

GUARDIAN EXPLORATION INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEARS ENDED DECEMBER 31, 2025 and 2024

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MANAGEMENT'S DISCUSSION AND ANALYSIS

The following management's discussion and analysis ("MD&A") should be read in conjunction with Guardian Exploration Inc.'s ("Guardian" or the "Corporation") audited financial statements as at and for the years ended December 31, 2025 and 2024 (the "audited financial statements") and the notes thereto. The financial data presented herein, including comparative periods, have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). All dollar amounts are referenced in Canadian dollars.

The commentary is as of February 27, 2026. The reader should be aware that historical results are not necessarily indicative of future performance.

Additional information about the Corporation, filed with the Canadian securities commissions, including periodic yearly and quarterly reports, is available online at www.sedarplus.ca.

FORWARD LOOKING STATEMENTS

Certain of the statements set forth under "Management's Discussion and Analysis" including statements which may contain words such as "could", "expect", "believe", "will" and similar expressions and statements relating to matters that are not historical facts, are forward-looking and are based upon the Corporation's current belief as to the outcome and timing of such future events. There are numerous risks and uncertainties, certain of which are beyond Guardian's control, including: the impact of general economic conditions in Canada and the United States, industry conditions, changes in laws and regulations including the adoption of new environmental laws and regulations and changes in how they are interpreted and enforced, increased competition, the lack of availability of qualified personnel or management, fluctuations in foreign exchange or interest rates, stock market volatility and market valuations of companies with respect to announced transactions and the final valuations thereof, and obtaining required approvals of regulatory authorities. Guardian's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurances can be given that any of the events anticipated by the forward-looking statements will transpire or occur.

NATURE OF OPERATIONS

Guardian Exploration Inc. was incorporated in Alberta as Guardian Resources Inc. on March 27, 2001. On May 14, 2001, Guardian changed its name to Guardian Exploration Inc., and it obtained Extra-provincial Registration in British Columbia on September 22, 2001. On April 21, 2006, Guardian amalgamated with Resilient Resources Ltd., a public company listed on the TSX Exchange. The amalgamated company continued under the name Guardian Exploration Inc.

The Corporation is engaged in the exploration and development of oil, natural gas and mineral properties in Western North America. The Corporation's registered office is 1250, 639 – 5th Avenue SW, Calgary, Alberta, Canada and the principal place of business is 538 Hurricane Drive, Calgary, Alberta, Canada, T3Z 3S8. The Corporation is listed on the TSX Venture Exchange under the trading symbol "GX" as well as on the Frankfurt Exchange (Frankfurt: R6B) and the OTCQB marketplace (OTC: GXUSF).

All amounts are reported in Canadian dollars unless otherwise indicated.

CORPORATE UPDATE

For the year ended December 31, 2025, the Corporation reported a net loss of \$2,730,726 (2024 - \$554,649), and negative cash flows from operations of \$870,790 (2024 - \$563,311) and as at December 31, 2025, the Corporation had a working capital deficiency of \$2,058,076 (2024 - \$1,585,005). These conditions indicate the existence of a material uncertainty which may cast significant doubt related to the Corporation's ability to continue as a going concern. If the going concern assumption is not appropriate, adjustments may be necessary to the carrying amounts and classification of the Corporation's assets and liabilities. These financial statements do not reflect adjustments that would be necessary if the going

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concern basis was not appropriate. Consequently, adjustments would then be necessary to the carrying value of assets and liabilities, the expenses and the statement of financial position classifications used. Such adjustments could be material.

On April 30, 2025, the Corporation completed the acquisition of a 100% interest in the mineral rights and exploration data associated with the 9,415-hectare Sundog gold project, located in the Kivalliq Region, Nunavut (the "Sundog Property"), previously owned by New Break Resources Ltd. ("New Break"). The acquisition also included 60 drums of JetA fuel located in Arviat, Nunavut (together, the "Assets"). The Corporation assessed the acquisition and determined it to be an asset acquisition as it did not meet the definition of a business under IFRS 3 - Business Combinations. See Material Transactions below.

As consideration for the Assets, the Corporation issued 5,000,000 common shares to New Break at \$0.085 per common share, paid \$75,000 in cash, and reimbursed \$18,830 of 2024–2025 annual rent related to the Sundog Property. The Corporation has assumed all obligations under the Inuit Owned Lands Mineral Exploration Agreement, including annual exploration expenditure requirements and annual rent payments to Nunavut Tunngavik Incorporated.

In connection with the acquisition, the Corporation granted New Break an option to acquire a 20% interest in the Sundog project for \$1, carried through to a decision to mine. Upon exercise, the parties will enter into an industry standard joint venture agreement on mutually agreed terms, at which time the Corporation shall be responsible for 80% of mine development costs. New Break may sell its 20% interest at any time, subject to the Corporation's right of first refusal to purchase New Break's 20% interest.

On August 20, 2025, the Corporation staked a 100% interest in nine claim blocks to the east of South Henik Lake in the Kivalliq Region, Nunavut, comprising 844 claim units and a total area of 16,282.05 ha.

On August 21, 2025, the Corporation acquired certain exploration data from New Break relating to the Esker gold project and surrounding areas in Kivalliq, Nunavut (the "Acquired Data"). In consideration for the Acquired Data, the Corporation issued 1 million common shares to New Break at \$0.145 per common share and made a cash payment of \$20,000.

In September 2025, the Corporation commenced a work program related to the Sundog Property and it announced results of the work program on November 12, 2025 (see Sundog Property below).

During the years ended December 31, 2025 and 2024, all of the Corporation's oil and gas wells remained shut-in.

ASSETS OF THE CORPORATION

The Corporation's major asset is its investment in mineral properties. As at December 31, 2025, the Corporation's investment in mineral properties totaled \$1,074,459.

SUNDOG PROPERTY

On November 12, 2025, the Corporation announced the successful completion of its 2025 field program at the Sundog Gold Project in the Kivalliq Region of Nunavut including a report of significant gold assay results.

Guardian's Sundog property spans 94.15 km² (23,265 acres) within the central Ennadai–Rankin Archean greenstone belt, a major Neoarchean supracrustal complex comprising volcanoclastics, mafic volcanic flows, and clastic sedimentary units that were later deformed by Paleoproterozoic shear zones. Guardian's Sundog and Esker Gold projects lie within the Central Hearne domain of the Hearne Craton, part of the Western Churchill Province of the Canadian Shield—an area that preserves one of the world's largest and most prospective Archean greenstone terranes.

The Ennadai–Rankin greenstone belt covers more than 100,000 km² (38,610 sq. miles) and represents both a regionally extensive stratigraphic package and a major gold metallotect. It hosts several significant

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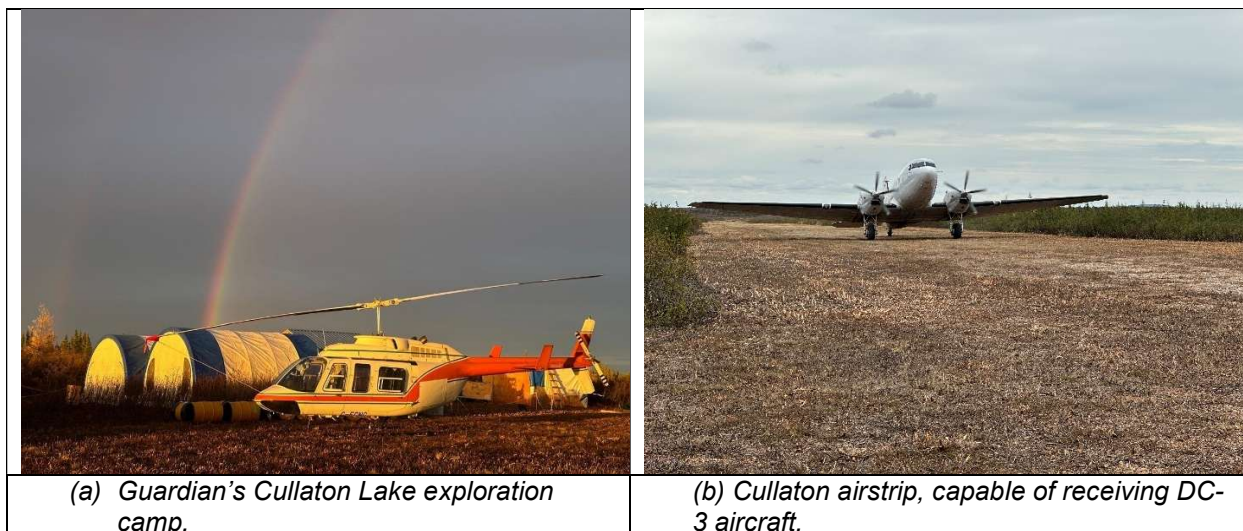
deposits and gold-bearing systems, most notably the world-class Meliadine mine, which has produced more than 2 million ounces of gold and contains an additional 7+ million ounces in reserves and resources (Agnico Eagle, 2024).

Additionally, the region includes the historic Cullaton Lake mine, located near the Shear Lake deposit. The Cullaton operation produced approximately 200,000 ounces of gold during its years of activity in the early to mid-1980s (1981–1985), further underscoring the gold endowment of the Central Hearne domain.

Within this geological context, the Sundog Gold Project is underlain by Archean volcanic and sedimentary rocks of the Henik Group, which are unconformably overlain by Hurwitz Group sediments—an architecture typical of productive gold-bearing greenstone terranes across the Canadian Shield.

The 2025 Sundog field program was conducted from September 1 to October 7, 2025, comprising geological mapping, structural interpretation, trenching, prospecting, and grid establishment across the northern portion of the property. A total of 248 rock samples were collected within the Sundog project area for analysis, including 86 cut channel samples from historic trenches 8, 9B, 10, 17 and 29. The program successfully confirmed multiple gold-bearing structures and expanded the known footprint of mineralization.

Guardian established a 10-12 person field camp at the Cullaton lake airstrip, adjacent to the historic Cullaton Lake mine, and located 18km SW of the Sundog exploration area, which will be used for planned 2026 field work. The airstrip was used in 2025 for landing DC-3 fixed wing aircraft, and historically has served larger cargo planes.

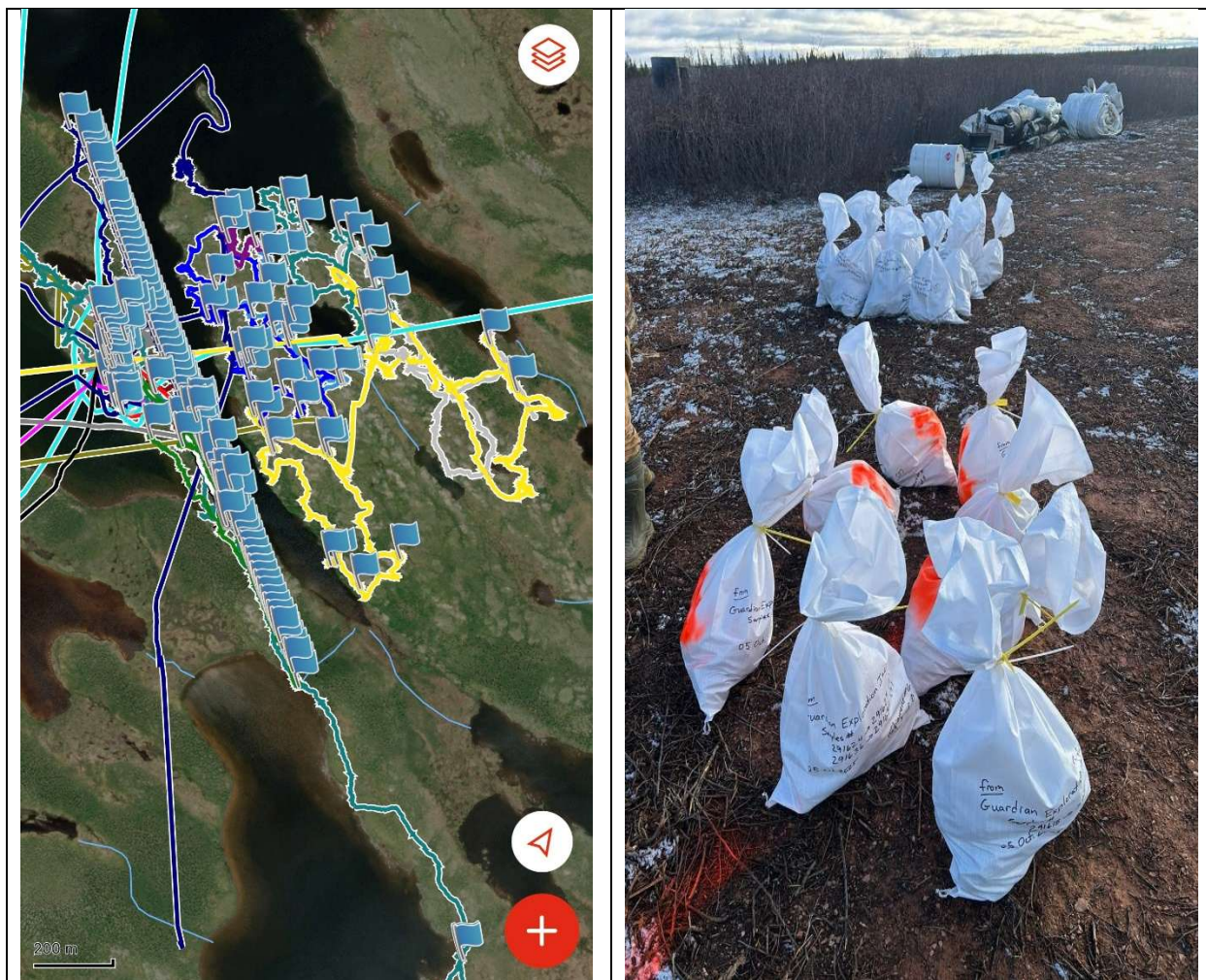


The following reports the results of the Sundog field program. Guardian did not undertake work to establish the existence of any mineral resources or mineral reserves as defined by National Instrument 43-101 and none are reported herein. It is uncertain if future exploration will result in definition of mineral resources or mineral reserves.

The Sundog gold occurrence was first discovered in 1962. Subsequent follow-up work by Abermin Corporation in the Fall of 1987 included a one-month field program of detailed geological mapping of a gridded area, Very Low-Frequency (“VLF”) ground geophysics, a humus geochemical survey and a program of excavation and mapping of 38 hand trenches, 27 of which were sampled and assayed.

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As part of Guardian's 2025 field work program all historical trenches from 1987 Sundog work programs were relocated with the objective of confirming historical work and observations, as well as resampling of significant gold-bearing intervals within historical trenches. Three new trenches were excavated and sampled (9B, 40 and 41) and 9 historical trenches were re-excavated, enlarged, and sampled (8, 9, 10, 11, 12, 17, 29, 30 and 31). Numerous grab and channel samples returned >10 g/t Au, with peak values up to 34.45 g/t Au.



(c) Sundog traverse, baseline, and sample sites.

(d) Samples prepped for transport.

Two significant conclusions from a brief report produced by Scott Anderson, Ph.D., P.Geo., following a site visit from Sept 18 – 22, include:

- Gold-bearing veins at Sundog are mainly hosted in competent mafic–intermediate intrusive sills with weak to negligible ductile fabrics, indicating that competency contrast likely focused quartz veining and mineralization. These sills form shallowly east- and northeast-dipping structural panels, suggesting exploration potential at depth to the east or along strike to the north and south.
- Veins are primarily associated with steep NNE–SSW brittle-dominant structures, but the presence of shallow, low-angle ductile fabrics and high-strain zones indicates additional potential for flat-lying mineralized zones, either within fractured favourable rock sheets or along flat-lying high-strain zones.

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Broad zones of anomalous mineralization (>0.5 g/t Au) have been identified in quartz–carbonate–sulphide veining hosted within dominantly metavolcanic rocks and possible fine-grained gabbro sills, as reinterpreted from earlier mapping. Further work in 2026 will be required to confirm these lithological relationships.

Panning of soils and weathered bedrock from trench and historical sample sites confirmed the presence of coarse, recoverable gold, consistent with gold reported in prior exploration by Abermin Corporation (1987) and subsequent programs by other operators.



(e) Gold grains recovered from Sundog Trenches.

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(f) Visible gold in cut channel sample 291634. Pencil indicated location of gold grain.

Initial grab sampling included 162 samples of quartz vein and mafic volcanic wall rock from float, outcrop and trenches. Significant grab/chip sample results are presented in Table 1 below. Note that grab/chip samples are selective in nature and may not represent the overall grade or width of mineralization.

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Table 1: Significant Grab / Chip Sample Results

Sample Number	Location	2025 Result by Photonassay (g/t Au)	Overlapping/Adjacent 1987 Chip/Grab Sampling Results
29501	South of Trench 29; Grab/ Float (source unknown)	6.041	
291579	Trench 8; Discont. chip from 12cm vein	2.339	KR-SD-87207; 2.958 g/t Au from metallic screen assay.
291587	Trench 9; Discont. chip from 10cm vein	5.726	
291590	Trench 9; 20-25cm discont. chip of altered mafic volcanic	1.242	KR-SD-87293; 16.787 g/t Au from metallic screen assay.
291591	Trench 10; Discont. chip from 35cm QV and altered mafic volcanic	3.994	KR-SD-87271; 7.996 g/t Au from metallic screen assay.
291592	Trench 10; Discont. chip from 15cm quartz vein	20.177	
291593	Trench 10; Discont. chip from 10-12cm quartz vein	34.45	KR-SD-87275; 4.12 g/t Au from metallic screen assay.
291594	Trench 10; Discont. chip; from 15cm quartz vein	0.722	
291596	Trench 10; Discont. chip; from 10cm quartz vein	0.112	KR-SD-87273; 38.54 g/t Au from metallic screen assay.
291597	Trench 10; Discont chip over 30cm x 30cm area of QV stockwork and mafic volcanic	22.231	
291600	Trench 10; Discont. chip; from 15cm quartz vein	21.536	KR-SD-87313; 4.37 g/t Au from metallic screen assay.
291706	Trench 17; Discont chip over 25cm x 25cm area; quartz vein and altered mafic volcanic	1.767	
291708	Trench 17; Discont chip over 35cm x 20cm area; quartz vein and altered mafic volcanic	1.079	
291701	Trench 31; Discont. chip from weathered outcrop; 20cm x 30cm area.	6.687	KR-SD-87248; 2.158 g/t Au from metallic screen assay.

Subsequently, a program of saw-cut continuous channel sampling was undertaken in Trench 8, 9B, 10, 17 and 29 areas.

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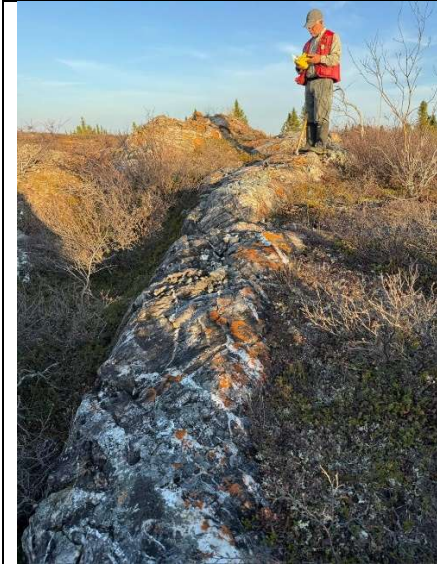
Table 2: Trenches with Cut Channels

Trench No.	Channel No.	Cut Length (m)	Trench No.	Channel No.	Cut Length (m)
8	1	1.54	17	1	3.00
9B	1	2.03		2	3.58
	2	2.91		3	1.80
10	1	2.43		4	1.60
	2	1.35		5	2.50
	3	2.18	29	1	1.60
	4	1.75		2	1.16
	5	4.97		3	1.30
	6	1.06		4	1.02
	7	2.59		5	2.98
	8	2.08		6	1.35
	9	1.11			
	10	1.21			
	11	2.44			

Highlights of channel sampling include:

- Samples from Trenches 8 and 9B, located about 260m north of Trench 10, have returned results confirming analyses from previous workers and extending gold mineralization to the south of excavations by previous workers, almost doubling the strike length from 8.8m to 15.4m.
- Trench 10, which is centered on the historic 1962 Selco discovery outcrop, was re-excavated and enlarged, and has been extended to the NE and North, compared with previous work. The strike length of vein-hosted gold mineralization has been extended from 15.5m in 1987 to at least 40m following Guardian's channel sampling program.
- Trench 17, located 240m southwest of Trench 10, has returned anomalous to low-grade gold in almost every sample collected. Fine gold has been panned by Guardian from weathered bedrock and soil from several locations within Trench 17. The area is showing potential as a lower-grade larger target, supported by possible extensions of mineralization eastward towards trench 30 and trench 31. This area will receive extensive follow-up investigation in the 2026 field season.
- Observations and sampling from Trench 30 and 31 confirm that gold is present in narrow quartz veins crosscutting or parallel to shallow dipping foliation in foliated fine grained mafic volcanic rocks, which has not previously been a focus of exploration.

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(g) Exposure of Hurwitz Group quartzite, iron formation and quartz veining.



(h) Guardian's management and field crew.

Table 3: Significant Channel Sampling results

Sample Number	Location	Interval (cm)	2025 Result by Photonassay (g/t Au)	Overlapping/Adjacent 1987 Sampling Results
291731	Trench 8	96	4.695	KR-SD-87208 (grab sample); 9.566 g/t Au from metallic screen assay.
291733	Trench 9b	60	1.068	
291738	Trench 9b	72	8.851	
291676	Trench 10; Channel 1	30	10.914	
291677	Trench 10; Channel 1	72	0.88	
291678	Trench 10; Channel 1	46	8.23	
291682	Trench 10; Channel 2	32	1.474	KR-SD-87275 (grab sample); 4.12 g/t Au from metallic screen assay.
291687	Trench 10; Channel 3	45	1.273	
291696	Trench 10; Channel 5	10	1.038	
291622	Trench 10; Channel 8	51	7.411	
291624	Trench 10; Channel 8	94	7.429	
291627	Trench 10; Channel 9	20	20.072	
291634	Trench 10; Channel 10	63	6.451	
291636	Trench 10; Channel 11	17	0.813	
291637	Trench 10; Channel 11	11	2.98	

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All cut intervals were oriented across the strike of the veining. Although most of the sampled veins are near-vertical, the reported intervals represent apparent widths of mineralization. True thicknesses are not known at this time. Additional information is available on the company website at guardianex.com.

Exploration plans for 2026 field work include expansion of the historically gridded area, additional geological mapping, soil sampling, trenching, drone geophysics (magnetics and radiometrics), and diamond drilling.

QA/QC Protocols

All rock and channel samples collected during the 2025 program were securely bagged, tagged, and shipped with numbered security seals to maintain full chain-of-custody compliance. The bags were shipped to Paragon Analytical Ltd. in Surrey, B.C., a facility accredited under ISO/IEC 17025 and ISO 9001 standards.

Guardian's QA/QC program includes insertion of certified reference materials (standards), blanks, and field duplicates. Paragon Analytics Ltd. also follows a QA/QC program of insertion of 350-500g aliquots (the quantity required for effective Photonassay analysis) of standards, blanks and duplicate samples into the stream.

All QA/QC data were reviewed and verified by the Corporation's Qualified Person prior to disclosure.

Historical Analytical Results

The historical 1987 analytical results contained in the information above were generated by previous operators (Abermin Corporation) prior to the implementation of NI 43-101 and have not been independently verified by the Corporation's Qualified Person. These results are considered historical in nature. While the Corporation considers the historical data to be relevant to assessing the exploration potential of the property, the Corporation has not completed sufficient work to classify the historical estimates or analyses as current in accordance with NI 43-101. The Corporation is not treating the historical results as current and they should not be relied upon. Future exploration work, including verification sampling, may produce results that differ materially from those reported herein. Further to that the analytical methodologies, sampling procedures, and QA/QC protocols used by previous operators may not meet current NI 43-101 standards. The Corporation's Qualified Person has reviewed the information to the extent possible but cannot confirm the reliability or accuracy of the historical analytical results.

Analytical Procedure

Guardian's 2025 samples were analyzed at Paragon Analytical Ltd., an ISO-accredited geochemical laboratory based in Surrey, B.C. using the PhotonAssay™ method. All samples are also being submitted for multi-element analysis (4-acid digestion with ICP-MS 48 element analysis) by Paragon's facilities in Reno, Nevada.

PhotonAssay™ is particularly advantageous in coarse-gold systems such as Sundog, where small-scale variability in gold distribution (the nugget effect) can cause under- or over-reporting in conventional assays. To further assess this variability, Guardian has submitted selected high-grade samples for PhotonAssay-to-Extinction, in which multiple aliquots of each sample are analyzed independently and averaged to generate a statistically representative gold value. Results are pending.

All samples returning >0.5 g/t Au are being re-analyzed using Screen Metallic Fire Assay with AAS finish (Paragon Method FAS-211) to confirm grade distribution and validate PhotonAssay™ results. Results are pending.

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SELECTED FINANCIAL INFORMATION (\$)

	Year Ended December 31,		
	2025	2024	2023
Net revenue, after royalties	-	-	-
Net loss and comprehensive loss	(2,730,726)	(554,649)	(155,613)
Per share (basic and fully diluted)	(0.03)	(0.01)	(0.00)
Non-current liabilities:			
Decommissioning liabilities	115,258	111,573	188,231
Term loans from related parties	1,248,980	-	-
Total assets	1,366,183	532,588	590,872

QUARTERLY DATA (\$)

Period	Net Revenue	Net Income (Loss)	Basic	Fully Diluted	Total Assets
December 31, 2025	-	(1,975,206)	(0.02)	(0.01)	1,366,183
September 30, 2025	-	(511,291)	(0.00)	(0.00)	1,437,433
June 30, 2025	-	(88,467)	(0.00)	(0.00)	1,119,141
March 31, 2025	-	(155,762)	(0.00)	(0.00)	525,143
December 31, 2024	-	(87,931)	(0.00)	(0.00)	532,588
September 30, 2024	-	(121,741)	(0.00)	(0.00)	547,865
June 30, 2024	-	(101,932)	(0.00)	(0.00)	527,511
March 31, 2024	-	(243,045)	(0.00)	(0.00)	504,515

SUMMARY OF RESULTS (\$)

Year ended	December 31, 2025	December 31, 2024
Net revenue	-	-
Expenses		
Operating – Mining	1,270,531	36,436
Operating – Oil & gas	5,659	148,161
General and administrative	290,794	326,190
Interest, accretion and changes in estimates	120,311	2,227
Depreciation	6,503	-
Interest income	-	(237)
Share-based compensation	175,667	41,872
	1,869,465	554,649
Financial settlements	(104,404)	-
Loss on debt extinguishment	965,665	-
Net loss and comprehensive loss	(2,730,726)	(554,649)
Loss per share - basic and diluted	(0.03)	(0.01)
Net cash used in operating activities	(870,790)	(563,311)
Total assets	1,366,183	532,588

PETROLEUM AND NATURAL GAS SALES VOLUMES AND REVENUE

During the year ended December 31, 2025 and 2024, all of the Corporation's oil and gas wells remained shut-in.

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OPERATING EXPENSES

OPERATING EXPENSES – MINING

Operating expenses (Mining) for the year ended December 31, 2025 totalled \$1,270,531, representing an increase of \$1,234,095 from \$36,436 during the year ended December 31, 2024. The increase is due to the completion of the Sundog Property field work program in the current year.

OPERATING EXPENSES – OIL & GAS

Operating expenses (Oil & gas) for the year ended December 31, 2025 totalled \$5,659, representing a 96% decrease from \$148,161 during the year ended December 31, 2024. The decrease is due to a reduction in abandonment and reclamation costs incurred in the current year.

GENERAL AND ADMINISTRATIVE (“G&A”) EXPENSES

G&A expenses for the year ended December 31, 2025 totalled \$290,794, representing a 11% decrease from \$326,190 during the year ended December 31, 2024.

The breakdown of G&A costs was as follows:

Year ended	December 31, 2025	December 31, 2024
Consulting fees	131,950	101,134
Agent, listing and filing fees	49,284	42,768
Audit and legal	67,626	98,260
Office and other	31,149	53,413
Interest and penalties	9,830	15,425
Insurance	16,000	15,000
Foreign exchange (gain) loss	(15,045)	190
Total	290,794	326,190

Consulting fees increased due to costs associated with the acquisition of the Sundog and Esker claims during the year ended December 31, 2025. Agent, listing and filing fees increased due to an increase in TSX fees associated with Sundog and Esker acquisitions. Audit and legal costs declined in the year ended December 31, 2025 due to a decline in legal fees in the current year. Office and other costs declined in the year ended December 31, 2025 due to reduced travel costs in the current year. Interest and penalties decreased in the current year due to a one-time interest charge incurred during the year ended December 31, 2024. Insurance expense was consistent with the prior year.

During the year ended December 31, 2025, \$39,076 of legal fees were capitalized relating to the acquisition of the Sundog and Esker claims. During the year ended December 31, 2024, \$Nil G&A costs were capitalized.

INTEREST AND ACCRETION

Interest and accretion costs increased during the year ended December 31, 2025 due to accretion recorded on the Term Loan from related parties. Accretion on decommissioning liabilities is consistent with the prior year.

SHARE-BASED COMPENSATION

Share-based compensation for the year ended December 31, 2025 was \$175,667, compared to \$41,872 for the year ended December 31, 2024. The 2025 cost includes the cost of stock options vesting in 2025 that were granted in Q4 2024.

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FINANCIAL SETTLEMENTS

The financial settlement credit recorded in the year ended December 31, 2025 relates to a one-time settlement with a creditor.

LOSS ON DEBT EXTINGUISHMENT

On May 29, 2025, the Corporation entered into term loan agreements with Deckland Inc. "Deckland") and Guardian Helicopters Inc. As part of these agreements, the Corporation rolled \$442,097 of the Deckland demand loan into a term loan having a fair value of \$421,495, and \$745,605 of the GHI demand loan into a term loan having a fair value of \$710,859. The amendments to the terms and conditions was determined to be substantial based on the application of IFRS 9 and therefore constituted an extinguishment of the original financial liabilities.

The derecognition and re-recognition of the liability resulted in a loss on debt extinguishment of \$965,665, which includes the fair value of the warrants as these were considered a cost of the amendments.

DEPOSITS

Deposits include an abandonment and reclamation deposit in the amount of \$154,025 (2024 - \$116,000) with the British Columbia Oil and Gas Commission, and Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC).

PROPERTY AND EQUIPMENT

	Mining Assets		Mining Equipment		Total
Cost					
Balance at December 31, 2023	\$	370,130	\$	-	\$ 370,130
Additions	\$	-	\$	-	\$ -
Balance at December 31, 2024	\$	370,130	\$	-	\$ 370,130
Additions	\$	704,329	\$	48,839	\$ 753,168
Balance at December 31, 2025	\$	1,074,459	\$	48,839	\$ 1,123,298

Accumulated depreciation

Balance at December 31, 2023	\$	-	\$	-	\$ -
Balance at December 31, 2024	\$	-	\$	-	\$ -
Additions	\$	-	\$	6,503	\$ 6,503
Balance at December 31, 2025	\$	-	\$	6,503	\$ 6,503

Net book value:

At December 31, 2023	\$	370,130	\$	-	\$ 370,130
At December 31, 2024	\$	370,130	\$	-	\$ 370,130
At December 31, 2025	\$	1,074,459	\$	42,336	\$ 1,116,795

On February 26, 2021, the Corporation completed the acquisition (the "Acquisition") from DG Resources Management Ltd. ("DGM") and Graydon Kowal ("Kowal" and together with DGM, the "Vendors") of their interests in and to a mining property known as the Mount Cameron Property located in the Mayo Mining District in the Yukon (the "Assets").

In consideration for the Assets, the Corporation issued 4,000,000 Common Shares in the share capital of the Corporation to the Vendors and a 2% Net Smelter Royalty, which Net Smelter Royalty shall be repurchaseable by the Corporation from the Vendors at a price of \$1,000,000 for a period of five years. The Corporation also assumed debt in the amount of \$50,000 owed by Graydon Kowal to Dahrouge Geological Consulting Ltd. (an affiliate of DGM) and debt in the amount of \$10,000 owed by DGM to Dahrouge Geological Consulting Ltd. (the "Debt Assumption"). The debt assumed by the Corporation bears no interest and is payable in increments of \$15,000 semi-annually until repaid. During the year ended December 31, 2021, Graydon Kowal assumed the Debt in exchange for a non-interest-bearing promissory note.

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On February 4, 2022, the Corporation executed an agreement (the "Asset Purchase Agreement") with Dennis Moore ("Moore") for the purchase (the "Acquisition") of Moore's interests in certain mineral claims primarily located within the Tongass National Forest, Alaska, USA, known to the parties as the Kaigani claims (the "Assets"). The purchase price for the Assets will be satisfied through issuance of 1,000,000 Common Shares in the share capital of the Corporation, a cash payment of US\$35,000 and a 1.5% Net Smelter Royalty. The Corporation is entitled to buy back one-half of the Net Smelter Royalty at a price of US\$1,500,000 for a period of five years or 120 days from the date a preliminary economic assessment is issued with respect to the claims, whichever is earlier. In the event that a drilling permit that enables the Corporation to drill on the mining claims is issued within five years from the date of the Asset Purchase Agreement, the Corporation will pay Moore an additional US\$25,000 and will issue Moore an additional 1,000,000 Common Shares.

On February 17, 2022, the Corporation completed the Acquisition of the Assets for a purchase price of \$96,130, satisfied through a combination of cash and common shares. On February 17, 2022, the Corporation issued one million common shares at \$0.045 per common share for a cost of \$45,000, paid cash compensation of \$44,433 (US\$35,000) and capitalized legal fees of \$6,697 for total additions of \$96,130.

On April 30, 2025, the Corporation completed the acquisition of a 100% interest in the mineral rights and exploration data associated with the 9,415-hectare Sundog gold project, located in the Kivalliq Region, Nunavut (the "Sundog Property"), previously owned by New Break Resources Ltd. ("New Break"). The acquisition also included 60 drums of JetA fuel located in Arviat, Nunavut (together, the "Assets"). The Corporation assessed the acquisition and determined it to be an asset acquisition as it did not meet the definition of a business under IFRS 3 - Business Combinations.

As consideration for the Assets, the Corporation issued 5,000,000 common shares to New Break at \$0.085 per common share, paid \$75,000 in cash, and reimbursed \$18,830 of 2024–2025 annual rent related to the Sundog Property. The Corporation has assumed all obligations under the Inuit Owned Lands Mineral Exploration Agreement, including annual exploration expenditure requirements and annual rent payments to Nunavut Tunngavik Incorporated.

In connection with the acquisition, the Corporation granted New Break an option to acquire a 20% interest in the Sundog project for \$1, carried through to a decision to mine. Upon exercise, the parties will enter into an industry standard joint venture agreement on mutually agreed terms, at which time the Corporation shall be responsible for 80% of mine development costs. New Break may sell its 20% interest at any time, subject to the Corporation's right of first refusal to purchase New Break's 20% interest.

On August 20, 2025, the Corporation staked a 100% interest in nine claim blocks to the east of South Henik Lake in the Kivalliq Region, Nunavut, comprising 844 claim units and a total area of 16,282.05 ha.

On August 20, 2025, the Corporation acquired certain exploration data from New Break relating to the Esker gold project and surrounding areas in Kivalliq, Nunavut (the "Acquired Data"). In consideration for the Acquired Data, the Corporation issued 1 million common shares to New Break at \$0.145 per common share and made a cash payment of \$20,000.

LOANS FROM RELATED PARTIES

Demand Loans

From time to time, the Corporation obtains demand loans from related parties to supplement its working capital. The demand loans bear no interest, are secured against the assets of the Corporation and are due on demand. The following loan amounts are payable:

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	Deckland Inc. (⁽¹⁾) (\$)	Guardian Helicopters Inc. (⁽¹⁾) (\$)	Guardian Drilling & Consulting (⁽¹⁾) (\$)	Total (\$)
Balance, December 31, 2023	210,004	395,428	18,000	623,432
Advances	205,338	306,707	-	512,045
Repayments	(8,455)	-	-	(8,455)
Balance, December 31, 2024	406,887	702,135	18,000	1,127,022
Advances	660,404	445,539	-	1,105,943
Repayments	(13,540)	(420)	-	(13,960)
Converted to term loans	(442,097)	(745,605)	-	(1,187,702)
Balance, December 31, 2025	611,654	401,649	18,000	1,031,303

1) A private Company wholly-owned and controlled by Mr. G. Kowal, shareholder, CEO and President of the Corporation.

Term loans

On May 29, 2025, the Corporation entered into term loan agreements with Deckland Inc. ⁽¹⁾ ("Deckland") and Guardian Helicopters Inc. ⁽¹⁾ ("GHI" and together with Deckland, the "Lenders"). As part of these agreements, the Corporation rolled \$442,097 of the Deckland demand loan into a term loan having a fair value of \$421,495, and \$745,605 of the GHI demand loan into a term loan having a fair value of \$710,859 (collectively, the "Term Loans"). The amendments to the terms and conditions was determined to be substantial based on the application of IFRS 9 and therefore constituted an extinguishment of the original financial liabilities.

The Term Loans bear interest at 15% per annum, payable on maturity, and mature three years after issuance (subject to amendment by mutual agreement). The Term Loans are secured by the mineral assets and by a general security agreement over the personal property of the Corporation. During the year ended December 31, 2025, interest of \$105,917 (2024 – nil) was incurred on Term Loans.

In connection with the granting of the Term Loans, the Corporation issued 7,368,283 non-transferrable warrants to Deckland and 12,426,750 warrants to GHI. Each warrant entitles the holder to acquire one common share of the Corporation at an exercise price of \$0.06 per share until the earlier of three years or the Term Loans' maturity date. The common shares issuable upon exercise of the warrants are subject to a four-month plus one day hold period.

The derecognition and re-recognition of the liability resulted in a loss on debt extinguishment of \$965,665, which includes the fair value of the warrants as these were considered a cost of the amendments.

	Deckland (\$) ⁽¹⁾	GHI (\$) ⁽¹⁾	Total (\$)
Balance, December 31, 2024 and 2023	-	-	-
Converted from demand loan	421,495	710,859	1,132,354
Interest	39,426	66,491	105,917
Accretion	3,986	6,723	10,709
Balance, December 31, 2025	464,907	784,073	1,248,980

DECOMMISSIONING LIABILITIES

The total estimated undiscounted amount of cash flows required to settle the obligations at December 31, 2025 are approximately \$116,117 (2024 - \$113,617) and are expected to be made over the next 2 years. The decommissioning obligations have been calculated using an inflation rate of 2.2% (2024 - 2%) and an average risk-free rate of 2.58% (2024 - 2.93%). A reconciliation of the decommissioning liabilities is provided below:

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	December 31, 2025	December 31, 2024
	(\$)	(\$)
Balance, beginning of the period	111,573	188,231
Abandonments	-	(76,442)
Changes in estimates	1,185	(2,443)
Accretion	2,500	2,227
Balance, end of the period	115,258	111,573

All oil & gas property and equipment has been fully impaired or depreciated, resulting in the change in estimates being recorded to operating costs in the statements of net loss and comprehensive loss.

SHARE CAPITAL

a) Authorized shares

- Unlimited number of no-par value common voting shares.
- Unlimited number of no-par value preferred shares, issuable in series.

b) Shares issued and outstanding

Common Shares	Number of Shares	Amount (\$)
Balance, December 31, 2022, 2023, 2024	104,076,054	17,876,561
Shares issued for asset acquisitions (i)	6,000,000	570,000
Share capital additions (ii)	200,000	23,000
Balance, December 31, 2025	110,276,054	18,469,561

During the year ended December 31, 2025, the Corporation issued the following shares:

- On April 30, 2025, the Corporation completed the acquisition of a 100% interest in the mineral rights and exploration data associated with the 9,415-hectare Sundog gold project, located in the Kivalliq Region, Nunavut (the "Sundog Property"), previously owned by New Break Resources Ltd. ("New Break"). The acquisition also included 60 drums of JetA fuel located in Arviat, Nunavut (together, the "Assets"). As consideration for the Assets, the Corporation issued 5 million common shares to New Break at \$0.085 per common share, paid \$75,000 in cash, and reimbursed \$18,830 of 2024–2025 annual rent related to the Sundog Property.

On August 20, 2025, the Corporation acquired certain exploration data from New Break relating to the Esker gold project and surrounding areas in Kivalliq, Nunavut (the "Acquired Data"). In consideration for the Acquired Data, Guardian issued 1 million common shares to New Break at \$0.145 per common share and made a cash payment of \$20,000.

- On August 20, 2025, the Corporation issued 200,000 common shares at a deemed price of \$0.115 per share to settle \$23,000 of indebtedness owing to an arm's length contractor. The common shares issued are subject to a statutory four-month hold period.

c) Warrants

	Number of Warrants	Amount (\$)
Balance, December 31, 2022 and 2023	4,100,000	160,655
Expiry of warrants	(4,100,000)	(160,655)
Balance, December 31, 2024	-	-
Warrants issued	19,795,033	1,021,013
Balance, December 31, 2025	19,795,033	1,021,013

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During the year ended December 31, 2024, 4,100,000 share purchase warrants expired. As a result, a value of \$160,655 was transferred from warrants reserve to contributed surplus.

The Corporation recorded fair value for the 19,795,033 warrants, issued in connection with the term loans to Deckland and GHI of \$1,021,013 using the Black-Scholes Option Pricing Model using the following assumptions: expected life of the option: 3 years; expected volatility: 167.88%; expected dividend yield: 0%; and risk-free interest rate: 2.62%.

d) Stock options

The Corporation has a stock option plan under which directors, officers, employees and consultants are eligible to receive stock option grants. The stock options issued shall not exceed 10% of the issued shares of the Corporation at the time of granting of options. The exercise price and vesting terms of any options granted are fixed by the Board of Directors of the Corporation at the time of grant.

On November 19, 2024, the Corporation granted an aggregate of 4,500,000 incentive stock options under its stock option plan to its officers and directors. Each option entitles the holder thereof to purchase one Common Share in the capital of the Corporation for a period of six years at a price of \$0.06 per share. The options will vest quarterly over a two-year period.

The stock options are not transferable. The common shares issued upon exercise of the stock options will be subject to a four-month resale restriction from the date of grant.

The Corporation calculated the fair value of options granted in 2024 using the Black-Scholes option pricing model using the following weighted average assumptions:

	Year ended December 31, 2024
Share-price	\$0.06
Risk-free interest rate	3.2%
Expected volatility	318%
Dividend yield	0%
Expected life of each option granted	6 years
Estimated forfeiture rate	0%
Weighted average fair value per option	\$0.06

The fair value of the stock options granted was \$269,976. During the year ended December 31, 2025, \$175,667 (2024 - \$41,872) was recorded to share-based compensation expense.

As at December 31, 2025, \$217,539 (December 31, 2024 - \$41,872), representing the vested portion of the options, has been recorded to share-based compensation expense, with a corresponding credit to contributed surplus.

On January 2, 2025, 1 million of the Corporation's incentive stock options were forfeited.

The following is a summary of changes to the Corporation's share option plan:

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Year ended	December 31, 2025			December 31, 2024		
	Number	Weighted Average Exercise Price	Weighted Average Remaining Life	Number	Weighted Average Exercise Price	Weighted Average Remaining Life
Outstanding, beginning of year	10,000,000	\$0.09	3.32	5,500,000	\$0.11	2.25
Granted	-	-	-	4,500,000	\$0.06	5.92
Forfeited	(1,000,000)	\$0.11	-	-	-	-
Outstanding, at end of year	9,000,000	\$0.09	2.56	10,000,000	\$0.09	3.32
Exercisable at end of year	6,750,000	\$0.09	1.78	5,500,000	\$0.11	1.22

e) Per share amounts

Basic per share amounts are calculated using the weighted average number of shares outstanding of 107,883,177 during the year ended December 31, 2025 (2024 - 104,076,054). The calculation of diluted loss per share for the year ended December 31, 2025 and 2024 excludes the effect of all outstanding share options and warrants as they are anti-dilutive.

SUPPLEMENT TO THE FINANCIAL STATEMENTS

The outstanding common shares, warrants, and stock options are summarized below (also see note 10 to the financial statements):

	February 27, 2026	December 31, 2024	December 31, 2023
Common shares	110,276,054	104,076,054	104,076,054
Warrants	19,795,033	-	4,100,000
Share options	9,000,000	10,000,000	5,500,000

LIQUIDITY AND CAPITAL RESOURCES

During the year ended December 31, 2025, the Corporation incurred a net loss of \$2,730,726 (2024 - \$554,649) and had negative cash flows from operating activities of \$870,790 (2024 - \$563,311). As at December 31, 2025, the Corporation has a working capital deficiency of \$2,058,076 (2024 - \$1,585,005) and an accumulated deficit of \$27,780,813 (2024 - \$25,050,087).

RELATED PARTY TRANSACTIONS

In addition to transactions disclosed elsewhere in this MD&A and the Corporation's financial statements during the years ended December 31, 2025 and 2024, the Corporation had the following related party transactions:

- Legal fees in the amount of \$55,262 for the year ended December 31, 2025 (2024 - \$40,232) have been incurred with a legal firm of which a partner is the spouse of a director and officer of the Corporation. As at December 31, 2025, \$1,097 is payable to this legal firm (2024 - \$14,277) and is included in accounts payable and accrued liabilities.
- Total consulting fees, wages, salaries, benefits and other personnel costs included in the statements of net loss and comprehensive loss for the year ended December 31, 2025, were \$131,950 (2024 - \$101,134). The aggregate remuneration of key management for the year ended December 31, 2025 was \$99,883 in consulting fees, salaries and benefits (2024 - \$70,835). The Corporation considers key management personnel to be the CEO and CFO.
- Helicopter charter costs in the amount of \$726,040 for the year ended December 31, 2025 (2024 - \$Nil) were incurred with a private company wholly owned and controlled by Mr. G. Kowal, shareholder,

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CEO and President of the Corporation. As at December 31, 2025, \$710,793 is payable to the private company (2024 - \$Nil) and is included in accounts payable and accrued liabilities.

The transactions are in the normal course of business and initially recorded at fair value.

COMMITMENTS AND CONTINGENCIES

Contractual

Under the terms of an employment contract with the Chief Executive Officer, the Corporation is committed to pay (i) severance equal to 24 months' base salary; (ii) compensation for loss of employee benefits; (iii) all accrued but unpaid bonuses; and (iv) accrued and unpaid salary, benefits, perquisites and expenses to the termination date and any un-received vacation allotment.

Other

The Corporation is involved in a number of legal claims associated with the normal course of operations. The Corporation believes it has made adequate provisions for such legal claims. The Corporation has not presented a detailed breakdown of the claims as it may prejudice the position of management on these claims. While the outcome of these claims is uncertain, and there can be no assurance that such claims will be resolved in the Corporation's favour, the Corporation does not believe that the outcome of adverse decisions in any proceedings related to these claims, or any amount which it may be required to pay, would have a material adverse impact on its financial position, results of operations or liquidity.

MATERIAL TRANSACTIONS

See Corporate Update and Property and Equipment sections above. Also, if applicable, see Subsequent Events section below.

FINANCIAL INSTRUMENTS AND CAPITAL MANAGEMENT

The following table summarizes the classification of the Corporation's financial instruments under IFRS 9 Financial Instruments ("IFRS 9"):

Financial instrument	Classification
Cash	FVTPL
Prepays	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Loans from related parties	Amortized cost

Financial assets

The classification of financial assets is based on the Corporation's assessment of its business model for holding financial assets and the contractual terms of the cash flows. The classification categories are as follows:

- Financial assets measured at amortized cost: assets that are held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- Financial assets at fair value through other comprehensive income ("FVOCI"): assets that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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- Financial assets at fair value through profit or loss ("FVTPL"): assets that do not meet the criteria for amortized cost or FVOCI.
- Financial assets are initially measured a fair value and are subsequently measured at amortized cost using the effective interest method, or at FVOCI or at FVTPL.
- Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire or when the contractual rights to those assets are transferred.

Financial liabilities

The classification of financial liabilities is determined by the Corporation at initial recognition. The classification categories are as follows:

- Financial liabilities measured at amortized cost: financial liabilities initially measured at fair value less directly attributable transaction costs and are subsequently measured at amortized cost using the effective interest method. Interest expense is recognized in the statements of loss and comprehensive loss.
- Financial liabilities measured at FVTPL: financial liabilities measured at fair value with changes in fair value and interest expense recognized in the statements of loss and comprehensive loss.

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expires with any associated gain or loss recognized in other income or expense in the statements of loss and comprehensive loss.

Impairment of financial assets

At each reporting date, the Corporation assesses whether a financial asset or group of financial assets is impaired under the expected credit loss ("ECL") model. Loss allowances are measured based on (i) ECLs that result from possible default events within the 12 months after the reporting date ("12-month ECL"), or (ii) ECLs that result from all possible default events over the expected life of a financial instrument ("lifetime ECLs").

For short-term trade and other receivables, the Corporation applies the simplified approach and has calculated ECLs based on lifetime ECLs. Where information exists, the Corporation establishes a loss rate based on historical normalized credit loss experience. The loss rate is based on the payment profiles and aging of trade receivables and is adjusted to reflect current and forward-looking information on macroeconomic factors.

The amortized cost of the financial asset is reduced by impairment losses at an amount equal to the lifetime expected credit losses. Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amounts of the assets and the loss is recognized in the statements of loss and comprehensive loss. When a trade receivable is uncollectible, it is written off against the allowance for doubtful accounts.

Fair value of financial assets and liabilities

The Corporation's carrying value of cash, accounts payable and accrued liabilities and short-term loans from related parties approximates their fair values, due to the immediate or short-term maturity of these instruments. The carrying value of term loans due from related parties approximate fair value due to the market rate of interest attributed to these loans.

The Corporation classifies the fair value of transactions according to the following hierarchy based on the amount of observable inputs used to value the instrument:

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Level 1 - Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 - Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs, including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the marketplace.

Level 3 - Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

The Corporation's financial assets carried at fair value are considered Level 1.

Interest rate risk

At December 31, 2025 and 2024, the Corporation is not significantly exposed to interest rate cash flow risk in relation to its loan from related parties, which bear no interest. Term loans bear a fixed 15% interest rate.

Commodity price risk

The nature of the Corporation's operations results in an exposure to fluctuations in commodity prices. At December 31, 2025 and December 31, 2024, the Corporation had no financial derivative or physical delivery contracts in place.

Currency risk

Currency risk is the risk to the Corporation's earnings that arises from fluctuations of foreign exchange rates and the degree of volatility of these rates. The Corporation is exposed to moderate current risk. The Corporation does not use derivative instruments to reduce its exposure to foreign currency risk.

Capital management

The Corporation's objective is to safeguard its ability to continue as a going concern, so that it can continue to provide returns to shareholders and benefits for other stakeholders. The Corporation defines capital as shareholder equity, working capital and credit facilities, when available. The Corporation manages its capital structure, including making adjustments to its capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. The Corporation's objective is met by retaining adequate equity to guard against the possibility that cash flows from assets will not be sufficient to meet future cash flow requirements. The Board of Directors does not establish quantitative return on capital criteria for management; but, rather, promotes year over year sustainable growth in net income and cash flows. There have been no changes to the Corporation's objectives in managing capital or in management's management of capital in the current year.

The capital structure of the Corporation is as follows:

	December 31, 2025	December 31, 2024
	(\$)	(\$)
Total shareholders' deficiency	(2,151,494)	(1,210,448)
Working capital deficiency	(2,058,076)	(1,585,005)

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Credit risk

Credit risk arises when a failure by counterparties to discharge their obligations could reduce the amount of future cash inflows from financial assets on hand at the balance sheet date. The Corporation is subject to credit risk on its cash balance. The Corporation's cash is held at major financial institutions as well as a Trust account with the Corporation's legal counsel, and, as such, is subject to only minor credit risk.

Liquidity Risk

Liquidity risk includes the following, as a result of the Corporation's operational liquidity requirements:

- The Corporation will not have sufficient funds to settle a transaction on the due date;
- The Corporation will be forced to sell financial assets at a value less than what they are worth; or,
- The Corporation may be unable to settle or recover a financial asset at all.

At December 31, 2025, the Corporation had cash of \$Nil (2024 - \$Nil) to settle current obligations of \$2,153,439 (2024 - \$1,631,463) and will therefore need to source equity and/or debt financing to meet obligations as they come due. The short-term loans from related parties are due upon demand. All accounts payable and accruals are due within thirty days.

OFF-BALANCE SHEET ARRANGEMENTS

There are no off-balance sheet arrangements.

CRITICAL ACCOUNTING ESTIMATES

Significant accounting judgments, estimates and assumptions

The timely preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, as at the reporting date and the reported amounts of revenues and expenses during the year. Accordingly, actual results may differ from these estimates. Estimates and judgments are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The following sets forth management's significant judgments and estimates made in the preparation of these financial statements:

Critical judgments in applying accounting policies

The following are the critical judgments that management has made in the process of applying the Corporation's accounting policies and that have the most significant effect on the amounts recognized in the audited financial statements:

(i) Going concern

Management has applied judgements in the assessment of the Corporation's ability to continue as a going concern when preparing its financial statements. Management prepares the financial statements on a going concern basis unless management either intends to liquidate the entity or to cease trading or has no realistic alternative but to do so. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period.

(ii) Identification of cash-generating units

Property and equipment is aggregated into cash-generating-units ("CGUs") based on the ability to generate largely independent cash flows and are used for impairment testing. The classification of assets into CGUs requires significant judgment and interpretations with respect to the integration

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between assets, the existence of active markets, external users, shared infrastructures and the way in which management monitors the Corporation's operations.

(iii) Impairment of property and equipment

Judgments are required to assess when impairment indicators, or reversal indicators, exist and impairment testing is required. The recoverable amount of CGUs and individual assets is determined based on the higher of fair value less costs to sell or value-in-use calculations. The key estimates the Corporation applies in determining the recoverable amount normally include estimated future commodity prices, expected production volumes, future operating and development costs, discount rates, tax rates, and refining margins. In determining the recoverable amount, management may also be required to make judgments regarding the likelihood of the occurrence of a future event. Changes to these estimates and judgments will affect the recoverable amounts of CGUs and individual assets and may then require a material adjustment to their related carrying value.

(iv) Deferred taxes

Judgments are made by management to determine the likelihood of whether deferred tax assets at the end of the reporting period will be realized from future taxable earnings. To the extent that assumptions regarding future profitability change, there can be an increase or decrease in the amounts recognized in respect of deferred tax assets as well as the amounts recognized in profit and loss in the period in which the change occurs.

(v) Acquisitions

Judgment is used when determining whether an acquisition is a business combination or an asset acquisition and when measuring the fair value of equity instruments issued as consideration.

Key sources of estimation uncertainty:

The following are the key estimates and their assumptions concerning the sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing adjustments to the carrying amounts of the assets and liabilities.

(i) Decommissioning liabilities

The calculation of decommissioning liabilities and related accretion expense includes management's estimates of current risk-free interest rates, future inflation rates, future restoration and reclamation expenditures and the timing of those expenditures. In most instances, removal of assets occurs many years in the future.

(ii) Taxes

The amounts recorded for deferred tax assets are based on management's estimate as to the timing of the reversal of temporary differences and tax rates currently substantively enacted and the likelihood of tax assets being realized. The availability of tax pools and other deductions are subject to audit and interpretation by taxation authorities.

AUDIT COMMITTEE

Composition of the Audit Committee

The following are the members of the Audit Committee:

Graydon Kowal	-	Non-Independent*; Financially Literate*
Kevin Flaherty	-	Independent*; Financially Literate*

* As defined by Multilateral Instrument 52-110 – Audit Committees ("**MI 52-110**").

Education and Experience

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Graydon Kowal: Mr. Kowal has been active in the petroleum industry in Alberta and British Columbia for the last 15 years. Since 1995, Mr. Kowal has been the President and Chief Executive Officer of Guardian Helicopters Inc., a private helicopter company serving the oil and gas, mining, and forest industries across North America.

Kevin Flaherty: Mr. Flaherty has been active in the SE Asia region for more than 20 years and is a recognized specialist in energy and natural resources. He has an established track record of identifying attractive projects, establishing companies, executing valuation growth and structuring exits. In his role at Saigon Asset Management, as Managing Director - Energy & Natural Resources, he is responsible for direct investments and advisory services in the energy and natural resources sector. Mr. Flaherty received both a B.A. in Economics and an MBA in Finance from the University of Calgary.

Audit Committee Oversight

At no time since the commencement of the Corporation's most recently completed financial year was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board of Directors.

Reliance on Certain Exemptions

At no time since the commencement of the Corporation's most recently completed financial year has the Corporation relied on the exemption in Section 2.4 of MI 52-110 (De Minimis Non-Audit Services), or an exemption from MI 52-110, in whole or in part, granted under Part 8 of Multilateral Instrument 52-110.

Pre-Approval Policies and Procedures

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services. The Audit Committee will review the engagement of non-audit services as required.

External Auditor Service Fees (by Category)

The aggregate fees billed by the Corporation's external auditors in each of the last two fiscal years for audit fees are as follows:

Financial Year Ending	Audit Fees⁽¹⁾	Audit Related Fees⁽²⁾	Tax Fees⁽³⁾	All Other Fees
2024	\$28,355	\$0	\$0	\$0
2025	\$33,705	\$0	\$0	\$0

Notes:

- (1) Represents fees paid for professional services rendered by the auditors for the audit of the Corporation's annual financial statements and services provided in connection with statutory and regulatory filings.
- (2) Represents fees incurred in connection with the International Financial Reporting Standard compliance.
- (3) Represents fees incurred for professional services rendered by the Corporation's external auditor for tax compliance, tax advice, and tax planning.

Exemption

The Corporation is relying on the exemption provided in Section 6.1 of MI 52-110 and, as such, the Corporation is exempt from Parts 3 (Composition of the Audit Committee) and 5 (Reporting Obligations) of MI 52-110.

ADDITIONAL INFORMATION

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Additional information relating to the Corporation is filed on the SEDAR website at www.sedarplus.ca.

Information can also be obtained by contacting the Corporation at Guardian Exploration Inc., 538 Hurricane Drive, Calgary, Alberta, Canada, T3Z 3S8.

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SCHEDULE "A"

GUARDIAN EXPLORATION INC.

CORPORATE GOVERNANCE POLICY

CORPORATE GOVERNANCE DISCLOSURE (FORM 58-101F2)

The Board and senior management of the Corporation consider good corporate governance to be central to the effective operation of the Corporation and are committed to maintaining a high standard of corporate governance.

The Board has assumed the responsibility for the development of certain governance practices and mechanisms. Responsibilities with respect to corporate governance practices include: (i) establishing and reviewing member characteristics for the Board; (ii) evaluating, identifying and recommending nominees to the Board; (iii) monitoring and reviewing the education and development of members of the Board; (iv) recommending directors to serve as committee members and chairs; (v) reviewing and developing corporate governance guidelines, policies and procedures for the Board; (vi) establishing and implementing evaluation processes for the Board, committees and chairs; (vii) establishing procedures for the engagement of independent counsel by a director; (viii) reviewing disclosure by the Corporation; and (ix) reviewing and evaluating the Board's charter and efficiency.

The Board and the Corporation are devoting attention and resources to reviewing the Corporation's corporate governance practices and ensuring that the Corporation's system of corporate governance meets applicable legal requirements. The Board adopted the Charter of the Board ("Board Charter") and a number of policies including policies related to insider trading, disclosure and the media, a code of business conduct and ethics (the "Code of Business Conduct and Ethics"), and a whistleblower policy (the "Whistleblower Policy"), to assist the Corporation in maintaining a high standard of corporate governance. With input from the relevant committees, the Board also created the charters of all of its committees including the Audit Committee and Technical Committee.

The Board had appointed Graydon Kowal as Chair of the Board. The Board consists of three directors who have significant experience in, and an understanding of the role and responsibilities of acting as a director.

Directorships

The Board currently consists of three directors and is actively seeking a fourth director. The Board has concluded that one of the three directors, Kevin Flaherty, is independent. Graydon Kowal and Roger Jewett are not considered to be independent by virtue of their executive positions with the Corporation.

The Board and committees hold regularly scheduled meetings with a view to facilitating regular open and candid discussion among the directors, including an entitlement for the directors to hold in camera sessions without management present at the meetings of the Board, as deemed necessary, which ensures that adequate structures and processes are in place to permit the Board to function independently of management.

Orientation and Continuing Education

The Corporation also provides directors with continuous opportunities to increase their knowledge and understanding of the Corporation's business. Briefings on strategic issues are conducted regularly, and typically include reviews of the competitive environment, the Corporation's performance relative to its peers, and any other developments that could materially affect the Corporation's business.

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Ethical Business Conduct

The Corporation has adopted a Code of Business Conduct and Ethics. The Code of Business Conduct and Ethics sets out the purpose, scope and application of the Code and outlines general principles by which the Corporation is governed.

The Board has established a Whistleblower Policy to encourage employees, officers and directors to raise concerns regarding any matters, including accounting, internal controls or auditing matters, on a confidential basis free from discrimination, retaliation or harassment.

Nomination of Directors

The Board is responsible for identifying new candidates for Board nomination.

Compensation

The Board is responsible for determining the compensation of the directors and executive officers. The Board uses market data for comparable industry sectors in order to set compensation levels.

Other Board Committees

The Corporation has no committees other than the Audit Committee.

Board Assessments

The Board has not implemented a formal process for assessing its effectiveness or the effectiveness of individual members or committees. Due to the Corporation's size, its stage of development and the limited number of directors, the Board considers a formal assessment process to be unnecessary at this time. The Board continues to evaluate its own effectiveness on an ad hoc basis.

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SCHEDULE "B"

GUARDIAN EXPLORATION INC.

AUDIT COMMITTEE CHARTER

1. **Establishment of Audit Committee:** The directors of the Corporation (the "Directors") hereby establish an audit committee (the "Audit Committee").
2. **Membership:** The membership of the Audit Committee shall be as follows:
 - (a) The Audit Committee shall be composed of three members or such greater number as the Directors may from time to time determine.
 - (b) The majority of the members of the Audit Committee shall be independent Directors.
 - (c) Each member of the Audit Committee shall be financially literate. For purposes hereof "financially literate" has the meaning set forth under NI 52-110 (as amended from time to time) and currently means the ability to read and understand a set of financial statements that present the breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can be reasonably be expected to be raised by the Corporation's financial statements.
 - (d) Members shall be appointed annually from among members of the Directors. A member of the Audit Committee shall ipso facto cease to be a member of the Audit Committee upon ceasing to be a Director of the Corporation.
3. **Oversight Responsibility:** The external auditor is ultimately accountable to the Directors and the Audit Committee, as representatives of the shareholders and such shareholders representatives have the ultimate authority and responsibility to select, evaluate, and where appropriate, replace the external auditors (or to nominate the external auditors to be proposed for shareholder approval in any management information circular and proxy statement). The external auditor shall report directly to the Audit Committee and shall have the responsibilities as set forth herein.
4. **Mandate:** The Audit Committee shall have responsibility for overseeing:
 - (a) the accounting and financial reporting processes of the Corporation; and
 - (b) audits of the financial statements of the Corporation.

In addition to any other duties assigned to the Audit Committee by the Directors, from time to time, the role of the Audit Committee shall include meeting with the external auditor and the senior financial management of the Corporation to review all financial statements of the Corporation which require approval by the Directors, including year-end audited financial statements. Specifically, the Audit Committee shall have authority and responsibility for:

- (a) reviewing the Corporation's financial statements, MD&A and earnings press releases before the information is publicly disclosed;
- (b) overseeing the work of the external auditors engaged for purpose of preparing or issuing , an audit report or performing other audit, review or attest services for the Corporation, including the resolution of disagreements between management and the external auditors regarding financial reporting;
- (c) reviewing annually and recommending to the Directors:

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- (i) the external auditors to be nominated for purposes of preparing or issuing an audit report or performing other audit, review or attest services for the Corporation; and
 - (ii) the compensation of the external auditors;
- (d) discussing with the external auditor:
 - (i) the scope of the audit, in particular their view of the quality of the Corporation's accounting principles as applied in the financials in terms of disclosure quality and evaluation methods, inclusive of the clarity of the Corporation's financial disclosure and reporting, degree of conservatism or aggressiveness of the Corporation's accounting principles and underlying estimates and other significant decisions made by management in preparing the financial disclosure and reviewed by the auditors;
 - (ii) significant changes in the Corporation's accounting principles, practices or policies; and
 - (iii) new developments in accounting principles, reporting matters or industry practices which may materially affect the Corporation.
- (e) reviewing with the external auditor and the Corporation's senior financial management the results of the annual audit regarding:
 - (i) the financial statements;
 - (ii) MD&A and related financial disclosure contained in continuous disclosure documents;
 - (iii) significant changes, if any, to the initial audit plan;
 - (iv) accounting and reporting decisions relating to significant current year events and transactions;
 - (v) the management letter, if any, outlining the auditor's findings and recommendations, together with management's response, with respect to internal controls and accounting procedures; and
 - (vi) any other matters relating to the conduct of the audit, including such other matters which should be communicated to the Audit Committee under Canadian generally accepted auditing standards.
- (f) reviewing and discussing with the Corporation's senior financial management and, if requested by the Audit Committee, the external auditor:
 - (i) the Interim Financial Statements;
 - (ii) the interim MD&A; and
 - (iii) any other material matters relating to the Interim Financial Statements, including, inter alia, any significant adjustments, management judgments or estimates, new or amended accounting policies;
- (g) receipt from external auditor of a formal written statement delineating all relationships between the auditor and the Corporation and considering whether the advisory services performed by the external auditor during the course of the year have impacted their independence, and also ensuring that no relationship or services between) the external auditor and the Corporation is in existence which may affect the objectivity and independence of the auditor or recommending appropriate action to ensure the independence of the external auditor;

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- (h) pre-approval of all non-audit services to be provided to the Corporation or its subsidiary entities by the external auditors or the external auditors of the Corporation's subsidiary entities, unless such pre-approval is otherwise appropriately delegated or if appropriate specific policies and procedures for the engagement of non-audit services have been adopted by the Audit Committee;
 - (i) reviewing and discussing with the external auditors and senior financial management: the adequacy of procedures for review of disclosure of financial information extracted or derived from financial statements, other than the disclosure referred to in subparagraph (a) above;
 - (j) establishing and reviewing of procedures for:
 - (i) receipt, retention and treatment of complaints received by the Corporation and its subsidiary entities regarding internal accounting controls, or auditing matters; confidential;
 - (ii) anonymous submission by employees of the Corporation and its subsidiary entities of concerns regarding questionable accounting or auditing matters; and
 - (iii) hiring policies regarding employees and former employees of present and former external auditors of the Corporation and its subsidiary entities;
 - (k) reviewing with the external auditor, the adequacy of management's internal control over financial reporting relating to financial information and management information systems and inquiring of management and the external auditor about significant risks and exposures to the Corporation that may have a material adverse impact on the Corporation's financial statements, and inquiring of the external auditor as to the efforts of management to mitigate such risks and exposures; and
 - (l) reviewing and/or considering that, with regard to the previous fiscal year,
 - management has reviewed the Corporation's audited financial statements with the Audit Committee, including a discussion of the quality of the accounting principles as applied and significant judgments affecting the financial statements;
 - the external auditors and the Audit Committee have discussed the external auditors' judgments of the quality of the accounting principles applied and the type of judgments made with respect to the Corporation's financial statements;
 - the Audit Committee, on its own (without management or the external auditors present), has considered and discussed all the information disclosed to the Audit Committee from the Corporation's management and the external auditor; and
 - in reliance on review and discussions conducted with senior financial management and the external auditors, the Audit Committee believes that the Corporation's financial statements are fairly presented in conformity with the with Canadian Generally Accepted Accounting Principles (GAAP) in all material respects and that the financial statements fairly reflect the financial condition of the Corporation.
5. **Administrative Matters:** The following general provisions shall have application to the Audit Committee:
- (a) A quorum of the Audit Committee shall be the attendance of a majority of the members thereof. No business may be transacted by the Audit Committee except at a meeting of its members at which a quorum of the Audit Committee is present or by a resolution in writing signed by all the members of the Audit Committee.

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- (b) Any member of the Audit Committee may be removed or replaced at any time by resolution of the Directors of the Corporation. If and whenever a vacancy shall exist on the Audit Committee, the remaining members may exercise all its powers so long as a quorum remains. Subject to the foregoing, each member of the Audit Committee shall hold such office until the close of the annual meeting of shareholders next following the date of appointment as a member of the Audit Committee or until a successor is duly appointed.
- (c) The Audit Committee may invite such Directors, directors, officers and employees of the Corporation or affiliates thereof as it may see fit from time to time to attend at meetings of the Audit Committee and to assist thereat in the discussion of matters being considered by the Audit Committee. The independent auditor is to appear before the Audit Committee when requested to do so by the Audit Committee.
- (d) The time and place for the Audit Committee meetings, the calling and the procedure at such meetings shall be determined by the Audit Committee having regard to the Articles and By-Laws of the Corporation.
- (e) The Chair shall preside at all meetings of the Audit Committee and shall have a second and deciding vote in the event of a tie. In the absence of the Chair, the other members of the Audit Committee shall appoint a representative amongst them to act as Chair for that particular meeting.
- (f) Notice of meetings of the Audit Committee may be given to the independent auditor and shall be given in respect of meetings relating to the annual audited financial statements. The independent auditor has the right to appear before and to be heard at any meeting of the Audit Committee. Upon the request of the independent auditor, the Chair of the Audit Committee shall convene a meeting of the Audit Committee to consider any matters which the external auditor believes should be brought to the attention of the Directors or shareholders of the Corporation.
- (g) The Audit Committee shall report to the Directors of the Corporation on such matters and questions relating to the financial position of the Corporation or any affiliates of the Corporation as the Directors of the Corporation may from time to time refer to the Audit Committee.
- (h) The members of the Audit Committee shall, for the purpose of performing their duties, have the right to inspect all the books and records of the Corporation and its affiliates, and to discuss such books and records that are in any way related to the financial position of the Corporation with the Directors, directors, officers, employees and independent auditor of the Corporation and its affiliates.
- (i) Minutes of the Audit Committee meetings shall be recorded and maintained. The Chair of the Audit Committee will report to the Directors on the activities of the Audit Committee and/or the minutes of the Audit Committee meetings will be promptly circulated to the Directors or otherwise made available at the next meeting of Directors.
- (j) The Audit Committee shall, upon the approval of the Directors, adopt a formal written charter, which sets out the Audit Committee's responsibilities, the way they should be implemented and any other requirement such as membership and structure of the Audit Committee. The Audit Committee shall review and reassess the adequacy of the charter on an annual basis.
- (k) The Audit Committee shall ensure and/or consider that, with regard to the previous fiscal year,
 - (i) management has reviewed the Corporation's audited financial statements with the Audit Committee, including a discussion of the quality of the accounting principles as applied and significant judgments affecting the financial statements;

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- (ii) the external auditor and the Audit Committee have discussed the independent auditor's judgments of the quality of the accounting principles applied and the type of judgments made with respect to the Corporation's and/or the Corporation's financial statements;
 - (iii) the Audit Committee, on its own (without management or the independent auditors present), has considered and discussed all the information disclosed to the Audit Committee from the Corporation's management and the external auditor; and
 - (iv) in reliance on review and discussions conducted with management and outside auditors, the Audit Committee believes that the Corporation's financial statements are fairly presented in conformity with the with Canadian Generally Accepted Accounting Principles (GAAP) in all material respects.
- (l) The Audit Committee shall have the authority to:
 - (i) engage independent counsel and other advisors or consultants as it determines necessary to carry out its duties;
 - (ii) set and pay the compensation for any advisors employed by the Audit Committee; and
 - (iii) communicate directly with the internal (if any) and external auditors and qualified reserves evaluators or auditors.