Paradigm
GOLD CORPORATION

Consolidated Financial Statements
Years Ended December 31, 2025 and 2024
(Expressed in Canadian Dollars)

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF PARADIGM GOLD CORPORATION (FORMERLY NICKELEX RESOURCE CORPORATION)

Opinion

We have audited the consolidated financial statements of Paradigm Gold Corporation and its subsidiaries (the "Company"), which comprise:

- the consolidated statements of financial position as at December 31, 2025 and 2024;
- the consolidated statements of comprehensive loss for the years then ended;
- the consolidated statements of changes in equity (deficit) for the years then ended;
- the consolidated statements of cash flows for the years then ended; and
- the notes to the consolidated financial statements, including material accounting policy information.

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

Basis for Opinion

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the consolidated financial statements, which indicates that the Company incurred a net loss of $109,657 during the year ended December 31, 2025 and, as of that date, the Company's current liabilities exceeded its current assets by $1,278,448. As stated in Note 1, these events, or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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

Other Information

Management is responsible for the other information. The other information comprises the information included in Management's Discussion and Analysis. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure, and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Company as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Karen Ka Yee Cheng.

Smythe LLP

Chartered Professional Accountants
Vancouver, British Columbia
April 29, 2026

Paradigm Gold Corporation
(An Exploration Stage Company)
Consolidated Statements of Comprehensive Loss
Years Ended December 31, 2025 and 2024
(Expressed in Canadian Dollars)

		Years ended	
	Note	**December 31, 2025**	December 31, 2024
		$	$
Consulting	**11**	**16,115**	13,989
Exploration and evaluation	**9,11**	**12,787**	6,669
Investor relations and corporate development	**11**	**26,589**	16,310
Office and general	**11**	**3,469**	2,508
Professional fees	**11**	**83,476**	73,068
Regulatory fees and taxes		**20,420**	27,164
Shareholders' communication		**1,260**	(1,282)
Transfer agent		**10,651**	4,362
		174,767	142,788
Foreign exchange		**(8,035)**	18,379
Gain on disposal of subsidiary	**13**	**(20,215)**	-
Gain on settlement of debt	**13**	**(39,318)**	-
Interest on short-term loans	**11**	**1,983**	-
Unrealized (gain) loss on marketable securities	**7**	**475**	(925)
Unrealized loss on other investments	**10**	**-**	1,449,998
		(65,110)	1,467,452
Loss and comprehensive loss for the year		**109,657**	1,610,240
Loss per share - basic and diluted		**0.01**	0.18
Weighted average number of shares outstanding - basic and diluted	**12**	**9,269,349**	9,020,308

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

Paradigm Gold Corporation

(An Exploration Stage Company)
Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)

	Note	December 31, 2025	December 31, 2024
		$	$
Assets			
Current			
Cash		**153,081**	3,569
Other receivables		**4,340**	743
Marketable securities	**7**	**1,525**	2,000
Prepaid expenses		**-**	1,000
		158,946	7,312
Non-current			
Reclamation bonds	**8**	**31,000**	12,000
Mineral properties	**9**	**-**	-
Other investments	**10**	**2**	2
		31,002	12,002
		189,948	19,314
Liabilities			
Current			
Account payable and accrued liabilities	**9, 13**	**732,701**	786,193
Due to related parties	**11**	**704,693**	556,810
		1,437,394	1,343,003
Shareholders' Deficit			
Share capital	**12**	**18,445,865**	18,262,802
Reserves		**49,869**	634,276
Deficit		**(19,743,180)**	(20,220,767)
		(1,247,446)	(1,323,689)
		189,948	19,314

Going Concern (Note 1)
Subsequent Event (Notes 9, 11 and 17)

APPROVED BY THE BOARD OF DIRECTORS

Lawrence Page (“signed”) **Director** *Brian McGrath (“signed”)* **Director**

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

Paradigm Gold Corporation

(An Exploration Stage Company)
Consolidated Statements of Changes in Equity (Deficit)
Years Ended December 31, 2025 and 2024
(Expressed in Canadian Dollars)

	Share capital	Share capital	Share-based payments reserve	Warrant reserve	Deficit	Total
	Number	**$**	**$**	**$**	**$**	**$**
Balance, December 31, 2023	**9,020,308**	**18,262,802**	**700,061**	**20,675**	**(18,696,987)**	**286,551**
Fair value of warrants expired	-	-	(65,785)	(20,675)	86,460	-
Net loss	-	-	-	-	(1,610,240)	(1,610,240)
Balance, December 31, 2024	**9,020,308**	**18,262,802**	**634,276**	**-**	**(20,220,767)**	**(1,323,689)**
Issued						
Private Placement	1,900,000	190,000	-	-	-	190,000
Share issue costs	-	(6,937)	2,837	-	-	(4,100)
Fair value of options expired	-	-	(330,429)	-	330,429	-
Fair value of warrants expired	-	-	(256,815)	-	256,815	-
Net loss	-	-	-	-	(109,657)	(109,657)
Balance, December 31, 2025	**10,920,308**	**18,445,865**	**49,869**	**-**	**(19,743,180)**	**(1,247,446)**

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

Paradigm Gold Corporation
(An Exploration Stage Company)
Consolidated Statements of Cash Flows
Years Ended December 31, 2025 and 2024
(Expressed in Canadian Dollars)

	December 31, 2025	December 31, 2024
	$	$
Operating activities		
Net loss	**(109,657)**	(1,610,240)
Items not involving cash		
Gain on disposal of subsidiary	**(20,215)**	-
Gain on settlement of debt	**(39,318)**	-
Interest on short-term loans	**1,983**	-
Unrealized foreign exchange	**-**	11,606
Unrealized loss on other investments	**-**	1,449,998
Unrealized (gain) loss on marketable securities	**475**	(925)
Changes in non-cash working capital		
Other receivables	**(3,597)**	2,137
Prepaid expenses	**1,000**	17,576
Accounts payable and accrued liabilities	**(14,174)**	46,509
Due to related parties	**103,400**	71,929
Cash used in operating activities	**(80,103)**	(11,410)
Investing activities		
Reclamation bond	**(19,000)**	-
Proceeds received on sale of subsidiary	**20,215**	-
Cash provided by investing activities	**1,215**	-
Financing activities		
Short-term related party loans received	**42,500**	-
Share subscriptions refunded	**-**	(22,000)
Shares issued for cash, net	**185,900**	-
Cash provided by (used in) financing activities	**228,400**	(22,000)
Increase (Decrease) in cash	**149,512**	(33,410)
Cash, Beginning of year	**3,569**	36,979
Cash, end of year	**153,081**	3,569

Supplemental cash flow information (Note 14)

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

1. Nature of Operations and Going Concern

Paradigm Gold Corporation (the "Company") was incorporated in Alberta on September 26, 1996, continued to the Yukon on May 8, 1997, and subsequently to British Columbia on February 22, 2008. On April 11, 2025, the Company effected a name change from Nickelex Resource Corporation and completed a capital consolidation of its issued and outstanding common shares on a one new share for ten old shares basis. All comparatives have been retrospectively updated as applicable. The Company's principal business activities include the acquisition, exploration, and development of natural resource properties for enhancement of value and disposition pursuant to sales agreements or development by way of third-party option and/or joint venture agreements. The Company's registered office is 1710 - 1177 West Hastings Street, Vancouver, British Columbia, Canada, V6E 2L3.

The business of exploring for minerals involves a high degree of risk and there can be no assurance that any of the Company's current or future exploration programs will result in profitable mining operations. The recoverability of amounts shown for mineral properties is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain financing to complete their exploration and development, and establish future profitable operations, or realize proceeds from their sale. The carrying value of the Company's mineral properties does not reflect present or future value.

These consolidated financial statements were 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. As of December 31, 2025, the Company had a working capital deficit of $1,278,448 (2024 - $1,335,691). The Company recognized a net loss of $109,657 for the year ended December 31, 2025 (2024 - $1,610,240) and had an accumulated deficit of $19,743,180 as of December 31, 2025 (2024 - $20,220,767).

As of December 31, 2025, the Company does not have sufficient capital to meet the requirements for its administrative overhead or maintaining its mineral interests. Future capital requirements will depend on many factors including the Company's ability to execute its business plan. In order to finance future activities, the Company will be required to issue further share capital through private placements and the exercise of options and warrants or obtain additional debt. There can be no assurance that such financing will be available to the Company and, therefore, a material uncertainty exists which casts significant doubt over the Company's ability to continue as a going concern. These Consolidated Financial Statements do not include the adjustments to assets and liabilities that would be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

The economic uncertainties around persistent inflation pressure and geopolitical events have the potential to slow growth in the global economy. Future developments in these challenging areas could impact on the Company's results and financial condition and the full extent of that impact remains unknown. However, as of December 31, 2025, the Company has not been significantly impacted by these matters.

2. Basis of Preparation and Consolidation

Statement of Compliance and Basis of Measurement

These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") using historical cost and the accrual basis, except for cash flow information and financial instruments measured at fair value.

2. Basis of Preparation and Consolidation, continued

Basis of Consolidation

These consolidated financial statements include the accounts of the Company and subsidiary entities over which the Company has control. Control exists when the Company is exposed to, or has the rights to, variable returns from its involvement with the entity and has the ability to affect those returns through the power over the entity. Subsidiary entities are fully consolidated from the date on which control is transferred to the Company and deconsolidated from the date that control ceases. Intercompany transactions, balances, income, and expenses on transactions between the Company's entities are eliminated upon consolidation.

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

The consolidated financial statements of the Company include the following entities controlled by the Company: Valterra Resource (US) Corporation, incorporated in the United States of America, and, up to February 27, 2025, Minera Reyterra S.A. de C.V, incorporated in Mexico (Note 13).

These consolidated financial statements were approved and authorized for issue by the Board of Directors on April 29, 2026.

3. Material Accounting Policies

Mineral Properties

All expenditures related to the acquisition of mineral properties are capitalized on a property-by-property basis, net of recoveries which are recorded when receivable, until these mineral properties are placed into commercial production, sold, or abandoned. If commercial production is achieved from a mineral property, the related mineral properties are tested for impairment and reclassified to mineral property in production. If a mineral property is sold or abandoned, the related capitalized costs will be expensed to profit or loss in that period. All expenditures related to the exploration and evaluation of mineral properties, net of recoveries which are recorded when receivable, are expensed to net loss in the period in which they are incurred.

From time to time, the Company may acquire or dispose of all or part of its mineral property interests under the terms of property option agreements. Options are exercisable entirely at the discretion of the optionee, and accordingly, option payments are recognized when paid or received. If recoveries are received and exceed the capitalized expenditure, the excess is reflected in profit or loss.

All capitalized mineral property costs are reviewed at each reporting date, on a property-by-property basis, to consider whether there are any conditions that may indicate impairment. If any such indication exists, the recoverable amount of the asset (or cash-generating unit) is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of the fair value less costs to sell and the value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. Management's assessment of a property's estimated fair market value may also be based upon a review of other property transactions that have occurred in the same geographic area as that of the property under review.

In assessing value in use, the estimated future pre-tax cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

3. Material Accounting Policies, continued

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. The amounts capitalized for mineral properties represent costs incurred to date less write downs and are not intended to reflect present or future values.

Provision for Reclamation Costs

The Company recognizes an estimate of the liability associated with statutory, contractual, constructive, or legal obligations associated with site closure and property retirement and/or costs in the period in which the liability is incurred if a reasonable estimate of fair value can be made. The Company assessed an estimate of the liability associated with statutory, contractual, or legal obligations associated with site closure and property retirement costs in the period in which the liability is incurred if a reasonable estimate of fair value can be made. The estimated fair value or present value of future cash flows is capitalized to the related mining acquisition assets with a corresponding increase in the rehabilitation provision in the period incurred. The capitalized amount will be depreciated on a unit-of-production basis over the estimated life of the ore reserve.

The amount of the provision will be increased each reporting period due to the passage of time, and the amount of accretion is charged to profit or loss. The provision can also increase or decrease due to changes in regulatory requirements, discount rates, and assumptions regarding the amount and timing of future rehabilitation expenditures. Any changes are recorded directly to the related mining assets with a corresponding change to the rehabilitation provision. Actual rehabilitation expenditures incurred are charged against the rehabilitation provision to the extent of the liability recorded. There were no provisions considered to be necessary as of December 31, 2025 or 2024.

Share Capital

Proceeds from the issue of units, consisting of common shares and share purchase warrants, are first allocated to common shares based on the quoted market value of the common shares at the time the units are issued, and the balance, if any, is allocated to the attached warrants. Share issue costs are netted against share proceeds prorated to common shares and share purchase warrants. In the event of modification of warrants issued as part of private placement units, no re-measurement adjustment is recognized within equity.

Share-based Payments

Share-based payments for employees are measured at the fair value of the instruments issued on the date of grant and share-based payments for non-employees are measured at either the fair value of the goods or services received or the fair value of the equity instrument issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded on the date the goods or services are received. Consideration received on the exercise of stock options and other equity instruments is recorded as share capital and the related fair value previously recorded is transferred from share-based payment reserve to share capital. Upon expiry or cancellation, related fair value previously recorded is transferred from share-based payment reserve to deficit.

Related Party Transactions

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

3. Material Accounting Policies, continued

Foreign Currency Translation

Amounts recorded in foreign currency are translated into Canadian dollars as follows:

- Monetary assets and liabilities, at the rate of exchange in effect as at the reporting date.
- Non-monetary assets and liabilities, at the exchange rates prevailing at the time of the acquisition of the assets or assumption of the liabilities.
- Revenues and expenses (excluding amortization, which is translated at the same rate as the related asset), at the exchange rates in effect on the date of the transaction.

Gains and losses arising from this translation of foreign currency are included in the determination of net loss.

Financial Instruments

IFRS Accounting Standards provide three different measurement categories for non-derivative financial assets – subsequently measured at amortized cost, fair value through profit or loss, or fair value through other comprehensive income – while all non-derivative financial liabilities are classified as subsequently measured at amortized cost, unless otherwise designated. The category into which a financial asset is placed, and the resultant accounting treatment is largely dependent on the nature of the business of the entity holding the financial asset. All financial instruments are initially measured at fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs.

<u>Financial assets</u>

The Company initially recognizes financial assets on the trade date, which is the date that the Company becomes a party to the contractual provisions of the financial instrument.

The Company derecognizes a financial asset when the contractual rights to the cash flow expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred. Any interest in such transferred financial assets that are created or retained by the Company is recognized as a separate asset or liability.

The Company classifies its financial assets as subsequently measured at amortized cost except for financial assets that do not meet the criteria to be recognized as subsequently measured at amortized cost or subsequently measured at fair value through other comprehensive income either from the Business Model test or from the sole payments of principal and interest test and are classified as fair value through profit or loss.

<u>Financial liabilities</u>

Financial liabilities are recognized initially at fair value; net transaction costs incurred and are subsequently measured at amortized cost. Any difference between the amounts originally received, net of transaction costs, and the redemption value is recognized in profit and loss over the period to maturity using the effective interest method. A financial liability is derecognized when the obligation under the liability is discharged, cancelled, or expires.

3. Material Accounting Policies, continued

Fair value

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments which are measured at fair value by valuation technique:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities;
Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly; and
Level 3: Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

Impairment of financial assets carried at amortized cost

At each reporting date the Company assesses whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that have occurred after the initial recognition of the asset and that event has an impact on the estimated future cash flows of the financial asset or the group of financial assets.

Future Accounting Standards

In April 2024, the IASB issued IFRS 18 – Presentation and Disclosure in Financial Statements ("IFRS 18") to replace IAS 1 – Presentation of Financial Statements. This standard focuses on updates to the statement of profit or loss, including: (a) the structure of the statement of profit or loss; (b) required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and (c) enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general. It will be effective for the Company for the annual period beginning January 1, 2027, and will be required to be applied retrospectively. The Company is currently assessing the effect of this new standard on its consolidated financial statements.

In May 2024, the IASB issued certain amendments to IFRS 7, Financial Instruments: disclosures and IFRS 9, Financial Instruments. The Company considers the amendments relating to the classification and measurement of financial instruments to be the amendments applicable to its financial statements. Under those amendments, an entity shall recognize a financial asset or financial liability on the date on which it becomes party to the contractual provisions of the instrument. A financial asset is derecognized on the date on which the contractual rights to the cash flows expire or the asset is transferred. Unless an entity elects to apply a permitted derecognition exemption, a financial liability is derecognized on the settlement date, which is the date on which the liability is extinguished because the obligation specified in the contract is discharged, cancelled, or expires or the liability otherwise qualifies for derecognition.

Under the liability derecognition exemption, an entity will derecognize a financial liability on the settlement date, when settling a financial liability (or part of a financial liability) in cash using an electronic payment system, an entity is permitted to deem the financial liability (or part of it) to be discharged before the settlement date if, and only if, the entity has initiated a payment instruction that resulted in:

(a) The entity having no practical ability to withdraw, stop or cancel the payment instruction;
(b) The entity having no practical ability to access the cash to be used for settlement as a result of the payment instruction; and
(c) The settlement risk associated with the electronic payment system being insignificant.

3. Material Accounting Policies, continued

These amendments to IFRS 7 and IFRS 9 are effective for the Company as of January 1, 2026. These amendments are to be applied retrospectively but are not required to restate prior periods. The Company does not currently anticipate these amendments to have a material impact on its consolidated financial statements.

Apart from the IFRS 7, 9 and 18 amendments noted above, other new standards or amendments to existing standards issued but which have not yet been applied by the Company based on the effective date are not currently expected to have a material impact on the Company's consolidated financial statements.

4. Significant Accounting Estimates and Judgments

The preparation of consolidated financial statements in conformity with IFRS Accounting Standards requires management to make estimates and judgments that affect the amounts reported in the consolidated financial statements. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances, and subject to measurement uncertainty. The effect on the consolidated financial statements of changes in such estimates in future reporting periods could be significant. Significant estimates and areas where judgment is applied that have significant effect on the amount recognized in the financial statements include:

Going concern

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay for its ongoing operating expenditures, meet its liabilities for the ensuing year, and to fund planned and contractual exploration programs, involves significant judgment based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. The factors considered by the Company include, among other things, the Company's cash position on December 31, 2025, its projected exploration and general operating costs, its ability to raise financing, and its intention to continue operating the Company.

Investments in privately held companies

The fair value of any shares which are not listed or traded on a stock exchange are originally recorded at cost. After the initial transaction, adjustments are made to reflect any changes in value as a result of an independent third-party transaction. Downward adjustments to the carrying values are also made when there is evidence of a decline in value, as indicated by an assessment of the financial condition of the investment based on operational results, forecasts, and other developments.

5. Financial Instruments

The Company's financial instruments include cash and reclamation bonds which are classified as financial assets measured at amortized cost, marketable securities and other investments which are classified as financial assets measured at fair value through profit or loss and accounts payable, accrued liabilities, due to related parties and other liabilities, which are classified as financial liabilities measured at amortized cost. Marketable securities and other investments were categorized, respectfully, as Level 1 and Level 3 within the fair value hierarchy. All other instruments approximate their fair values due to the short period to maturity.

The Company's financial instruments are exposed to certain financial risks, including credit risk, liquidity risk, and market risks, which comprise interest rate risk, currency risk, and other price risk. The Company's exposure to the other risks and its methods of managing these risks are summarized as follows:

5. Financial Instruments, continued

Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge its contractual obligations. The Company is exposed to credit risk with respect to managing its cash and cash equivalents. The Company's risk management policies require significant cash deposits, or any short-term investments be invested with Canadian chartered banks rated BBB or better. All investments must be less than one year in duration. The maximum exposure to credit risk is the carrying value of the Company's cash and cash equivalents.

Liquidity Risk

Liquidity risk is the risk that the Company will be unable to meet financial obligations as they fall due. The Company's approach to managing liquidity risk is to provide reasonable assurance that it will have sufficient funds to meet liabilities when due by forecasting cash flows for operations, anticipated investing, and financing activities and through management of its capital structure.

As of December 31, 2025, all financial liabilities are either due immediately or have contractual maturities of less than 90 days and, as of that date, the Company had a working capital deficit of $1,278,448 (2024 - $1,335,691). The Company does not have sufficient resources to meet requirements for administrative overhead, maintaining its mineral interests and continuing with its exploration programs in the following twelve months. The Company will be required to raise additional capital in the future to fund its operations.

Interest Rate Risk

Interest rate risk is the risk that future cash flows or fair values will fluctuate as a result of changes in market interest rates. The Company is not exposed to material interest rate risk.

Currency Risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is exposed to currency risk to the extent expenditures incurred, funds received, and balances maintained by the Company are denominated in currencies other than the Canadian dollar (primarily US dollars). The Company does not manage currency risks through hedging or other currency management tools. Therefore, the Company is exposed to currency risk to the extent of a strengthening or weaking of the Canadian dollar against other foreign currencies.

As of December 31, 2025, the Company had net liabilities of $182,385 (2024 - $230,712) (Canadian dollar equivalent) exposed to changes in foreign exchange rates. Based on this exposure as at December 31, 2025, a 5% change (2024 - 5%) in exchange rates could give rise to a change in foreign exchange of approximately $9,000 (2024 - $11,500).

Other Price Risk

Other price risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company is exposed to material other price risk with respect to its investments that presently are not listed or traded upon a stock exchange. The maximum exposure to other price risk is the carrying value of the investments.

6. Capital Management

The Company's capital includes components of deficit or equity. The Company's objectives in managing its capital are to maintain the ability to continue as a going concern and to continue to explore the Company's mineral properties for the benefit of its stakeholders. To effectively manage the Company's capital requirements, the Company has a planning and budgeting process in place setting out the expenditure required to meet its strategic goals. The Company compares actual expenses to budget on all exploration projects and overhead to manage costs, commitments, and exploration activities. As the Company is in the exploration stage, its operations have been substantially funded by the issuance of equity instruments and short-term debt. The Company will continue to rely on equity issuances and short-term debt for future funding depending upon market and economic conditions at the time.

There have been no changes in the Company's approach to capital management during the year ended December 31, 2025.

7. Marketable Securities

The Company owns 5,000 common shares of Eminent Gold Corp. (EMNT.V) with a fair value of $1,525 (2024 - $2,000). During the year ended December 31, 2025, the Company recognized an unrealized loss of $475 (2024 - unrealized gain of $925) with respect to this investment.

8. Reclamation Bonds

The Company has posted non-interest-bearing reclamation bonds against any potential land restoration costs that may be incurred in the future. The funds are held in trust and may be released after required reclamation is satisfactorily completed.

As at December 31, 2025, amounts on deposit were $31,000 (2024 - $12,000) relating to Swift Katie.

9. Mineral Properties

Mineral property acquisition costs were $nil as of December 31, 2025 and 2024.

During prior periods, management considered the ability of the Company to raise sufficient financing to be an indicator of impairment, leading to a test of recoverable amount. A value-in-use calculation was not applicable as the Company did not have any expected cash flow from using the properties at this stage of operations. In estimating the fair value, less costs of disposal, management did not have observable or unobservable inputs to estimate the recoverable amount greater than $nil and therefore recorded an impairment provision in accordance with Level 3 of the fair value hierarchy at that time.

Swift Katie, British Columbia

The property is located near Salmo, British Columbia and is subject to a 3% net smelter royalty ("NSR") of which the Company has the option to purchase one-half (1.5%) for $1,000,000 per 1% and the option to purchase a further one-sixth (0.5%) for an additional $1,500,000 at any time prior to the commencement of commercial production.

Beginning December 31, 2010 and annually thereafter, the Company is required to make an annual advance minimum royalty ("AMR") payment of $50,000. These payments are adjusted annually according to the Consumer Price Index base of December 31, 2006 and are deductible from future NSR payments (Note 17).

In addition to the NSR and the AMR, if the Company completes a positive feasibility study, the Company will issue 2,500 common shares to the optionors and if the Company achieves commercial production, the Company will issue 5,000 common shares to the optionors.

(Expressed in Canadian Dollar)

9. Mineral Properties, continued

Thompson Nickel Belt, Manitoba

On October 13, 2023, the Company signed a definitive agreement with CanAlaska Uranium Ltd. (“CanAlaska”) to earn up to an 80% interest in the contiguous Strong, Strong Extension, Moak North and Wilson Mineral Exploration Licenses in the Thompson Nickel Belt, Manitoba. On November 5, 2025, the Company gave notice of termination of the agreement.

Weepah, Nevada, USA

With respect to a terminated option agreement, a contractual obligation remains outstanding of $137,405 (US$98,750) (2024 - $142,053 (US$98,750)) and is included in accounts payable and accrued liabilities.

Exploration and Evaluation Expenditures

Exploration and evaluation expenditures for the years ended December 31, 2025 and 2024 were:

		Swift Katie	**Total**	**Total**
	$	$	**$**	$
	2025	2024	**2025**	2024
Equipment rental, supplies	**9,600**	-	**9,600**	-
Project Supervision	**2,163**	2,073	**2,163**	2,073
	11,763	2,073	**11,763**	2,073
General			**1,024**	4,596
			12,787	6,669

Environmental

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters. The Company may also be held liable should environmental problems be discovered that were caused by former owners and operators of its properties and properties in which it has previously had an interest.

The Company conducts its mineral exploration activities in compliance with applicable environmental protection legislation. The Company is not aware of any existing environmental problems related to any of its current or former properties that may result in material liability to the Company. Environmental legislation is becoming increasingly stringent, and costs and expenses of regulatory compliance are increasing. The impact of new and future environmental legislation on the Company’s operations may cause additional expenses and restrictions. If the restrictions adversely affect the scope of exploration and development on the mineral properties, the potential for production on the properties may be diminished or negated.

(Expressed in Canadian Dollar)

9. Mineral Properties, continued

Title to Mineral Properties

Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyance history of many mineral properties.

The Company has investigated title to its mineral property interests in accordance with industry standards for the current stage of exploration of such properties and, to the best of its knowledge, title to its properties is in good standing; however, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements or transfers, and title may be affected by undetected defects.

Realization of Assets

Realization of the Company's investment in mineral properties is dependent upon the establishment of legal ownership, the obtaining of permits, the satisfaction of governmental requirements, the attainment of successful production from the properties, or from the proceeds of their disposal. The attainment of commercial production is in turn dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of the property interest, and upon future profitable production.

10. Other Investments

The Company owns 4,000,000 common shares of Pilar Gold Inc. ("Pilar"), a non-publicly traded company. On August 1, 2023, the Company received 500,000 common shares of Laiva Gold Inc. ("Laiva"), a non-publicly traded company, as a result of a spin out of certain property held in Pilar at a fair value of $0.50 per share, representing a value of $250,000.

Other investments as of December 31, 2025 and 2024 were:

	Pilar Gold **$**	**Laiva Gold** **$**	**Total** **$**
Balance, December 31, 2023	1,200,000	250,000	1,450,000
Unrealized loss	(1,199,999)	(249,999)	(1,449,998)
Balance, December 31, 2024	1	1	2
Balance, December 31, 2025	**1**	**1**	**2**

All investments are classified as FVTPL and are recorded at estimated fair value. Management was unable to obtain detailed representations from management of Pilar or Laiva and limited independent information is available in the public domain to assess fair value of these investments. Therefore, during the year ended December 31, 2024, the Company recorded an unrealized fair value investment loss in accordance with Level 3 of the fair value hierarchy of $1,199,999 against Pilar and $249,999 against Laiva.

11. Related Party Balances and Transactions

Related party transactions are in the normal course of operations and have been measured at the exchange amount of consideration agreed between the related parties. Except as disclosed elsewhere, the Company entered into the following related party transactions with amounts due to related parties being unsecured, non-interest-bearing, and with no formal terms of repayment:

(Expressed in Canadian Dollar)

11. Related Party Balances and Transactions, continued

(a) Fees were charged by Manex Resource Group Inc., a company indirectly controlled by Killian Ruby, a director of the Company, as follows:

- $8,317 (2024 - $24,653) for professional services;
- $10,005 (2024 - $10,670) for Chief Financial Officer services;
- $13,715 (2024 - $219) for consulting services;
- $25,988 (2024 - $15,901) for corporate development services;
- $2,187 (2024 - $4,079) for geological services; and
- $302 (2024 - $176) for mark-up on out-of-pocket expenses.

Amounts payable as of December 31, 2025 were $426,436 (2024 - $360,886).

(b) Fees were charged by Malaspina Consultants Inc., a company indirectly controlled by Killian Ruby, a director of the Company, as follows:

- $12,073 (2024 - $nil) for professional services;
- $13,618 (2024 - $nil) for Chief Financial Officer services; and
- $480 (2024 - $nil) for office expenses.

Amounts payable as of December 31, 2025 were $27,667 (2024 - $nil).

(c) Fees in the amount of $nil (2024 - $4,000) were charged by Graham Thatcher, a former officer of the Company, for Chief Financial Officer services. Amounts payable as of December 31, 2025 were $9,450 (2024 - $9,450).

(d) Legal fees in the amount of $12,100 (2024 - $4,800) were charged by, or accrued to, Page Law Corporation, a company controlled by Arie Page, an officer of the Company. Fees are included in professional fees, mineral property acquisition or exploration expenditures or share issue costs where applicable. Amounts payable as of December 31, 2025 were $33,821 (2024 - $21,721).

(e) Amounts payable related to historical legal fees charged by Aspen West Investments Inc. (formerly Page Law Corporation) and Lawrence Page K.C. Law Corporation, companies controlled by Lawrence Page, a director of the Company, as of December 31, 2025, were $123,396 (2024 - $123,396).

(f) Amounts payable related to prior year geological consulting services charged by Joseph A. Kizis, Jr., a director of the Company, as of December 31, 2025, were $39,440 (US$28,750) (2024 - $41,357 (US$28,750)).

Key management personnel are the persons responsible for planning, directing, and controlling the activities of an entity, and include the chief executive officer, chief financial officer, and directors. The Company has no long-term employee or post-employment benefits.

A summary of compensation awarded to key management, was as follows:

	December 31, 2025 $	December 31, 2024 $
Short-term benefits	23,623	14,670
	23,623	14,670

11. Related Party Balances and Transactions, continued

During the year ended December 31, 2025, the Company entered into on demand loan agreements with Advocate Services Ltd., a company controlled by Lawrence Page, a director of the Company, for a total of $22,500, and Malaspina Consultants Inc., a company indirectly controlled by Killian Ruby, a director of the Company, for a total of $20,000. The loans bear interest at a rate of prime plus 2% per annum and are secured by promissory notes issued by the Company.

Total interest accrued for the year ended December 31, 2025 was $1,983 and loan amounts outstanding as at December 31, 2025 were $23,394 due to Advocate Services Ltd. and $21,089 due to Malaspina Consultants Inc. The carrying value of these loans approximate their fair value due to their on-demand nature. On March 27, 2026, these loans, plus accrued interest, were repaid.

12. Share Capital

(a) Authorized

Unlimited number of common shares without par value and an unlimited number of preferred shares without par value. On April 11, 2025, the Company completed a capital consolidation of its issued and outstanding common shares on a one new share for ten old shares basis. All comparatives have been retrospectively updated as applicable.

(b) Financing

On November 12, 2025, the Company closed the first tranche of a non-brokered private placement by issuing 1,500,000 units at a price of $0.10 per unit for gross proceeds of $150,000. On December 11, 2025, the Company closed the final tranche of this private placement by issuing 400,000 units at a price of $0.10 per unit for gross proceeds of $40,000. Each unit consisted of one common share and one-half of one warrant whereas each whole warrant entitles the holder thereof to purchase one common share for a period of 3 years at an exercise price of $0.15 per common share.

In connection with the first tranche financing, the Company issued 30,000 finders' warrants, with each finder's warrant exercisable to purchase one common share for a period of 3 years at an exercise price of $0.15 per common share, with a fair value of $2,837.

The Company also incurred cash finders' fees and other ancillary issue costs totalling $4,100.

(c) Other

As at December 31, 2023, subscription proceeds totaling $22,000 were included in other liabilities with respect to two private placements that subsequently expired. During the year ended December 31, 2024, the Company returned all subscription proceeds.

(c) Stock Options

The Company has a rolling stock option plan (the "Plan") allowing for the reservation of common shares issuable under the Plan to a maximum of 10% of the number of issued and outstanding common shares of the Company at any given time. The term of stock options granted under the Plan may not exceed ten years and the exercise price may not be less than the closing price of the Company's shares on the last business day immediately preceding the date of grant, less any permitted discount. On an annual basis, the Plan requires approval by the Company's shareholders and submission for regulatory review and acceptance.

(Expressed in Canadian Dollar)

12. Share Capital, continued

(c) Stock Options, continued

Stock options outstanding and exercisable as of December 31, 2025 were:

	Number of options	Weighted average exercise price (per share)	Weighted average remaining life (years)
Balance, December 31, 2023	890,000	$0.76	3.33
Balance, December 31, 2024	890,000	$0.76	2.32
Expired	(495,000)	$0.97	
Balance, December 31, 2025	**395,000**	**$0.50**	**2.80**

Expiry date	Exercise price	Remaining life (years)	Options Outstanding
October 17, 2028	$0.50	2.80	365,000
November 1, 2028	$0.50	2.84	30,000
			395,000

The weighted average fair value of stock options expired was $0.67 (2024 - $nil).

(d) Share Purchase Warrants

Share purchase warrants outstanding as of December 31, 2025 were:

	Number of warrants	Weighted average exercise price (per share)	Weighted average remaining life (years)
Balance, December 31, 2023	4,122,240	$1.00	0.77
Expired	(3,322,240)	$1.00	
Balance, December 31, 2024	800,000	$1.00	0.81
Issued	980,000	$0.15	
Expired	(800,000)	$1.00	
Balance, December 31, 2025	**980,000**	**$0.15**	**2.88**

Expiry date	Exercise price	Remaining life (years)	Warrants Outstanding
November 12, 2028	$0.15	2.87	750,000
November 12, 2028	$0.15	2.87	30,000
December 11, 2028	$0.15	2.95	200,000
			980,000

The weighted average fair value of share purchase warrants expired was $0.32 (2024 - $0.17).

(Expressed in Canadian Dollar)

12. Share Capital, continued

(e) Fair Value Determination

The weighted average fair value of finders' warrants issued was $0.09 (2024 - $nil). Fair value was estimated using the Black-Scholes option pricing model with the following weighted average assumptions: risk-free rate - 2.44%; expected volatility - 230.22%; expected life in years - 3; and expected dividend yield - 0.00%. Expected stock price volatility was derived from an average volatility based on historical movements in the closing prices of the Company's stock for a length of time equal to the anticipated life expectancy of the warrants. The risk-free rate of return is the yield on a zero-coupon Canadian Treasury Bill of a term consistent with the assumed warrant life. The expected average warrant term is the average expected period to exercise, based on historical activity patterns. The expected dividend rate is estimated at 0.00% as the Company does not have a history of issuing and paying dividends.

(f) Diluted Loss per Share

Excluded from the calculation of diluted loss per share were 395,000 stock options and 980,000 share purchase warrants (2024 - 890,000 stock options and 800,000 share purchase warrants), that could potentially dilute basic earnings per share in the future but were not included as being antidilutive for each of the years ending December 31, 2025 and 2024.

13. Disposal of Subsidiary

On February 27, 2025, the Company entered into a share purchase agreement with Southern Silver Exploration Corporation ("Southern"), a company with common directors and officers, whereby the Company sold 49,999 shares of Minera Reyterra, S.A. de C.V. ("Reyterra"), a Mexican dormant non-trading subsidiary of the Company to Southern, for the sum of US$14,000 ($20,215). As the carrying value of Reyterra's net assets was nil at the date of disposal, the consideration received of $20,215 was recognized entirely as a gain on disposal.

In conjunction with the share purchase agreement, certain vendors of Reyterra agreed to forgo US$27,333 ($39,318) of accounts payable and a gain on settlement of debt of $39,318 was recognized.

14. Supplemental Cash Flow Information

	December 31, 2025	December 31, 2024
	$	$
Cash:		
Interest paid	-	-
Financing Activities:		
Fair value of warrants expired	256,815	86,460
Fair value of warrants issued	2,837	-
Fair value of options expired	330,429	-

(Expressed in Canadian Dollar)

15. Income Tax

A reconciliation of the income tax expense computed at statutory rates to the reported loss before taxes is as follows:

	December 31 2025	December 31 2024
Statutory tax rate	**27%**	27%
	$	$
Loss for the year	**(109,657)**	(1,610,240)
Income tax at statutory rate	**(29,607)**	(434,765)
Permanent differences	**214,036**	387,286
Other	**155**	28
Change in timing differences	**(428,570)**	185,441
Unused tax losses and tax offsets not recognized	**243,986**	(137,990)
	-	-

The Company's unrecognized deductible temporary differences and unused tax losses for which no deferred tax asset is recognized consist of the following amounts:

	December 31 2025	December 31 2024
	$	$
Non-capital losses	**7,409,341**	7,248,284
Capital losses	**1,733,114**	1,340,157
Marketable securities	**813**	575
Share issue costs	**3,768**	5,094
Mineral properties	**2,028,519**	2,036,444
Income tax credits	**21,432**	21,432
Equipment	**29,417**	29,417
	11,226,404	10,681,403

The Company has Canadian unrecognized non-capital losses totaling approximately $7,350,000 that expire between 2026 and 2045 and approximately US$43,000 in unrecognized US non-capital losses available to carry forward indefinitely that do not expire.

16. Segmented Information

The Company has one operating segment, the acquisition and exploration of mineral properties. As of December 31, 2025, the Company's non-current assets were located in Canada ($31,000), Brazil ($1), and Finland ($1) (2024 - Canada ($12,000), Brazil ($1), and Finland ($1)).

17. Events after the Reporting Period

Other than disclosed elsewhere, the following occurred subsequent to December 31, 2025:

- On February 24, 2026, the Company closed a non-brokered private placement by issuing 2,000,000 non-flow-through units ("NFT units") at a price of $0.125 per unit for gross proceeds of $250,000 and 1,803,466 flow-through units ("FT units") at a price of $0.15 per unit for gross proceeds of $270,520.

17. Events after the Reporting Period, continued

Each NFT unit consisted of one non-flow-through common share and one-half of one warrant and each FT unit consisted of one flow-through common share and one-half of one warrant whereas each whole warrant entitles the holder thereof to purchase one non-flow-through common share for a period of 3 years at an exercise price of $0.15 per common share.

In connection with the financing, the Company issued 73,800 finders' warrants, with each finder's warrant exercisable to purchase one common share for a period of 3 years at an exercise price of $0.15 per common share. The Company also incurred cash finders' fees of $9,225.

- On March 18, 2026, the Company entered into a debt settlement agreement to settle unpaid AMR payments from December 31, 2021 to 2025 by the issuance of 2,857,769 common shares. On April 17, 2026, the shares were issued with a total fair value of $357,221 (Note 9).