



INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited – Prepared by Management)

SEPTEMBER 30, 2005

THIRD QUARTER

The accompanying unaudited interim financial statements of the company have been prepared by and are the responsibility of the company's management.

The company's independent auditor has not performed a review of these financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor

SILVERCREST MINES INC.
INTERIM CONSOLIDATED BALANCE SHEETS
(Unaudited - Prepared by Management)

	September 30, 2005	December 31, 2004 (audited)
ASSETS		
Current		
Cash and equivalents	\$ 2,176,398	\$ 328,830
Short-term investments (Note 3)	-	3,917,296
Receivables and advances	43,573	51,699
Prepaid expenses and deposits	21,420	32,931
	2,241,391	4,330,756
Equipment (Note 4)	40,220	42,718
Mineral properties (Note 5)	3,516,263	2,005,030
	\$ 5,797,874	\$ 6,378,504
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities	\$ 160,535	\$ 459,930
Shareholders' equity		
Capital stock (Note 6)	7,365,298	7,144,759
Contributed surplus (Note 6)	1,782,296	1,469,665
Share subscriptions	-	72,000
Deficit	(3,510,255)	(2,767,850)
	5,637,339	5,918,574
	\$ 5,797,874	\$ 6,378,504

Nature of operations (Note 1)

Subsequent event (Note 10)

On behalf of the Board:

“J. Scott Drever” Director
DIRECTOR'S SIGNATURE

“Barney Magnusson” Director
DIRECTOR'S SIGNATURE

See accompanying notes.

SILVERCREST MINES INC.
INTERIM CONSOLIDATED STATEMENTS OF OPERATIONS AND DEFICIT
(Unaudited - Prepared by Management)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2005	2004	2005	2004
GENERAL AND ADMINISTRATIVE EXPENSES				
Administrative services	\$ 18,124	\$ 13,915	\$ 64,348	\$ 29,165
Amortization	1,389	1,101	3,638	2,046
Consulting	-	10,000	-	12,000
Foreign exchange	16,319	171	20,591	(298)
General exploration	25,327	35,721	31,766	41,301
Investor relations	19,375	6,602	53,268	11,406
Management fees	45,000	45,000	135,000	80,000
Office and miscellaneous	12,153	11,692	42,450	22,361
Professional fees	7,114	17,945	20,968	23,489
Regulatory and transfer agent fees	2,940	8,822	17,684	19,469
Rent and telephone	8,435	8,839	26,297	16,960
Shareholder communications	3,370	13,829	32,922	18,719
Stock-based compensation	-	20,478	328,254	386,170
Trade shows and conferences	1,551	29,072	15,876	35,244
	161,097	223,187	793,062	698,032
Loss before other item	(161,097)	(223,187)	(793,062)	(698,032)
Other item				
Interest income	12,809	12,041	50,657	26,314
LOSS FOR THE PERIOD	(148,288)	(211,146)	(742,405)	(671,718)
DEFICIT, beginning of the period	(3,361,967)	(1,490,765)	(2,767,850)	(1,030,193)
DEFICIT, end of the period	\$ (3,510,255)	\$ (1,701,911)	\$ (3,510,255)	\$ (1,701,911)
Basic and diluted loss per share	\$ (0.01)	\$ (0.01)	\$ (0.03)	\$ (0.03)
Weighted average number of shares outstanding	25,834,796	20,314,279	25,810,646	19,884,817

See accompanying notes.

SILVERCREST MINES INC.
INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited - Prepared by Management)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2005	2004	2005	2004
OPERATING ACTIVITIES				
Loss for the period:	\$ (148,288)	\$ (233,206)	\$ (742,405)	\$ (904,924)
Items not affecting cash:				
Amortization	1,389	1,146	3,638	3,192
Stock-based compensation	-	-	328,254	386,170
Changes in non-cash working capital items:				
(Increase) decrease in receivables and advances	(1,464)	4,841	8,126	(5,980)
(Increase) decrease in prepaids and deposits	(1,207)	(7,435)	11,511	2,613
Increase (decrease) in accounts payable and accrued liabilities	2,748	201,886	(299,395)	234,643
	(146,822)	(32,768)	(690,281)	(284,286)
FINANCING ACTIVITIES				
Issuance of capital stock	11,834	148,330	208,874	886,185
Redemption of short term investments	2,629,647	-	3,917,296	-
Share issuance costs	-	-	(3,957)	-
Share subscriptions	-	-	(72,000)	-
	2,641,481	148,330	4,050,213	886,185
INVESTING ACTIVITIES				
Capital assets acquired	(2,505)	(9,935)	(7,255)	(16,142)
Mineral properties and deferred costs	(425,663)	(761,731)	(1,505,119)	(1,233,381)
	(428,168)	(771,666)	(1,512,374)	(1,249,523)
INCREASE (DECREASE) IN CASH during the period	2,066,491	(656,104)	1,847,568	(647,624)
CASH AND EQUIVALENTS, beginning of the period	109,907	2,810,665	328,830	2,802,185
CASH AND EQUIVALENTS, end of the period	\$ 2,176,398	\$ 2,154,561	\$ 2,176,398	\$ 2,154,561

Supplemental disclosure with respect to cash flows (Note 9)

See accompanying notes.

1. NATURE OF OPERATIONS

The Company is engaged in the acquisition and exploration of mineral properties in El Salvador, Mexico and Honduras. To date, the Company has not achieved commercial production and is considered to be in the exploration stage.

The Company's emergence from the exploration stage and the recoverability of the amounts shown for mineral properties and deferred exploration costs is dependent upon the quantity of economically recoverable reserves, on the ability of the Company to obtain financing to complete exploration and development of the properties, on the timing of legislative or regulatory developments relating to environmental protection, and on future profitable operations or proceeds from the disposition thereof.

2. SIGNIFICANT ACCOUNTING POLICIES

The interim consolidated financial statements of the Company have been prepared by management in accordance with Canadian generally accepted accounting principles. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from those estimates. The consolidated financial statements have, in management's opinion, been properly prepared using careful judgement with reasonable limits of materiality. These interim consolidated financial statements should be read in conjunction with the most recent annual financial statements. The significant accounting policies follow that of the most recently reported annual financial statements.

Mineral properties

The Company capitalizes all acquisition, exploration and development costs related to exploration and development of mineral properties on a property-by-property basis. The costs of abandoned properties are charged to income in the year of abandonment or when it is determined that potential for discovery of economic mineralization is limited.

The costs of producing properties are amortized using the unit of production method based upon estimated reserves. The amounts recorded as mineral properties represent costs to date and do not necessarily reflect present or future values.

Cash and short-term investments

Cash and equivalents include highly liquid investments with original maturities of three months or less.

Short-term investments comprise highly liquid Canadian dollar denominated guaranteed investment certificates with terms to maturity greater than ninety days, but not more than one year, that are readily convertible to contracted amounts of cash. Short-term investments are carried at the lower of cost or recoverable amount.

3. SHORT-TERM INVESTMENTS

Short-term investments comprise highly liquid Canadian dollar denominated guaranteed investment certificates with term to maturity of greater than ninety days but not more than one year, that are readily convertible to contracted amounts of cash.

4. EQUIPMENT

	September 30, 2005			December 31, 2004		
	Cost	Accumulated Amortization	Net Book Value	Cost	Accumulated Amortization	Net Book Value
Equipment and furniture	\$ 27,419	\$ 8,622	\$ 18,797	\$ 22,665	\$ 4,968	\$ 17,697
Computer hardware	11,521	4,492	7,029	9,021	2,573	6,448
Computer software	2,597	2,597	-	2,597	2,597	-
Automotive	28,453	14,059	14,394	28,453	9,880	18,573
	\$ 69,990	\$ 29,770	\$ 40,220	\$ 62,736	\$ 20,018	\$ 42,718

SILVERCREST MINES INC.
NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2005

5. MINERAL PROPERTIES

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.

	El Zapote, El Salvador	Silver Angel, Mexico	Total
Balance , December 31, 2004	\$ 1,612,754	\$ 392,276	\$ 2,005,030
Amortization	6,114	-	6,114
Assays	72,398	6,612	79,010
Casual labour	23,087	-	23,087
Concession fees and mining licenses	-	24,882	24,882
Drilling	300,372	102,718	403,090
Engineering consulting	123,468	-	123,468
Environmental consulting	166,438	-	166,438
Field supplies	25,550	736	26,286
Foreign exchange	-	(26,067)	(26,067)
Geological services	76,633	41,135	117,768
IVA taxes	24,968	-	24,968
Maps and digital imagery	-	9,026	9,026
Metallurgical testing	67,758	-	67,758
Miscellaneous	17,776	8,403	26,179
Office and communications	42,527	16,561	59,088
Professional fees	90,452	32,137	122,589
Project management	48,750	18,750	67,500
Property access and rental	9,450	18,950	28,400
Rent and supplies	60,424	-	60,424
Travel and accommodation	59,250	13,420	72,670
Vehicles	14,999	13,556	28,555
	1,230,414	280,819	1,511,233
Balance, September 30, 2005	\$ 2,843,168	673,095	3,516,263

SILVERCREST MINES INC.
NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2005

5. MINERAL PROPERTIES (con't)

	Four Projects, Honduras	El Zapote, El Salvador	Silver Angel, Mexico	Total
Balance December 31, 2003	\$ 242,191	\$ -	\$ 61,485	\$ 303,676
Amortization	1,997	8,460	-	10,457
Assays	-	38,585	33,909	72,494
Casual labour	790	20,655	-	21,445
Concession fees and mining licenses	369	25,020	4,108	29,497
Drilling	-	581,828	76,592	658,420
Drill contractor expense	17,230	-	-	17,230
Engineering consulting	-	316,529	-	316,529
Environmental consulting	-	211,101	-	211,101
Field supplies	-	27,039	1,675	28,714
Geological consulting	-	16,368	-	16,368
Geological services	14,838	67,653	97,975	180,466
IVA taxes	-	39,363	-	39,363
Maps and photos	9	7,606	1,472	9,087
Metallurgical testing	-	18,715	-	18,715
Miscellaneous	3,012	22,095	4,378	29,485
Office and communications	4,483	16,816	389	21,688
Professional fees	3,760	39,514	29,262	72,536
Project management	-	50,000	35,000	85,000
Property access and rental	667	9,017	12,029	21,713
Rent and supplies	4,877	29,195	-	34,072
Travel and accommodation	4,169	45,712	31,709	81,590
Vehicles	1,975	21,483	2,293	25,751
	58,176	1,612,754	330,791	2,001,721
Less write-down	(300,367)	-	-	(300,367)
Balance, December 31, 2004	\$ -	\$ 1,612,754	\$ 392,276	\$ 2,005,030

El Zapote Project, El Salvador

The Company acquired a 100% interest in the properties located in El Salvador by acquiring 100% of the share capital of Minera Atlas S.A. de C.V. ("Atlas") an El Salvadoran corporation which owns the Aldea El Zapote Exploration Concession located in the Department of Santa Ana in Northern El Salvador. The purchase price for Atlas was US\$15,000 and a sliding scale royalty, payable from production, varying from US\$0.20 per ounce of silver equivalent to US\$0.60 per ounce depending on the silver price. The transaction has been accounted for as an asset purchase since Atlas is not considered a business. The Company is also required to complete environmental impact and preliminary feasibility studies to satisfy concession work requirements as defined by El Salvador mining law.

Silver Angel Project, Mexico

The Company acquired a 100% interest in mineral properties located in the Northern Sierra Madre range in Mexico by concession applications.

El Ocote Project, Arena Blanca Project, Opeteca Project, La Pochota Project, Honduras

The Company acquired a 100% interest in certain properties located in Honduras by concession application. Due to title uncertainty, the Company has decided to write down the carrying values of the Honduran mineral property expenditures. The Company has filed a claim against the government of Honduras, amongst others, to protect its legal and property interests.

SILVERCREST MINES INC.
NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2005

6. CAPITAL STOCK AND CONTRIBUTED SURPLUS

	Number of Shares	Capital Stock	Contributed Surplus	Total
Authorized 100,000,000 common shares without par value				
Balance at May 23, 2003	4,204,046	\$ 30	\$ -	\$ 30
Common shares issued pursuant to acquisition of NorCrest (Note 4)	5,000,000	-	-	-
Short-form prospectus	2,070,000	552,827	130,273	683,100
Warrants exercised	774,500	366,260	(95,185)	271,075
Finders' fees				
Cash	-	(62,981)	-	(62,981)
Non-cash	50,000	(38,735)	55,235	16,500
Finders' warrants exercised	394,000	182,587	(52,567)	130,020
Private placement	1,900,000	721,317	228,683	950,000
Finders' fees				
Cash	-	(26,875)	-	(26,875)
Non-cash	88,750	(20,493)	64,868	44,375
Finders' warrants exercised	16,000	13,612	(3,852)	9,760
Private placement	1,431,927	1,378,489	411,420	1,789,909
Finders' fees				
Cash	-	(88,908)	-	(88,908)
Non-cash	9,630	1,370	10,668	12,038
Share issuance costs	-	(236,050)	-	(236,050)
Stock-based compensation	-	-	273,041	273,041
Conversion of special warrants	2,500,000	325,000	-	325,000
Warrants exercised	350,000	83,500	-	83,500
Stock options exercised	25,000	11,250	-	11,250
Balance at December 31, 2003	18,813,853	3,162,200	1,022,584	4,184,784
Warrants exercised	3,160,605	1,275,323	(195,452)	1,079,871
Stock options exercised	117,500	89,973	(34,298)	55,675
Stock-based compensation	-	-	583,283	583,283
Private placements	3,500,000	3,150,000	-	3,150,000
Finders' fees for cash	-	(214,200)	-	(214,200)
Share issuance costs	-	(318,537)	93,548	(224,989)
Balance at December 31, 2004	25,591,958	\$ 7,144,759	\$ 1,469,665	\$ 8,614,424
Warrants exercised	36,606	34,421	(8,798)	25,623
Stock options exercised	25,000	18,075	(6,825)	11,250
Stock-based compensation	-	-	328,254	328,254
Private placements	191,111	172,000	-	172,000
Share issuance costs	-	(3,957)	-	(3,957)
Balance at September 30, 2005	25,844,675	\$ 7,365,298	\$ 1,782,296	\$ 9,147,594

Escrow shares

Included in issued capital stock are 1,597,500 common shares of the Company that are subject to the time release escrow provisions of the TSX-V. In addition 50,480 common shares are subject to another escrow agreement and may not be transferred, assigned or otherwise dealt with without the consent of the regulatory authorities.

7. **STOCK OPTIONS AND WARRANTS**

Stock options

The Company has a stock option plan under which it is authorized to grant stock options to executive officers and directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common stock of the Company. The exercise price of each option equals the market price of the Company's stock as calculated on the date of the grant. The options can be granted for a maximum term of 5 years and certain options to employees and consultants vest over periods of time, determined by the board of directors.

At September 30, 2005, the Company had outstanding stock options, enabling holders to acquire common shares as follows:

Number of Shares	Exercise Price	Expiry Date
20,000	\$ 1.02	October 28, 2005
1,000,000	\$ 0.45	June 16, 2008
750,000	\$ 1.41	March 24, 2009
650,000	\$ 0.75	June 1, 2010

Stock option transactions are summarized as follows:

	Number of Options	Weighted Average Exercise Price
As at December 31, 2004	1,795,000	\$ 0.86
Issued	650,000	0.75
Exercised	(25,000)	0.45
Balance, September 30, 2005	2,420,000	\$ 0.83

On June 1, 2005 the Company, pursuant to its Stock Option Plan, granted stock options to purchase an aggregate 650,000 common shares at a price of \$.75 per share for a period of 5 years.

Stock-based compensation

The stock-based compensation expense recognized based on vesting for the period was \$328,254 (2004 - \$386,170) leaving an unamortized balance of \$25,205 (2004 - \$47,850).

Warrants

Warrant transactions for the periods ended September 30th are summarized as follows:

	2005	2004
Balance, beginning of period	3,968,377	5,174,982
Issued	95,555	1,954,000
Exercised	(36,606)	(3,160,605)
Expired	(511,764)	-
Balance, end of period	3,515,562	3,968,377

7. STOCK OPTIONS AND WARRANTS (con't)

At September 30, 2005, the Company had outstanding share purchase warrants, enabling holders to acquire shares as follows:

Number of Shares	Exercise Price	Expiry Date
	\$	
24,450	1.25	December 18, 2005
1,379,557	1.40	December 18, 2005
62,000	1.40	December 30, 2005
1,550,000	1.20	December 3, 2006
186,000	0.95	December 3, 2006
200,000	1.20	December 22, 2006
18,000	0.95	December 22, 2006
95,555	1.20	January 18, 2007
3,515,562		

8. RELATED PARTY TRANSACTIONS

The Company entered into the following transactions with related parties:

- a) Paid or accrued \$135,000 (2004 - \$125,000) for management fees to two companies controlled by two officers and directors of the Company.
- b) Paid or accrued \$67,500 (2004 - \$62,500) for project management fees to an officer of the Company which are included in deferred exploration costs.
- c) Recorded \$256,514 (2004 - \$358,698) for stock-based compensation expense on stock options granted to directors and officers.
- d) Paid or accrued \$16,105 (2004 - \$20,629) for legal fees paid to a law firm in which an officer of the Company is an officer, which were included in professional fees.

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

9. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

	2005	2004
Cash paid during the year for interest	\$ -	\$ -
Cash paid during the year for income taxes	\$ -	\$ -

10. SUBSEQUENT EVENT

Area of Interest Agreement

On November 7, 2005 the Company entered into an Area of Interest Agreement with SAMEX Mining Corp. ("SAMEX") of Vancouver, BC whereby SilverCrest and SAMEX will jointly participate in the identification, exploration and development of certain mining opportunities in Chile. The Area of Interest is located in northern Chile and comprises approximately 70,000 square kilometers.

10. SUBSEQUENT EVENT (con't)

SilverCrest will pay SAMEX a total of US\$150,000 in staged payments over three years; \$37,500 upon execution, and \$37,500 upon each anniversary date of the Agreement. SilverCrest may acquire a 51% interest in certain properties presented by SAMEX by entering into an Option Agreement and incurring US\$500,000 in exploration expenditures over a three year period. SilverCrest will have a further right to increase its working interest to 70% by paying SAMEX US\$250,000 upon the earlier of six months of earning its 51% working interest, or SAMEX expending \$125,000 as part of its 49% interest. SAMEX may elect to convert its remaining 30% interest into a 3.5% net smelter return royalty ("NSR"), 1.0% of which SilverCrest may purchase for US\$1,000,000. The agreement is for a three year term and renewable by mutual agreement.

Under the terms of the Agreement, SAMEX will also have a back-in right to earn a 25% working interest in any property generated solely by SilverCrest on which it has spent US\$250,000, by paying 25% of SilverCrest's expenses to that point. At SAMEX's discretion, this 25% working interest may be converted to a 2.5% NSR, 1.0% of which SilverCrest may purchase for US\$1,000,000.