



**CONSOLIDATED INTERIM FINANCIAL STATEMENTS AND NOTES**

**PERIOD FROM INCORPORATION ON  
JUNE 23, 2015 TO SEPTEMBER 30, 2015**

**(UNAUDITED)**

## **MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING**

### **CONSOLIDATED INTERIM FINANCIAL REPORTING**

The accompanying consolidated interim financial statements of SilverCrest Metals Inc. ("the Company") have been prepared by management in accordance with International Financial Reporting Standards. Management acknowledges responsibility for the preparation and presentation of the 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 consolidated interim financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

**SILVERCREST METALS INC.**

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SILVERCREST METALS INC.  
CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
(Unaudited – Expressed in Canadian Dollars)

AS AT

SEPTEMBER 30, 2015

**ASSETS**

Cash	\$	5,145,178
Amounts receivable		1,761
Deposit		74,973
<b>TOTAL ASSETS</b>	<b>\$</b>	<b>5,221,912</b>

**LIABILITIES AND SHAREHOLDER'S EQUITY**

**Current Liabilities**

Accounts payable and accrued liabilities	\$	846
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**Shareholder's Equity**

Capital stock		1
Contribution from SilverCrest Mines Inc.		5,252,125
Deficit		(31,060)
<b>Total Shareholder's Equity</b>		<b>5,221,066</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>\$</b>	<b>5,221,912</b>

Nature of operations (note 1)

Subsequent events (note 4)

Approved by the Board and authorized for issue on November 19, 2015:

*"Graham C. Thody"*

Director

*"Barney Magnusson"*

Director

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

SILVERCREST METALS INC.  
CONSOLIDATED STATEMENT OF COMPREHENSIVE LOSS  
(Unaudited – Expressed in Canadian Dollars)

PERIOD FROM INCORPORATION ON JUNE 23, 2015 TO SEPTEMBER 30, 2015

Office and miscellaneous	\$	1,060
Regulatory fees		30,000
<b>NET LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD</b>	<b>\$</b>	<b>31,060</b>

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

SILVERCREST METALS INC.  
CONSOLIDATED STATEMENT OF CASH FLOWS  
(Unaudited – Expressed in Canadian Dollars)

PERIOD FROM INCORPORATION ON JUNE 23, 2015 TO SEPTEMBER 30, 2015

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Net loss for the period	\$ (31,060)
Items not affecting cash:	
Accounts payable and accrued liabilities	846
Amounts receivable	(1,761)
Deposit	(74,973)
<b>Net cash used in operating activities</b>	<b>(106,948)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
Issuance of capital stock	1
Contribution from SilverCrest Mines Inc.	5,252,125
<b>Net cash provided by financing activities</b>	<b>5,252,126</b>
<b>Change in cash, during the period</b>	<b>5,145,178</b>
<b>Cash, beginning of the period</b>	<b>-</b>
<b>Cash, end of the period</b>	<b>\$ 5,145,178</b>

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

SILVERCREST METALS INC.  
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY  
(Expressed in Canadian Dollars)

PERIOD FROM INCORPORATION ON JUNE 23, 2015 TO SEPTEMBER 30, 2015

	Capital Stock		Deficit	Total
	Number	Amount		
Issuance of capital stock	1	\$ 1	\$ -	\$ 1
Contribution from SilverCrest Mines	-	5,252,125	-	5,252,125
Net loss and comprehensive loss for the period	-	-	(31,060)	(31,060)
<b>Balance at September 30, 2015</b>	<b>1</b>	<b>\$ 5,252,126</b>	<b>\$ (31,060)</b>	<b>\$ 5,221,066</b>

*The accompanying notes are an integral part of these 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. The head office and principal address of the Company is 570 Granville Street, Suite 501, 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.

On October 1, 2015, SilverCrest Metals, SilverCrest Mines and First Majestic Silver Corp. (“First Majestic”) completed a plan of arrangement (the “Arrangement”) under the Business Corporation Act (British Columbia) as described in Note 4 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 SilverCrest Metals commenced trading on the TSX Venture Exchange at opening on October 9, 2015 under the symbol “SIL”.

**2. SIGNIFICANT ACCOUNTING POLICIES**

**Basis of preparation and measurement**

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretations Committee. These financial statements were approved for issuance by the Board of Directors on November 19, 2015.

**Basis of consolidation**

These consolidated financial statements 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.

**Contributions**

Contributions from SilverCrest Mines to the Company are presented as part of equity.

**Financial Instruments**

The Company’s financial instruments consist of cash, amounts receivable and accounts payable and accrued liabilities. The carrying value of amounts receivable, accounts payable and accrued liabilities approximate their fair values due to the short periods until settlement. The Company’s cash and held-for-trading securities are measured using level 1 inputs.

The Company is exposed to various financial instrument risks and assesses the impact and likelihood of this exposure. These risks include liquidity risk, foreign currency risk, credit risk, interest rate risk and market risk. Where material, these risks are reviewed and monitored by the Board of Directors.

**3. SHARE CAPITAL**

The Company’s authorized share capital consists of an unlimited number of common shares and preferred shares without par value. Upon incorporation on June 23, 2015, the Company issued one common share at a price of \$1 to SilverCrest Mines.



**SILVERCREST METALS INC.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**(Unaudited – Expressed in Canadian Dollars)**  
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**4. SUBSEQUENT EVENTS**

Subsequent to September 30, 2015:

- On October 1, 2015, SilverCrest Metals, SilverCrest Mines and First Majestic completed the Arrangement effected pursuant to an arrangement agreement dated July 26, 2015, as amended. Under the Arrangement, 19,952,024 SilverCrest Metals Shares were issued to SilverCrest Mines for distribution to the former shareholders of SilverCrest Mines (at an exchange ratio of 0.1667 of a SilverCrest Metals Share for one common share of SilverCrest Mines (the “Exchange Ratio”)) and 2,192,727 SilverCrest Metals Shares were issued to First Majestic. As a result, there are a total of 22,144,751 outstanding SilverCrest Metals Shares owned as to 90.1% by shareholders of SilverCrest Mines and as to 9.9% by First Majestic. In consideration for the issuances of the SilverCrest Metals Shares under the Arrangement, SilverCrest Mines transferred to SilverCrest Metals the Cruz de Mayo, Las Chispas, Angel de Plata, Huasabas and Estacion Llano exploration properties located in northern Mexico, as well as \$5.25 million in cash (received as of September 30, 2015) and certain other assets owned by SilverCrest Mines, and First Majestic transferred to SilverCrest Metals its Guadalupe exploration property located in Durango, Mexico. In addition, pursuant to the Arrangement, outstanding SilverCrest Mines options were exchanged for SilverCrest Metals replacement stock options at the Exchange Ratio.
- 1,048,541 stock options were exercised for gross proceeds of \$62,912 and 25,005 stock options expired unexercised.
- On November 19, 2015 the Company completed a non-brokered private placement of 16,665,143 units at a price of \$0.15 per unit for gross proceeds of approximately \$2.5million. Each unit consists of one common share and one-half of one common share purchase warrant of the Company, with each whole warrant being exercisable for one common share of the Company at a price of \$0.20 per share for a term of two years. The shares and warrants issued under the private placement and the shares issuable upon exercise of the warrants are subject to a hold period that expires on March 20, 2016.