



Consolidated Financial Statements
For the years ended December 31, 2025 and 2024
(Expressed in United States Dollars)
(Audited)



Independent auditor's report

To the Shareholders of Sailfish Royalty Corp.

Our opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Sailfish Royalty Corp. and its subsidiaries (together, the Company) as at December 31, 2025 and 2024, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

What we have audited

The Company's consolidated financial statements comprise:

- the consolidated statements of financial position as at December 31, 2025 and 2024;
- the consolidated statements of income and comprehensive income for the years then ended;
- the consolidated statements of cash flows for the years then ended;
- the consolidated statements of changes in shareholders' equity for the years then ended; and
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit 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.

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"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2025. 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.

Key audit matter	How our audit addressed the key audit matter
<p>Assessment of indicators of impairment for royalty and stream interests</p> <p>Refer to note 2 – Material accounting policies and changes in accounting policies, note 3 – Estimation uncertainty and judgements in applying the Company’s accounting policies and note 4 – Royalty and stream interests to the consolidated financial statements.</p> <p>The carrying amount of royalty and stream interests amounted to \$35.5 million as at December 31, 2025. At each reporting period, management assesses whether there are any indicators of impairment relating to each of its royalty and stream interests. If there are indicators of impairment, management estimates the recoverable amount of the related interest in order to determine the extent of the impairment, if any. Management uses judgement when assessing whether there are indicators of impairment. For interests in operating mines (operating interests), indicators of impairment may include significant changes in future commodity prices, discount rates, operator reserve and</p>	<p>Our approach to addressing the matter included the following procedures, among others:</p> <ul style="list-style-type: none">• For selected royalty and stream interests, assessed the judgements made by management in determining whether there were indicators of impairment, which included the following:<ul style="list-style-type: none">– Evaluated management’s assessment of indicators of impairment related to operating interests by:<ul style="list-style-type: none">○ assessing whether significant changes exist in future commodity prices and discount rates by considering external market and industry data; and○ assessing whether significant changes exist with respect to operator reserve and resource estimates or whether other relevant information was received from the operators that indicates production from operating

Key audit matter

How our audit addressed the key audit matter

resource estimates or other relevant information received from the operators that indicates production from operating interests will not likely occur or may be significantly reduced in the future. For interests in non-operating mines (non-operating interests), indicators of impairment may include the period, during which the entity has the right to explore in the specific area, has expired during the year or will expire in the near future and is not expected to be renewed, substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned, 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 operator has decided to discontinue such activities in the specific area, and sufficient data exists to indicate that the carrying amount of the underlying interest is unlikely to be recovered in full from successful development or by sale. No impairment indicators were identified by management as at December 31, 2025.

We considered this a key audit matter due to (i) the significance of the royalty and stream interests balance and (ii) the judgements made by management in its assessment of indicators of impairment related to royalty and stream interests, which have resulted in a high degree of subjectivity in performing procedures related to these judgements applied by management.

- interests will not likely occur or may be significantly reduced in the future, by considering (i) the current and past performance of the underlying mining operation associated with the operating interests; and (ii) publicly disclosed information by operators of the underlying mining operation associated with the operating interests.
- Evaluated management's assessment of indicators of impairment related to non-operating interests by:
 - assessing (i) the budgeted/planned substantive expenditures on further exploration for and evaluation of mineral resources; (ii) the right to explore is not expected to be renewed; (iii) whether the exploration for and evaluation of mineral resources in a specific area have not led to the discovery of commercially viable quantities of mineral resources and the operator has decided to discontinue such activities; and (iv) whether sufficient data exists to indicate that the carrying amount of the interest is unlikely to be recovered in full from successful development or by sale, based on publicly available sources of information as well as evidence obtained in other areas of the audit.

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 the consolidated financial statements in accordance with IFRS Accounting Standards, 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 judgement 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.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Company as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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.

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

/s/PricewaterhouseCoopers LLP

Chartered Professional Accountants

Vancouver, British Columbia

April 23, 2026

SAILFISH ROYALTY CORP.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in United States Dollars)

ASSETS	Notes	December 31, 2025	December 31, 2024
CURRENT			
Cash and cash equivalents		\$ 1,526,346	\$ 2,150,823
Marketable securities	14	\$ 1,681,773	-
Accounts receivable		\$ 24,928	16,036
Due from related parties	9	\$ 773,284	432,870
Assets held for sale	13, 18	\$ 40,000,000	625,973
Prepaid expenses and other assets		\$ 38,337	41,641
Silver receivable	5	\$ -	1,885,911
		\$ 44,044,668	\$ 5,153,254
NON-CURRENT			
Royalty and stream interests	4	\$ 35,492,214	\$ 33,932,150
Deferred acquisition costs	15	\$ 1,532,879	-
Total assets		\$ 81,069,761	\$ 39,085,404
LIABILITIES			
CURRENT			
Accounts payable and accrued liabilities	9	\$ 229,975	\$ 121,830
Dividends payable	8, 9, 18	\$ 953,183	883,431
Liabilities held for sale	13	\$ -	3,779
Convertible debentures interest payable	6	\$ -	43,247
Short-term loan	7, 18	\$ 40,000,000	-
Interest payable on short-term loan	7, 18	\$ 455,079	-
Due to related parties	9	\$ 698,983	308,448
		\$ 42,337,220	\$ 1,360,735
NON-CURRENT			
Convertible debentures	6	\$ -	3,956,505
Total liabilities		\$ 42,337,220	\$ 5,317,240
SHAREHOLDERS' EQUITY			
Share capital	8	\$ 48,484,555	\$ 41,673,126
Contributed surplus		\$ 6,694,269	6,523,493
Accumulated other comprehensive income (loss)		\$ (17,589)	(6,036)
Deficit		\$ (16,428,694)	(14,422,419)
		\$ 38,732,541	\$ 33,768,164
Total shareholders' equity and liabilities		\$ 81,069,761	\$ 39,085,404

Events after the reporting period (Note 18)

Approved on behalf of the Board of Directors:

"Paolo Lostritto"
Director

"Walter Reich"
Director

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

SAILFISH ROYALTY CORP.
CONSOLIDATED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME
(Expressed in United States Dollars)

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	Notes	Year Ended December 31, 2025	Year Ended December 31, 2024
Revenues			
Sales	4, 12	\$ 1,009,123	\$ 1,865,289
Royalty revenue	4, 12	2,366,144	974,644
Total revenue		\$ 3,375,267	\$ 2,839,933
Cost of sales			
Cost of sales, excluding depletion	12	\$ (50,955)	\$ (445,985)
Depletion	4, 12	(186,826)	(527,137)
Gross profit		\$ 3,137,486	\$ 1,866,811
Operating and administrative expenses			
Director fees	9	\$ 136,000	\$ 116,000
Senior management	9	1,201,826	1,161,617
Share-based compensation	8, 9	614,590	109,357
Consulting fees		199,078	162,754
Investor relations		89,386	60,277
General office and regulatory fees	9	173,434	187,141
Travel and marketing		29,950	39,249
Professional fees		296,006	192,696
Foreign exchange loss		15,473	6,632
		\$ 2,755,743	\$ 2,035,723
Net operating loss from continuing operations		\$ 381,743	\$ (168,912)
Other income (expense)			
Fair value adjustment on silver receivable	5	262,390	1,574,074
Unrealized gain on marketable securities	14	1,188,442	-
Other income	13	-	25,000
Interest expense	7, 18	(609,575)	(443,391)
Interest income		30,069	42,189
Dividend income		2,191	5,357
		\$ 873,517	\$ 1,203,229
Net income (loss) from discontinued operations	13	458,968	(484,284)
Total income for the year		\$ 1,714,228	\$ 550,033
Other comprehensive income for the year			
Items that may be reclassified subsequently to net income			
Exchange gain (loss) on translation		\$ 67,379	\$ (123,035)
Reclass of cumulative translation adjustment on disposal of subsidiary		(78,932)	-
Total other comprehensive loss for the year		\$ (11,553)	\$ (123,035)
Net comprehensive income		\$ 1,702,675	\$ 426,998
Basic income per share from continuing operations		\$ 0.02	\$ 0.01
Diluted income per share from continuing operations		\$ 0.02	\$ 0.01
Weighted average number of shares outstanding			
Basic		73,882,342	70,835,735
Diluted		75,316,846	70,937,322

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

SAILFISH ROYALTY CORP.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in United States Dollars)

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Cash provided by (used for):	Notes	Year Ended December 31, 2025	Year Ended December 31, 2024
OPERATING ACTIVITIES			
Net income for the year		\$ 1,714,228	\$ 550,033
Unrealized gain on marketable securities	14	(1,188,442)	-
Fair value adjustment on silver receivable	5	(262,390)	(1,574,074)
Interest expense	7, 17, 18	609,575	443,391
Interest income		(30,069)	(42,189)
Dividend income		(2,191)	(5,357)
Unrealized foreign exchange gain		(49,419)	(54,438)
Depletion	4, 12	186,826	527,137
Share-based compensation	8, 9	614,590	109,357
Changes in working capital			
Accounts receivable		2,861	7,313
Prepaid expenses		3,304	64,594
Accounts payable and accrued liabilities		108,091	(73,172)
Due to related parties	9	390,535	(8,799)
Continuing operations		2,097,499	(56,204)
Discontinued operations		(636,820)	1,637
		\$ 1,460,679	\$ (54,567)
INVESTING ACTIVITIES			
Due from related parties	9	\$ (340,361)	\$ (185,997)
Royalty and stream interests		(1,000,000)	-
Proceeds from sale of assets held for sale		50,000	-
Deferred acquisition costs	15	(744,466)	-
Silver receivable payments received	5	2,148,301	4,404,493
Gold receivable	13	(40,000,000)	-
Dividends received		2,191	5,357
Interest received		18,316	42,513
Continuing operations		(39,866,019)	4,266,366
		\$ (39,866,019)	\$ 4,266,366
FINANCING ACTIVITIES			
Proceeds from short term loan	7, 18	\$ 40,000,000	-
Stock options exercised - proceeds received	8	425,000	616,626
Purchase of treasury shares	8	(774,616)	(1,666,970)
Transaction cost on shares bought back	8	(2,408)	(7,095)
Dividends paid	8	(1,873,773)	(3,550,195)
Continuing operations		37,774,203	(4,607,634)
		\$ 37,774,203	\$ (4,607,634)
Net decrease in cash		\$ (631,137)	\$ (395,835)
Cash - beginning of year		2,150,823	2,553,318
Plus: Cash included in assets held for sale, beginning of year	13	6,660	-
Less: Cash included in assets held for sale, end of year	13	-	(6,660)
Cash - end of year		\$ 1,526,346	\$ 2,150,823

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

SAILFISH ROYALTY CORP.
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Expressed in United States Dollars)

	Notes	Number of shares	Amount	Contributed surplus	Accumulated other comprehensive income (loss)	Retained earnings (deficit)	Total
Balance at December 31, 2023		71,308,954	\$ 41,810,367	\$ 6,924,334	\$ 116,999	\$ (11,430,188)	\$ 37,421,512
Shares bought back on-market and cancelled	8	(1,836,300)	(1,666,970)	-	-	-	(1,666,970)
Less: transaction cost on shares bought back	8	-	(7,095)	-	-	-	(7,095)
Stock options exercised	8	791,493	1,126,824	(510,198)	-	-	616,626
Share-based compensation		-	-	109,357	-	-	109,357
Convertible debentures interest	8, 9	410,289	410,000	-	-	-	410,000
Cumulative translation adjustment		-	-	-	(123,035)	-	(123,035)
Net income		-	-	-	-	550,033	550,033
Dividends declared	8	-	-	-	-	(3,542,264)	(3,542,264)
Balance at December 31, 2024		70,674,436	\$ 41,673,126	\$ 6,523,493	\$ (6,036)	\$ (14,422,419)	\$ 33,768,164
Shares bought back on-market and cancelled	8	(631,100)	(774,616)	-	-	-	(774,616)
Less: transaction cost on shares bought back	8	-	(2,408)	-	-	-	(2,408)
Shares issued under dividend reinvestment plan	8	1,103,812	1,776,978	-	-	-	1,776,978
Stock options exercised		480,884	737,423	(312,423)	-	-	425,000
Share-based compensation	8, 9	-	-	614,590	-	-	614,590
Convertible debentures interest	8	124,322	185,639	-	-	-	185,639
Convertible debentures converted	8	4,134,013	4,100,000	(131,391)	-	-	3,968,609
Cumulative translation adjustment net of CTA on disposal of subsidiary		-	-	-	(11,553)	-	(11,553)
Shares issued under loan commitment fee	8	368,249	788,413	-	-	-	788,413
Net income		-	-	-	-	1,714,228	1,714,228
Dividends declared	8	-	-	-	-	(3,720,503)	(3,720,503)
Balance at December 31, 2025		76,254,616	\$ 48,484,555	\$ 6,694,269	\$ (17,589)	\$ (16,428,694)	\$ 38,732,541

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

SAILFISH ROYALTY CORP.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the years ended December 31, 2025 and 2024
(Expressed in United States Dollars)

1. NATURE OF OPERATIONS

Sailfish Royalty Corp. (“Sailfish” or the “Company”) is a public company listed on the TSX Venture Exchange (“TSX-V”) under the symbol “FISH”. The Company also trades on the OTCQB Venture Market under the symbol “SROYF”. The Company was incorporated on February 27, 2014 under the BVI Business Companies Act, 2004 and is domiciled in the British Virgin Islands. The address of its registered and head office is Sea Meadow House, P.O. Box 116, Road Town, Tortola, British Virgin Islands, VG1110. The Company is primarily engaged in the acquisition and disposition of royalty and streaming agreements.

2. MATERIAL ACCOUNTING POLICIES AND CHANGES IN ACCOUNTING POLICIES

(a) Basis of presentation

The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards as issued by the International Accounting Standards Board (“IFRS Accounting Standards”). The consolidated financial statements have been prepared on a going concern basis, under the historical cost convention.

These consolidated financial statements were approved by the board of directors for issue on April 23, 2026.

(b) Basis of measurement

These consolidated financial statements are expressed in United States dollars and include the accounts of Sailfish Royalty Corp. and its subsidiaries. Subsidiaries are entities over which the Company has control. The Company controls a subsidiary when it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over its subsidiary.

As of December 31, 2025, the subsidiaries of the Company are as follows:

Company	Location of Incorporation	Ownership	
		Interest	Principal Activity
Sailfish Royalty Management Corp.	United States of America	100%	Management services
Terraco Gold Corp. *	Canada	100%	Owns TGC Holdings Ltd.
Terraco Royalties USA, Inc. *	United States of America	100%	Moonlight Royalty (NSR)
TGC Holdings Ltd. *	United States of America	100%	Spring Valley Royalties (NSR)
Western Standard Metals Ltd.	Canada	100%	Owns Western Standard Metals USA, Inc.
Western Standard Metals USA, Inc.	United States of America	100%	Inactive

* Sold subsequent to December 31, 2025. See Note 18 for further details.

All inter-company transactions, balances, revenue and expenses are eliminated in full on consolidation.

SAILFISH ROYALTY CORP.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the years ended December 31, 2025 and 2024
(Expressed in United States Dollars)

2. MATERIAL ACCOUNTING POLICIES AND CHANGES IN ACCOUNTING POLICIES (Cont'd)

(c) Functional currency

Items included in the financial statements of each subsidiary are measured using the currency of the primary economic environment in which the entity operates (the “functional currency”). In preparing the financial statements of the individual entities, transactions in currencies other than the entity’s functional currency (foreign currencies) are recorded at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date, giving rise to foreign exchange gains and losses in the statement of income (loss).

The functional currency of Sailfish is the United States dollar. Management is required to assess the functional currency of each subsidiary of the Company, which is summarized as follows:

Company	Location of Incorporation	Ownership Interest	Functional currency
Sailfish Royalty Management Corp.	United States of America	100%	US dollar
Terraco Gold Corp. *	Canada	100%	Canadian dollar
Terraco Royalties USA, Inc. *	United States of America	100%	US dollar
TGC Holdings Ltd. *	United States of America	100%	US dollar
Western Standard Metals Ltd.	Canada	100%	Canadian dollar
Western Standard Metals USA, Inc.	United States of America	100%	US dollar

* Sold subsequent to December 31, 2025. See Note 18 for further details.

Management considered the currency that mainly influences revenue and the cost of providing goods and services in each jurisdiction in which the Company operates as well as all secondary indicators including the currency in which funds from financing activities are denominated and the currency in which funds are retained. Any assets and liabilities of the Company held in foreign currencies are expressed in United States dollars using exchange rates prevailing at the end of the reporting period.

Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period; in this case, the exchange rates at the dates of the transactions are used. Equity transactions are translated using the exchange rate at the date of the transaction. Exchange differences arising from assets and liabilities held in foreign currencies, are recognised in other comprehensive income (loss) as cumulative translation adjustments.

(d) Financial instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position when there is a legally enforceable and unconditional right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

At initial recognition, the Company classifies its financial instruments in the following categories depending on the purpose for which the instruments were acquired:

2. MATERIAL ACCOUNTING POLICIES AND CHANGES IN ACCOUNTING POLICIES (Cont'd)

(d) Financial instruments (cont'd)

Financial assets

Financial assets are classified as either financial assets at fair value through profit or loss, amortized cost, or fair value through other comprehensive income. The Company determines the classification of its financial assets at initial recognition.

i) FVTPL- financial assets are classified at FVTPL if they do not meet the criteria of amortized cost or fair value through other comprehensive income. Changes in fair value are recognized in the consolidated statement of income.

ii) Amortized cost - financial assets are classified as measured at amortized cost if both of the following criteria are met and the financial assets are not designated as at fair value through profit and loss: 1) The objective of the Company's business model for these financial assets is to collect their contractual cash flows; and 2) The assets' contractual cash flow represents solely payments of principal and interest.

The Company's cash, accounts receivable, and due from related parties are recorded at amortized cost. The Company's silver receivable and marketable securities are recorded at FVTPL.

Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments that are not designated as hedging instruments. Gains or losses on financial liabilities at FVTPL are recognized in the consolidated statement of income.

Loans, borrowings and payables

After initial recognition, interest-bearing loans and borrowings and trade and other payables are subsequently measured at amortized cost using the Effective Interest Method ("EIR") method. Gains and losses are recognized in profit or loss when the liabilities are derecognized, as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

The EIR amortization is included as finance fees in the statement of comprehensive income. Gains and losses are recognized when the financial liability is derecognized. The Company recognizes capital contributions directly in contributed surplus when obtaining interest-bearing debt from a related party with a stated interest rate below the current market interest rate for similar debt.

The Company's financial liabilities at amortized cost include: accounts payable and accrued liabilities, dividends payable, due to related parties, convertible debentures interest payable, interest payable on short-term loan, short-term loan and convertible debentures.

A financial liability is derecognized when the associated obligation is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of comprehensive income.

2. MATERIAL ACCOUNTING POLICIES AND CHANGES IN ACCOUNTING POLICIES (Cont'd)

(d) Financial instruments (cont'd)

Impairment

The Company assesses on a forward-looking basis the expected credit loss associated with its debt instruments carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For accounts receivable, the Company applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

(e) Marketable securities

Listed equity securities are valued using quoted market prices (Level 1 in the fair value hierarchy). Equity securities expose the Company to foreign exchange risk, which is managed as part of the Company's overall currency risk management strategy.

(f) Inventory

When refined gold is delivered to the Company under a stream agreement it is initially recorded as inventory. The amount recognized as inventory includes both the cash payment and the related depletion associated with the underlying stream interest. At such time the inventory is sold, the amounts recognized in inventory are recorded as cost of sales and depletion.

(g) Cash and cash equivalents

Cash and cash equivalents include cash held in bank accounts and highly liquid investments with original maturities of three months or less.

(h) Share-based compensation

Compensation expense for options granted to employees, directors and certain service providers is determined based on estimated fair values of the options at the time of grant using the Black-Scholes option pricing model, which takes into account, as of the grant date, the fair market value of the shares, expected volatility, expected dividend yield and the risk-free interest rate over the expected life of the option. The cost is recognized using the graded attribution method over the vesting period of the respective options.

The expense relating to the fair value of stock options is included in expenses and is credited to contributed surplus. Shares are issued from treasury in settlement of options exercised.

(i) Royalty and stream interests

Royalty and stream interests consist of acquired royalty interests and stream metal purchase agreements. These interests are recorded at cost, including the capitalisation of associated transaction costs, and capitalized as intangible assets with finite lives. They are subsequently measured at cost less accumulated depletion and accumulated impairment losses, if any. Royalty and stream interests related to producing mines are depleted using the units-of-production method over the life of the property to which the agreement relates, which is estimated using available information of proven and probable reserves (if applicable) and the portion of resources expected to be classified as mineral reserves at the mine corresponding to the specific interest.

2. MATERIAL ACCOUNTING POLICIES AND CHANGES IN ACCOUNTING POLICIES (Cont'd)

(j) Impairment of royalty and stream interests

At each reporting period, management assesses whether there are any indicators of impairment relating to each of its royalty and stream assets. If there are indicators of impairment, management estimates the recoverable amount of the related interest in order to determine the extent of the impairment, if any.

The recoverable amount is the higher of fair value less costs of disposal ("FVLCD") and value in use ("VIU"). In assessing FVLCD, recent market transactions (where available) are taken into account. If no such transactions can be identified, an appropriate valuation model is used. In assessing VIU, the estimated future pre-tax 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. If the recoverable amount of the asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in net loss for that period.

(k) Income (loss) per share

The Company presents basic and diluted income (loss) per share data for its common shares, calculated by dividing the income (loss) of the Company by the weighted average number of common shares outstanding during the period. Diluted income (loss) per share is determined by adjusting the income (loss) of the Company, and the weighted average number of common shares outstanding for the effects of all dilutive potential common shares, except when the adjustment is anti-dilutive.

(l) Convertible debentures

The liability and equity components of convertible debentures are disclosed separately on the statement of financial position beginning with initial recognition. The financial liability is determined by discounting future payments at the market rate of similar liabilities. Accretion of the discounted payments then increases the liability to reach the debenture's nominal value at maturity, which is recorded in the statement of comprehensive (loss) income.

(m) Interest

Interest income and expenses are recognised in the profit or loss using the effective interest rate method. The effective interest rate is the rate that discounts the estimated future cash payments and receipts through the expected life of the financial instrument (or, when appropriate, a shorter period) to the carrying amount of the financial instrument on initial recognition. When calculating the effective interest rate, the Company estimates future cash flows considering all contractual terms of the financial instrument, but not future credit losses.

(n) Taxes

Income tax expense or benefit for the reporting period includes current and deferred income taxes. Current tax is the expected tax paid or payable on the taxable income for the year, using tax rates enacted or substantively enacted at the statement of financial position date, and any adjustment to tax paid or payable in respect of previous years.

Deferred income tax is recognized using the liability method on temporary differences arising between the carrying amounts of assets and liabilities in the consolidated financial statements and the tax basis of assets and liabilities.

2. MATERIAL ACCOUNTING POLICIES AND CHANGES IN ACCOUNTING POLICIES (Cont'd)

(n) Taxes (cont'd)

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the year that includes the date of enactment or substantive enactment of change. Deferred tax assets and liabilities are presented separately except where there is a right of set-off within fiscal jurisdictions.

The estimation of income taxes includes evaluating the recoverability of deferred tax assets based on an assessment of the Company's ability to utilize the underlying future tax deductions against future taxable income prior to expiry of those deductions. Management assesses whether it is probable that some or all of the deferred income tax assets and liabilities will not be realized.

Under the present British Virgin Island laws, the Company will not be subject to tax on income, profits or capital gains in the British Virgin Islands. Under the laws of the United States, Sailfish Royalty Management Corp., TGC Holdings Ltd, Western Standard Metals, USA, Inc., and Terraco Royalties Corp.; (the "Subsidiaries"), are subject to taxation in the United States, however, the Subsidiaries had no income in 2025 or 2024 and therefore incurred no taxes. Accordingly, no provision for income tax is included in these consolidated financial statements.

(o) Revenue recognition

Revenue is comprised of revenue earned in the year from royalty and stream interests. The Company recognizes revenue upon the transfer of control of the relevant commodity to customers in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those commodities.

For stream agreements, revenue recognition occurs when the relevant commodity received from the stream operator is delivered by the Company to its third-party customers. Revenue is measured at the fair value of the consideration received or receivable when management can reliably estimate the amount, pursuant to the terms of the sales contract.

For royalty interests, revenue recognition occurs when control of the relevant commodity is transferred to the end customer by the operator of the royalty property. Revenue is measured at the fair value of the consideration received or receivable when management can reliably estimate the amount, pursuant to the terms of the royalty agreement. In some instances, the Company will not have access to sufficient information to make a reasonable estimate of consideration to which it expects to be entitled and, accordingly, revenue recognition is deferred until management can make a reasonable estimate. Differences between estimates and actual amounts are adjusted and recorded in the period that the actual amounts are known.

(p) Assets held for sale and discontinued operations

Assets are classified as held for sale if their carrying amount will be recovered or settled principally through a sale transaction rather than through continuing use. The asset must be available for immediate sale and the sale must be highly probable within one year. Assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell ("FVLCS"). Immediately prior to reclassification to assets held for sale, the Company is required to assess for impairment of assets of cash generating units ("CGU")'s under its normal impairment policies. If the carrying value related to a specific asset classified as held for sale exceeds its FVLCS an impairment loss is recognized in the consolidated statement of income (loss). Assets classified as held for sale are presented separately as current items in the consolidated statements of financial position.

2. MATERIAL ACCOUNTING POLICIES AND CHANGES IN ACCOUNTING POLICIES (Cont'd)

(p) Assets held for sale and discontinued operations (cont'd)

A discontinued operation is a component of the Company's business that represents a separate major line of business or geographical area of operations that has been disposed of, has been abandoned, or meets the criteria to be classified as held for sale. Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the consolidated statement of earnings.

On December 23, 2024, the Company entered into a share purchase agreement with Advance Metals Limited ("AML") pursuant to which the Company agreed to sell to AML all of the issued and outstanding shares of Swordfish Silver Corp. ("Swordfish"). Swordfish, through Sailfish de Mexico S.A. de C.V. holds the Company's Gavilanes property. As a result, the Company determined that its exploration and evaluation reporting segment met the criteria to be considered assets held for sale (Note 13). On August 8, 2025, the Company closed this transaction.

On November 26, 2025, as amended February 17, 2026, the Company entered into a gold purchase agreement ("Gold Purchase Agreement") with Mako, whereby, subsequent to year-end, the Company acquired an eleven-year gold stream. This transaction is facilitated by the Company acquiring Mt. Hamilton LLC, which owns the Mt. Hamilton Gold-Silver Project from a third party pursuant to a purchase agreement dated September 27, 2025, and subsequently transferring Mt. Hamilton LLC to Mako in exchange for the gold stream. As a result, the Company determined that the agreement met the criteria to be considered assets held for sale (Note 13).

(q) New standards and interpretation adopted January 1, 2024

Amendments to IAS 1 - Classification of Liabilities as Current or Non-Current

In January 2020, the International Accounting Standards Board ("IASB") issued Classification of Liabilities as Current or Non-Current (Amendments to IAS 1) providing a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. Under pre-existing requirements, a liability was current if an entity expected to settle it in the normal operating cycle or unconditional right to defer settlement of the liability for at least twelve months after the reporting period did not exist. With the introduction of the two amendments to IAS 1 in 2024, for a liability to be classified as non-current, a company must have the right to defer settlement of the liability for at least twelve months after the reporting period. The right must have substance and exist at the end of the reporting period, and the classification of the liability must be unaffected by the likelihood that the company will exercise that right. The amendments apply retrospectively for annual reporting periods beginning on or after 1 January 2024, with early application permitted and have been applied with no material impact on the Company in the current reporting period.

2. MATERIAL ACCOUNTING POLICIES AND CHANGES IN ACCOUNTING POLICIES (Cont'd)

(r) New standards and interpretations not yet adopted

The following new standards have been issued but not yet applied:

IFRS 18 - Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18 - Presentation and Disclosure in Financial Statements, which replaces IAS 1 - Presentation of Financial Statements. IFRS 18 introduces a specified structure for the income statement by requiring income and expenses to be presented into three defined categories (operating, investing, and financing) and by specifying certain defined totals and subtotals. Where company-specific measures related to the income statement are provided ("management-defined performance measures"), IFRS 18 requires disclosure of the explanations around those measures. IFRS 18 also provides additional guidance on principles of aggregation and disaggregation which apply to the primary financial statements and notes. IFRS 18 will not impact the recognition and measurement of items in the financial statements, nor will it impact which items are classified in other comprehensive income and how these items are classified. The standard is effective for reporting periods beginning on or after January 1, 2027, including for interim financial statements. Retrospective application is required and early application is permitted. The Company is currently assessing the effect of this new standard on its financial statements.

IFRS 9 - Financial Instruments and IFRS 7 - Financial Instruments: Disclosures

In May 2024, the IASB issued amendments to the classification and measurement of financial instruments. These amendments updated classification and measurement requirements in IFRS 9 Financial Instruments and related disclosure requirements in IFRS 7 Financial Instruments: disclosures. The IASB clarified the recognition and derecognition date of certain financial assets and liabilities, and amended the requirements related to settling financial liabilities using an electronic payment system. Moreover, the amendments clarify the assessment of the contractual cash flow characteristics of financial assets in determining whether they meet the solely payments of principal and interest (SPPI) criterion, including financial assets that have environmental, social and corporate governance (ESG)-linked features and other similar contingent features. The IASB added disclosure requirements for financial instruments with contingent features that do not relate directly to basic lending risks and costs, and amended disclosures relating to equity instruments designated at fair value through other comprehensive income. Additionally in December 2024, the IASB published amendments to IFRS 9 and IFRS 7 - Contracts Referencing Nature dependent Electricity. The amendments clarify the application of the 'own-use' requirements for in-scope contracts, amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts, and add new disclosure requirements. These amendments apply retrospectively for annual reporting periods beginning on or after 1 January 2026, with early application permitted. The Company is currently evaluating the impact of these amendments on its consolidated financial statements.

As of December 31, 2025, there are no other IFRS or IFRIC interpretations with future effective dates that are expected to have a material impact on the Company.

3. ESTIMATION UNCERTAINTY AND JUDGEMENTS IN APPLYING THE COMPANY'S ACCOUNTING POLICIES

The preparation of these audited consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Information about estimates, assumptions and other sources of estimation uncertainty as at December 31, 2025 that have a risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next year are provided below. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed at each period end. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

3. ESTIMATION UNCERTAINTY AND JUDGEMENTS IN APPLYING THE COMPANY'S ACCOUNTING POLICIES (Cont'd)

Outlined below are the areas that require management to make judgements and significant estimates and assumptions:

i. Assessment of Indicators of Impairment of Royalty and Stream Interests

Assessment of impairment of royalty and stream interests requires the use of judgments when assessing whether there are any indicators of impairment at the end of each reporting period.

For interests in operating mines (operating interests) indicators of impairment may include significant changes in future commodity prices, discount rates, operator reserve and resource estimates or other relevant information received from the operators that indicates production from operating interests will not likely occur or may be significantly reduced in the future. For interests in non-operating mines (non-operating interests), indicators of impairment may include the period, during which the entity has the right to explore in the specific area, has expired during the year or will expire in the near future and is not expected to be renewed, substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned, 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 operator has decided to discontinue such activities in the specific area, and sufficient data exists to indicate that the carrying amount of the underlying interest is unlikely to be recovered in full from successful development or by sale.

If there are indicators of impairment, management estimates the recoverable amount of the related interest in order to determine the extent of any impairment, if any. The recoverable amount is the higher of the fair value less costs of disposal and value in use. During the year ended December 31, 2025, management of the Company determined that there were no indicators of impairment for its royalty and stream interests.

ii. Attributable Reserve and Resource Estimates

The Company has significant royalty and stream interests which represent the capitalized expenditures related to the acquisition of royalty and stream interests, net of accumulated depletion and any impairments. The Company is required to estimate the amount of reserves and resources relating to each interest as the Company's royalty and stream interests are depleted on a units-of-production basis (once in operation), with estimated recoverable reserves and resources being used to determine the depletion rate for each of the Company's royalty and stream interests in certain instances such as impairment tests. Reserves and resources may also be used as a significant assumption for impairment assessments.

Reserves and resources are estimates of the amount of minerals that can be economically and legally extracted from the mining properties at which the Company has royalty and stream interests, adjusted where applicable to reflect the Company's percentage entitlement to minerals produced from such mines. Reserves and resources that are publicly released by the operators of the mining operations for which the Company has royalty and stream interests are based on information compiled by appropriately qualified persons relating to the geological data on the size, depth and shape of the ore body, and requires complex geological assessments to interpret the data. The estimation of recoverable mineral reserves and resources is based upon factors such as estimates of foreign exchange rates, commodity prices, future capital requirements, metallurgical recoveries, permitting and production costs along with geological assumptions made in estimating the size, and grade of the ore body.

Changes in the mineral reserve or mineral resource estimates may impact the carrying value of the Company's royalty and stream interests as well as the depletion rate for each of the Company's royalty and stream interests.

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4. ROYALTY AND STREAM INTERESTS

As of and for the year ended December 31, 2025:

Royalty and stream interests	COST				ACCUMULATED DEPLETION				Carrying amount
	Opening	Additions (Disposals)	Translation effect	Ending	Opening	Depletion	Depletion in Ending Inventory	Ending	
San Albino Gold (i)	\$ 4,371,291	\$ -	\$ -	\$ 4,371,291	\$ 1,856,104	\$ 40,782	\$ -	\$ 1,896,886	\$ 2,474,405
El Compas (ii)	1,030,097	-	-	1,030,097	803,529	-	-	803,529	226,568
La Cigarra (iii)	201,989	-	-	201,989	-	-	-	-	201,989
Spring Valley (iv)	30,988,406	-	2,721	30,991,127	-	-	-	-	30,991,127
San Albino Silver Stream (v)	-	1,000,000	-	1,000,000	-	146,044	-	146,044	853,956
Gavilanes (vi)	-	744,169	-	744,169	-	-	-	-	744,169
Total	\$ 36,591,783	\$ 1,744,169	\$ 2,721	\$ 38,338,673	\$ 2,659,633	\$ 186,826	\$ -	\$ 2,846,459	\$ 35,492,214

As of and for the year ended December 31, 2024:

Royalty and stream interests	COST				ACCUMULATED DEPLETION				Carrying amount
	Opening	Additions (Disposals)	Translation effect	Ending	Opening	Depletion	Depletion in Ending Inventory	Ending	
San Albino Gold (i)	\$ 4,371,291	\$ -	\$ -	\$ 4,371,291	\$ 1,328,967	\$ 527,137	\$ -	\$ 1,856,104	\$ 2,515,187
El Compas (ii)	1,030,097	-	-	1,030,097	803,529	-	-	803,529	226,568
La Cigarra (iii)	201,989	-	-	201,989	-	-	-	-	201,989
Spring Valley (iv)	30,993,206	-	(4,800)	30,988,406	-	-	-	-	30,988,406
Total	\$ 36,596,583	\$ -	\$ (4,800)	\$ 36,591,783	\$ 2,132,496	\$ 527,137	\$ -	\$ 2,659,633	\$ 33,932,150

The Company owns the following royalties and stream interests:

(i) San Albino Gold Stream (3%)

The Company holds a stream equivalent to a 3% Net Smelter Return (“NSR”) on the original area of interest of the San Albino gold mine operated by Mako Mining Corp. (“Mako”). The terms of the stream agreement provide the Company with the right to purchase 4% of all minerals produced from the San Albino gold mine within a specified area of interest for a purchase price equal to 25% of the minerals acquired using the London p.m. gold price as determined by the LBMA on the delivery date of each shipment. Commercial production was achieved at the San Albino gold mine in July 2021.

(ii) El Compas (1.5%)

The Company holds a 1.5% NSR on El Compas, located in Zacatecas, Mexico, which is operated by Grupo ROSGO, S.A. de C.V. (“ROSGO”) (previously operated by Endeavour Silver Corp. (“Endeavour”) and sold to ROSGO on September 12, 2022). Commissioning of El Compas commenced in 2018 and commercial production was achieved in March 2019. Mining operations were suspended during 2021.

(iii) La Cigarra (1%)

The Company holds a 1% NSR on La Cigarra, located in Chihuahua, Mexico. Kootenay Silver Inc. is the current operator and the project is in the exploration stage.

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4. ROYALTY AND STREAM INTERESTS (Cont'd)

(iv) Spring Valley Royalty (0.5% - 3.0%)

The Spring Valley gold project ("Spring Valley Project") is located in Pershing County, Nevada and is 100% owned and controlled by Waterton Global Resource Management. The Company acquired a portfolio of royalties on the Spring Valley Project as part of the acquisition of Terraco Gold Corp. ("TGC"). The royalties in the portfolio acquired range from a 0.5% NSR royalty on a portion of the Spring Valley Project up to a 3.0% NSR sliding scale royalty on the main portion of the Spring Valley Project. The Spring Valley Royalty and Moonlight Royalty were sold subsequent to December 31, 2025, for \$168,000,000. The carrying value of the Spring Valley Royalty and Moonlight Royalty at December 31, 2025 was \$30,991,127. See Note 18 for further information.

The parameters surrounding the 3% NSR sliding scale royalty are as follows:

Gold Price (US\$ per oz)	Royalty %
<\$300	0.84%
\$300-\$399	1.26%
\$400-\$499	1.74%
\$500-\$599	2.16%
\$600-\$699	2.58%
\$700+	3.00%

(v) San Albino Silver Stream

On April 29, 2025, the Company exercised its option to purchase all remaining silver production from Mako's San Albino mine and from concessions owned by Mako at March 1, 2023. Consideration paid to Mako for the exercise of the option was \$1 million and subsequently accounted for as a mineral property stream interest as the Company is exposed to the risks and rewards of the underlying mining asset.

(vi) Gavilanes (2%)

The Company holds a 2.0% NSR on the Gavilanes property located in the Municipality of San Dimas, State of Durango, Mexico. Advance Metals Limited is the current operator and the project is in the exploration stage. See Note 13 for further details.

The Company owns the following royalties and stream interests for which no value has been attributed:

(i) San Albino (2%)

The Company holds a 2% NSR on the district-scale land package surrounding the original area of interest of the San Albino project, which hosts multiple high-grade targets including Las Conchitas and El Golfo.

(ii) Moonlight Royalty (2%)

As part of the acquisition of TGC, Sailfish acquired a 2% NSR on the Moonlight exploration property (the "Moonlight Property"), located to the north of the Spring Valley Project.

The Moonlight Property is comprised of 95 parcels of private fee lands as well as 3 mineral leases of private fee lands and 3 leases of patented mining claims, plus 230 unpatented lode mining claims. The Moonlight Royalty was sold subsequent to December 31, 2025. See Note 18 for further information.

Impairments

While assessing whether any indications of impairments exist, consideration is given to both external and internal sources of information. As at December 31, 2025 and December 31, 2024 there were no indications of impairments on any of the above assets.

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5. SILVER RECEIVABLE

On May 24, 2023, the Company entered into a silver purchase agreement (“Silver Purchase Agreement”) with Mako, whereby the Company paid \$6 million to acquire 13,500 ounces per month of refined silver for a 24-month term (“Payable Silver”). The Company also holds the exclusive right and option to purchase all additional refined silver produced from the San Albino mine or from concessions owned by Mako at the time of the transaction and processed through Mako’s San Albino processing facility until production is no longer economically viable at the mutual agreement of Sailfish and Mako. Such right and option is exercisable after 12 months of the 24-month term of the Silver Purchase Agreement for \$1 million (exercised on April 29, 2025). Mako will provide the Payable Silver to Sailfish on the last business day of each calendar month.

Upon the occurrence of an event of default under the Silver Purchase Agreement, default interest shall accrue daily on the undelivered amount of Payable Silver from and including the date delivery was due to and excluding the date Sailfish receives the disputed Payable Silver to which it is entitled and shall be payable monthly in arrears. The default interest rate is the US prime rate plus 4% per annum.

Silver Receivable	December 31, 2025	December 31, 2024
Beginning of year	\$ 1,885,911	\$ 4,716,330
Additions	\$ -	-
Fair value adjustments to silver receivable	\$ 262,390	1,574,074
Silver payments received	\$ (2,148,301)	(4,404,493)
End of year	\$ -	\$ 1,885,911
Current portion of silver receivable	\$ -	\$ 1,885,911

The Silver Purchase Agreement is measured at FVTPL as the silver receivable is exposed to changes in silver price. During the year ended December 31, 2025, the Company received and sold 67,500 ounces of silver (160,067 for the year ended December 31, 2024) for proceeds of \$2,148,301 (\$4,404,493 for the year ended December 31, 2024).

6. CONVERTIBLE DEBENTURES

On May 24, 2023, the Company closed an offering of unsecured Convertible Debentures for gross proceeds of \$4.1 million (each a “Convertible Debenture”). The holders of the Convertible Debentures are Wexford Catalyst Trading Limited and Wexford Spectrum Trading Limited. The terms of the Convertible Debentures include:

- Each Convertible Debenture bears interest at 10% per annum, from the date of issuance, payable semi-annually in arrears.
- The Convertible Debentures mature on the date that is 60-months from the date of issuance (the “Maturity Date”).
- The Convertible Debentures are convertible, at the option of the holder, into common shares of the Company at a conversion price of C\$1.35 (based on an exchange rate of C\$1.3612: US\$1.00) per Share (the “Conversion Price”), at any time prior to the Maturity Date, subject to adjustment.
- If at any time prior to the Maturity Date, the closing price of the Company’s common shares is greater than C\$1.60 per share for a period of twenty consecutive trading days on TSX-V, the outstanding principal amount may be converted, at the option of the Company, into common shares at the Conversion Price upon providing thirty days written notice to the applicable holder.
- On the Maturity Date, the holders may elect to be repaid the principal amount in cash or common shares at the Conversion Price, and in the absence of any such election, in common shares.
- Accrued interest will be paid, at the election of the Company, either: (i) in cash; or (ii) subject to the approval of the TSX-V, through the issuance of common shares at a price per common share equal to the greater of: (A) the twenty day average closing price of the common shares on the TSX-V immediately before the date the common shares are issued in satisfaction of accrued interest; and (B) the closing price of the common shares on the TSX-V on the date immediately before the date the common shares are issued in satisfaction of accrued interest.

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6. CONVERTIBLE DEBENTURES (Cont'd)

The offering has been accounted for as a compound financial instrument with a debt host and equity conversion feature. On initial recognition, the fair value of the liability component was determined to be \$3,904,191, using an effective interest rate of 11.3%, and the equity component was measured as the residual amount of \$195,809.

On May 8, 2025, in accordance with the terms of the Convertible Debentures, the Company exercised its option to convert the outstanding Convertible Debentures into common shares in the capital of the Company by issuing 4,134,013 common shares to holders of the Convertible Debentures. The Company also elected to settle an aggregate of \$185,639 in outstanding interest accrued up to May 8, 2025 through the issuance of an aggregate of 124,322 common shares at a price of C\$2.06 per common share to the holders of the Convertible Debentures. On conversion, (\$131,391) was recorded as equity.

Convertible Debenture	December 31, 2025	December 31, 2024
Beginning of year	\$ 3,956,505	\$ 3,923,114
Shares issued	(3,968,609)	-
Accretion	12,104	33,391
End of year	\$ -	\$ 3,956,505

7. SHORT-TERM LOAN

On November 26, 2025, the Company entered into a credit agreement with Wexford Capital LP for a \$40 million senior secured bridge term facility (the "Short-term loan") to fund the purchase price for the acquisition and to purchase Mt. Hamilton LLC as nominee, agent and bare trustee for and on behalf of a subsidiary of Mako. On March 23, 2026, the Company transferred the registered legal title of Mt. Hamilton LLC to a subsidiary of Mako.

The Short-term loan matures on November 26, 2026 and carries interest at the secured overnight financing rate plus 800 bps and included a 2.0% commitment fee which was paid with the issuance of 368,249 common shares.

Short-term loan	December 31, 2025	December 31, 2024
Beginning of year	\$ -	\$ -
Addition	40,000,000	-
Interest	455,079	-
End of year	\$ 40,455,079	\$ -

On April 13, 2026, Company repaid the Short-term loan and accrued interest in full. See Notes 13 and 18 for further details.

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8. SHARE CAPITAL AND CONTRIBUTED SURPLUS

(a) Authorized – Unlimited number of common shares with no par value.

(b) Issued share capital is as follows:

	Number of shares	Value
December 31, 2023, issued and outstanding	71,308,954	\$ 41,810,367
Shares bought back on-market and cancelled (i)	(1,836,300)	(1,666,970)
Less: transaction cost on shares bought back	-	(7,095)
Convertible debentures interest (ii)	410,289	410,000
Stock options exercised	791,493	1,126,824
December 31, 2024, issued and outstanding	70,674,436	\$ 41,673,126
Shares bought back on-market and cancelled (iii)	(631,100)	(774,616)
Less: transaction cost on shares bought back	-	(2,408)
Convertible debentures interest (iv)	124,322	185,639
Convertible debentures converted (iv)	4,134,013	4,100,000
Shares issued under dividend reinvestment plan (v)	1,103,812	1,776,978
Shares issued under loan commitment fee (vi)	368,249	788,413
Stock options exercised	480,884	737,423
December 31, 2025, issued and outstanding	76,254,616	\$ 48,484,555

- i. During the year ended December 31, 2024, Sailfish purchased 1,836,300 common shares on-market, which have been cancelled. The shares were acquired at an average price of \$0.9117 (C\$1.2408) per share, with prices ranging from \$0.7838 (C\$1.0500) to \$1.0150 (C\$1.3898). The total cost of \$1,666,970, plus \$7,095 of transaction costs, was deducted from shareholders' equity.
- ii. During the year ended December 31, 2024, Sailfish issued 410,289 shares as interest on the convertible debentures for \$410,000 (C\$567,461) (Note 6).
- iii. During the year ended December 31, 2025, Sailfish purchased 631,100 common shares on-market, which have been cancelled. The shares were acquired at an average price of \$1.2312 (C\$1.7205) per share, with prices ranging from \$1.7252 (C\$2.3607) to \$1.1577 (C\$1.6000). The total cost of \$774,616, plus \$2,408 of transaction costs, was deducted from shareholders' equity.
- iv. On May 8, 2025, in accordance with the terms of the Convertible Debentures, the Company exercised its option to convert the outstanding Convertible Debentures into common shares in the capital of the Company by issuing 4,134,013 common shares to holders of the Convertible Debentures. The Company also elected to settle an aggregate of \$185,639 in outstanding interest accrued up to May 8, 2025 through the issuance of an aggregate of 124,322 common shares at a deemed price of C\$2.06 per common share to the holders of the Convertible Debentures.
- v. During the year ended December 31, 2025, Sailfish issued 1,103,812 common shares for \$1,776,978 under its dividend reinvestment plan
- vi. During the year ended December 31, 2025, Sailfish issued 368,249 common shares for \$788,413 under a loan commitment fee.

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8. SHARE CAPITAL AND CONTRIBUTED SURPLUS (Cont'd)

(b) Issued share capital is as follows (cont'd):

On August 11, 2025, the Company announced that the TSX-V had accepted a notice filed by the Company of its intention to make a normal course issuer bid to be transacted through the facilities of the TSX-V. The notice provides that the Company may, during the 12-month period commencing August 12, 2025 and ending August 11, 2026, purchase up to 3,767,749 common shares of the Company in total, being approximately 5% of the total number of shares outstanding as at July 16, 2025.

(c) Stock options

As at December 31, 2025, the Company had outstanding share purchase options enabling holders to acquire common shares of the Company as follows:

Number	Vested	C\$	C Price per share	Expiry date
719,116	719,116	C\$	1.25	October 28, 2025 *
40,194	40,194	C\$	1.14	March 15, 2026
1,075,000	1,075,000	C\$	1.28	May 31, 2027
700,000	700,000	C\$	1.14	March 13, 2028
2,075,000	691,667	C\$	1.50	January 29, 3030
4,609,310	3,225,977			

* Expired March 10, 2026

The continuity of stock options granted and outstanding is as follows:

	Number of Options	Weighted Average Exercise Price C\$
Outstanding December 31, 2023	3,980,650	1.20
Expired during the period (i)	(173,963)	1.15
Exercised during the period (i)	(791,493)	1.08
Outstanding December 31, 2024	3,015,194	1.23
Granted (ii)	2,075,000	1.50
Exercised during the period (iii)	(480,884)	1.25
Outstanding December 31, 2025	4,609,310	1.35

- (i) During the year ended December 31, 2024, 791,493 stock options were exercised with an average exercise price of C\$1.08 per common share and 173,963 stock options expired with an average exercise price of C\$1.15 per common share.
- (ii) On January 29, 2025, the Company granted 2,075,000 stock options. The following assumptions and inputs were used to fair value the options on the grant date: expected life – 5 years; weighted average historical share price volatility – 61.94%, expected dividend yield – 5.05%, risk free interest rate – 2.87%, and share price – C\$1.42. The weighted average grant-date fair value of the stock options granted during the year is C\$0.52.
- (iii) During the year ended December 31, 2025, 480,884 stock options were exercised with an average exercise price of C\$1.25 per common share.

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8. SHARE CAPITAL AND CONTRIBUTED SURPLUS (Cont'd)

(c) Dividends

During the year ended December 31, 2025, the Company declared dividends of \$3,720,503 (December 31, 2024 - \$3,542,264). During the year ended December 31, 2025, the Company paid dividends of \$3,650,751 of which \$1,873,773 was paid in cash and \$1,776,978 was paid in shares (December 31, 2024 - \$3,550,195 in cash) and \$953,183 (December 31, 2024 - \$883,431) is included in dividends payable at December 31, 2025.

Eligible shareholders may participate in a dividend reinvestment plan ("DRIP"), where they can elect to have cash dividends declared on all or a portion of their common shares automatically reinvested in additional common shares of the Company. Common shares issued under the DRIP are issued from treasury at a price equal to the volume weighted average trading price of the Company's common shares on the TSX-V for the five consecutive trading days immediately preceding the dividend payment date. The amount of dividends reinvested is recorded as a reduction to retained earnings, with the corresponding credit recognized in share capital upon issuance of the reinvestment shares.

(d) Diluted earnings per share

	Year ended		Year ended	
	December 31, 2025		December 31, 2024	
Net income for the year	\$	1,714,228	\$	550,033
Basic weighted average number of shares		73,882,342		70,835,735
Basic earnings per share	\$	0.02	\$	0.01
Effect of diluted securities				
Stock options		1,434,504		101,587
Diluted weighted average number of shares		75,316,846		70,937,322
Diluted earnings per share	\$	0.02	\$	0.01

The following table lists the number of potentially dilutive securities excluded from the computation of diluted earnings per share because the exercise prices exceeded the average closing market value of the common shares of C\$2.32 during the year ended December 31, 2025 (December 31, 2024 – C\$1.26).

	Year ended		Year ended	
	December 31, 2025		December 31, 2024	
Stock options		-		1,075,000

9. RELATED PARTIES

Related party transactions have been measured at the exchange amount of consideration agreed between the related parties. Related party transactions are listed below:

(a) Key management compensation

Key management includes directors and senior management. For the year ended December 31, 2025 and 2024 the compensation was as follows:

- (i) During the year ended December 31, 2025, the Company incurred director fees of \$136,000 (December 31, 2024 - \$116,000). Included in accounts payable is director fees of \$13,750 (December 31, 2024 - \$13,750).

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9. RELATED PARTIES (Cont'd)

(a) Key management compensation (cont'd)

(ii) During the year ended December 31, 2025, the Company incurred senior management fees of \$1,201,826 (December 31, 2024 - \$1,161,617). During the year ended December 31, 2025, the Company incurred share-based compensation to key management of \$592,381 (December 31, 2024 - \$106,181).

(b) Related party transactions

(i) At December 31, 2025 and December 31, 2024, due from related parties was comprised of the following balances:

	December 31, 2025	December 31, 2024
Due from Nicoz Resources S.A.	\$ 773,284	\$ 432,870
Total due from related parties	\$ 773,284	\$ 432,870

(ii) During the year ended December 31, 2025, the Company incurred rent of \$36,376 which is included in general office and regulatory fees (December 31, 2024 - \$19,200) to companies with officers or directors in common for office space for which there is no long-term commitment.

(iii) At December 31, 2025 and December 31, 2024, due to related parties was comprised of the following balances:

	December 31, 2025	December 31, 2024
Fees payable to directors and officers	\$ 675,000	\$ 225,000
Fees payable to a director	13,750	13,750
Nicoz Resources S.A.	10,233	69,698
Total due to related parties	\$ 698,983	\$ 308,448

(iv) During the year ended December 31, 2025, the Company incurred stream payments (Note 4(i)) to Nicoz Resources S.A., a subsidiary of Mako, a company related by common shareholders, officers and directors of \$120,653 (December 31, 2024 - \$447,078), of which \$10,233 (December 31, 2024 - \$69,968) is included in due to related parties and \$773,284 (December 31, 2024 - \$432,870) relating to royalty revenue is included in due from related parties at December 31, 2025.

(v) During the year ended December 31, 2025, the Company received and sold 67,500 ounces of silver in relation to the silver receivable (December 31, 2024 - 160,067) for proceeds of \$2,148,301 (December 31, 2024 - \$4,404,493).

(vi) During the year ended December 31, 2025, the Company received and sold 17,661 ounces of silver in relation to the San Albino Silver Stream (December 31, 2024 - nil) for proceeds of \$805,216 (December 31, 2024 - \$nil).

(vii) Financing activities

- During the year ended December 31, 2025, the Company accrued interest expense of \$455,079 on its short-term loan with Wexford Capital, LP.
- During the year ended December 31, 2025, the Company issuing 4,134,013 common shares to holders of the Convertible Debentures, being Wexford Catalyst Trading Limited and Wexford Spectrum Trading Limited for \$3,968,608.
- During the year ended December 31, 2025, Sailfish issued 368,249 common shares for \$788,413 under a loan commitment fee with Wexford Capital, LP.

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10. MANAGEMENT OF FINANCIAL RISK

(a) Overview

The Company has exposure to credit risk, liquidity risk and market risk from its use of financial instruments. This note presents information about the Company's exposure to each of these risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

(b) Fair Value of Financial Instruments

IFRS 9 requires financial assets to be classified into three measurement categories on initial recognition: fair value through profit and loss ("FVTPL"), fair value through other comprehensive income ("FVOCI") and amortized cost. Investments in equity instruments are required to be measured by default at FVTPL (but there is an irrevocable option for each equity instrument to present fair value changes in other comprehensive income). Measurement and classification of financial assets is dependent on the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

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

Financial Instrument	Category	December 31, 2025	December 31, 2024
Cash	Amortized cost	\$ 1,526,346	\$ 2,150,823
Accounts receivable	Amortized cost	24,928	16,036
Due from related parties	Amortized cost	773,284	432,870
Marketable securities	FVTPL	1,681,773	-
Assets held for sale	FVTPL	40,000,000	-
Silver receivable	FVTPL	-	1,885,911
Accounts payable and accrued liabilities	Amortized cost	(229,975)	(121,830)
Dividends payable	Amortized cost	(953,183)	(883,431)
Due to related parties	Amortized cost	(698,983)	(308,448)
Convertible debentures	Amortized cost	-	(3,956,505)
Convertible debentures interest payable	Amortized cost	-	(43,247)
Interest payable on short-term loan	Amortized cost	(455,079)	-
Short-term loan	Amortized cost	(40,000,000)	-

Financial instruments must be classified at one of three levels within a fair value hierarchy according to the relative reliability of the inputs used to estimate their values. The three levels of the hierarchy are as follows:

- Level 1: Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and value to provide pricing information on an ongoing basis.
- Level 2: Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the marketplace.
- Level 3: Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

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10. MANAGEMENT OF FINANCIAL RISK (Cont'd)

(b) Fair Value of Financial Instruments (cont'd)

The fair value of all financial instruments not recorded at fair value approximates their carrying value due to either their short-term maturity and/or capacity of prompt liquidation.

The Company does not have any financial instruments that are measured using level 1, 2 or level 3 inputs, other than its silver receivable, which is measured at Level 2, and marketable securities, which is measured at Level 1.

(c) Credit Risk

Credit risk is the risk of potential loss to the Company if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to cash held in bank accounts, accounts receivable, and due from related parties. The carrying amount of financial assets recorded in the consolidated financial statements represents the Company's exposure to credit risk.

The Company limits its exposure to credit risk on liquid financial assets through investing its cash and cash equivalents with high-credit quality financial institutions and by closely monitoring its accounts receivable and due from related parties.

(d) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk by forecasting cash flows from operations, anticipated investing and financing activities and through the management of its capital structure. Accounts payable and accrued liabilities, liabilities held for sale, convertible debentures interest payable, short-term loan, interest payable, dividends payable and due to related parties amount of \$42,337,220 (December 31, 2024 - \$1,360,735) is due within 12 months.

(e) Market Risk

(i) Foreign Currency Risk

Foreign exchange risk is the risk arising from changes in foreign currency fluctuations. The Company's operations and royalty and stream agreements are conducted primarily in US dollars. As a result, the Company is not significantly exposed to fluctuation in exchange rates and foreign currency risk.

At December 31, 2025 and December 31, 2024, the Company's exposure to foreign currency risk is as follows:

	December 31, 2025	December 31, 2024
Cash (C)	\$ 31,829	\$ 43,153
Cash (MXN)	-	6,660
Accounts payable and accrued liabilities (C)	154,742	118,018
Marketable securities (A)	1,681,773	-

Had the Canadian Dollar, Australian Dollar and Mexican Peso foreign exchange rate strengthened against the United States dollar by 1%, with all other variables remaining constant, the change in net income would have been insignificant. A weakening of 1% in the Canadian Dollar, Australian Dollar and Mexican Peso against the United States dollar, with all other variables held constant, would have had an equal but opposite effect.

10. MANAGEMENT OF FINANCIAL RISK (Cont'd)

(e) Market Risk (cont'd)

(ii) Interest Rate Risk

The interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As at December 31, 2025 the Company has exposure to interest rate risk due to the short-term loan. A 1% increase in the secured overnight financing rate would increase interest expense by \$400,000, whereas a 1% decrease in the secured overnight financing rate would decrease interest expense by \$400,000.

(iii) Commodity Price Risk

Commodity price risk is the risk that the fair value of financial assets and financial liabilities or expected future cash flows will fluctuate as a result of changes in commodity prices. Commodity prices for minerals are impacted by world economic events that dictate the levels of supply and demand as well as the relationship between the Canadian and United States Dollars, as outlined above. As at December 31, 2025, the Company has exposure to commodity price risk through its royalties and streams. See Note 3.

11. CAPITAL MANAGEMENT

The Company manages and adjusts its capital structure based on available funds in order to support its royalty and streaming agreements. The Company considers its capital under management to consist of cash and cash equivalents, royalty and stream interests, receivables, share capital, contributed surplus and due to/from related parties. The Company manages the capital structure and makes adjustments in light of changes in economic conditions and the risk characteristics of the Company's assets.

The Company's objectives of capital management are intended to ensure the entity's ability to support the Company's normal operating requirements on an ongoing basis, continue its obligations under the royalty and streaming agreements, and support any expansionary plans.

To effectively manage the Company's capital requirements, it may finance its royalty and streaming agreements through cash flows from operations or additionally, the Company may issue new equity or debt.

The Board of Directors reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

There were no changes in the Company's approach to capital management during the year ended December 31, 2025.

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12. SEGMENT INFORMATION

As at December 31, 2025 and December 31, 2024 the Company has one business segment: the acquiring of royalty and streaming agreements. The royalty and stream interests presented in Note 4 reflect the way in which the Company monitors its business performance. The table below summarizes the components of the Company's business where separate financial information is available and is evaluated on a regular basis.

For the year ended December 31, 2025:

	Product	Sales	Royalty revenue	Cost of sales, excluding depletion	Depletion	Royalty and stream interests	Income (loss) before taxes
Royalties and stream interests							
San Albino							
Nicaragua	Gold/Silver	\$ 1,009,123	\$ 2,366,144	\$ 50,955	\$ 186,826	\$ -	\$ 3,137,486
El Compas							
Mexico	Various	-	-	-	-	-	-
Spring Valley							
USA	Gold	-	-	-	-	-	-
Other							
Various	Various	-	-	-	-	-	-
Total segments		\$ 1,009,123	\$ 2,366,144	\$ 50,955	\$ 186,826	\$ -	\$ 3,137,486
Corporate							
Discontinued operations		\$ -	\$ -	\$ -	\$ -	\$ -	\$ 458,968
Continuing operations		-	-	-	-	-	(1,882,226)
Total corporate		\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,423,258)
Total consolidated							\$ 1,714,228

For the year ended December 31, 2024:

	Product	Sales	Royalty revenue	Cost of sales, excluding depletion	Depletion	Royalty and stream interests	Income (loss) before taxes
Royalties and stream interests							
San Albino							
Nicaragua	Gold/Silver	\$ 1,865,289	\$ 974,644	\$ 445,985	\$ 527,137	\$ -	\$ 1,866,811
El Compas							
Mexico	Various	-	-	-	-	-	-
Spring Valley							
USA	Gold	-	-	-	-	-	-
Other							
Various	Various	-	-	-	-	-	-
Total segments		\$ 1,865,289	\$ 974,644	\$ 445,985	\$ 527,137	\$ -	\$ 1,866,811
Corporate							
Discontinued operations		\$ -	\$ -	\$ -	\$ -	\$ -	\$ (484,284)
Continuing operations		-	-	-	-	-	(832,494)
Total corporate		\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,316,778)
Total consolidated							\$ 550,033

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12. SEGMENT INFORMATION (Cont'd)

The Company's non-current assets by geographical region is as follows:

	December 31, 2025	December 31, 2024
USA	\$ 32,524,006	\$ 30,988,406
Nicaragua	3,328,361	2,515,187
Mexico	1,172,726	428,557
Total	\$ 37,025,093	\$ 33,932,150

13. ASSETS HELD FOR SALE

Mt. Hamilton LLC

On November 26, 2025, as amended on February 17, 2026, the Company entered into a Gold Purchase Agreement with Mako, whereby, subsequent to year-end, the Company acquired an eleven-year gold stream (see Note 18). This transaction is facilitated by the Company acquiring Mt. Hamilton LLC, which owns the Mt. Hamilton Gold-Silver Project, from a third party pursuant to a purchase agreement dated September 27, 2025, and subsequently transferring Mt. Hamilton LLC to Mako in exchange for the gold stream. To fund the transaction, Sailfish entered into a credit agreement with Wexford Capital LP for a senior secured bridge term facility in the aggregate amount of up to \$40 million (see Note 7).

As Mt. Hamilton LLC was acquired by the Company solely as an agent to the overall transaction, with the exclusive view of resale to Mako, the Company has accounted for Mt. Hamilton LLC as an asset held for sale, using the single method of account approach.

Mt. Hamilton LLC	December 31, 2025	December 31, 2024
Additions	\$ 40,000,000	\$ -
End of year	\$ 40,000,000	\$ -

Gavilanes Property

On December 17, 2024, the Company entered into a share purchase agreement (the "AML Agreement") with AML pursuant to which the Company agreed to sell to AML (the "AML Transaction") all of the issued and outstanding shares (the "Purchased Shares") of Swordfish. Swordfish, through Sailfish de Mexico S.A. de C.V., holds the Gavilanes property. In addition to the AML Transaction, AML paid a \$25,000 non-refundable exclusivity fee to the Company. On August 8, 2025, the Company closed the AML Transaction.

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13. ASSETS HELD FOR SALE (Cont'd)

Gavilanes Property (cont'd)

Pursuant to the terms of the AML Agreement, as consideration for the acquisition of the Purchased Shares by AML, the Company accounted for this transaction by recognizing:

1. a cash payment in the amount of \$50,000;
2. 16,800,000 fully paid ordinary shares in the capital of AML (each, an "AML Share") recorded in the amount of \$493,331, which reflects the fair value on the closing of the transaction;
3. 33,600,000 performance rights (the "Performance Rights"), with such Performance Rights entitling the Company to the issuance of AML Shares upon satisfaction of the following milestones;
 - a. 16,800,000 Performance Rights shall automatically convert, without payment of additional consideration, into 16,800,000 AML Shares upon AML achieving a 30 million oz resource at 300g/t silver equivalent or greater from the Gavilanes property on or before August 8, 2030; and
 - b. 16,800,000 Performance Rights shall automatically convert, without payment of additional consideration, into 16,800,000 AML Shares upon AML achieving a 60 million oz resource at 300g/t silver equivalent or greater from the Gavilanes property on or before August 8, 2030.

The Company has ascribed no value to the Performance Rights.

4. a 2.0% NSR in respect of all mineral production from the area within the boundaries of the Gavilanes property, in the amount of \$744,169 recorded as part of royalty and stream interests, which reflects the fair value of the royalty interest on closing of the transaction. The key judgements in concluding that this royalty should be accounted for as a royalty and stream interest were the cash flow risks and returns being dependent upon the Gavilanes project actually producing and that payments will occur only during the life of the mine. The fair value of this NSR was determined based on comparable market transactions.

In addition to the consideration outlined above, pursuant to the terms of the AML Agreement, from August 8, 2025 until August 8, 2030 (the "Minimum Expenditure Period"), AML agreed to incur a minimum of \$2,000,000 in exploration expenditures on the Gavilanes property (the "Minimum Expenditure Commitment") and, in the event that: (i) the Minimum Expenditure Commitment is not satisfied during the Minimum Expenditure Period; and (ii) no Performance Rights have vested as at such time, AML shall make an immediate cash payment of \$500,000 to the Company. The Company has assigned no value to this provision.

As at December 31, 2025 and December 31, 2024, the assets and liabilities that are included in the held for sale categories are summarized below:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
	<u>Gavilanes Property</u>	<u>Gavilanes Property</u>
Assets classified as held-for-sale:		
Cash	\$ -	\$ 6,660
Exploration and evaluation assets	-	619,313
	\$ -	\$ 625,973
Liabilities classified as held-for-sale:		
Accounts payable and accrued liabilities	\$ -	\$ 3,779

On closing of the AML Transaction, the Company recognized a gain on disposal of \$711,973.

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13. ASSETS HELD FOR SALE (Cont'd)

Gavilanes Property (cont'd)

		Gavilanes
Cash consideration	\$	50,000
Fair value of marketable securities		493,331
Fair value of net smelter royalty		744,169
Net proceeds	\$	1,287,500
Net assets		
Cash	\$	4,091
Exploration and evaluation assets		651,399
Accounts payable and accrued liabilities		(1,031)
		654,459
Gain on disposal before reclassification of foreign currency translation reserve		633,041
Reclassification of foreign currency translation reserve to earnings		78,932
Gain on disposal of assets held for sale	\$	711,973

The net income from discontinued operations from the Gavilanes property, which includes the results of operating activities for the year ended December 31, 2025 and 2024, are as follows:

	December 31, 2025	December 31, 2024
General office and regulatory fees	\$ 52,532	\$ 101,575
Exploration fees	198,881	381,816
Foreign exchange loss	1,592	893
Gain on disposal of assets held for sale	(711,973)	-
Net (gain) loss on disposal of assets held for sale	\$ (458,968)	\$ 484,284

14. MARKETABLE SECURITIES

At December 31, 2025, the Company held 16,800,000 common shares of AML. This investment is accounted for at fair value through profit or loss, with all changes in fair value recognized in the statement of income (loss). Management estimates the fair market value of these available-for-sale securities using the Australian Stock Exchange (ASX) quoted market price of the securities at the reporting date.

	Number of shares	Cost	Fair value	Cumulative fair value gains
December 31, 2025				
Equity securities - listed	16,800,000	\$ 493,331	\$ 1,681,773	\$ 1,188,442
Total	16,800,000	493,331	1,681,773	1,188,442

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15. DEFERRED ACQUISITION COSTS

Mt Hamilton LLC

On November 26, 2025, amended as of February 17, 2026, the Company entered into a Gold Purchase Agreement with Mako, whereby, subsequent to year-end, the Company acquired an eleven-year gold stream (Notes 13 and 18). During the year ended December 31, 2025, all transaction costs associated with this transaction have been recorded as deferred acquisition costs. This transaction closed on March 23, 2026.

Short-term Loan

On November 26, 2025, the Company entered into a credit agreement with Wexford Capital LP for a \$40 million senior secured bridge term facility. During the year ended December 31, 2025, Sailfish issued 368,249 common shares for \$788,413 under a loan commitment fee with Wexford Capital, LP (Note 7). The loan commitment fee, along with all other transaction costs associated with the Short-term loan have been recorded as deferred acquisition costs. On April 13, 2026, Company repaid the Short-term loan and accrued interest in full. See Note 18 for further details.

16. INCOME TAXES

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

	December 31, 2025	December 31, 2024
Net income before income taxes	\$ 1,714,228	\$ 550,033
Expected tax recovery at 21.0% (2024 – 21.0%)	359,988	115,507
Effect of change and difference in tax rates/jurisdictions	(475,158)	(103,859)
Income tax benefits not recognized	120,575	160
Other	(5,405)	(11,808)
Income tax expense	\$ -	\$ -

The Company is resident for tax purposes in the British Virgin Islands, which does not have an income tax. The Company's 100% held subsidiary, TGC Holdings Ltd., is resident for tax purposes in the United States, which has a 21% income tax rate. Management has chosen the United States statutory rate as the applicable income tax rate for financial statement disclosure purposes.

A reconciliation of temporary timing differences between the income tax basis and accounting cost result in the Company's potential deferred income tax assets and liabilities. Significant components of the Company's deferred income tax assets (liabilities) at December 31, 2025 and 2024 are as follows:

	Year Ended December 31, 2025	Year Ended December 31, 2024
Non-capital loss carry forwards	\$ 6,733,395	\$ 6,579,880
	6,733,395	6,579,880
Estimated corporate income tax rate	21.00%	21.00%
Deferred income assets (liabilities)	1,414,013	1,381,775
Deferred income assets not recognized	(1,414,013)	(1,381,775)
Total deferred income tax assets (liabilities)	\$ -	\$ -

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16. INCOME TAXES (Cont'd)

The Company has available non-capital tax losses of approximately \$6,733,395 (2024 - \$6,579,880), of which \$1,187,687 expire at varying dates up to 2045. These losses are available for use in the United States and Canada. The potential benefit of the losses has been reduced to \$nil in the consolidated financial statements by management's determination that it is not probable that they will be utilized prior to expiry.

17. SUPPLEMENTAL CASH FLOW INFORMATION

The following significant non-cash transactions have been excluded from the consolidated statements of cash flows:

During the year ended December 31, 2025, the Company issued nil (2024 - 410,289) common shares with a value of \$nil (2024 - \$410,000) which are included under interest expense.

During the year ended December 31, 2025, the Company issued 368,249 (2024 - nil) common shares with a value of \$788,413 (2024 - \$nil) which was a non-cash transaction.

18. EVENTS AFTER THE REPORTING PERIOD

- a) Subsequent to December 31, 2025, 1,119,131 stock options were exercised with an average exercise price of C\$1.26 per common share.
- b) On February 23, 2026, the Company entered into a share purchase agreement with OR Royalties pursuant to which the Company has agreed to sell to OR Royalties all of the issued and outstanding shares of Terraco Gold Corp., a wholly owned subsidiary of Sailfish, for after-tax cash consideration of \$168 million, payable on closing of the transaction. Terraco Gold Corp., through its subsidiaries TGC Holdings Ltd. and Terraco Royalties USA, Inc., holds the Spring Valley Royalty and Moonlight Royalty. This transaction closed on April 10, 2026.
- c) On February 24, 2026, the Company declared the Company's first quarterly cash dividend for 2026 in the amount of \$0.0375 per common share that will be payable on July 15, 2026 to Sailfish shareholders of record as of the close of business on March 31, 2026.
- d) On March 23, 2026, the Company acquired an eleven-year gold stream from Mako. Under the gold stream, the Company will receive: (i) a monthly gold delivery for a period of 132 months, whereby Sailfish will purchase from Mako approximately 341.7 troy ounces of gold for the first 60 months at a price equal to 20% of the London Bullion Market Association PM Fix price, but in any event not less than \$2,700 per ounce of gold and not more than \$3,700 per ounce of gold; and, (ii) a monthly gold delivery for a final 72 months, whereby Sailfish will purchase from Mako 100 troy ounces of gold at a price equal to 20% of the London Bullion Market Association PM Fix price with no ceiling or floor limitations associated with such price.

Mako may satisfy its obligations in respect of the delivery of all or a portion of the gold payable through the delivery of refined gold from any source, including the delivery of any London Bullion Market Association gold delivery bars in the relevant quantity. The gold stream will be secured against all present and after-acquired property of Mako, in addition to specific guarantees and pledges relating to an encumbrance by Sailfish over the Mt. Hamilton Gold-Silver Project.
- e) On April 13, 2026, Company repaid the Short-term loan and accrued interest in full which consisted of \$40,000,000 in principal and \$1,794,310 in interest.
- f) Subsequent to December 31, 2025, Sailfish purchased 481,300 common shares on-market of which all have been cancelled.
- g) Subsequent to December 31, 2025, the Company received and sold 274.321 ounces of gold for \$1,316,741 pertaining to the Gold Purchase Agreement.

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18. EVENTS AFTER THE REPORTING PERIOD (Cont'd)

- h) Subsequent to December 31, 2025, the Company sold 4,000,000 shares of AML for \$431,739.