CHURCHILL RESOURCES INC.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED MAY 31, 2026

(EXPRESSED IN CANADIAN DOLLARS)

(UNAUDITED)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3) (a), if an auditor has not performed a review of the condensed consolidated interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor. The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of condensed consolidated interim financial statements by an entity's auditor.

The accompanying unaudited condensed consolidated interim financial statements Churchill Resources Inc. for the nine months ended May 31, 2026, have been prepared by the management of the Company and approved by the Company's Audit Committee and the Company's Board of Directors.

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

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CHURCHILL RESOURCES INC.

Condensed Interim Statements of Financial Position (unaudited)
(Expressed in Canadian Dollars)

As at	Note(s)	May 31, 2026 $	August 31, 2025 $
ASSETS			
Current assets			
Cash		878,709	646,083
Amounts receivable		322,939	79,793
Prepaid expenses		70,681	28,782
Deposits		1,500	12,150
		1,273,829	**766,808**
Non-current assets			
Reclamation deposits	3	17,000	17,000
Exploration and evaluation assets	3	5,027,147	2,590,714
		5,044,147	**2,607,714**
TOTAL ASSETS		**6,317,976**	**3,374,522**
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	6	995,788	433,743
Flow through shares premium liability	7	-	169,774
Loan payable	4, 6	-	1,132,500
TOTAL LIABILITIES		**995,788**	**1,736,017**
SHAREHOLDERS' EQUITY			
Share capital	5	30,143,558	21,150,656
Warrants reserve	5	1,199,678	891,782
Stock options reserve	5	3,024,662	2,065,624
Accumulated deficit		(29,045,710)	(22,469,557)
TOTAL SHAREHOLDERS' EQUITY		**5,322,188**	**1,638,505**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**6,317,976**	**3,374,522**

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These unaudited condensed interim financial statements were approved for issue by the directors of the Company and signed on its behalf by:

/s/ Paul Sobie Director **/s/ William Fisher Director**

(Expressed in Canadian Dollars)

	Note(s)	For the three months ended May 31, 2026 $	For the three months ended May 31, 2025 $	For the nine months ended May 31, 2026 $	For the nine months ended May 31, 2025 $
Expenses					
Exploration and evaluation costs	3, 6	1,755,870	221,635	5,039,406	1,938,888
General and administrative expenses	6	48,999	22,132	146,119	79,168
Professional fees	6	131,784	87,976	332,251	310,402
Salaries and wages		8,798	1,380	17,976	7,030
Share-based payments	5	191,377	-	959,038	-
Shareholder information and investor relations		75,265	36,256	222,684	137,281
		(2,212,093)	**(369,379)**	**(6,717,474)**	**(2,472,769)**
Other income (expenses)					
Foreign exchange loss		(242)	-	(930)	-
Impairment of exploration and evaluation assets	4	(1,200)	-	(1,200)	-
Penalties and interest on flow-through shares		-	-	(26,323)	-
Other income	7	-	152,100	169,774	367,380
		(1,442)	**152,100**	**141,321**	**367,380**
Loss and comprehensive loss		**(2,213,535)**	**(217,279)**	**(6,576,153)**	**(2,105,389)**
Basic and diluted loss per share for the period attributable to common shareholders ($ per common share)		**(0.01)**	**(0.00)**	**(0.02)**	**(0.01)**
Weighted average number of common shares outstanding - basic and diluted		**312,772,304**	**217,743,495**	**291,327,881**	**209,946,419**

(Expressed in Canadian Dollars)

	Note(s)	Share capital #	Share capital $	Warrants reserve $	Stock options reserve $	Accumulated deficit $	TOTAL $
Balance as of August 31, 2025		**233,547,843**	**21,150,656**	**891,782**	**2,065,624**	**(22,469,557)**	**1,638,505**
Shares issued for cash - non flow-through	5	37,500,000	3,000,000	-	-	-	**3,000,000**
Shares issued for cash - exercise of warrants	5	29,700,000	4,455,000	-	-	-	**4,455,000**
Share issue costs	5	-	(247,612)	-	-	-	**(247,612)**
Fair value of finders' warrants	5	-	(357,896)	357,896	-	-	**-**
Shares issued for exploration and evaluation assets	3, 5	19,934,097	2,093,410	-	-	-	**2,093,410**
Reclassification of grant-date fair value on exercise of warrants	5	-	50,000	(50,000)	-	-	**-**
Share-based payments	5	-	-	-	959,038	-	**959,038**
Loss and comprehensive loss		-	-	-	-	(6,576,153)	**(6,576,153)**
Balance as of May 31, 2026		**320,681,940**	**30,143,558**	**1,199,678**	**3,024,662**	**(29,045,710)**	**5,322,188**

	Note(s)	Share capital #	Share capital $	Warrants reserve $	Stock options reserve $	Accumulated deficit $	TOTAL $
Balance as of August 31, 2024		**191,942,288**	**19,288,546**	**891,782**	**2,065,624**	**(19,963,431)**	**2,282,521**
Shares issued for cash - flow through	5	25,000,000	1,250,000	-	-	-	**1,250,000**
Share issue costs	5	-	(158,140)	-	-	-	**(158,140)**
Shares issued for exploration and evaluation assets	3, 5	2,050,000	24,750	-	-	-	**24,750**
Shares issued for accounts payable and accrued liabilities		555,555	50,000	-	-	-	**50,000**
Loss and comprehensive loss		-	-	-	-	(2,105,389)	**(2,105,389)**
Balance as of May 31, 2025		**219,547,843**	**20,455,156**	**891,782**	**2,065,624**	**(22,068,820)**	**1,343,742**

(Expressed in Canadian Dollars)

		For the nine months ended	
	Note(s)	May 31, 2026 $	May 31, 2025 $
Cash flow from (used in)			
OPERATING ACTIVITIES			
Net loss		(6,576,153)	(2,105,389)
Impairment of exploration and evaluation assets	4	1,200	-
Other income	7	(169,774)	(367,380)
Share-based payments	5	959,038	-
Net changes in non-cash working capital items:			
Amounts receivable		(243,146)	239,160
Prepaid expenses		(41,899)	37,030
Deposits		10,650	-
Accounts payable and accrued liabilities		562,045	(142,725)
Cash flow used in operating activities		**(5,498,039)**	**(2,339,304)**
INVESTING ACTIVITIES			
Acquisition costs on exploration and evaluation assets	3	(344,223)	(35,100)
Cash flow used in investing activities		**(344,223)**	**(35,100)**
FINANCING ACTIVITIES			
Proceeds on issuance of common shares, net of cash share issue costs	5	7,207,388	1,841,860
Repayment of note payable		(1,132,500)	-
Cash flow provided by financing activities		**6,074,888**	**1,841,860**
Increase in cash		**232,626**	**(532,544)**
Cash, beginning of period		**646,083**	**976,863**
Cash, end of period		**878,709**	**444,319**
Supplemental cash flow information			
Fair value of finders' warrants	5	357,896	-
Reclassification of grant-date fair value on exercise of warrants		50,000	-
Reduction to share capital for flow-through share premium liability	5, 7	-	750,000
Shares issued for accounts payable and accrued liabilities	3, 5	-	50,000
Shares issued for exploration and evaluation assets	3, 5	2,093,410	24,750
Cash paid for income taxes		-	-
Cash paid for interest		-	-

1. NATURE AND CONTINUANCE OF OPERATIONS

Churchill Resources Inc. (“CRI” or the "Company") was incorporated under the Business Corporations Act of Ontario on April 4, 2017. The Company is listed on the TSX Venture Exchange (the “Exchange”) under the symbol “CRI”. The Company’s registered office is located at Suite 505, 133 Richmond Street West, Toronto, Ontario, M5H 2L3 and the records office is located at 2100 Scotia Plaza, 40 King Street West, Toronto, Ontario, M5H 3C2.

At the date of these financial statements, the Company has not identified a known body of commercial grade minerals on any of its properties. The ability of the Company to realize the costs it has incurred to date on these properties is dependent upon the Company identifying a commercial mineral body, to finance its development costs and to resolve any environmental, regulatory or other constraints which may hinder the successful development of the property. To date, the Company has not earned any revenues and is considered to be in the exploration stage.

These financial statements have been prepared assuming the Company will continue on a going concern basis. The Company has incurred losses since its inception and the ability of the Company to continue as a going concern depends upon its ability to raise adequate financing and to develop profitable operations. As of May 31, 2026, the Company had a working capital of $278,041 (August 31, 2025 – working capital deficiency of $969,209) and an accumulated deficit of $29,045,710 (August 31, 2025 – $22,469,557). These events and conditions indicate that a material uncertainty exists that may cast significant doubt on the Company’s ability to continue as a going concern. These financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations.

Management is actively targeting sources of additional financing through alliances with financial, exploration and mining entities, and other business and financial transactions which would assure continuation of the Company’s operations and exploration programs. In addition, management closely monitors commodity prices of precious metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company if favorable or adverse market conditions occur.

2. MATERIAL ACCOUNTING POLICIES AND BASIS OF PREPARATION

Statement of compliance to International Financial Reporting Standards

These unaudited condensed interim financial statements of the Company have been prepared in accordance with IFRS Accounting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”). These financial statements comply with International Accounting Standard 34, Interim Financial Reporting.

These unaudited condensed interim financial statements of the Company were authorized for issuance by the Board of Directors of the Company on July 30, 2026.

Basis of preparation

This interim financial report does not include all of the information required of a full annual financial report and is intended to provide users with an update in relation to events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the end of the last annual reporting period. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Company for the year ended August 31, 2025.

(Expressed in Canadian Dollars)

2. MATERIAL ACCOUNTING POLICIES AND BASIS OF PREPARATION

New accounting standards and pronouncements

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB that are mandatory for accounting periods beginning on or after September 1, 2024.

- **IFRS 18 Presentation and Disclosure in the Financial Statements**
  In April 2024, the IASB issued a new IFRS accounting standard to improve the reporting of financial performance. IFRS 18 Presentation and Disclosure in the Financial Statements replaces IAS 1 Presentation of Financial Statements. The standards will become effective January 1, 2027, with early adoption permitted.

The Company is in the process of assessing the impact of these new standards on the Company's financial statements.

3. EXPLORATION AND EVALUATION ASSETS

	Taylor Brook $	Florence Lake $	Black Raven $	Golden Baie $	White River $	Others $	TOTAL $
Balance as of August 31, 2025	**2,035,535**	**513,759**	**40,000**	**-**	**-**	**1,420**	**2,590,714**
Acquisition costs							
- cash	25,000	-	40,000	235,248	-	-	**300,248**
- shares	10,000	-	500,000	1,583,410	-	-	**2,093,410**
	35,000	**-**	**540,000**	**1,818,658**	**-**	**-**	**2,393,658**
Staking fees	29,825	8,075	4,125	750	1,200	-	**43,975**
Impairments	-	-	-	-	(1,200)	-	**(1,200)**
Balance as of May 31, 2026	**2,100,360**	**521,834**	**584,125**	**1,819,408**	**-**	**1,420**	**5,027,147**

Title to exploration and evaluation assets involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many exploration and evaluation assets. The Company has investigated title to all of its exploration and evaluation assets, and, to the best of its knowledge, title to all of its properties, are properly registered and in good standing.

(Expressed in Canadian Dollars)

3. EXPLORATION AND EVALUATION ASSETS (CONTINUED)

Taylor Brook Property, Newfoundland

The Company holds a 100% interest in the Taylor Brook Property, located near Deer Lake, Newfoundland. The interest was earned through a series of option agreements, including the optioning of 4 contiguous claims under one mineral license and 15 additional contiguous claims under a second mineral license. All required cash and share payments under these agreements were completed by August 30, 2023.

Upon earning its interest, the Company granted Altius Resources Inc. ("Altius") a 1.6% royalty on the Taylor Brook claims and granted the first optionor under the second option agreement a 2.0% NSR, of which 1.0% is purchasable for $1 million.

During the year ended August 31, 2022, Altius also assigned five mineral licenses (the "Cormack Property") to the Company. The Company reimbursed staking deposits of $52,450 and granted Altius a 1.6% gross sales royalty on these licenses.

On September 16, 2024, the Company entered into an option agreement to acquire 100% interest in four mining claims over property located in Newfoundland and Labrador which will form an extension of the existing Taylor Brook Property, the "3rd TB Option Agreement".

Pursuant to the option agreement, the Company is required to make the following payments:

	Cash payment^ $		Share payments # of shares	
On September 16, 2024	15,000	(paid)	50,000	(issued with fair value of $4,750)
On or before September 16, 2025	25,000	(paid)	100,000	(issued with fair value of $10,000 – Note 5)
On or before September 16, 2026	50,000		200,000	
	90,000		**350,000**	

^ For the cash payment, the Company has an option to settle certain cash payments by issuing the Company's common shares as follows:

- $5,000 cash payment due on September 16, 2024;
- $10,000 cash payment due on or before September 16, 2025; and
- $20,000 cash payment due on or before September 16, 2026.

The issuance will be based on the closing price of the Company's shares traded on the Exchange at the date of providing the notice to issue the Company's common shares in lieu of cash.

As of May 31, 2026, the carrying amount of The Taylor Brook Property is $2,100,360 (August 31, 2025 – $2,035,535).

(Expressed in Canadian Dollars)

3. EXPLORATION AND EVALUATION ASSETS (CONTINUED)

Florence Lake Property, Newfoundland

The Company holds a 100% interest in the Florence Lake Property, located on Labrador Inuit Lands southwest of Postville. The interest was earned under an option agreement with Altius, under which the Company completed the required cash, share, and exploration expenditure commitments and subsequently exercised the option.

Upon exercise of the option, the Company granted Altius a 1.6% gross sales royalty on any minerals produced from the claims comprising the Florence Lake Property.

Under the terms of the agreement, the Company also agreed to:

- Provide Altius with a nomination right to elect one nominee to the Company’s board of directors for so long as Altius beneficially owns at least 9.9% of the Company’s outstanding common shares.

- Provide Altius with a pre-emptive right to Altius to participate in the Future Financings undertaken by the Company on the same terms which are offered to third parties to subscribe the common shares of the Company to maintain Altius’ post Future Financings ownership in the Company at 19.9% of the issued and outstanding common shares of the Company until such time that Altius beneficially owns less than 9.9% of the issued and outstanding common shares of the Company.

As of May 31, 2026, the carrying amount of Florence Lake Property is $521,834 (August 31, 2025 – $513,659).

In addition, as of May 31, 2026, the Company had a $17,000 reclamation deposit put in place for the Florence Lake Property (August 31, 2025 – $17,000).

Black Raven Property, Newfoundland

On May 6, 2025 (the “Execution Date”), the Company entered into an option agreement (the “BR Agreement”) to acquire a 100% ownership interest in the Black Raven Project (“Black Raven”), located in Newfoundland, Canada.

Pursuant to the option agreement, to earn 100% of Black Raven, the Company is required to make the following option payments and expenditures:

On or before	Cash Payment ($)		Share Payments (# of shares)		Minimum Cumulative Exploration Expenditures ($)
3 business days following receipt of Exchange approval	20,000	(paid)	2,000,000	(issued with fair value of $20,000)	
May 6, 2026	40,000	(paid)	4,000,000	(issued with fair value of $500,000 – Note 5)	400,000 (incurred)
May 6, 2027	60,000		6,000,000		1,200,000

Upon exercise of the option, the Black Raven Project will be subject to a 2% Net Smelter Returns (“NSR”) royalty.

As of May 31, 2026, the carrying amount of Black Raven Property is $584,125 (August 31, 2025 – $40,000).

(Expressed in Canadian Dollars)

3. EXPLORATION AND EVALUATION ASSETS (CONTINUED)

Golden Baie Property, Newfoundland

On March 20, 2026, the Company entered into a definitive option agreement (the "GB Option Agreement") with Canstar Resources Inc. ("Canstar") to acquire a 100% undivided interest in certain mineral claims comprising the Golden Baie antimony-gold property located in central Newfoundland (the "Golden Baie Property"). The GB Option Agreement was approved by the Exchange on March 27, 2026.

Under the terms of the GB Option Agreement, the Company:

- issued 15,834,097 common shares to Canstar (issued with fair value of $1,583,410– Note 5); and
- made a cash payment of $208,167 to cover existing cash bonds on the Golden Baie Property (paid).

(collectively the "Golden Baie Initial Consideration")

In addition to the initial consideration, the Company is required to:

- incur a minimum of $5,000,000 in exploration expenditures before March 27, 2028, including a minimum of $1,000,000 before March 27, 2027; and

- issue additional common shares to Canstar every six months in tranches of approximately 1.25% of the Company's issued and outstanding shares (subject to a maximum of 7,520,000 shares per tranche) up to a maximum aggregate ownership of 9.99%. The total number of shares issuable under the GB Option Agreement shall not exceed 45,914,097 common shares.

Upon exercise of the option, Canstar will retain a 0.5% net smelter returns ("NSR") royalty on future mineral production from the Golden Baie Property, in addition to an existing 2.0% NSR held by Altius.

The Company's exploration and evaluation expenditures during the nine months ended May 31, 2026, are broken down as follows:

	Taylor Brook $	Florence Lake $	Black Raven $	Golden Baie $	TOTAL $
Consulting	13,500	29,289	669,829	75,881	788,499
Drilling	6,370	-	1,717,233	-	1,723,603
Equipment rental	-	-	50,641	375	51,016
Field work	642	414,076	175,485	5,715	595,918
Mapping	-	283	1,133	423	1,839
Salaries and wages	-	-	223,977	1,500	225,477
Sample	471	-	510,100	-	510,571
Survey	245,812	325,325	160,224	130,345	861,706
Travel	660	-	273,679	6,438	280,777
	267,455	**768,973**	**3,782,301**	**220,677**	**5,039,406**

(Expressed in Canadian Dollars)

3. EXPLORATION AND EVALUATION ASSETS (CONTINUED)

The Company's exploration and evaluation expenditures during the nine months ended May 31, 2025, are broken down as follows:

	Taylor Brook $	Florence Lake $	Black Raven $	TOTAL $
Consulting	326,463	48,318	18,146	392,927
Drilling	621,039	-	-	621,039
Equipment rental	68,078	-	2,921	70,999
Field work	33,053	111,990	6,534	151,577
Salaries and wages	67,450	3,150	16,875	87,475
Sample	62,401	17,273	1,469	81,143
Survey	301,202	-	-	301,202
Travel	231,006	1,164	356	232,526
	1,710,692	**181,895**	**46,301**	**1,938,888**

4. LOANS PAYABLE

During the year ended August 31, 2024, the Company received a total of $1,132,500 in loans, of which $900,000 was advanced by a Company controlled by a director of the Company and $232,500 was advanced by a Company controlled by the Company's former Chief Executive Officer ("CEO") (Note 6). These amounts represent unsecured, non-interest-bearing loans payable on demand.

During the nine months ended May 31, 2026, the Company repaid the full outstanding balance of $1,132,500.

As of May 31, 2026, the loans payable balance was $nil (August 31, 2025 – $1,132,500).

5. SHARE CAPITAL

Authorized share capital
Unlimited number of common shares without par value.

Issued share capital
As of May 31, 2026, the Company had 320,681,940 (August 31, 2025 – 233,547,843) common shares issued and outstanding.

5. SHARE CAPITAL (CONTINUED)

Issued share capital (continued)

During the nine months ended May 31, 2026

- On October 1, 2025, the Company completed a non-brokered private placement of 37,500,000 common shares of the Company at a price of $0.08 per share for gross proceeds of $3,000,000.

  In connection with the private placement, the Company incurred the following transaction costs which were recorded as share issuance costs

  - Paid cash of $204,400 as finders' fees; and
  - Issued 2,625,000 finders' warrants.

  Each finders' warrant is exercisable to acquire one common share of the Company at a price of $0.08 on or before October 1, 2027.

  The Company estimated the fair value of finders' warrants using the Black-Scholes options pricing model, assuming a risk-free interest rate of 2.47%, an expected life of 2 years, an expected volatility of 297% and an expected dividend yield of 0%, which totaled $357,896, and recorded these values as share issuance costs.

- The Company issued 100,000 common shares with fair value of $10,000 pursuant to the 3rd TB Option Agreement (Note 3).

- The Company issued 4,000,000 common shares with a fair value of $500,000 pursuant to the BR Agreement (Note 3).

- The Company issued 15,834,097 common shares with a fair value of $1,583,410 pursuant to the GB Agreement (Note 3).

- 29,700,000 warrants were exercised for proceeds of $4,455,000. In addition, the Company reclassified the grant date fair value of the exercised warrants of $50,000 from warrant reserve to share capital.

- In connection with the shares issued for nine months ended May 31, 2026, the Company incurred share issuance costs of $43,212.

5. SHARE CAPITAL (CONTINUED)

Issued share capital (continued)

During the nine months ended May 31, 2025

- The Company issued 50,000 common shares with a fair value of $4,750 pursuant to the 3rd TB Option Agreement (Note 3).

- The Company issued 555,555 common shares with a fair value of $50,000 for the 2024 Annual Assessment Report Program (AARP) of the White River Property. This amount was initially recorded as accounts payable and accrued liabilities as of August 31, 2024 (Note 3).

- The Company issued 2,000,000 common shares with a fair value of $20,000 pursuant to the BR Agreement (Note 3).

- The Company completed a non-brokered private placement of 25,000,000 flow-through shares, pursuant to the Income Tax Act (Canada), of the Company at a price of $0.08 per share for gross proceeds of $2,000,000. The private placement was completed in two tranches:

    - On November 22, 2024, the Company completed the first tranche of the private placement of 22,500,000 shares with gross proceeds of $1,800,000.

    - On November 25, 2024, the Company completed the second tranche of the private placement of 2,500,000 shares with gross proceeds of $200,000.

  The Company reclassified $750,000 as a flow-through share premium liability.

  In addition, the Company paid cash of $126,000 as finders' fees.

- In connection with the shares issued for the nine months ended May 31, 2025, the Company incurred share issuance costs of $32,140.

(Expressed in Canadian Dollars)

5. SHARE CAPITAL (CONTINUED)

Warrants

The changes in warrants during the nine months ended May 31, 2026 are as follows:

	Number outstanding	Weighted average exercise price ($)
Balance as of August 31, 2025	78,639,000	0.15
Issued	2,625,000	0.08
Exercised	(29,700,000)	0.15
Expired	(1,000,000)	0.15
Balance as of May 31, 2026	**50,564,000**	**0.14**

During the nine months ended May 31, 2026, 1,000,000 warrants expired, unexercised.

During the nine months ended May 31, 2025, 2,622,775 warrants expired, unexercised.

Except for the discussion above, no other warrants were issued, exercised, or expired during the nine months ended May 31, 2026 and 2025.

The following summarizes information about warrants outstanding as of May 31, 2026:

Expiry date	Exercise price ($)	Warrants outstanding	Estimated grant date fair value ($)	Weighted average remaining contractual life (in years)
August 2, 2026	0.05	2,639,000	136,039	0.17
August 2, 2026	0.15	45,300,000	-	0.17
October 1, 2027	0.08	2,625,000	357,896	1.34
		50,564,000	**493,935**	**0.23**
Weighted average exercise price ($)		**0.14**		

(Expressed in Canadian Dollars)

5. SHARE CAPITAL (CONTINUED)

Stock Options

The Company has a Stock Option Plan (the "Plan") applicable to directors, officers, and consultants, under which the total outstanding stock options are limited to 10% of the outstanding common shares of the Company at any one time. Under the Plan, an option's maximum term is five years from the grant date. Under the Plan, the Board has the option of determining vesting periods.

The changes in stock options during the nine months ended May 31, 2026 are as follows:

	Number outstanding	Weighted average exercise price ($)
Balance as of August 31, 2025	15,250,000	0.13
Granted	11,400,000	0.15
Balance as of May 31, 2026	**26,650,000**	**0.14**

During the nine months ended May 31, 2026

- On October 1, 2025, the Company granted 8,200,000 options with an exercise price of $0.14 to certain officers, directors and consultants. The options are exercisable for a period of five years. All of the options granted vested immediately at the date of grant.

- On May 5, 2026, the Company granted 3,200,000 options with an exercise price of $0.17 to certain office and director. The options are exercisable for a period of three years. One-third vest on date of grant and one-third will vest every six months thereafter.

During the nine months ended May 31, 2025

- 3,700,000 stock options were cancelled and 1,600,000 stock options expired unexercised.

Except for the discussion above, no other options were issued, exercised, or expired during the nine months ended May 31, 2026 and 2025.

The estimated grant date fair value of the options granted during the nine months ended May 31, 2026 calculated using the Black-Scholes option pricing model with the following weighted average assumptions:

Number of options granted	11,400,000
Risk-free interest rate	2.82%
Expected annual volatility	130%
Expected life (in years)	4
Expected dividend yield	-
Grant date fair value per option ($)	0.11
Share price at grant date ($)	0.14

During the nine months ended May 31, 2026, the Company recognized share-based payments expense arising from stock options of $959,038 (May 31, 2025 – $nil).

(Expressed in Canadian Dollars)

5. SHARE CAPITAL (CONTINUED)

Stock Options (continued)

The following summarizes information about stock options outstanding and exercisable as of May 31, 2026:

Expiry date	Exercise price ($)	Options outstanding	Options exercisable	Estimated grant date fair value ($)	Weighted average remaining contractual life (in years)
September 1, 2026	0.30	250,000	250,000	53,464	0.25
June 6, 2027	0.30	2,000,000	2,000,000	335,392	1.02
November 28, 2028	0.10	8,000,000	8,000,000	527,679	2.50
August 13, 2029	0.10	5,000,000	5,000,000	428,675	3.21
October 1, 2030	0.14	8,200,000	8,200,000	764,463	4.34
May 5, 2029	0.17	3,200,000	1,066,666	481,408	2.93
		26,650,000	**24,516,666**	**2,591,081**	**3.12**
Weighted average exercise price ($)		**0.14**	**0.13**		

6. RELATED PARTY TRANSACTIONS AND BALANCES

Key management personnel include persons having the authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. Key management includes executive officers and directors.

The transactions related to and the compensation paid to the Company's key management personnel during the nine months ended May 31, 2026 and 2025 are as follows:

- The Company incurred professional fees of $10,000 (May 31, 2025 – $nil) with an advisory firm owned by the Company's Chief Executive Officer ("CEO"). As of May 31, 2026, $10,500 (August 31, 2025 – $nil) was owed to the advisory firm owned by the CEO.

- The Company accrued professional fees of $120,000 payable to its former interim CEO, who is also a director of the Company (May 31, 2025 – $nil). These amounts remained unpaid and were included in accounts payable and accrued liabilities as of May 31, 2026.

- The Company incurred the following expenses with a consulting firm owned by the Company's president, director, and former CEO:

  - Professional fees of $4,222 (May 31, 2025 – $90,000)
  - Exploration and evaluation expenses of $202,040 (May 31, 2025 – $124,410)
  - Rent expenses of $20,700 (May 31, 2025 – $20,700)

  As of May 31, 2026, $45,252 (August 31, 2025 – $93,500) was owed to companies controlled by the former CEO.

(Expressed in Canadian Dollars)

6. RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

- The Company incurred professional fees, including CFO, financial reporting, and accounting support services, of $90,000 (May 31, 2025 – $87,000) with an accounting firm in which the Company's Chief Financial Officer ("CFO") is a partner. As of May 31, 2026, $10,550 (August 31, 2025 – $10,550) was owed to this partnership.

- During the nine months ended May 31, 2026, the Company recognized share-based payments of $800,552 for the options granted to the Company's officers and directors (May 31, 2025 – $nil).

- During the nine months ended May 31, 2026, the Company repaid the full outstanding loan payable of $1,132,500, of which $900,000 was advanced by a Company controlled by a director of the Company and $232,500 was advanced by a Company controlled by the Company's president, director and the former CEO (Note 4).

Unless otherwise specified, all the amounts due to related parties are unsecured, non-interest bearing and payable on demand.

7. COMMITMENTS

The Company periodically issues flow-through shares with any resulting flow-through premium recorded as a flow-through share premium liability. The liability is subsequently reduced when the required exploration expenditures are made, and accordingly, a recovery of the flow-through premium is recorded as other income.

Based on Canadian tax law, the Company is required to spend the proceeds from the issuance of the flow-through shares on eligible exploration expenditures within two years from the date of issuance. If the Company is unable to meet this deadline, it will be subject to Part XII.6 taxes in accordance with the Canadian Income Tax Act.

A continuity of the flow-through share premium liability during the nine months ended May 31, 2026, is as follows:

	$
Balance as of August 31, 2025	**169,774**
Settlement on expenditures made recorded as other income	(169,774)
Balance as of May 31, 2026	**-**

8. SEGMENTED INFORMATION

The Company operates in one reportable segment, being the exploration and evaluation of exploration and evaluation assets. All of the Company's equipment and exploration and evaluation assets are located in Canada.

(Expressed in Canadian Dollars)

9. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the exploration of its exploration and evaluation assets, acquire additional exploration interests and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk. In the management of capital, the Company includes components of shareholders' equity.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt, acquire or dispose of assets.

In order to facilitate the management of its capital requirements, the Company prepares annual expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions. The annual and updated budgets are approved by the Board of Directors.

The Company is not subject to externally imposed capital requirements.

There were no changes in the Company's approach to capital management during the nine months ended May 31, 2026.

10. FINANCIAL INSTRUMENTS

Fair value

Financial instruments are classified into one of the following categories: FVTPL, amortized cost and FVTOCI.

Set out below are the Company's financial assets and liabilities by category:

	May 31, 2026 $	FVTPL $	Amortized cost $	FVTOCI $
FINANCIAL ASSETS				
ASSETS				
Cash	878,709	-	878,709	-
Deposits	1,500	-	1,500	-
Reclamation deposits	17,000	-	17,000	-
FINANCIAL LIABILITIES				
LIABILITIES				
Accounts payable and accrued liabilities	(995,788)	-	(995,788)	-

	August 31, 2025 $	FVTPL $	Amortized cost $	FVTOCI $
FINANCIAL ASSETS				
ASSETS				
Cash	646,083	-	646,083	-
Deposits	12,150	-	12,150	-
Reclamation deposits	17,000	-	17,000	-
FINANCIAL LIABILITIES				
LIABILITIES				
Accounts payable and accrued liabilities	(433,743)	-	(433,743)	-
Loan payable	(1,132,500)	-	(1,132,500)	-

10. FINANCIAL INSTRUMENTS (CONTINUED)

Fair value (continued)

The carrying values of cash, accounts payable and accrued liabilities and loans payable approximate their fair values due to the relatively short period to maturity of those financial instruments. Deposits and reclamation deposits approximately their fair value due to their liquidity.

Financial instruments recorded at fair value on the statements of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The three levels of the fair value hierarchy are as follows:

Level 1 Unadjusted quoted prices 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 that are not based on observable market data.

As of May 31, 2026 and August 31, 2025, there were no financial assets or liabilities measured and recognized in the statement of financial position at fair value that would be categorized as Level 1, 2 and 3 in the fair value hierarchy above.

Financial risk management

Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to financial instruments fails to meet its contractual obligations. The Company's maximum exposure to credit risk includes cash and cash equivalents and sales taxes receivable.

The Company's cash and cash equivalents is held at a large Canadian financial institution in interest bearing accounts. The Company has no investments in asset-backed commercial paper.

The Company's sales taxes receivable consists of HST receivable from the government of Canada. The Company's maximum exposure to credit risk is the carrying value of its financial assets. Management believes that the credit risk related to its cash and sales taxes receivable is negligible.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. The Company manages liquidity by maintaining adequate cash balances to meet liabilities as they become due.

As of May 31, 2026, the Company had cash of $878,709 and accounts payable and accrued liabilities of $995,788. All accounts payable and accrued liabilities are current.

10. FINANCIAL INSTRUMENTS (CONTINUED)

Market Risk

The significant market risks to which the Company is exposed are interest rate risk, foreign currency risk, and price risk.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As of May 31, 2026, the Company's cash is placed in an interest-free account at a Canadian chartered bank and does not hold any variance interest-bearing debt; as a result, the Company is not subject to any risks due to the fluctuation of the interest rate.

Foreign Currency risk

The Company is exposed to foreign currency risk to the extent that monetary assets and liabilities held by the Company are not denominated in Canadian dollars. As of May 31, 2026, the Company is not exposed to significant currency risk as the majority of the transactions and balances are denominated in Canadian dollars.

Price risk

The Company is exposed to price risk with respect to commodity prices. Commodity price risk is defined as the potential adverse impact on the results of operations due to commodity price movements and volatilities. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company.