DelphX Capital Markets Inc.

Condensed Interim Consolidated Financial Statements

(Unaudited, expressed in Canadian dollars)

As at and for the three and nine months ended September 30, 2025 and 2024

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

DelphX Capital Markets Inc.

Condensed Interim Consolidated Statements of Financial Position

(Unaudited, expressed in Canadian dollars)

As at	**September 30, 2025**	December 31, 2024
Assets		
Current assets		
Cash	**76,314**	54,262
Harmonized sales taxes recoverable	**24,926**	30,580
Deposits and prepaid expenses	**55,284**	76,046
Total current assets	**156,524**	160,888
Total assets	**156,524**	160,888
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities *(note 3)*	**2,452,946**	2,748,269
Total liabilities	**2,452,946**	2,748,269
Shareholders' deficiency		
Share capital *(note 5)*	**29,836,740**	28,153,349
Commitment to issue shares (note 5)	**-**	185,000
Contributed surplus *(note 7)*	**6,492,142**	6,221,155
Warrants *(note 6)*	**1,854,145**	1,872,125
Deficit	**(40,865,597)**	(39,403,329)
Accumulated other comprehensive income	**386,148**	384,319
Total shareholders' deficiency	**(2,296,422)**	(2,587,381)
Total liabilities and shareholders' deficiency	**156,524**	160,888

Going concern (note 1)
Subsequent events (notes 5, 6 & 7)

Approved for issuance by the Board on December 1, 2025

"Salim Hasham", Independent Director

"Steven Mannik", Independent Director

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

DelphX Capital Markets Inc.

Condensed Interim Consolidated Statements of Net Loss and Comprehensive Loss

(Unaudited, expressed in Canadian dollars except where otherwise noted)

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	**2025**	2024
Operating expenses				
Administration	**244,893**	271,997	**914,976**	1,139,257
Legal and regulatory	**9,241**	88,211	**116,409**	174,687
Interest and bank charges	**2,012**	2,744	**6,538**	8,379
Investor relations and public reporting	**47,106**	63,665	**125,060**	174,113
Marketing and sales	**23,179**	12,501	**54,148**	38,116
Share-based compensation *(note 7)*	**126,750**	405,000	**245,137**	2,360,511
Total operating expenses	**453,181**	844,118	**1,462,268**	3,895,063
Other income	**-**	-	**-**	449
Net loss	**(453,181)**	(844,118)	**(1,462,268)**	(3,894,614)
Items that may be reclassified subsequently to net loss:				
Foreign currency translation gain (loss)	**(63,683)**	25,136	**1,829**	(50,555)
Total comprehensive loss	**(516,864)**	(818,982)	**(1,460,439)**	(3,945,169)
Basic and diluted loss per share (*note 9*)	**(0.00)**	(0.00)	**(0.01)**	(0.02)

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

DelphX Capital Markets Inc.

Condensed Interim Consolidated Statements of Changes in Shareholders' Deficiency

(Unaudited, expressed in Canadian dollars, except where otherwise noted)

	Share capital							
	Number of shares	Amount	Commitment to issue shares	Warrants	Contributed surplus	Accumulated other comprehensive income	Deficit	Total
Balance at December 31, 2024	184,574,296	28,153,349	185,000	1,872,125	6,221,155	384,319	(39,403,329)	(2,587,381)
Shares issued for cash *(note 5 & 8)*	**22,091,761**	**1,523,560**	**-**	**-**	**-**	**-**	**-**	**1,523,560**
Cost of issuance	**-**	**(24,301)**	**-**	**-**	**-**	**-**	**-**	**(24,301)**
Finders' warrants issued *(note 6)*	**-**	**(7,870)**	**-**	**7,870**	**-**	**-**	**-**	**-**
Exercise of finders' warrants	**116,667**	**7,002**	**-**	**(7,002)**	**7,002**	**-**	**-**	**7,002**
Expired finders' warrants	**-**	**-**	**-**	**(18,848)**	**18,848**	**-**	**-**	**-**
Share-based compensation *(note 7)*	**1,567,459**	**185,000**	**(185,000)**	**-**	**245,137**	**-**	**-**	**245,137**
Loss and comprehensive loss	**-**	**-**	**-**	**-**	**-**	**1,829**	**(1,462,268)**	**(1,460,439)**
Balance at September 30, 2025	**208,350,183**	**29,836,740**	**-**	**1,854,145**	**6,492,142**	**386,148**	**(40,865,597)**	**(2,296,422)**
Balance at December 31, 2023	150,755,407	24,371,626	-	1,783,382	5,527,644	580,838	(34,631,026)	(2,367,536)
Shares issued for cash *(notes 5 & 8)*	20,018,055	1,977,000	-	-	-	-	-	1,977,000
Cost of issuance	-	(81,455)	-	-	-	-	-	(81,455)
Finders' warrants issued (*note 6*)	-	(83,275)	-	83,275	-	-	-	-
Share-based compensation *(note 7)*	10,900,000	1,635,000	165,000	-	560,511	-	-	2,360,511
Loss and comprehensive loss	-	-	-	-	-	(50,555)	(3,894,614)	(3,945,169)
Balance at September 30, 2024	181,673,462	27,818,896	165,000	1,866,657	6,088,155	530,283	(38,525,640)	(2,056,649)

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

DelphX Capital Markets Inc.

Condensed Interim Consolidated Statements of Cash Flows

(Unaudited, expressed in Canadian dollars)

	Nine months ended September 30,	
	2025	2024
Operating activities		
Net loss	**(1,462,268)**	(3,894,614)
Non-cash items:		
Share-based compensation	**245,137**	2,360,511
	(1,217,131)	(1,534,103)
Net change in non-cash working capital related to operations		
Harmonized sales taxes recoverable	**5,654**	5,053
Deposits and prepaid expenses	**20,762**	(69,891)
Accounts payable and accrued liabilities	**(295,323)**	(148,095)
Cash used for operating activities	**(1,486,038)**	(1,747,036)
Financing activities		
Issuance of common shares (net of issuance costs)	**1,506,261**	1,895,545
Cash provided from financing activities	**1,506,261**	1,895,545
Effect of foreign currency translation	**1,829**	(50,555)
Increase (decrease) in cash for the period	**22,052**	97,954
Cash, beginning of the year	**54,262**	136,172
Cash, end of the period	**76,314**	234,126

For the nine months ended September 30, 2025 and 2024, there were nominal amounts of cash interest and bank charges paid. Non-cash transactions, which are not reflected in the statement of cash flows, include finders' warrants in connection with private placements, with a total fair value of $7,870 (2024 - $83,275) as determined using the Black-Scholes option pricing model. The finders' warrants were recognized as part of share issuance costs (Note 5).

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

1. General information and going concern

DelphX Capital Markets Inc. ("DelphX" or the "Company") was incorporated as Seaside Exploration Partners Corp. ("Seaside") on October 21, 2016, pursuant to the Business Corporations Act (British Columbia), and was a Capital Pool Company, pursuant to the policies of the TSX Venture Exchange ("TSXV"). On April 25, 2018, DelphX Corporation and Seaside completed a Qualifying Transaction ("QT"), as is defined pursuant to TSXV Policy 2.4, pursuant to a definitive share-exchange agreement dated December 12, 2017.

The principal address of the Company is 15 Prince Arthur Street, Toronto, Ontario, M5R 1B2. DelphX's principal business activity is to develop a global facility for transparent offering, purchase, sale, collection and storage of certain fixed income securities and derivatives, and to manage data, research, analytics and valuations of such instruments.

These condensed interim consolidated financial statements (the "**Financial Statements**") have been prepared using IFRS Accounting Standards ("**IFRS**") applicable to a going concern, which contemplates the realization of assets and settlement of liabilities as they fall due in the normal course of business for the foreseeable future. The Company is in the development stage and has not yet realized profitable operations and has relied on non-operational sources of financing to fund operations. DelphX's ability to continue as a going concern is dependent on successfully executing its business plan, which includes the raising of additional funds. The Company will continue to seek additional forms of debt or equity financing, but it cannot provide assurance that it will be successful in doing so. These material uncertainties cast significant doubt as to the ability of the Company to continue as a going concern. The Financial Statements do not reflect the adjustments to the carrying amounts of assets and liabilities and the reported expenses and consolidated statement of financial position classifications that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustments could be material.

2. Basis of preparation

Statement of compliance

The Financial Statements have been prepared in accordance with IAS 34 Interim Financial Reporting and do not include all of the information required for full annual financial statements. The Financial Statements should be read conjunction with the Company's most recent annual financial statements for the years ended December 31, 2024 and 2023 ("**Annual Financial Statements**") which were prepared in conformity with IFRS as issued by the International Accounting Standards Board ("**IASB**") and interpretations issued by the International Financial Reporting Interpretations Committee

(Unaudited, expressed in Canadian dollars, except where otherwise noted)

Basis of presentation and measurement

The Financial Statements have been prepared on an accrual basis and are based on historical cost basis, except for certain financial instruments that are measured on amortized cost or fair value.

These Financial Statements follow the same accounting policies and methods of application, basis of measurement, critical accounting judgements and significant estimates used to prepare the Annual Financial Statements.

Prior period amounts have been reclassified as required to conform with the current period presentation.

The Financial Statements were approved and authorized for issuance by the Board on December 1, 2025.

Basis of consolidation and foreign currency translation

The Financial Statements include the accounts of the Company and its directly and indirectly wholly-owned subsidiaries. All inter-company transactions, balances, income and expenses between the consolidated entities are eliminated on consolidation. Details regarding the Company's subsidiaries are provided in the Annual Financial Statements.

The Company's presentation currency is the Canadian dollar which is also its functional currency. The functional currencies of the Company's subsidiaries were determined based on the principal currency of the economic environment in which each entity operates. The application of foreign currency translation adjustments are detailed in the Annual Financial Statements.

3. *Accounts payable and accrued liabilities*

	September 30, 2025	December 31, 2024
Administration	**522,682**	619,831
Investor relations and public reporting	**68,754**	13,445
Legal and regulatory	**1,798,229**	2,051,713
Research and development	**63,280**	63,280
	2,452,945	2,748,269

4. Capital management

The Company's main objective in managing capital is to ensure sufficient liquidity to pursue and fund product development, production and promotion. Secondarily, the Company strives to continue to fund its growth strategy, while at the same time taking a conservative approach toward financial leverage and management of financial risk. The Company's capital is considered to be its shareholders' equity (deficiency). The Company's primary uses of capital are financing operations to support the launch of the Company's Credit Rating Security (CRS) product. The Company currently funds these requirements from existing cash resources and/or cash raised through the issuance of equity. The Company's objectives when managing capital is to ensure the Company will continue to have enough liquidity so that it can provide its products and services to customers and returns to its shareholders. The Company monitors its capital on the basis of the adequacy of its cash resources to fund its business plan.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

There were no changes in the Company's approach to capital management during the nine months ended September 30, 2025. The Company is not subject to any significant capital requirements by lending institutions or regulatory bodies, other than by the continued listing requirements of the TSXV.

5. Share capital

Authorized

DelphX's authorized share capital consists of an unlimited number of common shares at no par value.

Issued and outstanding

As at September 30, 2025, the Company had 208,350,183 common shares outstanding (December 31, 2024 – 184,574,296).

On January 24, 2025, the Company closed the issuance of 1,335,000 units at a subscription price of $0.12 per unit for gross proceeds of $160,200 (the "**January 2025 Offering**"). Each unit consists of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one common share at a price of $0.20, for a period of five years from the date of issuance.

On February 3, 2025, the Company issued 1,567,459 common shares in settlement of a $185,000 commitment to issue shares pursuant to shares-for-services agreements. The commitment had been previously recognized as an obligation in connection with services rendered in 2024.

On February 21, 2025, the Company closed the issuance of 2,789,333 units at a subscription price of $0.09 per unit for gross proceeds of $251,040 (the "**February 2025 Offering**"). Each unit consists of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one common share at a price of $0.20, for a period of two years from the date of issuance.

On March 4, 2025, 116,667 finders' warrants were exercised at a price of $0.06 per share for total proceeds of $7,002, resulting in the issuance of 116,667 common shares.

On March 24, 2025, the Company closed the issuance of 7,276,428 units at a subscription price of $0.07 per unit for gross proceeds of $509,350 (the "**March 2025 Offering**"). Each unit consists of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one common share at a price of $0.08, for a period of five years from the date of issuance. In connection with the March 2025 Offering, the Company paid a cash finders' fee of $4,900 and issued 70,000 finders' warrants. The Finders' Warrants will be exercisable at $0.08 each for a period of five years after issuance.

On May 26, 2025, the Company closed the issuance of 2,151,000 units at a subscription price of $0.07 per unit for gross proceeds of $150,570 (the "**May 2025 Offering**"). Each unit consists of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one common share at a price of $0.20, for a period of five years from the date of issuance. In connection with the May 2025 Offering, the Company paid a cash finders' fee of $3,533 and issued 50,470 finders' warrants. The Finders' Warrants will be exercisable at $0.20 each for a period of five years after issuance.

On July 4, 2025, the Company closed the issuance of 2,540,000 units at a subscription price of $0.06 per unit for gross proceeds of $152,400 (the "**July 2025 Offering**") of which $102,000 was received prior to June 30, 2025. Each unit consists of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one common share at a price of $0.08, for a period of two years from the date of issuance.

On August 29, 2025, the Company completed a private placement of 5,000,000 units at a subscription price of $0.05 per unit for gross proceeds of $250,000 (the "**August 2025 Offering**"). On September 9, 2025, the Company issued an additional 1,000,000 units under the same terms for further gross proceeds of $50,000. In total, the Company issued 6,000,000 units for aggregate gross proceeds of $300,000. Each unit is comprised of one common share and one common share purchase warrant. Each warrant entitles the holder to acquire one common share at an exercise price of $0.08 for a period of two years from the date of issuance.

After the reporting date, the following securities transacted:

On October 7, 2025, the Company closed the issuance of 1,500,000 units at a subscription price of $0.05 per unit for gross proceeds of $75,000 (the "**October 2025 Offering**"). Each unit consists of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one common share at a price of $0.08, for a period of two years from the date of issuance. In connection with the October 2025 Offering, the Company paid a cash finders' fee of $3,500 and issued 70,000 finders' warrants. The Finders' Warrants will be exercisable at $0.08 each for a period of two years after issuance.

On November 14, 2025, the Company closed the issuance of 1,200,000 units at a subscription price of $0.05 per unit for gross proceeds of $60,000 (the "**November 2025 Offering")**. Each unit consists of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one common share at a price of $0.08, for a period of two years from the date of issuance.

On December 1, 2025, the Company closed the issuance of 2,800,000 units at a subscription price of $0.04 per unit for gross proceeds of $112,000 (the "**December 2025 Offering")**. Each unit consists of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one common share at a price of $0.07, for a period of two years from the date of issuance.

(Unaudited, expressed in Canadian dollars, except where otherwise noted)

6. Warrants

The continuity of the warrants to purchase common shares is as follows:

	Average exercise price	Number of warrants
December 31, 2023	$0.21	60,589,576
Issued	$0.22	23,557,095
Expired	$0.28	(12,430,084)
December 31, 2024	$0.20	71,716,587
Issued	**$0.11**	**22,212,231**
Exercised	**$0.06**	**(116,667)**
Expired	**$0.13**	**(14,623,499)**
September 30, 2025	**$0.19**	**79,188,652**

Warrants issued during the nine months ended September 30, 2025 are in connection with the unit financings disclosed in note 5. They are comprised of 22,091,761 warrants issued as part of the private placement of units which were valued using the residual value method and 120,470 finders' warrants. The fair value of the finders' warrants, being $7,870, were estimated using the Black-Scholes option pricing model with the following assumptions:

Issuance	Number of finders' warrants issued	Exercise price	Risk-free rate	Expected life	Estimated Volatility	Dividend Yield
March 24, 2025	70,000	$0.08	2.70%	5 years	144%	0%
May 26, 2025	50,470	$0.20	2.92%	5 years	142%	0%

The outstanding issued warrant balance on September 30, 2025 is comprised of the following items:

Number of Warrants	Type	Exercise Price	Expiry Date
31,500	Finders' Warrants	$0.20	November 2, 2025
5,422,221	Warrants	$0.15	December 7, 2025(1)
3,904,166	Warrants	$0.20	January 30, 2026
70,000	Finders' Warrants	$0.20	January 30, 2026
5,680,000	Warrants	$0.15	April 15, 2026
280,000	Finders' Warrants	$0.10	April 15, 2026
5,430,250	Warrants	$0.15	June 29, 2026(2)
458,245	Finders' Warrants	$0.33	July 14, 2026
4,825,715	Warrants	$0.30	August 25, 2026(3)
2,825,000	Warrants	$0.15	August 30, 2026(3)
3,483,668	Warrants	$0.20	November 1, 2026(4)
2,789,333	Warrants	$0.20	February 21, 2027
4,982,727	Warrants	$0.35	May 27, 2027
2,540,000	Warrants	$0.08	July 4, 2027
5,000,000	Warrants	$0.08	August 29, 2027
1,000,000	Warrants	$0.08	September 9, 2027

(Unaudited, expressed in Canadian dollars, except where otherwise noted)

Number of Warrants	Type	Exercise Price	Expiry Date
5,000,000	Warrants	$0.20	April 23, 2029
140,000	Finders' Warrants	$0.20	April 23, 2029
2,650,000	Warrants	$0.20	June 20, 2029
45,500	Finders' Warrants	$0.20	June 20, 2029
3,972,223	Warrants	$0.25	July 30, 2029
38,889	Finders' Warrants	$0.25	July 30, 2029
4,491,666	Warrants	$0.25	August 23, 2029
314,417	Finders' Warrants	$0.25	August 23, 2029
2,900,834	Warrants	$0.20	December 10, 2029
29,400	Finders' Warrants	$0.20	December 10, 2029
1,335,000	Warrants	$0.20	January 24, 2030
7,276,428	Warrants	$0.08	March 24, 2030
70,000	Finders' Warrants	$0.08	March 24, 2030
2,151,000	Warrants	$0.20	May 26, 2030
50,470	Finders' Warrants	$0.20	May 26, 2030
79,188,652			

(1) In November 2024, the Company was granted permission by the TSXV to extend the expiry date of these warrants from November 29, 2024 to December 7, 2025.
(2) In June 2025, the Company was granted permission by the TSXV to extend the expiry date of these warrants by one year to June 2026.
(3) In August 2025, the Company was granted permission by the TSXV to extend the expiry date of these warrants by one year to August 2026.
(4) In November 2025, the Company was granted permission by the TSXV to extend the expiry date of these warrants by one year to November 2026.

7. *Contributed surplus*

Options

In accordance with Company's stock option plan (the "Plan"), Options may be granted to certain officers, directors, advisors, and consultants of the Company with a maximum term of 10 years and variable vesting as determined by the directors of the Company upon issuance. The Plan allows for the issuance of Options up to 10% of the issued and outstanding common shares. As at September 30, 2025, the Company had 1,445,351 (December 31, 2024 – 844,430) Options available for issuance. A continuity of the unexercised Options to purchase common shares is as follows:

	Weighted average exercise price	Number of options
Outstanding at December 31, 2023	$0.23	13,000,000
Issued	$0.23	10,063,000
Expired and forfeited	$0.27	(5,450,000)
Outstanding at December 31, 2024	$0.22	17,613,000
Issued	**$0.14**	**7,501,667**
Expired and forfeited	**$0.20**	**(5,725,000)**
Outstanding at September 30, 2025	**$0.20**	**19,389,667**
Exercisable at September 30, 2025	**$0.20**	**19,389,667**

(Unaudited, expressed in Canadian dollars, except where otherwise noted)

On January 31, 2025, the Board of Directors approved the granting of 650,000 Options to advisors under the Plan. The Options have a one-year maturity and are exercisable for common shares of the Company at an exercise price of $0.20 per common share.

On February 28, 2025, the Board of Directors approved the granting of 950,000 Options to an officer and an advisor under the Plan. The Options have a two-year maturity and are exercisable for common shares of the Company at an exercise price of $0.20 per common share.

On March 13, 2025, the Board of Directors approved the granting of 1,100,000 Options to officers, directors and a consultant under the Plan. The Options have a two-year maturity and are exercisable for common shares of the Company at an exercise price of $0.20 per common share.

All 2,650,000 Options with expiry dates occurring in the first quarter of 2025 expired.

On July 7, 2025, 1,975,000 Options with an exercise price of $0.20 expired.

On July 10, 2025, the Board of Directors approved the granting of 2,425,000 Options to officers, directors and consultants under the Plan. The Options have a two-year maturity and are exercisable for common shares of the Company at an exercise price of $0.12 per common share.

On July 28, 2025, 1,100,000 Options with an exercise price of $0.20 expired.

On September 5, 2025, the Board of Directors approved the granting of 1,800,000 Options to officers, directors and consultants under the Plan. The Options have a two-year maturity and are exercisable for common shares of the Company at an exercise price of $0.08 per common share.

The grant-date fair value for the Options granted during the nine months ended September 30, 2025 was estimated using the Black-Scholes option pricing model with the following assumptions:

Date Issued	Number of options	Exercise price	Risk-free rate	Expected life	Estimated Volatility	Dividend Yield	Vested Fair value
January 31, 2025	650,000	$0.20	2.77%	1 year	128%	0%	27,300
February 28, 2025	950,000	$0.20	2.57%	2 years	129%	0%	38,950
March 13, 2025	1,100,000	$0.20	2.46%	2 years	128%	0%	30,800
April 7, 2025	576,667	$0.10	2.46%	2 years	129%	0%	21,337
July 10, 2025	2,425,000	$0.12	2.69%	2 years	127%	0%	72,750
September 5, 2025	1,800,000	$0.08	2.54%	2 years	123%	0%	54,000
	7,501,667						245,137

(Unaudited, expressed in Canadian dollars, except where otherwise noted)

The table below provides additional information regarding the outstanding Options on September 30, 2025:

Number outstanding	Number exercisable	Exercise price	Expiry date	Vested Fair Value
2,325,000	2,325,000	$0.25	December 7, 2025	232,500
250,000	250,000	$0.25	January 8, 2026	20,500
150,000	150,000	$0.25	January 12, 2026	12,300
650,000	650,000	$0.20	January 31, 2026	27,300
645,000	645,000	$0.15	March 17, 2026	62,565
3,918,000	3,918,000	$0.25	May 13, 2026	184,146
1,200,000	1,200,000	$0.25	August 26, 2026	121,200
1,650,000	1,650,000	$0.25	September 20, 2026	118,800
1,750,000	1,750,000	$0.20	December 31, 2026	133,000
950,000	950,000	$0.20	February 28, 2027	38,950
1,100,000	1,100,000	$0.20	March 13, 2027	30,800
576,667	576,667	$0.10	April 7, 2027	21,337
2,425,000	2,425,000	$0.12	July 10, 2027	72,750
1,800,000	1,800,000	$0.08	September 5, 2027	54,000
19,389,667	19,389,667			

Share-based payments

Share-based payments of $245,137 for the nine months ended September 30, 2025 (2024 - $2,360,511) included vesting of Options of $245,137 (2024- $560,511) The additional $1,800,000 in the comparative period was in connection with shares-for-services agreements of which was settled with the issuance of 10,900,000 common shares in the prior year and as part of the 1,567,459 common shares in the current year.

8. Related party transactions and balances

Equity transactions

As disclosed in Note 5, private placements completed during the nine months ended September 30, 2025 included the issuance of 830,000 units to related parties for gross proceeds of $58,350 (2024 – 1,854,166 units for gross proceeds of $165,000). These issuances were conducted under the same terms and conditions as the offerings described in Note 5.

Key management compensation

Key management includes those individuals having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly. Key management includes the directors, the chief executive officer, the chief financial officer, the director of operations, and the chief actuary and risk officer. Compensation paid or accrued to key management is detailed below:

(Unaudited, expressed in Canadian dollars, except where otherwise noted)

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	**2025**	2024
Administration	**151,513**	172,105	**458,463**	477,841
Share based compensation	**81,750**	205,400	**152,320**	232,425
Compensation to key management	**233,263**	377,505	**610,783**	710,266

9. Loss per share

The calculation of per share amounts is based on the following:

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	**2025**	2024
Net loss - basic	**(453,181)**	(844,118)	**(1,462,268)**	(3,894,614)
Effect of dilutive securities	**-**	-	**-**	-
Net loss - diluted	**(453,181)**	(844,118)	**(1,462,268)**	(3,894,614)
Weighted averages shares - basic	**204,207,139**	177,552,004	**197,058,540**	163,200,581
Effect of dilutive securities	**-**	-	**-**	-
Weighted average shares - diluted	**204,207,139**	177,552,004	**197,058,540**	163,200,581
Per share - basic	**(0.00)**	(0.00)	**(0.01)**	(0.02)
Per share - diluted	**(0.00)**	(0.00)	**(0.01)**	(0.02)

In computing per share amounts for the three and nine months ended September 30, 2025, 19,389,667 Options (September 30, 2024 –16,813,000) and 79,188,652 warrants (September 30, 2024 – 68,786,353) and were excluded as the Company had a net loss and their inclusion would be anti-dilutive.

10. Financial instruments

Fair value represents the price at which a financial instrument could be exchanged in an orderly market, in an arm's length transaction between knowledgeable and willing parties who are under no compulsion to act. The Company classifies the fair value of the financial instruments according to the following hierarchy based on the amount of observable inputs used to value the financial instrument:

- Level 1 fair value measurements are those derived from quoted prices (adjusted) in the active market for identical assets or liabilities.

- Level 2 fair value measurements are those derived from inputs other than quoted prices that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (derived from prices).

- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the assets or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The carrying value of cash, harmonized sales taxes recoverable, deposits and prepaid expenses, accounts payable and accrued liabilities approximates fair value due to the short-term nature of these financial instruments.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. There have been no transfers between levels during the year.