LOMIKO METALS INC.

Condensed Consolidated Interim Financial Statements

Three-month and six-month periods ended
January 31, 2026 and 2025

LOMIKO METALS INC.
Condensed Consolidated Interim Financial Statements
Table of Contents
Three-month periods ended January 31, 2026 and 2025

Condensed Consolidated Interim Financial Statements

LOMIKO METALS INC.

Condensed Consolidated Interim Statements of Financial Position

As at January 31, 2026 and July 31, 2025

(in Canadian dollars)

	Note	January 31 2026	July 31 2025
		$	$
Assets			
Current assets:			
Cash and cash equivalents	5	499,420	567,737
Other receivables	6	1,322,783	496,342
Share subscriptions receivable	12	375,000	-
Prepaid expenses		18,360	19,502
Deposits related to exploration and evaluation activities	10	1,061,736	147,743
Total current assets		3,277,299	1,231,324
Non-current assets:			
Exploration and evaluation assets	8	12,721,648	11,608,764
Total non-current assets		12,721,648	11,608,764
Total assets		15,998,947	12,840,088
Liabilities and Equity			
Current liabilities:			
Trade accounts payable and other liabilities	9	1,786,676	901,817
Deferred grants	10	1,311,892	-
Flow-through share premium liability	11	145,630	61,377
Total current liabilities		3,244,198	963,194
Equity:			
Share capital	12	43,475,298	41,929,700
Reserves	12	3,600,320	3,897,535
Deficit		(34,320,869)	(33,950,341)
Total equity		12,754,749	11,876,894
Total liabilities and equity		15,998,947	12,840,088

Going concern, see Note 2.

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

These financial statements were approved and authorized for issue by the Board of Directors on March 31, 2026.

(S) Gordana Slepcev	(S) Mary Juetten
Director	Director

LOMIKO METALS INC.

Condensed Consolidated Interim Statements of Loss and Comprehensive Loss

Three-month periods ended January 31, 2026 and 2025

(in Canadian dollars)

	Note	Three-month period ended January 31 2026	Three-month period ended January 31 2025	Six-month period ended January 31 2026	Six-month period ended January 31 2025
		$	$	$	$
General and administrative expenses:					
Salaries and employee benefit expense	14	20,921	61,994	58,724	225,630
Management and consulting fees	14	78,688	68,958	148,399	129,266
Advertising and promotion		35,466	9,634	82,529	18,193
Registration, listing fees and shareholders information		29,548	42,995	35,027	58,013
Professional fees		162,771	62,277	206,309	83,066
Supplies and office expenses		6,444	13,020	23,725	27,027
Insurance		5,726	1,484	11,534	8,786
Taxes and penalties		177,900	-	177,900	-
Share-based compensation	12 & 14	103,070	114,012	197,605	222,982
Travel		14,782	5,098	25,347	9,560
Operating loss before other expenses (income)		635,316	379,472	967,099	782,523
Other expenses (income):					
Interest and other income		(500)	(3,358)	(500)	(3,358)
Amortization of flow-through share premium liability		(37,025)	(24,147)	(44,915)	(61,728)
Write-off of subscription receivable		125,000	-	125,000	-
Gain on exchange		(29,012)	-	(29,012)	-
Total other expenses (income)		58,463	(27,505)	50,573	(65,086)
Net loss and comprehensive loss		(693,779)	(351,967)	(1,017,672)	(717,437)
Weighted average number of common shares outstanding		70,130,710	47,273,118	63,154,840	45,122,006
Basic and diluted loss per share:		(0.01)	(0.01)	(0.02)	(0.02)

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

LOMIKO METALS INC.
Condensed Consolidated Interim Statements of Changes in Equity
Three-month periods ended January 31, 2026 and 2025
(in Canadian dollars)

	Note	Number of shares outstanding	Share capital	Reserves	Deficit	Total equity
			$	$	$	$
Balance as at July 31, 2025		54,716,267	41,929,700	3,897,535	(33,950,341)	11,876,894
Units issued:						
Private placements	12	3,450,000	345,000			345,000
Shares issued:						
Private placements of flow-through shares	12	9,166,666	1,100,000			1,100,000
Share subscription	12	5,000,000	500,000			500,000
Flow-through share premium liability	12		(129,167)			(129,167)
Share issuance costs	12		(144,149)	26,238		(117,911)
Fair value assigned to warrants	12		(206,486)	206,486		-
Share options cancelled / forfeited	12			(614,441)	614,441	-
Share options expired	12			(19,503)	19,503	-
DSU cancelled	12			(9,600)	9,600	-
RSU exercised	12	297,777	80,400	(80,400)		-
RSU cancelled	12			(3,600)	3,600	-
Share-based compensation				197,605		197,605
Transaction with owners		72,630,710	43,475,298	3,600,320	(33,303,197)	13,772,421
Net loss and comprehensive loss for the period					(1,017,672)	(1,017,672)
Balance as at January 31, 2026		72,630,710	43,475,298	3,600,320	(34,320,869)	12,754,749
Balance as at July 31, 2024		42,970,895	40,734,420	3,961,528	(30,965,936)	13,730,012
Units issued:						
Private placements	12	2,548,157	344,001			344,001
Shares issued:						
Private placements of flow-through shares	12	2,625,000	420,000			420,000
Issuance of shares to settle related party debt	12	545,454	84,545			84,545
Flow-through share premium liability	12		(52,500)			(52,500)
Share issuance costs	12		(61,940)			(61,940)
Fair value assigned to warrants	12		(275,631)	275,631		-
Warrants expired	12			(186,904)	186,904	-
RSU exercised	12	79,166	59,375	(59,375)		-
RSU cancelled	12			(33,911)	33,911	-
Share options forfeited	12			(149,445)	149,445	-
Share options expired	12			(10,382)	10,382	-
Share-based compensation	12			222,982		222,982
Transaction with owners		48,768,672	41,252,270	4,020,124	(30,585,294)	14,687,100
Net loss and comprehensive loss for the period					(717,437)	(717,437)
Balance as at January 31, 2025		48,768,672	41,252,270	4,020,124	(31,302,731)	13,969,663

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

LOMIKO METALS INC.

Condensed Consolidated Interim Statements of Cash Flows

Three-month periods ended January 31, 2026 and 2025

(in Canadian dollars)

	Note	Six-month period ended January 31 2026	Six-month period ended January 31 2025
		$	$
Operating activities:			
Net loss		(1,017,672)	(717,437)
Adjustments for:			
Grant to salaries		(62,500)	-
Share-based compensation		197,605	222,982
Amortization of flow-through share premium liability		(44,915)	(61,728)
Write-off of subscription receivable		125,000	-
Operating activities before changes in working capital items		(802,482)	(556,183)
Change in other receivables		(131,395)	33,048
Change in prepaid expenses		1,142	82,180
Change in trade accounts payable and other liabilities		269,217	(204,904)
Change in deferred grants		1,311,892	-
Change in working capital items		1,450,856	(89,676)
Cash flows from (used for) operating activities		648,374	(645,859)
Financing activities:			
Proceeds from private placements		345,000	420,000
Proceeds from flow-through financings		1,100,000	344,001
Issuance of shares in repayment of debt		-	84,545
Share issuance costs		(111,532)	(61,940)
Cash flows from financing activities		1,333,468	786,606
Investing activities:			
Grants received		3,181,172	-
Acquisition of equipment		(330,000)	-
Increase in deposits related to exploration and evaluation activities		(913,993)	(15,000)
Increase in exploration and evaluation assets		(3,987,338)	(374,864)
Cash flows used for investing activities		(2,050,159)	(389,864)
Net change in cash		(68,317)	(249,117)
Cash, beginning of period		567,737	1,245,314
Cash, end of period		499,420	996,197

Additional disclosures of cash flows information (Note 13).

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

1. Reporting entity and nature of operations:

Lomiko Metals Inc. and its subsidiaries (hereafter the “Company” or “Lomiko” or “LMR”) is engaged in the acquisition, exploration and development of resource properties.

The Company was incorporated on July 3, 1987, under the *British Columbia Company Act*. It is listed on the TSX Venture Exchange (“TSX-V”) as a Tier 2 mining issuer under the symbol "LMR.V", while also trading under the symbol "LMRMF" on the OTC Pink Market, as well as on the Frankfurt Exchange in Germany under the symbol "DH8C".

The Company’s registered and head office is 2900-550 Burrard Street, Vancouver, British Columbia, Canada V6C 0B3 and its website is www.lomiko.com.

2. Going concern:

The accompanying financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business.

The Company, being in the exploration stage, is subject to risks and challenges similar to companies in a comparable stage of development. These risks include the challenges of securing adequate capital for exploration, development and operational risks inherent in the mining industry, global economic and metal price volatility and there is no assurance management will be successful in its endeavours. For the six-month period ended January 31, 2026, the Company recorded a net loss of $1,017,672 and had an accumulated deficit of $34,320,869 As at January 31, 2026, the Company had working capital of $33,101, including cash and cash equivalents of $499,420.

Management has determined that the Company’s current financial resources are not sufficient to meet its obligations and planned expenditures for at least the next twelve months. While a portion of planned expenditures has been, and is expected to continue to be, funded through non-dilutive and non-repayable government grants and contribution agreements providing for 50% to 75% participation, the Company will require additional financing in order to continue its exploration programs and meet its ongoing corporate and administrative obligations. These conditions indicate the existence of material uncertainties that may cast significant doubt on the Company’s ability to continue as a going concern.

The Company has historically been successful in raising funds through equity financings, including $1,445,000 raised during the six-month period ended January 31, 2026. Management intends to continue to finance operating and exploration expenditures through a combination of equity financings and, where available, non-dilutive funding sources such as government grants and contribution agreements providing for 50% to 75% participation.

While management expects that additional financing will be available, there can be no assurance that such financing will be obtained on terms acceptable to the Company, or at all. Accordingly, the Company’s ability to continue as a going concern is dependent on its ability to obtain such financing and, ultimately, to achieve profitable operations.

The recoverability of exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete their development, and future profitable production or proceeds from disposition.

These material uncertainties cast significant doubt on the Company's ability to continue as a going concern. These financial statements do not include any adjustments to the carrying values of assets and liabilities and the reported expenses and statement of loss and comprehensive loss classification that would be necessary should the Company be unable to continue as a going concern. These adjustments could be material.”

3. Basis of preparation:

3.1 Statement of compliance:

These condensed consolidated interim financial statements have been prepared in accordance with the International Financial Reporting Standards as issued by the International Accounting Standards Board (hereafter “IFRS Accounting Standards”) in accordance with IAS 34, Interim Financial Reporting.

Certain information, in particular the accompanying notes, normally included in the audited annual financial statements prepared in accordance with IFRS Accounting Standards has been omitted or condensed. Accordingly, these unaudited condensed consolidated interim financial statements do not include all the information required for full annual financial statements, and, therefore, should be read in conjunction with the audited annual consolidated financial statements of the Company and the notes thereto for the year ended July 31, 2025.

3. Basis of preparation (continued):

3.2 Basis of measurement:

The condensed interim financial statements have been prepared on the historical cost basis except for where IFRS Accounting Standards requires recognition at fair value.

3.3 Basis of consolidation:

A subsidiary is an entity over which the Company has control. The Company controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is acquired and deconsolidated from the date that control ceases.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The Company attributes total comprehensive loss of subsidiaries between the owners of the parent and the non-controlling interests based on their respective ownership interests. All intra-group transactions and balances are eliminated in full on consolidation.

Subsidiary	Status	Jurisdiction of Incorporation	% of Ownership
Lomiko Metals LLC	**Inactive**	Canada	100%
Conac Company Inc.	**Inactive**	Canada	100%
Conac Software (USA) Inc.	**Inactive**	USA	100%

3.4 Functional and presentation currency:

The condensed consolidated interim financial statements are presented in Canadian dollars, which is the functional currency of Lomiko and its subsidiaries.

3.5 Use of estimates and judgements:

Critical judgments in applying the accounting policies of the Company in the preparation of these condensed consolidated interim financial statements and key assumptions related to these estimation uncertainties are the same as the ones listed and described in Note 3.m of the annual audited consolidated financial statements of the Company as at July 31, 2025.

4. Material accounting policies:

These condensed consolidated interim financial statements have been prepared following the same accounting policies used in Note 3 of the annual audited consolidated financial statements for the year ended July 31, 2025.

4.1 Adoption of new accounting standard:

There was no adoption of new accounting policies in preparing the condensed interim consolidated financial statements as at January 31, 2026.

4.2 New standards and interpretations that are not yet effective and have not been adopted:

At the date of authorization of these consolidated financial statements, there were no new standards and interpretations applicable to the Company that were issued but not yet effective, except for:

(i) *IFRS 18 Presentation and disclosure in financial statements*

In April 2024, the International Accounting Standards Board (IASB) issued the new standard *IFRS 18 Presentation and Disclosure in Financial Statements* , which sets out the requirements for the presentation and disclosure of information in general-purpose financial statements. The requirements aim to help ensure the financial statements provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses.

The key requirements in *IFRS 18* include:

- presentation of two new defined subtotals in the statement of profit or loss: (1) Operating profit; and (2) Profit before financing and income taxes;
- required disclosures in the notes to the financial statements of management-defined performance measures; and
- enhanced principles on the aggregation and disaggregation of information which apply to the financial statements and notes to the financial statements.

IFRS 18 applies to all entities that comply with IFRS Accounting Standards and replaces *IAS 1 Presentation of Financial Statements* .

(in Canadian dollars)

4. Material accounting policies (continued):

4.2 New standards and interpretations that are not yet effective and have not been adopted (continued):

(i) *IFRS 18 Presentation and disclosure in financial statements (continued)*

IFRS 18 is effective for annual periods beginning on or after January 1, 2027 and will be applied retroactively. The Company is currently evaluating the impact of adopting *IFRS 18* on the consolidated financial statements.

(ii) *IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures*

In August 2024, the International Accounting Standards Board (IASB) issued Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) to provide guidance in IFRS 9:

- on when a financial liability should be derecognized when it is settled by electronic payment; and
- to help an entity assess whether the contractual cash flows of a financial asset are consistent with a basic lending

IFRS 9 has also been updated to provide additional guidance to clarify the characteristics of contractually linked instruments as well as the definition of the underlying pool used to assess whether a transaction contains contractually linked instruments. The amendments also specify that transactions that contain multiple debt instruments are not automatically contracts with multiple contractually linked instruments.

The amendments to *IFRS 7* add new required disclosures for:

- any investments in equity instruments designated at fair value through other comprehensive income; and
- each class of financial asset measured at amortized cost or fair value through other comprehensive income, as well as financial liabilities measured at amortized cost.

The amendments are effective January 1, 2026, with early adoption permitted. The Company is currently evaluating the impact of these amendments on the consolidated financial statements.

5. Cash and cash equivalents:

	January 31 2026	July 31 2025
	$	$
Cash	464,420	542,737
In Trust	10,000	-
Guaranteed investment certificate	25,000	25,000
	499,420	567,737

6. Other receivables:

	January 31 2026	July 31 2025
	$	$
Sales tax receivable	289,595	68,645
Grants receivable	1,033,188	427,697
	1,322,783	496,342

7. Property and equipment:

During the period, the Company acquired certain exploration equipment, including a CMS20 HP IND Model Air Swept Classifier, an industrial pneumatic classifier used to separate solid particles based on particle size (and, in some cases, density) using an air stream.

The total acquisition cost of the equipment was approximately $825,000, of which $330,000 (representing 40% of the total cost) was funded through a non-repayable government grant received from CMRDD. Under the terms of the funding arrangement, legal ownership and control of the equipment reside with the Company, and the Company bears the significant risks and rewards associated with ownership.

The government grant has been accounted for in accordance with IAS 20. However, given the specific terms and conditions of the arrangement, no asset or corresponding liability has been recognized in respect of the equipment in the consolidated statement of financial position.

8. Exploration and evaluation assets:

La Loutre - Quebec (Graphite):

The Company owns 100% of the mineral rights to the La Loutre property, which is subject to a 1.5% net smelter royalty (“NSR”) of which 0.5% “NSR” can be purchased by the Company for $500,000.

Bourier - Quebec (Lithium):

On April 24, 2021 (amended December 31, 2021 and January 24, 2024), the Company entered into an option agreement with Critical Elements Lithium Corporation (“Critical”) to acquire up to a 70% undivided interest in the Bourier property located in Quebec.

The Bourier Property is composed of one block totaling 203 claims located along the east side of the new Rupert hydroelectric complex. It is subject to a 1.4% NSR on 87 claims.

Under the terms of the agreement, the Company will earn its interest in the Bourier property by way of a joint venture arrangement. The key terms of the agreement are as follows:

First option:

The Company earned, a 49% interest in the Bourier Property by:

- making a cash payment to Critical of $25,000;
- issuing Critical 500,000 common shares; and
- funding exploration expenditures for an amount of $1,300,000.

All the above terms and conditions have been fully met.

Second option:

The Company having exercised the First Option, the Company had an option to increase its undivided interest in the Bourier Property from 49% to 70% by:

- making a cash payment to Critical of $250,000 and issuing 250,000 common shares, on or before the date of delivery of the First Option Exercise Notice;
- incurring or funding additional exploration expenditures for an amount of $200,000 on or before December 31, 2025; and
- delivering the Resource Estimate to Critical on or before December 31, 2025.

On April 1st, 2024, the Company announced that it would not exercise the second option.

Milestone payments:

The Company agrees to pay the following milestone payments, payable at any time following the exercise of the First Option upon the occurrence of the following:

- On the estimation of a drilled defined resource (NI 43-101 compliant) of 5,000,000 tonnes at a cut-off grade of 0.6% Li2O (all categories) a payment of $750,000, payable in cash or in common shares of the Company at the sole discretion of the Company;
- On the estimation of a drilled defined resource (NI 43-101 compliant) of 15,000,000 tonnes at a cut-off grade of 0.6% Li2O (all categories) a payment of $1,500,000, payable in cash or in common shares of the Company at the sole discretion of the
- On the estimation of a drilled defined resource (NI 43-101 compliant) of 20,000,000 tonnes at a cut-off grade of 0.6% Li2O (all categories) a payment of $2,000,000, payable in cash or in common shares Company at the sole discretion of the Company.

On July 2, 2025 the Company sold its 49% interest in the property for $30,000 and recognized a loss on sale of resource properties of $2,209,414.

Laurentide Region – Quebec (Graphite):

In March 2023 the Company staked approximately 236 claims. These claims lie within a 100 km radius of the Company’s La Loutre property and 28 claims are directly contiguous.

As at January 31, 2026, the Company held a total of 296 claims.

Carmin – Quebec (Graphite):

On June 1, 2023 the Company completed a purchase agreement with SOQUEM Inc. (“SOQUEM”) and a private company, to acquire 100% of 17 mineral claims in Southern Quebec, forming the Carmin project. The terms of the acquisition are as follows:

- $50,000 payable in cash, to SOQUEM, (paid June 1, 2023)
- Issuance of 125,000 common shares to SOQUEM (issued May 31, 2023)
- Issuance of 125,000 common shares to the private company (issued May 31, 2023)

(in Canadian dollars)

8. Exploration and evaluation assets (continued):

Carmin – Quebec (Graphite) (continued):

- Granting of a royalty of 0.75% NSR to SOQUEM and the private company. The Company has the right to redeem one-third of the Royalties from both parties, reducing the royalty to 0.50%, for a cash payment of $250,000 to each party. The NSR will then be limited to $1,000,000 per party.

Minimal work was completed on Carmin in the year ended July 31, 2025.

As of January 31, 2026, the Company held a total of 28 claims.

Yellow Fox (Polymetallic):

On January 21, 2025 and amended April 30, 2025, the Company finalized an option agreement, to acquire 100% of the interest in the Yellow Creek Deposit, located in Central Newfoundland.

The Yellow Creek Deposit is comprised of 58 continuous mining units in 3 licenses. The terms of acquisition are as follows:

- Cash totaling $64,750, according to the following schedule:
  - $18,500 on (paid);
  - $23,125 on or before the first anniversary of the final agreement; and
  - $23,125 on or before the second anniversary of the final agreement.
- Issuance of common shares totaling $328,375, according to the following schedule:
  - $50,875 payable in Company shares - issued 391,346 shares with a fair value of $54,788;
  - $115,625 payable in Company shares on or before the first anniversary of the final agreement; and
  - $161,875 payable in Company shares on or before the second anniversary of the final agreement.

In addition, the Company has committed to paying a finder's fee to Starcodes Canada Inc. in the form of cash payments and share issuances as follows:

- Cash totaling $5,250, according to the following schedule:
  - $1,500 (paid);
  - $1,875 on or before the first anniversary of the final agreement; and
  - $1,875 on or before the second anniversary of the final agreement.
- Issuance of common shares totaling $204,808, according to the following schedule:
  - 31,731 common shares (issued with a fair value of $4,442);
  - 72,115 on or before the first anniversary of the final agreement; and
  - 100,962 on or before the second anniversary of the final agreement.

Exploration and evaluation assets by nature and properties are detailed as follows:

	La Loutre	Bourier	Laurentide Region	Carmin	Yellow Fox	Total
Balance as at July 31, 2024	10,038,475	2,234,684	319,052	248,903	-	12,841,114
Assays, staking, and mapping	83,950	4,730	128,730	-	-	217,410
Contractors/consultants	1,596,518	-	144,500	24,773	82,575	1,848,366
Field storage	21,094	-	-	-	-	21,094
Disposal of property	-	(2,239,414)	-	-	-	(2,239,414)
Acquisition of property	-	-	-	-	82,796	82,796
Grants	(1,162,602)	-	-	-	-	(1,162,602)
Balance as at January 31, 2025	10,577,435	-	592,282	273,676	165,371	11,608,764
Assays, staking, and mapping	55,000	-	-	-	-	55,000
Contractors/consultants	3,583,421	-	5,794	-	26,220	3,615,435
Field storage	6,600	-	-	-	-	6,600
Acquisition of property	125	-	750	125	-	1,000
Grants	(2,565,151)	-	-	-	-	(2,565,151)
Balance as at January 31, 2026	11,657,430	-	598,826	273,801	191,591	12,721,648

(in Canadian dollars)

9. Trade accounts payable and other liabilities:

Trade accounts payable and other liabilities recognized in the statements of financial position can be analyzed as follows:

	January 31 2026	July 31 2025
	$	$
Current		
Trade accounts payable	1,243,982	608,033
Accrued liabilities	376,739	125,201
Wages payable	165,955	168,583
	1,786,676	901,817

10. Deferred grants:

On May 16th, 2024, Lomiko was awarded about CAD $16M to the La Loutre graphite deposit, with a US $8.35M award received from DoD under the Title III Technology Investment Agreement and a $4.9M federal contribution agreement to advance the graphite upgrading process.

DoD grants provide 50% nonrepayable funds to complete PFS, conduct baseline studies, metallurgical testing, and conduct DFS (Definitive Feasibility Study), while federal grants provide 75% of the funding for pilot plant testing. Lomiko has focused over the last two years on the metallurgical and electrochemical testing of its La Loutre graphite with the sole purpose of demonstrating that it could be used to produce anode material suitable for battery production in EVs and consumer electronics in addition to the industrial applications. Please see details below:

- **Canadian $4.9M** contribution from Natural Resources Canada – 75% cost contribution **for anode piloting**;
- **US$8.35M (CA$11.2M)** R&D (Research & Development) technology investment agreement from the United States of America Department of Defense ("DoD"); and
- **The DoD grant**, formulates **the Phase 1** and it is called a Technology Investment Agreement (TIA) supports studies for La Loutre to complete:
  - Pre-feasibility (PFS);
  - Baseline studies;
  - Metallurgical studies; and
  - Definitive feasibility study (DFS)

The deferred grant represents funding recognized from different government agencies programs related to exploration activities.

Exploration and evaluation assets

During the six-month period ended January 31, 2026, the Company recognized grants totalling $2,850,051. Of this amount, $2,565,151 has been applied as a reduction of the carrying amount of exploration and evaluation assets. The remaining balance of $284,900 relates to unspent expenditures as at January 31, 2026 and has been recognized as deferred grant

The deferred grant will be applied as a reduction of the carrying amount of exploration and evaluation assets on a systematic basis.

Deposits related to exploration and evaluation activities

During the six-month period ended January 31, 2026, the Company recognized grants totalling $1,026,992. These grants relate to amounts reimbursed in respect of deposits paid to suppliers for exploration work to be performed in future periods. As the related exploration activities had not yet been performed as at January 31, 2026, these amounts have not been applied against exploration and evaluation assets. Accordingly, the related funding has been recognized as deferred grants.

The deferred grants will be recognized as a reduction of the carrying amount of exploration and evaluation assets when the related exploration work is performed.

(in Canadian dollars)

10. Deferred grants (continued):

The continuity of the deferred government grant is as follows:

			January 31 2026			July 31 2025
	Exploration and evaluation assets	Deposits related to exploration and evaluation activities	Total	Exploration and evaluation assets	Deposits related to exploration and evaluation activities	Total
	$	$	$	$	$	$
Balance at beginning	-	-	-	-	-	-
Additions						
Claimed	2,850,051	1,026,992	3,877,043	1,162,602	-	1,162,602
Applied on exploration and evaluation assets	(2,565,151)	-	(2,565,151)	(1,162,602)		(1,162,602)
Balance at end	284,900	1,026,992	1,311,892	-	-	-

The Company is required to incur eligible exploration expenditures in accordance with the terms of the funding agreements. Management expects to receive the amounts recognized as receivable.

11. Flow-through share premium liability:

	January 31 2026	July 31 2025
	$	$
Balance at beginning	61,377	121,492
Additions		
Private placement concluded on November 12, 2024	-	52,500
Private placement concluded on June 5, 2025	-	22,647
Private placement concluded on November 12, 2025	66,667	-
Private placement concluded on December 30, 2025	62,500	-
Amortization of flow-through share premium liability	(44,914)	(135,262)
Balance at end	145,630	61,377

As at January 31, 2026, the Company is required to incur further Canadian exploration expenditures of $1,171,963 in exploration and evaluation expenditures before December 31, 2026. The Company's available cash resources of $499,420 and its working capital deficiency of ($33,101) are not be sufficient to meet these obligations until further funds from equity instruments are provided.If the Company is unable to fulfill its flow-through commitments within the required timeframes, it may be subject to indemnification obligations to investors and potential penalties under applicable tax legislation. Due to the uncertainty associated with meeting these obligations, no provision has been recorded; however, this matter represents a financial risk to the Company. (see Notes 2 and 17).

The flow-through premium liability is to be amortized to the statement of loss and comprehensive loss pro rata with the amount of qualifying flow-through expenditures incurred.

Flow-through expenditures

The Company is able to continue to incur exploration expenses beyond the deadlines. However, it could be subject to a penalty of 4-5% per annum on the balance required to be spent on its exploration work. The Company intends to fulfill its flow-through commitments within the given time constraints.

Obligations related to flow-through private placements:

On July 16, 2024, the Company completed a flow-through private placement of $600,000. The Company had until December 31, 2025 to incur eligible exploration and evaluation expenditures in order to comply with the requirements of flow-through private placement. As at January 31, 2026, the Company has fulfilled its obligation by incurring an amount of $600,000 in exploration and evaluation expenses before December 31, 2025.

11. Flow-through share premium liability (continued):

Obligations related to flow-through private placements (continued):

On July 16, 2024, the Company completed a flow-through private placement of $420,000. The Company had until December 31, 2025 to incur eligible exploration and evaluation expenditures in order to comply with the requirements of flow-through private placement. As at January 31, 2026, the Company has fulfilled its obligation by incurring an amount of $420,000 in exploration and evaluation expenses before December 31, 2025.

On June 5, 2025 the Company completed a flow-through private placement of $110,000. The Company has until December 31, 2026 to incur eligible exploration and evaluation expenditures in order to comply with the requirements of flow-through private placement. As at January 31, 2026, the Company incurred ($38,037) in exploration and evaluation expenditures and consequently has the obligation to incur the amount of $71,963 in exploration and evaluation expenditures before December 31, 2026.

On November 11, 2025 the Company completed a flow-through private placement of $800,000. The Company has until December 31, 2026 to incur eligible exploration and evaluation expenditures in order to comply with the requirements of flow-through private placement. As at January 31, 2026, the Company incurred $0 in exploration and evaluation expenditures and consequently has the obligation to incur the amount of $800,000 in exploration and evaluation expenditures before December 31, 2026.

On December 30, 2025 the Company completed a flow-through private placement of $300,000. The Company has until December 31, 2026 to incur eligible exploration and evaluation expenditures in order to comply with the requirements of flow-through private placement. As at January 31, 2026, the Company incurred $0 in exploration and evaluation expenditures and consequently has the obligation to incur the amount of $300,000 in exploration and evaluation expenditures before December 31, 2026.

The Company's exploration and evaluation activities are subject to interpretation and audit by the Canada Revenue Agency (CRA) and Revenue Quebec(RQ). While the Company believes its renounced expenditures meet the criteria for Canadian Exploration Expenses (CEE), there is a risk that the CRA or RQ may challenge these characterizations. Under the terms of the subscription agreements, the Company has agreed to indemnify flow-through share subscribers for any tax related to the denial of renounced expenditures. No provision has been recorded as management believes the expenditures will qualify.

12. Share capital and reserves:

(a) Share capital:

Authorized:

The Company is authorized share capital consists of an unlimited number of common shares without par value.

Issued and outstanding:

2026:

On December 30, 2025, the Company completed a private placement by issuing 2,500,000 flow-through common shares at $0.12 per share for total gross proceeds of $300,000. The Company recognized a flow-through premium liability of $62,500 based on an estimated premium of approximately $0.025 per flow-through common share issued (Note 9). In addition, 175,000 share purchase warrants exercisable for 24 months at an exercise price of $0.12, with a fair value of $9,375 calculated using the Black Scholes Option Pricing Model, were recorded to share issue costs and were issued to brokers. Legal fees and filing fees of $15,605 were paid. In addition, commissions of $21,000 were paid.

On November 12, 2025, the Company completed a private placement by issuing 6,666,666 flow-through common shares at $0.12 per share for total gross proceeds of $800,000. The Company recognized a flow-through premium liability of $66,667 based on an estimated premium of approximately $0.01 per flow-through common share issued (Note 9). In addition, 380,000 share purchase warrants exercisable for 24 months at an exercise price of $0.24, with a fair value of $16,863 calculated using the Black Scholes Option Pricing Model, were recorded to share issue costs and were issued to brokers. Legal fees and filing fees of $12,074 were paid. In addition, commissions of $45,600 were paid.

On October 21, 2025 the Company completed a private placement by issuing 1,950,000 common share units of the Company at $0.10 per unit for total gross proceeds of $195,000. Each unit consists of one common share and one-half common share purchase warrant. Each full warrant is exercisable into one common share at an exercise price of $0.15 per share for a period of 36 months. The warrants had a fair value of $76,167 calculated using the Black Scholes Option Pricing Model, of which $47,886 was allocated to the warrants on a relative fair value basis. A director participated in the private placement by purchasing 250,000 common shares units for a total of $25,000.

On October 16, 2025 the Company completed a private placement by issuing 6,500,000 common share units at $0.10 per unit for total gross proceeds of $650,000. Each unit consists of one common share and one-half common share purchase warrant. Each full warrant is exercisable into one common share at an exercise price of $0.15 per share for a period of 36 months. The warrants had a fair value of $262,236 calculated using the Black Scholes Option Pricing Model, of which $158,600 was allocated to the warrants on a relative fair value basis.

12. Share capital and reserves (continued):

(a) Share capital (continued):

2026 (continued):

As a result of a social engineering incident, the Company has not yet received $500,000 for 5,000,000 common share units associated with the October 16, 2025 private placement. On February 13, 2026, the Company has reached a satisfactory cash settlement (see Subsequent Event note 18) with the relevant parties and as a result, has instructed its transfer agent to remove the precautionary stop order that had been put on the share certificate representing the shares issued to such investor.

Issuance costs for the October 16, 2025 and October 21, 2025 placements comprise of legal fees and filing fees of $15,132 and commissions of $8,500.

On September 2, 2025, 297,777 shares were issued for vested RSUs. $80,400 was transferred from reserves to share capital on issuance of the RSU shares. Filing fees of $1,836 were incurred.

2025:

On November 4, 2024, 545,454 shares were issued to related parties as settlement for debt amounting to $84,545. Legal fees of $3,550 and filing fees of $1,000 were paid.

On November 12, 2024, the Company completed a private placement by issuing 2,625,000 flow-through common share units at $0.16 per unit for total gross proceeds of $420,000. Each unit consists of one common share and one-half common share purchase warrant. Each full warrant is exercisable into one common share at an exercise price of $0.20 per share for a period of 36 months. The warrants had a fair value of $154,359 calculated using the Black Scholes Option Pricing Model, of which $112,875 was allocated to the warrants on a relative fair value basis. The Company recognized a flow-through premium liability of $52,500 based on an estimated premium of approximately $0.02 per flow-through common share issued (Note 9). In addition, 101,250 share purchase warrants exercisable for 36 months at an exercise price of $0.20, with a fair value of $11,908 calculated using the Black Scholes Option Pricing Model, were recorded to share issue costs and were issued to brokers. Legal fees and filing fees of $7,200 were paid.

On December 2, 2024, the Company completed a private placement by issuing 2,548,157 common share units at $0.135 per unit for total gross proceeds of $344,001. Each unit consists of one common share and one common share purchase warrant. Each warrant is exercisable into one common share at an exercise price of $0.20 per share for a period of 36 months. The warrants had a fair value of $264,729 calculated using the Black Scholes Option Pricing Model, of which $149,602 was allocated to the warrants on a relative fair value basis. In addition, 12,000 share purchase warrants exercisable for 36 months at an exercise price of $0.20, with a fair value of $1,247 calculated using the Black Scholes Option Pricing Model, were recorded to share issue costs and were issued to brokers. Legal fees and filing fees of $23,730. In addition, commissions and finder's fee of $10,620 were paid. A Company related to a director participated in the private placement by purchasing 370,370 units in the amount of $50,000.

On January 15, 2025, 79,166 shares were issued for vested RSUs. An amount of $59,375 was transferred from reserves to share capital on issuance of the RSU shares.

On February 7, 2025, 391,346 shares valued at $54,788 shares were issued to acquire the Yellow Fox property. In addition, 31,731 shares issued valued $4,442 for finders fees.

On April 22, 2025, the Company completed a private placement by issuing 3,048,148 common share units at $0.135 per unit for total gross proceeds of $411,500. Each unit consists of one common share and one common share purchase warrant. Each warrant is exercisable into one common share at an exercise price of $0.20 per share for a period of 36 months. The warrants had a fair value of $330,375 calculated using the Black Scholes Option Pricing Model, of which $183,251 was allocated to the warrants on a relative fair value basis. Legal fees and filing fees of $10,930 were paid. In addition finders fees of $8,775 were paid. A director of the Company participated in the private placement by purchasing 400,000 units in the amount of $50,000.

On June 2, 2025, 780,000 shares were issued for vested RSU and DSUs. An amount of $252,000 was transferred from reserves to share capital. Filing fees of $649 were paid.

On June 3, 2025, the Company completed a private placement by issuing 840,741 common share units at $0.135 per unit for total gross proceeds of $113,500. Each unit consists of one common share and one common share purchase warrant. Each warrant is exercisable into one common share at an exercise price of $0.20 per share for a period of 36 months. The warrants had a fair value of $77,886 calculated using the Black Scholes Option Pricing Model, of which $46,189 was allocated to the warrants on a relative fair value basis. Legal fees and filing fees of $7,385 were paid. In addition finders fees of $10,675 were paid.

On June 5, 2025, the Company completed a private placement by issuing 647,058 flow-through common share units at $0.17 per unit for total gross proceeds of $110,000. Each unit consists of one common share and one-half common share purchase warrant. Each full warrant is exercisable into one common share at an exercise price of $0.20 per share for a period of 24 months. The warrants had a fair value of $26,332, calculated using the Black Scholes Option Pricing Model, of which $21,246 was allocated to the warrants on a relative fair value basis. The Company recognized a flow-through premium liability of $22,647 based on an estimated premium of approximately $0.035 per flow-through common share issued (Note 9). Legal fees and filing fees of $8,482 were paid.

(in Canadian dollars)

12. Share capital and reserves (continued):

(b) Warrants:

The changes to the number of outstanding warrants granted by the Company and their weighted average exercise price are as follows:

		January 31 2026		July 31 2025
	Number of outstanding warrants	Weighted average exercise price	Number of outstanding warrants	Weighted average exercise price
		$		$
Outstanding at beginning	19,200,560	0.42	14,753,984	0.64
Issued for financing	4,780,000	0.16	8,186,326	0.20
Expired	-	-	(3,739,750)	0.60
Outstanding at end	23,980,560	0.36	19,200,560	0.42

The following table provides outstanding warrants information as at January 31, 2026:

			Outstanding warrants
Expiry date	Number of outstanding warrants	Exercise price	Remaining life
		$	(years)
July 16, 2026	73,171	0.41	0.5
July 16, 2026	3,300	0.35	0.5
January 19, 2027	1,895,000	1.10	1.0
June 5, 2027	323,530	0.20	1.3
July 16, 2027	1,973,880	0.52	1.5
November 12, 2027	1,413,750	0.20	1.8
November 12, 2027	380,000	0.24	1.8
December 2, 2027	2,560,157	0.20	1.8
December 9, 2027	4,057,049	0.50	1.9
December 30, 2027	175,000	0.12	1.9
April 22, 2028	3,048,148	0.20	2.2
June 3, 2028	840,741	0.20	2.3
July 19, 2028	1,345,167	0.50	2.5
December 6, 2028	1,666,667	0.30	2.9
October 16, 2028	3,250,000	0.15	2.7
October 21, 2028	975,000	0.15	2.7
	23,980,560	0.36	2.00

The outstanding warrants as at July 31, 2025 had an exercise price in the range of $0.20 to $1.10 and a weighted-average contractual life of 2.41 years.

The following table provides the weighted average fair value of warrants granted:

	January 31 2026	July 31 2025
	$	$
Weighted average fair value of warrants granted	0.0487	0.0643

(in Canadian dollars)

12. Share capital and reserves (continued):

(b) Warrants (continued):

The fair value of each warrant granted is estimated at the date of grant using the Black-Scholes option-pricing model with the following assumptions:

	January 31 2026	July 31 2025
Weighted average expected dividend yield	0%	0%
Weighted average share price at grant date	$0.122	$0.128
Weighted average expected volatility	111.96%	171.11%
Weighted average risk-free interest rate	2.40%	2.77%
Weighted average exercise price at grant date	$0.156	$0.20
Weighted average expected life	2.88 years	2.96 years

(c) Stock option plan:

On December 6, 2021, the Company adopted an Omnibus Equity Incentive Plan (the “Omnibus Plan”), which amended and restated its previous stock option plan (the “Predecessor Plan”). The Omnibus Plan was subsequently amended on November 5, 2025. The plan provides for the grant of equity-settled share-based compensation to directors, officers, employees, consultants and investor relations service providers.

Under the Omnibus Plan, the maximum number of common shares reserved for issuance pursuant to stock options is limited to 10% of the Company’s issued and outstanding common shares at any point in time. The number of stock options issuable to investor relations service providers is further limited to 2% of the issued and outstanding common shares in any twelve-month period. All stock options outstanding under the Predecessor Plan continue in full force and effect and are governed by the terms of the Omnibus Plan.

The Omnibus Plan also provides for the issuance of Deferred Share Units (“DSUs”), Restricted Share Units (“RSUs”) and Performance Share Units (“PSUs”). The maximum aggregate number of common shares issuable under the plan in respect of DSUs, RSUs and PSUs is 6,346,404, representing 10% of the issued and outstanding common shares as at the effective date of the plan. The number of DSUs, RSUs and PSUs that may be granted to any one participant is limited to 5% of the issued and outstanding common shares at the date of grant.

The changes to the number of outstanding share options granted by the Company and their weighted average exercise price are as follows:

		January 31 2026		July 31 2025
	Number of outstanding share options	Weighted average exercise price	Number of outstanding share options	Weighted average exercise price
		$		$
Outstanding at beginning	2,143,334	0.61	2,214,000	0.73
Granted	150,000	0.12	485,000	0.135
Expired	(50,000)	0.50	(40,000)	0.50
Forfeited	(770,500)	0.69	(515,666)	0.69
Outstanding at end	1,472,834	0.40	2,143,334	0.61
Exercisable at end	1,032,167	0.43	1,602,500	0.71

(in Canadian dollars)

12. Share capital and reserves (continued):

(c) Share option plan (continued):

The following table provides outstanding share options information as at January 31, 2026:

				Outstanding share options	
Grant date	**Expiry date**	**Number of granted share options**	**Number of exercisable share options**	**Exercise price**	**Remaining life**
				$	(years)
February 7, 2022	February 7, 2027	120,833	120,833	0.70	1.0
February 21, 2022	February 21, 2027	35,000	35,000	0.70	1.1
April 5, 2022	April 5, 2027	35,000	35,000	0.85	1.2
February 22, 2023	February 22, 2028	772,001	514,667	0.50	2.1
January 23, 2025	January 23, 2030	250,000	166,667	0.135	4.0
January 23, 2025	January 23, 2038	110,000	110,000	0.135	2.0
September 15, 2025	September 15, 2028	100,000	33,333	0.10	2.6
January 22, 2026	January 22, 2031	50,000	16,667	0.15	5.0
		1,472,834	1,032,167	0.40	2.4

The outstanding share options as at July 31, 2025 had an exercise price in the range of $0.135 to $1.20 and a weighted-average contractual life of 2.31 years.

2026:

On January 22, 2026, the Company granted 50,000 stock options to management of the Company. The stock options vest 1/3 on January 22, 2026, 1/3 on January 22, 2027 and January 22, 2029. The options expire on January 22, 2031

On September 15, 2025, the Company granted 100,000 stock options to a consultant of the Company. The stock options vest 1/3 on December 15, 2025, 1/3 on March 15, 2026 and June 15, 2026. The options expire on September 15, 2028

2025:

On January 23, 2025, the Company granted 375,000 stock options to management and consultants of the Company. The stock options vest 1/3 on January 23, 2025, 1/3 on January 23, 2026 and January 22, 2028. The options expire on January 23, 2030.

On January 23, 2025, the Company granted 110,000 stock options to a consultant of the Company. The stock options vest 1/4 on the grant date, 1/4 on April 23, 2025, 1/4 on July 23, 2025, and 1/4 on January 23, 2026. The options expire on January 23, 2028.

An amount of $13,670 and $26,967 of share-based compensation were accounted in the statement of loss and comprehensive loss for the three-month and six-month periods ended January 31, 2026 respectively ($31,229 and $47,040 for the three-month and six-month periods ended January 31, 2025 respectively. As at January 31, 2026, an amount of $14,638 remains to be amortized until January 22, 2029 related to the grant of stock options not vested.

The following table provides the weighted average fair value of options granted:

	January 31 2026	**July 31 2025**
	$	$
Weighted average fair value of options granted	$0.0737	$0.1233

The fair value of each option granted is estimated at the date of grant using the Black-Scholes option-pricing model with the following assumptions:

	January 31 2026	**July 31 2025**
Weighted average expected dividend yield	0%	0%
Weighted average share price at grant date	$0.107	$0.135
Weighted average expected volatility	105.52%	171.11%
Weighted average risk-free interest rate	2.65%	2.77%
Weighted average exercise price at grant date	$0.117	$0.135
Weighted average expected life	4.55 years	2.96 years

(in Canadian dollars)

12. Share capital and reserves (continued):

(d) Long-term incentive Plan

(i) RSUs

On January 22, 2026, the Company granted an additional 836,228 RSUs to non-executive directors. Under the RSU plan, which is one year. The RSUs issued to executive employees, vest based on achieving annual performance milestones. At January 31, 2026 no RSUs have vested. The RSU value is determined based on the fair value of the Company's common shares at the grant date and amortized over the vesting period.

On September 15, 2025, the Company granted an additional 530,000 RSUs to certain directors. Under the RSU plan, the directors will receive the Company's common shares at no cost at the end of the vesting period, which is one year. The RSUs issued to executive employees, vest based on achieving annual performance milestones. At January 31, 2026 no RSUs have vested. The RSU value is determined based on the fair value of the Company's common shares at the grant date and amortized over the vesting period.

On January 23, 2025, the Company granted an additional 1,014,816 RSUs to certain directors. Under the RSU plan, the directors will receive the Company's common shares at no cost at the end of the vesting period, which is one year. The RSUs issued to executive employees, vest based on achieving annual performance milestones. At January 31, 2026, all RSUs have vested. The RSU value is determined based on the fair value of the Company's common shares at the grant date and is amortized over the vesting period.

On August 14, 2024, the Company granted an additional 337,776 RSUs to certain directors. Under the Under the RSU plan, the directors will receive the Company's common shares at no cost at the end of the vesting period, which is one year. The RSUs can be exercised upon resignation. The RSUs issued to executive employees, vest based on achieving annual performance milestones. At January 31, 2026 all RSUs have vested. The RSU value is determined based on the fair value of the Company's common shares at the grant date and amortized over the vesting period

The changes to the number of outstanding RSUs at January 31, 2026 and July 31, 2025, is as follows:

	January 31 2026 Number of outstanding RSUs	July 31 2025 Number of outstanding RSUs
Outstanding at beginning	1,352,593	1,204,882
Granted	1,366,228	1,352,592
Redeemed	(297,777)	(987,738)
Cancelled	(13,333)	(217,143)
Outstanding at end	2,407,711	1,352,593
Redeemable	1,041,482	-

For the three-month and six-month periods ended January 31, 2026, the Company recorded $47,980 and $92,689 respectively ($63,344 and $140,302 for the three-month and six-month periods ended January 31, 2025 respectively) as share-based compensation expenses related to RSUs.

During the six-month periods ended January 31, 2026, 297,777 RSUs (2025-nil) valued at $80,400 (2024-$0) RSUs, were converted into shares and 13,333 (2024-335,873) valued at $3,600 (2024-$33,912) were cancelled.

All RSUs expire 10 years after being granted.

(ii) DSUs

On January 22, 2026, the Company granted an additional 731,953 DSUs to non-executive directors. Under the DSU plan, which is one year. The DSUs issued to executive employees, vest based on achieving annual performance milestones. At January 31, 2026 no DSUs have vested. The DSU value is determined based on the fair value of the Company's common shares at the grant date and amortized over the vesting period.

On September 15, 2025, the Company granted an additional 560,000 DSUs to non-executive directors. Under the DSU plan, which is one year. The DSUs issued to executive employees, vest based on achieving annual performance milestones. At January 31, 2026 no DSUs have vested. The DSU value is determined based on the fair value of the Company's common shares at the grant date and amortized over the vesting period.

(in Canadian dollars)

12. Share capital and reserves (continued):

(d) Long-term incentive Plan (continued)

(ii) DSUs (continued)

On January 23, 2025, the Company granted an additional 844,443 DSUs to non-executive directors. Under the DSU plan, the directors will receive the Company's common shares at no cost after the vesting period, which is one year, and upon resignation from the board. At January 31, 2026, all DSUs have vested. The DSU value is determined based on the fair value of the Company's common shares at the grant date and is amortized over the vesting period.

On August 14, 2024, the Company granted an additional 71,112 DSUs to non-executive directors. Under the DSU plan, the directors will receive the Company's common shares at no cost after the vesting period, which is one year, and upon resignation from the board. At January 31, 2026 all DSUs have vested. The DSU value is determined based on the fair value of the Company's common shares at the grant date and amortized over the vesting period

The changes to the number of outstanding DSUs at January 31, 2026 and July 31, 2025, is as follows:

	January 31 2026	July 31 2025
	Number of outstanding DSUs	Number of outstanding DSUs
Outstanding at beginning	1,269,840	708,571
Granted	1,291,953	915,555
Redeemed	-	(80,000)
Cancelled	(35,556)	(274,286)
Outstanding at end	2,526,237	1,269,840
Redeemable	1,234,284	356,286

For the three-month and six-month periods ended January 31, 2026, the Company recorded $43,058 and $79,586 respectively ($19,436 and $35,638 for the three-month and six-month periods ended January 31, 2025 respectively) as share-based compensation expenses related to DSUs.

During the six-month periods ended January 31, 2026, 35,556 DSUs (2025-nil) valued at $9,400 (2025-$0) DSUs were cancelled.

(e) Reserves

Equity reserve records items recognized as share-based compensation and allocation of the value of share options and warrants until such time that the share options and warrants are exercised, at which time the corresponding amount will be transferred to share capital.

The values recorded to reserves for share options and warrants are transferred to deficit on expiration or cancellation of such share options and warrants.

13. Supplemental cash flow information:

The Company entered into the following transactions which had no impact on the cash flows:

	Six-month period ended	
	January 31 2026	January 31 2025
	$	$
Non-cash financing activities:		
Share issuance costs in trade accounts payable and other liabilities	6,379	-
Issuance of shares in repayment of debt	-	84,546
Issuance of common shares to brokers	26,238	-
flow-through share premium liability	129,167	52,500
Exercise of RSUs	80,400	59,375
Non-cash investing activities:		
Exploration and evaluation assets in trade accounts payable and other liabilities	1,180,198	30,741

(in Canadian dollars)

14. Related party transactions:

Key management personnel are the persons responsible for the planning, directing and controlling the activities of the Company and include both executive and non-executive directors, and entities controlled by such persons. The Company considers all executive employees, directors and officers of the Company to be key management personnel. The following are related party transactions not disclosed elsewhere in the financial statements. Management fees were paid to Robert Boisjoli & Associées S.E.C., a company controlled by Robert Boisjoli, the Company's CFO. The Capital Lab, a Company controlled by Belinda Labatte, the Company's Chair of the Board. M & M Corporation, a company controlled by Jacqueline Michael, the Company's former CFO and AJS Management Corporation, a company controlled by Paul Gill, the Company's former Executive Chair.

Included in accounts payable is $29,255 (July 31, 2025 - $8,330) owing to executive employees, directors or companies controlled by directors or key management.

	Three-month period ended		Six-month period ended	
	January 31 2026	**January 31 2025**	**January 31 2026**	**January 31 2025**
	$	**$**	**$**	**$**
Management fees paid to directors or companies related to directors and key management	78,233	30,500	129,233	53,000
Management salary	73,907	61,995	142,960	225,630
Management salary grants	(58,386)	-	(89,636)	-
Share-based compensation	102,468	113,304	197,003	221,523
	196,222	205,799	379,560	500,153

These transactions, entered into the normal course of operations, are measured at the exchange amount which is the amount of consideration established and agreed to by the related parties.

Unless otherwise stated, none of the transactions incorporated special terms and conditions and no guarantees were given or received. Outstanding balances are usually settled in cash.

15. Financial assets and liabilities:

The carrying amount and fair value of financial instruments presented in the statements of financial position related to the following classes of assets and liabilities:

		January 31 2026		**July 31 2025**
	Carrying amount	**Fair value**	**Carrying amount**	**Fair value**
	$	$	$	$
Financial assets				
Amortized cost				
Cash and cash equivalents	499,420	499,420	567,737	567,737
Other receivables (excluding sales tax receivable)	1,033,188	1,033,188	427,697	427,697
	1,532,608	1,532,608	995,434	995,434
Financial liabilities				
Amortized cost				
Trade accounts payable and accrued liabilities	2,174,363	2,174,363	608,033	608,033
	2,174,363	2,174,363	608,033	608,033

The fair value of cash and cash equivalents, other receivables and trade accounts payable and other liabilities is comparable to its carrying amount given the short period to maturity, i.e. the time value of money is not significant.

This hierarchy groups financial assets and liabilities into three levels based on the significance of inputs used in measuring the fair value of the financial assets and liabilities. The fair value hierarchy has the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities at the reporting date;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (that is, derived from prices); and
- Level 3: inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

(in Canadian dollars)

15. Financial assets and liabilities (continued):

The level within which the financial asset or liability is classified is determined based on the lowest level of significant input to the fair value measurement.

The Company does not have any financial instruments measured at fair value. As the Company does not have financial instruments measured at fair value as at January 31, 2026, the fair value hierarchy disclosure is not applicable.

16. Capital management policies and procedures:

The Company considers the items included in equity as capital components.

The Company's capital management objectives are:

- to ensure the Company's ability to continue as a going concern;
- to increase the value of the assets of the business; and
- to provide an adequate return to shareholders of the Company.

These objectives will be achieved by identifying the right exploration projects, 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 monitors capital on the basis of the carrying amount of equity. Capital for the reporting periods are presented in the statement of changes in equity.

The Company is not subject to any externally imposed capital requirements, other than those arising from the issuance of flow-through shares, whereby the proceeds must be incurred on eligible exploration expenditures in accordance with applicable tax legislation.

In connection with a flow-through private placement completed on December 22, 2021, the tax authorities have assessed certain exploration expenditures totaling $438,798 as ineligible. The Company disagrees with this assessment and intends to formally contest the position taken by the tax authorities.

As at January 31, 2026, with the exception of the matter described above, the Company has complied with its obligations to incur the required amount of eligible exploration and evaluation expenditures in respect of all its flow-through private placements concluded prior to that date (see Note 5).

The Company sets the amount of capital in proportion to its overall financing structure, i.e. equity and financial liabilities. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. The Company finances its exploration and evaluation activities principally by raising additional capital either through private placements or public offerings. When financing conditions are not optimal, the Company may enter into option agreements or other solutions to continue its exploration and evaluation activities or may slow its activities until conditions improve. No changes were made in the objectives, policies and processes for managing capital during the reporting periods.

	January 31 2026	**July 31 2025**
	$	**$**
Equity	12,754,749	11,876,894
	12,754,749	11,876,894

17. Financial instrument risks:

The Company is exposed to various risks in relation to financial instruments. The main types of risks the Company is exposed to are credit risk and liquidity risk.

The Company manages risks in close cooperation with the board of directors. The Company focuses on actively securing short-term to medium-term cash flows by minimizing the exposure to financial markets.

(a) Credit risk:

Credit risk is the risk that the other party to a financial instrument fails to honour one of its obligations and, therefore, causes the Company to incur a financial loss.

The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets at the reporting date.

17. Financial instrument risks (continued):

(a) Credit risk (continued):

The Company's management considers that all of the above financial assets that are not impaired or past due for each of the reporting dates are of good credit quality.

Credit risk of cash and cash equivalents is considered negligible, since the counterparty which holds the cash and cash equivalents is a reputable bank with excellent external credit rating.

The majority of receivables are due from government agencies.

None of the Company's financial assets are secured by collateral or other credit enhancements.

(b) Liquidity risk:

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Liquidity risk management serves to maintain a sufficient amount of cash and to ensure that the Company has financing sources such as private and public investments for a sufficient amount.

In previous years, the Company has financed its acquisitions of mining rights, exploration and evaluation assets and working capital needs through private financings consisting of issuance of common shares and flow-through shares and government non-repayable and non-dilutive grants. Management estimates that the cash and cash equivalents as at January 31, 2026 will not be sufficient to meet the Company's needs for cash during the coming year (This risk is further described in Note 2 – Going concern).

Contractual maturities of financial liabilities are as follows:

				January 31 2026
	Less than 1 year	**1-5 years**	**More than 5 years**	**$ Total**
	$	$	$	$
Trade accounts payable and other liabilities	2,174,363	-	-	2,174,363

				July 31 2025
	Less than 1 year	**1-5 years**	**More than 5 years**	**$ Total**
	$	$	$	$
Trade accounts payable and other liabilities	608,033	-	-	608,033

(c) Foreign currency risk:

The Company's functional currency is the Canadian dollar. The Company is exposed to foreign exchange risk arising from fluctuations in exchange rates on financial assets and liabilities denominated in foreign currencies. The Company has exposure to foreign currency risk in relation to transactions with a partner based in the United States, which are denominated in US dollars ("USD").

As at January 31, 2026, the Company's exposure to foreign currency risk with respect to financial instruments denominated in USD is as follows:

	January 31 2026	**July 31 2025**
	$	**$**
Financial instruments denominated in USD		
Cash	367,450	-
Other receivables	645,025	268,515
Trade accounts payable	(8,712)	-
Net exposure	1,003,763	268,515

Based on the above net exposure as at January 31, 2026 and assuming all other variables remain constant, a 10% depreciation or appreciation of the Canadian dollar relative to the US dollar would result in a change of $100,376 ($26,852 in 2025) in the Company's profit or loss.

17. Financial instrument risks (continued):

(c) Foreign currency risk (continued):

The Company does not currently enter into hedging arrangements to mitigate its foreign exchange risk.

The Company has no significant exposure to other foreign currencies at January 31, 2026.

18. Subsequent events:

Subscription receivable

As a result of a social engineering incident, the Company has not yet received $500,000 for 5,000,000 common share units associated with the October 16, 2025 private placement. On February 13, 2026, the Company reached a settlement with its investment broker and received proceeds of $250,000 in connection with the incident. The recovery is recognized as a receivable and of the remaining amount of $250,000, half is expected to be collected, and the balance was recognized in the statement of loss during the period ended January 31, 2026.

The Company has initiated legal proceedings against Scotiabank, a financial institution, seeking recovery of approximately $250,000 related to the incident of which 50% will be shared with the investment broker. Based on legal advice received to date, management understands that a recovery is virtually certain. Management estimates that potential recovery from the legal proceedings could be up to approximately $125,000.

Lomiko's Counsel informed the Company that a Notice of Civil Claim was filed in the BC Supreme Court by Lomiko, naming Scotiabank as the defendant to seek the return of certain funds that had been frozen by Scotiabank. Lomiko asserts it is the lawful owner of those funds. Scotiabank did not file the response to this claim.

Preliminary Feasibility Study

On March 24, 2026, the Company announced the results of a Preliminary Feasibility Study on results from the Preliminary Feasibility Study ("PFS") on its 100%-owned La Loutre Project in south-eastern Quebec, which identified Mineral Reserves. The PFS was completed by DRA Global ("DRA") in accordance with National Instrument 43-101 ("NI 43-101"). This represents a significant milestone in the advancement of the project. The impact of this development has not been reflected in these financial statements.