Resource Company Report: Silver Crown Royalties Inc.

Report Date	August 12, 2026	**Company Type**	Silver-Focused Royalty Company
Company Name	Silver Crown Royalties Inc.	**Stock Symbol**	SLCRF (OTCQX) / SCRI (Cboe)
Q2 2026 Royalty Revenue	C$1.87 million (+598% YoY)	**Q2 2026 Silver Deliveries**	18,062 oz attributable
Key Assets	Igor 4 (Peru); PDGM/Pilar; Elk Gold; Madre Sierra; BacTech	**Market Cap (approx.)**	~US$100 – 145 million
Business Model	Silver by-product / silver-only royalties	**Recent Acquisition**	Madre Sierra 2% GSR (Peru) – June 2026
Focus	Free cash flow from silver royalties	**No Direct Mining**	No AISC; royalty revenue metrics apply

1. Company Overview & Investment Thesis

Silver Crown Royalties Inc. (Cboe: SCRI; OTCQX: SLCRF) is a silver-focused royalty company that provides capital to mining companies in exchange for a percentage of silver production, primarily as by-product credits. The model is designed to generate free cash flow while offering investors exposure to silver prices with limited direct exposure to mining operating-cost inflation. Q2 2026 delivered record royalty revenue of C$1.87 million (+598% year-over-year), driven largely by the Igor 4 royalty in Peru, with attributable silver deliveries of 18,062 ounces. The portfolio includes the producing Igor 4 (15% NSR silver, PPX Mining), interests related to Pilar Gold / PDGM (Brazil), Elk Gold (British Columbia), BacTech (Ecuador), and the recently acquired Madre Sierra royalties (Peru). Market capitalization is approximately US$100–145 million. As a royalty company, Silver Crown has no direct AISC.

Investment Thesis: Silver Crown offers pure-play silver royalty exposure with a rapidly growing revenue base anchored by Igor 4 and expanded by the Madre Sierra acquisition. The silver-by-product focus provides a structural hedge against cost inflation at the underlying mines. Key risks include the still-small absolute scale of the portfolio, counterparty and operational risk at the underlying operators (particularly in Peru and Brazil), silver-price volatility, and the need for continued accretive acquisitions to scale cash flow. Relative to pure developers, SLCRF ranks lower risk by avoiding direct operating capital; relative to large senior royalty companies, residual scale and single-commodity concentration risk remain higher.

2. Mining and Development Projects

Silver Crown does not operate mines. Its portfolio comprises silver royalties on third-party projects.

2.1 Producing / Cash-Flowing Royalties

Location / Operator	Igor 4 (Peru – PPX Mining); Pilar Gold / PDGM complex (Brazil); Elk Gold (British Columbia – Gold Mountain)
Metals / Interest	Silver – NSR royalties (Igor 4: 15% NSR silver; others high-percentage silver NSR structures)
Status	Igor 4 producing and primary revenue driver; other interests at restart or producing stages
Key Metrics	Q2 2026 attributable silver deliveries 18,062 oz; royalty revenue C$1.87M (record); growth driven by Igor 4
Contribution / Notes	Igor 4 is the dominant near-term cash-flow contributor; PPX settled a portion of Q2 royalty in shares
Outlook	Continued production and any expansion at Igor 4, plus restart progress at other assets, support revenue growth

2.2 Recent Acquisition & Development Interests

Location / Operator	Madre Sierra deposit (Jauja, Peru – Titiminas Silver); BacTech (Ecuador)
Metals / Interest	Silver – cumulative 2% GSR on Madre Sierra (two 1% NSR royalties acquired); BacTech 90% NSR silver royalty
Status	Madre Sierra acquisition closed June 30, 2026 (US$6M at closing + US$2M contingent); BacTech development-stage
Key Metrics	Madre Sierra adds a new Peruvian silver royalty; contingent payment tied to first royalty receipts
Contribution / Notes	Portfolio diversification within Peru and longer-term optionality from BacTech
Outlook	First payments from Madre Sierra and advancement of BacTech are medium-term catalysts

3. Exploration & Development Activity

Near-term focus is maximising royalty receipts from Igor 4, integrating the Madre Sierra royalties, and monitoring restart/development progress at the other portfolio assets. Medium-term growth depends on additional silver-royalty acquisitions and the conversion of development-stage interests into cash flow. Success metrics are attributable silver deliveries, royalty revenue growth, and disciplined capital allocation into new silver royalties.

4. Management and Board of Directors

Management

Name / Group	Title	Notes	Experience / Focus
Executive leadership	CEO / corporate	Strategy	Silver-royalty acquisition strategy, portfolio growth and capital allocation
Finance / technical team	Finance / evaluation	Support	Financial reporting, due diligence on silver royalty opportunities

Board of Directors

Name / Group	Role	Key Background
Board (collective)	Governance	Oversight of silver-royalty strategy, acquisitions, capital structure and risk
Independent directors	Oversight	Mining, finance and capital-markets experience

5. Financial Information

Silver Crown reported record Q2 2026 royalty revenue of C$1.87 million, a 598% increase from C$0.27 million in Q2 2025 and nearly triple the C$0.67 million recorded in Q1 2026. Growth was driven primarily by the Igor 4 royalty. Attributable silver deliveries reached 18,062 ounces in the quarter. The company continues to invest in portfolio expansion, including the June 2026 acquisition of the Madre Sierra royalties for US$6 million at closing (plus a contingent US$2 million). Detailed quarterly figures and royalty-by-royalty contributions are provided in the Q2 2026 results materials.

Revenue / Delivery Summary

Line Item	Amount / Notes
Q2 2026 Royalty Revenue	C$1.87 million (+598% YoY)
Q2 2026 Attributable Silver	18,062 ounces
Q1 2026 Royalty Revenue	C$0.67 million
Primary revenue driver	Igor 4 (Peru – PPX Mining)
Madre Sierra Acquisition	US$6M cash at close + US$2M contingent (June 2026)
Market capitalization (approx.)	~US$100 – 145 million

Corporate Summary

Item	Value / Notes
Primary listings	Cboe Canada (SCRI); OTCQX (SLCRF); Frankfurt (QS0)
Business model	Silver-only / silver by-product royalties
Key growth drivers	Igor 4 production; Madre Sierra; further silver-royalty acquisitions
Geographic focus	Peru, Brazil, Ecuador, Canada

6. Company Valuation

At a market capitalization of approximately US$100–145 million, Silver Crown trades as a small-cap silver-focused royalty company with rapidly growing revenue. Valuation is commonly framed on attributable silver multiples, cash-flow yield, net asset value of the royalty portfolio, and peer comparisons within the junior silver-royalty space.

Discounted NPV discussion: A practical framework values the Igor 4 royalty on expected long-term silver deliveries and silver prices, applies probability-weighted values to the other producing and development royalties (including Madre Sierra), and adjusts for cash and corporate costs. Key sensitivities are the silver price, operator production performance (especially PPX at Igor 4), the timing of first payments from Madre Sierra, and the pace of further accretive acquisitions. Continued revenue growth from Igor 4, successful integration of Madre Sierra, and additional silver-royalty purchases are the primary near- to medium-term valuation catalysts.

Merger & Acquisition Activity

Silver Crown is an active acquirer of silver royalties. The most recent material transaction is the June 2026 acquisition of two 1% NSR royalties (cumulative 2% GSR) on Titiminas Silver's Madre Sierra deposit in Peru for US$6 million at closing plus a contingent US$2 million. The company continues to evaluate further silver-royalty opportunities. No formal public takeover offer for Silver Crown has been announced. As a pure-play silver royalty vehicle of growing scale, it remains a potential strategic interest for larger royalty companies seeking silver exposure.

7. Risks

- Silver price volatility.
- Small absolute scale of the current royalty portfolio and revenue base.
- Counterparty and operational risk at underlying operators (PPX, Pilar Gold and others).
- Concentration in a limited number of cash-flowing assets (Igor 4 dominant).
- Jurisdictional risk in Peru, Brazil and Ecuador.
- Execution risk on further accretive acquisitions and integration of Madre Sierra.
- Liquidity and capital-markets access for a small-cap royalty company.

8. Comparative Risk Analysis

On a relative-risk scale of 1 to 7 (1 = lowest risk, 7 = highest risk) versus other junior and intermediate silver and precious-metals royalty companies, Silver Crown Royalties is ranked **5**. The ranking reflects moderate-to-elevated risk within the junior silver-royalty peer set: rapid revenue growth (Q2 record C$1.87M), a clear producing anchor in Igor 4, and recent portfolio expansion via Madre Sierra, offset by still-small absolute scale, concentration in a limited number of assets, and counterparty/jurisdictional risk in Latin America. Positive factors include the pure-play silver focus and the capital-light model that mitigates operating-cost inflation. Offsetting factors are scale and the dependence on a small number of operators. Relative to pure developers, SLCRF ranks lower risk; relative to large senior royalty companies with diversified producing portfolios, residual scale and concentration risk keep the ranking above the midpoint. The net result is a risk ranking of 5.

Sources: Company Q2 2026 results (August 2026), Madre Sierra acquisition announcements, portfolio disclosures, and market data as of mid-August 2026.