DOUBLEVIEW GOLD CORP.
(An Exploration Company)

FINANCIAL STATEMENTS
(Expressed in Canadian dollars)

FOR THE YEARS ENDED FEBRUARY 28, 2026 and 2025

Independent Auditor's Report

To the Shareholders of Doubleview Gold Corp.

Opinion

We have audited the financial statements of Doubleview Gold Corp. (the "Company"), which comprise the statements of financial position as at February 28, 2026 and 2025, and the statements of comprehensive loss, changes in equity and cash flows for the years then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at February 28, 2026 and 2025, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audit 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 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 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 is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 to the financial statements, which indicates that the Company incurred a net loss of $3,533,044 during the year ended February 28, 2026 and, as of that date, the Company had an accumulated deficit of $17,504,115. 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 financial statements of the current period. These matters were addressed in the context of our audit of the 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 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 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 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 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 Financial Statements

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

In preparing the 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 Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 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 Rakesh Patel.

DMCL LLP

CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, BC

June 30, 2026

DOUBLEVIEW GOLD CORP.
STATEMENTS OF FINANCIAL POSITION
(EXPRESSED IN CANADIAN DOLLARS)
AS AT FEBRUARY 28, 2026 AND 2025

	February 28, 2026	February 28, 2025
ASSETS		
Current		
Cash and cash equivalents (Note 3a)	$ 6,609,055	$ 4,469,302
Prepaid expenses and deposits	113,700	224,107
Amounts receivable (Note 4)	413,080	37,428
	7,135,835	4,730,837
Non-current		
Exploration and evaluation assets (Note 9)	29,958,021	22,501,419
Reclamation bond (Note 9)	197,050	197,050
Equipment (Note 5)	21,914	30,083
	30,176,985	22,728,552
Total assets	$ 37,312,820	$ 27,459,389
LIABILITIES		
Current		
Accounts payable and accrued liabilities (Note 6)	$ 276,427	$ 628,215
Flow through share liability (Note 15)	16,206	672,451
	292,633	1,300,666
Non-current		
Restoration obligation (Note 10)	167,050	167,050
	459,683	1,467,716
EQUITY		
Share capital (Note 7)	42,326,188	31,935,181
Share obligations (Note 7)	35,750	-
Reserve (Note 7)	11,995,314	8,027,563
Deficit	(17,504,115)	(13,971,071)
	36,853,137	25,991,673
Total liabilities and equity	$ 37,312,820	$27,459,389

Going concern (Note 1)
Subsequent events (Note 16)
Approved and authorized by the Board on June 30, 2026:

"Farshad Shirvani" Director — Farshad Shirvani

"Andrew Rees" Director — Andrew Rees

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

DOUBLEVIEW GOLD CORP.
STATEMENTS OF COMPREHENSIVE LOSS
(EXPRESSED IN CANADIAN DOLLARS)
FOR THE YEARS ENDED FEBRUARY 28, 2026 AND 2025

	2026	2025
Expenses		
Corporate development	$ 516,070	$ 268,978
Directors' fees (Note 8)	225,000	450,001
Office and administrative (Note 8)	79,020	56,467
Professional fees (Note 8)	313,964	208,083
Provision for doubtful accounts	-	41,977
Rent (Note 8)	24,000	24,000
Salaries and wages (Note 8)	36,000	36,000
Stock based compensation (Note 7)	3,270,031	1,395,575
Transfer agent and filing fees	49,948	96,329
Interest income	(119,733)	(55,455)
	4,394,300	2,521,954
Other Item		
Flow-through share premium recovery (Note 7 and 15)	(861,256)	(677,020)
Net loss for the year	$ 3,533,044	$ 1,844,934
Loss per common share – basic and diluted	**$ 0.02**	**$ 0.01**
Weighted average number of common shares outstanding - Basic and diluted	**215,896,261**	**195,925,452**

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

DOUBLEVIEW GOLD CORP.
STATEMENTS OF CHANGES IN EQUITY
(EXPRESSED IN CANADIAN DOLLARS)
FOR THE YEARS ENDED FEBRUARY 28, 2026 AND 2025

	Share Capital		**Obligation**			
	No. of Shares	**Amount**	**to issue shares**	**Reserves**	**Deficit**	**Total**
Balance February 29, 2024	**190,099,553**	**$25,435,719**	**$ -**	**$6,406,206**	**$(12,126,137)**	**$19,715,788**
Shares issued for private placement (Note 7)	16,335,960	6,207,665	-	113,679	-	6,321,344
Shares issued for stock options (Note 7)	740,000	195,903	-	(92,903)	-	103,000
Shares issued for warrants (Note 7)	816,000	258,880	-	-	-	258,880
Shares issued for finder’s fees (Note 7)	256,935	100,000	-	-	-	100,000
Shares issued for brokers' fees (Note 7)	111,441	37,500	-	-	-	37,500
Share issuance costs (Note 7)	-	(300,486)	-	-	-	(300,486)
Stock based compensation (Note 7)	-	-	-	1,600,581	-	1,600,581
Loss for the year	-	-	-	-	(1,844,934)	(1,844,934)
				-		
Balance February 28, 2025	**208,359,889**	**31,935,181**	**-**	**8,027,563**	**(13,971,071)**	**25,991,673**
Shares issued for private placement (Note 7)	11,896,912	8,421,058	-	134,432	-	8,555,489
Obligation to issue shares (Note 7)	-	-	35,750	-	-	35,750
Shares issued for finder’s fees (Note 7)	57,217	37,763	-	-	-	37,763
Share issuance costs (Note 7)	-	(614,909)	-	155,464	-	(459,445)
Shares issued for stock options (Note 7)	2,495,000	930,859	-	(423,859)	-	507,000
Shares issued for warrants (Note 7)	2,758,281	1,616,237	-	(104,524)	-	1,511,713
Stock based compensation (Note 7)	-	-	-	4,206,238	-	4,206,238
Loss for the year	-	-	-	-	(3,533,044)	(3,533,044)
Balance February 28, 2026	**225,567,299**	**$42,326,188**	**$35,750**	**$11,995,314**	**$(17,504,115)**	**$36,853,137**

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

DOUBLEVIEW GOLD CORP.
STATEMENTS OF CASH FLOWS
(EXPRESSED IN CANADIAN DOLLARS)
FOR THE YEARS ENDED FEBRUARY 28, 2026 AND 2025

	2026	2025
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the year	$ (3,533,044)	$ (1,844,934)
Items not affecting cash		
Flow-through share premium recovery	(861,256)	(677,020)
Stock based compensation	3,270,031	1,395,575
Changes in non-cash working capital items:		
Amounts receivable	(375,652)	231,811
Prepaid expenses	110,407	(184,994)
Accounts payable & accrued liabilities	(351,788)	423,794
Net cash used in operating activities	(1,741,302)	(655,768)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from share issuance, net of share issue costs	8,338,818	7,413,114
Obligation to issue shares	35,750	-
Proceeds on the exercise of warrants	1,511,713	258,880
Proceeds on the exercise of options	507,000	103,000
Net cash provided in financing activities	10,393,281	7,774,994
CASH FLOWS FROM INVESTING ACTIVITIES		
Expenditure on exploration and evaluation assets, net of recovery	(6,512,226)	(3,857,000)
Net cash used in investing activities	(6,512,226)	(3,857,000)
Change in cash and cash equivalents during the year	2,139,753	3,262,226
Cash and cash equivalents, beginning of year	4,469,302	1,207,076
Cash and cash equivalents, end of year	$ 6,609,055	$ 4,469,302

	2026	2025
SUPPLEMENTAL CASH FLOW DISCLOSURES		
Amortization in exploration and evaluation assets	$ 8,169	$ 10,892
Shares issued for finance and broker fees	$ 37,763	$ 137,500
Flow-through share premium liability	$ 205,011	$ 1,254,757
Stock-based compensation in exploration and evaluation additions	$ 936,206	$ 205,006
Fair value of finder's warrants	$ 155,464	$ -

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

1. CORPORATE INFORMATION AND GOING CONCERN

Doubleview Gold Corp. (the "Company") was incorporated under the *Business Corporations Act* on January 18, 2008 pursuant to the Business Corporation Act of British Columbia. The Company is engaged in the exploration of mineral properties in Canada. The Company trades on the TSX Venture Exchange ("TSX-V") under the symbol "DBG".

The head office and principal address of the Company is 822 – 470 Granville Street, Vancouver, British Columbia, Canada V6C 1V5. The Company's registered address and records office is Suite 704 – 595 Howe Street, Vancouver, British Columbia, Canada V6C 2T5.

These financial statements have been prepared by management 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 for the foreseeable future. The Company has not generated any revenues to date and has incurred ongoing losses.

As the Company is in the exploration stage, the recoverability of the costs incurred to date on exploration and evaluation assets is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its properties, and upon future profitable production or proceeds from the disposition of the properties and deferred exploration expenditures. The Company will have to raise funds to continue operations and, although it has been successful in doing so in the past, there is no assurance it will be able to do so in the future. As at February 28, 2026, the Company has a deficit of $17,504,115 (February 28, 2025 - $13,971,071). For the years ended February 28, 2026 and 2025, the Company incurred net losses of $3,533,044 and $1,844,934, respectively. These uncertainties may cast significant doubt about the Company's ability to continue as a going concern. A number of alternatives including, but not limited to, selling an interest in its exploration and evaluation assets or completing a financing, are being evaluated with the goal of funding ongoing activities and obtaining additional working capital. These financial statements do not include any adjustments to the amounts and classification of assets and liabilities that may be necessary should the going concern basis of accounting be inappropriate. These adjustments could be material.

2. BASIS OF PREPARATION

a) Statement of Compliance

These financial statements have been prepared in accordance with the IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

These financial statements were authorized for issue by the Audit Committee and Board of Directors on June 30, 2026.

2. BASIS OF PREPARATION (cont'd…)

b) Basis of Measurement

These financial statements have been prepared on a historical costs basis except for financial instruments classified as financial instruments at fair value through profit or loss, which are stated at their fair value. In addition, these financial statements use the accrual basis of accounting.

These financial statements are presented in Canadian dollars, which is the Company's functional currency.

The preparation of these financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported expenses during the period. Actual results could differ from these estimates.

3. MATERIAL ACCOUNTING POLICIES

a) Cash equivalents

The Company considers cash equivalents to be highly liquid investments that can be readily converted into known amounts of cash, and which have an original term to maturity of less than three months. Included in cash equivalents are cashable GIC's of $6,000,000 and $250,000 (2025 – $3,025,000 and $1,300,000) accruing interest at 2.45% and 2.2% (2025 – both at 3.45%), maturing on November 26, 2026 on December 8, 2026 (2025 – December 20, 2025 and January 16, 2026), respectively.

b) Financial instruments

(i) Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income ("FVTOCI"), or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTOCI.

(ii) Measurement

Financial assets and liabilities at amortized cost
Financial assets and liabilities at amortized cost are initially recorded at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment. The Company's cash and cash equivalents, amounts receivable excluding GST, reclamation bonds, and accounts payable are designated at amortized cost.

3. MATERIAL ACCOUNTING POLICIES (cont'd…)

b) Financial instruments (cont'd…)

Financial assets and liabilities at FVTPL
Financial assets and liabilities carried at FVTPL are initially recorded at fair value. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in profit or loss in the period in which they arise.

Financial assets and liabilities at FVTOCI
Financial assets and liabilities carried at FVTOCI are initially recorded at fair value. Unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTOCI are included in other comprehensive income or loss in the period in which they arise.

(iii) Impairment of Financial Assets at Amortized Cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the credit risk on the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. Regardless of whether credit risk has increased significantly, the loss allowance for trade receivables without a significant financing component classified at amortized cost is measured using the lifetime expected credit loss approach. The Company recognizes in profit or loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

(iv) Derecognition

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in profit or loss.

The Company derecognizes a financial liability when the financial liability is discharged, cancelled, or expired. Generally, the difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

3 MATERIAL ACCOUNTING POLICIES (cont'd…)

c) Exploration and evaluation assets

Once the legal right to explore a property has been acquired, costs directly related to exploration and evaluation assets are recognized and capitalized, in addition to the acquisition costs. These direct expenditures include such costs as materials used, surveying costs, drilling costs, payments made to contractors and depreciation of mining related equipment. Costs not directly attributable to exploration and evaluation assets activities, including general administrative costs, are expensed in the period in which they occur.

The Company may occasionally enter into farm-out arrangements, whereby the Company will transfer part of a mineral interest, as consideration, for an agreement by the transferee to meet certain mineral property expenditures which would have otherwise been undertaken by the Company. The Company does not record any expenditures made on the farmed-out properties on its behalf. Any cash or other consideration received from the agreement is credited against the costs previously capitalized to the mineral interest given up by the Company, with any excess accounted for as a gain in profit or loss.

Once the technical feasibility and commercial viability of extracting the mineral resource has been determined, the property is considered to be a mine under development and is classified as "mine under construction". Exploration and evaluation assets are also tested for impairment before the assets are transferred to development properties.

d) Impairment of equipment and exploration and evaluation assets

At the end of each reporting period, the Company's assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and 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. In assessing value in use, the estimated future cash flows are discounted to their present values 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 the 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.

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. A reversal of an impairment loss is recognized immediately in profit or loss.

3 MATERIAL ACCOUNTING POLICIES (cont'd…)

e) Income taxes

Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded using the asset and liability method, providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes; the initial recognition of assets or liabilities that affect neither accounting nor taxable loss; nor differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the statement of financial position date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. To the extent that the Company does not consider it is probable that a future tax asset will be recovered, it provides a valuation allowance against that excess.

Additional income taxes that arise from the distribution of dividends are recognized at the same time as the liability to pay the related dividend. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

f) Flow-through shares

The Company renounces qualifying Canadian exploration expenditures to certain share subscribers who subscribe for flow-through shares in accordance with the Income Tax Act (Canada). Under these provisions, the Company is required to incur and renounce qualifying expenditures on a timely basis for the respective flow-through subscriptions and, accordingly, it is not entitled to the related tax deductions and tax credits for such expenditures.

In circumstances where the Company has issued flow-through shares by way of a unit offering, the proceeds are allocated first to share capital based on the fair value of the common shares at the time the units are priced and any residual value is allocated to the warrants reserve first based on the fair value of the warrants calculated using the Black-Scholes Option Pricing Model. Any remaining residual value is then recognized as a liability for the premium on the flow-through shares.

Any premium received by the Company on the issuance of flow-through shares is initially recorded as a liability ("flow-through share liability"). Provided that the Company has renounced the related expenditures or that there is a reasonable expectation that it will do so, the liability is reduced on a pro-rata basis as the expenditures are incurred. The reduction to the flow-through share liability is recognized in profit and loss as other income.

3. MATERIAL ACCOUNTING POLICIES (cont'd…)

g) Share capital

Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares and share options are recognized as a deduction from equity, net of any tax effects. Proceeds from the issue units, consisting of common shares and share purchase warrants, are first allocated to common shares based on the quoted market price at time of issuance, and the balance, if any, is allocated to the attached warrants.

Shares issued for consideration other than cash are valued at the fair value of assets received or services rendered. If the fair value of assets received or services rendered cannot be reliably measured, shares issued for consideration will be valued at the quoted market price at the date of issuance.

h) Share-based compensation transactions

The Company grants stock options to acquire common shares of the Company to directors, officers, employees, and consultants. The fair value of stock options is measured on the date of grant, using the Black-Scholes option pricing model, and is recognized over the vesting period. Consideration paid for the shares on the exercise of stock options is credited to share capital and the related share-based compensation in reserves is transferred to share capital.

In situations where equity instruments are issued to non-employees, the fair value of the share-based compensation is recognized and measured at the date the goods or services are received based on the fair value of the goods or services received. If it is determined that the fair value of the goods or services received cannot be reliably measured, the share-based compensation is measured at the fair value of the equity instruments issued.

i) Loss per share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributed to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share does not adjust the loss attributed to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

j) Site closure and restoration obligation

The Company records the present value of estimated costs of legal and constructive obligations required to restore mining and other operations in the period in which the obligation is incurred. The nature of these restoration activities includes dismantling and removing structures, rehabilitating mines and tailing dams, dismantling operating facilities, closure of plant and waste sites, and restoration and reclamation of affected areas.

The obligation generally arises when the asset is installed, or the ground/environment is disturbed at the mining operations location. When the liability is initially recognized, the present value of the estimated costs is capitalized by increasing the carrying amount of the related mining assets to the extent that it was incurred as a result of the development/construction of the mine. Any rehabilitation obligations that arise through the production of inventory are expensed when the inventory item is recognized in cost of goods sold. Over

3. MATERIAL ACCOUNTING POLICIES (cont'd…)

j) Site closure and restoration obligation (cont'd…)

time, the discounted liability is increased for the change in present value based on the discount rate that reflects the current market assessments and the risks specific to the liability.

The periodic unwinding of the discount is recognized in profit or loss as part of interest expenses. Additional disturbances or changes in reclamation costs are recognized as additions or charges to the corresponding assets and reclamation liability when they occur. Costs related to restoration of site damage (subsequent to start of commercial production) that is created on an ongoing basis during production are provided for at their present value and recognized in profit or loss as extraction progresses.

Change to estimated future costs are recognized in the statement of financial position by either increasing or decreasing the reclamation liability and asset to which it relates if the initial estimate was originally recognized as part of an asset.

Any reduction in the reclamation liability and therefore, any deduction from the asset to which it relates, may not exceed the carrying amount of that asset. If it does, any excess over the carrying value is taken immediately to profit or loss. If the change in estimate results in an increase in the reclamation liability and therefore, an addition to the carrying value of the asset, the Company considers whether this is an indication of impairment of the assets. If the estimate for the revised mine assets net of reclamation provisions exceeds the recoverable value, the portion of the increase is charged directly to expense.

k) Mining exploration tax credits ("METC")

The Company may periodically receive METCs for exploration expenses incurred in Canada. The METCs are reflected as a reduction of the carrying value of the corresponding exploration and evaluation asset at the earliest of when the tax credit is received or receivable.

l) Significant estimates and assumptions

The preparation of financial statements in accordance with IFRS requires the Company to make estimates and assumptions concerning the future. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include but are not limited to share-based compensation, provisions for restoration and environmental obligations, fair value measurements for financial instruments, and recoverable value of exploration and evaluation assets.

3. MATERIAL ACCOUNTING POLICIES (cont'd…)

l) Significant estimates and assumptions (cont'd…)

Share-based compensation

The fair value of share-based compensation is subject to the limitations of the Black-Scholes option pricing model that incorporates market data and involves uncertainty in estimates used by management in the assumptions. Because the Black-Scholes option pricing model requires the input of subjective assumptions, including the volatility of share prices, changes in subjective input assumptions can materially affect the fair value estimate.

Provisions for restoration and environmental obligations

The Company assesses its site closure reclamation provisions at each reporting date. Significant estimates and assumptions are made in determining the provision for mine rehabilitation as there are numerous factors that will affect the ultimate amount payable. These factors include estimates of the extent, cost and timing of rehabilitation activities, technological changes, regulatory changes, cost increases as compared to the changes of inflation rate, and discount rates. These uncertainties may result in future expenditure differing from the amounts currently provided. The provision at reporting date represents management's best estimate of the present value of the future reclamation costs required.

Fair value measurement of financial instruments

Management uses their judgment to select a variety of methods and make assumptions that are not always supported by quantifiable market prices or rates. Judgment is required in order to determine the appropriate valuation methodology and inputs into the valuation model used. In making estimates and judgments, management relies on external information and observable conditions where possible, supplemented by internal analysis as required. These estimates have been applied in a manner consistently and there are no known trends, commitments, events, or uncertainties that the Company believes will materially affect the methodology or assumptions utilized in making these estimates in these financial statements. The use of different market assumptions and/or valuation methodologies may have a material effect on the estimated fair values of various assets and liabilities.

Recoverable value of exploration and evaluation assets

At each reporting date, the Company assesses its exploration and evaluation assets for possible impairment, to determine if there is any indication that the carrying amounts of the assets may not be recoverable. An assessment is also made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. Determination as to whether and how much an asset is impaired, or no longer impaired, involves management estimates on highly uncertain matters, such as future commodity prices, discount rates, production profiles, operating costs, future capital costs, and reserves. A material adjustment to the carrying value of the Company's exploration and evaluation assets could arise as a result of changes to these estimates and assumptions.

3. MATERIAL ACCOUNTING POLICIES (cont'd…)

m) Significant judgments

The preparation of financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments applied in the Company's financial statements include the assessment of the Company's ability to continue as a going concern, recovery of deferred tax assets, and whether there are events or conditions that may give rise to significant uncertainty as to the carrying value of exploration and evaluation assets, recoverability of receivable and eligibility of expenses for mining tax credits.

Going concern

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay 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.

Recovery of deferred tax assets

The Company estimates the expected manner and timing of the realization or settlement of the carrying value of its assets and liabilities and applies the tax rates that are enacted or substantively enacted on the estimated dates of realization or settlement.

Impairment of exploration and evaluation assets

Assets or cash-generating units ("CGUs") are evaluated at each reporting date to determine whether there are any indications of impairment. The Company considers both internal and external sources of information when making the assessment of whether there are indications of impairment for the Company's mineral properties.

Management has determined that exploratory drilling, evaluation, development, and related costs incurred, which have been capitalized, continue to be appropriately recorded on the statement of financial position at its carrying value, net of any impairments.

Recoverability of receivables

The determination of when receivables are impaired and if subsequently, they become receivable requires significant judgment as to their collectability.

Mining exploration tax credits and flow-through expenditures

The Company is eligible for refundable tax credits on qualified resource expenditures incurred in the province of British Columbia (the "Province"). Uncertainties exist with respect to the interpretation of tax regulations which could be disallowed by the Province in the calculation of credits. The calculation of the Company's refundable tax credits involves significant estimates and judgment on items whose tax treatment cannot be verified until a notice of assessment and subsequent payments have been received from the Province. Differences between management's estimates and the final assessment could result in adjustments to the

(EXPRESSED IN CANADIAN DOLLARS)

3. MATERIAL ACCOUNTING POLICIES (cont'd…)

m) Significant judgments (cont'd…)

mining exploration tax credit and the deferred income tax expense.

The Company is also required to spend proceeds received from the issuance of flow-through shares on qualifying resources expenditures.

Differences in judgment between management and regulatory authorities with respect to qualified expenditures may result in disallowed expenditures by the tax authorities. Any amount disallowed may result in the Company's required expenditures not being fulfilled.

n) Equipment

Equipment is stated at historical cost less accumulated amortization and accumulated impairment losses. Amortization is calculated on a straight-line method to charge the cost, less residual value, of the assets to their residual values over their estimated useful lives. The amortization rate applicable to equipment is 20% per annum. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of a significant replaced part is derecognized. All other repairs and maintenance are charged to the statement of comprehensive loss during the financial period in which they are incurred. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized in profit or loss.

o) New accounting standards issued and not yet effective

IFRS 18 Presentation and Disclosure in Financial Statements, which will replace IAS 1, Presentation of Financial Statements aims to improve how companies communicate in their financial statements, with a focus on information about financial performance in the statement of profit or loss, in particular additional defined subtotals, disclosures about management-defined performance measures and new principles for aggregation and disaggregation of information. IFRS 18 is accompanied by limited amendments to the requirements in IAS 7 Statement of Cash Flows. IFRS 18 is effective from January 1, 2027. Companies are permitted to apply IFRS 18 before that date. The Company has not yet determined the impact of this amendment on its Financial Statements.

4. AMOUNTS RECEIVABLE

The Company's amounts receivable consists of the following:

	February 28, 2026	February 28, 2025
GST receivable	$ 366,596	$ 13,573
Due from related parties (Note 8)	231	-
Interest and other	46,253	23,855
Total	$ 413,080	$ 37,458

(EXPRESSED IN CANADIAN DOLLARS)

5. EQUIPMENT

Equipment is comprised of the following:

		Exploration Equipment
Cost:		
At February 28, 2024, 2025 and 2026	$	54,678
Accumulated amortization:		
At February 29, 2024	$	13,703
Amortization		10,892
At February 28, 2025		24,595
Amortization		8,169
At February 28, 2026	$	32,764
Net book value:		
At February 28, 2025	$	30,083
At February 28, 2026	$	21,914

During the year ended February 28, 2026, amortization expense of $8,169 (2025- $10,892) was recorded in exploration and evaluation assets (Note 9).

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The Company's accounts payable and accrued liabilities consist of the following:

	February 28, 2026	February 28, 2025
Accounts payable	$ 252,247	$ 574,059
Due to related parties (Note 8)	24,180	9,827
Accrued liabilities	-	44,329
Total	$ 276,427	$ 628,215

7. SHARE CAPITAL

a) The authorized share capital of the Company consists of an unlimited number of common shares without par value and an unlimited number of preferred shares without par value.

b) Issued and outstanding common shares

The following transactions occurred during the year ended February 28, 2025:

- In September and October 2024, the Company issued 2,057,947 non-flow-through units at $0.38 per non-flow-through units and 1,911,364 flow-through units at $0.55 per flow-through units for total proceeds of $1,833,270. Each non-flow-through unit consists of one common share of the Company and one common share purchase warrant. Each warrant entitles the holder thereof to purchase one common share of the Company at an exercise price of $0.48 per share for a period of 6 months and thereafter at an exercise price of $0.55 per share for a period of 18 months. Each flow-through unit consists of one common share of the Company and one-half common share purchase warrant. Each warrant entitles the holder thereof to purchase one common share of the Company at an exercise price of $0.65 per share for a period of 2 years. On issuance, the Company bifurcated the flow-through units into i) share capital of $726,318; ii) warrants of $113,679; and iii) a flow-through share premium of $211,253 recognized as a liability. The Company paid $3,705 in finder's fees and issued 9,750 finder's warrants exercisable at a price of $0.48/$0.58 in connection with the flow-through share issuance.

- In November 2024, the Company issued 104,816 non-flow-through units at $0.38 per non-flow-through unit and 8,389,583 flow-through shares at $0.48 per flow-through share for total proceeds of $4,066,830. Each non-flow-through unit consists of one common share of the Company and one common share purchase warrant. Each warrant entitles the holder thereof to purchase one common share of the Company at an exercise price of $0.48 per share for a period of 6 months and thereafter at an exercise price of $0.55 per share for a period of 18 months. The Company paid $100,000 in finder's fees and issued 256,935 finder's shares with a fair value of $100,000 in connection with the flow-through share issuance and recognized a flow-through share premium of $838,958 as a liability.

- In December 2024, the Company issued 463,160 non-flow-through units at $0.38 per non-flow-through unit and 3,409,090 flow-through shares at $0.44 per flow-through share for total proceeds of $1,676,000. Each non-flow-through unit consists of one common share of the Company and one common share purchase warrant. Each warrant entitles the holder thereof to purchase one common share of the Company at an exercise price of $0.48 per share for a period of 6 months and thereafter at an exercise price of $0.55 per share for a period of 18 months. The Company paid $37,500 in finder's fees, $21,781 in filing fees and issued 111,441 broker's shares with a fair value of $37,500 in connection with the flow-through share issuance and recognized a flow-through share premium of $204,545 as a liability.

- The Company issued 740,000 common shares for the exercise of stock options for proceeds of $103,000 and 816,000 common shares for the exercise of warrants for proceeds of $258,880.

7. SHARE CAPITAL (cont'd…)

b) Issued and outstanding common shares (cont'd…)

The following transactions occurred during the year ended February 28, 2026:

- In June 2025, the Company issued 1,000,000 flow-through shares at $0.75 per flow-through share for gross proceeds of $750,000. The Company issued 57,217 finder's shares with a fair value of $37,763 in connection with the flow-through share issuance and recognized a flow-through share premium of $180,000 as a liability.

- In November 2025, the Company received proceeds of $7,181,400, through the issuance of 10,259,143 non-flow-through units priced at $0.70 per unit, each including one share and one warrant exercisable at $1.00 for two years. The Company incurred a finder's fee of $394,140 in connection with the offering and issued 563,000 finder's warrants with a fair value of $155,033 exercisable at a price of $1.00 for a period of 2 years. The fair value was calculated using the Black-Scholes Option Pricing Model with the following weighted average assumptions: risk-free interest rate of 2.40%, an expected life of 2 years, an annualized volatility of 72.93%, and a dividend yield of 0%.

- In December 2025, the Company issued 637,769 flow-through units at $1.30 per flow-through unit for proceeds of $829,100. Each unit consisted of one flow-through common share and one common share purchase warrant exercisable at $2.00 for two years. On issuance, the Company bifurcated the flow-through units into i) share capital of $669,657; ii) warrants of $134,432; and iii) a flow-through share premium of $25,011 recognized as a liability. The Company incurred a finance fee of $25,000, finder's fee of $2,542, and issued 1,925 finder's warrants with a fair value of $431 in connection with offering. The fair value was calculated using the Black-Scholes Option Pricing Model with the following assumptions: risk-free interest rate of 2.58%, an expected life of 2 years, an annualized volatility of 76.12%, and a dividend yield of 0%.

- The Company issued 2,495,000 common shares for the exercise of stock options for proceeds of $507,000 and 2,758,281 common shares for the exercise of warrants for proceeds of $1,511,713. The transfer from reserve to share capital for the fair value of options and warrants exercised was $423,859 and $104,524 respectively.

- At February 28, 2026, the Company received $35,750 for shares to be issued relating to the exercise of warrants.

c) Reserve

Reserve represent the fair value of stock options or compensation warrants until such time that the share-based instruments are exercised, at which time the corresponding amount is transferred to share capital.

d) Options

The Company has an incentive stock option plan that conforms to the requirements of the TSX-V. Options to purchase common shares have been granted to directors, officers, employees, and consultants of the Company at exercise prices determined by the market value of the common shares on the date of the grant. The options vest immediately on the date of the grant or otherwise at the discretion of the Board.

(EXPRESSED IN CANADIAN DOLLARS)

7. SHARE CAPITAL (cont'd…)

d) Options (cont'd…)

During the year ended February 28, 2025, the Company granted 4,565,000 incentive stock options to directors, officers, employees, and consultants of the Company, all of which vested immediately. The granting of these incentive stock options resulted in a total stock based compensation expense, calculated using the Black-Scholes option pricing model, of $1,600,581, of which $205,006 was capitalized to exploration and evaluation assets (Note 9). The assumptions used for the Black-Scholes option pricing model valuation of stock options issued during the year were: a risk-free interest rate of 3.63%, an expected life of 5 years, an annualized volatility of 101.12%, based on the historical volatility of the company's market share price and a dividend yield of 0%.

During the year ended February 28, 2026, the Company granted 6,500,000 incentive stock options to directors, officers, employees, and consultants, of the Company, all of which vested immediately. The granting of these incentive stock options resulted in a total stock-based compensation expense, calculated using the Black-Scholes option pricing model, of $4,206,238, of which $936,206 was capitalized to exploration and evaluation assets (Note 9). The weighted average assumptions used for the Black-Scholes Option Pricing Model valuation of stock options issued during the year were: a risk-free interest rate of 2.77%, an expected life of 5 years, an annualized volatility of 97.35%, and a dividend yield of 0%.

The Company's stock options outstanding and exercisable are as follows:

	Year ended February 28, 2026	Weighted average exercise price ($)	Year ended February 28, 2025	Weighted average exercise price ($)
Beginning of the year	18,985,000	0.41	15,160,000	0.38
Granted	6,500,000	0.95	4,565,000	0.46
Exercised	(2,495,000)	0.20	(740,000)	0.14
Expired/cancelled	(300,000)	0.61	-	-
End of the year	22,690,000	0.58	18,985,000	0.41

(EXPRESSED IN CANADIAN DOLLARS)

7. SHARE CAPITAL (cont'd…)

d) Options (cont'd…)

Options to acquire common shares at February 28, 2026 and 2025 are as follows:

Exercise Price	Expiry Date	Number Outstanding and exercisable February 28, 2026	Number Outstanding and exercisable February 28, 2025
$0.105	May 29, 2025	-	650,000
$0.22	November 2, 2025	-	1,750,000
$0.55	May 19, 2026	1,475,000	1,500,000
$0.55	August 11, 2026	1,875,000	1,875,000
$0.35	October 1, 2026	330,000	350,000
$0.355	October 12, 2027	2,845,000	2,895,000
$0.41	December 12, 2027	225,000	225,000
$0.415	April 13, 2028	2,800,000	2,800,000
$0.395	June 9, 2028	925,000	975,000
$0.35	September 11, 2028	1,400,000	1,450,000
$0.49	May 7, 2029	2,830,000	2,830,000
$0.375	June 21, 2029	1,185,000	1,185,000
$0.51	February 19, 2030	500,000	500,000
$0.80	March 31, 2030	1,900,000	-
$0.80	October 23, 2030	2,200,000	-
$1.25	February 19, 2029	2,200,000	-
Total		22,690,000	18,985,000

The outstanding stock options have a weighted average remaining contractual life of 2.53 (February 28, 2025 – 2.70) years.

e) Warrants

The Company's warrants outstanding are as follows:

	Year ended February 28, 2026	Weighted average exercise price ($)	Year ended February 28, 2025	Weighted average exercise price ($)
Beginning of year	3,591,355	0.53	10,502,715	0.36
Issued	11,461,837	1.06	3,591,355	0.53
Exercised	(2,758,281)	0.54	(816,000)	0.32
Expired	-	-	(9,686,715)	0.41
End of the year	12,294,911	1.02	3,591,355	0.53

(EXPRESSED IN CANADIAN DOLLARS)

7. SHARE CAPITAL (cont'd…)

e) Warrants (cont'd…)

Warrants to acquire common shares at February 28, 2026 and 2025 are as follows:

Number Outstanding February 28, 2026	Number Outstanding February 28, 2025	Exercise price	Expiry date
203,000	1,092,947	$ 0.55*	September 12, 2026
1,500	910,591	$ 0.65	September 12, 2026
377,500	965,000	$ 0.55*	October 29, 2026
5,983	9,750	$ 0.55*	October 29, 2026
45,091	45,091	$ 0.65	October 29, 2026
-	104,816	$ 0.55*	November 6, 2026
200,000	200,000	$ 0.55*	December 4, 2026
-	263,160	$ 0.55*	December 23, 2026
8,242,857	-	$ 1.00	November 6, 2027
500,000	-	$ 1.00	November 6, 2027
2,016,286	-	$ 1.00	November 19, 2027
63,000	-	$ 1.00	November 19, 2027
557,769	-	$2.00	December 23, 2027
80,000	-	$2.00	December 31, 2027
1,925	-	$2.00	December 31, 2027
12,294,911	3,591,355		

* These warrants are exercisable at $0.48 per common share for the first six months and $0.55 per common share for the balance of their 24-month term.

The outstanding warrants have a weighted average remaining contractual life of 1.63 (February 28, 2025 – 1.61) years.

8. RELATED PARTY TRANSACTIONS

Details of the transactions between the Company and other related parties during the year ended February 28, 2026 and 2025 are disclosed below:

a) Incurred directors' fees of $225,000 (2025 - $450,000) to Farshad Shirvani, the CEO and director of the Company;
b) Incurred rent of $24,000 (2025 - $24,000) to a company controlled by Farshad Shirvani, the CEO and director of the Company;
c) Incurred office and administrative charges of $22,808 (2025 - $19,000), exploration and evaluation expenditures of $1,170,717 (2025 - $806,110) (Note 9) and camp support charges of $95,350 (2025 - $67,455) to a company controlled by Farshad Shirvani, the CEO and director of the Company;
d) Incurred salaries and wages of $36,000 (2025 - $36,000) to the spouse of Farshad Shirvani, the CEO and director of the Company;
e) Incurred professional fees of $6,000 (2025 - $6,000) to a company controlled by Christopher Cherry, the CFO, and director of the Company; and
f) Issued 1,900,000 common shares to officers and directors of the Company from the exercise of stock options with associated share-based compensation expense of $310,934 recorded at the time the options were granted.

At February 28, 2026, the Company:

a) Recorded in accounts payable is $24,180 (February 28, 2025 $9,827) due to a company controlled by Farshad Shirvani, the CEO and director of the Company for invoices at cost (Note 6); and
b) Recorded in amounts receivable is $231 (February 28, 2025 - $2,866) due from companies controlled by Farshad Shirvani, the CEO and director of the Company (Note 4).

Amounts payable and receivable from related parties are non-interest bearing and do not contain specified terms of repayment.

9. EXPLORATION AND EVALUATION ASSETS

<u>Hat Property</u>

On September 9, 2011, the Company entered into an option agreement whereby the Company was granted an option to acquire a 100% interest in the Hat Property located in the Sheslay District of north-western British Columbia. The Hat Property is subject to a 2% Net Smelter Royalty ("NSR").

During the year ended February 29, 2016, the Company issued 300,000 common shares with a fair value of $31,500 under the terms of the option agreement and also issued 125,000 common shares with a fair value of $16,250 as consideration for extending the due date of the final cash payment under the Hat Property agreement.

During the year ended February 28, 2017, the Company earned a 100% interest in the Hat Property through cash payment of $100,000.

As at February 28, 2026, the Company has posted reclamation bonds totalling $167,050 (February 28, 2025 - $167,050) with the Ministry of Mining and Critical Minerals for indemnification of site restoration of the Hat Property.

9. EXPLORATION AND EVALUATION ASSETS (cont'd…)

Red Springs Property

On September 23, 2013, the Company entered into an option agreement with a director of the Company whereby the Company was granted an option to acquire a 90% interest in certain claims comprising the Red Springs Property, located in the Omineca district of British Columbia. In order to exercise the option, the Company was required to:

a) Pay an aggregate $127,000 over a period of time to 2018;
b) Issue an aggregate 800,000 common shares of the Company over a period of time to 2017; and
c) Incur aggregate exploration expenditures of $650,000 over a period of time to 2018.

On June 27, 2018, the Company entered into an amended agreement the option agreement in which all previous cash payments and exploration expenditure commitments were waived and replaced with a single cash payment of $132,000 (paid through issuance of shares).

On December 4, 2018, the Company entered into an option agreement with 1169787 BC Ltd. (later changed its name to Mucho Cobre Resources Inc. "Mucho Cobre") as amended on March 30, 2020. Mucho Cobre will acquire a 60% interest on the Company's 90% owned Red Springs Property. In order to exercise the option, Mucho Cobre was required to:

a) Pay an aggregate of $500,000 to the Company over a five-year period ($65,000 on March 30, 2020);
b) Issue an aggregate of 2,000,000 of its common shares over a four-year period (250,000 common shares were received); and
c) Incur aggregate exploration expenditures of $4,000,000 over a period of five years; and
d) The Company will retain a 0.5% NSR upon commencement of commercial production, of which 0.5% of the NSR may be purchased for $600,000.

On July 6, 2021, the Company agreed to terminate the Red Spring Option Agreement with Mucho Cobre and is to receive 500,000 shares of Mucho Cobre together with 50% of the British Columbia Mining and Exploration Tax Credit of the 2019 exploration on the property. As at February 28, 2026, no amounts have been received by the Company.

As at February 28, 2026, the Company has posted a reclamation bond totalling $30,000 (February 28, 2025 - $30,000) with the Ministry of Mining and Critical Minerals for indemnification of site restoration of the Red Springs Property.

(EXPRESSED IN CANADIAN DOLLARS)

9. EXPLORATION AND EVALUATION ASSETS (cont'd…)

	Hat Property	Red Spring	Total
Acquisition costs			
Balance as at February 29 2024, February 28, 2025 and 2026	$370,750	$136,030	$506,780
Exploration Expenses			
Balance February 29, 2024	17,907,961	1,792	17,909,753
Restoration obligation	11,987	-	11,987
Amortization (Note 5)	10,892	-	10,892
Surveys, mapping, sampling and other (Note 8)	3,857,001	-	3,857,001
Stock-based compensation for exploration activities (Note 7)	205,006	-	205,006
Balance February 28, 2025	21,992,847	1,792	21,994,639
Amortization (Note 5)	8,169	-	8,169
Surveys, mapping, sampling and other (Note 8)	5,733,812	426,193	6,160,005
Stock-based compensation for exploration activities (Note 7)	936,206	-	936,206
PEA	330,723	-	330,723
Metallurgy	21,499	-	21,499
Balance February 28, 2026	29,023,256	427,985	29,451,241
Total at February 28, 2025	$22,363,597	$137,822	$22,501,419
Total at February 28, 2026	$29,394,006	$564,015	$29,958,021

10. RESTORATION OBLIGATION

The provision represents the present value of reclamation costs related to the Hat Property, which are expected to be incurred by March 2025. These provisions have been created based on the Company's internal estimates. Assumptions based on the current economic environment have been made, which management believes are a reasonable basis upon which to estimate the future liability. These estimates are reviewed regularly to take into account any material changes to the assumptions. However, actual reclamation costs will ultimately depend upon future market prices for the necessary reclamation work required that will reflect market conditions at the relevant time.

The undiscounted value of these obligations was $81,750 as at February 29, 2020. Using a discount rate of 1.21%, the present value of the site closure and reclamation provisions recognized on February 29, 2020, upon initial recognition, was $76,979.

During the year ended February 28, 2023, the Company updated its assessment and determined the site closure and reclamation provisions expected to be incurred up to 2025 to be $167,050. Using a discount rate of 1.50%, the present value of the site closure and reclamation provisions was $155,063 requiring recognition of an additional $78,087. As at February 28, 2026 and 2025, the balance of the obligation was fully accreted at $167,050.

11. FINANCIAL INSTRUMENTS AND RISK

Fair value

IFRS 7 *Financial Instruments: Disclosures* establishes a fair value hierarchy that prioritizes the input to valuation techniques used to measure fair value as follows:

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

As at February 28, 2026, the Company's financial instruments are comprised of cash and cash equivalents, amounts receivable excluding GST receivable, and accounts payable. The carrying value of cash and cash equivalents, amounts receivable, and accounts payable approximate their fair values due to the relatively short periods to maturity of these financial instruments.

Risk management

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

Credit risk is the risk of potential loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is limited to the carrying amount on the statement of financial position and arises from the Company's cash and cash equivalents, reclamation bond, and amounts receivable.

The Company's cash and cash equivalents are held with Canadian chartered banks, which are high-credit quality financial institutions. The Company's reclamation bond is held with the Ministry of Mining and Critical Minerals. The credit risk on accounts receivable is limited to the carrying value of the financial instrument. Credit risk is assessed as low.

Liquidity risk

Liquidity risk is the risk that the Company will not meet its financial obligations as they fall due. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at February 28, 2026 the Company had a cash and cash equivalents balance of $6,609,055 (February 28, 2025 - $4,469,302) to settle current liabilities of $292,633 (February 28, 2025 - $1,300,666). The Company will be required to obtain additional financing in the future. All the Company's financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms. Liquidity risk is assessed as high.

11. FINANCIAL INSTRUMENTS AND RISK (cont'd…)

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates and foreign exchange rates.

(a) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has cash and cash equivalent balances at fixed rates and no interest-bearing debt. Interest rate risk is considered to be not significant.

(b) Foreign currency rate risk

Foreign currency rate risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company is domiciled in Canada and its capital is raised in Canadian dollars; therefore, the Company is not exposed to any significant foreign exchange risk.

(c) 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 not exposed to other price risk.

12. CAPITAL MANAGEMENT

The Company manages its cash and cash equivalents and common shares as capital. The Company manages its capital with the following objectives:

- To ensure sufficient financial flexibility to achieve the on-going business objectives including, but not limited to, pursuing the exploration of its exploration and evaluation assets, funding of future growth opportunities, and pursuit of new acquisitions; and
- To maximize shareholder returns through enhancing the share value.

The Company monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and industry in general. The Company manages its capital structure by issuing new shares, adjusting capital spending, or disposing of assets. In addition, management of the Company's capital structure is facilitated through its financial and operational forecasting processes. The forecast of the Company's future cash flows is based on estimates of commodity prices, forecast capital and operating expenditures, and other investing and financing activities. The forecast is regularly updated based on new commodity prices and other changes, which the Company views as critical in the current environment.

The Company is not subject to any externally imposed capital requirements and there have not been any changes to capital management from the prior year.

(EXPRESSED IN CANADIAN DOLLARS)

13. SEGMENTED INFORMATION

The Company operates in one reportable operating segment, being the exploration and development of exploration and evaluation assets in Canada. All of its long-term assets are located in Canada.

14. CONTINGENCIES

In May 2023, the Company was served with a civil claim by a contractor for unpaid fees of $377,637 relating to drilling services rendered on the Hat Property. As of February 29, 2024, the Company has an outstanding $39,111 retainer with the contractor, but the amount was written off during the year ended February 28, 2025. As the outcome of the legal proceeding is uncertain no further amounts have been accrued.

15. INCOME TAXES

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

	2026	2025
Loss for the year	$(3,533,044)	$(1,844,934)
Statutory tax rate	27%	27%
Expected income tax recovery	(953,922)	(498,132)
Non-deductible items	650,369	399,874
True up of tax pools	(205,162)	(320,746)
Other	(113,854)	289,575
Temporary differences	622,569	129,429
Deferred income tax expense (recovery)	$ -	$ -

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

	2026	2025
Non-capital losses	$ 2,934,730	$ 2,789,000
Equipment	9,488	222,000
Share issuance costs	110,223	-
Exploration and evaluation assets	(4,896,743)	(3,350,320)
	(1,842,302)	(339,320)
Valuation allowance	1,842,302	339,320
	$ -	$ -

(EXPRESSED IN CANADIAN DOLLARS)

15. INCOME TAXES (cont'd…)

As at February 28, 2026, the Company has Canadian non-capital losses of $11,738,919 that may be applied to reduce future Canadian taxable income purposes, expiring as follows:

Years	Non-capital losses $
2028	17,035
2029	1,500
2030	9,556
2031	100,496
2032	234,028
2033	283,130
2034	721,260
2035	651,469
2036	781,203
2037	721,091
2038	614,399
2039	191,018
2040	276,349
2041	585,112
2042	862,578
2043	1,522,922
2044	1,062,979
2045	1,855,827
2046	1,246,957
Total	**11,738,919**

Flow-through shares

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

During the year ended February 28, 2026, the Company received $1,579,100 (2025 - $6,578,250) from the issue of flow-through shares. The incremental proceeds, or "premium", of $205,011 (2025 - $1,254,757) was recorded as a deferred liability. During the year ended February 28, 2026, the Company utilized expenditures of $5,096,989 (2025 - $2,805,011) toward flow-through commitments. These expenditures will not be available to the Company for future deduction from taxable income.

As at February 28, 2026, the Company is committed to spend a further $537,215 (2025 - $4,055,105) on eligible flow-through qualifying exploration expenditures.

16. SUBSEQUENT EVENTS

On May 27, 2026, the Company granted 3,210,000 stock options to certain directors, officers, and consultants of the Company with an exercise price of $2.55 per share and a term of 3 years. All but 50,000 of the options granted vested immediately, with the 50,000 options vesting 12 months from date of grant.

Subsequent to February 28, 2026, the Company issued 1,767,826 common shares for the exercise of stock options for proceeds of $957,804 and 7,636,893 common shares for the exercise of warrants for proceeds of $7,674,831.