Purecore Metals Inc.

Interim Financial Statements

For the three months ended March 31, 2026 and 2025

The accompanying unaudited interim financial statements of Purecore Metals Inc. for the three months ended March 31, 2026, have been prepared by management and approved by the Audit Committee and the Board of Directors of the Company. These interim financial statements have not been reviewed by the Company's external auditor.

Purecore Metals Inc.
Interim Statements of Financial Position
(Expressed in Canadian dollars)

	Notes	March 31, 2026	December 31, 2025
ASSETS			
Current assets			
Cash		$ 579,974	$ 39,360
Accounts receivable	5	19,648	11,960
Subscription receivable		42,500	67,000
Prepaid expenses		5,250	-
		647,372	118,320
Non-current assets			
Equipment	6	703	815
Exploration and evaluation assets	7	336,671	336,671
TOTAL ASSETS		984,746	455,806
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Accounts payables and accrued liabilities		97,375	88,128
Due to related parties	9	4,201	96,766
TOTAL LIABILITIES		101,576	184,894
SHAREHOLDERS' EQUITY			
Share capital	8	835,642	515,875
Share subscriptions received		-	35,000
Special warrant subscriptions received	8	4,250	-
Share-based payment reserve	8	491,672	-
Deficit		(448,394)	(279,963)
TOTAL SHARHOLDERS' EQUITY		883,170	270,912
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		$ 984,746	$ 455,806

Nature of and continuance of operations (Note 1)
Subsequent events (Note 14)

Approved on Behalf of the Board on May 29, 2026:

*``Peter Berdusco ``*_____
Director

*``Rob Christl ``*_____
Director

Purecore Metals Inc.
Interim Statements of Loss and Comprehensive Loss
(Expressed in Canadian dollars)

	Notes	Three months ended March 31, 2026	2025
Expenses			
Accounting and audit	9	$ 34,032	$ -
Depreciation	6	112	-
Marketing		10,295	-
Management fees	9	15,000	-
Office and administration		3,218	-
Professional fees		104,815	-
Travel		983	-
Loss before other items		(168,455)	-
Other Items			
Other income		24	-
Net and comprehensive loss for the period		$ (168,431)	$ -
Loss per share, basic and diluted		$ (0.02)	$ -
Weighted average number of common shares outstanding, basic and diluted		9,695,876	1,011,980

Purecore Metals Inc.
Interim Statements of Changes in Shareholders' Equity
(Expressed in Canadian dollars)

	Number of Shares	Share Capital	Share subscriptions received	Warrant subscriptions received	Share-Based Payment Reserve	Deficit	Shareholder's Equity
Balance, December 31, 2025	**8,061,980**	**$ 515,875**	**$ 35,000**	**$ -**	**$ -**	**$ (279,963)**	**$ 270,912**
Private placement, net of share issuance cost	2,150,000	210,139	(35,000)	-	-	-	175,139
Special warrants, net of insurance cost	-	-	-	-	491,672	-	491,672
Share issued for debt settlement	1,096,267	109,628	-	-	-	-	109,628
Special warrant subscriptions received	-	-	-	4,250	-	-	4,250
Net loss for the period	-	-	-	-	-	(168,431)	(168,431)
Balance, March 31, 2026	**11,308,247**	**$ 835,642**	**$ -**	**$ 4,250**	**$ 491,672**	**$ (448,394)**	**$ 883,170**

	Number of Shares	Share Capital	Deficit	Shareholder's Equity
Balance, December 31, 2024	1,011,980	$ 416,750	$ (150,320)	$ 266,430
Balance, March 31, 2025	1,011,980	$ 416,750	$ (150,320)	$ 266,430

Purecore Metals Inc.
Interim Statements of Cash Flows
(Expressed in Canadian dollars)

	Three months ended March 31, 2026	2025
OPERATING ACTIVITIES		
Net loss for the period	$ (168,431)	$ -
Adjustments for non-cash items:		
Depreciation	112	-
Changes in non-cash working capital items:		
Accounts receivable	(7,688)	-
Accounts payable and accrued liabilities	28,454	-
Due to/from related parties	(2,144)	-
Prepaid expenses and deposits	(5,250)	-
Net cash used in operating activities	(154,947)	-
INVESTING ACTIVITIES		
Net cash used by investing activities	-	-
FINANCING ACTIVITIES		
Private placement, net of issuance costs	212,139	-
Private placement, special warrants	479,172	-
Warrant subscriptions received in advance	4,250	-
Net cash provided in financing activities	695,561	-
Change in cash in the period	540,614	-
Cash, beginning of the period	39,360	-
Cash, ending of the period	**$ 579,974**	**$ -**

During the three months ended March 31, 2026, there was $nil (2025 - $nil) paid in interest and taxes.

Supplemental cash flow information (Note 11)

1. Nature of and continuance operations

Purecore Metals Inc. (the "Company") is a mineral exploration company focusing on acquiring and developing exploration and evaluation assets in Canada. The Company was incorporated on January 21, 2021 under the laws of the province of British Columbia, Canada. The Company's shares commenced trading under the symbol of "PURE" subsequent it became a reporting issuer trading on the Canadian Stock Exchange on May 6, 2026. The registered office of the Company is located at Suite 1200, 750 Pender Street, Vancouver, B.C.

These financial statements have been prepared in accordance with accounting principles applicable to a going concern, meaning it will continue its operations in the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of business. As at March 31, 2026, the Company had not yet generated revenues, and it incurred a loss of $168,431 (2025 - $nil) and it had an accumulated deficit of $448,394 (December 31, 2025 - $279,963) since inception. The Company's continuation as a going concern is dependent upon the successful results from its exploration activities and its ability to attain profitable operations and generate funds there from and/or raise equity capital or borrowings sufficient to meet current and future obligations These circumstances comprise a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. Management intends to finance operating costs over the next twelve months with cash on hand and the private placement of common shares. Different bases of measurement may be appropriate if the Company was not expected to continue operations for the foreseeable future. These financial statements do not include these adjustments. Such adjustments could be material.

2. Basis of preparation

a) Statement of compliance

These interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting standards Board ("IASB") applicable to interim financial reports, including International Accounting Standard 34 – Interim Financial Reporting, and interpretations of the International Financial Reporting Interpretations Committee.

These financial statements were authorized for issuance on May 29, 2026 by the directors of the Company.

b) Basis of measurement

These interim financial statements have been prepared on a historical cost basis except for financial instruments that have been measured at fair value. In addition, these financial statements have been prepared on an accrual basis, except for cash flow information. These financial statements are presented in Canadian dollars, which is the functional currency of the Company, except otherwise indicated.

3. Material accounting policy information

a) Cash and cash equivalents

Cash and cash equivalents consist of cash on deposit and redeemable guaranteed investment certificates. At March 31, 2026 and December 31, 2025, the Company had $nil in cash equivalents.

3. Material accounting policy information (continued)

b) Exploration and evaluation assets

Costs incurred before the Company has obtained the legal rights to explore an area are expensed as incurred.

Exploration and evaluation expenditures are capitalized once the Company has obtained the legal rights to explore the property. Exploration and evaluation expenditures include the costs of acquiring licenses and costs associated with exploration and evaluation activity. Option payments are considered acquisition costs provided that the Company has the intention of exercising the underlying option. Exploration expenditures may include undeveloped land acquisition, geological, geophysical and seismic, exploratory drilling and completion, testing, decommissioning and other directly attributable internal costs.

The Company capitalizes costs to specific blocks of claims or areas of geological interest. Government tax credits and grants received are recorded as a reduction to the cumulative costs.

Exploration and evaluation assets are tested for impairment if facts or circumstances indicate that impairment exists. Examples of such facts and circumstances are as follows:

- the period for which the Company has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed;
- substantive expenditures on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned;
- exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; and
- sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

After technical feasibility and commercial viability of extracting a mineral resource are demonstrable, the Company stops capitalizing expenditures for the applicable block of claims or geological area of interest and tests the asset for impairment. The capitalized balance, net of any impairment recognized, is then reclassified to either tangible or intangible mine development assets according to the nature of the asset.

c) Restoration and environmental obligations

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of mining properties and other assets, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future rehabilitation cost estimates is capitalized to exploration and evaluation assets along with a corresponding increase in the rehabilitation provision in the period incurred. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account the risks and uncertainties surrounding the obligation.

The Company's estimates are reviewed annually for changes in regulatory requirements, effects of inflation and changes in estimates. Changes in the net present value, excluding changes in the Company's estimates of reclamation costs, are charged to profit and loss for the year. The costs of rehabilitation projects that were included in the rehabilitation provision are recorded against the provision as incurred.

As of March 31, 2026 and December 31, 2025, the Company did not have any decommissioning liabilities.

3. Material accounting policy information (continued)

d) Equipment

On initial recognition, equipment is valued at cost, being the purchase price and directly attributable costs of acquisition or construction required to bring the asset to the location and condition necessary to be capable of operating in the manner intended by the Company. Subsequently, equipment is measured at historical cost, less accumulated depreciation and accumulated impairment losses.

Depreciation is calculated on a declining-balance method over their estimated useful lives. Depreciation is provided at half the annual rate in the year of acquisition. The estimated useful lives of equipment are reviewed when events and circumstances warrant. The Company's equipment consists of computer equipment is amortized on a 55% declining-balance basis.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and

maintenance are charged to profit or loss during the financial period in which they are incurred. An item is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal of the asset, determined as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in profit or loss.

e) Impairment of non-financial assets

The carrying amount of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognized in profit or loss.

The recoverable amount of assets is the greater of an asset's fair value, less cost to sell and value in use. The estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is only reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount, however, not to an amount higher than the carrying amount that would have been determined had no impairment loss been recognized in previous years.

f) Financial instruments

(i) Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Company has opted to measure them at FVTPL.

The Company classifies its cash at FVTPL and its accounts payable and accrued liabilities, and due to related parties at amortized cost.

3. Material accounting policy information (continued)

(ii) Measurement

Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed through profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in profit or loss in the year in which they arise.

(iii) Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the credit risk of the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the statement of comprehensive loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

(iv) Derecognition

Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in the statement of comprehensive loss. However, gains and losses on derecognition of financial assets classified as FVTOCI remain within accumulated other comprehensive income (loss).

Financial liabilities

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. Generally, the difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in the statement of comprehensive loss.

g) Share capital

Proceeds from the issuance of shares in private placements and the exercise of warrants are recorded as share capital in the amount for which the share or warrant enabled the holder to purchase a share in the Company. Share capital issued for non-monetary consideration is valued at the closing market price at the date of issuance, or the price of the most recent cash financing, if the Company is not listed on a stock market. The proceeds from the issuance of units are allocated between common shares and warrants based on the residual value method. The residual value method first allocates the value to the more easily measurable component based on fair value and then the residual value, if any, to the less measurable component. The Company considers the fair value of common shares issued in a unit private placement to be the more easily measurable component. Consideration received for the exercise of warrants is recorded in share capital and the related residual value is transferred to share capital.

3. Material accounting policy information (continued)

h) Loss per share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding. Diluted loss per share is determined by adjusting the loss attributable to common shareholders and the weighted average number of common shares outstanding for the effects of all warrants and options outstanding that may add to the total number of common shares. In periods of loss, basic and diluted loss per share is the same, as the effect of the exercise of outstanding warrants is anti-dilutive. During the year ended December 31, 2025 and 2024, the warrants were considered to be anti-dilutive and were excluded from the diluted earnings (loss) per share calculation.

i) Leases

The Company considers whether a contract is, or contains, a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

At lease commencement date, the Company recognizes a right-of-use asset and a lease liability on the statement of financial position. The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available. If the interest rate implicit in the lease is not readily available, the Company discounts using the Company's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients basis. Instead of recognizing a right-of-use asset and lease liability, the payments in relation to these are recognized as an expense in profit or loss on a straight-line basis over the lease term. On the consolidated statement of financial position, right-of-use assets have been included under non-current assets and lease liabilities have been included under current and non-current liabilities.

During the year ended December 31, 2025, the Company recognized rent expense of $2,376 (2024 - $nil) in relation to short-term leases. Rent expense has been included under office and administration expense.

j) Related parties

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

3. Material accounting policy information (continued)

k) Income taxes

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in income except to the extent that they relate to a business combination, or items recognized directly in equity or in other comprehensive loss/income. Current income taxes are recognized for the estimated income taxes payable or receivable on taxable income or loss for the current year and any adjustment to income taxes payable in respect of previous years. Current income taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the period end date.

Deferred tax assets and liabilities are recognized when the carrying amount of an asset or liability differs from its tax base, except for taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss.

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. At the end of each reporting period the Company reassesses unrecognized deferred tax assets.
The Company recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred income tax asset to be recovered.

l) Foreign exchange

The functional currency is the currency of the primary economic environment in which the entity operates and has been determined for each entity within the Company. The functional currency of the Company is the Canadian Dollar.

Transactions in currencies other than the functional currency are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, monetary assets and liabilities of the Company that are denominated in foreign currencies are translated at the rate of exchange at the statement of financial position date. Non-monetary items that are measured in terms of historical costs in a foreign currency are not retranslated. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are reflected in profit or loss for the year.

m) New, amended, and future accounting standards and interpretations

<u>New accounting standards and interpretations issued, but not yet adopted</u>

In April 2024, the IASB issued IFRS 18, Presentation and Disclosure in Financial Statements to replace IAS 1. IFRS 18 introduces two newly required subtotals on the face of the income statement, which includes operating profit and profit or loss before financing and income tax, and three new income statement classifications, which are operating, investing, and financing. In addition, IFRS 18 requires non-IFRS Accounting Standards management performance measures that are subtotals of income and expenses to be disclosed on financial statement. IFRS 18 also provides additional guidance on principles of aggregation and disaggregation which apply to the primary financial statements and the notes. IFRS 18 will not affect the recognition and measurement of items in the financial statements, nor will it affect which items are classified in other comprehensive income and how these items are classified. The standard is effective for reporting periods beginning on or after January 1, 2027, including for interim financial statements. Retrospective application is required and early application is permitted. The Company is currently assessing the effect of this new standard on its financial statements.

In May 2024, the IASB issued amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures, providing clarifications on recognition, derecognition, and classification requirements, along with enhanced disclosure requirements. The amendments are effective for annual reporting periods beginning on or after January 1, 2026, with early adoption permitted. The Company is currently assessing the effect of this new standard on its financial statements.

4. Critical accounting estimates and judgments

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities and contingent assets and liabilities at the reporting date. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual experience may differ from these estimates and assumptions. The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income in the period of change, if the change affects that period only, or in the period of the change and future periods, if the change affects both. Information about critical accounting estimates and judgments in applying accounting policies that have the most

significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the financial statements are discussed below:

Estimates:

Impairment of evaluation and exploration assets

The assessment of exploration and evaluation assets requires judgment to determine whether indicators of impairment and reversal of impairment exist, including factors such as the period for which the Company has the right to explore, expected renewals of exploration rights, whether substantive expenditures on further exploration and evaluation of resource properties are budgeted and evaluation of the results of exploration and evaluation activities up to the reporting date. Management assessed impairment indicators for the Company's exploration and evaluation assets and concluded that there were no impairment indicators during the years ended December 31, 2025 and 2024.

Income taxes

The Company recognizes deferred tax assets to the extent their recovery is probable. Assessing the recoverability of deferred tax assets requires management to make significant estimates of future taxable profit against which deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilized. In addition, changes in tax laws could limit the ability of the Company to obtain tax deductions in future periods.

Fair value of common shares

As the Company is not actively traded on a stock exchange and there is no supportable market prices to base the valuation of common shares issued in a unit and non-cash issuances. As a result, management is required to estimate the fair value of equity instruments at the time of issuance.

Judgements:

Going concern assumption

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay for its ongoing operating expenditures, meet its liabilities for the ensuing year, and to fund planned and contractual technology development programs, involves significant judgment based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

Property title

Title to exploration and evaluation assets involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many exploration and evaluation assets. Such claims may be subject to prior agreements or transfer and title may be affected by undetected defects.

5. Accounts receivable

	March 31, 2025	December 31, 2025
GST receivable	$ 19,648	$ 11,960
	$ 19,648	$ 11,960

6. Equipment

During the three months ended March 31, 2026, additions to equipment was $nil (December 31, 2025 - $1,124). The Company recognized depreciation expense of $112 (2025 - $nil), and the net book value as at March 31, 2026 was $703 (December 31, 2025 - $815).

7. Exploration and evaluation assets

On February 28, 2022, the Company entered into a purchase agreement with 1260042 B.C. Ltd, amended on March 5, 2022, to obtain 100% interest in the Bankier Project (formerly known as the Jesse Property) by issuance of 421,053 common shares at a price of $0.02 for a fair value of $160,000 (issued).

A continuity of the Company's exploration and evaluation assets as of March 31, 2026 is as follows:

	Bankier Project
Balance at December 31, 2024	**278,837**
Assays and sampling	3,690
Geological and geophysical consulting	19,700
Field work	33,900
Travel and accommodation	544
Balance at December 31, 2025 and March 31, 2026	**$ 336,671**

8. Share capital

Authorized share capital

Unlimited number of common shares without par value.

Issued share capital during the three months ended March31, 2026

On February 13, 2026, the Company completed a private placement for aggregate gross proceeds of $215,000 by issuing 2,150,000 common shares at a price of $0.10. In connection with the financing, the Company incurred cash issuance cost of $2,441. Of the total gross proceeds, $30,000 remains outstanding in subscription receivable.

On February 21, 2026, the Company completed a debt settlement and issued 1,096,267 units at a deemed price of $0.10 per unit to settle outstanding debt in the amount of $109,627. Each unit was comprised of one common share and one common share purchase warrant exercisable into one common share at an exercise price of $0.50 per common share expiring May 6, 2031.

During the three months ended March 31, 2026, the Company received the remaining proceeds of $67,000 and incurred cash issuance cost of $2,420 in relation to prior year private placements, of which $1,900 cash issuance cost related to the December 1, 2025 financing and $520 related to the October 15, 2025 financing.

8. Share capital (continued)

Issued share capital during the year ended December 31, 2025

On October 15, 2025, the Company closed a private placement for aggregate gross proceeds of $13,000 by issuing 2,600,000 units at a price of $0.005 per unit. In connection with the financing, the Company incurred cash issuance cost of $114. Of the total gross proceeds, $4,000 remains outstanding in subscription receivable and $4,000 was deducted from outstanding accounts payable and accrued liabilities.

On December 1, 2025, the Company completed a private placement of 4,450,000 units at a price of $0.02 per unit for aggregate gross proceeds of $89,000. Each unit was comprised of one common share and one common share purchase warrant exercisable at a price of $0.35 per share expiring May 6, 2031. In connection with the financing, the Company incurred cash issuance cost of $2,761. Of the total gross proceeds, $63,000 remains outstanding in subscriptions receivable and $21,000 was deducted from outstanding accounts payable and accrued liabilities.

Share purchase warrants

As at March 31, 2026, the Company had the following outstanding warrants:

Date issued	Expiry date	Exercise price	Number of warrants outstanding
December 1, 2025	May 6, 2031	$ 0.35	4,450,000
February 21, 2026	May 6, 2031	$ 0.50	1,096,267
March 18, 2026	May 11, 2026	$ 0.25	2,000,000
			7,546,267

On March 18, 2026, the Company completed the first tranche of a non-brokered private placement and issued 2,000,000 special warrants at a price of $0.25 per special warrants for gross proceeds of $500,000. Each warrant entitles the holder to acquire one common share of the Company. In connection with the financing, the Company incurred cash issuance cost of $8,328. Of the total gross proceeds, $12,500 remains outstanding in subscription receivable.

At March 31, 2026, the Company received proceeds of $4,250 in respect of a private placement of special warrants that will be completed subsequent to quarter end. Accordingly, the amount has been recorded as special warrant subscriptions received (Note 13).

The following is a summary of the Company's warrant activities:

	March 31, 2026		December 31, 2025	
	Number of Common Shares Issuable	Weighted Average Exercise Price	Number of Common Shares Issuable	Weighted Average Exercise Price
Warrants outstanding, beginning	4,450,000	$ 0.35	-	$ -
Warrants issued	3,096,267	0.34	4,450,000	0.35
Warrants outstanding, ending	7,546,267	$ 0.35	4,450,000	$ 0.35

As at March 31, 2026, the weighted average exercise price and weighted average life of the warrants are $0.35 and 3.75 years, respectively.

9. Related party transactions

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's executive officers and Board of Director members.

During the three months ended March 31, 2026 and 2025, the Company entered into the following transactions with the related parties:

	March 31, 2026	March 31, 2025
Accounting fees incurred to a company controlled by the Chief Financial Officer	**$ 12,000**	$ -
Management fees incurred to a company controlled by the President and Chief Executive Officer	**$ 15,000**	$ -
Professional fees incurred to significant shareholders	**$ 24,000**	$ -

As at March 31, 2026, $4,201 (December 31, 2025 - $96,766) was owing to related parties and has been included in accounts payables and accrued liabilities. The amounts are unsecured, non-interest bearing and due on demand.

On February 21, 2026, the Company completed a debt settlement with an officer and significant shareholders by issuing 1,096,267 units at a deemed price of $0.10 per unit to settle outstanding debt in the amount of $109,627 (Note 7).

10. Financial instruments and risk management

Financial instruments

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The Company's financial instruments classified as Level 1 in the fair value hierarchy include cash. The carrying value of the Company's financial assets and liabilities carried at amortized cost as at March 31, 2026 approximate their fair value due to their short terms to maturity.

Risk management

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash. Cash is held with a major Canadian bank that is a high credit quality financial institution. The Company considers this risk to be minimal as of March 31, 2026.

10. Financial instruments and risk management (continued)

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements. Historically, the Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placements. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding (Note 1). All of the Company's financial liabilities are due within a year.

Foreign exchange risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company does not incur significant expenditures that are denominated in foreign currencies and does not have any mineral property commitments that are denominated in foreign currencies. Therefore, the Company's exposure to currency risk is considered minimal.

Interest rate risk

Interest rate risk refers to the risk that fair values of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company is exposed to interest rate risk as cash and cash equivalents earn interest income at variable rates. The fair value of cash and cash equivalents are minimally affected by changes in short-term interest rates.

11. Capital Management

The Company manages its capital, consisting of share and working capital, in a manner consistent with the risk characteristic of the assets it holds. All sources of financing are analyzed by management and approved by the Board of Directors.

The Company's objectives when managing capital is to safeguard the Company's ability to continue as a going concern. The Company is meeting its objective of managing capital through preparing short-term and long-term cash flow analysis to ensure an adequate amount of liquidity. The Company is not subject to any externally imposed capital restrictions.

There were no changes in the Company's approach to capital management during the year. The Company is not subject to any external restrictions on its capital.

12. Supplemental cash flow information

During the three months ended March 31, 2026 and 2025, the Company entered into the following non-cash investing and financing transactions:

- A share subscription receivable of $30,000 (2025 - $nil) was recorded in connection with the financings closed on February 13, 2026;
- A special warrant subscription receivable of $12,500 (2025 - $nil) was recorded in connection with the financings closed on March 18, 2025; and
- Common shares equal to $109,627 (2025 - $nil) were applied against outstanding accounts payable and accrued liabilities balances.

13. Segmented operations

The Company operates in one business segment, which is the exploration of mineral properties in Canada.

14. Subsequent events

Subsequent to quarter end, the Company completed the second tranche closing of the private placement of special warrants by issuing 296,800 special warrants at a price of $0.25 per special warrant for additional gross proceeds of $73,605, of which $4,250 was received prior to quarter end (Note 7).

In May 2026, the Company issued 2,296,800 common shares in connection with the conversion of special warrants.

In May 2026, the Company granted 2,200,000 stock options to an officer, directors, and consultants at an exercise price of $0.25 per share for a term of three years. The options were fully vested on the grant date.