CORE SILVER CORP.

Financial Statements

For the three months ended December 31, 2025

(Unaudited - Expressed in Canadian Dollars)

The accompanying unaudited condensed interim financial statements of Core Silver Corp. for the three months ended December 31, 2025, have been prepared by management and approved by the Audit Committee and the Board of Directors of the Company. These condensed interim financial statements have not been reviewed by the Company's external auditors.

Core Silver Corp.

(Formerly Core Assets Corp.)
Condensed Interim Statements of Financial Position
As expressed in Canadian dollars
(Unaudited – prepared by management)

	December 31, 2025	September 30, 2025
Assets		
Current		
Cash and cash equivalents	**$ 4,428,924**	$ 6,068,601
GST and other receivables	**34,024**	155,969
Prepaid expenses	**85,162**	311,922
	4,548,110	6,536,492
Promissory note (Note 9)	**38,717**	38,717
Exploration and evaluation assets (Note 6)	**15,912,369**	15,323,895
Reclamation bonds (Note 5)	**37,200**	37,200
	$ 20,536,396	$ 21,936,304
Liabilities		
Current		
Accounts payable and accrued liabilities	**$ 190,130**	$ 1,223,203
Due to related parties (Note 9)	**83,104**	100,628
	273,234	1,323,831
Deferred income taxes (Note 13)	**1,353,473**	1,353,473
	1,626,707	2,677,304
Shareholders' Equity		
Share capital (Note 7)	**21,680,101**	21,680,101
Reserves (Note 8)	**5,556,973**	5,549,126
Deficit	**(8,327,385)**	(7,970,227)
	18,909,689	19,259,000
	$ 20,536,396	$ 21,936,304

Subsequent events (Note 14)

Approved and authorized by the Board of Directors on February 23, 2026:

"Nicholas Rodway"	*"Joshua Vann"*
Director	Director

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

Core Silver Corp.
(Formerly Core Assets Corp.)
Condensed Interim Statements of Operations and Comprehensive Loss
For the three months ended December 31, 2025 and 2024
As expressed in Canadian dollars
(Unaudited – prepared by management)

		2025		2024
Expenses				
Administrative fees (Note 9)	**$**	**45,000**		40,000
Advertising and travel expenses (Note 9)		**270,013**		21,221
Consulting fees and salaries (Note 9)		**49,396**		61,764
Legal fees		**1,046**		1,882
Office, insurance, and miscellaneous		**4,419**		5,152
Share-based payments (Note 8)		**7,847**		149,105
Transfer agent and filing fees		**10,448**		9,222
Loss before other items		**388,169**		288,346
Other income				
Interest income		**31,011**		15,768
		31,011		15,768
Net loss & comprehensive loss for the period	**$**	**357,158**	$	272,578
Basic and diluted loss per share	**$**	**0.01**	$	0.02
Weighted average number of common shares outstanding – Basic and diluted		**32,920,565**		12,710,569

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

Core Silver Corp.
(Formerly Core Assets Corp.)
Condensed Interim Statements of Changes in Equity
For the three months ended December 31, 2025 and 2024
As expressed in Canadian dollars
(Unaudited – prepared by management)

	Number of Shares		Share Capital		Reserves		Deficit		Total
Balance, September 30, 2024	**12,710,565**	**$**	**15,548,318**	**$**	**2,959,940**	**$**	**(5,774,072)**	**$**	**12,734,186**
Share-based payments (Note 8)	-		-		149,106		-		149,106
Net loss for the period	-		-		-		(272,578)		(272,578)
Balance, December 31, 2024	**12,710,565**	**$**	**15,548,318**	**$**	**3,109,046**	**$**	**(6,046,650)**	**$**	**12,610,714**
	Number of Shares		**Share Capital**		**Reserves**		**Deficit**		**Total**
Balance, September 30, 2025	**32,920,565**	**$**	**21,680,101**	**$**	**5,549,126**	**$**	**(7,970,227)**	**$**	**19,259,000**
Share-based payments (Note 8)	-		-		7,847		-		7,847
Net loss for the period	-		-		-		(357,158)		(357,158)
Balance, December 31, 2025	**32,920,565**	**$**	**21,680,101**	**$**	**5,556,973**	**$**	**(8,327,385)**	**$**	**18,909,689**

***Effective June 4, 2025, the Company consolidated its common shares on a 10:1 basis. All shares and per share amounts in the financial statements have been retroactively restated to reflect the share consolidation.*

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

Core Silver Corp.
(Formerly Core Assets Corp.)
Condensed Interim Statements of Cash Flows
For the three months ended December 31, 2025 and 2024
As expressed in Canadian dollars
(Unaudited – prepared by management)

	2025	2024
CASH FLOWS USED IN OPERATING ACTIVITIES:		
Net loss for the period	**$ (357,158)**	$ (272,578)
Add (deduct) items not affecting cash:		
Share-based compensation	**7,847**	149,106
Accrued interest on GIC	**(50,528)**	-
Changes in non-cash working capital items related to operations:		
GST and other receivables	**121,945**	71,867
Prepaid expenses	**226,760**	34,310
Accounts payable and accrued liabilities	**(122,884)**	4,649
Due to related parties	**4,338**	11,745
Net cash flows (used in) operating activities	**(169,680)**	(901)
CASH FLOWS USED IN INVESTING ACTIVITIES:		
Accrued interest on GIC	**50,528**	-
Exploration and evaluation costs	**(1,520,525)**	(233,943)
Net cash flows used in investing activities	**(1,469,997)**	(233,943)
Increase (decrease) in cash	**(1,639,677)**	(238,844)
Cash, beginning of period	**6,068,601**	1,471,705
Cash and cash equivalents, end of period	**$ 4,428,924**	$ 1,236,861

See also Note 12.

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

1. NATURE OF OPERATIONS AND CONTINUANCE OF OPERATIONS

Core Silver Corp. (formerly Core Assets Corp.) ("Core" or the "Company") was incorporated on April 20, 2016, under the Company Act of British Columbia and is in the business of acquiring, exploring, developing and evaluating mineral resource properties. The Company is in the exploration stage and has interests in properties located in British Columbia ("BC"), Canada. The head office, principal address and registered and records office of the Company are located at 1450 – 789 West Pender, Vancouver, BC, Canada, V6C 1H2.

On July 8, 2020, the Company received final receipt from the British Columbia Securities Commission for its Long Form Prospectus dated July 7, 2020. On July 27, 2020, the Company's shares were listed for trading on the Canadian Securities Exchange ("CSE") under the symbol "CC". The Company's shares also trade on the OTCQB under the symbol "CCOOF" and on the Frankfurt Stock Exchange under the symbol "A2QCCU". On June 4, 2025, the Company completed a consolidation of its share capital on the basis of one (1) new share for every ten (10) old shares and changed its name from "Core Assets Corp." to "Core Silver Corp.".

These condensed interim financial statements were authorized for issue by the Audit Committee and Board of Directors on February 23, 2026.

The Company has no source of operating cash flows, has not yet achieved profitable operations, has working capital of $4,274,876 at December 31, 2025 (September 30, 2025: $5,212,661), has accumulated losses since its inception, expects to incur further losses in the development of its business, and has no assurance that sufficient funding will be available to conduct further exploration of its mineral properties. These material uncertainties cast significant doubt about the Company's ability to continue as a going concern. In recognition of these circumstances, management is pursuing various financial alternatives to fund the Company's exploration and development programs. There is no assurance that these initiatives will be successful.

In the future, the Company may raise additional financing through the issuance of share capital or shareholder loans, however, there can be no assurance that it will be successful in its efforts to do so and that the terms will be favourable to the Company. These financial statements do not include any adjustments to the carrying values of assets and liabilities, the reported expenses and statement of financial position classifications that might be necessary should the Company be unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Management is actively seeking to raise the necessary capital to meet its funding requirements and has undertaken available cost-cutting measures. There can be no assurance that management's plan will be successful. If the going concern assumption were not appropriate for these financial statements, then adjustments would be necessary in the carrying value of assets and liabilities, the reported expenses and the statement of financial position classifications used. Such adjustments could be material.

The business of mining and exploration involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The Company has no source of revenue, and has significant cash requirements to meet its administrative overhead and maintain its mineral interests.

2. BASIS OF PRESENTATION

Statement of Compliance

These condensed interim financial statements have been prepared in accordance with IFRS Accounting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

2. BASIS OF PRESENTATION - continued

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, this financial statement has been prepared using the accrual basis of accounting.

The preparation of these financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

3. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

Estimates and assumptions

In particular, information about significant areas of estimation uncertainty considered by management in preparing the financial statements includes:

- The recoverability of the carrying value of the exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest;
- The inputs used in assessing the recoverability of deferred income tax assets to the extent that the deductible temporary differences will reverse in the foreseeable future and that the Company will have future taxable income; and
- Management's assumption that there are currently no decommissioning liabilities is based on the facts and circumstances that have existed during the periods.

Judgments

The critical judgments that the Company's management has made in the process of applying the Company's accounting policies from those involving estimations that have the most significant effect on the amounts recognized in the Company's financial statements are as follows:

- Economic recoverability and probability of future economic benefits of exploration, evaluation and development costs: Management has determined that exploratory drilling, evaluation, development and related costs incurred which have been capitalized are economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefit including geologic information, scoping and feasibility studies, accessible facilities, existing permits and life of mine plans.
- Provisions for reclamation: Management assesses its provision for reclamation on an annual basis or when new information becomes available. This assessment includes the estimation of the future rehabilitation costs, the timing of these expenditures, and the impact of changes in discount rates. The actual future expenditures may differ from the amounts currently provided if the estimates made are significantly different than actual results or if there are significant changes in environmental and/or regulatory requirements in the future.
- Going concern: The assessment of the Company's ability to continue as a going concern involves judgment regarding future funding available for its exploration projects and working capital requirements.

4. MATERIAL ACCOUNTING POLICY INFORMATION

The policies applied in these condensed interim consolidated financial statements are consistent with policies disclosed in Note 4 of the financial statements for the year ended September 30, 2025. These condensed interim financial statements should be read in conjunction with the Company's audited financial statements for the year ended September 30, 2025.

Certain new standards, interpretations and amendments to existing standards issued by the IASB or IFRIC may have become mandatory or have been issued subsequent to the year ended September 30, 2025. However, none have been identified as applicable or are consequential to the Company.

5. RECLAMATION BOND

At December 31, 2025, the Company has a reclamation security deposit of $37,200 (September 30, 2025: $37,200) with the Ministry of Energy, Mines and Low Carbon Innovation for the exploration program on the Blue Property.

6. EXPLORATION AND EVALUATION ASSETS

The following is a description of the Company's property interests and related spending commitments:

<u>Blue Property</u>

On December 10, 2018, the Company signed an agreement with Zimtu Capital Corp. ("Zimtu"), whereby the Company can earn a 100% interest in and to the Blue Property, in British Columbia. For its participation in the transaction, the Company paid $100,000 and issued 300,000 common shares of the Company in staged payments (100,000 shares with a fair value of $50,000 issued during the year ended September 30, 2019 and 200,000 with a fair value of $225,000 were issued during the year ended September 30, 2021).

On August 1, 2019, the Company signed an agreement with Zimtu, whereby the Company can earn a 100% interest in and to the Silver Lime Property, in British Columbia by issuing 100,000 common shares (issued) of the Company.

In August 2020, the Company acquired 8 additional claims in and around the Company's Blue and Silver Lime properties from Zimtu. The cost to acquire the claims amounted to the cost of staking paid by Zimtu ($23,025). The addition of these claims expanded and consolidated the Blue Property and the Silver Lime Property into one contiguous property that will continue to be called the Blue Property. In June 2021, the Company acquired 6 additional claims in and around the Company's Blue and Silver Lime properties from Zimtu. The cost to acquire the claims amounted to the cost of staking paid by Zimtu of $26,095 plus 20% interest for a total of $31,314.

During the year ended September 30, 2021, the Company staked an additional 82,257 ha of land, increasing its land package to approximately 108,337 ha. The cost of the staking was $140,950.

On April 6, 2022, the Company acquired a 100% interest in two mineral tenures, consisting of approximately 3,311 ha, known as the Atlin Lake Claims, at a cost of $10,000 (paid) from an individual.

During the year ended September 30, 2023, two mineral tenure licences were staked totaling approximately 2,326 ha.

Expressed in Canadian dollars

6. EXPLORATION AND EVALUATION ASSETS – continued

Blue Property - continued

The following are the expenditures on the Blue Property for the three months ended December 31, 2025 and the year ended September 30, 2025:

		December 31, 2025		September 30, 2025
Opening balance	$	15,323,895	$	12,183,025
Assays		101,090		94,037
Camp and accommodations		40,239		239,472
Drilling		108,384		704,135
Field supplies and rentals		62,213		195,150
Geological expenses and geophysical survey		120,753		515,353
Travel and transport		155,795		1,417,908
Mining tax credit recovery		-		(25,185)
Ending balance	$	15,912,369	$	15,323,895

7. SHARE CAPITAL

a) Authorized: Unlimited common shares with no par value.

b) Issued and outstanding: The total issued and outstanding shares of the Company are 32,920,565 as at December 31, 2025 (September 30, 2025: 32,920,565). On June 4, 2025, the Company completed a consolidation of its share capital on the basis of one (1) new share for every ten (10) old shares. All shares and per share amounts in the financial statements have been retroactively restated to reflect the share consolidation.

During the year ended September 30, 2025:

On July 2, 2025, the Company completed a non-brokered private placement offering (the “Offering”) issuing 5,410,000 non-flow-through units (the “Units”) at a price of $0.20 per Unit for gross proceeds of $1,082,000 and 800,000 flow-through units (the “FT Units”) at a price of $0.25 per FT Unit for gross proceeds of $200,000. Each Unit is comprised of one common share of the Company (each, a “Share”) and one share purchase warrant (each, a “Warrant”). Each Warrant entitles the holder to acquire one additional Share in the capital of the Company at a price of $0.30 per Share for a period of three (3) years from the date of issuance. Each FT Unit is comprised of one flow-through common share to be issued as a "flow-through share" within the meaning of the Income Tax Act (Canada) (each, a “FT Share”) and one Warrant. Each Warrant shall entitle the holder to acquire one Share at a price of $0.30 per Share for a period of three (3) years from the date of issuance. All securities issued in connection with the Offering are subject to a statutory hold period of four months and one day from the date of issuance as required under applicable securities laws. In addition, the subscribers to the Offering entered into an agreement with the Company whereby the Shares, FT Shares and any Shares issuable upon exercise of the Warrants will be subject to a contractual hold period of one (1) year from the date of issuance. The gross proceeds from the issuance of the FT Units will be used by the Company to incur eligible "Canadian exploration expenses" that will qualify as "flow-through mining expenditures" as such terms are defined in the Income Tax Act (Canada) (the "Qualifying Expenditures") related to the Company's Blue Property.

Expressed in Canadian dollars

7. SHARE CAPITAL - continued

During the year ended September 30, 2025: - continued

On August 5, 2025, the Company completed a non-brokered private placement offering (the "Offering") issuing 8,000,000 units (the "Units") at a price of $0.25 per Unit for total gross proceeds of $2,000,000. Each Unit is comprised of one common share of the Company (each, a "Share") and one transferable share purchase warrant (each, a "Warrant"), with each Warrant exercisable to acquire one additional Share of the Company at a price of $0.315 per Share for a period of 24 months from the date of issuance. No finder's fees were paid in connection with the Offering. The net proceeds from the Offering are expected to be used for general working capital purposes and property exploration. All securities issued in connection with the Offering are subject to a statutory hold period of four months and one day from the date of issuance.

On September 19, 2025, the Company completed a non-brokered listed issuer financing exemption ("LIFE") private placement offering (the "LIFE Offering"), issuing 6,000,000 flow-through units ("FT Units") of the Company at $0.75 per FT Unit, for gross proceeds of $4,500,000. Each FT Unit will be comprised of one common share in the capital of the Company (a "LIFE FT Share") and one common share purchase warrant (a "LIFE Warrant"). Each LIFE FT Share will qualify as a "flow-through share" within the meaning of subsection 66(15) of the Income Tax Act (Canada). Each LIFE Warrant will be exercisable to acquire one additional common share of the Company at an exercise price of $0.85 for a period of 24 months from the date of closing. The LIFE FT Units will be sold on a structured basis whereby the Company will issue the LIFE FT Shares and LIFE Warrants comprising the LIFE FT Units to purchasers purchasing as principals and/or to an agent for one or more disclosed principals. The LIFE FT Shares and LIFE Warrants comprising the LIFE FT Units will then immediately be sold to one or more back-end buyers. The LIFE FT Units issued pursuant to the LIFE Offering will not be subject to a hold period in accordance with applicable Canadian securities laws.

c) Share purchase warrants / finder's warrants:

The following is a summary of warrant transactions for the three months ended December 31, 2025 and the year ended September 30, 2025:

	December 31, 2025			**September 30, 2025**		
	Number of Warrants		Weighted Average Exercise Price	Number of Warrants		Weighted Average Exercise Price
Balance, beginning of period	22,480,129	$	0.64	3,180,594	$	2.49
Granted	-		-	20,210,000		0.47
Expired	(2,270,129)		2.20	(910,465)		3.37
Balance, end of period	20,210,000	$	0.47	22,480,129	$	0.64

Expressed in Canadian dollars

7. SHARE CAPITAL - continued

c) Share purchase warrants / finder's warrants:

The following warrants were outstanding and exercisable as at December 31, 2025:

Expiry Date	Exercise Price	Number of Warrants	Contractual Life (Years)
August 5, 2027	$0.32	8,000,000	1.59
September 19, 2027	$0.85	6,000,000	1.72
July 2, 2028	$0.30	5,410,000	2.50
July 2, 2028	$0.30	800,000	2.50
Total outstanding and exercisable		20,210,000	1.91

On November 17, 2025, 2,115,813 share purchase warrants and 154,316 broker warrants priced at $2.20 expired unexercised.

8. SHARE-BASED PAYMENTS

The Company has a stock option plan for officers, directors, employees and consultants. Options are granted with an exercise price determined by the Board of Directors, which may not be less than 25% of the Company's stock price on the date of the grant. Options granted to directors, employees and consultants other than consultants engaged in investor relations activities will vest immediately. However, for options granted to employees and consultants engaged in investor relations activities will vest in stages over a minimum period of 12 months with no more than one-quarter of the options vesting in any three-month period.

The following is a summary of option transactions under the Company's stock option plan for the three months ended December 31, 2025 and the year ended September 30, 2025:

	December 31, 2025			**September 30, 2025**		
	Number of Options		Weighted Average Exercise Price	Number of Options		Weighted Average Exercise Price
Balance, beginning of period	1,217,500	$	0.65	1,369,000	$	2.71
Cancelled	-		-	(1,039,500)		2.65
Forfeited	-		-	(282,000)		3.10
Granted	-		-	1,170,000		0.61
Balance, end of period	1,217,500	$	0.65	1,217,500	$	0.65

Expressed in Canadian dollars

8. SHARE-BASED PAYMENTS - continued

On August 6, 2025, the Company announced that it has, with the consent of the applicable holders, cancelled an aggregate 1,039,500 stock options and forfeited 280,000 stock options held by certain officers, directors and consultants of the Company.

The following stock options were outstanding and exercisable as at December 31, 2025:

Expiry Date	Exercise Price	Number of Options	Contractual Life (Years)
June 19, 2027	$2.30	20,000	1.47
April 25, 2029	$1.35	27,500	3.32
July 21, 2029	$0.61	1,170,000	3.56
Total outstanding options	$0.65	1,217,500	3.52
Total exercisable options	$0.63	1,192,813	3.53

On July 21, 2025, the Company granted 1,170,000 stock options to certain directors, officers, employees and consultants of the Company pursuant to the Company's stock option plan. The Options are exercisable for a period of 4 years from the date of grant at a price of $0.61 per Share. The Options will vest immediately.

On April 25, 2024, the Company granted 600,000 stock options to certain directors, officers and consultants of the Company pursuant to its Stock Option Plan. Each option is exercisable for a period of 5 years from the date of Grant, expiring on April 25, 2029, at a price of $1.35 per Share. The options shall vest 12.5% on date of grant, then an additional 12.5% every six months until fully vested.

During the three months ended December 31, 2025, $7,847 (December 31, 2024 - $149,105) was charged to share-based payments. The following assumptions were used for the Black-Scholes pricing model calculations:

	April 25, 2024	**July 21, 2025**
Risk-free interest rate	3.89%	3.01%
Expected stock price volatility	121.16%	116.47%
Expected option life in years	5 years	4 years
Dividend rate	Nil	Nil

9. RELATED PARTY TRANSACTIONS

During the three months ended December 31, 2025 and 2024, the Company incurred the following transactions with officers or directors of the Company or companies with common directors:

	Three months ended December 31,	
Key management compensation*	**2025**	**2024**
Exploration and evaluation asset expenditures	$ 59,500	$ 68,500
Wages to key management	42,000	40,500
Share-based payments	-	107,001
Total	$ 101,500	$ 216,001

9. RELATED PARTY TRANSACTIONS - continued

* Key management includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including the Company's executive officers and certain members of its Board of Directors.

On June 11, 2021, the Company granted 192,000 bonus shares to two directors and paid the payroll taxes due by the directors and received promissory notes for reimbursement of these taxes. As at September 30, 2025, $38,717 (September 30, 2024: $38,717) remains payable to the Company.

As at December 31, 2025, there was $83,104 (September 30, 2025: $100,628) due to related parties of the Company.

The terms and conditions of these transactions with key management and their related parties were no more favourable than those available, or which might reasonably be expected to be available, or similar transactions to non-key management related entities on an arm's length basis. These transactions are in the normal course of operations and have been valued in these financial statements at the exchange amount, which is the amount of consideration established and agreed to by the related parties. The amounts due to related parties are unsecured, non-interest bearing, and have no specific terms of repayment.

10. FINANCIAL INSTRUMENTS

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to market conditions and the Company's activities. The Company has exposure to credit risk, liquidity risk and market risk as a result of its use of financial instruments. This note presents information about the Company's exposure to each of the above risks and the Company's objectives, policies and processes for measuring and managing these risks. Further quantitative disclosures are included throughout these financial statements.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board has implemented and monitors compliance with risk management policies as set out herein.

a) Credit Risk
Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company's cash is subject to credit risk for a maximum of the amounts shown on the statements of financial position.

At December 31, 2025, the Company held cash and cash equivalents of $4,428,924 (September 30, 2025: cash of $6,068,601) with Canadian chartered banks.

b) Liquidity Risk
Liquidity risk is the risk that the Company will incur difficulties meeting its financial obligations as they are due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions without incurring unacceptable losses or risking harm to the Company's reputation.

As at December 31, 2025, the Company has total current liabilities of $273,234 (September 30, 2025: $1,323,831). Management intends to meet these obligations by raising funds through future financings.

10. FINANCIAL INSTRUMENTS – continued

c) Market Risk

Market risk consists of currency risk, commodity price risk and interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable limits, while maximizing returns.

i) *Currency Risk*

Foreign currency exchange rate risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in foreign exchange rates. Although the Company is in the exploration stage and has not yet developed commercial mineral interests, the underlying commodity price for minerals is impacted by changes in the exchange rate between the Canadian and United States dollar. As all of the Company's transactions are denominated in Canadian dollars, the Company is not significantly exposed to foreign currency exchange risk at this time.

ii) *Commodity Price Risk*

Commodity price risk is the risk that the fair value of future cash flows will fluctuate as a result of changes in commodity prices. Commodity prices for minerals are impacted by world economic events that dictate the levels of supply and demand as well as the relationship between the Canadian and United States dollar, as outlined above. As the Company has not yet developed commercial mineral interests, it is not exposed to commodity price risk at this time.

iii) *Interest Rate Risk*

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates.

d) Fair Value

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

e) Capital Management

Capital is comprised of the Company's shareholders' equity and any debt it may issue. As at December 31, 2025, the Company's shareholders' equity was $18,909,689 (September 30, 2025: $19,259,000). The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and to maintain a flexible capital structure which will allow it to pursue the exploration of its mineral properties. Therefore, the Company monitors the level of risk incurred in its mineral property expenditures relative to its capital structure which is comprised of working capital and shareholders' equity.

The Company monitors its capital structure and makes adjustments in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to facilitate the management of capital and the exploration of its mineral properties, the Company prepares annual expenditure budgets which are updated as necessary and are reviewed and periodically approved by the Company's Board of Directors. To maintain or adjust the capital structure, the Company may issue new equity if available on favourable terms, option its mineral properties for cash and/or expenditure commitments from optionees, enter into joint venture arrangements, or dispose of mineral properties. The Company is not subject to any externally imposed capital requirements and there were no changes in the Company's approach to capital management during the year.

Expressed in Canadian dollars

11. LIABILITY FOR FLOW-THOUGH SHARES

Funds raised through the issuance of flow-through shares are required to be expended on qualified Canadian mineral exploration expenditures, as defined pursuant to Canadian income tax legislation. The flow-through gross proceeds, less the qualified expenditures made to date, represent the funds received from flow-through share issuances that have not been spent.

On July 2, 2025, the Company issued 800,000 common shares on a "flow-through" basis at a price of $0.25 per Share for gross proceeds of $200,000. A flow-through share liability of $40,000 was recognized at the date of issuance based on the premium value of the flow-through share at the time of issuance. At December 31, 2025, the Company had incurred $200,000 in qualified expenditures. The flow-through expenditures will be renounced on December 31, 2025.

On September 19, 2025, the Company issued 6,000,000 common shares on a "flow-through" basis at a price of $0.75 per Share for gross proceeds of $4,500,000. An amount of $1,605,263 was allocated to the warrants issued based on their fair value, and NIL balance to the flow-through share premium. At December 31, 2025, the Company has incurred $2,632,346 in qualified expenditures. The flow-through expenditures will be renounced on December 31, 2025.

	Issued on July 2, 2025	Total
Balance, September 30, 2024	$ -	$ -
Liability incurred on flow-through shares issued	40,000	40,000
Settlement of flow-through share liability on incurred expenses	(40,000)	(40,000)
Balance, September 30, 2025 and December 31, 2025	-	$ -

12. SUPPLEMENTAL CASH FLOW INFORMATION

The significant non-cash transactions during the three months ended December 31, 2025 and 2024 were:

a) At December 31, 2025, included in accounts payable and accrued liabilities is $80,963 (December 31, 2024: $38,229) of exploration and evaluation asset costs.

b) At December 31, 2025, included in due to related parties is $63,016 (December 31, 2024: $99,575) of exploration and evaluation asset costs.

13. COMMITMENTS

On October 1, 2021, the Company engaged Zimtu to provide marketing services as part of a cooperative marketing program. In consideration, the Company made monthly payments of $12,500. On January 1, 2023, the Company entered into a new agreement with Zimtu to provide marketing services for a 12-month period at a rate of $9,000 per month, and the agreement was renewed on January 1, 2025 for an additional twelve months at a rate of $12,500 per month. On February 1, 2026, the agreement was renewed for a 12-month period at a rate of $12,500 per month.

14. SUBSEQUENT EVENTS

On January 14, 2026, the Company granted stock options ("Options") to purchase up to 1,750,000 common shares of the Company (the "Shares") to certain directors, officers, employees and consultants of the Company, pursuant to the Company's stock option. The Options are exercisable for a period of four (4) years from the date of grant at a price of $0.81 per Share. The Options will vest immediately. All of the Options and the Shares underlying the Options are subject to a hold period of four months and one day from the date of grant in accordance with the policies of the Canadian Securities Exchange and applicable securities laws. Additionally, the Company announces that is has granted an aggregate of 1,350,000 restricted share units (each, a "RSU") which will vest on the date that is twelve (12) months from the date of grant. Each RSU represents the right to receive, once vested, one common share in the capital of the Company.