

GOLD TERRA RESOURCE CORP.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(Unaudited)

September 30, 2026

(Expressed in Canadian Dollars)

NOTICE OF NO AUDITOR REVIEW OF

INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3 (3) (a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that an auditor has not reviewed the financial statements.

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

The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

GOLD TERRA RESOURCE CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian dollars)

	Note	September 30, 2026 (Unaudited)	December 31, 2025 (Audited)
ASSETS			
Current			
Cash and cash equivalents		$ 7,823,130	$ 7,557,451
GST/HST receivables		130,382	56,782
Prepaids and deposits		60,172	83,217
		8,013,684	7,697,450
Non-current			
Equipment	3	1,500	2,250
Reclamation deposits	4	235,023	152,540
Exploration and evaluation assets	5	60,534,521	52,653,972
		60,771,044	52,808,762
		$ 68,784,728	$ 60,506,212
LIABILITIES			
Current			
Trade payables and accrued liabilities	6,7	$ 1,023,361	$ 176,244
Deferred premium on flow-through shares	12	1,284,706	1,544,678
		2,308,067	1,720,922
Non-current			
Deferred income tax liability	13	1,862,000	523,000
		1,862,000	523,000
		4,170,067	2,243,922
SHAREHOLDERS' EQUITY			
Share capital	8	87,701,983	79,775,200
Share-based payment reserve	8,9	5,255,702	4,845,180
Deficit		(28,343,024)	(26,358,090)
		64,614,661	58,262,290
		$ 68,784,728	$ 60,506,212

Nature and continuance of operations (Note 1)

These consolidated financial statements are authorized for issue by the Board of Directors on November 24, 2026.

They are signed on the Company's behalf by:

"Gerald Panneton"	***"Patsie Ducharme"***
Gerald Panneton, Chairman and Chief Executive Officer	Patsie Ducharme, Director

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

GOLD TERRA RESOURCE CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE LOSS
(Unaudited; Expressed in Canadian dollars)

	Note	Three months ended September 30 2026	Three months ended September 30 2025	Nine months ended September 30 2026	Nine months ended September 30 2025
EXPENSES					
Amortization	3	$ 250	$ 629	$ 750	$ 1,760
Consulting		70,542	15,951	88,427	132,187
Directors' fees	7	10,750	11,750	50,250	39,250
Management compensation	7	90,000	90,000	270,000	270,000
Office, rent and miscellaneous		40,099	27,991	79,920	63,962
Professional fees	7	44,509	41,058	223,472	183,194
Salaries and benefits		11,269	16,568	46,653	43,204
Share-based payments	7,8	135,375	13,818	410,522	58,194
Transfer agent, filing fees and shareholder communications		430,510	293,783	1,306,678	733,626
Travel and related costs		109,358	40,389	266,809	120,475
		(942,662)	(551,937)	(2,743,481)	(1,645,852)
OTHER ITEMS					
Interest income		327	-	37,575	-
Flow-through share premium reversal	12	515,294	25,559	2,059,972	557,654
LOSS BEFORE INCOME TAXES		(427,041)	(526,378)	(645,934)	(1,088,198)
Deferred income tax (expense) recovery	13	(831,654)	142,429	(1,339,000)	(58,258)
NET AND COMPREHENSIVE LOSS FOR THE PERIOD		$ (1,258,695)	$ (383,949)	$ (1,984,934)	$ (1,146,456)
Loss per share - basic and diluted		$ (0.00)	$ (0.00)	$ (0.00)	$ (0.00)
Weighted average number of common shares outstanding - basic and diluted		501,186,075	413,697,484	479,740,663	397,801,550

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

GOLD TERRA RESOURCE CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Expressed in Canadian dollars)

	Note	Number of shares	Share capital	Share-based payment reserve	Deficit	Total shareholders' equity
Balance at December 31, 2024 (audited)		**372,072,484**	**$ 72,192,522**	**$ 4,765,142**	**$ (24,633,817)**	**$ 52,323,847**
Loss for the period		-	-	-	(1,146,456)	(1,146,456)
Shares issued for debt settlement	8	1,625,000	89,365	-	-	89,365
Shares issued on financing	8	40,000,000	2,400,000			2,400,000
Share issuance costs	8	-	(48,846)	-	-	(48,846)
Flow-through share premium	12	-	(350,000)	-	-	(350,000)
Share-based payments	8	-	-	58,194	-	58,194
Balance at September 30, 2025 (unaudited)		**413,697,484**	**74,283,041**	**4,823,336**	**(25,780,273)**	**53,326,104**
Loss for the period		-	-	-	(577,817)	(577,817)
Shares issued on financing	8	55,000,000	7,000,000	-	-	7,000,000
Share issuance costs	8	-	(44,219)	-	-	(44,219)
Tax effect on share issuance costs		-	25,128	-	-	25,128
Share issued on exercise of option	8	112,500	11,250	-	-	11,250
Flow-through share premium	12	-	(1,500,000)	-	-	(1,500,000)
Share-based payments	8	-	-	21,844	-	21,844
Balance at December 31, 2025 (audited)		**468,809,984**	**79,775,200**	**4,845,180**	**(26,358,090)**	**58,262,290**
Loss for the period		-	-	-	(1,984,934)	(1,984,934)
Share issued on exercise of option	8	162,500	16,250	-	-	16,250
Shares issued on financing	8	46,009,260	10,081,667	-	-	10,081,667
Share issuance costs	8	-	(371,134)	-	-	(371,134)
Flow-through share premium	13	-	(1,800,000)	-	-	(1,800,000)
Share-based payments	8	-	-	410,522	-	410,522
Balance at September 30, 2026 (unaudited)		**514,981,744**	**$ 87,701,983**	**$ 5,255,702**	**$ (28,343,024)**	**$ 64,614,661**

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

GOLD TERRA RESOURCE CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
(Unaudited; Expressed in Canadian dollars)

	Nine months ended September 30	
	2026	**2025**
Cash provided by (used in):		
Operating activities		
Net loss	$ (1,984,934)	$ (1,146,456)
Items not involving cash:		
Deferred income tax expense	1,339,000	58,258
Amortization	750	1,760
Share-based payments	410,522	58,194
Flow-through premium reversal	(2,059,972)	(557,654)
Changes in non-cash working capital items:		
Receivables	(73,600)	22,783
Prepaids and deposits	23,045	68,544
Trade payables and accrued liabilities	11,157	(72,398)
Net cash used in operating activities	(2,334,032)	(1,566,969)
Investing activities		
Expenditures on exploration and evaluation assets, net	(7,044,589)	(297,090)
Purchase of equipment	-	(3,000)
Investing in reclamation deposits	(82,483)	-
Net cash used in investing activities	(7,127,072)	(300,090)
Financing activities		
Issuance of common shares, net of share issuance costs	9,726,783	2,351,154
Net cash provided by financing activities	9,726,783	2,351,154
Change in cash and cash equivalents	265,679	484,095
Cash and cash equivalents - beginning of period	7,557,451	1,359,296
Cash and cash equivalents - end of period	$ 7,823,130	$ 1,843,391

Supplemental cash flow information (Note 11)

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

1. NATURE AND CONTINUANCE OF OPERATIONS

Gold Terra Resource Corp. (the "Company" or "Gold Terra") was incorporated under the Business Corporations Act (British Columbia) on August 1, 2007 and its principal activity is the exploration and development of mineral properties in Canada. The Company trades on the TSX Venture Exchange ("TSX-V") under the symbol "YGT" and OTCQB Market under the symbol "YGTFF".

The head office of the Company is located at 410-325 Howe Street, Vancouver, British Columbia, Canada, V6C 1Z7. The registered address and records office of the Company is located at 2200-885 West Georgia Street, Vancouver, British Columbia, Canada, V6C 3E8.

The Company has one wholly-owned subsidiary, Gold Matter Corporation ("Gold Matter"), which was incorporated under the Business Corporations Act (Ontario).

These consolidated financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. As at September 30, 2026, the Company has not advanced its properties to commercial production and is not able to finance day to day activities through operations. The Company's continuation as a going concern is dependent upon the successful results from its mineral property 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. Management is aware, in making its assessment, of material uncertainties related to events and conditions that may cast significant doubt upon the Company's ability to continue as a going concern as described above, and accordingly, the appropriateness of the use of accounting principles applicable to a going concern.

These consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

2. MATERIAL ACCOUNTING POLICIES AND BASIS OF PREPARATION

Statement of compliance to International Financial Reporting Standards ("IFRS")
These consolidated financial statements, including comparatives, have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

Basis of consolidation and presentation
These consolidated financial statements incorporate the financial statements of the Company and its wholly-owned subsidiary Gold Matter.

Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. All intercompany transactions and balances are eliminated upon consolidation.

These consolidated financial statements of the Company have been prepared on an accrual basis and are based on historical costs, modified where applicable. The financial statements are presented in Canadian dollars, the Company's functional currency, unless otherwise noted.

2. MATERIAL ACCOUNTING POLICIES AND BASIS OF PREPARATION (cont'd)

Material accounting policies

These unaudited condensed consolidated interim financial statements have been prepared in accordance with IFRS as issued by the IASB on a basis consistent with those followed in the Company's most recent annual financial statements for the period ended December 31, 2025.

These unaudited condensed consolidated interim financial statements do not include all note disclosures required by IFRS for annual financial statements and therefore should be read in conjunction with the annual financial statements for the period ended December 31, 2025. In the opinion of management, all adjustments considered necessary for fair presentation of the Company's financial position, results of operations and cash flows have been included. Operating results for the nine-month period ended September 30, 2026 are not necessarily indicative of the results that may be expected for the current fiscal year.

New accounting standards and interpretations

There were no new accounting standards and interpretations which had a material impact on adoption during the nine months ended September 30, 2026.

Pronouncements that are not applicable or that do not have a significant impact on the Company have not been included in these condensed consolidated interim financial statements.

3. EQUIPMENT

Cost		
Balance, January 1, 2025	$	230,916
Acquisitions		3,000
Balance, December 31, 2025		233,916
Acquisitions		-
Balance, September 30, 2026	$	233,916
Accumulated amortization		
Balance, January 1, 2025	$	229,276
Amortization		2,390
Balance, December 31, 2025		231,666
Amortization		750
Balance, September 30, 2026	$	232,416
Net book value, December 31, 2025	$	2,250
Net book value, September 30, 2026	$	1,500

4. RECLAMATION DEPOSITS

As of September 30, 2026, security deposits of $235,023 (December 31, 2025 - $152,540) were deposited with the Minister of Aboriginal Affairs and Northern Development Canada for land use permits issued by the Mackenzie Valley Land and Water Board ("MVLWB") for the Company's exploration properties in the Northwest Territories. The security deposits will be refunded once the land use permit ends and a final report describing land use activities during the respective term of the permits are submitted to the MVLWB and reclamation activities are completed.

5. EXPLORATION AND EVALUATION ASSETS

(a) Yellowknife Project, Northwest Territories

The Yellowknife project ("YP") is comprised of the Northbelt, Southbelt, Eastbelt and Quyta-Bell properties in the Northwest Territories as well as additional claims and property interests that have been acquired and incorporated into the Northbelt, Southbelt and Eastbelt properties as described in more detail below.

In May 2013 and May 2015, the Company granted Osisko Gold Royalties Ltd. ("Osisko"; now known as OR Royalties Inc. ("OR Royalties")) an option to acquire a 3% net smelter return royalty ("NSR") on certain properties in the YP by making a payment of $4,000,000 within three months following commencement of production.

In March 2025, OR Royalties elected to early exercise the first tranche of its royalty option for a 2% NSR on Gold Terra's Yellowknife property in exchange for a cash payment of $2,000,000.

In August 2025, the Company received a grant of $65,389 from the government of Northwest Territories to help fund the exploration program for this current year.

Northbelt Property

The Company owns 100% of the mineral lease and claims in the Northbelt Property. On certain leases and claims, the Company is obligated to pay an annual advance royalty of $20,000 until the commencement of production.

To September 30, 2026, the Company has incurred total exploration and evaluation expenditures, net of recoveries, of $34,620,905 (December 31, 2025 - $32,837,941) on the Northbelt Property.

Southbelt Property

The Company owns 100% of the mineral claims in the Southbelt Property.

To September 30, 2026, the Company has incurred exploration and evaluation expenditures totalling $860,424 (December 31, 2025 - $636,598) on the Southbelt Property.

In 2026, the Company expanded its land position at the YP through the staking immediately to the north of the Con Mine Option Property.

5. EXPLORATION AND EVALUATION ASSETS (cont'd)

(a) Yellowknife Project, Northwest Territories (cont'd)

Eastbelt Property

On February 1, 2017, the Company announced that it had staked certain claims east of the City of Yellowknife known as the Eastbelt Property that have been incorporated into the YP.

On September 15, 2017, the Company acquired contiguous claims which have been incorporated into the Eastbelt Property. The claims are subject to a 2% NSR. The Company has the right, at any time, to purchase 1% of the 2% NSR for $1,000,000. On completion of the acquisition, the Company is also obligated to pay an annual advance royalty of $6,000 until the commencement of production. As consideration, the Company paid a total of $50,000 and issued a total of 150,000 common shares with a fair value of $58,500.

On November 17, 2017, the Company acquired an additional contiguous claim that has been incorporated into the Eastbelt Property. As consideration, the Company paid $5,000 and issued 40,000 common shares at a fair value of $20,000. The Company also incurred additional acquisition costs of $17,166.

On September 25, 2018, the Company acquired additional contiguous claims, the Tom and Sickle claims, that have been incorporated into the Eastbelt Property. As consideration, the Company paid $25,000 and issued 250,000 common shares at a fair value of $95,000. The Company also incurred additional acquisition costs of $132,380. These claims are subject to a 2% NSR.

On January 30, 2020, the Company acquired 100% interest in two claims, Aurora 1 and 2 in Yellowknife which are contiguous to the existing properties. The acquisition terms are:

- $10,000 cash paid;
- 100,000 common shares, with a fair value of $25,000; and
- A 2% NSR royalty with a buyback of 1% for $1,000,000 and an additional 0.5% buyback for a further $1,000,000.

To September 30, 2026, the Company has incurred total exploration and evaluation expenditures totalling $1,361,603 (December 31, 2025 - $1,305,914) on the Eastbelt Property.

Quyta-Bell Property

In 2018, the Company expanded its land position at the YP through the staking immediately to the north of its current properties. These additional claims have been named the Quyta-Bell property and have been incorporated into the YP.

On March 16, 2021, the Company entered into an option agreement to acquire 100% interest in a claim in Yellowknife which is contiguous to the existing properties. The acquisition terms are:

- cash payments of $15,000 and 40,000 shares issued at a fair value of $9,200;
- cash payments of $5,000 and 20,000 shares issued by April 6, 2022 at a fair value of $4,600;
- cash payments of $5,000 and 20,000 shares issued by April 6, 2023 at a fair value of $2,800; and
- cash payments of $5,000 and 20,000 shares issued by April 6, 2024 at a fair value of $1,200.

To September 30, 2026, the Company has incurred total exploration and evaluation expenditures totalling $138,647 (December 31, 2025 - $113,445) on the Quyta-Bell property.

5. EXPLORATION AND EVALUATION ASSETS (cont'd)

(b) Con Mine Option Property, Northwest Territories

On November 22, 2021, the Company announced that it entered into a definitive option agreement (the "Option Agreement") with Newmont Canada FN Holdings ULC ("Newmont FN") and Miramar Northern Mining Ltd. ("MNML"), both wholly owned subsidiaries of Newmont Corporation ("Newmont"), which grants Gold Terra the option, upon meeting certain requirements, to purchase MNML from Newmont FN, which includes 100% of all the assets, mineral leases, Crown mineral claims and surface rights comprising the former Con mine, as well as the areas immediately adjacent to the former Con mine (together known as the "Con Mine Option Property"). The Option Agreement replaced and superseded the initial exploration agreement signed on September 4, 2020. Pursuant to the Option Agreement in order to complete this purchase:

- Gold Terra to incur a minimum of $8,000,000 (incurred) in exploration expenditures over a period of six years, which will include all exploration expenditures incurred to date under the initial exploration agreement.
- Gold Terra and Newmont agreed that Gold Terra spent approximately $3,200,000 in exploration expenditures to October 31, 2021.
- Gold Terra is also required to:
    - Complete a prefeasibility study ("PFS") with a minimum of 1.5 million ounces in all mineral resource categories;
    - Obtain all necessary regulatory approvals for the purchase and transfer of MNML's assets and liabilities to Gold Terra; and
    - Post a cash bond to reflect the status of the Con mine reclamation plan at the time of closing.
- Upon completion of the above, Gold Terra must make a final cash payment of $8,000,000.

Newmont will retain a 2% NSR on minerals produced from the Con Mine Option Property. The NSR may be reduced by 50% by the Company paying Newmont the sum of $10,000,000, for a period of two years following the announcement of commercial production.

After Gold Terra exercises its option, Newmont will have a period of two years to exercise its back-in right of a 51% participating interest in MNML and the Con Mine Option Property, which can be triggered by Gold Terra delineating a minimum of 5 million ounces of gold in the measured and indicated mineral resource categories supported by a National Instrument 43-101 technical report. To be eligible to exercise the back-in right, Newmont will:

- Reimburse Gold Terra three times the amount of all of the expenditures incurred on the Con Mine Option Property from September 4, 2020;
- Refund to Gold Terra the $8,000,000 cash payment;
- Payment of $30 (U.S.) per ounce of gold for 51% of the total ounces reported in the technical report; and
- Assume 51% of the environmental liability and its share of the posted bond.

If exercised, the back-in right is expected to be completed by a new joint venture led by Newmont. At such time, the 2% NSR would also be eliminated.

In August 2025, the Company received a grant of $153,535 from the government of Northwest Territories to help fund the exploration program for 2025.

To September 30, 2026, the Company has incurred total exploration and evaluation expenditures, net of recoveries, of $21,779,991 (December 31, 2025 - $16,076,330) on the Con Mine Option Property.

5. EXPLORATION AND EVALUATION ASSETS (cont'd)

(c) Stewart Property, Newfoundland

The Company acquired a 100% interest in the Stewart Property through the completion of the 2010 option agreement (amended in 2012). The Stewart Property is subject to a 2% NSR. The Company has the right, at any time, to purchase half of the 2% NSR for $1,000,000. On December 31, 2025, Stewart license had expired and the Company wrote off the remaining $1.

(d) Mulligan Property, New Brunswick

On October 21, 2019, the Company acquired a 100% interest in the Mulligan Property through the acquisition of Gold Matter.

In March 2025, the Company received a grant of $29,204 from the government of New Brunswick to help fund the exploration program for year 2025. In February 2026, the Company received a grant of $21,000 from the government of New Brunswick to help fund the exploration program for the current year. In June 2026, the Company received a grant of $12,000 from the government of New Brunswick to help fund the exploration program for year 2026 and 2027.

To September 30, 2026, the Company has incurred expenditures including acquisition costs totalling $1,772,951 (December 31, 2025 - $1,683,744) on the Mulligan Property.

5. EXPLORATION AND EVALUATION ASSETS (cont'd)

The following are details of the Company's exploration and evaluation assets:

	Yellowknife Project (YP)							
	Northbelt	Southbelt	Eastbelt	Quyta-Bell	Con Mine Option	Stewart	Mulligan	Total
Balance at January 1, 2025	$ 34,798,072	$ 591,736	$ 1,295,929	$ 112,329	$ 13,633,474	$ 1	$ 1,600,478	$ 52,032,019
Acquisition costs	54,526	-	9,985	1,116	146,558	-	8,260	220,445
Exploration costs:								
Assays and drilling	10,055	-	-	-	2,226,756	-	63,058	2,299,869
Community	26,000	-	-	-	8,110	-	-	34,110
Consulting	5,270	-	-	-	43,090	-	-	48,360
Environmental	-	27,717	-	-	-	-	-	27,717
Field expenses	9,407	17,145	-	-	171,877	-	41,152	239,581
	50,732	44,862	-	-	2,449,833	-	104,210	2,649,637
Impairment	-	-	-	-	-	(1)	-	(1)
Royalty option payment (Note 5a)	(2,000,000)	-	-	-	-	-	-	(2,000,000)
Government grants	(65,389)	-	-	-	(153,535)	-	(29,204)	(248,128)
Balance at December 31, 2025	32,837,941	636,598	1,305,914	113,445	16,076,330	-	1,683,744	52,653,972
Acquisition costs	29,038	578	3,835	25,202	2,000	-	8,760	69,413
Exploration costs:								
Assays and drilling [(1)]	1,658,538	26,748	-	-	4,991,575	-	62,365	6,739,226
Community	11,037	-	-	-	4,433	-	-	15,470
Consulting	30,932	-	-	-	462,586	-	-	493,518
Environmental	-	-	17,967	-	1,238	-	-	19,205
Field expenses	13,373	196,500	33,887	-	208,537	-	51,082	503,379
Geophsical survey	40,046	-	-	-	-	-	-	40,046
	1,753,926	223,248	51,854	-	5,668,369	-	113,447	7,810,844
Development costs	-	-	-	-	33,292	-	-	33,292
Government grants	-	-	-	-	-	-	(33,000)	(33,000)
Balance at September 30, 2026	$ 34,620,905	$ 860,424	$ 1,361,603	$ 138,647	$ 21,779,991	$ -	$ 1,772,951	$ 60,534,521

[(1)] Includes management compensation to an executive officer (see Note 7).

6. TRADE PAYABLES AND ACCRUED LIABILITIES

Trade payables and accrued liabilities consist of the following:

	September 30, 2026	December 31, 2025
Trade payables	$ 920,707	$ 121,279
Due to related parties (Note 7)	76,155	28,465
Accrued liabilities	26,500	26,500
	$ 1,023,361	$ 176,244

7. RELATED PARTY TRANSACTIONS

Related Party Balances

As at September 30, 2026, $76,155 (December 31, 2025 - $28,465) was due to managers or directors of the Company or to companies controlled by officers of the Company and recorded in trade payables and accrued liabilities (Note 6) (see table below). These amounts are unsecured and non-interest bearing with no fixed terms of repayment.

Key Management Compensation

The Company's related parties include key management. Key management includes executive directors and non-executive directors. The remuneration to key management of the Company and the payments to companies controlled by officers of the Company as defined above were as follows:

	Amounts Incurred During		Due to Related Parties	
	Nine months ended		As at	As at
	September 30, 2026	September 30, 2025	September 30, 2026	December 31, 2025
Directors' fees	$ 50,250	$ 39,250	$ 9,950	$ 15,067
Management compensation [(b)]	432,273	270,000	-	-
Management expense reimbursement	-	-	52,936	2,898
Share issue costs [(c)]	35,000	-	-	-
Professional fees [(a)]	112,500	110,000	13,269	10,500
Share-based payments	126,239	19,086	-	-
	$ 756,262	$ 438,336	$ 76,155	$ 28,465

During the nine months ended September 30, 2026:

(a) The Company incurred $112,500 (2025 - $110,000) in professional fees to a company controlled by the Chief Financial Officer of the Company.
(b) The Company incurred $162,273 (2025 - $Nil) management compensation to its executive officer where the amount is included in the assays and drilling in the exploration and evaluation assets.
(c) The Company incurred $35,000 (2025 - $Nil) in share issue costs to a company controlled by the Chief Financial Officer of the Company.

8. SHARE CAPITAL

Authorized share capital

Unlimited number of voting common shares without par value.

Issued share capital

Fiscal 2025:

a) On January 10, 2025, the Company issued 1,625,000 common shares to settle outstanding debt for $89,365.

b) On April 11, 2025, the Company closed the first tranche and on May 12, 2025, the Company closed the second and final tranche of a non-brokered financing for total gross proceeds of $2,400,000. The Company issued 20,000,000 common shares at a price of $0.05 per share for gross proceeds of $1,000,000 and 20,000,000 charitable flow-through (“CFT”) common shares at a price of $0.07 per CFT share for gross proceeds of $1,400,000. The Company paid a total of $34,320 to certain finders for the two tranches of the financing. Share issuance costs of $14,526 were incurred with respect to this private placement.

c) On November 28, 2025, the Company closed a private placement of $7,000,000, consisting of 15,000,000 common shares at an issue price of $0.10 per share for gross proceeds of $1,500,000, 35,000,000 charitable flow-through (“CFT”) shares at an issue price of $0.14 per CFT share for gross proceeds of $4,900,000 and 5,000,000 flow-through (“FT”) common shares at an issue price of $0.12 per FT share for gross proceeds of $600,000. Finders' fees totalling $28,000 were paid. Share issuance costs of $16,219 were incurred with respect to this private placement.

d) On December 4, 2025, 112,500 options were exercised at $0.10 for gross proceeds of $11,250.

8. SHARE CAPITAL (cont'd)

Fiscal 2026:

e) On February 4, 2026, 37,500 options were exercised at $0.10 for gross proceeds of $3,750.

f) On June 30, 2026, 125,000 options were exercised at $0.10 for gross proceeds of $12,500.

g) On July 6 and July 7, 2026, the Company announced a non-brokered private placement where the offered securities would be offered for sale by way of private placement pursuant to Part 5A of National Instrument 45-106 – Prospectus Exemptions and Coordinated Blanket Order 45-935 – Exemptions from Certain Conditions of the Listed Issuer Financing Exemption for aggregate gross proceeds of up to $10.8 million (the "Offering"). The Offering would consist of 20 million common shares of the Company (the "HD Shares") at an issue price of $0.18 per HD Share for gross proceeds of $3,600,000, 20 million charity flow-through common shares of the Company (the "CFT Shares") at an issue price of $0.25 per CFT Share for gross proceeds of $5,000,000 and 10 million flow-through common shares of the Company (the "FT Shares") at an issue price of $0.22 per FT Share for gross proceeds of $2,200,000. The CFT Shares and the FT Shares would qualify as "flow-through" shares (within the meaning of subsection 66(15) of the Income Tax Act (Canada)).

On July 24, 2026, the Company closed the first tranche of the Offering by issuing 8,612,223 HD Shares for gross proceeds of $1,550,200, 20,000,000 CFT Shares for gross proceeds of $5,000,000 and 10,000,000 FT Shares for gross proceeds of $2,2000,000. Finders' fees totalling $210,350 were paid to certain arm's-length finders in accordance with the policies of the TSX-V.

On August 6, 2026, the Company closed the second tranche of the Offering by issuing 2,481,477 HD Shares for gross proceeds of $446,666. Finders' fees totalling $21,400 were paid to certain arm's-length finders in accordance with the policies of the TSX-V.

On August 20, 2026, the Company closed the third and final tranche of the Offering by issuing 4,915,560 HD Shares for gross proceeds of $884,801. Finders' fees totalling $44,340 were paid to certain arm's-length finders in accordance with the policies of the TSX-V. A total of $95,044 share issuance costs were incurred with respect to these three tranches of the Offering.

8. SHARE CAPITAL (cont'd)

Stock options

The Company has adopted a stock option plan which permits the Company to grant to directors, officers and consultants of the Company, non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares and be exercisable for a period of up to five years from the date of grant. The number of common shares reserved for issuance to any individual director or officer cannot exceed 5% of the issued and outstanding common shares and the number of common shares reserved for issuance to any one consultant or individual conducting investor relations activities cannot exceed 2% of the issued and outstanding common shares.

Stock option transactions and the number of stock options for the nine months ended September 30, 2026 are summarized as follows:

Expiry date	Exercise price ($)	December 31, 2024	Issued	Exercised	Expired / cancelled	December 31, 2025	Issued	Exercised	Expired / cancelled	September 30, 2026
April 14, 2025	0.30	400,000	-	-	(400,000)	-	-	-	-	-
August 11, 2025	0.435	775,000	-	-	(775,000)	-	-	-	-	-
December 11, 2025	0.35	1,093,750	-	-	(1,093,750)	-	-	-	-	-
December 18, 2025	0.35	200,000	-	-	(200,000)	-	-	-	-	-
August 16, 2026	0.26	200,000	-	-	-	200,000	-	-	(200,000)	-
December 31, 2026	0.26	881,250	-	-	(50,000)	831,250	-	-	-	831,250
June 10, 2027	0.24	656,250	-	-	-	656,250	-	-	-	656,250
December 30, 2027	0.20	925,000	-	-	-	925,000	-	-	-	925,000
August 22, 2028	0.10	1,150,000	-	(50,000)	-	1,100,000	-	(50,000)	-	1,050,000
January 2, 2029	0.10	1,200,000	-	(37,500)	-	1,162,500	-	(62,500)	-	1,100,000
October 15, 2029	0.10	600,000	-	-	-	600,000	-	-	-	600,000
January 17, 2030	0.10	-	2,000,000	(25,000)	-	1,975,000	-	(50,000)	-	1,925,000
October 6, 2030	0.145	-	200,000	-	-	200,000	-	-	-	200,000
January 2, 2031	0.19	-	-	-	-	-	3,600,000	-	-	3,600,000
January 23, 2031	0.215	-	-	-	-	-	800,000	-	-	800,000
August 21, 2031	0.205	-	-	-	-	-	3,800,000	-	-	3,800,000
Options outstanding		8,081,250	2,200,000	(112,500)	(2,518,750)	7,650,000	8,200,000	(162,500)	(200,000)	15,487,500
Options exercisable		6,006,250	-	-	-	5,378,125	-	-	-	7,606,250
Weighted average exercise price ($)		$ 0.23	$ 0.10	$ 0.10	$ 0.27	$ 0.15	$ 0.199	$ 0.10	$ 0.26	$ 0.174

The weighted average market price on the date of exercise was $0.174.

As at September 30, 2026, the weighted average remaining life of options outstanding was 3.40 years.

8. SHARE CAPITAL (cont'd)

Stock options **(cont'd)**

Nine months ended September 30, 2026:

On January 2, 2026, the Company granted stock options to its directors, officers, employees and consultants to purchase up to an aggregate 3,600,000 common shares. The options are exercisable at a price of $0.19 per share for a period of five years and are subject to the policies of the TSX-V and the Company's stock option plan which includes a vesting period beginning six months after issue for 25% of the options, and 25% every six months following. The fair value of $406,292 was estimated using Black-Scholes Option Pricing Model assuming an expected life of 5 years, expected dividend yield of 0%, a risk-free rate of 2.95% and an expected volatility of 69.41%.

On January 23, 2026, the Company granted stock options to an officer to purchase 800,000 common shares. The options are exercisable at a price of $0.215 per share for a period of five years and are subject to the policies of the TSX-V and the Company's stock option plan which includes a vesting period beginning six months after issue for 25% of the options, and 25% every six months following. The fair value of $105,479 was estimated using Black-Scholes Option Pricing Model assuming an expected life of 5 years, expected dividend yield of 0%, a risk-free rate of 2.95% and an expected volatility of 69.48%.

On August 21, 2026, the Company granted stock options to its officer to purchase 3,800,000 common shares. The options are exercisable at a price of $0.205 per share for a period of five years effective on August 21, 2026, expiring on August 21, 2031, and are subject to the policies of the TSX-V and the Company's stock option plan, which includes a vesting period beginning six months after issue for 25% of the options and 25% every six months following.

The Company recorded $410,522 of share-based compensation expense during the nine months ended September 30, 2026, where $24,269 was granted in previous periods but vested during the six months ended September 30, 2026.

Year ended December 31, 2025:

On January 17, 2025, the Company granted stock options to its directors, officers, employees and consultants to purchase up to an aggregate 2,000,000 common shares. The options are exercisable at a price of $0.10 per share for a period of five years and are subject to the policies of the TSX-V and the Company's stock option plan which includes a vesting period beginning six months after issue for 25% of the options, and 25% every six months following. The fair value of $70,103 was estimated using Black-Scholes Option Pricing Model assuming an expected life of 5 years, expected dividend yield of 0%, a risk-free rate of 3.02% and an expected volatility of 67.26%.

On October 6, 2025, the Company granted stock options to its consultant to purchase 200,000 common shares. The options are exercisable at a price of $0.145 per share for a period of five years and are subject to the policies of the TSX-V and the Company's stock option plan which includes a vesting period beginning six months after issue for 25% of the options, and 25% every six months following. The fair value of $15,768 was estimated using Black-Scholes Option Pricing Model assuming an expected life of 5 years, expected dividend yield of 0%, a risk-free rate of 2.74% and an expected volatility of 66.09%.

The Company recorded $80,038 of share-based compensation expense during the year ended December 31, 2025, where $22,402 was granted in previous periods but vested during the year ended December 31, 2025.

9. SHARE-BASED PAYMENT RESERVE

The share-based payment reserve records items recognized as share-based payments until such time that the stock options and finder's warrants are issued, granted, and exercised, at which time the corresponding amount will be transferred to share capital.

10. FINANCIAL RISK AND CAPITAL 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. The type of risk exposure and the way in which such exposure is managed is provided as follows:

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 held in bank accounts and its receivables. The majority of cash is deposited in bank accounts held with major banks in Canada. As most of the Company's cash is held by two banks there is a concentration of credit risk. This risk is managed by using major banks that are high credit quality financial institutions as determined by rating agencies. The Company's receivables are mostly tax receivables from the government. The risk related to bank balances and receivables is assessed as low.

Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds to meet its short-term business requirements, considering its anticipated cash flows from operations and its holdings of cash and cash equivalents.

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. Liquidity risk is, therefore, assessed as high.

Foreign exchange risk
Foreign currency risk is the risk that a change in exchange rates between the Canadian dollar and other foreign currencies will affect the Company's financial instruments. The Company has no financial instruments denominated in currencies other than its functional currency and is, therefore, not exposed to foreign exchange risk arising from financial instruments denominated in a foreign currency.

Interest rate risk
Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has no financial instruments subject to variable interest rate and, therefore, is not subject to interest rate risk.

Capital management
The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Company consists of equity, comprising share capital, net of accumulated deficit.

There were no changes in the Company's approach to capital management during the year.

The Company is not subject to any externally imposed capital requirements.

10. FINANCIAL RISK AND CAPITAL MANAGEMENT (cont'd)

Fair value

The Company classifies its financial instruments into categories as follows: receivables as financial assets at amortized cost, cash and cash equivalents at FVTPL; and trade payables as financial liabilities at amortized cost. The fair value of the Company's financial assets and liabilities approximates their carrying amount.

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 and 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.

Cash and cash equivalents are classified as level 1.

11. SUPPLEMENTAL CASH FLOW INFORMATION

During the nine months ended September 30, 2026 and 2025, the Company incurred the following non-cash transactions that are not reflected in the statements of cash flows:

	Nine months ended September 30	
	2026	**2025**
Exploration expenditures included in trade payables and accrued liabilities	$ 885,428	$ 70,536

12. DEFERRED PREMIUM ON FLOW-THROUGH SHARES

		September 30, 2026		December 31, 2025
Balance, beginning of period	$	1,544,678	$	350,301
Deferred premium on flow-through shares issued		1,800,000		1,850,000
Flow-through share premium reversal		(2,059,972)		(655,623)
Balance, end of period	$	1,284,706	$	1,544,678

Under the IFRS framework, the increase to share capital when flow-through shares are issued is measured based on the current market price of common shares. The incremental proceeds, or "premium", are recorded as deferred income.

Flow-through common shares require the Company to spend an amount equivalent to the proceeds of the issued flow-through common shares on Canadian qualifying exploration expenditures. The Company may be required to indemnify the holders of such shares for any tax and other costs payable by them in the event the Company has not made the required exploration expenditures.

During the year ended December 31, 2025, the Company received $6,900,000 from the issuance of flow-through shares at a premium to the market price and recognized a deferred premium on flow-through shares of $1,850,000 (Notes 8(b) and (c)). The Company incurred and renounced eligible expenditures of $1,257,289 during the year ended December 31, 2025 and another $5,642,711 during the nine months ended September 30, 2026. These expenditures will not be available to the Company for future deduction from taxable income. As at September 30, 2026, the Company had no qualifying expenditure commitment from the proceeds of flow-through shares issued on November 28, 2025.

During the nine months ended September 30, 2026, the Company received $7,200,000 from the issuance of flow-through shares at a premium to the market price and recognized a deferred premium on flow-through shares of $1,800,000 (Note 8(g)). The Company incurred and renounced eligible expenditures of $2,061,175 during the nine months ended September 30, 2026. These expenditures will not be available to the Company for future deduction from taxable income.

13. INCOME TAX

A reconciliation of the expected income tax recovery to the actual income tax expense is as follows:

		Nine months ended September 30		
		2026		2025
Loss for the period before income taxes	$	(645,934)	$	(1,088,198)
Statutory tax rate		27.00%		27.00%
Expected income tax recovery		(174,403)		(293,813)
Non-deductible items		137,462		28,848
Impact of flow-through shares		1,475,605		396,844
Impact of share issue costs not recognized		(100,206)		-
True up		542		(69,699)
Change in valuation allowance		-		(3,922)
Deferred income tax expense	$	1,339,000	$	58,258

13. INCOME TAX (cont'd)

The Company has the following tax effected taxable and deductible temporary differences for which a deferred tax liability has been recognized:

		Nine months ended September 30, 2026		Year ended December 31, 2025
Exploration and evaluation assets	$	(9,779,000)	$	(7,753,000)
Non-capital loss carry-forwards		7,722,000		7,051,000
Equipment		65,000		65,000
Share issuance costs		170,000		154,000
Valuation allowance		(40,000)		(40,000)
Deferred income tax liability	$	(1,862,000)	$	(523,000)