GRAPHANO ENERGY LTD.

CONDENSED INTERIM FINANCIAL STATEMENTS

THREE MONTHS ENDED JANUARY 31, 2026

UNAUDITED

(Expressed in Canadian dollars)

Contents

Condensed Interim Financial Statements

Notice of Disclosure of Non-auditor review of the Interim Financial Statements

Pursuant to National Instrument 51-102, Part 4, subsection 4.3(3)(a) issued by the Canadian Securities Administrators, 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 Condensed Interim financial statements of the Company for the interim period ended January 31, 2026 have been prepared in accordance with international accounting standards for interim financial reporting under IAS 34. The accompanying unaudited Condensed Interim financial statements are the responsibility of the Company's management.

The Company's independent auditors, Kreston GTA LLP, Licensed Public Accountants, have not performed a review of these interim financial statements in accordance with the standards established for a review of interim financial statements by an entity's auditor.

March 26, 2026

Dr. Luisa Moreno
Chief Executive Officer

GRAPHANO ENERGY LTD.
CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
(Unaudited, expressed in Canadian dollars)

As at,	**January 31, 2026** **$**	**July 31, 2025** **$**
ASSETS		
Current assets		
Cash & cash equivalents (note 6)	647,800	661,677
Prepayments and other receivables	47,288	51,062
Sales taxes receivable	32,273	19,936
Total current assets	**727,360**	**732,675**
Total assets	**727,360**	**732,675**
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities (note 7)	25,815	41,718
Total liabilities	**25,815**	**41,718**
SHAREHOLDERS' EQUITY		
Share capital (note 9)	4,759,251	4,446,264
Reserves	2,407,417	2,085,904
Deficit	(6,465,124)	(5,841,211)
Total shareholders' equity	**701,545**	**690,957**
Total liabilities & shareholders' equity	**727,360**	**732,675**

Going concern (Note 2) and subsequent events (Note 16)

APPROVED ON BEHALF OF THE BOARD OF DIRECTORS

Signed "James Richardson" *Director and CFO*

Signed "Luisa Moreno" *Director and CEO*

The accompanying notes form an integral part of the condensed interim financial statements.

GRAPHANO ENERGY LTD.
CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED JANUARY 31, 2026
(Unaudited, expressed in Canadian dollars)

	SHARE CAPITAL		RESERVES	DEFICIT	TOTAL
	#	$	$	$	$
Balance, as at July 31, 2024	**17,188,268**	**4,446,264**	**2,085,904**	**(5,293,847)**	**1,238,320**
Net loss for the period	-	-	-	(220,519)	(220,519)
Balance, as at January 31, 2025	**17,188,268**	**4,446,264**	**2,085,904**	**(5,514,366)**	**1,017,802**
Balance, as at July 31, 2025	**17,188,268**	**4,446,264**	**2,085,904**	**(5,841,211)**	**690,957**
Private Placement	4,500,000	353,487	321,513	-	675,000
Share issue cost	-	(40,500)	-	-	(40,500)
Net loss for the period	-	-	-	(623,912)	(623,912)
Balance, as at January 31, 2026	**21,688,268**	**4,759,251**	**2,407,417**	**(6,465,123)**	**701,545**

The accompanying notes form an integral part of the condensed interim financial statements.

GRAPHANO ENERGY LTD.
CONDENSED INTERIM STATEMENTS OF COMPREHENSIVE LOSS/(INCOME)
FOR THE SIX MONTHS ENDED JANUARY 31, 2026
(Unaudited, expressed in Canadian dollars)

For the period ended,	Three months ended January 31, 2026	Three months ended January 31, 2025	Six months ended January 31, 2026	Six months ended January 31, 2025
	$	$	$	$
Operating Expenses				
Expenditures on E&E properties	102,408	12,611	274,245	33,784
Management fees	79,000	78,000	157,000	156,000
Professional and consulting fees	6,556	123	6,639	299
Advertising and Marketing	16,014	9,894	125,831	22,484
Transfer agent, filing, and IR fees	8,289	6,455	16,153	15,396
Foreign exchange loss	580	-	2,130	1,053
Other operating expenses	22,776	6,539	53,746	11,007
	235,623	**113,622**	**635,744**	**240,023**
Other expenses/(income)				
Interest income	(4,817)	(9,472)	(11,833)	(19,504)
	(4,817)	**(9,472)**	**(11,833)**	**(19,504)**
Net loss and comprehensive loss	**230,806**	**104,149**	**623,912**	**220,519**
Loss per share - basic & diluted	0.011	0.006	0.032	0.013
Weighted average number of shares outstanding	20,791,529	17,188,268	19,598,594	17,188,268

The accompanying notes form an integral part of the condensed interim financial statements.

GRAPHANO ENERGY LTD.
CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED JANUARY 31, 2026
(Unaudited, expressed in Canadian dollars)

For the period ended,	Six months ended January 31, 2026 $	2025 $
Cash used in operating activities		
Net loss for the period	(623,912)	(220,519)
Changes in non-cash working capital items:		
Prepayments and other receivables	3,774	67,902
Sales taxes receivable	(12,337)	22,123
Accounts payable and accrued liabilities	(15,903)	(85,155)
	(648,377)	**(215,648)**
Cash provided by /(used in) financing activities		
Proceeds from issue of shares	675,000	-
Share's issue cost	(40,500)	-
Short term loan	-	(320,000)
	634,500	**(320,000)**
Increase/(decrease) in cash and cash equivalents	(13,877)	(535,648)
Cash and cash equivalents, beginning of the period	661,677	1,465,178
Cash and cash equivalents, end of the period	**647,800**	**929,530**

The accompanying notes form an integral part of the condensed interim financial statements.

1. GENERAL INFORMATION

Graphano Energy Ltd (the “Company”, "Graphano" or “GEL”) was incorporated as a private company by Certificate of Incorporation issued pursuant to the provisions of the *Business Corporation Act* (British Columbia) on October 5, 2020 by its parent company, Manganese X Energy (“MN”). It is a mining company that is focused on evaluating, acquiring and developing graphite resources with potential—from exploration to production.

The Company’s shares were accepted for listing in September 2021 and are listed under the symbol ‘GEL’ on the TSX Venture Exchange (the “Exchange”), ‘97G0’ on the Frankfurt Exchange and ‘GELEF’ on the OTCQB Marketplace in the United States. The registered office of the Company is located at 214 - 257 12th Street East, North Vancouver, British Columbia, and the Company maintains a business office at 120 Carlton Street, Suite 219, Toronto, Ontario.

These financial statements were approved and authorized for issuance by the Board of Directors of the Company on March 26, 2026.

2. GOING CONCERN DISCLOSURE

The business of mining exploration involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The recoverability of the carrying value of exploration properties and the Company's continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, or the ability to raise alternative financing, if necessary, or alternatively upon the Company's ability to dispose of its interests on an advantageous basis. Changes in future conditions could require material write-downs of the carrying values. Although the Company has taken steps to verify title to the properties on which it is conducting exploration and has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements, aboriginal claims and non-compliance with regulatory requirements.

The ability of the Company to continue as a going concern (as is assumed in the presentation of these statements) is uncertain and is dependent upon its ability to fund its working capital, complete the development of its explorations, and eventually to generate positive cash flows from operations. Management may explore alternative possible means to assist in its development, including joint ventures, debt and equity financings, and merger opportunities.

Several adverse conditions and events cast substantial doubt upon the validity of this assumption. Graphano is not currently generating any revenue from its operations. For the six months ended January 31, 2026, the Company recorded a net comprehensive loss of $623,912 and had an accumulated deficit of $6,465,124 but a positive shareholders’ equity of $701,545 and cash and GICs of $172,800 and $475,000, respectively. Management is of the opinion that the Company has enough funds to operate for the next 12-month period without the need to raise additional capital.

These financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary were the going concern assumption inappropriate, and these adjustments could be material.

3. SUMMARY OF SIGNFICANT ACCOUNTING POLICIES

(a) Statement of Compliance

These unaudited condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (“IFRS Accounting Standards”) applicable to the preparation of interim financial statements, under International Accounting Standards (“IAS”) 34 – Interim Financial Reporting.

The accounting policies applied in the preparation of these unaudited condensed interim financial statements are consistent with those applied and disclosed in the July 31, 2025 annual audited financial statements.

(b) Basis of Measurement

These financial statements have been prepared on an historical cost basis using the accrual basis of accounting except for cash flow information.

(c) Functional and Presentation Currency

The Company's functional and presentation currency is the Canadian dollar ("$").

4. SUMMARY OF ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires management to make estimates, judgments and assumptions that affect the amounts reported in the financial statements and notes. By their nature, these estimates, judgments and assumptions are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be material. These estimates are based on historical experience, current and future economic conditions, and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The more significant items are as follows:

(a) Critical accounting estimates

Deferred income tax assets and liabilities are computed based on differences between the carrying amounts of assets and liabilities on the balance sheet and their corresponding tax values. Deferred income tax assets also result from unused loss carry- forwards and other deductions. The valuation of Deferred income tax assets is adjusted, if necessary, by use of a valuation allowance to reflect the estimated realizable amount.

(b) Critical accounting judgments

The following accounting policies involve judgments or assessments made by management:
• The determination of categories of financial assets and financial liabilities;
• The determination of a cash-generating or, other logical unit for assessing and testing impairment;
• The assessment of the Company’s ability to continue as a going concern;
• The determination of when an exploration and evaluation property becomes a development property.

5. FUTURE ACCOUNTING PRONOUNCEMENTS

Certain pronouncements have been issued by the IASB that are mandatory for accounting periods after January 31, 2026. There are currently no such pronouncements that are expected to have a significant impact on the Company's financial statements upon adoption.

(Unaudited, expressed in Canadian dollars)

6. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are as follows:

	January 31, 2026	July 31, 2025
	$	$
Cash Canadian banks	172,800	11,677
GIC's	475,000	650,000
	647,800	661,677

The GIC's are issued by a major Canadian Chartered Bank.

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Trade payables and accrued liabilities as at January 31, 2026, are $25,815 (July 31, 2025 - $41,718). Accounts payable includes $992 due to related parties (see Note 11).

8. LOANS AND ADVANCES

A Line of Credit (the "LOC") secured by the Company's GIC has been approved by RBC bank in the amount of $425,000. Currently, the LOC is not being utilized. The LOC was renewed for another six months up to August 5, 2026.

9. SHARE CAPITAL

A Authorized share capital

An unlimited number of common shares, without par value.

An unlimited number of preferred shares (note: none issued as of January 31, 2026).

B Common Shares Issued

On September 5, 2025, the Company raised a Private Placement whereby it issued 2,000,000 units (each, a “Unit“) at a price of $0.15 per Unit, for aggregate gross proceeds of $300,000. Each Unit consists of one common share of the Company (each, a “Share“) and one common share purchase warrant (each, a “Warrant“). Each Warrant entitles the holder to acquire one additional Share at a price of $0.25 for a period of 36 months from the date of issuance. In connection with the Private Placement, the Company paid aggregate cash finder’s fees of $18,000.00.

On December 3, 2025, the Company raised a Private Placement whereby it issued 2,500,000 units (each, a “Unit“) at a price of $0.15 per Unit, for aggregate gross proceeds of $375,000. Each Unit consists of one common share of the Company (each, a “Share“) and one common share purchase warrant (each, a “Warrant“). Each Warrant entitles the holder to acquire one additional Share at a price of $0.25 for a period of 36 months from the date of issuance. In connection with the Private Placement, the Company paid aggregate cash finder’s fees of $22,500.00.

(Unaudited, expressed in Canadian dollars)

C Share purchase warrants

During the quarter ended January 31, 2026, 2,500,000 share warrants were issued. The number of warrants outstanding and their weighted average exercise prices are as follows:

		Warrants \#	Weighted average exercise price $
Balance - July 31, 2024		**12,334,240**	**0.52**
	-	-	-
Balance - July 31, 2025		**12,334,240**	**0.52**
Warrants issued		2,000,000	0.25
Balance - October 31, 2025		**14,334,240**	**0.48**
Warrants issued		2,500,000	0.25
Balance - January 31, 2026		**16,834,240**	**0.41**

The fair value of the 2,000,000 warrants at issue date was $313,264, as calculated using a Black-Scholes option pricing model with the following assumptions: 36 months expected average life; share price of $0.22; strike price of $0.25; with 125% expected volatility; risk free interest rate of 2.55%; and an expected dividend yield of 0%. The allocation of the total proceeds to share capital and warrant reserve was affected by pro-rating the then current trading value of the shares with the Black-Scholes calculated value of the warrants over the total purchase consideration.

The fair value of the 2,500,000 warrants at issue date was $306,417, as calculated using a Black-Scholes option pricing model with the following assumptions: 36 months expected average life; share price of $0.19; strike price of $0.25; with 114% expected volatility; risk free interest rate of 2.43%; and an expected dividend yield of 0%. The allocation of the total proceeds to share capital and warrant reserve was affected by pro-rating the then current trading value of the shares with the Black-Scholes calculated value of the warrants over the total purchase consideration.

As at January 31, 2026 and 2025, the outstanding share purchase warrants were as follows:

	Exercise price	Number outstanding and exercisable	Weighted average remaining contractual life (years)	Expiry dates
	$0.52	12,334,240	0.6	Aug 2026
	$0.25	2,000,000	2.6	Sep 2028
	$0.25	2,500,000	2.8	Dec 2028
Balance - January 31, 2026		**16,834,240**	**0.4**	

	Exercise price	Number outstanding and exercisable	Weighted average remaining contractual life (years)	Expiry dates
	$0.52	12,334,240	0.6	Aug 2025
Balance - January 31, 2025		**12,334,240**	**0.6**	

(Unaudited, expressed in Canadian dollars)

D Stock options

The Company has a stock option plan under which it is authorized to grant options to executive officers and directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common stock of the Company. As such, the Plan is subject to review and approval by shareholders annually at the Annual General Meeting. Under the plan, the exercise price of each option equals the market price of the Company's stock, not less than the previous day's Closing Price, as calculated on the date of grant. The options can be granted for a maximum term of 5 years and vest at the discretion of the board of directors. The option activity, under the share option plan and information concerning outstanding and exercisable options is as follows:

	No. of Options Vested	Weighted Average Exercise Price ($)
Balance - July 31, 2024	**1,500,000**	**0.50**
-	-	-
Balance - July 31, 2025	**1,500,000**	**0.50**
-	-	-
Balance - October 31, 2025	**1,500,000**	**0.50**
-	-	-
Balance - January 31, 2026	**1,500,000**	**0.50**

The fair value of the 1,500,000 stock options at the issue date (November 11, 2021) was $649,591 calculated using the Black-Scholes option pricing model with the following assumptions: 60 months expected average life; share price and strike price of $0.50; 133% expected volatility (estimated based on a peer company, as 'Graphano' did not then have volatility history); risk free interest rate of 1.10%; and an expected dividend yield of 0%.

No options were issued, expired or exercised during the quarter.

As at January 31, 2026 and 2025, stock options issued and outstanding are as follows:

	Options granted	Options exercisable	Weighted Average Exercise Price ($)	Expiry dates
	1,500,000	1,500,000	0.50	Nov 2026
Balance - January 31, 2026 and 2025	**1,500,000**	**1,500,000**	**0.50**	

10. EXPLORATION PROPERTIES

Lac Aux Bouleaux Property

The Company acquired its Lac Aux Bouleaux graphite property (the "LAB Graphite Property") project from its former parent Company, Manganese X Energy Corp. ("MN"), which entered into an arrangement agreement (the "Arrangement Agreement") with its wholly-owned subsidiary to effect the dividending out of the LAB Graphite Property project to its shareholders through GEL. The Arrangement resulted in the creation of Graphano as an independent public company, which is initially focused on the exploration of the LAB Graphite Property for graphite. On September 1, 2021, the Company issued 76,923 common shares to each of Lawrence Nemeth and Geomap Exploration Inc. at $0.325 per share to purchase the royalty they previously held on the Lac Aux Bouleaux graphite property. The property is now free of royalty interests and held 100% by the Company.

(Unaudited, expressed in Canadian dollars)

During the three months ended January 31, 2026, the Company spent $Nil (January 31, 2025 - $7,551) in acquisition costs and exploration costs with the LAB Property. The Company has spent a total of $2,305,781 on this property including acquisition costs.

Standard Graphite Mine

On March 28, 2022, the Company entered into an option agreement pursuant to which the Company has been granted the exclusive right and option to acquire 100% of the Standard graphite historical mine ("Standard") subject to a 2% NSR, located 32 km northeast of the Company's Lac Aux Bouleaux graphite project. The Option Agreement covers six claims totalling 355 hectares. At the closing of the Option Agreement the Vendor received 50,000 common shares of the Company. At the closing of the Option Agreement the Vendor received 50,000 common shares of Graphano. On the first anniversary of the Option Agreement the Vendor received 50,000 additional shares of Graphano and on the second anniversary, June, 2024 (which was mutually postponed to August, 2024) the Vendor received 100,000 additional shares of Graphano, plus a cash payment in the amount of $20,000, as a result of which the Company now owns the property. The Vendor will retain a royalty of 2% net smelter returns on future production from the Standard Mine property. The Company has the option to purchase the royalty for $600,000 cash at any time.

During the three months ended January 31, 2026, the Company spent $Nil (January 31, 2025 - $5,060) in acquisition costs and exploration costs with the Standard Property. The Company has spent a total of $719,523 on this property including acquisition costs.

Black Pearl

On July 16, 2024, the Company staked 79 new mining claims to the east of the Standard Mine claims. These additional new claims amount to 3,923 hectares, representing a significant increase in project acreage in this prospective area. In 1997, government reconnaissance work reported four outcrops with visible graphite. Graphano owns a 100% interest in the property.

During the three months ended January 31, 2026, the Company spent $102,408 (January 31, 2025 - $Nil) in acquisition costs and exploration costs with the Black Pearl Property The Company has spent a total of $334,980 on this property.

11. RELATED PARTY TRANSACTIONS AND BALANCES

In addition to share issuances to which many of its Insiders were Subscribers, transactions with related parties were as follows:

For the six-months period ended January 31,	**2026**	2025
	$	$
Management and other fees paid to companies controlled by Officers and Directors	**141,000**	141,000
Exploration expenditures paid to an officer as geological consultant to the company	**5,510**	8,139
Legal and professional fees paid to a firm of which Company's Secretary is a partner	**17,458**	2,963
	163,968	152,102

Amounts payable to related parties included in the non-current liabilities and in the accounts payable and accrued liabilities were as follows:

(Unaudited, expressed in Canadian dollars)

Included in the accounts payable and accrued liabilities	2026	2025
	$	$
Owing to a legal firm in which the corporate secretary is a partner	992	105
	992	105

12. EARNINGS PER SHARE ("EPS")

(a) Basic EPS

Basic EPS is computed by dividing net income for a period by the weighted average number of common shares outstanding during that period.

(b) Diluted EPS

Diluted EPS is computed by dividing net income for a period by the diluted number of common shares. Diluted common shares includes the effects of instruments, such as share options, which could cause the number of common shares outstanding to increase.

The Company reported net losses for the six months ended January 31, 2026; the Company has accordingly presented basic and diluted EPS, which are the same, on a single line in the statements of comprehensive loss. Diluted loss per share did not include the effect of share purchase options and warrants as they would be anti-dilutive.

13. CAPITAL MANAGEMENT

The Company considers its capital to include all components of Shareholders' Equity. The Company currently manages its capital structure and makes adjustments to it, based on cash and other resources expected to be available to the Company, and required by the Company in order to support the planned exploration and development of mineral property interests and meet its obligations as they fall due. Management has not established quantitative targets for its capital structure. Capital needs are reviewed on a regular basis by management.

The Company, beyond its present cash resources, currently is dependent on externally provided equity financing to fund its future activities. In order to carry out planned exploration and development and fund administrative costs, the Company will allocate its existing capital and plans to raise additional amounts as needed through equity and related party advances if available. Management reviews the capital management approach on an ongoing basis and believes that this approach is reasonable for the current state of the markets and its place in its activities.

The Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than of the TSXV which requires adequate working capital or financial resources of the greater of (i) $50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of 12 months. As of January 31, 2026, the Company appears to be compliant with the policies of the TSXV.

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 periods covered in these statements.

14. FINANCIAL INSTRUMENTS

At January 31, 2026, the Company's financial instruments include cash and cash equivalents, other receivable, related party receivables and accounts payable for which there are no differences in the carrying values and fair values, due to their short-term nature. The types of risk exposure are detailed below.
The Company is required to classify fair value measurements using a hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy is as follows:

Level 1 – 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 or indirectly; and
Level 3 – inputs for the asset or liability that are not based on observable market data.

Cash and cash equivalents are measured using Level 1 inputs, the warrant liability and other captions above are measured using Level 2 inputs.

15. FINANCIAL RISK FACTORS

The Company's activities expose it to a variety of financial risks: market risk (including currency risk and cash flow and fair value interest rate risk); credit risk and liquidity risk. The Company's overall risk management program focuses on the unpredictability of the financial markets and seeks to minimize potential adverse effects on the Company's financial performance. The Company does not use derivative financial instruments to hedge these risks.

Market risk
Foreign exchange risk; the Company conduct its business primarily in Canada and is therefore exposed to only a nominal amount of financial risk that arises from fluctuations in foreign exchange rates and the degree of volatility of these rates. The company recorded a foreign exchange loss of $2,130 related to its foreign currency transactions for the six months ended January 31, 2026.

Commodity price risk: while the value of the Company's core mineral asset is related to the price of graphite (natural and synthetic) and other battery metals (e.g., lithium), the Company currently does not have any operating mines and hence does not have any commodity-based risks in respect of its operational activities. Graphite and other battery metals prices have historically fluctuated widely and are affected by numerous factors outside of the Company's control, including, but not limited to, industrial and retail demand, forward sales by producers and speculators, levels of worldwide production, short-term changes in supply and demand because of speculative trading activities, electric vehicles present and projected sales, advances in technology, prices and availability of substitutes, actions taken by governments, global economic and political developments (including, global events such as the COVID-19 pandemic) and certain other factors. Adverse movements in the prices of graphite and other battery metals may also negatively affect the Company's ability to raise capital and meet its financial commitments.

Cash flow and fair value interest rate risk: the Company could be exposed to fluctuations in its future cash flows arising from changes in interest rates through variable rate financial assets and liabilities. Other liabilities negotiated at a fixed rate could expose the Company to fair value interest rate risk. The Company does not hold or owe any interest-bearing debt.

Credit risk
Credit risk arises from cash with banks and financial institutions and amounts receivable. The Company reduces this risk by dealing only with the most creditworthy financial institutions but may be exposed to such risk with

respect to other counterparties. Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company is subject to concentrations of credit risk through Cash and cash equivalents, and receivables but minimizes such risks by dealing with a major Schedule a Canadian Chartered Bank and its solicitor's Trust account and monitoring its modest receivables, most of which are from Canadian Governments in respect of Sales Taxes refundable.

Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet its obligations as they become due. The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuance. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments. The liquidity risk for the junior resource sector which the Company is in is usually considered high, but the Company's present cash and cash equivalents resources appear to have effectively eliminated this risk for now.

16. SUBSEQUENT EVENT

On March 5, 2026, the Company announced that, subject to approval by the TSX Venture Exchange, it intends to amend the exercise price of 12,334,240 outstanding warrants from $0.52 to $0.33 per common share. The warrants expire on August 27, 2026, and all other terms remain unchanged.