SILVERCREST Metals Inc.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AND NOTES

FOR THE SIX MONTHS ENDED JUNE 30, 2016

(UNAUDITED)

MANAGEMENT’S RESPONSIBILITY FOR FINANCIAL REPORTING

CONDENSED CONSOLIDATED INTERIM FINANCIAL REPORTING

The accompanying condensed consolidated interim financial statements of SilverCrest Metals Inc. (“the Company”) have been prepared by management in accordance with International Financial Reporting Standards (“IFRS”). Management acknowledges responsibility for the preparation and presentation of the condensed consolidated interim financial statements, including responsibility for significant accounting estimates and the choice of accounting principles and methods that are appropriate to the Company‘s circumstances.

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

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

SILVERCREST METALS INC.

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SILVERCREST METALS INC.
CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(UNAUDITED – EXPRESSED IN CANADIAN DOLLARS)

AS AT

		June 30, 2016		December 31, 2015
ASSETS				
Current asset				
Cash and cash equivalents	$	2,914,686	$	5,241,781
Short term investments		2,000,000		2,000,000
Amounts receivable (note 6)		58,344		94,467
Taxes receivable		230,127		45,499
Prepaids		50,250		19,431
Total current assets		5,253,407		7,401,178
Non-current asset				
Deposits		58,076		58,076
Equipment (note 4)		91,984		50,760
Exploration and evaluation assets (note 5)		2,132,720		622,721
Total non-current assets		2,282,780		731,557
TOTAL ASSETS		7,536,187	$	8,132,735
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current liabilities				
Accounts payable and accrued liabilities (note 6)	$	179,191	$	117,531
Shareholders' equity				
Capital stock (note 7)		8,424,104		8,337,099
Share-based payment reserve (note 7)		241,920		253,052
Deficit		(1,309,028)		(574,947)
Total Shareholder's equity		7,356,996		8,015,204
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$	7,536,187	$	8,132,735

Nature of operations and going concern (note 1)
Subsequent event (note 10)

Approved by the Board and authorized for issue on August 15, 2016:

"Barney Magnusson" **Director** *"Graham C. Thody"* **Director**

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

SILVERCREST METALS INC.
CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE LOSS
(UNAUDITED – EXPRESSED IN CANADIAN DOLLARS)

For the periods ended June 30, 2016	**Three months ended**	**Six months ended**
Depreciation (note 4)	$ 5,945	$ 10,652
Exploration expenditures	44,044	51,911
Foreign exchange loss, unrealized	7,169	132,518
Insurance	4,375	8,750
Interest income	(15,717)	(26,595)
Management fees (note 6)	26,250	52,500
Office and miscellaneous	11,182	22,372
Professional fees (note 6)	38,971	69,283
Regulatory and transfer agent fees	13,862	17,860
Rent and communications	29,086	59,049
Remuneration (note 6)	81,738	156,405
Share-based compensation (note 7)	3,721	10,820
Shareholder and investor relations	50,114	77,080
Technical consultants	3,230	14,300
Tradeshow and travel	39,964	77,176
Net loss and comprehensive loss for the period	$ (343,934)	$ (734,081)
Basic and diluted comprehensive loss per common share	$ (0.01)	$ (0.02)
Weighted average number of common shares outstanding	40,217,398	40,063,814

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

SILVERCREST METALS INC.
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS
(UNAUDITED – EXPRESSED IN CANADIAN DOLLARS)

For the periods ended June 30, 2016		Three months ended		Six months ended
CASH FLOWS FROM OPERATING ACTIVITIES				
Net loss for the period	$	(343,934)	$	(734,081)
Items not affecting cash:				
Depreciation		5,945		10,652
Share-based compensation		3,721		10,820
Interest income		(15,718)		(26,595)
Cash flows before changes in working capital items		(349,986)		(739,204)
Amounts receivable		(9,946)		52,153
Taxes receivable		(132,321)		(184,628)
Prepaid expenses		18,205		(30,819)
Accounts payable and accrued liabilities		(4,397)		(39,759)
Net cash used in operating activities		(478,445)		(942,257)
CASH FLOWS FROM FINANCING ACTIVITIES				
Capital stock issued		58,303		65,053
Net cash provided by financing activities		58,303		65,053
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received		7,376		10,565
Exploration and evaluation		(975,699)		(1,408,580)
Purchase of equipment		(44,453)		(51,876)
Net cash used in investing activities		(1,012,776)		(1,449,891)
Change in cash and cash equivalents, during the period		(1,432,918)		(2,327,095)
Cash and cash equivalents, beginning of the period		4,347,604		5,241,781
Cash and cash equivalents, end of the period	$	2,914,686	$	2,914,686
Cash and cash equivalents is represented by:				
Cash	$	70,670	$	70,670
Cash equivalents		2,844,016		2,844,016
	$	2,914,686	$	2,914,686
Non-cash investing activities				
Capitalized to exploration and evaluation assets				
Accounts payable and accrued liabilities	$	53,553	$	101,419

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

SILVERCREST METALS INC.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(UNAUDITED – EXPRESSED IN CANADIAN DOLLARS)

	Capital Stock Number	Capital Stock Amount	Share-Based Payment Reserve	Deficit	Total
Balance at June 23, 2015	-	$ -	$ -	$ -	$ -
Share issued on incorporation	1	1	-	-	1
Balance at June 30, 2015	1	1	-	-	1
Stock-based compensation	-	-	196,521	-	196,521
Stock options exercised	1,077,713	196,827	(132,164)	-	64,663
Issuance of capital stock under the Arrangement	22,144,750	5,682,182	191,543	-	5,873,725
Private placement	16,665,143	2,499,771	-	-	2,499,771
Capital stock issuance costs	-	(41,682)	-	-	(41,682)
Stock options expired	-	-	(2,848)	2,848	-
Net loss and comprehensive loss for the period	-	-	-	(577,795)	(577,795)
Balance at December 31, 2015	39,887,607	8,337,099	253,052	(574,947)	8,015,204
Share-based compensation	-	-	10,820	-	10,820
Stock options exercised	217,524	42,505	(21,952)	-	20,553
Warrants exercised	222,500	44,500	-	-	44,500
Net loss and comprehensive loss for the period	-	-	-	(734,081)	(734,081)
Balance at June 30, 2016	40,327,631	$ 8,424,104	$ 241,920	$ 1,309,028	$ 7,356,996

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

1. NATURE OF OPERATIONS AND GOING CONCERN

SilverCrest Metals Inc. (the "Company" or "SilverCrest Metals") was incorporated under the Business Corporation Act (British Columbia) on June 23, 2015, under the name 1040669 B.C. Ltd., and for the period from incorporation to September 30, 2015, was a wholly-owned subsidiary of SilverCrest Mines Inc. ("SilverCrest Mines"). Articles of amendment were filed on August 11, 2015, to change the name of the Company to SilverCrest Metals Inc. On October 1, 2015, SilverCrest Metals, SilverCrest Mines and First Majestic Silver Corp. completed a plan of arrangement (the "Arrangement") under the Business Corporation Act (British Columbia) that resulted in SilverCrest Metals holding title to various exploration properties located in Mexico. The completion of the Arrangement established SilverCrest Metals as a separate company spun off from SilverCrest Mines. The common shares of the Company commenced trading on the TSX Venture Exchange at opening on October 9, 2015, under the symbol "SIL". The head office and principal address of the Company is 501-570 Granville Street, Vancouver, BC, Canada, V6C 3P1. The address of the Company's registered and records office is 19th Floor, 885 West Georgia Street, Vancouver, BC, Canada, V6C 3H4.

While the Company currently has no source of revenue, the Company's cash and cash equivalents of $2.9 million and short-term deposit of $2.0 million contribute to working capital of $5.1 million (as of June 30, 2016), which management believes will be sufficient to fund planned exploration work on its exploration properties as well as general working capital requirements for the next 12 months. These consolidated financial statements have been prepared by management on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future.

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34 – *Interim Financial Reporting* as issued by the International Accounting Standards Board ("IASB"). These condensed consolidated interim financial statements should be read in conjunction with the Company's consolidated financial statements for the year ended December 31, 2015, which include information necessary or useful to understanding the Company's business and financial statement presentation. In particular, the Company's significant accounting policies, use of judgments and estimates were presented in notes 2 and 3, respectively, of these consolidated financial statements, and have been consistently applied in the preparation of these condensed consolidated interim financial statements.

Basis of preparation

These condensed consolidated interim financial statements have been prepared on a historical cost basis, except for certain financial instruments which are measured at fair value. Additionally, these condensed consolidated interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information. As the Company was incorporated on June 23, 2015, there are no comparative statements of comprehensive loss, cash flow or shareholders' equity for the three months and six months ended June 30, 2015. These condensed consolidated interim financial statements were authorized for issue by the board of directors of the Company on August 15, 2016.

These condensed consolidated interim financial include the accounts of the Company and its wholly-owned subsidiary, Minera La Llamarada, S.A. de C.V., a Mexico corporation. The Company consolidates subsidiaries where the Company has the ability to exercise control. Control is achieved when the Company has the power to govern the financial and operating policies of the entity. Control is normally achieved through ownership, directly or indirectly, of more than 50 percent of the voting power. Control can also be achieved through power over more than half of the voting rights by virtue of an agreement with other investors or through the exercise of de facto control. All intercompany balances, transactions, income and expenses, and profits or losses have been eliminated on consolidation.

3. NEW STANDARDS NOT YET ADOPTED

In July 2014, the IASB issued the final version of IFRS 9 – *Financial instruments* to replace IAS 39 – *Financial Instruments: Recognition and Measurement.* IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value. The basis of classification depends on an entity's business model and the contractual cash flow of the financial asset. Classification is made at the time the financial asset is initially recognized, namely when the entity becomes a party to the contractual provisions of the instrument. IFRS 9 amends some of the requirements of IFRS 7 *Financial Instruments: Disclosures*, including added disclosures about investments in equity instruments measured at fair value in other comprehensive income, and guidance on financial liabilities and derecognition of financial instruments. The amended standard is effective for annual periods beginning on or after January 1, 2018, with earlier adoption still permitted.

On January 13, 2016, the IASB issued IFRS 16 – Leases, the new leases standard. The standard is effective for periods beginning on or after January 1, 2019, with earlier adoption permitted if IFRS 15 – Revenue from contracts with customers has also been applied.

The Company has not yet completed the process of assessing the impact that IFRS 9 and IFRS 16 will have on its consolidated financial statements, or whether to early adopt this new requirement.

(UNAUDITED – EXPRESSED IN CANADIAN DOLLARS)

4. EQUIPMENT

	Computer	Equipment	Vehicle	Total
Cost				
Transferred from the Arrangement	$ 10,375	$ 4,282	$ -	$ 14,657
Purchased	2,381	3,147	34,597	40,125
Balance at December, 31, 2015	12,756	7,429	34,597	54,782
Additions	1,633	19,723	30,521	51,876
As at June 30, 2016	$ 14,389	$ 27,152	$ 65,118	$ 106,658
Accumulated depreciation				
Depreciation for the year	$ 1,974	$ 625	$ 1,423	$ 4,022
Balance at December 31, 2015	1,974	625	1,423	4,022
Depreciation for the period	3,612	1,772	5,269	10,652
As at June 30, 2016	$ 5,586	$ 2,397	$ 6,692	$ 14,674
Carrying amounts				
As at December 31, 2015	$ 10,782	$ 6,804	$ 33,174	$ 50,760
As at June 30, 2016	$ 8,803	$ 24,755	$ 58,426	$ 91,984

5. EXPLORATION AND EVALUATION ASSETS

Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral properties. The Company has investigated title to all of its mineral properties and, to the best of its knowledge, title to all of its properties are in good standing except as otherwise disclosed. However, this should not be considered as a guarantee of title. The mineral properties may be subject to prior claims or agreements, or transfers, and rights of ownership may be affected by undetected defects.

	Cruz de Mayo	Guadalupe	Huasabas	Las Chispas	Other	Total
Acquisition costs						
Transferred under Arrangement	$ 4,964	$ 383,727	$ 402	$ 11,294	$ 6,805	$ 407,192
Option and concession payments	42,350	9,672	6,160	67,251	4,223	129,655
Subtotal, additions	47,314	393,399	6,562	78,545	11,028	536,847
Exploration and evaluation costs						
Assays	-	-	4,553	20	-	4,573
Camp costs	1,195	-	10,526	8,452	-	20,173
Salaries and remuneration	-	-	16,784	14,391	-	31,175
Share-based compensation	-	-	5,533	5,533	-	11,066
Travel and lodging	-	-	9,129	8,208	1,549	18,887
Subtotal, additions	1,195	-	46,525	36,604	1,549	85,874
Balance at December 31, 2015	48,509	393,399	53,087	115,149	12,577	622,721
Acquisition costs						
Option and concession payments	4,766	50,271	577	196,433	31,645	283,692
Exploration and evaluation costs						
Assays	-	-	12,921	81,241	-	94,162
Camp costs	880	-	32,090	71,016	-	103,986
Drilling	-	-	173,707	629,268	-	802,975
Salaries and remuneration (note 6)	-	-	38,648	115,770	-	154,418
Technical consulting services	-	15,841	-	-	-	15,841
Travel and lodging	-	2,594	7,179	45,152	-	54,925
Subtotal, additions	5,646	68,706	265,122	1,138,880	31,645	1,509,999
Balance at June 30, 2016	$ 54,155	$ 462,105	$ 318,209	$ 1,254,029	$ 44,222	$ 2,132,720

5. EXPLORATION AND EVALUATION ASSETS (continued)

Cruz de Mayo Project, Sonora, Mexico
The Company has 100% interests in two mineral concessions, Cruz de Mayo 2 and El Gueriguito, which are located in Sonora State, Mexico. The Company has the right to acquire the 100% interest in the El Guereguito concession by making annual staged option payments totalling US$1,000,000 until November 19, 2033, of which US$195,000 was paid by SilverCrest Mines prior to the Arrangement on October 1, 2015. During the six-month period ended June 30, 2016, the Company paid $nil (December 31, 2015 – $33,380 (US$25,000)) of the US$25,000 payable during 2016 towards the El Guereguito concession. The Company has the right to make early payment with no additional consideration. There is a 2.5% NSR royalty which ceases on cumulative payments of US$1,000,000.

Las Chispas, Sonora, Mexico
The property is located in Sonora, Mexico, and consists of 19 concessions.

For four of the mining concessions, the Company has the right and option to purchase an undivided 100% title for total consideration of US$600,000, of which US$25,000 was paid by SilverCrest Mines prior to the Arrangement on October 1, 2015. As at June 30, 2016, the Company paid $39,891 (US$30,000), with the remaining payments as follows:

- US$35,000 on May 20, 2017;
- US$60,000 on May 20, 2018;
- US$100,000 on May 20, 2019; and
- US$350,000 on May 20, 2020.

For 13 concessions, the Company received from SilverCrest Mines the right and option to purchase an undivided 100% title for total consideration of US$3,000,000, of which US$50,000 was paid for by SilverCrest Mines prior to October 1, 2015. From October 1, 2015, the Company paid $166,488 (US$125,000), with the remaining payments as follows:

- US$100,000 on June 2, 2017; and
- US$2,725,000 on June 2, 2018.

For the remaining two concessions, the Company entered into two separate option agreements in December 2015 and June 30, 2016 to purchase these two additional concessions for total consideration of US$150,000 each. As at June 30, 2016, the Company paid $41,221 (US$31,000), with US$19,000 payable in 2016, US$50,000 in 2017 and US$200,000 in 2018.

Other properties in Mexico
The Company's other Mexican exploration properties include Huasabas, Guadalupe, Angel de Plata and Estacion Llano.

6. RELATED PARTY TRANSACTIONS

Legal fees
During the six months ended June 30, 2016, the Company incurred legal fees of $12,963, which were included in professional fees, to Koffman Kalef LLP, a law firm of which an officer of the Company is a partner, of which $2,247 (December 31, 2015 – $7,625) was payable as June 30, 2016.

Key management compensation
During the six months ended June 30, 2016, the Company paid $52,500 in key management compensation to the Chief Executive Officer and Chief Financial Officer of the Company. The Company's key management personnel have authority and responsibility for planning, directing and controlling the activities of the Company.

Other transactions
During the six months ended June 30, 2016, the Company recognized $41,646 on the statement of financial position under exploration and evaluation assets and $2,192 on the statement of comprehensive loss related to remuneration for technical services to an employee who is an immediate family member of the Chief Executive Officer of the Company. During the six months ended June 30, 2016, the Company recognized $5,234 in remuneration paid for administrative services to a former employee who is an immediate family member of the Chief Financial Officer of the Company.

On October 1, 2015, the Company entered into an allocation of costs agreement with Goldsource Mines Inc. ("Goldsource"), a company related by common directors and a common officer, whereby the Company shares salaries, administrative services and other reimbursable expenses. During the six months ended June 30, 2016, the Company allocated to Goldsource $96,625 for its share of these expenses, of which $18,522 (December 31, 2015 – $78,565) was receivable from Goldsource at June 30, 2016.

(UNAUDITED – EXPRESSED IN CANADIAN DOLLARS)

7. SHARE CAPITAL AND RESERVES

Authorized shares

The Company's authorized capital stock consists of an unlimited number of common shares and an unlimited number of preferred shares without nominal or par value. At June 30, 2016, the Company had 40,327,631 common shares outstanding and no preferred shares outstanding.

During the six months ended June 30, 2016, the Company issued 142,524 common shares at $0.06 per share and issued 75,000 common shares at $0.16 per share for gross proceeds of $20,553, related to the exercise of stock options. In addition, during the six months ended June 30, 2016, the Company issued 222,500 common shares at $0.20 per share for gross proceeds of $44,500, related to the exercise of warrants.

Stock options

During 2015, the Company adopted a "rolling 10%" Stock Option Plan (the "Plan"), which was re-approved by Shareholders on June 22, 2016. The Plan authorizes the grant of stock options to executive officers and directors, employees and consultants enabling them to acquire common stock of the Company to a maximum of 10% of the then issued and outstanding share capital. The exercise price of any option will be the market price of the Company's stock as at the date of the grant. The options can be granted for a maximum term of 10 years with vesting determined by the Board of Directors.

The Company's stock option transactions during the period are as follows:

	Number of Options	Weighted Average Exercise Price
Issued	3,933,635	$ 0.12
Exercised	(1,077,713)	0.06
Expired	(25,005)	0.06
As at December 31, 2015	2,830,917	0.14
Exercised	(217,524)	0.09
As at June 30, 2016	2,613,393	$ 0.15

Stock options outstanding and exercisable at June 30, 2016, are as follows:

		Options Outstanding		Options Exercisable
Exercise Price	Expiry Date	Number of Shares Issuable on Exercise	Weighted Average Remaining Life (Years)	Number of Shares Issuable on Exercise
$ 0.06	August 2, 2016 - December 10, 2019	348,393	0.34	348,393
$ 0.16	December 9, 2020	2,265,000	4.45	2,177,500
		2,613,393	3.90	2,525,893

The total share-based compensation recognized during the six months ended June 30, 2016, under the fair value method was $10,820.

Warrants

In connection with the private placement completed on November 19, 2015, the Company issued 8,332,567 warrants, exercisable at $0.20 per share until November 19, 2017. During the six months ended June 30, 2016, 222,500 warrants were exercised for gross proceeds of $44,500, leaving a total of 8,110,067 warrants as at June 30, 2016.

Share-based payment reserve

Share-based payment reserve records items recognized as share-based compensation expense and the fair value of warrants issued based on the residual method. At the time that the stock options or warrants are exercised, the corresponding amount is reallocated to share capital, or if they are cancelled the corresponding amount is reallocated to deficit. During the six months ended June 30, 2016, the Company reallocated $21,952 to share capital for the exercise of 217,524 options.

(UNAUDITED – EXPRESSED IN CANADIAN DOLLARS)

8. FINANCIAL INSTRUMENTS AND FAIR VALUE MEASUREMENTS

The Company's financial instruments consist of cash and cash equivalents, short term investments, amounts receivable, deposits and accounts payable. The carrying value of amounts receivable and accounts payable approximate their fair values due to the short periods until settlement.

The fair value hierarchy establishes three levels to classify the inputs to valuation techniques used to measure fair value. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 inputs are quoted prices in markets that are not active, quoted prices for similar assets or liabilities in active markets, inputs other than quoted prices that are observable for the asset or liability (for example, interest rate and yield curves observable at commonly quoted intervals, forward pricing curves used to value currency and commodity contracts and volatility measurements used to value option contracts), or inputs that are derived principally from or corroborated by observable market data or other means. Level 3 inputs are unobservable (supported by little or no market activity). The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. The Company's cash and cash equivalents and short term investments are measured using level 1 inputs.

9. SEGMENTED INFORMATION

The Company operates in one reportable segment, being the acquisition and exploration of mineral property interests in Mexico.

Geographical segmented information is presented as follows:

June 30, 2016		**Canada**		**Mexico**		**Total**
Net loss for the period	$	698,239	$	35,842	$	734,081
Asset Information						
Deposits	$	58,076	$	-	$	58,076
Property, plant and equipment	$	9,449	$	82,535	$	91,984
Exploration and evaluation assets	$	-	$	2,132,720	$	2,132,720

10. SUBSEQUENT EVENT

Subsequent to June 30, 2016, the Company issued 275,054 common shares at $0.06 per share for gross proceeds of $16,503, related to the exercise of stock options. In addition, the Company issued 190,000 common shares at $0.20 per share for gross proceeds of $38,000, related to the exercise of warrants.