3.13%	5.0	-	0.03	15,000

- c) From April 1, 2023 to the date on which CleanTech was deconsolidated, October 1, 2023, CleanTech recorded share-based payments of \$393,565 of which \$9,278 was capitalized as exploration cost and the remainder of \$384,287 was expensed as general and administrative expenses.

The fair value of each stock option is estimated on the date of grant using the Black-Scholes Option Pricing Model with the assumptions presented in the table below. Expected volatilities are based on historical volatility of the comparable companies as CleanTech has a limited history of trading. The expected term of share options granted represents the period of time that the granted share options are expected to be outstanding. The risk-free interest rate is based on the Canadian government bond rate.

For the six months ended September 30, 2023 (the period which the Company consolidated CleanTech)

Assumptions used for stock options granted by CleanTech are as follows:

Grant Date	Number of Share Options	Expected Price Volatility	Risk Free Interest Rate	Expected Life (Years)	Expected Dividend Yield	Fair Value Per Option (\$)	Total Fair Value (\$)
Apr 17, 2023	205,000	107%	3.15%	5.00	-	0.13	25,762
Apr 24, 2023	100,000	106%	2.97%	5.00	-	0.13	12,921
June 15, 2023	50,000	107%	3.48%	5.00	-	0.08	3,876
September 18, 2023	1,390,000	105%	3.92%	5.00	-	0.08	108,876
	<b>1,745,000</b>						<b>151,435</b>

- d) During the period from April 1, 2024 to August 16, 2024, Nevada Vanadium recorded share-based payments of \$17,630 of which \$1,693 was capitalized as exploration cost and the remainder of \$15,937 was expensed as general and administrative expenses.

During the year ended March 31, 2024, Nevada Vanadium recorded share-based payments of \$383,036 of which \$37,311 was capitalized as exploration cost and the remainder of \$345,724 was expensed as general and administrative expenses.

**Silver Elephant Mining Corp.**

Notes to the Consolidated Financial Statements

For the Year Ended March 31, 2025

(Expressed in Canadian Dollars except where noted)

**17. Non-Controlling Interest - continued**

Nevada Vanadium did not grant any share purchase options during the period from April 1, 2024 to August 16, 2024.

- e) On August 16, 2024, CleanTech acquired Nevada Vanadium (the “Nevada Vanadium Transaction”). Nevada Vanadium shareholders received one (1) (the “Exchange Ratio”) CleanTech common share (a “CleanTech Share”) for each Nevada Vanadium share held immediately prior to the effective time of the Nevada Vanadium Transaction. All convertible securities of Nevada Vanadium outstanding immediately prior to the effective time of the Nevada Vanadium Transaction were exchanged for securities of CleanTech bearing substantially the same terms as the securities replaced based on the Exchange Ratio.

Effective August 16, 2024, the Company deconsolidated Nevada Vanadium as it was acquired by CleanTech. Accordingly, the Company recognized a loss on deconsolidation of Nevada Vanadium of \$1,188,283 with detail as follows:

	\$
<b>Assets</b>	
Exploration and evaluation assets	19,189,310
Land	3,671,554
Building	658,400
<b>Liabilities</b>	
Accounts payable and accrued liabilities	(1,669,984)
Promissory note	(3,745,062)
Due to related parties	(2,542,995)
Other net assets	(141,797)
<b>Derecognition of net assets of Nevada Vanadium</b>	<b>(15,419,426)</b>
Derecognition of non-controlling interest of Nevada Vanadium	13,340,680
Fair value of considerations received	698,997
Derecognition of AOCI of Nevada Vanadium	191,466
<b>Loss from deconsolidation of Nevada Vanadium</b>	<b>(1,188,283)</b>

**18. Related Party Transactions**

The Company has a cost sharing agreement (the “CSA”) with CleanTech pursuant to which the companies provide each other with general, technical and administrative services, as reasonably requested, on a cost reimbursement basis.

During the year ended March 31, 2025, the Company had related party transactions with key management personnel who provide management and consulting services to the Company. Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, and include, but are not limited to, the Chief Executive Officer (“CEO”), Chief Financial Officer (“CFO”), Chief Operating Officer (“COO”), Chief Legal Officer (“CLO”) and executive and non-executive directors.

**Silver Elephant Mining Corp.**

Notes to the Consolidated Financial Statements

For the Year Ended March 31, 2025

(Expressed in Canadian Dollars except where noted)

**18. Related Party Transactions - continued**

A summary of related party transactions is as follows:

	Year Ended	
	March 31, 2025 (\$)	March 31, 2024 (\$)
CSA fees charged by CleanTech, a company with certain directors and officers in common	237,028	342,675
CSA recoveries from CleanTech	(384,401)	(95,992)
CSA fees charged by Nevada Vanadium, a company with certain directors and officers in common	7,216	-
CSA recoveries from Nevada Vanadium	(50,453)	-
Management fees charged by Linx Partners Ltd., a company controlled by John Lee, Director, CEO and Executive Chairman of the Company	426,563	420,000
Directors' fees	94,800	95,316
Salaries and benefits paid to key management of the Company	478,877	401,242
Share-based payments – John Lee	101,828	153,046
Share-based payments – directors	47,899	79,469
Share-based payments – former directors	1,339	20,378
Share-based payments – key management of the Company	144,714	79,315
Share-based payments – former key management of the Company	-	12,494

The Company had balances due to related parties as follows:

	March 31, 2025 (\$)	March 31, 2024 (\$)
Due to CleanTech	(12,276)	(1,926,807)
Directors' fees payable	(48,400)	(136,800)
Management fees advanced to (payable to) John Lee	(4,750)	32,907

**Silver Elephant Mining Corp.**

Notes to the Consolidated Financial Statements

For the Year Ended March 31, 2025

(Expressed in Canadian Dollars except where noted)

**19. Segmented Information**

The Company operates in one operating segment, being the acquisition, exploration and development of mineral properties. Assets by geographical area are as follows:

	March 31, 2025 (\$)	March 31, 2024 (\$)
Current assets		
Canada	364,859	1,324,217
USA	-	15,067
Mongolia	1,479	48,374
Bolivia	25,794	1,188,749
	<b>392,132</b>	<b>2,576,407</b>
Non-current assets		
Canada	739,449	1,596,706
USA	-	23,502,469
Bolivia	21,986,161	23,064,201
	<b>22,725,610</b>	<b>48,163,376</b>
Total assets		
Canada	1,104,308	2,920,923
USA		23,517,536
Mongolia	1,479	48,374
Bolivia	22,011,955	24,252,950
	<b>23,117,742</b>	<b>50,739,783</b>

**20. Care and Maintenance of Coal Properties**

The Company's Ulaan Ovoo Project has been impaired to value of \$nil (2024 - \$nil) and all property costs incurred, including changes in the provision for closure and reclamation costs, are presented net of incidental income earned from the property:

	Year Ended	
	March 31, 2025 (\$)	March 31, 2024 (\$)
Property costs	(150,529)	(190,335)
Provision for closure and reclamation – change in estimate	(40,262)	(1,860)
Provision for closure and reclamation – accretion	(51,581)	(63,087)
Bad debt expense	(206,735)	(120,269)
	<b>(449,107)</b>	<b>(375,551)</b>

**Silver Elephant Mining Corp.**

Notes to the Consolidated Financial Statements

For the Year Ended March 31, 2025

(Expressed in Canadian Dollars except where noted)

**21. Supplemental Cash Flow Information**

	Year Ended	
	March 31, 2025 (\$)	March 31, 2024 (\$)
<b>Non-Cash Financing and Investing Activities:</b>		
Exploration and evaluation expenditures included in accounts payable	230,246	121,494
Shares issued to settle liability	10,000	170,414
Share-based payments capitalized in mineral properties	1,693	37,311
Bonus shares	37,380	-
Shares for services	49,375	-
Finders' units	110,690	3,164
	<b>440,384</b>	<b>332,383</b>

**22. Deferred Income Taxes**

The Company's operations are, in part, subject to foreign tax laws where interpretations, regulations and legislation are complex and continually changing. As a result, there are usually some tax matters in question that may, upon resolution in the future, result in adjustments to the amount of deferred income tax assets and liabilities, and those adjustments may be material to the Company's financial position and results of operations.

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

	Year Ended	
	March 31, 2025 (\$)	March 31, 2024 (\$)
Income (loss) for the year	(9,371,671)	(18,917,556)
Canadian federal and provincial income tax rates	27%	27%
Expected income tax (recovery)	(2,531,000)	(5,107,000)
Change in statutory, foreign tax, foreign exchange rates and other	371,000	1,863,000
Permanent differences	3,011,000	2,879,000
Impact of flow through shares	-	-
Share issue cost	(30,000)	80,000
Change in unrecognized deductible temporary differences	(821,000)	285,000
<b>Total income tax expense (recovery)</b>	<b>-</b>	<b>-</b>

**Silver Elephant Mining Corp.**

Notes to the Consolidated Financial Statements

For the Year Ended March 31, 2025

(Expressed in Canadian Dollars except where noted)

**22. Deferred Income Taxes - continued**

The significant components of the Company's temporary differences, unused tax credits and unused tax losses that have not been included on the consolidated statement of financial position are as follows:

	March 31, 2025		March 31, 2024	
	(\$)	Expiry Date Range	(\$)	Expiry Date Range
Temporary differences:				
Exploration and evaluation assets	211,000	No expiry date	10,371,000	No expiry date
Investment tax credit	24,000	2029	61,000	2029
Property and equipment	855,000	No expiry date	528,000	No expiry date
Share issue cost	161,000	2043 to 2045	193,000	2043 to 2045
Assets held for sale	-	No expiry date	-	No expiry date
Assets retirement obligation	1,751,000	No expiry date	2,086,000	No expiry date
Derivative liabilities	-	No expiry date	(587,000)	No expiry date
Other – intangible assets	55,000	No expiry date	-	No expiry date
Allowable capital losses	12,078,000	No expiry date	8,614,000	No expiry date
Non-capital losses available for future periods	43,863,000	2026 onwards	43,349,000	2025 onwards
<hr/>				
Bolivia	4,357,000	2026 to 2029	5,063,000	2025
Canada	42,980,000	2029 to 2045	33,057,000	2029 to 2043
Mongolia	3,732,000	2026 to 2030	3,008,000	2024 to 2031
US	-	No expiry date	2,221,000	No expiry date

**23. Capital Management**

Management considers its capital structure to consist of share capital, stock options and warrants. The Company manages its capital structure and makes adjustments to it, based on the funds available to, and required by the Company in order to support the acquisition, exploration and development of exploration and evaluation assets. The Board of Directors does not establish quantitative returns on capital criteria for management. In order to facilitate the management of its capital requirements, the Company prepares annual expenditure budgets that are updated as necessary depending on various factors.

The properties in which the Company currently holds interests are predominantly in the exploration and development stage with some early stage production at the Pulacayo Paca Project; as such, the Company is dependent on external financing to fund its activities. In order to carry out exploration and development plans and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. There were no changes in management's approach to capital management during the year ended March 31, 2025. Neither the Company nor its subsidiaries are subject to externally imposed capital requirements.

## Silver Elephant Mining Corp.

Notes to the Consolidated Financial Statements

For the Year Ended March 31, 2025

(Expressed in Canadian Dollars except where noted)



### 24. Fair Value Measurements and Financial Instruments

#### (a) Classification

The Company's classification of its financial instruments as follows:

<b>Asset or Liability</b>	<b>IFRS 9 Classification</b>
Cash and accounts payable	Amortized cost
Restricted cash equivalents included in other non-current assets	Amortized cost
Due to related parties	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Promissory note	Amortized cost
Derivative assets, derivative liabilities	FVTPL <sup>1</sup>

<sup>1</sup> Fair value through profit and loss ("FVTPL")

#### (b) Fair Value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy establishes three levels to classify the inputs to valuation techniques used to measure fair value. The Company utilizes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – inputs are quoted prices in markets that are not active, quoted prices for similar assets or liabilities in active markets, inputs other than quoted prices that are observable for the asset or liability (for example, interest rate and yield curves observable at commonly quoted intervals, forward pricing curves used to value currency and commodity contracts and volatility measurements used to value option contracts), or inputs that are derived principally from or corroborated by observable market data or other means; and

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs.

The Company has determined the estimated fair values of its financial instruments based upon appropriate valuation methodologies. As at the Financial Position Date, there were no financial assets measured and recognized in the statement of position that would be categorized as Level 2 or Level 3 in the fair value hierarchy above.

The fair value of the Company's financial instruments including cash, accounts payable and accrued liabilities and due to related parties approximates their carrying value due to the immediate or short-term maturity of these financial instruments. Restricted cash equivalents included in other non-current assets is readily convertible into cash, and therefore its carrying value approximates fair value. The fair values of the Company's interest-bearing promissory note is determined by using the DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The non-performance risk as at the Financial Position Date was assessed to be insignificant. Derivative assets and liabilities except Variable Warrants (note 3(l)) are recorded at fair value based on the quoted market price at the end of each reporting period with changes in fair value through profit or loss. As at the Financial Position Date, the fair value of: 1) derivative assets is \$5,099 (March 31, 2024 - \$nil), 2) derivative liabilities is \$987,018 (March 31, 2024 - \$72,000) 3) contingent liability is \$nil (March 31, 2024 - \$157,463), and 4) promissory note is \$nil (March 31, 2024 - \$3,985,681). The Company does not offset financial assets with financial liabilities. Variable Warrants (note 3(l)) are classified as level 2. There were no transfers between Level 1, 2 and 3 for the year ended March 31, 2025.

## Silver Elephant Mining Corp.

Notes to the Consolidated Financial Statements

For the Year Ended March 31, 2025

(Expressed in Canadian Dollars except where noted)

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### 25. Financial Risk Management

The Company's financial instruments are exposed to certain financial risks. The risk exposures and the impact on the Company's financial instruments at the Financial Position Date are summarized below. The Board of Directors periodically reviews with management the principal risks affecting the Company and the systems that have been put in place to manage these risks.

#### (a) Liquidity risk

Liquidity risk is the risk that an entity will be unable to meet its financial obligations as they fall due. The Company manages liquidity risk by preparing cash flow forecasts of upcoming cash requirements. As at the Financial Position Date, the Company had a cash balance of \$271,838 (March 31, 2024 – \$2,209,099) and accounts payable and accrued liabilities of \$2,518,677 (March 31, 2024 - \$3,672,760). Liquidity risk is assessed as very high.

The Company has a planning and budgeting process in place by which it anticipates and determines the funds required to support normal operation requirements as well as the growth and development of its mineral property interests. The Company coordinates this planning and budgeting process with its financing activities through the capital management process in normal circumstances.

#### (b) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company is exposed to credit risk primarily associated with cash, restricted cash equivalents included in other non-current assets and receivables, net of allowances. The carrying amount of financial assets included on the statements of financial position represents the maximum credit exposure.

#### (c) Market risk

##### (i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company's cash and restricted cash equivalents included in other non-current assets primarily include highly liquid investments that earn interest at market rates that are fixed to maturity. Due to the short-term nature of these financial instruments, fluctuations in market rates do not have significant impact on the fair values of the financial instruments as of the Financial Position Date. The Company manages interest rate risk by maintaining an investment policy that focuses primarily on preservation of capital and liquidity.

##### (ii) Foreign currency risk

The Company is exposed to foreign currency risk to the extent that monetary assets and liabilities held by the Company are not denominated in Canadian dollars. The Company has foreign exploration and development projects in Mongolia and Bolivia and undertakes transactions in various foreign currencies. The Company is therefore exposed to foreign currency risk arising from transactions denominated in a foreign currency and the translation of financial instruments denominated in US dollars, Mongolian tugrik, and Bolivian boliviano into its reporting currency, the Canadian dollar.

## Silver Elephant Mining Corp.

Notes to the Consolidated Financial Statements

For the Year Ended March 31, 2025

(Expressed in Canadian Dollars except where noted)

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### 25. Financial Risk Management - *continued*

#### (iii) Commodity and equity price risk

Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. Commodity prices fluctuate on a daily basis and are affected by numerous factors beyond the Company's control. The supply and demand for these commodities, the level of interest rates, the rate of inflation, investment decisions by large holders of commodities including governmental reserves and stability of exchange rates can all cause significant fluctuations in prices. Such external economic factors are in turn influenced by changes in international investment patterns and monetary systems and political developments. The Company is also exposed to price risk with regards to equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market.

#### (iv) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company's derivative financial liability includes debts to be settled in common shares of Silver Elephant. A 10% increase or decrease in the market price of common shares of CleanTech has a corresponding effect of approximately \$3,000 to net loss.

The Company closely monitors commodity prices, individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company. Fluctuations in value may be significant.

#### Sensitivity Analysis

A 1% change in interest rates does not have a material effect on the Company's profit or loss and equity.

The Company has certain cash balances, and accounts payables denominated in either the US Dollar, Mongolian Tugrik or Bolivian Boliviano (the "Foreign Currencies"), currencies other than the functional currency of Company. Based on the above, net exposures as at the Financial Position Date, with other variables unchanged, a 10% strengthening (weakening) of the Canadian dollar against the Mongolian Tugrik would impact net loss and comprehensive loss with other variables unchanged by approximately \$2,532,000. A 10% strengthening (weakening) of the Canadian dollar against the Bolivian Boliviano would impact net loss and comprehensive loss with other variables unchanged by approximately \$136,000. A 10% strengthening (weakening) of the US Dollar against the Canadian Dollar would impact net loss with other variables unchanged by approximately \$1,000. The Company currently does not use any foreign exchange contracts to hedge this currency risk.

## Silver Elephant Mining Corp.

Notes to the Consolidated Financial Statements

For the Year Ended March 31, 2025

(Expressed in Canadian Dollars except where noted)

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### 26. Contingencies

On January 14, 2025, the Company commenced an arbitration in British Columbia against APM related to the MSA and SPA Termination (the “Andean Dispute”), seeking payment of the First Additional Consideration (note 9). The MSA governs the parties’ mining activities in Bolivia. On March 14, 2025, APM filed a counter claim against the Company for US\$2,097,510, alleging breaches of contract and payments owed. The Company evaluated the applicable IFRS’ for the accounting treatment of the Andean Dispute, applying *IAS 37 – Provisions, Contingent Liabilities and Contingent Assets* and recorded \$1,235,177 (US\$860,451) as advances that still need to be settled from either deduction of eligible costs under the MSA/SPA or refunded, and included in accounts payable and accrued liabilities. The Company maintains APM’s counter claim is without merit and such amount is recorded only for IFRS compliance purposes.

### 27. Mongolia Tax Matter

During the year ended March 31, 2025, the Company has identified an error in relation to taxes payable with respect to the transfer of certain licenses of its Ulaan Ovoo project from one wholly owned subsidiary to another wholly owned subsidiary (the “Ulaan Ovoo License Transfer”).

On September 11, 2024, the Company received a tax notice of assessment of \$26,226,754 (63,787,924,960 Mongolian Tugriks) (the “Ulaan Ovoo Tax Assessment”) from Mongolia’s Capital City Tax Office (“CCTO”) in connection with the Ulaan Ovoo License Transfer. The Ulaan Ovoo Tax Assessment is comprised of: 1) \$13,066,830 (31,780,752,566 Mongolian Tugriks) related to corporate income tax (“CIT”) and related penalties and interest, and 2) \$13,159,924 (32,007,172,394 Mongolian Tugriks) related to value added tax (“VAT”) and related penalties and interest. The Ulaan Ovoo License Transfer was completed on January 5, 2022. Prior to the completion of the Ulaan Ovoo License Transfer, the Company sought tax clarifications and on October 11, 2021 received confirmation from Mongolia’s Large Taxpayer’s Office (“LTPO”) confirming the Ulaan Ovoo License Transfer would not be subject to CIT as the ultimate owner of the subsidiaries affected by the Ulaan Ovoo License Transfer remain unchanged. The Company is also of the opinion VAT should not apply to the Ulaan Ovoo License Transfer as there was no consideration transferred to and received by the applicable subsidiaries, and treatment of such would generally follow the same treatment as CIT. Accordingly, the Company filed a dispute for the Ulaan Ovoo Tax Assessment on October 18, 2024. There can be no assurance the Company will be successful in this dispute.

The LTPO and CCTO are sister offices both reporting directly to the Deputy Commissioner of the General Department of Taxation of Mongolia.

The Company’s consolidated financial statements have been restated for the year ended March 31, 2024 to record the applicable Ulaan Ovoo Tax Assessment.

**Silver Elephant Mining Corp.**

Notes to the Consolidated Financial Statements

For the Year Ended March 31, 2025

(Expressed in Canadian Dollars except where noted)

**27. Mongolia Tax Matter - continued**

As a result of the above, the Company restated its consolidated financial statements as follows:

*Consolidated Statements of Financial Position*

	<b>Original March 31, 2024 (\$)</b>	<b>Ulaan Ovoo Tax Assessment (\$)</b>	<b>Restated March 31, 2024 (\$)</b>
<b>Liabilities</b>			
Provision for Mongolia tax dispute	-	24,454,707	24,454,707
Total current liabilities	10,903,584	24,454,707	35,358,291
Total liabilities	15,435,430	24,454,707	39,890,137
<b>Shareholders' Equity</b>			
Accumulated other comprehensive income	530,098	(802,875)	(272,777)
Deficit	(226,913,916)	(23,651,832)	(250,565,748)
Equity attributable to equity holders of parent	21,925,296	(24,454,707)	(2,529,411)
Total equity	35,304,353	(24,454,707)	10,849,646

The increase in the provision for Mongolia tax dispute from \$24,454,707 at March 31, 2024 to \$27,682,126 at March 31, 2025 is attributable to accrual of interest of \$2,624,646 and the effect of foreign exchange of \$602,773.

	<b>Original March 31, 2023 (\$)</b>	<b>Ulaan Ovoo Tax Assessment (\$)</b>	<b>Restated March 31, 2023 (\$)</b>
<b>Liabilities</b>			
Provision for Mongolia tax dispute	-	14,849,662	14,849,662
Total current liabilities	8,716,211	14,849,662	23,565,873
Total liabilities	10,768,831	14,849,662	25,618,493
<b>Shareholders' Equity</b>			
Accumulated other comprehensive income	463,740	90,296	554,036
Deficit	(220,375,871)	(14,939,958)	(235,315,829)
Equity attributable to equity holders of parent	28,367,367	(14,849,662)	13,517,705
Total equity	61,808,387	(14,849,662)	46,958,725

**Silver Elephant Mining Corp.**

Notes to the Consolidated Financial Statements

For the Year Ended March 31, 2025

(Expressed in Canadian Dollars except where noted)

**27. Mongolia Tax Matter - continued**

As a result of the above, the Company restated its consolidated financial statements as follows:

*Consolidated Statements of Comprehensive Loss*

	Original Year Ended March 31, 2024 (\$)	Ulaan Ovoo Tax Assessment (\$)	Restated Year Ended March 31, 2024 (\$)
<b>Other items</b>			
Ulaan Ovoo Tax Assessment	-	(5,971,792)	(5,971,792)
Ulaan Ovoo Tax Assessment Interest	-	(2,740,082)	(2,740,082)
Net loss for the year	(9,312,514)	(8,711,874)	(18,024,388)
Other comprehensive income (loss):			
Foreign currency translation	87,707	(893,171)	(805,464)
Comprehensive loss for the year	(9,224,807)	(9,605,045)	(18,829,852)
Net loss attributable to equity holders of parent	(6,538,045)	(8,711,874)	(15,249,919)
Comprehensive loss attributable to equity holders of parent	(6,471,687)	(9,605,045)	(16,076,732)
Basic and diluted loss per common share attributable to equity holders of parent	(0.20)	(0.27)	(0.47)

*Consolidated Statements of Cashflows*

	Original Year Ended March 31, 2024 (\$)	Ulaan Ovoo Assessment (\$)	Restated Year Ended March 31, 2024 (\$)
<b>Operating Activities</b>			
Net loss for the year	(9,312,514)	(8,711,874)	(18,024,388)
Changes in non-cash working capital			
Provision for Mongolia tax dispute	-	8,711,874	8,711,874
Cash used in operating activities	(260,081)	-	(260,081)

**Silver Elephant Mining Corp.**

Notes to the Consolidated Financial Statements

For the Year Ended March 31, 2025

(Expressed in Canadian Dollars except where noted)

**28. Subsequent Events**

On April 8, 2025, the Company announced that it is amending the exercise price of 11,676,258 share purchase warrants to \$0.30. The warrant amendments, other than those warrants held by insiders (2,726,865 share purchase warrants) of the Company took effect on April 22, 2025. The warrant amendments for the warrants held by insiders will only become effective upon shareholder approval. Details are as noted below:

Expiry Date	Original Exercise Price (\$)	Amended Exercise Price (\$)	Number of Warrants
May 1, 2025	1.60	0.30	463,800
May 20, 2025	1.60	0.30	496,200
August 25, 2025	0.65	0.30	325,400
December 5, 2025	0.55	0.30	3,152,266
December 9, 2025	0.55	0.30	30,000
March 22, 2026	0.55	0.30	1,500,000
March 31, 2026	0.55	0.30	1,162,761
August 17, 2026	0.45	0.30	319,999
April 29, 2027	0.45	0.30	456,900
May 24, 2027	0.45	0.30	125,000
July 23, 2027	0.70	0.30	2,475,778
August 13, 2027	0.70	0.30	163,254
October 17, 2027	0.55	0.30	409,900
November 4, 2027	0.55	0.30	595,000
			<b>11,676,258</b>

On May 5, 2025, the Company closed a non-brokered private placement and issued 3,871,277 units at a price of \$0.18 per unit for aggregate gross proceeds of \$696,830. Each unit consists of one common share of the Company and one share purchase warrant. Each warrant entitles the holder to purchase one additional common share of the Company at a price of \$0.30 per share until May 5, 2028. In connection with the closing, the Company issued 193,989 units as finder's fees.

On June 25, 2025, the Company closed the first tranche of a non-brokered private placement offering raising gross proceeds of \$172,000 through the issuance sale of 860,000 units at a price of \$0.20 per unit. Each unit consists of one common share of the Company and one share purchase warrant with each whole warrant entitling the holder to purchase one additional common share of the Company at a price of \$0.30 per share for a period of three years from issuance. In connection with the closing, 33,250 units were issued as finders' fees.

On June 27, 2025, the Company closed the second and final tranche of a non-brokered private placement offering raising gross proceeds of \$44,000 through the issuance sale of 220,000 units at a price of \$0.20 per unit. Each unit consists of one common share of the Company and one share purchase warrant with each whole warrant entitling the holder to purchase one additional common share of the Company at a price of \$0.30 per share for a period of three years from issuance.