WEST POINT GOLD CORP.

(Formerly Gold79 Mines Ltd.)

An Exploration Stage Company



Consolidated Financial Statements

For the years ended December 31, 2025 and 2024

(expressed in United States dollars)

Independent auditor's report

To the Shareholders of West Point Gold Corp.

Our opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of West Point Gold 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 operations and comprehensive loss for the years then ended;
- the consolidated statements of changes in shareholders' equity for the years then ended;
- the consolidated statements of cash flows 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.

PricewaterhouseCoopers LLP
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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.

Material uncertainty related to going concern

We draw attention to note 1 to the consolidated financial statements, which describes events or conditions that indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgment, 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. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Assessment of impairment indicators of exploration and evaluation assets Refer to note 2 – Material accounting policies, note 3 – critical accounting estimates and judgments and note 7 – Exploration and evaluation assets to the consolidated financial statements. The total book value of exploration and evaluation assets amounted to $11.65 million as at December 31, 2025. Determining if there are any facts and circumstances indicating impairment loss or reversal of impairment losses is a subjective process involving judgments regarding the following factors,	Our approach to addressing the matter included the following procedures, among others: • Assessed the judgment made by management in determining the impairment indicators, which included the following: – Obtained, for a sample of claims, by reference to government registries, evidence to support (i) the right to explore the area and (ii) claim expiration dates. – Read board minutes and obtained budget approvals to evidence continued and planned substantive

Key audit matter	How our audit addressed the key audit matter
among others (i) the period for which the Company has the right to explore in the specific area has expired or will expire in the near future, and is not expected to be renewed; (ii) substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned; (iii) 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 Company has decided to discontinue such activities in the specific area; and (iv) sufficient data exists to indicate that, although a development in a specific area is likely to proceed, the carrying amounts of the exploration and evaluation assets are 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 exploration and evaluation assets, (ii) the judgments by management in their assessment of indicators of impairment related to exploration and evaluation assets, and (iii) the high degree of subjectivity in performing procedures related to the judgments applied by management.	expenditures for further exploration and evaluation activities, which included evaluating the results of the current year work programs. – Assessed whether other facts and circumstances suggest that the carrying amount may exceed the recoverable amount, based on 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 judgment 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 Krista Ryan.

/s/PricewaterhouseCoopers LLP

Chartered Professional Accountants, Licensed Public Accountants
Ottawa, Ontario
April 27, 2026

West Point Gold Corp.

(An Exploration Stage Company)

Consolidated Statements of Financial Position

(expressed in U.S. dollars)

	December 31, 2025 $	December 31, 2024 $
Assets		
Current assets		
Cash and cash equivalents	5,436,588	3,125,206
Amounts receivable (note 5)	54,226	48,458
Prepaid expenses	95,294	311,496
	5,586,108	3,485,160
Reclamation deposits (note 6)	47,600	47,600
Exploration and evaluation assets (note 7)	11,651,205	10,764,683
	11,698,805	10,812,283
Total assets	17,284,913	14,297,443
Liabilities and shareholders' equity		
Current liabilities		
Accounts payable and accrued liabilities	575,988	345,012
Total liabilities	575,988	345,012
Shareholders' equity		
Capital stock (note 8)	38,429,187	26,887,757
Warrants (note 8)	2,151,316	1,913,071
Contributed surplus (note 8)	8,748,485	7,256,837
Accumulated deficit	(32,486,220)	(21,996,613)
Accumulated other comprehensive loss	(133,843)	(108,621)
Total shareholders' equity	16,708,925	13,952,431
Total liabilities and shareholders' equity	17,284,913	14,297,443

Nature of operations and going concern (note 1)
Subsequent events (note 15)

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

Approved by the Board of Directors:

(signed) "Anthony Paterson"
Director

(signed) "Brodie Sutherland"
Director

West Point Gold Corp.

(An Exploration Stage Company)

Consolidated Statements of Operations and Comprehensive Loss

(expressed in U.S. dollars)

	Year ended December 31, 2025 $	Year ended December 31, 2024 $
Expenses		
Promotion and investor relations	3,539,639	133,133
Regulatory authority and transfer agent fees	54,979	76,858
Professional fees	111,047	68,526
General and administrative	777,755	378,310
Derecognition of exploration and evaluation assets (note 7)	4,957,194	-
Stock based compensation (note 8)	1,143,601	404,386
Total expenses	10,584,215	1,061,213
Other income		
Interest income	(94,608)	(9,302)
Total other income	(94,608)	(9,302)
Net loss for the year	(10,489,607)	(1,051,911)
Other comprehensive income (loss):		
Items that may be subsequently reclassified to operations		
Currency translation differences	(25,222)	(43,384)
Total comprehensive loss for the year	(10,514,829)	(1,095,295)
Net loss per common share:		
Basic and diluted	(0.13)	(0.04)
Weighted average number of common shares outstanding:		
Basic and diluted	83,287,320	27,011,025

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

West Point Gold Corp.

(An Exploration Stage Company)

Consolidated Statements of Changes in Shareholders' Equity

(expressed in U.S. dollars)

	Capital stock		Warrants		Contributed surplus	Accumulated deficit	Accumulated other comprehensive loss	Total shareholders' equity
	#	$	#	$	$	$	$	$
Balance, January 1, 2024	19,129,839	18,764,503	5,364,273	499,919	6,622,738	(20,944,702)	(65,237)	4,877,221
Acquisition of Bullet Exploration Inc. (note 5)	19,112,940	4,124,218	6,400,000	688,201	982	-	-	4,813,401
Private placements of units (note 8)	27,313,002	4,065,961	13,656,502	890,579	-	-	-	4,956,540
Broker warrants issued to finders (note 8)	-	(23,746)	246,050	23,746	-	-	-	-
Share issue costs	-	(91,179)	-	-	-	-	-	(91,179)
Shares issued for mineral properties (note 7)	306,396	48,000	-	-	-	-	-	48,000
Expiry of warrants (note 8)	-	-	(1,086,337)	(189,374)	189,374	-	-	-
Share based compensation (note 8)	-	-	-	-	443,743	-	-	443,743
Net loss for the year	-	-	-	-	-	(1,051,911)	-	(1,051,911)
Currency translation differences	-	-	-	-	-	-	(43,384)	(43,384)
Balance, December 31, 2024	65,862,177	26,887,757	24,580,488	1,913,071	7,256,837	(21,996,613)	(108,621)	13,952,431
Acquisition of Baxter Gold Corp. (note 4)	13,500,000	2,864,094	-	-	-	-	-	2,864,094
Brokered private placement of units (note 8)	17,778,000	4,661,406	8,889,000	1,183,867	-	-	-	5,845,273
Broker warrants issued to finders (note 8)	-	(185,973)	1,066,680	185,973	-	-	-	-
Share issue costs	-	(569,872)	-	-	-	-	-	(569,872)
Shares issued for mineral properties (note 7)	129,698	32,000	-	-	-	-	-	32,000
Exercise of warrants (note 8)	11,096,673	4,583,050	(11,096,673)	(1,054,401)	-	-	-	3,528,649
Expiry of warrants (note 8)	-	-	(1,156,746)	(77,194)	77,194	-	-	-
Exercise of stock options (note 8)	500,000	156,725	-	-	(52,278)	-	-	104,447
Share based compensation (note 8)	-	-	-	-	1,466,732	-	-	1,466,732
Net loss for the year	-	-	-	-	-	(10,489,607)	-	(10,489,607)
Currency translation differences	-	-	-	-	-	-	(25,222)	(25,222)
Balance, December 31, 2025	108,866,548	38,429,187	22,282,749	2,151,316	8,748,485	(32,486,220)	(133,843)	16,708,925

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

West Point Gold Corp.

(An Exploration Stage Company)

Consolidated Statements of Cash Flows

(expressed in U.S. dollars)

	Year ended December 31, 2025 $	Year ended December 31, 2024 $
Cash provided by (used in)		
Operating activities		
Net loss for the year	(10,489,607)	(1,051,911)
Items not affecting cash:		
Derecognition of exploration and evaluation assets (note 7)	4,957,194	-
Stock based compensation (note 8)	1,143,601	404,386
Change in non-cash working capital items:		
Amounts receivable	(5,768)	(41,630)
Prepaid expenses	216,202	(276,558)
Accounts payable and accrued liabilities	(3,931)	36,547
	(4,182,309)	(929,166)
Investing activities		
Reclamation deposits (note 6)	-	(5,620)
Exploration and evaluation assets (note 7)	(2,497,709)	(776,358)
Property option payments received (note 7)	75,000	75,000
Transaction costs related to acquisition of Baxter Gold Corp. (note 4)	(30,312)	-
Transaction costs related to acquisition of Bullet Exploration Inc. (note 5)	-	(152,700)
Cash acquired with acquisition of Baxter Gold Corp. (note 4)	63,437	-
Cash acquired with acquisition of Bullet Exploration Inc. (note 5)	-	1,564
	(2,389,584)	(858,114)
Financing activities		
Proceeds from financings, net of share issue costs (note 8)	5,419,300	4,914,918
Exercise of warrants (note 8)	3,528,649	-
Exercise of stock options (note 8)	104,447	-
Share issue costs	(143,899)	(49,557)
	8,908,497	4,865,361
Effect of exchange rate changes on cash and cash equivalents	(25,222)	(43,062)
Net change in cash and cash equivalents	2,311,382	3,035,019
Cash and cash equivalents - Beginning of year	3,125,206	90,187
Cash and cash equivalents - End of year	5,436,588	3,125,206

Supplemental cash flow information (note 14)

(expressed in U. S. dollars)

1. Nature of operations and going concern

General information

West Point Gold Corp. (referred to herein collectively with its subsidiaries as the "Company") is an exploration stage junior mining company engaged in the identification, acquisition, evaluation and exploration of mineral properties in North America. The Company has not determined whether the properties contain mineral resources that are economically recoverable. The recoverability of amounts recorded for exploration and evaluation assets is dependent upon the discovery of economically recoverable resources, the ability of the Company to obtain the necessary financing to complete the development of these resources and upon attaining future profitable production from the properties or sufficient proceeds from disposition of the properties.

West Point Gold Corp. is publicly listed on the TSX Venture Exchange in Canada under the ticker symbol "WPG", on the OTCQB Venture Market in the United States under the ticker symbol "WPGCF" and on the Frankfurt Stock Exchange under the ticker symbol "LRA0". The Company's registered office is located at Manotick (Ottawa), Ontario, K4M 1A3, Canada, where it is domiciled.

Going concern

These consolidated financial statements have been prepared 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 operations as they come due.

From inception to date, the Company has incurred losses from operations and experienced negative cash flows from operating activities. As at December 31, 2025, the Company had a working capital surplus of $5,010,120 (December 31, 2024 - $3,140,148). Subsequent to year end, the Company closed a brokered private placement financing for gross proceeds of $18,296,742 (CDN$25,000,030). Additionally, the Company received $1,010,416 (CAD$1,393,097) from the exercise of common share purchase warrants and the exercise of stock options (see note 15). Notwithstanding this additional $19,307,158 of financing obtained subsequent to year end, the Company will require further additional funding based on its budgeted expenditures in order to be able to advance and retain mineral exploration property interests and to meet ongoing requirements for general operations beyond the twelve-month period from the date of approval of these financial statements in line with its strategic plan. These conditions raise material uncertainties that may cast significant doubt about the Company's ability to continue as a going concern, and accordingly, the appropriateness of the use of the accounting principles applicable to a going concern. The ability of the Company to continue as a going concern is dependent on raising additional financing, retaining or attracting joint venture partners, developing its properties and/or generating profits from operations or disposition of properties in the future.

Management has been successful in obtaining sufficient funding for operating, capital and exploration requirements from the inception of the Company to date. There is, however, no assurance that additional future funding will be available to the Company, or that it will be available on terms which are acceptable to management.

These consolidated financial statements do not reflect any adjustments to the carrying values of assets and liabilities and the reported amounts of expenses and statement of financial position classifications that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustments could be material.

2. Material accounting policies

Basis of presentation and statement of compliance

These consolidated financial statements have been prepared in accordance with generally accepted accounting principles in Canada (“GAAP”) as set out in the CPA Canada Handbook – Accounting (“CPA Handbook”) which incorporates International Financial Reporting Standards as issued by the International Accounting Standards Board (“IFRS Accounting Standards”).

These consolidated financial statements were approved for issue by the Company's Board of Directors on April 24, 2026.

New standards and interpretations not yet adopted

IFRS 18, Presentation and Disclosure in Financial Statements

In April 2024, IFRS 18, Presentation and Disclosure in Financial Statements, was issued to achieve comparability of the financial performance of similar entities. The standard, which replaces IAS 1, Presentation of Financial Statements, impacts the presentation of primary financial statements and notes, including the statement of losses where companies will be required to present separate categories of income and expense for operating, investing, and financing activities with prescribed subtotals for each new category. The standard will also require management-defined performance measures to be explained and included in a separate note within the consolidated financial statements. The standard is effective for annual reporting periods beginning on or after January 1, 2027, including interim financial statements, and requires retrospective application. The new standard will not impact the recognition or measurement of items in the consolidated financial statements but its impacts on presentation and disclosure are expected to be pervasive. The Company is currently assessing the impact of the new standard.

Amendments to IFRS 9 Financial Instruments and IFRS 7, Financial Instruments: Disclosures

In May 2024, amendments to IFRS 9 Financial Instruments and IFRS 7, Financial Instruments: Disclosures were issued to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities. These amendments clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system; clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion; add new disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with features linked to the achievement of environment, social and governance targets), and; update the disclosures for equity instruments designated at fair value through other comprehensive income. The Company does not expect these amendments to have a material impact on its operations or consolidated financial statements.

(expressed in U. S. dollars)

Basis of measurement

These consolidated financial statements are expressed in United States dollars and are prepared using the historical cost convention.

Principles of consolidation

Subsidiary	Ownership	Principal activity	Country of incorporation
Gold79 Holding One Corp.	100%	Holding company	Canada
Gold79 Holding Two Corp.	100%	Holding company	Canada
Baxter Gold Corp.	100%	Exploration	Canada
2294253 Alberta Ltd.	100%	Exploration	Canada
Territory Metals Ltd.	100%	Dormant	Canada
1365826 B.C. Ltd.	100%	Dormant	Canada
Au Martinique Inc.	100%	Dormant	Canada
Gold79 USA Corp.	100%	Exploration	United States of America
Baxter Spring Mining (US) Corp.	100%	Exploration	United States of America
Aura Resources Mexico S.A de CV	100%	Dormant	Mexico

The Company's financial statements consolidate those of West Point Gold Corp. and each of its 100% wholly-owned subsidiaries. All inter-company balances and transactions are eliminated upon consolidation.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, demand deposits held with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Exploration and evaluation assets

Acquisition costs of mineral exploration properties together with direct exploration and development expenditures are capitalized and are carried at cost less any impairment loss recognized. These costs are capitalized on a project-by-project basis pending determination of the technical feasibility and commercial viability of the project. When production is attained, these costs will be amortized. If properties are abandoned or it is determined that there is an impairment in value, the costs of the properties and related deferred expenditures will be written down to their estimated recoverable amount at that time. Costs incurred before the legal right to undertake exploration and evaluation activities on a project that was acquired, are expensed in the consolidated statements of operations and comprehensive loss. Expenditures of a general nature are expensed to project generation and business development in the consolidated statements of operations and comprehensive loss.

Share-based compensation is capitalized to exploration and evaluation assets based on the percentage of time spent working on projects during each period when such time relates to exploration and evaluation activities.

Although the Company has taken steps to verify title to the exploration properties in which it has an interest, in accordance with industry standards for the current stage of exploration and development of such properties, these procedures do not guarantee the validity of the Company's titles. Property titles may be subject to unregistered prior agreements and non-compliance with regulatory requirements.

Share capital

Share issue costs are recorded as a reduction of share capital when the related shares are issued. When shares and warrants are issued together as units the proceeds are allocated between common shares and share purchase warrants on a pro-rata basis based on relative fair values at the date of issuance. The fair value of common shares is based on a five-day volume weighted average price on the date the units are issued and the fair value of share purchase warrants is determined using option pricing models as of the date of issuance. When broker warrants or compensation options are issued to agents who refer investors to the Company, their fair value is determined using an option pricing model as of the date of issuance. The fair value of broker warrants or compensation options is recorded as a reduction of share capital as share issue costs.

Where equity instruments are issued in exchange for goods or services, the transaction is measured at the fair value of the goods or services received, or, when that fair value cannot be measured reliably, at the fair value of the equity instruments issued. In the case of restricted common shares, fair value is determined by reference to the market price of the Company's shares on the measurement date, adjusted for any relevant transfer restrictions, including a discount for lack of marketability, where applicable.

Stock based compensation

The Company grants stock options to certain officers, directors and consultants of the Company. Each vesting tranche in an award is considered a separate award with its own vesting period and grant date fair value. The fair value of each tranche is measured at the date of grant using an option pricing model. Compensation cost related to stock options is charged to expense or is capitalized to exploration and evaluation assets when related to direct exploration activities. Compensation cost is recognized over the tranche's vesting period by increasing contributed surplus based on the number of awards expected to vest. The number of awards expected to vest is reviewed at least annually, with any impact being recognized immediately.

Foreign currency translation

The functional currency of West Point Gold Corp. (the parent entity), Baxter Gold Corp., Gold79 Holding One Corp., Gold79 Holding Two Corp., 2294253 Alberta Ltd., 1365826 B.C. Ltd. and Territory Metals Ltd. is the Canadian dollar. The functional currency of Gold79 USA Corp., Baxter Spring Mining (US) Corp., 1365826 Nevada LLC and Aura Resources Mexico S.A. de C.V. is the United States dollar. The presentation currency of the Company is the United States dollar.

Transactions in foreign currencies are initially recorded in the functional currency at the exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange at each consolidated statement of financial position date. Foreign exchange gains or losses on translation to the functional currency of an entity are recorded in the consolidated statement of operations and comprehensive loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transactions.

For entities with a functional currency different from the presentation currency, translation to the presentation currency is required. Assets and liabilities are translated into the presentation currency at the rate of exchange at the consolidated statement of financial position date. Equity balances are translated at the rates of exchange at the transaction dates. Income and expenses are translated at the exchange rates at the dates of the transactions. All resulting exchange differences arising from translation to the presentation currency are recognized in other comprehensive loss.

Income taxes

Income tax comprises current and deferred tax. Income tax is recognized in the consolidated statement of operations and comprehensive loss except to the extent that it relates to items recognized directly in equity; in which case the income tax is also recognized directly in equity. Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

In general, deferred tax is recognized in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined on a non-discounted basis using tax rates and laws that have been enacted or substantively enacted at the consolidated statement of financial position date and are expected to apply when the deferred tax asset or liability is settled. Deferred tax assets are recognized to the extent that it is probable that the assets can be recovered. Deferred income tax assets and liabilities are presented as non-current.

Loss per common share

Basic loss per common share is calculated based upon the weighted average number of common shares outstanding during the year. As the Company incurred a net loss for the years ended December 31, 2025 and 2024, the diluted number of common shares outstanding excludes all contingently issuable shares as they have an anti-dilutive effect for the periods presented.

Financial instruments

Recognition
Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of a financial instrument.

Classification
Financial assets are classified into one of the following specified categories: amortized cost, fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVOCI).

The Company's cash and cash equivalents, restricted cash and accounts receivable, excluding sales taxes, are classified as financial assets measured at amortized cost. The Company's marketable securities, which are equity investments held for trading, are classified as FVTPL. Transaction costs are expensed as incurred. Accounts payable and accrued liabilities and loan payable are classified as financial liabilities and are measured at amortized cost. All financial assets and liabilities measured at amortized cost use the effective interest rate method with interest income/expenses being recorded in the consolidated statements of loss and comprehensive loss, as applicable.

Measurement
All financial instruments are required to be measured at fair value on initial recognition, plus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss are expensed in profit or loss. Subsequent to initial measurement, financial assets at FVTPL are carried at fair value, with changes in fair value recognized in the Company's statement of loss and comprehensive loss.

Offsetting financial instruments
Financial assets and financial liabilities are offset and the net amount is reported on the consolidated statements of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

3. Critical accounting estimates and judgments

The preparation of financial statements in accordance with IFRS Accounting Standards requires management to make estimates and assumptions that affect the amounts reported in the financial statements and disclosures in the notes thereto. These estimates and assumptions are based on management's best knowledge of current events and actions that the Company may undertake in the future. Actual results may differ from those estimates. The most significant items requiring the use of management estimates and valuation assumptions are related to the recoverable value of exploration and evaluation assets; the valuation of all equity instruments including warrants and stock options; and, the ability of the Company to continue as a going concern.

Exploration and evaluation assets
Determining if there are any facts and circumstances indicating impairment loss or reversal of impairment losses is a subjective process involving judgment and a number of estimates and interpretations in many cases.

At the end of each reporting period, the Company assesses each of its exploration and evaluation assets to determine whether any indicators of impairment or indicators of a reversal of a previously recorded impairment exists. Judgment is required in determining whether these indicators exist, including factors such as: the period for which the Company has the right to explore in the specific area has expired or will expire in the near future, and is not expected to be renewed; substantive expenditure on further exploration and for evaluation of mineral resources in a specific area is neither budgeted nor planned; 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 Company has decided to discontinue such activities in the specific area; or sufficient data exists to indicate that, although a development in a specific area is likely to proceed, the carrying amount of the exploration and evaluation assets are unlikely to be recovered in full from successful development or by sale.

When an indication of impairment loss or a reversal of an impairment loss exists, the recoverable amount of the individual asset must be estimated, which is considered to be the higher of the fair value less costs to sell and value in use. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs must be determined. Identifying the cash-generating units requires management judgment. In testing an individual asset or cash-generating unit for impairment and identifying a reversal of impairment losses, management estimates the recoverable amount of the asset or the cash-generating unit. This requires management to make several assumptions as to future events or circumstances. These assumptions and estimates are subject to change if new information becomes available. Actual results with respect to impairment losses or reversals of impairment losses could differ in such a situation and significant adjustments to the Company's assets and earnings may occur during subsequent periods.

During the year ended December 31, 2025, the Company derecognised the Jefferson North and Copper Canyon projects (see note 7) as the Company no longer held rights to these areas.

There were no indicators of impairment with respect to the Company's remaining exploration and evaluation assets.

Valuation of equity instruments
The estimation of the fair value of warrants and stock options requires the selection of an appropriate valuation model and consideration as to the inputs necessary for the valuation model chosen. The Company has made estimates as to the volatility of its own common shares, the probable life of share options and warrants and the time of exercise of those instruments. The Company allocates values to share capital and to warrants according to their fair value using the proportional method when the two are issued together as a unit.

The estimated fair values of stock options and warrants recognized have been estimated at the grant date using an option pricing model. Option pricing models require the input of highly subjective assumptions, including the expected volatility. Changes in the assumptions can materially affect the fair value estimate and, therefore, the existing models do not necessarily provide a reliable estimate of the fair value of the Company's stock options or warrants issued. Changes in the estimates can materially affect the share-based compensation expense or fair value of warrants recognized.

Going concern considerations
These consolidated financial statements have been prepared on a basis which assumes the Company will continue to operate for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. In assessing whether this assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, 12 months from the end of the reporting period. This assessment is based upon planned actions that may or may not occur for a number of reasons including the Company's own resources and external market conditions. Further information regarding going concern is outlined in note 1.

4. Acquisition of Baxter Gold Corp.

On October 2, 2025, the Company acquired a 100% interest in the Baxter Spring project through the acquisition of Baxter Gold Corp., a private Canadian corporation, and its US subsidiary, Baxter Spring Mining (US) Corp. (together, "Baxter"), pursuant to a share purchase agreement ("SPA"). Under the terms of the SPA, the Company issued 13,500,000 common shares of the Company valued at $2,864,094 (CDN$3,990,380).

The common shares issued to the shareholders of Baxter are subject to a statutory hold period until February 3, 2026. Further contractual hold periods have been agreed to with the shareholders of Baxter. These contractual hold periods are: 25% (3,375,000 shares) on April 2, 2026; 25% (3,375,000 shares) on October 2, 2026; 25% (3,375,000 shares) on April 2, 2027; and 25% (3,375,000 shares) on October 2, 2027.

The Company determined that Baxter did not meet the definition of a business under IFRS 3, Business Combinations, and therefore, the transaction was accounted for as an asset acquisition. A summary of the consideration provided and the fair value of net identifiable assets acquired in the acquisition were as follows:

	#	$
Consideration provided		
Common shares issued (note 8)	13,500,000	2,864,094
Direct transaction costs		30,312
Total		2,894,406
Fair value of identifiable net assets acquired:		
Cash acquired		63,437
Exploration and evaluation assets		2,856,239
Current liabilities		(25,270)
Total		2,894,406

The fair value of the common shares issued as consideration was determined using a five-day volume weighted average trading price of $0.33 (CDN$0.46) per common share, adjusted for a discount for lack of marketability ("DLOM") associated with the contractual resale restrictions applicable to the shares issued to the Baxter shareholders. The DLOM was estimated using an option pricing model. The assumptions used for the valuation of the DLOM were as follows: expected volatility of 70% to 108%; expected life of 0.5 to 2.0 years; risk-free interest rate of 2.46%; and, expected dividend yield of 0%.

5. Acquisition of Bullet Exploration Inc.

On November 26, 2024, the Company completed the acquisition of Bullet Exploration Inc. (TSX-V: AMMO) ("Bullet"), whereby the Company acquired all of the issued and outstanding shares of Bullet (the "Transaction"). Bullet, indirectly through its wholly-owned subsidiaries, was a party to a Mining Claim with Option to Purchase Agreement to acquire the 132 claims forming the Jefferson North property. Bullet also held a 100% beneficial interest in seven mineral claims forming the Copper Canyon project (see note 7).

Under the terms of the Transaction, Bullet shareholders received one (1) common share of the Company for every three (3) common shares of Bullet held ("exchange ratio") and replaced all outstanding common share purchase warrants and stock options issued to Bullet shareholders at the same exchange ratio. The common shares issued were valued using a five-day volume weighted average price of $0.22 (CDN$0.30). The Transaction was affected by way of a three-cornered amalgamation whereby the Company, through its wholly-owned newly incorporated subsidiary, 1492834 B.C. Ltd. ("Subco"), amalgamated with Bullet. The name of the new amalgamated company was changed to Gold79 Holding Two Corp and is a wholly-owned subsidiary of the Company. Bullet ceased to be a reporting issuer and delisted from the TSX Venture Exchange following closing of the Transaction.

On the closing date of the Transaction, the Board of Directors (the "Board") of the Company was reconstituted with three current directors of the Company remaining on the Board, and two additional director nominees of Bullet were appointed to the Board.

The Company determined that Bullet did not meet the definition of a business under IFRS 3, Business Combinations, and therefore, the Transaction was accounted for as an asset acquisition. A summary of the consideration provided and the fair value of net identifiable assets acquired in the acquisition were as follows:

(expressed in U. S. dollars)

	#	$
Consideration provided		
Common shares issued	19,112,940	4,124,218
Replacement warrants issued (note 9)	6,400,000	688,201
Replacement stock options issued (note 9)	22,222	982
Direct transaction costs		152,700
Total		4,966,101

	$
Fair value of identifiable net assets acquired:	
Cash acquired	1,564
Other current assets	1,672
Reclamation deposit	29,000
Exploration and evaluation assets	4,956,764
Current liabilities	(22,899)
Total	4,966,101

The fair value of the replacement warrants and replacement stock options were estimated using an option pricing model. The assumptions used for the replacement warrants were as follows: expected volatility of 115%; expected life of 1.9 years; risk-free interest rate of 3.20%; and, expected dividend yield of 0%. The assumptions used for the replacement stock options were as follows: expected volatility of 119%; expected life of 1.4 years; risk-free interest rate of 3.20%; and, expected dividend yield of 0%.

6. Reclamation deposits

The Company's reclamation deposits of $47,600 (December 31, 2024 - $47,600) are comprised of a bond held by the Arizona Bureau of Land Management Arizona State Office of $18,600 with respect to the Gold Chain project and a bond held by the United States Forest Service of $29,000 related to the Jefferson North project. These restricted cash deposits will be returned to the Company upon successful completion of reclamation at the Gold Chain and Jefferson North projects or after the bonds are replaced by other bonds related to a change in activity at the project sites.

7. Exploration and evaluation assets

	Gold Chain (Arizona, USA)	Baxter Spring (Nevada, USA)	Jefferson Canyon (Nevada, USA)	Tip Top Gold (Nevada, USA)	Jefferson North (Nevada, USA)	Copper Canyon (BC, Canada)	Total
Balance, January 1, 2024	**$ 2,292,712**	**$ -**	**$ 656,284**	**$ 1,980,790**	**$ -**	**$ -**	**$ 4,929,786**
Acquisition of Bullet Exploration Inc.	-	-	-	-	4,580,850	375,914	4,956,764
Cash option payments	45,000	-	-	25,000	-	-	70,000
Cash payment on final amendment	-	-	-	25,000	-	-	25,000
Shares issued for property interests	48,000	-	-	-	-	-	48,000
Claim staking, renewal and maintenance	136,591	-	-	30,820	-	-	167,411
Cash option payments received	-	-	(75,000)	-	-	-	(75,000)
Geology	118,349	-	-	5,047	-	-	123,396
Drilling and related permitting	519,326	-	-	-	-	-	519,326
Balance, December 31, 2024	**$ 3,159,978**	**$ -**	**$ 581,284**	**$ 2,066,657**	**$ 4,580,850**	**$ 375,914**	**$ 10,764,683**
Acquisition of Baxter Gold Corp.	-	2,856,239	-	-	-	-	2,856,239
Cash option payments	91,000	-	-	-	-	-	91,000
Shares issued for property interests	32,000	-	-	-	-	-	32,000
Claim staking, renewal and maintenance	130,123	-	-	30,789	-	-	160,912
Cash option payments received	-	-	(75,000)	-	-	-	(75,000)
Geology	208,064	1,000	-	1,001	-	430	210,495
Drilling and related permitting	2,568,070	-	-	-	-	-	2,568,070
Derecognition of exploration and evaluation assets	-	-	-	-	(4,580,850)	(376,344)	(4,957,194)
Balance, December 31, 2025	**$ 6,189,235**	**$ 2,857,239**	**$ 506,284**	**$ 2,098,447**	**$ -**	**$ -**	**$ 11,651,205**

Gold Chain - Arizona, USA

On July 30, 2018, the Company entered into a letter agreement for an option to acquire a 100% interest in the Gold Chain project located in Mohave County, Arizona. The initial project comprised 93 Bureau of Land Management lode mining claims in western Arizona, where work conducted by prior operators has indicated the property is prospective for gold. On February 4, 2019, the Company completed a definitive agreement with the vendors of the Gold Chain project incorporating all of the terms of the letter agreement and other standard industry terms. In May 2020, July 2023 and August 2025, the Company and the vendors entered into amendments to the option agreement which adjusted future cash and share payments and extended the timing of future payments. Consideration payable to earn a 100% interest in the project is payable in annual instalments over a ten-year period from inception and consists of a total of $581,000 in cash; and, a value of $344,350 payable in common shares as detailed below.

(expressed in U. S. dollars)

Date of payment	Cash $	Value of Common Shares $	Common Shares Issued #
Execution of the letter agreement (paid)	30,000	-	-
Upon final TSX-V approval (issued March 2019)	-	5,517	15,000
On or before July 30, 2019 (paid and issued July 2019)	20,000	6,833	15,000
On or before July 30, 2020 (paid and issued July 2020)	40,000	60,000	106,042
On or before July 30, 2021 (paid and issued July 2021)	30,000	48,000	74,471
On or before July 30, 2022 (paid and issued July 2022)	30,000	48,000	213,054
On or before July 30, 2023 (paid and issued July 2023)	15,000	48,000	206,255
On or before July 30, 2024 (paid and issued July 2024)	25,000	48,000	306,396
On or before August 1, 2025 (paid August 2025)	71,000	-	-
On or before September 15, 2025 (issued September 2025)	-	32,000	129,698
On or before July 30, 2026	60,000	48,000	-
On or before July 30, 2027	100,000	-	-
On or before July 30, 2028	160,000	-	-
Totals	**581,000**	**344,350**	**1,065,916**

The vendors of the property hold a 2% net smelter return royalty (NSR) on gold and silver. The Company has the right to buy down the NSR in increments of 1% by paying the vendors the sum of $1 million for each 1% of the NSR at any time prior to completion of the first year of commercial production. Additionally, the vendors will be entitled to a bonus cash payment equivalent to $1.00 per ounce of gold estimated in any resource category determined in a Preliminary Economic Assessment compliant with National Instrument 43-101. Any cash bonus payment that becomes payable will be creditable toward amounts due under the NSR agreement.

Following initial evaluation of the historical technical data base for the Gold Chain project and a field visit during the fall of 2018, an additional 14 claims were staked, bringing the total project claims to 107. These additional claims fall into an area of interest defined in the letter agreement. During January and May of 2021, the Company staked 254 new claims; during January 2023, the Company staked 18 new claims; during December 2024, the Company staked 113 new claims; during September 2025, the Company staked 42 new claims; and, during January 2026, the Company staked 80 new claims expanding the total land position to 614 unpatented claims.

On May 13, 2021, the Company entered into a definitive lease and option to purchase agreement related to a block of patented claims, known as the Banner Group, covering approximately 38 hectares internal to the Company's pre-existing Gold Chain claim block. The definitive agreement provides up to a twenty year option period to purchase a 100% interest in the patented claims. A cash option payment of $10,000 was paid upon signing of the definitive agreement and annual cash payments are payable until the option to purchase the claims is exercised. These payments are $10,000 for the first five years ($10,000 paid April 2025); $15,000 for years six to 10; and $20,000 for years 11 to 19. The Company has the option, prior to commercial production, to purchase a 100% interest in the Banner Group claims for $1.5 million subject to a 1% NSR.

On September 23, 2021, the Company entered into a definitive lease and option to purchase agreement related to a block of patented claims, known as the Tyro Group, covering approximately 23 hectares internal to the Company's pre-existing Gold Chain claim block. The definitive agreement provides up to a twenty year option period to purchase a 100% interest in the patented claims. A cash payment of $30,000 (including a $20,000 signing bonus) was paid upon signing of the definitive agreement and annual cash payments are payable until the option to purchase the claims is exercised. These payments are $10,000 for each of the first five years ($10,000 paid during September 2025); and, $15,000 for each of years six to 19. The Company has the option, prior to commercial production, to purchase a 100% interest in the Tyro Group claims for $500,000. The Tyro Group claims are subject to a 1% NSR with the Company having a right of first refusal with respect to any sale of the NSR.

On January 12, 2022, the Company completed the purchase of the Sheep Trail group of patented claims. This patented ground, covers approximately 46 hectares and is immediately east of the Banner patented claims and now forms part of the Gold Chain project. Consideration provided for the purchase consisted of a cash payment of $250,000. There are no royalties associated with these claims and there are no further payments owing to the vendor of these patented claims.

Baxter Spring - Nevada, USA

On October 2, 2025, the Company acquired the Baxter Spring project through the acquisition of Baxter (see note 4). The Company, indirectly through its subsidiary, Baxter Spring Mining (US) Corp., has a 100% ownership in 137 mineral claims totalling 1,145 hectares located in Nye County, Nevada, 40 kilometres south of the Company's Jefferson Canyon project.

The Baxter Spring project is subject to a 2% NSR payable to Liberty Gold USA Inc., a wholly owned subsidiary of Liberty Gold Corp.

Jefferson Canyon - Nevada, USA

On May 31, 2019, the Company entered into a definitive option agreement with Thorsen-Fordyce Merchant Capital Inc. ("Thorsen") and TF Minerals (USA) Inc. (together, the "TF parties") relating to the Jefferson Canyon gold-silver project located in Nye County, Nevada. The agreement covers 57 unpatented claims located approximately nine kilometres northeast of Kinross's Round Mountain gold mine. On May 29, 2020, the Company and the TF parties entered into an amended option agreement which extended the timeframe for certain cash payments and exploration expenditures.

Under the terms of the amended option agreement the Company can earn a 100% interest in 28 claims forming part of the Jefferson Canyon property held directly by the TF parties by making: (i) an initial common share payment to the TF parties valued at $25,000 upon receipt of TSX Venture Exchange approval (67,000 common shares and cash of $275 paid during June 2019); (ii) seven additional annual payments valued at $25,000 each on May 31, 2020, through 2026, which may be paid in common shares and/or cash at the option of the Company; and, (iii) a cash payment by May 31, 2027, of $200,000. At December 31, 2025, all required annual payments have been made.

Additionally, under the terms of the definitive option agreement, the Company has assumed responsibility for an underlying option agreement, initiated in September 2015, between Thorsen and an individual claim holder whereby Thorsen has the right to earn a 100% interest in 29 claims comprising the balance of the Jefferson Canyon project. The underlying agreement requires annual advance royalty payments by the September 14 anniversary through to 2030 or until exercise of the option to purchase. Annual advance royalty payments total $425,000 ($5,000 was paid by Thorsen with a balance of $420,000 due at initiation of the option agreement). The annual advance royalty payment schedule comprises $10,000 due September 2019 (paid), $15,000 in 2020 (paid), $20,000 in 2021 (paid), after which the annual payment increases by $5,000 per year until 2026 and is followed by four annual payments of $50,000 for 2027 to 2030. At December 31, 2025, all required options payments to date have been made. The option to acquire a 100% interest in the 29 claims is exercisable at any time during its term, up until March 14, 2032, by paying a purchase price of $500,000. Any advance royalty payments paid and the purchase price are creditable against future net smelter return royalties payable.

Jefferson Canyon - Nevada, USA (continued)

The Company is responsible for annual claim maintenance fees and committed to minimum exploration work expenditures of $100,000 by the third anniversary of the agreement on May 31, 2022 that was met in 2020. Additionally, the 28 claims held by the TF parties are subject to a 3% NSR and the 29 underlying claims are also subject to a 3% NSR. Each of these NSR obligations are subject to separate buyback provisions whereby up to 2% of each NSR can be purchased by the Company for $1 million for each 1%.

On October 13, 2022, the Company entered into an Exploration and Option Agreement ("Agreement") with Kinross Gold USA Inc., a wholly owned subsidiary of Kinross Gold Corporation (together, "Kinross"), on its Jefferson Canyon Gold-Silver project located in Nevada, USA. The term of the Agreement is four years commencing from receipt of the pending drill permit, with a potential extension of up to two years, subject to certain conditions.

Under the terms of the Agreement, Kinross is required to pay the Company an annual lease payment of $75,000 and a $50,000 signing bonus. These initial payments totalling $125,000 were received during October 2022. During October 2025 and 2024, the Company received $75,000 from Kinross related to the 2025 and 2024 lease payments respectively. Kinross is also required to spend $600,000 in exploration work on the property or pay the amount of any shortfall to the Company should they not spend the required amount by the time the Agreement expires. Additionally, Kinross will be responsible for annual payments on existing option agreements and annual payments to keep the unpatented claims in good standing.

During the term of the Agreement, upon satisfying the minimum exploration expenditure requirement, Kinross has the option to acquire 70% of the project for a cash payment of $5,000,000 to the Company after which a joint venture LLC would be formed. Kinross has a second option to acquire an additional 10% of the project for a further payment of $5,000,000 to the Company. If either of these options are exercised and a joint venture is formed, if either party's interest is diluted to 10% or less, it shall relinquish its interest to the other party in return for a 1% NSR.

Tip Top Gold - Nevada, USA

On July 24, 2020, the Company closed an amalgamation agreement for the acquisition of Territory. Territory's key asset is the Tip Top Gold project comprised of 22 unpatented mining claims (at the time of acquisition) covering approximately 173 hectares located in Esmeralda County, Nevada USA. The Tip Top Gold project is subject to an agreement of purchase and sale whereby the Company had the right to acquire a 100% interest in the project. To complete the acquisition of a 100% interest, the Company was required to issue the vendor shares equal to a value of $175,000 on or before May 12, 2021 (238,875 common shares issued on May 11, 2021), and pay an amount of $25,000 in cash on each of the first, second and third anniversaries of May 12, 2021. A final cash payment was made in May 2024 resulting in 100% ownership in the Tip Top project by the Company. The vendor retained a 1% NSR on the property and the Company was obligated to pay the vendor a cash payment of $200,000 within 30 days of completion of a bankable feasibility study on the Tip Top Gold project. Under the terms of the purchase and sale agreement, the Company could purchase the NSR at any time by paying the vendor $1 million.

On December 6, 2024, the Company signed an amendment to the purchase and sale agreement which resulted in the Company purchasing all remaining rights and the termination of the 1% NSR on the 22 unpatented mining claims for a cash payment of $25,000. No future obligations or royalties remain on the Tip Top project.

During September 2020, the Company staked 121 additional claims at the Tip Top Gold project. This staking increased the land position from 22 claims to a total of 143 claims covering approximately 1,062 hectares in total area.

Jefferson North - Nevada, USA

On November 26, 2024, the Company acquired the Jefferson North project through the acquisition of Bullet (see note 5). The Company, indirectly through its subsidiary, 1365826 Nevada LLC ("136 Nevada"), was a party to a Mining Claim with Option to Purchase Agreement ("Jefferson North Option Agreement") with Jumping Jack LLC for the acquisition of a 100% interest in certain mineral claims known as the Jefferson North property. The Jefferson North property was located within the Moors Creek mining district of Nye County, Nevada, USA. The Jefferson North property spanned 1,068 hectares and consists of 132 mineral claims.

Pursuant to the terms of the Jefferson North Option Agreement, 136 Nevada had the exclusive right to earn an undivided 100% interest in and to the Jefferson North property. Consideration payable to earn a 100% interest in the property was payable in annual instalments over a six-year period from inception and consisted of a total of $4,100,000 in cash. At December 31, 2024, the Company had made total cash payments of $285,000 consisting of the first three annual installments.

During June and July of 2025, management completed a strategic review of the Jefferson North Option Agreement and determined not to proceed with the earn-in due to the anticipated multi-year permitting timeline, the magnitude of the outstanding property payments and the uncertainty around the existence of an economically recoverable mineral resource. As a result, the Company determined that it would not continue exploration and evaluation on the Jefferson North property and derecognized the asset. The Company retains no further interest in the project.

Copper Canyon - British Columbia, Canada

On November 26, 2024, the Company acquired the Copper Canyon project through the acquisition of Bullet (see note 5). The Company, indirectly through its subsidiary, 2294253 Alberta Ltd., had a 100% ownership in seven mineral claims totalling 2,854 hectares located 30 kilometres west of Merritt in Southern British Columbia, Canada.

The Copper Canyon mineral claims were originally acquired by Bullet from Seven Devils Exploration Ltd. and Multiple Metals Resources Ltd. (the "optioners"), who previously owned a 50% interest in the mineral claims respectively. The optioners each retained a combined 1.5% NSR on the Copper Canyon property of which the Company had the right to purchase 0.5% of the NSR from the optioners for CDN$1,000,000.

During the third quarter of 2025, management completed a strategic review of the Copper Canyon project and determined the Company would not continue exploration and evaluation on the Copper Canyon project and derecognized the asset. The Company retains no further interest in the project.

Greyhound - Nunavut, Canada

The Company holds an interest in 13 claims covering approximately 13,586 hectares in the central region of Nunavut, Canada. These 13 claims are subject to a joint operating agreement with Agnico Eagle Mines Limited ("Agnico Eagle") (see below). These 13 claims have been converted to mining leases under Nunavut Mining Regulations.

During June 2014, the Company entered into a definitive option agreement with Agnico Eagle which allowed Agnico Eagle to earn an interest in 13 claims comprising the majority of the Greyhound project. Under the terms of the option agreement, over the first three years of the agreement, Agnico Eagle had the exclusive right to earn an undivided 51% ownership interest by meeting annual commitments that totalled CDN$210,000 in cash payments to the Company and incurring CDN$1,750,000 in exploration work expenditures on the project.

Greyhound - Nunavut, Canada (continued)

Agnico Eagle completed all requirements to earn a 51% interest effective June 1, 2017. From June 1, 2017 forward, the 13 claims became subject of a joint operating agreement between the Company and Agnico Eagle. Work programs are to be established by a management committee comprised of one representative from each of the Company and Agnico Eagle. If either party to the joint operating agreement fails to fund its pro-rata share of approved exploration programs its interest in the project will be diluted on a pro-rata basis.

If any party's interest in the project falls below 10% then that party will forfeit their 10% interest and in return will receive a 2% NSR. The other party may at any time purchase one-half of the NSR, namely a 1% NSR, for an amount of CDN$2,000,000. Agnico Eagle is the operator of the project.

As at December 31, 2025, the Company's ownership interest in the Greyhound project was 32.3%.

8. Capital stock

a) Common shares

Authorized share capital of the Company consists of an unlimited number of common shares, having no par value.

Share issuances during fiscal 2025
During the year ended December 31, 2025, the Company issued a total of 11,096,673 common shares pursuant to the exercise of 11,096,673 common share purchase warrants for gross proceeds of $3,528,649 (CDN$4,953,129).

During the year ended December 31, 2025, the Company issued a total of 500,000 common shares pursuant to the exercise of 500,000 stock options for gross proceeds of $104,447 (CDN$145,000).

On October 2, 2025, the Company issued a total of 13,500,000 common shares valued at $2,864,094 for the acquisition of Baxter (see note 4).

On September 15, 2025, the Company issued 129,698 common shares valued at $32,000 for the seventh anniversary payment with respect to the Gold Chain project (see note 7).

On June 10, 2025, the Company closed a bought deal private placement financing issuing a total of 17,778,000 units at CDN$0.45 per unit for gross proceeds of $5,845,273 (CDN$8,000,100). Each unit consisted of one common share of the Company and one-half common share purchase warrant. A total of 8,889,000 warrants were issued entitling the holder to purchase one common share of the Company at a price of CDN$0.55 per share until June 10, 2027. In connection with the closing of the private placement, the Company paid an aggregate of $350,716 (CDN$480,006) in cash commissions to finders and issued an aggregate of 1,066,680 broker warrants. Each broker warrant entitles the finder to acquire one common share of the Company at a price of CDN$0.45 per share until June 10, 2027.

Share issuances during fiscal 2024
On November 26, 2024, the Company issued 19,112,940 common shares for the acquisition of Bullet (see note 5).

During October and November 2024, the Company closed a private placement financing in connection with the Transaction (see note 5) in three tranches, issuing a total of 24,440,002 units at CDN$0.25 per unit for gross proceeds of $4,432,166 (CDN$6,110,000). Each unit consisted of one common share of the Company and one-half common share purchase warrant. Each whole warrant entitles the holder to purchase one common share of the Company at a price of CDN$0.40 per share for a period of 24 months following the dates of issuance. In connection with the closing of the private placement, the Company paid an aggregate of $41,622 (CDN$57,312) in cash commissions to finders and issued an aggregate of 229,250 broker warrants. Each broker warrant entitles the finder to acquire one common share having the same terms as the warrants issued to investors.

On August 15, 2024, the Company issued 306,396 common shares valued at $48,000 for the sixth anniversary payment with respect to the Gold Chain project (see note 7).

On May 3, 2024, the Company closed a private placement financing issuing 2,873,000 units at CDN$0.25 per unit for gross proceeds of $524,374 (CDN$718,250). Each unit consisted of one common share of the Company and one-half common share purchase warrant. Each whole warrant entitles the holder to purchase one common share of the Company at a price of CDN$0.30 per share until May 3, 2026. In connection with the private placement, the Company paid eligible finders cash commissions of $3,065 (CDN$4,200) and an aggregate of 16,800 broker warrants. Each broker warrant entitles the finder to acquire one common share having the same terms as the warrants issued to investors.

b) Warrants

Warrant issuances during fiscal 2025
On June 10, 2025, the Company issued a total of 8,889,000 warrants in connection with a private placement. These warrants are exercisable at CDN$0.55 per share and expire 24 months after the issuance date. These warrants were recorded at a value of $1,183,867. In addition, 1,066,680 broker warrants were issued exercisable at CDN$0.45 per share and expire 24 months after the issuance date. These broker warrants were valued at $185,973. These warrants are callable during the 24-month period, at the option of the Company, in the event that the 20-day volume-weighted average price of the Company's common shares meet or exceeds $0.90 for twenty consecutive trading days based on trades on the TSX Venture Exchange and Alternative Trading Systems. Subscribers will be notified of the call provision being triggered and will have a 30-day period to exercise the warrants.

Warrants exercised during fiscal 2025
During the year ended December 31, 2025, a total of 11,096,673 warrants were exercised for gross proceeds of $3,528,649 (CDN$4,953,129). These warrants were collectively valued at $1,054,401.

Warrants expired during fiscal 2025
On July 26, 2025, a total of 831,746 warrants exercisable at CDN$0.50 expired. On June 8, 2025, a total of 325,000 warrants exercisable at CDN$0.50 expired. These warrants were collectively valued at $77,194.

Warrant issuances during fiscal 2024
On November 26, 2024, the Company issued 6,400,000 common share purchase warrants for the acquisition of Bullet (see note 5). These warrants are callable, at the option of the Company, in the event that the closing price of the Company's common shares on the TSX Venture Exchange is equal to or exceeds CDN$0.60 for 30 consecutive trading days.

b) Warrants (continued)

Warrant issuances during fiscal 2024 (continued)
In October and November 2024, the Company issued a total of 12,220,002 warrants in connection with a private placement. These warrants are exercisable at CDN$0.40 per share and expire 24 months after the issuance dates. These warrants were recorded at a value of $758,967. In addition, 229,250 broker warrants with the same terms were issued to finders. These broker warrants were valued at $21,756. These warrants are callable during the 24-month period, at the option of the Company, in the event that the 20-day volume-weighted average price of the Company's common shares meet or exceeds $0.60 for ten consecutive trading days based on trades on the TSX Venture Exchange and Alternative Trading Systems. Subscribers will be notified of the call provision being triggered and will have a 30-day period to exercise the warrants.

On May 3, 2024, the Company issued a total of 1,436,500 warrants in connection with a private placement. These warrants are exercisable at CDN$0.30 per share and expire 24 months after issuance date. These warrants were recorded at a value of $131,612. In addition, 16,800 broker warrants with the same terms were issued to finders. These broker warrants were valued at $1,990. These warrants are callable during the 24-month period, at the option of the Company, in the event that the 20-day volume-weighted average price of the Company's common shares meet or exceeds $0.50 for ten consecutive trading days based on trades on the TSX Venture Exchange and Alternative Trading Systems. Subscribers will be notified of the call provision being triggered and will have a 30-day period to exercise the warrants.

Warrants expired during fiscal 2024
During December 2024, a total of 1,086,337 warrants exercisable at CDN$1.00 expired.

Fair value determination of warrants
The fair value of warrants has been estimated using option pricing models and this value has been presented as a separate component of shareholders' equity. The assumptions used for the valuation of warrants issued during fiscal 2025 and 2024 were as follows:

	2025	2024
Expected volatility	108%	115% - 280%
Expected life (in years)	2.0	1.9 - 2.0
Risk-free interest rate	2.67%	3.20% - 4.19%
Expected dividend yield	0%	0%

As at December 31, 2025, details with respect to outstanding warrants are as follows:

Number	Exercise price (CDN$)	Expiry
660,500	0.30	May 3, 2026
1,888,986	0.40	October 9, 2026
5,131,002	0.40	November 15, 2026
1,220,000	0.40	November 22, 2026
5,609,425	0.45	October 24, 2026
213,336	0.45	June 10, 2027
7,559,500	0.55	June 10, 2027
22,282,749	0.46	

c) Stock options

The Company has a share-based compensation plan, providing the Board of Directors with the discretion to issue an equivalent number of stock options of up to 10% of the issued and outstanding share capital of the Company to eligible participants. Options granted under the plan generally have a term of five years and vest at terms to be determined by the Board of Directors at the time of grant. The exercise price of each option is determined by the Board of Directors at the time of grant but shall not be less than the price permitted by the policy or policies of the stock exchange(s) on which the Company's common shares are then listed. Options are subject to earlier expiry upon the termination of the optionee's employment, consulting agreement or the optionee ceasing to be a director or officer of the Company.

Activity with respect to stock options is summarized as follows:

	Number	Weighted-average exercise price CDN $
Balance, January 1, 2024	1,135,000	0.80
Granted	4,972,222	0.29
Expired	(120,000)	0.50
Forfeited	(40,000)	0.83
Balance, December 31, 2024	5,947,222	0.38
Granted	4,900,000	1.07
Exercised	(500,000)	0.29
Forfeited	(455,000)	0.83
Balance, December 31, 2025	9,892,222	0.71

c) Stock options (continued)

The following table summarizes information relating to outstanding and exercisable stock options as at December 31, 2025:

Exercise price CDN $	Number of options outstanding	Weighted-average remaining contractual life (years)	Number of options exercisable	Expiry
0.29	4,450,000	4.0	4,450,000	December 24, 2029
0.33	450,000	4.1	450,000	February 13, 2030
0.49	250,000	4.2	125,000	March 8, 2030
0.50	30,000	3.0	30,000	December 19, 2028
0.80	265,000	4.7	265,000	August 29, 2030
0.85	175,000	0.5	175,000	July 1, 2026
1.10	50,000	4.7	50,000	September 24, 2030
1.18	4,200,000	5.0	2,300,000	December 23, 2030
1.26	22,222	0.3	22,222	April 18, 2026
	9,892,222	4.4	7,867,222	

As at December 31, 2024, a total of 3,822,222 stock options were exercisable.

Stock options issued during fiscal 2025
On December 22, 2025, the Company granted 4,200,000 stock options to officers, directors, and consultants of the Company. These stock options are exercisable at CDN$1.18 and expire on December 23, 2030. Of the total stock options that were granted, 2,300,000 stock options vested immediately; 950,000 will vest 12 months from the date of grant; and, 950,000 will vest 24 months from the date of grant.

On March 7, 2025, the Company granted a total of 250,000 stock options to a director of the Company. These stock options are exercisable at CDN$0.49 and expire on March 8, 2030. The vesting period of these stock options is as follows: 125,000 stock options vested immediately; 62,500 will vest 12 months from the date of grant; and, 62,500 will vest 24 months from the date of grant.

On February 13, 2025, the Company granted a total of 450,000 stock options to a director and a consultant of the Company. These stock options are exercisable at CDN$0.33, expire on February 13, 2030 and vested immediately.

Stock options exercised during fiscal 2025
During the year ended December 31, 2025, the Company issued a total of 500,000 common shares pursuant to the exercise of 500,000 stock options for gross proceeds of $104,447 (CDN$145,000). These stock options were collectively valued at $52,278.

Stock options issued during fiscal 2024
On December 23, 2024, the Company granted 4,450,000 stock options to officers, directors, and consultants of the Company. These stock options are exercisable at CDN$0.29 and expire on December 24, 2029. Of the total stock options that were granted, 2,825,000 stock options vested immediately; 812,500 will vest 12 months from the date of grant; and, 812,500 will vest 24 months from the date of grant.

On December 23, 2024, the Company granted 500,000 stock options to a consultant of the Company. These stock options are exercisable at CDN$0.29 and expire on December 24, 2026. The vesting period of these stock options is as follows: 25% three months from date of grant; 25% six months from date of grant; 25% nine months from date of grant; and, 25% 12 months from date of grant.

Stock options expired during fiscal 2024
On June 4, 2024, a total of 120,000 stock options exercisable at $0.50 expired.

Stock options valuation
During the year ended December 31, 2025, the Company recorded a total value of $1,466,732 (2024 - $443,743) with respect to stock options. Of this total, $1,143,601 was recorded in share based compensation expense related to stock options and $323,131 was capitalised to exploration and evaluation assets. Stock based compensation amounts are included in shareholders' equity as contributed surplus. The values determined using an option pricing model, with respect to stock options granted during fiscal 2025 and 2024 utilized the following assumptions and values:

	2025	2024
Expected volatility	90% - 100%	94% - 119%
Expected option life (in years)	5.0	1.4 - 5.0
Risk-free interest rate	2.71% - 2.93%	3.03% - 3.20%
Expected dividend yield	0%	0%
Weighted-average exercise price	CDN$1.07	CDN$0.29
Weighted-average share price at grant date	CDN$0.92	CDN$0.29
Weighted-average fair value	CDN$0.47	CDN$0.22

(expressed in U. S. dollars)

9. Income taxes

Income taxes differ from that which would be expected from applying the combined effective Canadian federal and provincial income tax rates to loss before income taxes as follows:

	2025 $	2024 $
Loss before income taxes	10,489,607	1,051,911
Statutory rate	26.50%	26.50%
Expected recovery of income tax	2,779,746	278,756
Permanent differences	(1,618,097)	(107,330)
Foreign tax rate difference	(18,638)	(9,197)
Effect of exchange rate differences	239,415	(393,066)
Impact of Baxter acquisition	157,469	-
Impact of Bullet acquisition	-	3,351,069
Origination and reversal of timing differences	(1,539,895)	(3,120,232)
Provision for (recovery of) income taxes	-	-

Significant components of the Company's unrecognized deferred income tax assets are as follows:

	2025 $	2024 $
Unrecognized deferred income tax assets		
Non-capital loss carry forwards	7,042,105	5,503,934
Share issue costs	140,238	32,105
Asset basis differences and tax effect of flow-through shares	(300,884)	(290,078)
	6,881,459	5,245,961

As at December 31, 2025, no deferred tax asset was recognized related to these amounts. As at December 31, 2025, the Company has loss carry forward balances which are available to offset future years' taxable income. These carry forward balances expire as follows:

Years of expiry	Canada $	United States $	Total $
2026 - 2030	1,890,000	-	1,890,000
2031 - 2035	2,049,000	-	2,049,000
2036 - 2040	14,168,000	2,000	14,170,000
2041 - 2045	7,844,000	782,000	8,626,000
	25,951,000	784,000	26,735,000

10. Related party transactions and compensation of key management and directors

Key management includes all persons named or performing the duties of Chief Executive Officer, President, Chief Financial Officer, Vice President and the directors of the Company. Compensation awarded to key management and directors included:

	Year ended December 31, 2025 $	Year ended December 31, 2024 $
Management, director fees and accrued compensation	880,311	399,653
Stock-based compensation	954,292	236,143
	1,834,603	635,796

As at December 31, 2025, a total of $280,567 (December 31, 2024 - $53,825) is included in accounts payable and accrued liabilities with respect to amounts for compensation and expenses due to Company officers and directors. A company controlled by the Company's Chief Financial Officer also provides bookkeeping, accounting and administrative services to the Company. For the year ended December 31, 2025, a total of $52,076 (2024 - $31,062) was charged for bookkeeping, accounting and administrative services.

The Company has management service agreements with each of its Chief Executive Officer, Chief Financial Officer and its Vice President, Exploration which provide for a payment upon termination without cause. The Chief Executive Officer would be entitled to twelve months' compensation equivalent to CDN$180,000. The Chief Financial Officer would be entitled to six months' compensation equivalent to CDN$64,000. The Vice President, Exploration would be entitled to twelve months' compensation equivalent to $200,000.

10. Related party transactions and compensation of key management and directors (continued)

The service agreements for the Chief Executive Officer, Chief Financial Officer and Vice President, Exploration also provide that under certain conditions, including a change in control of the Company, that each of these individuals would be entitled to a lump sum payment. With respect to the Chief Executive Officer, this payment would be for twenty-four months of compensation equivalent to CDN$360,000. The Chief Financial Officer would be entitled to eighteen months of compensation equivalent to CDN$192,000. The Vice President, Exploration would be entitled to twenty-four months of compensation equivalent to $400,000.

11. Financial instruments and risk management

Fair value of financial instruments

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. The carrying amounts reported in the consolidated statements of financial position for cash and cash equivalents and accounts payable and accrued liabilities approximate their fair values based on the immediate or short-term maturities of these financial instruments.

Financial risk management objectives

The Company examines the various financial instrument risks to which it is exposed and assesses the impact and likelihood of those risks. These risks may include credit risk, liquidity risk and market risks. Where material, these risks are reviewed and monitored.

Credit risk
Financial instruments that potentially subject the Company to concentrations of credit risk consist of cash. The Company's cash is held with a major Canadian financial institution and its United States subsidiary. The maximum exposure is equivalent to the carrying amounts. As at December 31, 2025, the Company does not consider any of its financial assets to be impaired.

Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due (see note 1). The Company manages liquidity risk through monitoring cash outflows due in its day-to-day business and by regular cash flow forecasting of cash requirements to fund exploration projects and operating costs. As at December 31, 2025, the Company's liabilities include trade accounts payable and accrued liabilities most of which are due within normal trade terms of generally 30 days.

Market risk
Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. While market risk may include a number of components, only currency risk is applicable to the Company.

Currency risk
The Company is primarily exposed to financial risk arising from fluctuations in foreign exchange rates with respect to the United States dollar. As at December 31, 2025, the Company held cash and cash equivalents in United States dollars of $303,760 (2024 - $724,470). The Company has not utilized derivative instruments to reduce its exposure to foreign currency risk.

During the year ended December 31, 2025, approximately 29.6% (2024 - 8.8%) of the Company's operating expenses were not denominated in the functional currency and were denominated in United States dollars. The Company's property costs for the Gold Chain, Baxter Spring, Jefferson Canyon, Jefferson North and the Tip Top projects are denominated in United States dollars. The Company has completed a sensitivity analysis to estimate the impact on net loss that a change in the United States / Canadian dollar foreign exchange rate would have. For the year ended December 31, 2025, with all other variables held constant, a plus or minus 10% change in the United States / Canadian dollar exchange rate would give rise to a change in reported net loss of plus or minus $279,141 (2024 - $5,783).

12. Segmented information

The Company presents and discloses segmented information based on information that is regularly reviewed by the Company's President and CEO who is the chief operating decision-maker. The President and CEO has primary responsibility for allocating resources to the Company's operating segments and assessing their performance. The Company's operations comprise one reportable segment being the exploration and development of mineral resource properties. The Company's corporate and administrative offices are in Canada. The Company's exploration activities are focused on projects in the United States and Canada; therefore, any exploration and evaluation assets would be located in those countries.

13. Capital structure

The Company's capital structure is comprised of shareholders' equity. The Company is not subject to externally imposed capital requirements. The Company's objectives when managing its capital structure are to preserve the Company's access to capital markets and its ability to meet its financial obligations and to finance its exploration activities and general corporate costs.

The Company monitors its capital structure using future forecasts of cash flows, particularly those related to its exploration programs.

The Company manages its capital structure and makes adjustments to it to maintain flexibility while achieving the objectives stated above. To manage the capital structure, the Company may adjust its exploration programs, operating expenditure plans, or issue new common shares and warrants. The Company's capital management objectives have remained unchanged over the periods presented in these consolidated financial statements.

(expressed in U. S. dollars)

14. Supplemental cash flow information

Non-cash transactions not reflected in the consolidated statements of cash flows are as follows:

	Year ended December 31, 2025 $	Year ended December 31, 2024 $
Exploration and evaluation expenditures included in accounts payable and accrued liabilities	209,637	89,418
Common shares issued for exploration and evaluation assets	32,000	48,000
Common shares issued for Baxter acquisition (note 4)	2,864,094	-
Common shares issued for Bullet acquisition (note 5)	-	4,124,218
Warrants issued for Bullet acquisition	-	688,201
Stock options issued for Bullet acquisition	-	982
Stock based compensation charge capitalised to exploration and evaluation assets	323,131	39,357
Effect of changes in foreign exchange rates on accounts payable and accrued liabilities	-	(322)

15. Subsequent events

Exercise of common share purchase warrants and stock options
Subsequent to December 31, 2025, the Company issued a total of 3,310,645 common shares pursuant to the exercise of 3,310,645 common share purchase warrants for gross proceeds of $1,002,406 (CDN$1,382,222). Additionally, the Company issued a total of 37,500 common shares pursuant to the exercise of 37,500 stock options for gross proceeds of $8,010 (CDN$10,875).

Closing of brokered private placement financing
On February 19, 2026, the Company closed a brokered private placement issuing a total of 22,727,300 shares at CDN$1.10 per share for gross proceeds of $18,296,742 (CDN$25,000,030). The agents of the brokered financing were entitled to receive an aggregate cash commission of $612,777 (CDN$837,470), of which a portion was elected to be settled in common shares of the Company, and also an advisory fee of $25,420 (CDN$34,741). A total of 264,162 shares were issued in lieu of cash valued at $212,616 (CDN$290,578). In addition, a total of 1,045,456 broker warrants were issued to the agents of the brokered financing. These broker warrants are exercisable at $1.10 per warrant and expire on February 19, 2028.