ALTAI RESOURCES INC.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the Three Months Ended March 31, 2026 and 2025

(Unaudited; Expressed in Canadian Dollars)

NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The accompanying unaudited condensed interim consolidated financial statements of Altai Resources Inc. for the three months ended March 31, 2026 and 2025 have been prepared by the management of the Company and approved by the Company's Audit Committee and the Board of Directors. 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 condensed interim consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management. The Company's independent auditors have not performed a review of these condensed interim consolidated financial statements.

ALTAI RESOURCES INC.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Unaudited; Expressed in Canadian Dollars)

As at	March 31, 2026 $	December 31, 2025 $
ASSETS		
Current assets		
Cash and cash equivalents	**655,923**	701,533
Accounts receivable	**5,136**	5,304
Prepaid expenses	**11,262**	9,403
Total assets	**672,321**	716,240
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	**13,875**	25,515
Total liabilities	**13,875**	25,515
SHAREHOLDERS' EQUITY		
Share capital *(Note 9)*	**30,641,007**	30,641,007
Contributed surplus	**3,306,091**	3,306,091
Accumulated deficit	**(33,288,652)**	(33,256,373)
Total shareholders' equity	**658,446**	690,725
Total liabilities and shareholders' equity	**672,321**	716,240

Nature of operations and going concern – *Note 1*

Approved on behalf of the board of directors on May 26, 2026

"Kursat Kacira"
Director

"Jeffrey S. Ackert"
Director

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

ALTAI RESOURCES INC.
CONDENSED INTERIM CONSOLIDATED
STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Unaudited; Expressed in Canadian Dollars)

	Three months ended March 31,	
	2026 **$**	**2025** **$**
Revenue		
Interest and dividend income	**1,933**	39,468
Total revenue	**1,933**	39,468
Expenses		
General and administrative *(Note 10)*	**34,212**	78,063
Expenses on Quebec oil and gas interests *(Note 5)*	–	4,989
Amortization *(Note 6)*	–	115
Total expenses	**(34,212)**	(83,167)
Net loss from continuing operations	**(32,279)**	(43,699)
Net loss from discontinued operations *(Note 8)*	–	(12,310)
Net loss	**(32,279)**	(56,009)
Other comprehensive loss		
Decrease in fair value of investment in marketable securities, net of taxes *(Note 4)*	–	(162,691)
TOTAL COMPREHENSIVE LOSS	**(32,279)**	(218,700)
NET LOSS PER SHARE		
Continuing operations - basic and diluted	**(0.00)**	(0.00)
Discontinued operation - basic and diluted	**(0.00)**	(0.00)
Total - basic and diluted	**(0.00)**	(0.00)
Weighted Average Number of Common Shares Outstanding – basic and diluted	**56,033,552**	56,033,552

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

ALTAI RESOURCES INC.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS’ EQUITY

(Unaudited; Expressed in Canadian Dollars)

	Share Capital					
	Number of Shares	Amount $	Contributed Surplus $	Accumulated Other Comprehensive Income (Loss) $	Accumulated Deficit $	Total Shareholder’s Equity $
Balance, December 31, 2024	**56,033,552**	**34,003,020**	**3,306,091**	**1,162,940**	**(33,653,764)**	**4,818,287**
Gain from the sale of marketable securities	–	–	–	–	136,235	136,235
Decrease in fair value of marketable securities	–	–	–	(162,691)	–	(162,691)
Net loss for the period	–	–	–	–	(56,009)	(56,009)
Balance, March 31, 2025	**56,033,552**	**34,003,020**	**3,306,091**	**1,000,249**	**(33,573,538)**	**4,735,822**
Balance, December 31, 2025	56,033,552	30,641,007	3,306,091	–	(33,256,373)	690,725
Net loss for the period	–	–	–	–	(32,279)	(32,279)
Balance, March 31, 2026	**56,033,552**	**30,641,007**	**3,306,091**	**–**	**(33,288,652)**	**658,446**

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

ALTAI RESOURCES INC.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unaudited; Expressed in Canadian Dollars)

	Three months ended March 31,	
	2026	**2025**
	$	**$**
CASH FLOWS USED IN OPERATING ACTIVITIES		
Net loss for the period	**(32,279)**	(56,009)
Adjusted for		
Amortization	–	14,693
Accretion	–	1,770
Dividend income	–	(32,162)
Interest income	**(1,933)**	(7,252)
Changes in non-cash working capital balances		
Accounts receivable	**168**	15,388
Prepaid expenses	**(8,659)**	(3,947)
Accounts payable and accrued liabilities	**(4,840)**	(42,585)
Cash used in operating activities	**(47,543)**	(110,104)
CASH FLOWS GENERATED BY INVESTING ACTIVITIES		
Dividends received	–	32,162
Interest received	**1,933**	7,252
Cash received from sale of marketable securities	–	521,971
Cash generated by investing activities	**1,933**	561,385
Net change in cash and cash equivalents	**(45,610)**	451,281
Cash and cash equivalents, beginning of period	**701,533**	1,499,432
Cash and cash equivalents, end of period	**655,923**	**1,950,713**

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

1. Nature of Operations and Going Concern

Altai Resources Inc. ("Altai" or the "Company") was incorporated under the laws of the Province of Ontario with a head office located at 895 Don Mills Road, Two Morneau Shepell Centre, Suite 900, Toronto, Ontario, M3C 1W3. The Company is a junior resource company that holds an investment portfolio comprised of cash and cash equivalents. During the year ended December 31, 2025, the Company sold its exploration gold property and oil-producing property, both located in Canada. The Company has a wholly-owned subsidiary, Altai America Inc., which is dormant. As at March 31, 2026, the Company is actively pursuing strategic alternatives, including the potential acquisition of new mining exploration properties.

Altai's common shares were listed on the TSX Venture Exchange (the "TSXV") under the symbol ATI. As of April 6, 2026, the Company's common shares are listed on the NEX board of the TSXV under the symbol ATI.H.

These condensed interim consolidated financial statements have been prepared with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. The Company has incurred losses in the past and currently has an accumulated deficit of $33,288,652. For the three months ended March 31, 2026, the Company had a net loss of $32,279 (March 31, 2025 - $43,699) from its continuing operations, net loss of $Nil (March 31, 2025 - $12,310) from its discontinued operations, and a comprehensive loss of $32,279 (March 31, 2025 - $218,700).

The Company's ability to continue as a going concern is dependent upon its liquid reserves in cash and cash equivalents, and the Company's ability to obtain necessary financing to fund its working capital and projects.

As at March 31, 2026, the Company has cash and cash equivalents of $655,923 (December 31, 2025 - $701,533), with a working capital surplus of $658,446 (December 31, 2025 – $690,725). The Company believes it will be able to continue to cover its corporate administrative expenses for the next 12 months. In the short-term, the Company may pursue opportunities to raise additional funds, and while the Company has been successful in raising funds in the past, there can be no assurance that adequate funding will be available in the future, all of which describe the material uncertainties that cast significant doubt upon the Company's ability to continue as a going concern. These condensed interim consolidated financial statements do not include the adjustments that would be necessary should the Company be unable to continue as a going concern, which could be material.

2. Basis of Presentation

Statement of Compliance

These condensed interim consolidated financial statements are prepared in accordance with IFRS® Accounting Standards ("IFRS") issued by the International Accounting Standards ("IAS") and the interpretations of the IFRS committee ("IFRIC"). These condensed interim consolidated financial statements have been prepared using the historical cost basis except for the revaluation of certain financial instruments to fair value. In addition, these condensed interim consolidated financial statements have been prepared using accrual basis of accounting, except for cash flow information. The condensed interim consolidated financial statements for the three months ended March 31, 2026 and 2025 were approved by the Board of Directors on May 26, 2026.

Basis of measurement

The condensed interim consolidated financial statements have been prepared on the historical cost basis except for financial instruments which are measured at fair value. These condensed interim consolidated financial statements have been prepared using IFRS principles applicable to a going concern, which contemplate the realization of assets and settlement of liabilities in the normal course of business as they come due.

Basis of consolidation

These condensed interim consolidated financial statements consolidate the accounts of the Company and its wholly-owned subsidiary, Altai America Inc. 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 benefit from its activities. All inter-company balances and transactions are eliminated on consolidation.

Functional and presentational currency

The functional and presentation currency of the Company and its subsidiary is the Canadian dollar.

Disposal of Cessford Oil Property and related liabilities (Notes 6, 7 and 8)

During the year ended December 31, 2025, the Company sold its Cessford Oil Property and related liabilities; as such, the Company's net loss for the three months ended March 31, 2025, attributable to Cessford Oil Property is presented as discontinued operations in the condensed interim consolidated financial statements.

A discontinued operation is a component of the Company that either has been disposed of, or is classified as held for sale, and represents a separate major line of business or geographical area of operations. A component comprises of operations and cash flows that can be clearly distinguished, operationally and for financial reporting purposes, from the rest of the Company. When the Company classifies an operation as a discontinued operation, it re-presents the comparative Condensed Interim Consolidated Statements of Loss and Comprehensive Loss as if the operation had been discontinued from the start of the comparative year.

The Company derecognized the related assets and liabilities. Any surplus or deficit arising from the sale is recognized in profit or loss.

3. Material Accounting Policies

The material accounting policies used in the presentation of these condensed interim consolidated financial statements are described below.

Revenue recognition

Interest income is recorded on an accrual basis. Dividend income is recorded on the ex-dividend date and when the right to receive the dividend has been established.

Cash and cash equivalents

Cash and cash equivalents include short-term deposits with terms to maturity of ninety days or less when acquired.

Income (loss) per common share

Basic income (loss) per common share is determined by dividing net income (loss) attributable to common shareholders by the weighted average number of common shares outstanding during the period. Diluted income (loss) per common share is calculated in accordance with the treasury stock method and based on the weighted average number of common shares and dilutive common share equivalents outstanding.

Financial instruments

Financial assets

Recognition and initial measurement

The Company recognizes financial assets when it becomes party to the contractual provisions of the instrument. Financial assets are measured initially at their fair value plus, in the case of financial assets not subsequently measured at fair value through profit or loss, transaction costs that are directly attributable to their acquisition. Transaction costs attributable to the acquisition of financial assets subsequently measured at fair value through profit or loss are expensed in profit or loss when incurred.

Classification and subsequent measurement

On initial recognition, financial assets are classified as subsequently measured at amortized cost ("AC"), fair value through comprehensive loss ("FVOCI"), or fair value through profit or loss ("FVTPL"). The Company determines the classification of its financial assets, together with any embedded derivatives, based on the business model for managing the financial assets and their contractual cash flow characteristics.

Financial assets are classified as follows:

a. Amortized cost – Assets that are held for collection of contractual cash flows where those cash flows are solely payments of principal and interest are measured at amortized cost. Interest revenue is calculated using the effective interest method and gains or losses arising from impairment, foreign exchange and derecognition are recognized in profit or loss. Financial assets measured at amortized cost are comprised of accounts receivables and receivables from related parties.

b. Assets that are not held for trading and are classified as financial assets measured at fair value through other comprehensive income (FVOCI) in accordance with IFRS 9 – Changes in the fair value of these equity instruments are recognized in other comprehensive income and are not subsequently reclassified to profit or loss. Upon derecognition of such investments, the cumulative gain or loss previously recognized in other comprehensive income is transferred directly to retained earnings. Dividends received from these investments are recognized in profit or loss when the right to receive payment is established, provided that they represent a return on investment rather than a recovery of cost.

c. Fair value through comprehensive loss – Assets that are held for collection of contractual cash flows and for selling the financial assets, and for which the contractual cash flows are solely payments of principal and interest, are measured at fair value through comprehensive loss. Interest income is calculated using the effective interest method and gains or losses arising from impairment and foreign exchange are recognized in profit or loss. All other changes in the carrying amount of the financial assets are recognized in comprehensive loss. Upon derecognition, the cumulative gain or loss previously recognized in comprehensive loss is reclassified to profit or loss.

d. Mandatorily at fair value through profit or loss – Assets that do not meet the criteria to be measured at amortized cost, or fair value through comprehensive loss, are measured at fair value through profit or loss. All interest income and changes in the financial assets' carrying amount are recognized in profit or loss. Financial assets mandatorily measured at fair value through profit or loss are comprised of cash and cash equivalents.

e. Designated at fair value through profit or loss – On initial recognition, the Company may irrevocably designate a financial asset to be measured at fair value through profit or loss in order to eliminate or significantly reduce an accounting mismatch that would otherwise arise from measuring assets or liabilities, or recognizing the gains and losses on them, on different bases. All interest income and changes in the financial assets' carrying amount are recognized in profit or loss.

Contractual cash flow assessment

The cash flows of financial assets are assessed as to whether they are solely payments of principal and interest based on their contractual terms. For this purpose, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money, the credit risk associated with the principal amount outstanding, and other basic lending risks and costs. In performing this assessment, the Company considers factors that would alter the timing and amount of cash flows, such as prepayment and extension features, terms that might limit the Company's claim to cash flows, and any features that modify consideration for the time value of money.

Impairment

The Company recognizes a loss allowance for the expected credit losses associated with its financial assets, other than financial assets measured at fair value through profit or loss. Expected credit losses are measured to reflect a probability-weighted amount, the time value of money, and reasonable and supportable information regarding past events, current conditions and forecasts of future economic conditions. For financial assets measured at amortized cost, loss allowances for expected credit losses are presented in the statement of financial position as a deduction from the gross carrying amount of the financial asset. Financial assets are written off when the Company has no reasonable expectations of recovering all or any portion thereof.

Derecognition of financial assets

The Company derecognizes a financial asset when its contractual rights to the cash flows from the financial asset expire.

Financial liabilities

Recognition and initial measurement
The Company recognizes a financial liability when it becomes party to the contractual provisions of the instrument. At initial recognition, the Company measures financial liabilities at their fair value plus transaction costs that are directly attributable to their issuance, with the exception of financial liabilities subsequently measured at fair value through profit or loss for which transaction costs are immediately recorded in profit or loss.
Where an instrument contains both a liability and equity component, these components are recognized separately based on the substance of the instrument, with the liability component measured initially at fair value and the equity component assigned the residual amount.

Classification and subsequent measurement
Subsequent to initial recognition, all financial liabilities are measured at amortized cost using the effective interest rate method. Interest, gains and losses relating to a financial liability are recognized in profit or loss. Financial liabilities measured at amortized cost are comprised of trade and other payables and lease liabilities.

Derecognition of financial liabilities
The Company derecognizes a financial liability only when its contractual obligations are discharged, cancelled, or expire.

Fair value measurement

When measuring fair value except value in use of exploration and evaluation assets, property, plant and equipment and right-of-use assets for the purpose of impairment assessment, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. Specifically, the Company categorized the fair value measurements into three levels, based on the characteristics of inputs, as follows:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

At the end of the reporting period, the Company determines whether transfers occur between levels of the fair value hierarchy for assets and liabilities which are measured at fair value on a recurring basis by reviewing their respective fair value measurement.

Discontinued operations

A discontinued operation is a component of the entity that has been disposed of or is classified as subsidiary subject to impending loss of control and that represents a separate major line of business or geographical area of operations, is part of a single coordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit or loss.

Accounting judgments and estimation uncertainty

The preparation of condensed interim consolidated financial statements requires management to make estimates and assumptions that affect the amounts reported in the condensed interim consolidated financial statements and accompanying notes. Estimates and underlying assumptions are reviewed annually and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In preparing these condensed interim consolidated financial statements, the Company makes judgments regarding the application of its accounting policies. The financial statement areas that require significant estimates and assumptions are included in the following notes:

Going concern
At the end of each reporting period, management exercises significant judgment in assessing the Company's ability to continue as a going concern and operate in the normal course by reviewing the Company's performance, resources and future obligations. The conclusion that the Company will be able to continue as a going concern is subject to critical judgments of management with respect to assumptions surrounding the short and long-term operating budgets, expected profitability, investment and financing activities and management's strategic planning. The assumptions used in management's assessment are derived from actual operating results along with industry and market trends.

New accounting pronouncements not yet effective
Accounting pronouncements with future effective dates are either not applicable or are not expected to have a material impact on the Company’s condensed interim consolidated financial statements.

4. Marketable Securities

During the year ended December 31, 2025, the Company disposed of all of its marketable securities, resulting in total cash proceeds of $2,662,25, net of transaction costs of $4,924. The Company had no transactions involving marketable securities for the three-month period ended March 31, 2026.

5. Exploration and Evaluation Assets

During the year ended December 31, 2025, the Company disposed of its 50% working interest in the Malartic Township, Quebec gold property for $142,000, recognizing a gain on disposal of $18,289. In addition, the Company fully impaired its oil and gas and reservoir exploration licences in the Sorel-Trois Rivieres area of the St. Lawrence Lowlands, Quebec.

The Company had no transactions involving exploration and evaluation assets for the three-month period ended March 31, 2026.

The table below provides details of exploration and evaluation assets as at December 31, 2025 and March 31, 2026:

	Interest in mining properties	Natural gas interests	Total
	$	$	$
December 31, 2024	1,033,613	1	1,033,614
Impairment	(909,902)	(1)	(909,903)
Disposal	(123,711)	–	(123,711)
December 31, 2025 and March 31, 2026	–	–	–

6. Property and Equipment

Cost	Computer Equipment $	Oil Property $	Total $
Balance, December 31, 2025 and March 31, 2026	27,177	888,144	915,321
Accumulated depletion, depreciation and impairment			
Balance, December 31, 2024	27,062	721,304	748,366
Depletion and depreciation charge for the year	115	29,156	29,271
Impairment	–	137,684	137,684
Balance, December 31, 2025 and March 31, 2026	27,177	888,144	915,321
Carrying values			
December 31, 2025	–	–	–
March 31, 2026	–	–	–

During the year ended December 31, 2025, the Company disposed of its 50% working interest in the Cessford Oil Property located in the Cessford area of southern Alberta and settled the asset retirement obligations and other associated liabilities for a net cash payment of $50,674. The Company recognized a gain on disposal of $123,115, reflecting the net impact of derecognizing the previously impaired asset and the associated liabilities (Notes 7 and 8).

The Company had no property and equipment transactions for the three-month period ended March 31, 2026.

7. Decommissioning Liabilities

The Company's decommissioning liabilities, also known as asset retirement obligations ("ARO"), were based on the Company's net ownership interest in the oil wells and facilities comprising the Cessford Oil Property, the estimated cost to abandon and reclaim those wells and facilities, and the estimated timing of future costs.

As the Company disposed of its interest in the Cessford Oil Property during the year ended December 31, 2025, it settled its ARO and derecognized the related decommissioning liabilities.

The Company had no transactions associated with decommissioning liabilities or ARO during the three-month period ended March 31, 2026.

8. Discontinued Operations

On September 29, 2025, the Company disposed of its Cessford Oil Property and settled the related ARO and other associated liabilities. As the Cessford Oil Property represented the Company's major line of business with distinct cash flows, the Company presents its oil production operations as discontinued operations.

During the three months ended March 31, 2026, the Company did not have any transactions related to discontinued operations. The results of discontinued operations presented in the condensed interim consolidated statements of loss and comprehensive loss for the three months ended March 31, 2025, were as follows:

	Three months ended March 31, 2025
Revenues	**$**
Oil sales	27,282
Royalties	(1,264)
Total revenues	26,018
Operating expenses	(38,328)
Net loss from discontinued operations	**(12,310)**

The net changes in condensed interim consolidated cash flows related to discontinued operations for the three months ended March 31, 2025, were as follows:

	Three months ended March 31, 2025
	$
Net loss from discontinued operations	(12,310)
Adjusted for:	
Amortization	14,578
Accretion	1,770
Cash provided by discontinued operations	4,038
Net change in cash related to discontinued operations	**4,038**

9. Share Capital

Authorized

Unlimited number of common shares with no par value.

Issued and outstanding common shares

As at March 31, 2026 and December 31, 2025 the Company had 56,033,552 common shares issued and outstanding.

On September 3, 2025, the shareholders of the Company approved a special resolution authorizing and approving a reduction of the stated capital account of the common shares of the Company (the "Common Shares") by an aggregate amount to be determined by the board of directors of the Company (the "Board") from time to time up to a maximum cumulative total amount of $4,000,000 for the purposes of distributing such amount to holders of Common Shares by way of a return of capital in one or more special cash distribution(s). On September 4, 2025, the Board approved a special cash distribution of $0.06 per Common Share (the "Special Cash Distribution") to holders of Common Shares by way of a return of capital. The aggregate amount of the Special Cash Distribution was $3,362,013, based on the total issued and outstanding common shares of 56,033,552 on September 4, 2025, and was paid on October 9, 2025, to holders of Common Shares of record at the close of business on October 2, 2025.

Share purchase warrants

There were no share purchase warrants outstanding as at March 31, 2026.

Stock options

The 2010 Stock Option Plan permits the grant of up to 4,950,000 option shares to directors, officers and employees of the Company or its subsidiary. Options granted are generally exercisable for up to five years from the date of grant. The prices of all option shares granted are greater than or equal to the closing fair market value of each common share on the day preceding the grant day.

At March 31, 2026 and December 31, 2025, there were 3,230,000 option shares available for future grants.

A summary of the Company's stock options is as follows:

	Three months ended March 31, 2026		Year ended December 31, 2025	
	Number of Options	Weighted average exercise price	Number of Options	Weighted average exercise price
Outstanding, beginning	800,000	$0.10	1,600,000	$0.10
Cancelled/expired	–	–	(800,000)	$0.10
Outstanding, ending	**800,000**	$0.10	**800,000**	$0.10

As at March 31, 2026, the following share purchase options were outstanding:

Number of Options exercisable	Exercise price	Expiry date	Weighted average contractual life (years)
200,000	$0.10	23-Nov-28	2.65
600,000	$0.10	19-Oct-29	3.56
800,000	**$0.10**		**3.33**

10. Related Party Transactions

Consulting services were provided by management personnel who are officers of the Company and companies owned by officers of the Company. The directors of the Company did not receive any cash compensation in their capacity as directors during the three months ended March 31, 2026 and 2025. The remuneration of directors and officers of the Company for the three months ended March 31, 2026 and 2025 was as follows:

	Three months ended March 31, 2026	**2025**
	$	$
Consulting fees	3,000	13,500
Termination fees	-	50,000
	3,000	63,500

During the three months ended March 31, 2026, the Company incurred $3,000 (March 31, 2025 – $Nil) in consulting fees with its CFO.

During the three months ended March 31, 2026, the Company incurred $Nil (March 31, 2025 – $13,500) in consulting fees to Ms. Au, its former CFO, Secretary-Treasurer and director. During the three months ended March 31, 2025, the Company incurred a $50,000 termination fee on the resignation of Ms. Au from her positions as the Company's Secretary-Treasurer, CFO and director effective January 10, 2025.

The Company did not pay any other benefits, apart from the compensation reported above, to the directors and officers during the periods ended March 31, 2026 and 2025.

At March 31, 2026, the balance payable to related parties was $Nil (December 31, 2025 – $Nil).

11. Financial Instruments Hierarchy

The following table presents the Company's financial instruments, measured at fair value on the condensed interim condensed interim consolidated statements of financial position as at March 31, 2026, categorized into levels of the fair value hierarchy:

Description	**Level 1** Quoted market price	**Level 2** Valuation technique - observable market inputs	**Level 3** Valuation technique – non-observable market inputs	**Total**
	$	**$**	**$**	**$**
Fair value through profit or loss				
Cash and cash equivalents	**655,923**	–	–	**655,923**

There were no transfers from Level 1 to 2 or Level 2 to 1 during the three months ended March 31, 2026 and the year ended December 31, 2025.

12. Management of Capital

The Company included the following in its capital as at March 31, 2026 and December 31, 2025:

Shareholders' equity comprised of	**March 31, 2026**	**December 31, 2025**
	$	**$**
Share capital	30,641,007	30,641,007
Contributed surplus	3,306,091	3,306,091
Accumulated deficit	(33,288,652)	(33,256,373)
Total Shareholders' Equity	**658,446**	**690,725**

The Company's objectives when managing capital are:

a. to ensure that the Company maintains the level of capital necessary to meet the requirements of its exploration programs and current operating expenditures;
b. to allow the Company to respond to changes in economic and/or marketplace conditions;
c. to give shareholders sustained growth in shareholder value by increasing shareholders' equity; and
d. to maintain a flexible capital structure which optimizes the cost of capital at acceptable levels of risk.

The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of its underlying assets. The Company maintains or adjusts its capital level to enable it to meet its objectives by:

(a) realizing proceeds from the disposition of its investments; and
(b) raising capital through equity financings.

The Company is not subject to any capital requirements imposed by a regulator.

The Company's management is responsible for the management of its capital. The Company's management expects that its current capital resources will be sufficient to discharge its liabilities for the next 12 months.

13. Financial Instruments

The Company has designated its cash and cash equivalents as fair value through profit or loss and marketable securities as investments in equity instruments measured at fair value through other comprehensive income. Accounts receivable are classified as loans and receivables, which are measured at amortized cost. Accounts payable and accrued liabilities are classified as financial liabilities measured at amortized cost.

The Company is exposed in varying degrees to a number of risks arising from financial instruments. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. Management's close involvement in the operations allows for the identification of risks and variances from expectations.

The Board approves and monitors the risk management process.

The types of risk exposure and the way in which such exposures are managed are as follows:

a) Credit risk

Credit risk is the risk of financial loss to the Company if counterparty to a financial instrument fails to meet its payment obligations. The Company's exposure to credit risk includes cash and cash equivalents. The risk exposure is limited to their carrying amounts at the date of the financial position statement. Cash and cash equivalents are maintained with financial institutions. The risk is mitigated because the financial institutions are major institutions with high credit ratings. Cash and cash equivalents include highly liquid money market instruments with original maturities of three months or less.

These instruments are readily convertible to known amounts of cash and are subject to an insignificant risk of change in value. As of March 31, 2026, the Company held a total of $655,923 in cash and cash equivalents, including high-interest savings accounts at competitive interest rates.

b) 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 manages its liquidity risk by actively forecasting, planning, reviewing and monitoring expenditures and commitments and anticipated financial requirements. Cash and cash equivalents on hand at March 31, 2026, and to date, are expected to be sufficient to fund the Company's ongoing operational needs for the next 12 months. As of March 31, 2026, the accounts payable were due between 30 and 60 days.

c) Market risk

Market risk is the risk that changes in market prices, such as oil, natural gas and mineral prices, foreign exchange rates and interest rates will affect the Company's income. The object of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on risk.

d) Commodity risk

The ability of the Company to develop its properties and the future profitability of the Company is directly related to the market price of certain minerals and oil and gas prices. The Company does not use derivative financial instruments to reduce its exposure to commodity price risk. As at March 31, 2026, the Company does not own any resource properties.

e) Currency risk

The Company is not exposed to the financial risk related to the fluctuation of foreign exchange rates. The Company operates only in Canada and all of its expenses are incurred in Canadian dollars.

f) Interest rate risk

The Company is not exposed to significant interest rate risks since all of its financial instruments can be quickly turned into cash, thus avoiding additional risks.