Coniagas Battery Metals Inc.

Financial Statements

For the years ended December 31, 2025 and 2024

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Coniagas Battery Metals Inc.

Opinion
We have audited the financial statements of Coniagas Battery Metals Inc (the "Company"), which comprise the statements of financial position as at December 31, 2025 and 2024, and the statements of loss and comprehensive loss, statements of changes in equity (deficiency) and statements of cash flows for the years then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2025 and 2024, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB").

Basis for Opinion
We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern
We draw attention to Note 1 of the financial statements, which indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters
Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Except as described in the *Material Uncertainty Related to Going Concern* section, we have determined that there are no key audit matters to communicate in our auditor's report.

Other Information
Management is responsible for the other information. The other information comprises the information included in the Management's Discussion and Analysis, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements
Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Dong Shim.

SHIM & Associates LLP

CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, Canada
29 April 2026

Statements of Financial Position

As at December 31, 2025, and 2024
(in Canadian dollars)

	2025	*2024*
	$	*$*
		Restated (Note 17)
Assets		
Current assets		
Cash	**1,069**	9,626
Amounts receivable	**28,224**	12,000
Prepaid expenses	**150,000**	277,188
Due from related parties (Note 10)	**50,756**	260,962
Total assets	**230,049**	559,776
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	**413,377**	285,686
Due to related parties (Note 10)	**319,998**	-
Total liabilities	**733,375**	285,686
Shareholder's equity (deficiency)		
Share capital (Note 6)	**8,234,057**	8,233,849
Warrants	**1,826,306**	1,826,349
Options	**211,428**	-
Deficit	**(10,775,117)**	(9,786,108)
Total equity (deficiency)	**(503,326)**	274,090
Total liabilities and equity (deficiency)	**230,049**	559,776

Nature of business and going concern (Note 1)
Commitments and contingencies (Note 15)
Subsequent events (Note 18)

Approved on behalf of the Board on April 29, 2026.

(signed) "Frank J. Basa"
Director & CEO

(signed) "Daniel Barrette"
Director

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

Statements of Loss and Comprehensive Loss

For the years ended December 31, 2025, and 2024
(in Canadian dollars)

	2025	*2024*
	$	*$*
		Restated
		(Note 17)
Exploration and evaluation expenditure (Notes 5 and 10)	**326,854**	17,522
Corporate expenses		
Admin and general expenses	**34,732**	11,742
Consulting fees (Note 9)	**137,514**	110,774
Filing fees	**69,682**	45,730
Marketing and communications	**122,184**	334,147
Professional fees	**83,669**	188,373
Travel, lodging and food	**2,946**	27,709
Share-based compensation (Notes 8 and 10)	**211,428**	-
Loss before other items	**989,009**	735,997
Other items		
Listing expense (Note 4)	-	1,426,268
Net loss and comprehensive loss for the year	**989,009**	2,162,265
Basic and diluted loss per share (Note 9)	**0.03**	0.08
Weighted average number of shares outstanding		
- basic and diluted (Note 9)	**34,395,225**	27,401,060

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

Statements of Changes in Equity (Deficiency)

For the years ended December 31, 2025, and 2024
(in Canadian dollars)

	# of Shares	Share capital	Warrants	Options	Owner's investment	Deficit	Total equity
		$	$	$	$	$	$
Balance at December 31, 2023	**-**	**-**	**-**	**-**	**7,068,838**	**(7,623,843)**	**(555,005)**
Contributions	-	-	-	-	16,968	-	16,968
Recognition of the Arrangement	24,000,000	6,395,394	1,254,074	-	(7,085,806)	-	563,662
Consideration issued in the Arrangement	5,898,010	1,592,463	338,516	-	-	-	1,930,979
Units issued for cash	4,411,433	348,626	226,505	-	-	-	575,131
Share issuance cost	85,683	(102,638)	7,255	-	-	-	(95,383)
Warrants exercised	7	4	(1)	-	-	-	3
Loss for the year	-	-	-	-	-	(2,162,265)	(2,162,265)
Balance at December 31, 2024 (Restated – Note 17)	**34,395,133**	**8,233,849**	**1,826,349**	**-**	**-**	**(9,786,108)**	**274,090**
Stock options granted	-	-	-	211,428	-	-	211,428
Warrants exercised	413	208	(43)	-	-	-	165
Loss for the year	-	-	-	-	-	(989,009)	(989,009)
Balance at December 31, 2025	**34,395,546**	**8,234,057**	**1,826,306**	**211,428**	**-**	**(10,775,117)**	**(503,326)**

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

Statements of Cash Flows

For the years ended December 31, 2025, and 2024
(in Canadian dollars)

	2025	*2024*
	$	$
		(Restated) (Note 17)
OPERATING ACTIVITIES		
Net loss for the year	**(989,009)**	(2,162,265)
Adjustments for non-cash items:		
Share-based payments	**211,428**	-
Listing expense	-	1,426,268
Changes in non-cash working capital items:		
Amounts receivable	**(16,224)**	(12,000)
Prepaid expenses	**127,188**	46,416
Accounts payable and accrued liabilities	**127,691**	104,980
Net cash used in operating activities	**(538,926)**	(596,601)
INVESTING ACTIVITIES		
Cash received from the Arrangement	**-**	370,470
Net cash provided by investing activities	**-**	370,470
FINANCING ACTIVITIES		
Contributions from Nord through the Arrangement date	**-**	16,968
Advances from (to) related parties	**530,204**	(260,962)
Proceeds from units issued for cash	**-**	575,131
Share issuance costs	**-**	(95,383)
Proceeds from exercise of warrants	**165**	3
Net cash provided by financing activities	**530,369**	235,757
Net change in cash	**(8,557)**	9,626
Cash, beginning of year	**9,626**	-
Cash, end of year	**1,069**	9,626
Supplementary cash flow information		
Shares issued for the Arrangement	**-**	7,987,857
Warrants issued for the Arrangement	**-**	1,592,590
Finders' warrants	**-**	7,255
Interest paid	**-**	-
Income taxes paid	**-**	-

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

1. Nature of business and going concern

Coniagas Battery Metals Inc. (“Coniagas” or the “Company”) was incorporated under the Business Corporations Act of Canada on November 11, 2021. The Company’s registered head office is located at Suite 1100 – 1111 Melville Street, Vancouver, BC V6E 3V6.

On March 18, 2024, the Company’s common shares began trading on the TSX Venture Exchange under the symbol “COS”.

Arrangement

On February 26, 2024 (the "Arrangement Date"), the Company and the carve-out entity of Graal Property (the "Carve- out Entity") finalized a reverse takeover transaction whereby Nord Precious Metals Mining Inc. (“Nord”), the former owners of the Carve-out Entity, received 24,000,000 common shares and 12,000,000 warrants of the Company for their 100% interest in the Carve-out Entity (the "Arrangement"). The Carve-out Entity represents the operational efforts towards the Graal Property in accordance with existing option agreements (see note 5). The 24,000,000 common shares received by Nord comprised 80% of the issued and outstanding common shares of the Company on the date of Arrangement, and the management of the Carve-out Entity continued as management of the Company. Pursuant to the Arrangement, the Company became the owner of the Carve-out Entity, but the change in control of the Company by Nord (and related reverse takeover accounting guidance under IFRS - see note 4) resulted in the Carve-out Entity continuing as the ongoing reporting entity (combining the Company's results into the Carve-out Entity from the Arrangement Date), with comparative financial information only of the Carve-out Entity. The equity component of the Carve-out Entity includes advances from the parent and net losses incurred and is referred to as "owner's investment". On recognition of the Arrangement, the owner's investment was allocated to share capital and warrants, as applicable (Note 4).

Going concern

As at December 31, 2025, the Company had current assets $230,049 (2024 - $559,776) to fund current liabilities of $733,375 (2024 - $285,686). Further, as at December 31, 2024, the Company had an accumulated deficit of $10,775,117 (2024 - $9,786,108) and working capital deficit of $503,326 (2024 - $274,090).

The Company is a mineral exploration company focused on the acquisition and development of mineral property interests. The Company’s continuation as a going concern is entirely dependent upon the discovery of economically recoverable mineral reserves, the ability of the Company to raise equity capital or borrowings sufficient to meet current and future obligations and to complete the exploration and development of mineral property interests, and achievement of future profitable production or proceeds from the disposition of its mineral property interests. These material uncertainties cast significant doubt upon the Company’s ability to continue as a going concern. Should the Company be unable to continue as a going concern, the net realizable value of its assets may be materially less than the amounts on its statements of financial position. These financial statements do not reflect the adjustments to the carrying values of the assets and liabilities, the reported expenses and the statements of the financial position classifications that would be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

The Company's business involves a high degree of risk and there is no assurance that the Company will be successful in discovering economically recoverable deposits on its mineral properties. Furthermore, the Company has not yet generated any income or cashflows from its operations and there is no assurance that the business will be profitable in the future.

2. Basis of Presentation and statement of compliance

Statement of compliance

These financial statements have been prepared in accordance with IFRS Accounting Standards, as issued by the International Accounting Standards Board (“IASB”) and interpretations issued by the IFRS Interpretations Committee (“IFRIC”).

Basis of presentation and functional currency

These financial statements have been prepared on the historical cost basis except for certain financial instruments that have been measured at fair value. The financial statements have been presented on an accrual basis except for cash flow information. The presentation and functional currency of the Company is the Canadian dollar.

All values are rounded to the nearest dollar, except per share values.

The financial information presented, up to the Arrangement Date, reflect the assets, liabilities, and expenses of the operations of the Carve-out Entity. The basis for allocation is as follows:

- All assets and liabilities directly related to the Carve-out Entity have been attributed to the Carve-out Entity. These do not include assets and liabilities that are not specifically identifiable with the Carve-out Entity.
- Expenses directly related to the Carve-out Entity have been entirely attributed to the Carve-out Entity.
- The Carve-out Entity received services and support functions from Nord, and the operations of the Carve-out Entity were dependent upon Nord’s ability to perform these services and support functions. These services and support functions costs are used by the Carve-out Entity and are paid by Nord and have been allocated to the Carve-out Entity based on the proportionate exploration expenses attributed to the Carve-out Entity compared to the total exploration expenses of Nord.

Expenses that have been allocated to the Carve-out Entity have been recorded as contributions from Nord within owner’s investment. Owner’s investment represents the cumulative owner’s investment in the Carve-out Entity through the dates presented and includes cumulative operating results.

Management believes the assumptions and allocations underlying the carve-out financial information are reasonable and appropriate under the circumstances. The expenses and cost allocations have been determined on a basis considered by management to be a reasonable reflection of the utilization of services provided to or the benefit received by the Carve-out Entity during the periods presented. However, these assumptions and allocations are not necessarily indicative of the costs the Carve-out Entity would have incurred if it had operated on a stand-alone basis or as an entity independently.

Approval of the financial statements

These financial statements of the Company for the year ended December 31, 2025, were approved and authorized for issue by the Board of Directors on April 29, 2026.

2. Basis of Presentation and statement of compliance (continued)

Material accounting judgements and critical accounting estimates

The preparation of these financial statements requires management to make judgments and estimates that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these judgments and estimates. The financial statements include judgments and estimates which, by their nature, are uncertain. The impacts of such judgments and estimates are pervasive throughout the financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in future periods when the revision affects both current and future periods.

Information about critical judgments and estimates in applying accounting policies, and areas where assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following areas:

Share-based payments and warrants
Management determines costs for share-based payments and warrants using market-based valuation techniques. The fair value of the market-based and performance-based share awards are determined at the date of grant using generally accepted valuation techniques. Assumptions are made and judgment used in applying valuation techniques. These assumptions and judgments for share-based payments include estimating the future volatility of the stock price, expected dividend yield, future employee turnover rates and future employee stock option exercise behaviours and corporate performance. Assumptions and judgments for determining the value of warrants include estimating the future volatility of the share price, expected dividend yield and expected risk-free rate of return. Such judgments and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates.

Income taxes and recoverability of potential deferred tax assets
In assessing the probability of realizing income tax assets recognized, management makes estimates related to expectations of future taxable income, applicable tax planning opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified. Estimates of future taxable income are based on forecasted cash flows from operations and the application of existing tax laws in each jurisdiction.

The Company considers whether relevant tax planning opportunities are within the Company's control, are feasible, and are within management's ability to implement. Examination by applicable tax authorities is supported based on induvial facts and circumstances of the relevant tax position examined in light of all available evidence. Where applicable tax laws and regulations are either unclear or subject to ongoing varying interpretations, it is reasonably possible that changes in these estimates can occur that materially affect the amounts of income tax assets recognized. Also, future changes in tax laws could limit the Company from realizing the tax benefits from the deferred tax assets. The Company reassesses unrecognized income tax assets at each reporting period.

Functional currency
Functional currency is the currency of the primary economic environment in which the Company operates. If indicators of the primary economic environment are mixed, then management uses its judgment to determine the functional currency that most faithfully represents the economic effect of underlying transactions, events and conditions.

2. Basis of Presentation and statement of compliance (continued)

Material accounting judgments and critical accounting estimates (continued)

Income, value added, withholding and other taxes
The Company is subject to income, value added, withholding and other taxes. Significant judgment is required in determining the Company's provisions for taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. The determination of the Company's income, value added, withholding and other tax liabilities requires interpretation of complex laws and regulations. The Company's interpretation of taxation law as applied to transactions and activities may not coincide with the interpretation of the tax authorities. All tax related filings are subject to government audit and potential reassessment subsequent to the financial statement reporting period. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the tax related accruals and deferred income tax provisions in the period in which such determination is made.

Allocation of overhead expenses
Refer to basis of presentation mentioned above.

Provisions and Contingencies
Provisions and contingencies arising in the course of operations, including provision for income or other tax matters are subject to estimation uncertainty. Management uses all information available in assessing the recognition, measurement and disclosure of matters that may give rise to the provisions or contingencies. The actual outcome of various provisional and contingent matters may vary and may cause significant adjustments when the amounts are determined or additional information is acquired.

See also Going concern (Note 1) and Commitments and contingencies (Note 15).

Accounting for the acquisitions
The Company applies significant judgment to conclude whether an acquired set of activities and assets is a business. The acquisition of a business is accounted for as a business combination, under IFRS 3. If an acquired set of activities and assets does not meet the definition of a business, the transaction is accounted for as an asset acquisition. The Company also applied judgment in identifying the assets acquired and evaluating which IFRS standard the asset should be measured into.

3. Material accounting policy information

Financial Instruments

a) Classification

Financial Assets/Liabilities	**Classification**
Cash	Financial asset at amortized cost
Amounts receivable	Financial asset at amortized cost
Due from related parties	Financial asset at amortized cost
Accounts payable and accrued liabilities	Financial liabilities at amortized cost
Due to related parties	Financial liabilities at amortized cost

3. Material accounting policy information (continued)

Financial Instruments (continued)

The Company determines the classification of financial assets at initial recognition. The classification of its instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Financial assets are recognized at fair value and are subsequently classified and measured at amortized cost, fair value through other comprehensive income ("FVOCI"), or fair value through profit or loss ("FVTPL").

b) 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 for a financial asset.

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statements of loss and comprehensive 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 the statements of loss and comprehensive loss in the period in which they arise. Where the Company has opted to recognize a financial liability at FVTPL, any changes associated with the Company's own credit risk will be recognized in other comprehensive income (loss).

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 financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to twelve month expected credit losses. The Company recognizes 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.

Impairment of non-financial assets
The carrying amount of the Company's assets is 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.

3. Material accounting policy information (continued)

Impairment of non-financial assets *(continued)*

The recoverable amount of assets is the greater of an asset's fair value, less cost to sell and value in use. In assessing 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 specific 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.

Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment.

Exploration and evaluation expenditures

Exploration and Evaluation (“E&E”) expenditures include costs incurred in the search for and assessment of mineral resources. These costs include acquisition of exploration rights, geological and geophysical studies, exploratory drilling and sampling, evaluation of technical feasibility and commercial viability.

All E&E expenditures, including license acquisition costs, are expensed as incurred. The Company defines a project as a distinct geological area with favorable mineralization potential or proven deposits, typically comprising a single mine or deposit.

Once a project demonstrates both technical feasibility and commercial viability, and the necessary permits are obtained, subsequent E&E costs are capitalized as mining properties. As of the reporting date, the Company does not hold any assets classified as mining properties.

Asset retirement obligations

An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the exploration, development, or ongoing production of a mineral property interest. Such costs arising for the decommissioning of plant and other site restoration work, discounted to their net present value, are provided for and capitalized to the carrying value of the asset, as soon as the obligation to incur such costs arises.

Discount rates, using a pre-tax rate that reflects the time value of money, are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset through depreciation using either the unit-of-production or the straight-line method. The related liability is adjusted for each period for the unwinding of the impact of discounting and for changes to the current market-based discount rate, amount, or timing of the underlying cash flows needed to settle the obligation.

As at December 31, 2025 and 2024, the Company has no material restoration, rehabilitation and environmental costs as the environmental disturbance to date is minimal.

3. Material accounting policy information (continued)

Equity

Share capital

Share capital represents the amount received on the issue of shares, less issuance costs, net of any underlying income tax benefit from these issuance costs. In addition, if shares were issued as consideration for the acquisition of an interest in a mineral property or some other form of non-monetary assets, they are measured at their fair value according to their fair value according to the quoted price on the date of the conclusion of the agreement.

Unit placements

The Company has adopted a residual method with respect to the measurement of common shares and warrants issued as private placement units. Warrants attached to units are valued based on the fair value of warrants using the Black Scholes valuation model and the share price at the time of financing, and the difference between the proceeds raised and the value assigned to the warrants is the residual fair value of the shares.

Warrants

Warrants reserve include fair value allocated to warrants issued. When warrants are exercised, the related cost and fair value are transferred to share capital. Upon expiry, the fair value initially recorded under warrant reserve is transferred to deficit.

Options

Option reserve includes charges related to stock options until such stock options are exercised. When stock options are exercised, the related cost and fair value are transferred to share capital. Upon expiry, the fair value initially recorded under options reserve is transferred to deficit.

Deficit includes all current and prior period retained profits and losses. Deficit also includes charges related to warrants and stocks options expired and any amounts in excess of total share capital related to shares repurchased.

Flow-through shares

The Company will, from time to time, issue flow-through shares to finance a significant portion of its Canadian exploration program. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On the issuance of a flow-through share, it is bifurcated into equity (share) and liability (flow-through) components on the issue date. The equity portion is measured at the market value and the residual is allocated as a liability. The liability is recorded at the fair value of the obligation to renounce the expenditures that the issuer has incurred. This is effectively the “premium” the investor attributes to a flow-through share versus an ordinary share. The liability is reduced and the reduction of flow-through share liability is recorded in other income at the time when the Company files the appropriate renunciation forms with the Canadian taxation authorities and the expenditures are incurred. When the expenditures are renounced, the Company records a deferred tax liability and deferred tax expense (renounced expenditures multiplied by the effective corporate tax rate), offset by any deferred tax asset available.

Proceeds received from the issuance of flow-through shares are restricted to be used only for Canadian resource property exploration expenditures within a two-year period.

3. Material accounting policy information (continued)

Flow-through shares (continued)

The Company may also be subject to a Part XII.6 tax on flow-through proceeds renounced under the Government of Canada flow-through regulations. When applicable, this tax is accrued as a financial expense until paid.

Share-based payments

The Company grants share purchase options to acquire common shares of the Company to directors, officers, employees and consultants. An individual is classified as an employee when the individual is an employee for legal or tax purposes or provides services similar to those performed by an employee.

The fair value of stock options for each vesting period is determined using the Black Scholes option pricing model and is recorded over the vesting period as an increase to stock-based compensation and reserve. A forfeiture rate is estimated on the grant date and is adjusted to reflect the actual number of options that vest. Upon the exercise of stock options, the proceeds received by the Company and the related reserve are recorded as an increase to share capital. In the event if vested stock options expire, previously recognized share-based compensation is not reversed. In the event if stock options are forfeited, previously recognized share-based compensation associated with the unvested portion of the stock options forfeited is reversed.

The fair value of share-based payment transactions to non-employees and other share-based payments including shares issued to acquire exploration and evaluation assets are based on the fair value of the goods and services received. If the fair value cannot be estimated reliably, the share-based payment transaction is measured at the fair value of the equity instruments granted at the date the Company receives the goods or services.

Basic and diluted loss per share

Basic loss per share is calculated by dividing net loss attributable to common equity holders of the Company by the weighted average number of common shares outstanding during the reporting period. Diluted earnings per share is calculated by adjusting the weighted average number of shares outstanding to assume conversion of all potentially dilutive share equivalents, such as stock options warrants and restricted share units.

When a loss is incurred during a period, basic and diluted loss per share are the same because the exercise of share equivalents is then considered to be anti-dilutive.

Income taxes

Tax expense recognized in profit or loss comprises the sum of deferred and current tax not recognized in other comprehensive income (loss) or directly in equity.

Current tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and laws that have been enacted or substantively enacted by the end of the reporting period.

3. Material accounting policy information (continued)

Income taxes *(continued)*

Deferred taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax on temporary differences associated with shares in subsidiaries and associates is not provided if reversal of these temporary differences can be controlled by the Company and it is probable that the reversal will occur in the foreseeable future.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided they are enacted or substantively enacted by the end of the reporting period. Deferred tax liabilities are always provided for in full.

Deferred tax assets are recognized to the extent that it is probable that they will be able to be utilized against future taxable income.

Deferred tax assets and liabilities are offset only when the Company has a right and intention to set off current tax assets and liabilities from the same taxation authority.

Changes in deferred tax assets or liabilities are recognized as deferred tax expense in profit or loss, except where they relate to items that are recognized in other comprehensive income or directly in equity, in which case the related deferred tax is also recognized in other comprehensive income or equity, respectively.

Future changes in accounting policies not yet effective as at December 31, 2025

Certain new accounting standards and interpretations have been published that are not mandatory for the current period and have not been early adopted.

Amendments to IFRS 9 and IFRS 7 – Financial Instruments:
These amendments address the classification and measurement of financial assets and liabilities, including derecognition and disclosures for instruments with ESG-linked features. They are effective for annual periods beginning on or after January 1, 2026.

IFRS 18 – Presentation and Disclosure in Financial Statements:
IFRS 18, issued in April 2024 and effective for annual periods beginning on or after January 1, 2027, will replace IAS 1 and introduce new requirements for the presentation and disclosure of financial statements.

The Company has not early adopted these standards and amendments. Based on management's assessment, these changes are not expected to have a material impact on the Company's financial statements in the current or future reporting periods.

(in Canadian dollars)

4. Reverse takeover

On the Arrangement Date, Coniagas was not considered a business under IFRS 3, as it did not have inputs and substantive processes that could collectively contribute to the creation of outputs. As a result, the Arrangement was considered to be within the scope of IFRS 2 – Share-Based Payments and for accounting purposes (considering the change of control, see note 1), the Arrangement was accounted for as a reverse takeover transaction ("RTO"), with the Carve-out Entity identified as the accounting acquirer, and Coniagas identified as the accounting acquiree. These financial statements are issued under the legal parent, Coniagas, but are considered to be a continuation of the financial results of the Carve-out Entity.

At the Arrangement Date, the RTO was recorded as follows:

Fair value of consideration issued		
5,898,010 common shares (valued at $0.27 per share)	$	1,592,463
2,898,000 warrants		338,516
		1,930,979
Net identifiable assets (liabilities) acquired		
Cash	$	370,470
Prepaid expenses		323,604
Trade payables and accrued liabilities		(189,363)
Net identifiable assets acquired		504,711
Listing expense		1,426,268
	$	**1,930,979**

5. Exploration and evaluation projects

Graal Property, Quebec

As a result of the Reverse takeover (see note 4), the Company acquired a 100% interest in the Graal Property. The property consists of various claims in Quebec.

Lac Suzanne

In February 2021, Nord acquired a 100% interest in the Lac Suzanne Property, located in Northern Lac St-Jean, Quebec. In consideration for the 100% interest, Nord made cash payments totaling $52,500 to the vendor and incurred exploration expenditures of $200,000 on the property.

The property is subject to 2% Gross Metal Royalty.

Chute-des-Passes

In November 2021, Nord acquired 100% ownership in the Chute-des-Passes Property claims from SOQUEM Inc. ("SOQUEM") (50% ownership) and Mines Coulon Inc. ("Mines Coulon") (50% ownership). In consideration for the 100% ownership, Nord made cash payments totaling $10,000 and each vendor retained an NSR.

(in Canadian dollars)

5. Exploration and evaluation projects (continued)

In consideration for the purchase of its interest in the Chute-des-Passes Property, SOQUEM has the right to receive a royalty of 0.5% each of the NSR on the Chute-des-Passes Property, half of which is redeemable for an amount of $125,000. In return for the transfer of its interest in the Chute-des-Passes Property, Mines Coulon has the right to receive a royalty of 0.5% of the NSR on the Chute-des-Passes Property, half of which is redeemable for an amount of $125,000.

In addition, there is also an existing NSR of 1%, of which 0.5% is redeemable for $500,000. The total NSR on the property is 2% where 1% is redeemable for the sum of $750,000.

Dartagnan Property, Quebec

In March 2024, the Company staked 531 mineral claims covering approximately 28,397 hectares in the Chibougamau region of Quebec, approximately 80 kilometers southeast of the town of Chibougamau. The property, known as the Dartagnan Property, is situated adjacent to SOQUEM's Cardinal Property. Acquisition costs of $56,750 were incurred in connection with the staking of these claims during the year ended December 31, 2025. The property is at an early stage and no exploration work has been carried out by the Company on the property to date.

Costs applicable to exploration and evaluation assets are as follows:

Year ended December 31, 2025	Graal Project $	Dartagnan Property $	Total $
Acquisition costs	8,242	56,750	64,992
Geology, geophysics and surveys	800	-	800
Drilling	259,641	-	259,641
Consulting & professional fees	1,421	-	1,421
Total exploration and evaluation expenses	**270,104**	**56,750**	**326,854**

Year ended December 31, 2024	Graal Project $	Total $
Acquisition costs	3,364	3,364
Assays and testing	1,250	1,250
Consulting & professional fees	12,908	12,908
Total exploration and evaluation expenses	**17,522**	**17,522**

Total expenditures to date	Graal Project $	Dartagnan Property $	Total $
Acquisition costs	20,331	56,750	77,081
Assays and testing	1,250	-	1,250
Geology, geophysics and surveys	34,994	-	34,994
Drilling	292,247	-	292,247
Facility expense	4,406	-	4,406
Labour	8,049	-	8,049
Consulting & professional fees	92,865	-	92,865
Total exploration and evaluation expenses	**454,142**	**56,750**	**510,892**

6. Share capital

a. Authorized

Authorized capital consists of an unlimited number of common shares, without par value, voting and participating.

b. Issued

Year ended December 31, 2025

During the year ended December 31, 2025, the Company issued 413 common shares upon the exercise of 413 share purchase warrants with an exercise price of $0.40 per warrant for gross proceeds of $165. As a result of the exercise, $43 was moved from the warrants reserve to share capital.

Year ended December 31, 2024

(i) Pursuant to the Arrangement, the Company issued 24,000,000 common shares (valued at $6,395,394) and 12,000,000 warrants (valued at $1,254,074) based on the historical cost base of the owner's investment in the Carve-out Entity, adjusted for any liabilities assumed by the former owner of the Carve-out Entity on the Arrangement Date. Each warrant entitles its holder to purchase one additional common share of the Company at a price of $0.40 for 2 years from the respective dates of distribution to the shareholders of Nord.

The 12,000,000 warrants were assigned a value of $1,254,074 as estimated using the Black-Scholes option pricing model under the following assumptions:

9,062,700 warrants: share price - $0.27, risk-free rate 4.11%, expected dividend yield – 0%, expected stock volatility – 100%, and expected life – 2 years;
979,100 warrants: share price - $0.27, risk-free rate 3.76%, expected dividend yield – 0%, expected stock volatility – 100%, and expected life – 3 years;
979,100 warrants: share price - $0.27, risk-free rate 3.58%, expected dividend yield – 0%, expected stock volatility – 100%, and expected life – 4 years;
979,100 warrants: share price - $0.27, risk-free rate 3.50%, expected dividend yield – 0%, expected stock volatility – 100%, and expected life – 5 years.

These estimated fair values were reduced by the estimated fair values of these same warrants prior to their distribution to the shareholders of Nord (Note 7).

(ii) On March 18, 2024, the Company issued 352,000 units at a price of $0.25 per unit for gross proceeds of $88,000. Each unit is comprised of one common share and one common share purchase warrant. Each warrant entitles the holder thereof to purchase one additional common share at a price of $0.40 for 2 years from the date of issuance.

The 352,000 warrants issued were valued at $64,740 as estimated on the grant date using the Black-Scholes option pricing model with the following assumptions: share price of $0.27, expected dividend yield of 0%, risk-free interest rate of 4.17%, volatility of 103% and an expected life of 2 years.

6. Share capital (continued)

(iii) On September 5, 2024, the Company closed the first tranche of a non-brokered private placement, wherein the Company issued an aggregate of 2,072,000 units at a price of $0.12 per unit for gross proceeds of $248,640. Each unit is comprised of one common share and one-half of a common share purchase warrant. Each full warrant entitles the holder thereof to purchase one additional common share at a price of $0.15 for 5 years from the date of issuance. Of the 2,072,000 units issued, 1,272,000 units comprised of flow-through common shares for gross proceeds of $152,640. Under the residual value method, $nil was attributed to the flow-through premium liability in connection with the financing.

The 1,036,000 warrants issued were valued at $86,293 as estimated on the grant date using the Black-Scholes option pricing model with the following assumptions: share price of $0.095, expected dividend yield of 0%, risk-free interest rate of 2.78%, volatility of 145% and an expected life of 5 years.

In connection with the private placement, the Company issued an aggregate of 63,600 common shares and an aggregate of 138,040 finders' warrants. Each full finders' warrant entitles the holder to purchase one additional common share at a price of $0.15 for 2 years from the date of issuance.

The 138,040 finders' warrants issued were valued at $5,779 as estimated on the grant date using the Black-Scholes option pricing model with the following assumptions: share price of $0.095, expected dividend yield of 0%, risk-free interest rate of 3.07%, volatility of 103% and an expected life of 2 years.

(iv) On September 17, 2024, the Company closed the second tranche of a non-brokered private placement, wherein the Company issued an aggregate of 1,129,167 units at a price of $0.12 per unit for gross proceeds of $135,500. Each unit is comprised of one common share and one-half of a common share purchase warrant. Each full warrant entitles the holder thereof to purchase one additional common share at a price of $0.15 for 5 years from the date of issuance.

The 564,583 warrants issued were valued at $41,742 as estimated on the grant date using the Black-Scholes option pricing model with the following assumptions: share price of $0.085, expected dividend yield of 0%, risk-free interest rate of 2.68%, volatility of 145% and an expected life of 5 years.

(v) On September 30, 2024, the Company closed the third and final tranche of a non-brokered private placement, wherein the Company issued an aggregate of 858,266 units at a price of $0.12 per unit for gross proceeds of $102,991, of which $12,000 was received subsequent to the year-end and included in the amounts receivable as at December 31, 2024. Of the 858,266 units issued, 441,666 units comprised of flow-through common shares for gross proceeds of $53,000. Under the residual value method, $nil was attributed to the flow-through premium liability in connection with the financing.

The 429,133 warrants issued were valued at $33,730 as estimated on the grant date using the Black-Scholes option pricing model with the following assumptions: unit price of $0.09, expected dividend yield of 0%, risk-free interest rate of 2.70%, volatility of 145% and an expected life of 5 years.

In connection with the private placement, the Company issued an aggregate of 22,083 common shares and an aggregate of 30,916 finders' warrants.

(in Canadian dollars)

6. Share capital (continued)

The 30,916 finders' warrants issued were valued at $1,476 as estimated on the grant date using the Black- Scholes option pricing model with the following assumptions: share price of $0.09, expected dividend yield of 0%, risk-free interest rate of 2.91%, volatility of 124% and an expected life of 2 years.

(vi) In connection with the September private placement, the Company paid an aggregate cash share issue costs of $95,383.

(vii) On September 13, 2024, the Company issued 7 common shares upon the exercise of 7 share purchase warrants with an exercise price of $0.40 per warrant for gross proceeds of $3. As a result of the exercise, $1 was moved from the warrants reserve to share capital.

7. Warrants

Changes in warrants outstanding for the years ended December 31, 2025 and 2024:

	Year ended December 31, 2025			Year ended December 31, 2024		
	# of Warrants		**Weighted Average Exercise Price**	**# of Warrants**		**Weighted Average Exercise Price**
Beginning Balance	17,448,665	$	0.37	-		-
Issued	-		-	17,448,672	$	0.37
Exercised	(413)	$	0.40	(7)	$	0.40
Ending Balance	**17,448,252**	**$**	**0.37**	**17,448,665**	**$**	**0.37**

As at December 31, 2025 and 2024, the following share purchase warrants were outstanding:

	December 31, 2025			December 31, 2024		
Expiry Date	**# of Warrants**		**Exercise Price**	**# of Warrants**		**Exercise Price**
(i)	11,999,580	$	0.40	11,999,993	$	0.40
January 19, 2026 (ii)	1,470,000	$	0.40	1,470,000	$	0.40
January 26, 2026 (ii)	1,428,000	$	0.40	1,428,000	$	0.40
March 18, 2026 (ii)	352,000	$	0.40	352,000	$	0.40
September 5, 2026	138,040	$	0.15	138,040	$	0.15
September 30, 2026	30,916	$	0.15	30,916	$	0.15
September 5, 2029	1,036,000	$	0.15	1,036,000	$	0.15
September 17, 2029	564,583	$	0.15	564,583	$	0.15
September 30, 2029	429,133	$	0.15	429,133	$	0.15
Total	**17,448,252**	**$**	**0.37**	**17,448,665**	**$**	**0.37**

(i) These warrants expire 2 years from the respective dates of distribution to the shareholders of Nord.
(ii) The expiry dates of these warrants were amended subsequent to the year-end (Note 18).

(in Canadian dollars)

8. Share-based payments

The Company offers a stock option plan for its officers, directors, employees, and consultants. The aggregate number of common shares reserved for issuance under the Plan and common shares reserved for issuance under any other share compensation arrangement granted or made available by the Company from time to time may not exceed in aggregate 10% of the Company's common shares issued and outstanding at the time of grant. The term of any options granted under the Plan will be fixed by the Board of Directors and may not exceed ten years, but so long as the Company remains a "Tier 2" issuer under the policies of the Toronto Stock Exchange, options may not exceed a term of five years. The exercise price of options granted under the Plan will be determined by the Board of Directors, provided that it is not lower than the fair market value of the option shares on the date of the grant of the option. During the year ended December 31, 2025, the Company granted 3,700,000 (2024 - nil) stock options to certain consultants, officers, directors, and employees at exercise prices between $0.05 and $0.10, vesting immediately and exercisable for 3 years. Under IFRS 2, an amount of $211,428 has been considered as share-based compensation during the year ended December 31, 2025 (2024 - $nil).

	December 31, 2025		December 31, 2024	
	# of Stock Options	**Weighted Average Exercise Price**	**# of Stock Options**	**Weighted Average Exercise Price**
Beginning Balance	-	-	-	-
Granted	3,700,000	$ 0.075	-	-
Ending Balance (outstanding and exercisable)	**3,700,000**	**$ 0.075**	**-**	**-**

The fair value of the stock options issued was estimated based on the following key weighted average assumptions:

Share-based payments	Year ended December 31, 2025
Exercise Price	$0.08
Expected Life	3 years
Dividend Yield	Nil
Volatility	204%
Risk Free Interest Rate	2.56%
Fair Value	$0.058

The following table summarizes the stock options outstanding as at December 31, 2025 and 2024

	December 31, 2025		December 31, 2024	
	# of Stock Options	**Exercise Price**	**# of Stock Options**	**Exercise Price**
February 7, 2028	1,200,000	$ 0.050	-	-
February 11, 2028	100,000	$ 0.050	-	-
November 4, 2028	1,300,000	$ 0.100	-	-
November 4, 2028	1,100,000	$ 0.075	-	-
Ending Balance (outstanding and exercisable)	**3,700,000**	**$ 0.075**	**-**	**-**

As at December 31, 2025, the weighted average remaining life of stock option was 2.59 years.

(in Canadian dollars)

9. Loss per share

Loss per share has been calculated using the weighted average number of common shares outstanding for the years ended December 31, 2025, and 2024, are as follows:

		2025		2024
Net loss for the year attributable to shareholders	**$**	**989,009**	$	2,162,265
Weighted average number of common shares outstanding		**34,395,225**		27,401,060
Basic and diluted loss per share	**$**	**0.03**	$	0.08

For the years ended December 31, 2025, and 2024, potential dilutive common shares from share purchase warrants and stock options have not been included in the loss per share calculation as they would result in a reduction of the loss per share.

10. Related party transactions

The Company has entered into agreements with officers of the Company and private companies controlled by officers and directors of the Company for management consulting, geological consulting and other services required by the Company.

In accordance with IAS 24, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company.

The remuneration of officers and directors of the Company for the year ended December 31, 2025 was $99,754 (2024 - $60,303). For the year ended December 31, 2025, $800 (2024 - $nil) was included in exploration and evaluation expenses on the Company's statements of loss and comprehensive loss. As at December 31, 2025, $169,199 (2024 - $70,850) was included in accounts payable and accrued liabilities in relation to these fees and expenses incurred by individuals of the management team on behalf of the Company.

During the year ended December 31, 2025, the Company recognized share-based compensation expense of $58,191 (2024-$Nil) related to stock options granted to related parties.

During the year ended December 31, 2024, the Company paid a drilling deposit of $150,000 to a company in which a former director of the Company is a co-owner, which was included in prepaid expenses on the statements of financial position. As at December 31, 2025, this amount is still in prepaid expenses.

As at December 31, 2025, the Company advanced a total of $50,756 (2024 - $260,962) to companies with common officers and directors. The advance is unsecured, non-interest bearing with no fixed terms of repayment. As at December 31, 2025, the Company had amounts of $319,998 payable to Nord.

(in Canadian dollars)

11. Income taxes

Current income tax
The Company has the following non-capital losses which are available to reduce income taxes in future periods, for which no deferred tax asset has been recognized in the statement of financial position, that can be carried over the following years:

	December 31, 2025 $	December 31, 2024 $
Loss before income taxes	989,009	2,112,265
Income tax recovery	(262,000)	560,000
Increase (decrease) in income taxes resulting from:		
Non-deductible expenses	(56,000)	(339,000)
Tax benefits not recognized	(206,000)	(221,000)
	-	-

Deferred income tax
Deferred taxes are a result of temporary differences that arise due to the differences between the income tax values and the carrying amount of assets and liabilities.

Deferred income tax assets have not been recognized in respect of the following deductible temporary differences because it is not probable that future taxable profit will be available against which the Company can use the benefits:

	2025 $	2024 $
Non-capital loss carryforwards	2,469,000	1,990,000
Mineral property costs	6,670,000	6,343,000
Share issuance costs	88,000	117,000
Deferred tax assets not recognized	9,227,000	8,450,000

The ability to realize the tax benefits is dependent upon a number of factors, including the future profitability of operations. Deferred tax assets are recognized only to the extent that it is probable that sufficient profits will be available to allow the assets to be recovered.

The non-capital losses expire between 2040 and 2045.

12. Capital management policies and procedures

The Company’s objective in managing capital is to safeguard its ability to continue its operations, to increase the value of the assets of the business and to provide an adequate return to owners. These objectives will be achieved by identifying the right exploration prospects, adding value to these projects, and ultimately taking them through to production or sale and cash flow, either with partners or by the Company's own means. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets.

(in Canadian dollars)

12. Capital management policies and procedures (continued)

In order to maintain or adjust the capital structure, the Company may issue new shares to improve its financial performance and flexibility. The company monitors capital on the basis of the carrying amount of equity. Capital for the reporting period under review is summarized in Note 6 and in the statement of changes in equity. There has been no change in capital management during the year, and the Company is not subject to any externally imposed capital requirements.

13. Financial assets and liabilities

The carrying amounts and fair value of financial instruments presented in the statement of financial position are as follows:

	December 31, 2025	December 31, 2024
Financial assets		
Cash	**1,069**	9,626
Amounts receivable, excluding sales tax receivable	**12,549**	12,000
Due from related parties	**50,756**	260,962
Total financial assets	**64,374**	282,588
Financial liabilities		
Accounts payable and accrued liabilities	**413,377**	285,686
Due to related parties	**319,998**	-
Total financial liabilities	**733,375**	285,686

The carrying value of cash, amounts receivable, amounts due from and to related parties, and accounts payable and accrued liabilities is considered to be a reasonable expectation of fair value because of the short-term nature of these instruments.

14. Financial risks

The Company is exposed to various risks in relation to its financial instruments. The main types of risks the Company is exposed to are credit risk and liquidity risk. The Company's main financial risk exposure and its financial risk management policies are as follows:

Credit risk

Credit risk relates to the risk that one party to a financial instrument will not fulfill some or all of its obligations, thereby causing the Company to sustain a financial loss. The Company's maximum exposure to credit risk is limited to the carrying amount of cash, amounts receivable, and amounts receivable from related parties at the reporting date for the aggregate amounts of $64,374 at December 31, 2025 (2024 - $282,588). The risk related to cash is considered negligible as the Company is dealing with a reputable financial institution whose credit rating is excellent and the cash held in trust is accessible as and when required. The risk related to amounts receivable is considered negligible, as $12,400 was received subsequent to year end. Amounts due from related parties bear a higher risk.

14. Financial risks (continued)

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. As at December 31, 2025, the Company had $413,377 (2024 - $285,686) in accounts payable and accrued liabilities and cash of $1,069 (2024 - $9,626) to settle short term liabilities. Liquidity risk is assessed as high.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, currency and commodity and equity prices.

The Company is not exposed to interest rate risk as it does not have interest bearing debt or assets, and is not exposed to currency risk as it incurs most transaction in Canadian dollars.

The ability of the Company to develop its mineral properties and the future profitability of the Company is directly related to the market prices of silver, cobalt and nickel.

15. Commitments and contingencies

Environmental contingencies

The Company's exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

Flow-through obligations

Pursuant to the terms of flow-through share agreement, the Company has complied with its flow-through contractual obligations to subscribers with respect to the Income Tax Act (Canada) requirements for flow-through shares. As at December 31, 2024, the Company was committed to incurring approximately $205,000 in Canadian Exploration Expenditures (as such term is defined in the Income Tax Act (Canada) by December 31, 2025, arising from the flow-through offerings in September 2024. As at December 31, 2025, all funds subject to flow-through share agreements have been spent on qualifying Canadian exploration expenditures. In relation to its flow-through obligations, the Company incurred $2,223 in Part IIX.6 tax and $2,223 in the Quebec equivalent of Part IIX.6 tax during the year ended December 31, 2025.

16. Segment Information

The Company presents and discloses segmental information based on information that is regularly reviewed by management and the Board of Directors. The Company has determined that it has only one operating segment, the sector of exploration and evaluation of mineral resources. All its exploration and evaluation assets are located in the Quebec, Canada.

17. Restatement

The financial statements of the Company for the year ended December 31, 2024 have been restated to correct an error in prepaid expenses. As a result, the Company reduced prepaid expenses by $50,000 as of December 31, 2024 and increased marketing and communications by $50,000 for the year ended December 31, 2024. The overall effect on the cash flows was $Nil.

18. Subsequent events

In January 2026, the Company amended 1,470,000 warrants with an original expiry date of January 19, 2026, 1,428,000 warrants with an original expiry date of January 26, 2026, and 352,000 warrants with an original expiry date of March 18, 2026. These warrants now expire on January 19, 2029, subject to acceleration and have an amended exercise price of $0.15 per share.

Between January 1, 2026 and February 26, 2026, the Company issued 21,924 common shares upon the exercise of 21,924 share purchase warrants with an exercise price of $0.40 per share for gross proceeds of $8,770.

On February 26, 2026, 9,062,280 warrants expired unexercised.