WEST POINT GOLD CORP.

An Exploration Stage Company



Unaudited Condensed Consolidated Interim Financial Statements

For the three and six month periods ended June 30, 2026 and 2025

(expressed in United States dollars)

TSX.V: WPG | OTCQX: WPGCF | FSE: LRA0

NOTICE OF NO AUDITOR REVIEW OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

The accompanying condensed consolidated interim financial statements of West Point Gold Corp. (the "Company") have been prepared by and are the responsibility of the Company's management. The Company's Audit Committee and Board of Directors have reviewed and approved these condensed consolidated interim financial statements.

The Company's independent auditor has not performed a review of these condensed consolidated interim financial statements.

West Point Gold Corp.

(An Exploration Stage Company)

Unaudited Condensed Consolidated Interim Statements of Financial Position

(expressed in U.S. dollars)

	June 30, 2026 $	December 31, 2025 $
Assets		
Current assets		
Cash and cash equivalents	17,284,900	5,436,588
Amounts receivable	185,549	54,226
Prepaid expenses	623,651	95,294
	18,094,100	5,586,108
Exploration advances	59,064	-
Reclamation deposits (note 5)	96,400	47,600
Right-of-use assets (note 6)	212,023	-
Exploration and evaluation assets (note 7)	15,961,212	11,651,205
	16,328,699	11,698,805
Total assets	34,422,799	17,284,913
Liabilities and shareholders' equity		
Current liabilities		
Accounts payable and accrued liabilities	412,518	575,988
Current portion of lease liabilities (note 8)	26,096	-
	438,614	575,988
Lease liabilities (note 8)	212,018	-
Total liabilities	650,632	575,988
Shareholders' equity		
Capital stock (note 9)	57,447,446	38,429,187
Warrants (note 9)	2,160,301	2,151,316
Contributed surplus (note 9)	9,481,173	8,748,485
Accumulated deficit	(34,489,782)	(32,486,220)
Accumulated other comprehensive loss	(826,971)	(133,843)
Total shareholders' equity	33,772,167	16,708,925
Total liabilities and shareholders' equity	34,422,799	17,284,913

Nature of operations and going concern (note 1)
Commitments and contingencies (note 11)
Subsequent events (note 16)

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

Approved by the Board of Directors:

(signed) "Anthony Paterson"
Director

(signed) "Brodie Sutherland"
Director

West Point Gold Corp.

(An Exploration Stage Company)

Unaudited Condensed Consolidated Interim Statements of Operations and Comprehensive Loss

(expressed in U.S. dollars)

	Three months ended June 30, 2026 $	Three months ended June 30, 2025 $	Six months ended June 30, 2026 $	Six months ended June 30, 2025 $
Expenses				
Promotion and investor relations	646,282	501,452	1,033,772	1,826,877
Regulatory authority and transfer agent fees	25,708	10,890	41,834	29,054
Professional fees	33,408	24,225	73,561	53,368
General and administrative	192,891	88,876	300,685	177,482
Derecognition of exploration and evaluation assets (note 7)	-	4,580,850	-	4,580,850
Stock based compensation (note 9)	654,183	39,003	769,830	156,766
Total expenses	1,552,472	5,245,296	2,219,682	6,824,397
Other income				
Interest income	(129,775)	(4,217)	(214,033)	(16,075)
Sublease income	(2,087)	-	(2,087)	-
Total other income	(131,862)	(4,217)	(216,120)	(16,075)
Net loss for the period	(1,420,610)	(5,241,079)	(2,003,562)	(6,808,322)
Other comprehensive loss:				
Items that may be subsequently reclassified to operations				
Currency translation differences	(325,132)	42,749	(693,128)	(22,186)
Total comprehensive loss for the period	(1,745,742)	(5,198,330)	(2,696,690)	(6,830,508)
Net loss per common share:				
Basic and diluted	(0.01)	(0.07)	(0.02)	(0.09)
Weighted average number of common shares outstanding:				
Basic and diluted	135,660,495	73,510,039	122,005,135	69,884,677

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

West Point Gold Corp.
(An Exploration Stage Company)
Unaudited Condensed Consolidated Interim 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, 2026	108,866,548	38,429,187	22,282,749	2,151,316	8,748,485	(32,486,220)	(133,843)	16,708,925
Brokered private placement (note 9)	22,727,300	18,296,742	-	-	-	-	-	18,296,742
Common stock in lieu of cash share issue costs (note 9)	264,162	212,616	-	-	-	-	-	212,616
Share issue costs	-	(1,078,298)	-	-	-	-	-	(1,078,298)
Broker warrants issued	-	(461,453)	1,045,456	461,453	-	-	-	-
Exercise of warrants (note 9)	4,428,919	1,815,253	(4,428,919)	(449,719)	-	-	-	1,365,534
Expiry of warrants (note 9)	-	-	(30,000)	(2,749)	2,749	-	-	-
Exercise of stock options (note 9)	259,800	233,399	-	-	(111,359)	-	-	122,040
Share based compensation (note 9)	-	-	-	-	841,298	-	-	841,298
Net loss for the period	-	-	-	-	-	(2,003,562)	-	(2,003,562)
Currency translation differences	-	-	-	-	-	-	(693,128)	(693,128)
Balance, June 30, 2026	136,546,729	57,447,446	18,869,286	2,160,301	9,481,173	(34,489,782)	(826,971)	33,772,167
Balance, January 1, 2025	65,862,177	26,887,757	24,580,488	1,913,071	7,256,837	(21,996,613)	(108,621)	13,952,431
Brokered private placement of units (note 9)	17,778,000	4,661,406	8,889,000	1,183,867	-	-	-	5,845,273
Broker warrants issued to finders (note 9)	-	(185,973)	1,066,680	185,973	-	-	-	-
Share issue costs	-	(569,872)	-	-	-	-	-	(569,872)
Exercise of warrants (note 9)	4,136,502	1,481,177	(4,136,502)	(296,525)	-	-	-	1,184,652
Expiry of warrants (note 9)	-	-	(325,000)	(21,574)	21,574	-	-	-
Share based compensation (note 9)	-	-	-	-	219,315	-	-	219,315
Net loss for the period	-	-	-	-	-	(6,808,322)	-	(6,808,322)
Currency translation differences	-	-	-	-	-	-	(22,186)	(22,186)
Balance, June 30, 2025	87,776,679	32,274,495	30,074,666	2,964,812	7,497,726	(28,804,935)	(130,807)	13,801,291

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

West Point Gold Corp.

(An Exploration Stage Company)

Unaudited Condensed Consolidated Interim Statements of Cash Flows

(expressed in U.S. dollars)

	Six months ended June 30, 2026 $	Six months ended June 30, 2025 $
Cash provided by (used in)		
Operating activities		
Net loss for the period	(2,003,562)	(6,808,322)
Items not affecting cash:		
Depreciation of right-of-use assets (note 6)	3,903	-
Derecognition of exploration and evaluation assets (note 7)	-	4,580,850
Interest on lease liabilities (note 8)	1,906	-
Stock based compensation (note 9)	769,830	156,766
Accrued interest on cash balances and security deposits	(39,956)	-
Sublease income	(2,087)	-
Security deposit paid on finance lease (note 8)	(49,342)	-
Change in non-cash working capital items:		
Amounts receivable	(13,699)	966
Prepaid expenses	(522,866)	246,713
Accounts payable and accrued liabilities	(380,678)	(140,447)
	(2,236,551)	(1,963,474)
Investing activities		
Reclamation deposits (note 5)	(48,800)	-
Exploration advances	(59,064)	-
Exploration and evaluation assets (note 7)	(4,032,947)	(977,680)
	(4,140,811)	(977,680)
Financing activities		
Proceeds from financings, net of share issue costs (note 9)	17,578,973	5,419,300
Exercise of warrants (note 9)	1,365,534	1,184,652
Exercise of stock options (note 9)	122,040	-
Share issue costs	(147,913)	(143,899)
	18,918,634	6,460,053
Effect of exchange rate changes on cash and cash equivalents	(692,960)	(22,186)
Net change in cash and cash equivalents	11,848,312	3,496,713
Cash and cash equivalents - Beginning of period	5,436,588	3,125,206
Cash and cash equivalents - End of period	17,284,900	6,621,919

Supplemental cash flow information (note 15)

(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 OTCQX Best 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 condensed consolidated interim 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 June 30, 2026, the Company had a working capital surplus of $17,655,486 (December 31, 2025 - $5,010,120). Subsequent to period end, the Company received $1,007,395 (CDN$1,404,983) from the exercise of common share purchase warrants and stock options (see note 16). Notwithstanding the additional financing obtained during and subsequent to period 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 condensed consolidated interim 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 condensed consolidated interim 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

The condensed consolidated interim financial statements of the Company and all its subsidiaries 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 condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting (“IAS 34”), as issued by the IASB. Accordingly, certain information normally included in annual financial statements prepared in accordance with IFRS Accounting Standards, has been omitted or condensed. The condensed consolidated interim financial statements should be read in conjunction with the audited consolidated financial statements of the Company for the year ended December 31, 2025.

These condensed consolidated interim financial statements were approved for issue by the Company's Board of Directors on August 26, 2026.

New IFRS Accounting Standards and Interpretations

Certain pronouncements were issued by the International Accounting Standards Board (IASB) or the IFRS Interpretations Committee (Committee) that are mandatory for accounting years beginning on or after January 1, 2026. They are not applicable or do not have a material impact on the condensed consolidated interim financial statements of the Company and have been excluded from the summary below.

Accounting standards issued but 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.

Accounting standards adopted as of January 1, 2026

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 condensed consolidated interim 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
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 C.V.	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.

New accounting policies

These condensed consolidated interim financial statements have been prepared using accounting policies that are consistent with those used in the preparation of the Company's audited annual consolidated financial statements for the year ended December 31, 2025. During the six month period ended June 30, 2026, additional material accounting policies related to leases became applicable to the Company and are disclosed below.

Leases

A contract is or contains a lease when the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee, the Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, and subsequently at cost less any accumulated depreciation and accumulated impairment losses, and adjusted for remeasurements of the lease liability. The right-of-use asset is depreciated on a straight-line basis over the shorter of the lease term and the useful life of the underlying asset, unless ownership of the underlying asset transfers to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option, in which case the right-of-use asset is depreciated over the useful life of the underlying asset. The cost of the right-of-use asset includes the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date, less any lease incentives received and any initial direct costs and, if applicable, an estimate of costs to be incurred by the Company in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

The lease liability is initially measured at the present value of the lease payments during the lease term that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. The lease term is the non-cancellable period of a lease together with periods covered by extension options that the Company is reasonably certain to exercise and periods covered by termination options that the Company is reasonably certain not to exercise. The incremental borrowing rate reflects the rate of interest that the Company would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions. Generally, the Company uses its incremental borrowing rate as the discount rate.

The lease liability is subsequently increased by the interest on the lease liability, measured using the discount rate, and decreased by lease payments made. The lease liability is remeasured using an unchanged discount rate when there is a change in future lease payments arising from a change in an index or rate, or a change in the amount expected to be payable under a residual value guarantee. The lease liability is remeasured using a revised discount rate when there is a change in future lease payments resulting from changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised. The revised discount rate in this case is the interest rate implicit in the lease for the remainder of the term or the Company's incremental borrowing rate at the date of reassessment.

The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of twelve months or less and leases of low-value assets. The lease payments associated with these leases are charged directly to net loss on a straight-line basis over the lease term.

Lease payments included in the measurement of the lease liability exclude variable lease payments that do not depend on an index or a rate, including common area maintenance and property tax recoveries billed by lessors on an estimated basis and adjusted annually against actual costs; these amounts are charged to net loss as incurred. Where a lease requires the Company to pay a security deposit that is refundable and non-interest-bearing, the deposit is recognized as a financial asset at fair value on initial recognition. The difference between the cash paid and the initial fair value of the deposit is additional consideration for the right-of-use asset and is included in its cost. The deposit is subsequently measured at amortized cost and accreted to its nominal amount through interest income over the period it is held.

Where the Company subleases premises held under a head lease to a third party and retains primary liability to the head lessor, the sublease is classified by reference to the right-of-use asset arising from the head lease. A sublease that does not transfer substantially all of the risks and rewards incidental to ownership of that right-of-use asset is classified as an operating lease. The Company continues to recognize the head lease right-of-use asset and lease liability in full and recognizes sublease income on a straight-line basis over the sublease term. The excess of cumulative straight-line sublease income recognized over cumulative cash rent received or receivable is recognized as a receivable. Security or rent deposits received from sub-tenants are recognized as a liability, refundable or applied against rent under the terms of the sublease.

Interest on lease liabilities and depreciation of right-of-use assets are included in general and administrative expenses in the statement of operations and comprehensive loss. Lease incentive receivables, security deposits, and straight-line sublease receivables are included in amounts receivable. Sublease income is included in other income.

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; the accounting for leases, including the determination of the incremental borrowing rate and the extent of recognition of lease obligations held jointly with other parties; 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 six month period ended June 30, 2026, there were no indicators of impairment with respect to its 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.

Leases - Incremental borrowing rate

Where the interest rate implicit in a lease is not readily determinable, the Company estimates its incremental borrowing rate using a build-up approach: an observable risk-free benchmark rate for a matching term, adjusted for the Company's credit risk (with reference to the observed borrowing costs of comparable companies in the mineral exploration sector, as the Company's own borrowing cost is not otherwise observable), the effect of any collateral or security held by the lessor, and the currency and economic environment of the lease. Changes in the estimated incremental borrowing rate affect the initial measurement of right-of-use assets and lease liabilities and the interest expense and depreciation recognized over the lease term.

As at June 30, 2026, the Company applied an incremental borrowing rate of 10% to its lease contracts.

Leases - Lease agreements with multiple co-tenants

The Company applies judgment in the accounting for its lease of premises in Vancouver, British Columbia, under which the Company is named together with two other companies as tenant, jointly and severally liable for the full lease obligation. The Company recognizes a right-of-use asset and lease liability for the share of the premises it is directly billed for by the landlord and is obligated to pay under an internal cost-sharing arrangement among the three companies, currently one-third, rather than the full amount for which it is jointly and severally liable. The remaining two-thirds, for which the Company would become liable if the other co-tenants fail to perform, is disclosed as a contingent liability (see note 11). A change in the cost-sharing arrangement, in the final office allocation among the co-tenants, or in the Company's ability to recover amounts from the other co-tenants would change the Company's recognized right-of-use asset, lease liability, and related party balances.

Going concern considerations

These condensed consolidated interim 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.

(expressed in U.S. dollars)

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 were 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 was as follows:

	#	$
Consideration provided		
Common shares issued (note 9)	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. Reclamation deposits

The Company's reclamation deposits of $96,400 (December 31, 2025 - $47,600) are comprised of a bond held by the Arizona Bureau of Land Management State Office of $67,400 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 that has not yet been recovered. 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.

6. Right-of-use assets

The following table summarizes the Company's right-of-use assets from its Toronto office and Vancouver office leases (see note 8):

	Toronto Lease $	Vancouver Lease $	Total $
Gross carrying amount			
Balance, January 1, 2026	-	-	-
Initial measurement of right-of-use asset (note 8)	156,649	65,573	222,222
Translation to presentation currency	(4,470)	(1,871)	(6,341)
Balance, June 30, 2026	152,179	63,702	215,881
Accumulated depreciation			
Balance, January 1, 2026	-	-	-
Depreciation	2,369	1,534	3,903
Translation to presentation currency	(27)	(18)	(45)
Balance, June 30, 2026	2,342	1,516	3,858
Carrying amount, June 30, 2026	**149,837**	**62,186**	**212,023**

(expressed in U.S. dollars)

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, 2025	**$ 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**
Cash option payments	10,000	-	-	-	-	-	10,000
Claim staking, renewal and maintenance	44,360	-	-	-	-	-	44,360
Geology	130,555	4,031	-	513	-	-	135,099
Geophysical survey	244,700	-	-	-	-	-	244,700
Drilling and related permitting	3,865,848	-	-	-	-	-	3,865,848
Data management	10,000	-	-	-	-	-	10,000
Balance, June 30, 2026	**$ 10,494,698**	**$ 2,861,270**	**$ 506,284**	**$ 2,098,960**	**$ -**	**$ -**	**$ 15,961,212**

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 was payable in annual instalments over a ten-year period from inception and consisted of a total of $581,000 in cash; and, a value of $344,350 payable in common shares as detailed below.

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 (paid and issued July 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 held a 2% net smelter return royalty (NSR) on gold and silver. The Company had 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 would 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 database 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 fell into an area of interest defined in the letter agreement. On August 17, 2026, the Company accelerated the remaining payments, eliminated the future cash bonus payment, and eliminated the 2% NSR related to the 107 claims (see note 16) for cash consideration of $960,000 and in doing so, secured a 100% ownership over these claims.

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.

Gold Chain - Arizona, USA (continued)

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 May 2026); $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 June 30, 2026, 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 June 30, 2026, all 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.

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.

Tip Top Gold - Nevada, USA (continued)

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

The Company 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 consisted of 132 mineral claims.

Pursuant to the terms of the Jefferson North Option Agreement, the Company 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 fiscal 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

The Company had a 100% ownership in seven mineral claims totalling 2,854 hectares located 30 kilometres west of Merritt in Southern British Columbia, Canada.

During fiscal 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.

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 June 30, 2026, the Company's ownership interest in the Greyhound project was 32.3%.

8. Lease liabilities

a) Background

Toronto Lease

On June 1, 2026, the Company commenced a five-year and five-month corporate office lease located in Toronto, Ontario (the "Toronto Lease"). The Toronto Lease approximates 2,490 square feet and consists of five offices, a boardroom and a common space area. The Toronto Lease includes a five-month rent-free period (monthly rent commences November 1, 2026) and a tenant improvement allowance of $36,107 (CDN$49,800). At commencement, the Company recognized a right-of-use asset and lease liability, measured at the present value of future payments, discounted at an incremental borrowing rate of 10%. The right-of-use asset was initially measured at the amount of the lease liability, plus the first month common area maintenance ("CAM") deposit, plus a day-1 fair value discount on the interest-free security deposit, less a lease incentive (see below). The Company subleases two offices to unrelated third parties which are classified as operating leases.

Vancouver Lease

On June 1, 2026, the Company, together with two related parties, American Lithium Corp. ("American Lithium") and Apollo Silver Corp. ("Apollo Silver"), commenced a three-year and six-month shared office lease located in Vancouver, British Columbia ("Vancouver Lease") under which the three companies are jointly and severally liable for the full lease obligation (see note 11). The Vancouver Lease includes a two-month rent-free period (monthly rent commences August 1, 2026) and a tenant improvement allowance of $36,252 (CDN$50,000) shared among the three tenants, of which the Company's one-third share of amounts to $12,084. The Company recognized its attributable one-third share of the right-of-use asset and lease liability, discounted at an incremental borrowing rate of 10%. The right-of-use asset was initially measured on the same basis as the Toronto Lease (see below).

(expressed in U.S. dollars)

b) Initial measurement of right-of-use assets

	Toronto Lease $	Vancouver Lease $	Total $
Initial lease liability on June 1, 2026	171,892	71,276	243,168
CAM deposit	3,878	5,127	9,005
Day-1 fair value discount on interest-free security deposit	16,986	1,254	18,240
Tenant improvement allowance	(36,107)	(12,084)	(48,191)
Initial right-of-use asset (note 6)	**156,649**	**65,573**	**222,222**

c) Lease Liabilities

	Toronto Lease $	Vancouver Lease $	Total $
Initial lease liability on June 1, 2026	171,892	71,276	243,168
Interest on lease liabilities	1,347	559	1,906
Translation to presentation currency	(4,920)	(2,040)	(6,960)
Balance, June 30, 2026	**168,319**	**69,795**	**238,114**

d) Current and non-current classification

	Toronto Lease $	Vancouver Lease $	Total $
Current portion	11,043	15,053	26,096
Non-current portion	157,276	54,742	212,018
Balance, June 30, 2026	**168,319**	**69,795**	**238,114**

e) Maturity of undiscounted lease payments

The following table presents the contractual undiscounted cash flows of the lease liability as at June 30, 2026:

	Total $
Not later than one year	47,942
Later than one year and not later than five years	237,599
Later than five years	15,784
Total undiscounted lease payments	**301,325**
Less: Future finance charges	(63,211)
Balance, June 30, 2026	**238,114**

9. 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 2026
During the six month period ended June 30, 2026, the Company issued a total of 4,688,719 common shares pursuant to the exercise of 4,428,919 common share purchase warrants and 259,800 stock options for total gross proceeds of $1,487,578 (CDN$2,057,706).

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).

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).

Share issuances during fiscal 2025 (continued)
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.

b) Warrants

Warrant issuances during fiscal 2026
On February 19, 2026, a total of 1,045,456 broker warrants were issued to the agents of a brokered private placement financing. These broker warrants are exercisable at CDN$1.10 per warrant and expire on February 19, 2028. These broker warrants were valued at $461,453.

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 on June 10, 2027. 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 on June 10, 2027. 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 meets or exceeds CDN$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 2026
During the six month period ended June 30, 2026, a total of 4,428,919 warrants were exercised for gross proceeds of $1,365,534 (CDN$1,887,164). These warrants were collectively valued at $449,719.

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 2026
On May 3, 2026, a total of 30,000 warrants exercisable at CDN$0.30 expired. These warrants were valued at $2,749.

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.

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 the six month period ended June 30, 2026 and fiscal 2025 were as follows:

	2026	2025
Expected volatility	79%	108%
Expected life (in years)	2.0	2.0
Risk-free interest rate	2.46%	2.67%
Expected dividend yield	0%	0%

As at June 30, 2026, details with respect to outstanding warrants are as follows:

Number	Exercise price (CDN$)	Expiry
1,531,046	0.40	October 9, 2026
4,300,765	0.40	November 15, 2026
600,000	0.40	November 22, 2026
4,570,535	0.45	October 24, 2026
53,334	0.45	June 10, 2027
6,768,150	0.55	June 10, 2027
1,045,456	1.10	February 19, 2028
18,869,286	0.50	

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.

c) Stock options (continued)

Activity with respect to stock options is summarized as follows:

	Number	Weighted-average exercise price CDN $
Balance, January 1, 2025	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
Granted	1,000,000	1.54
Exercised	(259,800)	0.66
Expired	(22,222)	1.26
Balance, June 30, 2026	10,610,200	0.78

The following table summarizes information relating to outstanding and exercisable stock options as at June 30, 2026:

Exercise price CDN $	Number of options outstanding	Weighted-average remaining contractual life (years)	Number of options exercisable	Expiry
0.29	4,360,200	3.5	3,547,700	December 24, 2029
0.33	450,000	3.6	450,000	February 13, 2030
0.49	250,000	3.7	187,500	March 8, 2030
0.50	30,000	2.5	30,000	December 19, 2028
0.80	265,000	4.2	265,000	August 29, 2030
0.85	5,000	0.0	5,000	July 1, 2026
1.10	50,000	4.2	50,000	September 24, 2030
1.18	4,200,000	4.5	2,300,000	December 23, 2030
1.53	800,000	4.8	550,000	April 29, 2031
1.57	200,000	4.9	100,000	May 14, 2031
	10,610,200	4.0	7,485,200	

As at December 31, 2025, a total of 7,054,722 stock options were exercisable.

Stock options issued during fiscal 2026
On May 13, 2026, the Company granted 200,000 stock options to an employee of the Company. These stock options are exercisable at CDN$1.57 and expire on May 14, 2031. Of the total stock options that were granted, 100,000 stock options vested immediately; 50,000 will vest 12 months from the date of grant; and, 50,000 will vest 24 months from the date of grant.

On April 29, 2026, the Company granted 800,000 stock options to an officer and consultants of the Company. These stock options are exercisable at CDN$1.53 and expire on April 29, 2031. Of the total stock options that were granted, 550,000 stock options vested immediately; 125,000 will vest 12 months from the date of grant; and, 125,000 will vest 24 months from the date of grant.

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 2026
During the six month period ended June 30, 2026, the Company issued a total of 259,800 common shares pursuant to the exercise of 259,800 stock options for gross proceeds of $122,040 (CDN$170,542). These stock options were collectively valued at $111,359.

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 valued at $52,278.

c) Stock options (continued)

Stock options valuation
During the six month period ended June 30, 2026, the Company recorded a total value of $841,298 (six months ended June 30, 2025 - $219,315) with respect to stock options. Of this total, $769,830 was recorded in share based compensation expense related to stock options and $71,468 was capitalized to exploration and evaluation assets. Stock based compensation amounts are included in shareholders' equity as contributed surplus. The values of stock options are determined using the Black-Scholes option pricing model. The assumptions used for the valuation of stock options issued during the six month period ended June 30, 2026 and fiscal 2025 were as follows:

	2026	**2025**
Expected volatility	104%	90% - 100%
Expected option life (in years)	5.0	5.0
Risk-free interest rate	3.23% - 3.26%	2.71% - 2.93%
Expected dividend yield	0%	0%
Weighted-average exercise price	CDN$1.54	CDN$1.07
Weighted-average share price at grant date	CDN$1.55	CDN$0.92
Weighted-average fair value	CDN$0.87	CDN$0.47

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:

	Three months ended June 30, 2026 $	**Three months ended June 30, 2025 $**	**Six months ended June 30, 2026 $**	**Six months ended June 30, 2025 $**
Management, director fees and accrued compensation	192,753	112,441	334,406	230,594
Stock based compensation	370,712	33,189	494,865	102,455
	563,465	145,630	829,271	333,049

As at June 30, 2026, a total of $56,103 (December 31, 2025 - $280,567) 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 six month period ended June 30, 2026, a total of $26,091 (six months ended June 30, 2025 - $26,083) was charged for bookkeeping, accounting and administrative services.

During the six month period ended June 30, 2026, the Company entered into a lease agreement with two related parties (see notes 8 and 11).

The Company has management service agreements with each of its Chief Executive Officer, Chief Financial Officer, Vice President, Exploration and Vice President, Corporate Development which provide for a payment upon termination without cause. The Chief Executive Officer would be entitled to twelve months of compensation equivalent to CDN$180,000. The Chief Financial Officer would be entitled to six months of compensation equivalent to CDN$64,000. The Vice President, Exploration would be entitled to twelve months of compensation equivalent to $200,000. The Vice President, Corporate Development would be entitled to twelve months of compensation equivalent to CDN$270,000.

The service agreements for the Chief Executive Officer, Chief Financial Officer, Vice President, Exploration and Vice President, Corporate Development 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. The Vice President, Corporate Development would be entitled to eighteen months compensation equivalent to CDN$405,000.

11. Commitments and contingencies

a) Vancouver Lease - Joint and several liability

Effective June 1, 2026, the Company, together with American Lithium and Apollo Silver, entered into the Vancouver Lease. The Vancouver Lease includes two suites covering a total area of 3,074 square feet. The total annual rental obligation amounts to a net amount of $129,087 (CDN$183,272). Under an internal cost-sharing agreement, each company is responsible for one-third of the total annual obligation; however, the Vancouver Lease agreement stipulates that the three companies are jointly and severally liable for the full obligation. Having recognized only its one-third attributable share of the Vancouver Lease (see notes 6 and 8), the Company has a contingent liability for American Lithium and Apollo Silver's combined two-thirds share, which, measured on the same present value basis as the Company's recognized lease liability, would amount to:

	$
Recognized Vancouver Lease liability (see note 8)	69,795
Contingent liability (two-thirds of Vancouver Lease)	139,590
Total lease liability	209,385

b) Adjacent Suites Lease - Joint and several liability, not recognized

On May 5, 2026, the Company was added as a co-tenant to an existing lease held by American Lithium and Apollo Silver for two bordering suites in the same building as the Vancouver Lease (the "Adjacent Suites Lease"). These two suites cover a total area of 4,495 square feet. The total annual rental obligation on these two suites amounts $188,760 (CDN$267,992). The Adjacent Suites Lease expires on October 31, 2029.

The Company did not obtain the right to control the use of these suites. The space is occupied by American Lithium and Apollo Silver and, under the terms of the lease and an arrangement among the three companies, they are obligated to make all rental payments to the landlord. The Company is not billed for, and does not pay, any portion of the rent for these two suites. Accordingly, the Company has not identified a lease under IFRS 16 in respect of this arrangement and did not recognize a right-of-use asset and or lease liability.

The Company nevertheless remains jointly and severally liable to the landlord for the full obligation under the Adjacent Suites Lease and would become liable for the amounts payable by American Lithium and Apollo Silver should either fail to perform. An outflow of resources is not considered probable and no amount has been recognized. Measured on the same present value basis as the Company's recognized Vancouver Lease liability, the Company's contingent liability would amount to $309,574. Were the Company required to make payments under the joint and several obligation, it would have a right of recourse against American Lithium and Apollo Silver.

c) Vancouver Leases - Combined occupancy and net cost recovery target, not recognized

The combined spaces under the two leases totals approximately 7,569 square feet across 22 offices. As at June 30, 2026, the Company occupies one of the 22 offices; American Lithium occupies eight offices; and, Apollo Silver occupies five with the remaining eight offices to be subleased. Management's intention is to recover the portion of rent it pays under the Vancouver Lease in excess of the Company's occupied 1/22 share of the combined rent for both leases from American Lithium, Apollo Silver and future sub-tenants of the unoccupied offices, resulting in a targeted net monthly cost to the Company of approximately $1,200 (CDN$1,710). No rental payments were made under the Vancouver Lease during the period, and no cost-sharing or sublease agreements have yet been signed in respect of the recovery described above; accordingly, no amounts have been recognized as at June 30, 2026.

12. Financial instruments and risk management

The Company's financial instruments consist of cash; security deposits on lease contracts; lease liabilities; and, accounts payable and accrued liabilities. It is management's opinion that the Company is not exposed to significant interest rate or credit risk arising from these financial instruments. The fair value of these financial instruments approximates their carrying value due to their short-term maturity or capacity of prompt liquidation.

The Company’s activities expose it to a variety of financial risks: credit risk, liquidity risk, currency risk and interest rate risk. These condensed consolidated interim financial statements do not include all financial risk management information and disclosures required in the annual consolidated financial statements; they should be read in conjunction with the Company’s annual financial statements as at December 31, 2025. There have been no changes in the Company’s risk management policies or procedures since the year end.

13. 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.

14. 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 condensed consolidated interim financial statements.

15. Supplemental cash flow information

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

	Six months ended June 30, 2026 $	Six months ended June 30, 2025 $
Exploration and evaluation expenditures included in accounts payable and accrued liabilities	205,592	89,471
Stock based compensation charge capitalized to exploration and evaluation assets	71,468	62,549
Security deposit on Vancouver Lease paid on behalf of the Company included in accounts payable and accrued liabilities	11,616	-
Tenant improvement allowance included in amounts receivable (note 8)	48,191	-

(expressed in U.S. dollars)

16. Subsequent events

Exercise of common share purchase warrants and stock options

Subsequent to June 30, 2026, the Company issued a total of 3,309,466 common shares pursuant to the exercise of 3,156,766 common share purchase warrants and 152,700 stock options for gross proceeds of $1,007,395 (CDN$1,404,983).

Gold Chain anniversary payment

On July 29, 2026, the Company issued 46,110 common shares valued at $48,000 (CDN$67,598) and made a cash payment of $60,000 for the eighth anniversary payment with respect to the Gold Chain project (see note 7).

Gold Chain Purchase and Sale Agreement and a Royalty Termination and Release Agreement

On August 17, 2026, the Company entered into a Purchase and Sale Agreement and a Royalty Termination and Release Agreement (the "Agreements") which accelerated the remaining payments, eliminated the future cash bonus payment, and eliminated the 2% NSR related to the earn-in agreement on107 claims for cash consideration of $960,000.