Borealis Mining Company Limited

UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE THREE AND NINE MONTHS ENDED APRIL 30, 2026, AND 2025

(Expressed in United States Dollars)

BOREALIS MINING COMPANY LIMITED
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
AS AT APRIL 30, 2026, AND 2025
(Expressed in United States dollars, except indicated otherwise)
(Unaudited)

	Note	April 30, 2026 $	July 31, 2025 $
Assets			
Current assets			
Cash		18,865,984	3,183,238
Accounts receivable		1,917,639	381,525
Prepaid expenses		999,867	759,947
Inventory	5	7,393,783	1,934,006
Total current assets		29,177,273	6,258,716
Non-current assets			
Deposits	8	2,968,276	2,484,025
Property, plant, and equipment	6	464,611	271,355
Total assets		32,610,160	9,014,096
Liabilities			
Accounts payable and accrued liabilities		2,569,668	1,098,337
Total current liabilities		2,569,668	1,098,337
Non-current liabilities			
Decommissioning obligation	9	12,530,165	10,721,375
Contingent consideration		13,307	13,307
Total liabilities		15,113,140	11,833,019
Shareholders' equity (deficiency)			
Share capital	7	54,501,452	29,281,563
Equity reserves	7	4,041,389	5,250,740
Accumulated deficit		(41,305,652)	(37,336,856)
Accumulated other comprehensive income (loss)		259,831	(14,370)
Total shareholders' equity (deficiency)		17,497,020	(2,818,923)
Total liabilities and shareholders' equity		32,610,160	9,014,096

Nature of operations and going concern (Note 1)
Commitments and contingencies (Note 8 and 9)

Approved and authorized for issue by the Board on June 19, 2026:

"Kelly Malcolm"
Signed: Director

"Richard Patricio"
Signed: Director

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

BOREALIS MINING COMPANY LIMITED
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
FOR THE THREE AND NINE MONTHS ENDED APRIL 30, 2026, AND 2025
(Expressed in United States dollars, except indicated otherwise)
(Unaudited)

	Note	**For the three months ended April 30, 2026**	For the three months ended April 30, 2025	**For the nine months ended April 30, 2026**	For the nine months ended April 30, 2025
		$	$	**$**	$
Revenue		**6,056,138**	616,252	**9,018,330**	2,583,142
Cost of sales	**5**	**(4,222,627)**	(639,513)	**(5,677,455)**	(2,244,814)
Gross profit		**1,833,511**	(23,261)	**3,340,875**	338,328
Exploration and evaluation costs	**12**	**376,745**	328,147	**988,079**	1,572,581
Operating expenses	**13**	**6,255**	(9,905)	**15,230**	364,460
Consulting and professional fees	**10**	**1,154,985**	752,876	**3,066,118**	3,132,567
General and administrative		**594,439**	594,340	**1,644,473**	1,800,847
Loss before other items		**(298,913)**	(1,688,719)	**(2,373,025)**	(6,532,127)
Other items:					
Exploration and evaluation acquisition expenses		**-**	(6,887,776)	**-**	(6,887,776)
Finance expense	**8, 9**	**(480,971)**	(117,651)	**(2,243,396)**	(411,924)
Net loss		**(779,884)**	(8,694,146)	**(4,616,421)**	(13,831,827)
Other comprehensive (loss) income					
Foreign exchange translation adjustment		**(113,179)**	169,080	**274,201**	124,743
Comprehensive loss		**(893,063)**	(8,525,066)	**(4,342,220)**	(13,707,084)
Weighted-average number of shares outstanding - basic and diluted	**11**	147,380,516	103,503,687	134,634,168	89,844,455
Basic loss per share	**11**	**($0.01)**	($0.08)	**($0.03)**	($0.15)
Diluted loss per share	**11**	**($0.01)**	($0.08)	**($0.03)**	($0.15)

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

BOREALIS MINING COMPANY LIMITED
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' DEFICIENCY
FOR THE NINE MONTHS ENDED APRIL 30, 2026, AND 2025
(Expressed in United States dollars, except indicated otherwise)
(Unaudited)

	Note	Share capital					
		Common shares	Share capital	Equity reserves	Accumulated deficit	Accumulated comprehensive income (loss)	Total
		#	$	$	$	$	$
Balance, July 31, 2025		**115,700,717**	**29,281,563**	**5,250,740**	**(37,336,856)**	**(14,370)**	**(2,818,923)**
Net loss for the period		-	-	-	(4,616,421)	-	(4,616,421)
Other comprehensive income for the period		-	-	-	-	274,201	274,201
Issuance of common shares	7	15,341,000	16,539,567	-	-	-	16,539,567
Share issuance costs	7	-	(1,459,944)	359,735	-	-	(1,100,209)
Exercise of agent's options	7	1,923,791	1,005,526	(275,484)	-	-	730,042
Exercise of warrants	7	14,310,239	8,892,278	(1,257,877)	-	-	7,634,401
Exercise of stock options	7	196,500	181,224	(76,538)	-	-	104,686
Issuance of stock options	7	-	-	692,013	-	-	692,013
Issuance of RSUs	7	-	-	127,059	-	-	127,059
Expired warrants and options	7	-	-	(619,053)	619,053	-	-
Settlement and forfeiture of RSUs	7	120,000	61,238	(159,206)	28,572	-	(69,396)
Balance, April 30, 2026		**147,592,247**	**54,501,452**	**4,041,389**	**(41,305,652)**	**259,831**	**17,497,020**
Balance, July 31, 2024		**83,220,583**	**17,249,087**	**1,408,947**	**(22,464,533)**	**(160,729)**	**(3,967,228)**
Net loss for the period		-	-	-	(13,831,827)	-	(13,831,827)
Other comprehensive loss for the period		-	-	-	-	124,743	124,743
Exercise of agent's options	7	17,850	8,472	(2,050)	-	-	6,422
Exercise of warrants	7	256,033	133,243	(50,529)	-	-	82,714
Issuance of stock options	7	-	-	1,992,067	-	-	1,992,067
Issuance of RSUs	7	-	-	78,322	-	-	78,322
Equity financing	7	17,857,150	5,577,201	800,246	-	-	6,377,447
Gold Bull transaction	7	14,048,403	6,142,337	1,044,614	-	-	7,186,951
Balance, April 30, 2025		**115,400,019**	**29,110,340**	**5,271,617**	**(36,296,360)**	**(35,986)**	**(1,950,389)**

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

BOREALIS MINING COMPANY LIMITED
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS ENDED APRIL 30, 2026, AND 2025
(Expressed in United States dollars, except indicated otherwise)
(Unaudited)

	Note	For the nine months ended April 30, 2026 $	For the nine months ended April 30, 2025 $
Cash flow from operating activities			
Net loss		**(4,616,421)**	(13,831,827)
Items not affecting cash:			
Depreciation of property, plant, and equipment	**6**	**123,598**	210,896
Accretion on decommissioning obligation	**9**	**218,365**	30,795
Change in estimate on decommissioning obligation	**9**	**1,590,425**	-
Loss on settlement of RSUs	**7**	**11,709**	-
Share based compensation	**7,10**	**819,072**	2,070,389
Exploration and evaluation acquisition expenses		**-**	6,887,776
Changes in non-cash working capital items:			
Accounts receivable		**(1,536,114)**	(194,260)
Prepaid expenses		**(239,920)**	(313,320)
Inventory		**(5,459,777)**	264,321
Accounts payable and accrued liabilities		**1,471,331**	232,922
Cash flow from operating activities		**(7,617,732)**	(4,642,308)
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of property, plant, and equipment	**6**	**(316,854)**	(97,364)
Deposits	**8**	**(484,251)**	-
Cash from exploration and evaluation acquisition		**-**	29,611
Cash flow from investing activities		**(801,105)**	(67,753)
CASH FLOW FROM FINANCING ACTIVITIES			
Gross proceeds from financing	**7**	**16,539,567**	6,973,990
Share issuance costs	**7**	**(1,100,209)**	(596,542)
Gross proceeds from exercise of agent's options	**7**	**730,042**	6,422
Gross proceeds from exercise of warrants	**7**	**7,634,401**	82,714
Gross proceeds from exercise of stock options	**7**	**104,686**	-
Settlement of RSUs	**7**	**(81,105)**	-
Cash flow from financing activities		**23,827,382**	6,466,584
Effect of exchange rate changes on cash		**274,201**	124,743
Change in cash		**15,408,545**	1,756,523
Cash, beginning of period		**3,183,238**	2,633,977
Cash, end of period		**18,865,984**	4,515,243
Supplemental information			
Non-cash share issuance costs paid		**359,735**	-

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Borealis Mining Company Limited ("Borealis," "BMCL," or the "Company") was incorporated under the Business Corporations Act (British Columbia) on October 20, 2021. The head office and registered office is located at 5th Floor, 410 West Georgia Street, Vancouver, British Columbia, V6B 1Z3, and a mailing address is located at 401-217 Queen Street West, Toronto, Ontario, Canada, M5V 0R2. The Company's principal project is the Borealis Heap Leach Project ("Borealis Project") via its wholly owned subsidiary, Borealis Mining Company, LLC. The Borealis Project is a fully permitted silver-gold mine and absorption, desorption, and refining plant, located near Hawthorne, Nevada. The principal operating permits are currently in place for a heap leach operation in the center of the property. The status of all approved permits is current and can be maintained with the appropriate fees being paid on an annual basis. The balance of the property is prospective for epithermal gold and silver mineralization, with several exploration permits active and in good standing for drilling and other activities. The Borealis Project is an exploration and development asset that is permitted for production and maintains permits and infrastructure for possible future development.

The Company acquired two exploration properties on March 13, 2025 from Gold Bull Resources; the Sandman project (held by Sandman Resources Inc) and Big Balds project (held by GRU Resources Corp) projects both located in Nevada.

These condensed consolidated interim financial statements have been prepared on a going concern basis which assumes that the Company will, in the foreseeable future realize on its assets and discharge its liabilities in the normal course of business as they come due. Accordingly, the condensed consolidated interim financial statements do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and, therefore be required to realize its assets and liquidate its liabilities and commitments in other than the normal course of business and at amounts different from those in these consolidated financial statements. Such adjustments could be material. As at April 30, 2026, the Company had a working capital of $26,607,605 (July 31, 2025 – $5,160,379). Net loss for the nine months ended April 30, 2026, was $4,616,421 (April 30, 2025 – $13,831,827). The accumulated deficit as at April 30, 2026, was $41,305,652 (July 31, 2025 – $37,336,856). These condensed consolidated interim financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary should the going concern assumption be inappropriate, and those adjustments could be material. The Company's ability to continue as a going concern is dependent upon its ability to generate future profitable operations and/or to obtain the necessary financing to conduct its planned business, meet its on-going levels of corporate overhead and discharge its liabilities as they come due.

2. STATEMENT OF COMPLIANCE

The unaudited condensed consolidated interim financial statements of the Company for the three and nine-months ending April 30, 2026, and 2025 have been prepared in accordance with IAS 34 - Interim Financial Reporting and do not include all disclosures required for annual financial statements. These interim condensed consolidated financial statements should be read in conjunction with the Company's annual financial statements for the year ended July 31, 2025. These unaudited condensed consolidated interim financial statements for the three and nine months ended April 30, 2026, and 2025 were approved and authorized for issue by the Board of Directors of the Company on June 19, 2026. These unaudited condensed consolidated interim financial statements have been prepared on the going-concern basis, under the historical cost convention, except for certain financial instruments that are measured at fair value as described herein.

(Expressed in United States dollars, except indicated otherwise)

3. BASIS OF PRESENTATION AND MEASUREMENT

Basis of consolidation

These statements consolidate the accounts of the Company and its wholly owned subsidiaries. Control is achieved when the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities, are exposed to, or have rights to, variable returns from the Company's involvement with the entity and have the ability to affect those returns through the power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company until the date on which control ceases. Significant intercompany accounts and transactions have been eliminated on consolidation.

The Company has the following subsidiaries:

Name of Entity	% Ownership*	Country of incorporation
Borealis Holdings Inc.	100	Canada
Borealis Mining Company, LLC	100	United States
Sandman Resources Inc	100	United States
GRU Resources Corp	100	United States
Blue Mountain Power Company Inc (inactive)	100	Canada
Nevada Geothermal Power US Holdings Inc (inactive)	100	United States
Nevada Geothermal Power Company (inactive)	100	United States
0955767 BC Ltd (inactive)	100	Canada
1262175 BC Ltd (inactive)	100	Canada
1252265 BC Ltd (inactive)	100	Canada

These condensed consolidated interim financial statements have been prepared under the historical cost basis. In addition, these condensed consolidated interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

Functional and presentation currency

BMCL's, Borealis Holdings Inc, Blue Mountain Power Company Inc, 0955767 BC Ltd, 1262175 BC Ltd, and 1252265 BC Ltd 's functional currency is the Canadian dollar ("CAD"). Borealis Mining Company, LLC's, Sandman Resources, GRU Resources Corp, Nevada Geothermal Power US Holdings Inc, and Nevada Geothermal Power Company's functional currency, as determined by management, is the United States ("U.S.") dollar. For financial reporting purposes, these condensed consolidated interim financial statements of the Company have been presented in the U.S. dollars, the presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency of the entity using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains or losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the consolidated statement of loss.

4. MATERIAL ACCOUNTING POLICIES

These condensed consolidated interim financial statements follow the same accounting policies and methods of application as the Company's most recent annual consolidated financial statements unless otherwise noted below. Accordingly, they should be read in conjunction with the Company's most recent annual consolidated financial statements as at July 31, 2025, and 2024.

New and amended IFRS standards not yet effective

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods on or after August 1, 2026, or later periods. Many are not applicable to, or do not have a significant impact on the Company and have therefore been excluded. The following has not been adopted and is being evaluated to determine the impact on the Company's consolidated financial statements:

(Expressed in United States dollars, except indicated otherwise)

IAS 21 – Amendments to the Effects of Changes in Foreign Exchange Rates

In August 2023, the IASB introduced amendments to IAS 21, impacting entities with transactions or operations in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. These amendments are effective for annual periods beginning on or after January 1, 2025, and was adopted by the Company on August 1, 2025. There is no impact from this amendment.

IFRS 9 & IFRS 7 – Amendments to the Classification and Measurement of Financial Instruments

In May 2024, the IASB introduced amendments to IFRS 9 providing guidance on the classification of financial assets, including those with contingent features. IFRS 7 amendments will require entities to provide additional disclosures on financial assets and financial liabilities that have certain contingent features. These amendments are effective for annual periods beginning on or after January 1, 2026.

IFRS 18 - Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements to improve reporting of financial performance. The new standards replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new categories and required subtotals in the statement of profit and loss and also requires disclosure of management-defined performance measures. It also includes new requirements for the location, aggregation, and disaggregation of financial information. The standard is effective for annual reporting periods beginning on or after January 1, 2027, including interim financial statements. Retrospective application is required, and early adoption is permitted.

5. INVENTORY

The carrying amount of inventory recorded at cost as at April 30, 2026, was $7,393,783 (July 31, 2025 – $1,934,006) and consists of $7,393,783 of work-in-progress inventory (July 31, 2025 - $1,934,006), and $nil of by-product inventory (July 31, 2025 - nil). During the nine months period ended April 30, 2026, the Company recognized $5,677,455 (2025 – $2,244,814) of inventory and related production costs within cost of sales.

6. PROPERTY, PLANT, AND EQUIPMENT

Property, plant and equipment consisted of:

	Buildings $	Plant & equipment $	Furniture & fixtures $	Computers $	Vehicles $	Total $
Cost						
Balance, July 31, 2024	22,726	494,580	11,503	26,481	211,510	766,800
Additions	-	175,494	-	-	-	175,494
Disposals	-	-	-	-	(7,328)	(7,328)
Balance, July 31, 2025	22,726	670,074	11,503	26,481	204,182	934,966
Additions	-	230,543	-	-	86,310	316,853
Balance, April 30, 2026	**22,726**	**900,617**	**11,503**	**26,481**	**290,492**	**1,251,819**
Accumulated depreciation						
Balance, July 31, 2024	11,990	261,053	2,995	26,481	124,718	427,237
Depreciation	7,120	192,894	3,094	-	33,266	236,374
Balance, July 31, 2025	**19,110**	**453,947**	**6,089**	**26,481**	**157,984**	**663,611**
Depreciation	904	77,939	2,320	-	42,434	123,597
Balance, April 30, 2026	**20,014**	**531,886**	**8,409**	**26,481**	**200,418**	**787,208**
Net book value						
At July 31, 2025	3,616	216,127	5,414	-	46,198	271,355
At April 30, 2026	**2,712**	**368,731**	**3,094**	**-**	**90,074**	**464,611**

During the nine months ended April 30, 2026, depreciation of $123,597 (April 30, 2025 – $120,679) was allocated to the cost of inventory.

(Expressed in United States dollars, except indicated otherwise)

7. SHARE CAPITAL, WARRANTS AND OPTIONS

Authorized share capital

The Company is authorized to issue an unlimited number of common shares without par value.

Outstanding share capital as at April 30, 2026

		Number of shares	Share capital $
Balance, July 31, 2024		**83,220,583**	**17,249,087**
Exercise of agent's options		17,850	8,472
Exercise of warrants		556,731	304,466
Issuance of shares for cash	(a)	17,857,150	5,577,201
Gold Bull transaction	(b)	14,048,403	6,142,337
Balance, July 31, 2025		**115,700,717**	**29,281,563**
Exercise of agent's options	(d)	1,923,791	1,005,526
Exercise of warrants	(e)	14,310,239	8,892,278
Exercise of options	(f)	196,500	181,224
Issuance of shares for cash	(g)	15,341,000	15,079,623
Settlement of RSUs	(h)	120,000	61,238
Balance, April 30, 2026		**147,592,247**	**54,501,452**

Year ended July 31, 2025

a) On February 26, 2025, the Company completed a brokered financing, raising gross proceeds of $6,973,990 (CAD$10,000,004) through the issuance of 17,857,150 units at a price of CAD$0.56 ($0.39) per unit. Each unit consists of one common share and one-half warrant. Each whole warrant entitles the holder to purchase one common share at a price of CAD$0.78 ($0.54) for a period of 2 years. The Company incurred cash issuance costs of $596,542 in the form of agents' expenses, legal expenses and filing fees. The Company issued 1,000,001 agent's options with an exercise price of CAD$0.56 ($0.39) for a period of 2 years.

b) On March 13, 2025, the Company closed the GB Acquisition by issuing 14,048,403 Borealis shares valued at $6,142,337 based on the quoted market price of the Company's share at the date of closing and adjusted to former Gold Bull shareholders. In addition, Borealis issued an aggregate of 1,302,000 options to acquire Borealis shares in exchange for the issued and outstanding options to acquire Gold Bull shares. Below is a chart of terms of the options which were valued with input variables of the stock price at closing of transaction, exercise price of options, expected life in years remaining, expected annualized volatility of 54% and a risk-free interest rate of 2.57% for options expiring prior to February 26, 2026; 2.56% for options expiring November 22, 2026; and 2.650% for options expiring on April 19, 2029. The total valuation related to the options was $150,546. The following Company options were issued in replacement of Gold Bull's options.

	Number of Options	Weight Average Exercise Price		Expiry Date
	162,750	CAD$	2.69	Expired
	148,800	CAD$	5.38	Expired
	22,692	CAD$	4.30	Expired
	28,458	CAD$	4.30	Expired
	232,500	CAD$	3.23	Expired
	706,800*	CAD$	0.55	19-Apr-29
Balance, April 30, 2026	**1,302,000**	**CAD$**	**1.99**	

**46,500 of the 706,800 were exercised during the nine months ended April 30, 2026*

(Expressed in United States dollars, except indicated otherwise)

c) The issued and outstanding warrants to acquire Gold Bull Shares became exercisable at closing the GB Acquisition at a price of CAD$0.43 ($0.30) to acquire 4,503,846 Borealis Shares, in accordance with the terms of such warrants. All warrants expire March 7, 2027, valued with input variables of the stock price of the Company at the closing date of the GB Acquisition, exercise price of warrants, expected life in years remaining, estimated annualized volatility of 54% and a discount rate-bond yield of 2.56%. The valuation related to the warrants was $894,068.

Nine months ended April 30, 2026

d) During the nine months ended April 30, 2026, 1,923,791 agent's options were exercised at a weighted average exercise price of CAD$0.53 ($0.38) for gross proceeds of $730,042 (CAD$1,013,006).

e) During the nine months ended April 30, 2026, 14,310,239 warrants were exercised at a weighted average exercise price of CAD$0.74 ($0.53) for gross proceeds of $7,634,401 (CAD$10,535,928).

f) During the nine months ended April 30, 2026, 196,500 stock options were exercised at a weighted average exercise price of CAD$0.74 ($0.53) for gross proceeds of $104,686 (CAD$147,001).

g) On January, 15, 2026, the Company completed a bought deal private placement offering (the "Offering") of an aggregate of 15,341,000 common shares at a price per share of CAD$1.50 ($1.11) for gross proceeds of $16,539,567 (CAD$23,011,500). In connection with the Offering, the Company paid the underwriters an aggregate cash commission of $984,660 (CAD$1,380,690), incurred underwrites fees of $115,549 (CAD$162,012), and issued 913,793 compensation warrants (the "Compensation Warrants"). The Compensation Warrants are exercisable at a price of CAD$1.50 ($1.07) per common share for a period of 24 months and had a fair value of $359,735 (CAD$500,499).

h) During the nine months ended April 30, 2026, 120,000 RSU's were exercised.

Warrants

The following table summarizes the Company's warrant activity for the period indicated:

	Number of Warrants	Weighted Average Exercise Price		Expiry Date
Balance, July 31, 2024	**16,001,400**	**CAD$**	**0.75**	
Exercised	(15,000)	CAD$	0.75	
Granted	8,928,575	CAD$	0.78	February 26, 2027
Granted	4,503,846	CAD$	0.43	March 07, 2027
Exercised	(415,093)	CAD$	0.43	
Balance, July 31, 2025	**29,003,728**	**CAD$**	**0.71**	
Exercised	(10,530,350)	CAD$	0.75	
Exercised	(2,893,499)	CAD$	0.78	
Exercised	(886,390)	CAD$	0.43	
Expired	(5,456,050)	CAD$	0.75	
Balance, April 30, 2026	**9,237,437**	**CAD$**	**0.66**	

(Expressed in United States dollars, except indicated otherwise)

The following summarizes information about warrants outstanding as at April 30, 2026:

Expiry date	Exercise price ($CAD)	Warrants outstanding	Remaining contractual life (in years)
March 7, 2027	0.43	3,202,361	0.85
February 26, 2027	0.78	6,035,076	0.83
		9,237,437	

Agent's options

	Number of Options	Weighted Average Exercise Price		Expiry Date
Balance, July 31, 2024	**1,174,336**	**CAD$**	**0.50**	
Exercised	(144,488)	CAD$	0.50	
Granted	1,000,001	CAD$	0.56	February 26, 2027
Balance, July 31, 2025	**2,029,849**	**CAD$**	**0.53**	
Exercised	(1,029,848)	CAD$	0.50	
Exercised	(893,943)	CAD$	0.56	
Issued	913,793	CAD$	1.50	January 15, 2028
Balance, April 30, 2026	**1,019,851**	**CAD$**	**1.40**	

The following summarizes information about agent's outstanding and exercisable options as at April 30, 2026:

Expiry date	Exercise price ($CAD)	Options outstanding	Options exercisable	Remaining contractual life (in years)
February 26, 2027	0.56	106,058	106,058	0.83
January 15, 2028	1.50	913,793	913,793	1.71
		1,019,851	**1,019,851**	

The estimated fair value of the Compensation Warrants (Note 7 (g)) issued as part of the Offering on January 15, 2026, was calculated using the Black-Scholes option pricing model with the following assumptions:

	Compensation Warrants
Number of options granted	913,793
Risk-free interest rate	2.53%
Expected annual volatility	68.64%
Expected life (in years)	2
Expected dividend yield	-
Grant date fair value per option (CAD$)	1.45
Share price at grant date (CAD$)	1.50

Equity Incentive Plan (the "Incentive Plan")

To provide a share-related mechanism to attract, retain and motivate qualified directors, employees and consultants of the Company and its subsidiaries, the Company implemented an Incentive Plan which includes stock options, Restricted Share Units ("RSU") and Deferred Share Units (the "DSU"). The Incentive Plan is administered by the Board of Directors, which sets the terms of incentive awards under the Incentive Plan.

(Expressed in United States dollars, except indicated otherwise)

The maximum number of common shares available for issuance under the Incentive Plan is limited to 10% of the Company's outstanding common shares at any one time.
Under the Incentive Plan, an option's maximum term is ten years from the grant date. Under the stock option plan, the Board has the option of determining vesting periods. Grants of RSUs and DSUs vest as to one-third on each of the first, second and third anniversaries of the date of grant, unless otherwise set by the Board or plan administrator.

No DSUs have been issued as of April 30, 2026. The Incentive Plan was approved at the annual general and special meeting held on May 21, 2025.

Stock options

The changes in stock options during the nine months ending April 30, 2026, are as follows:

	Number outstanding	Weighted average exercise price (CA$)
As at July 31, 2024	-	-
Granted	5,802,000	1.08
As at July 31, 2025	**5,802,000**	**1.08**
Expired	(995,200)	2.57
Exercised	(150,000)	0.81
Exercised	(46,500)	0.55
Granted	2,300,000	1.63
As at April 30, 2026	**6,910,300**	**1.06**

During the year ended July 31, 2025

i) On August 28, 2024, the Company granted 4,350,000 stock options to certain directors, officers, employees, and consultants with an exercise price of CAD$0.81 ($0.60) per share, of which 3,550,000 were issued to management. These options are exercisable for a period of five years and vested on December 28, 2024.

j) On August 28, 2024, the Company granted 150,000 stock options to consultants with an exercise price of CAD$0.81 ($0.60) per share. These options are exercisable for a period of five years, with 25% vesting each quarter starting November 28, 2024.

The estimated fair value of the options granted during year ended July 31, 2025, was calculated using the Black-Scholes option pricing model with the following assumptions:

	For the year ended July 31, 2025
Number of options granted	4,500,000
Risk-free interest rate	2.97%
Expected annual volatility	107%
Expected life (in years)	5
Expected dividend yield	-
Grant date fair value per option (CAD$)	0.62
Share price at grant date (CAD$)	0.79

(Expressed in United States dollars, except indicated otherwise)

During the nine months ended April 30, 2026

k) During the nine months ending April 30, 2026, 995,200 stock options with a weighted average exercise price of CAD$2.57 ($1.90) expired unexercised.

l) On November 12, 2025, the Company granted 2,300,000 stock options to certain directors, officers, employees, and consultants with an exercise price of CAD$1.63 ($1.20), of which 1,400,000 were issued to management. These options are exercisable for a period of five years and vest on November 12, 2026.

The estimated fair value of the options granted during nine months ended April 30, 2026, was calculated using the Black-Scholes option pricing model with the following assumptions:

	For the nine months ended April 30, 2026
Number of options granted	2,300,000
Risk-free interest rate	2.74%
Expected annual volatility	62.78%
Expected life (in years)	5
Expected dividend yield	-
Grant date fair value per option (CAD$)	1.42
Share price at grant date (CAD$)	1.63

During the nine months ended April 30, 2026, the Company recognized share-based payments of $692,013(April 30, 2025 – $1,992,067) arising from the stock options.

The following summarizes information about stock options outstanding and exercisable as at April 30, 2026:

Expiry date	**Exercise price ($CAD)**	**Options outstanding**	**Options exercisable**	**Weighted average remaining contractual life (in years)**
April 19, 2029	0.55	660,300	660,300	2.97
August 28, 2029	0.81	3,950,000	3,950,000	3.33
November 12, 2030	1.63	2,300,000	-	4.54
		6,910,300	4,610,300	

Restricted Share Unit ("RSU")

The Incentive Plan permits the Company, at the discretion of the Board of Directors, to either redeem RSUs for cash, issue common shares of the Company from treasury, or some combination thereof to satisfy all or any portion of a vested RSU award.

Year ended July 31, 2025

On August 28, 2024, the Company issued 175,000 RSUs, vesting August 28, 2025, with fair value of $95,450 (CAD$138,250) to certain officers, employees, and consultants.

On March 21, 2025, the Company issued 150,000 RSUs, vesting March 21, 2026, with fair value of $73,181 (CAD$105,000) to certain employees. The grant date fair value of the RSU's is estimated on the trading price of the Company's common shares at the date of grant.

Nine months ended April 30, 2026

During the nine months ending April 30, 2026, 85,000 RSUs were forfeited. The fair value of these RSUs of $34,814 was reversed through share-based compensation expense upon forfeiture.

(Expressed in United States dollars, except indicated otherwise)

On September 17, 2025, 120,000 RSUs were exercised and settled through an aggregate cash payment of $81,105 (CAD $111,600).

On November 12, 2025, the Company granted 128,500 RSUs to certain directors, officers, and consultants of the Company.
On March 21, 2026, 120,000 RSUs were exercised and settled through the issuance of common shares. The RSUs had a fair value of $61,238 (CAD $84,000) which was reclassified from reserve to share capital on settlement.

On March 31, 2026, the Company granted 142,500 RSUs to US employees of which 7,500 were forfeited prior to April 30, 2026.

As at April 30, 2026, the Company had 271,000 RSUs (July 31, 2025 – 325,000) issued and outstanding which comprise 128,500 RSUs that vest on November 23, 2026, and 142,500 RSUs that vest on March 31, 2027, and are exercisable into common shares of the Company for no further consideration.

The following summarizes information about RSUs outstanding and exercisable as at April 30, 2026:

Vesting date	RSUs outstanding	RSUs exercisable
November 12, 2026	128,500	-
March 31, 2027	135,000	-
	263,500	-

8. COMMITMENTS AND CONTINGENCIES

Reclamation

The Company has reclamation and closure cost obligations related to the historical operations of the Borealis project in Mineral and Nye County, Nevada. The accrual represents the Company's best estimate of the present value of the total future reclamation cost based on assumptions as to levels of treatment which will be required in the future.

As at April 30, 2026, the Company had $2,737,858 (July 31, 2025 - $2,258,539) cash collateral to an insurance company that provides the Company insurance coverage for its reclamation obligations with the USDA Forest Service. The Company expensed $434,606 (April 30, 2025 – $381,128) in interest on the surety portion on the obligation and $1,808,790 for the accretion and change in estimate related to decommissioning obligation (April 30, 2025 - $30,795). The Company also holds a cash bond with the US Department of the Interior, Bureau of Land Management of $36,857 (July 31, 2025 - $31,925). The collateral is held by the insurance company until their obligation to pay claims on the reclamation bonds has been extinguished. These funds are stored in interest-bearing accounts.

As at April 30, 2026, Sandman Resources Inc had $193,561 (July 31, 2025 - $193,561) cash collateral to an insurance company that provides the Company insurance coverage for its future exploration disturbances of land to the US Department of the Interior, Bureau of Land Management. These funds are stored in interest-bearing accounts.

During the nine months ending April 30, 2026, GRU Resources secured a $41,479 (July 31, 2025 – nil) surety bond with the US Department of the Interior, Bureau of Land Management. The surety is for its future exploration disturbances of land.

(Expressed in United States dollars, except indicated otherwise)

Royalty

The Company has a mining lease which requires a monthly payment of $14,612 (2025 - $14,228) for advance royalty payments which is adjusted each year for inflation. Once in production, the agreement attracts a net smelter royalty of 5%, which can be offset by the advance royalty payments made previously. In February 2026 the credit of previously made advance royalty payments was exhausted, and the Company began making the 5% net smelter royalty payment.

Title

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, these procedures do not guarantee the Company's title. Property title may be subject to government licensing requirements or regulations, social licensing requirements, unregistered prior agreements, unregistered claims, and non-compliance with regulatory, environmental, and social requirements. The Company's assets may also be subject to increases in taxes and royalties, renegotiation of contracts, and political uncertainty.

Acquisition of Borealis Mining Company, LLC

On April 17, 2023, the Company completed the acquisition of 100% of the outstanding membership interests in Borealis Mining Company, LLC. Pursuant to the transaction, the Company has committed to the following contingencies:

- $5,000,000 payable in cash upon publishing an NI 43-101 resource report for the sulphide portion of the BMC LLC property describing a resource of 2,800,000 or more ounces of gold equivalents.
- $7,500,000 payable in cash upon commercial production of sulphide ore at the BMC LLC property.

As at April 30, 2026, and July 31, 2025, the Company has provided for the contingencies above in the amount of $13,307, reflecting management's estimate that the likelihood of these being paid is low.

Environmental

The Company's exploration and evaluation activities and projects are subject to laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company believes its activities are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations. See note 9.

9. DECOMMISSIONING OBLIGATION

The Company has reclamation and closure cost obligations related to the operations of the Borealis Project in Hawthorne, Nevada. The accrual represents the Company's best estimate of the present value of the total future reclamation cost based on assumptions as to levels of treatment, which will be required in the future, discounted at a risk-free rate of 3.80% (July 31, 2025 – 4.02%) with an inflation rate of 3.04% (July 31, 2025 – 2.47%). As at April 30, 2026, the undiscounted amount of estimated future reclamation costs is $17,386,623 (July 31, 2025 – $11,619,456).

Balance, July 31, 2024	**$ 10,680,927**
Accretion	78,966
Change in estimate	(38,518)
Balance, July 31, 2025	**$ 10,721,375**
Accretion	218,365
Change in estimate	1,590,425
Balance, April 30, 2026	**$ 12,530,165**

(Expressed in United States dollars, except indicated otherwise)

10. RELATED PARTY TRANSACTIONS

Related parties are defined as management and directors of the Company and/or members of their immediate family and/or other companies and/or entities in which a board member or senior officer is a principal owner or senior executive. Other than disclosed elsewhere in the consolidated financial statements, related party transactions and balances are as follows:

	For the three months ended April 30, 2026 $	For the three months ended April 30, 2025 $	For the nine months ended April 30, 2026 $	For the nine months ended April 30, 2025 $
Short-term compensation	168,376	110,678	452,207	330,613
Share based compensation	201,440	3,621	417,693	1,375,579

As at April 30, 2026, $58,059 related to unpaid management salaries were recorded in accounts payable (April 30, 2025 – $27,843). The amounts owing to related parties are unsecured, non-interest bearing and due on demand.

During the nine months ended April 30, 2026, management of the Company received 1,400,000 option grants and nil RSU's (April 30, 2025 – 3,700,000 and 100,000).

11. LOSS PER SHARE

The following table shows the components used in the calculation of basic and diluted loss per share for loss attributable to common shareholders.

	Three months ended April 30, 2026	Three months ended April 30, 2025	Nine months ended April 30, 2026	Nine months ended April 30, 2025
Weighted-average number of shares outstanding - basic (#)	147,380,516	103,503,687	134,634,168	89,844,455
Weighted-average number of shares outstanding - diluted (#)	147,380,516	103,503,687	134,634,168	89,844,455
Net loss attributable to common shares ($)	779,884	8,694,146	4,616,421	13,831,827
Basic loss per share	($0.01)	($0.08)	($0.03)	($0.15)
Diluted loss per share	($0.01)	($0.08)	($0.03)	($0.15)

As the Company is in a loss position, the effects of all convertible instruments are anti-dilutive, and they have been excluded from the diluted calculation. Therefore, the weighted-average number of common share outstanding used to calculate both basic and diluted net loss per share attributable to common shareholders is the same.

12. EXPLORATION AND EVALUATION COSTS

Exploration and evaluation costs consisted of:

	For the three months ended April 30, 2026 $	For the three months ended April 30, 2025 $	For the nine months ended April 30, 2026 $	For the nine months ended April 30, 2025 $
Drilling	-	19,963	-	808,967
Personnel	120,330	110,890	262,782	351,901
Travel	5,143	1,327	41,231	13,555
Contractors / Consultants	142,020	33,899	374,725	233,357
Claim staking costs	90,211	156,036	251,958	156,036
Other	19,041	6,032	57,383	8,765
	376,745	**328,147**	**988,079**	**1,572,581**

(Expressed in United States dollars, except indicated otherwise)

13. OPERATING EXPENSES

During the nine months ending April 30, 2026, the Company's primary operational activities at the Borealis project consisted of crushing the existing stockpile and resuming commercial production. As the project had reached the stage of commercial operations, the majority of operating costs incurred during the period were expensed as cost of goods sold. Management exercised significant judgment in determining that the Borealis Project had reached the condition necessary to operate as intended by management and had entered commercial production during the period.

14. CAPITAL MANAGEMENT

Capital is comprised of the Company's shareholders' equity and any debt that it may issue. The Company's objectives when managing capital are to maintain financial strength and to protect its ability to meet its ongoing liabilities, to continue as a going concern, to maintain creditworthiness and to maximize returns for shareholders over the long term. Protecting the ability to pay current and future liabilities includes maintaining capital above minimum regulatory levels, current financial strength rating requirements and internally determined capital guidelines and calculated risk management levels. The Company's capital management objectives, policies and processes have remained unchanged during the nine months ending April 30, 2026.

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

The Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than of the TSX Venture Exchange ("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 6 months. As of April 30, 2026, the Company believes it is compliant with the policies of the TSXV.

15. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

Financial Instruments

Classification of financial instruments

Financial assets and financial liabilities are measured on an ongoing basis at fair value or amortized cost. The classification of the financial instruments as at April 30, 2026, as well as their gross carrying values, are shown in the table below:

	Classification	Measurement ($)
Financial assets at amortized cost		
Cash	Amortized cost	18,865,984
Accounts Receivable	Amortized cost	1,917,639
Total financial assets		**20,783,623**
Financial liabilities at amortized cost		
Accounts payable and accrued liabilities	Amortized cost	2,569,668
Total financial liabilities		**2,569,668**

(Expressed in United States dollars, except indicated otherwise)

Financial instruments recorded at fair value are classified using a fair value hierarchy that reflects the significance of the inputs to fair value measurements. The three levels of 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 for the asset or liability that are not based on observable market data.

There have been no transfers between fair value levels during the nine months ending April 30, 2026, and April 30, 2025.

Cash, accounts receivable, accounts payable and all other current payables are all short-term in nature and, as such, their carrying values approximate fair value.

As at April 30, 2026, and July 31, 2025, there were no financial assets or liabilities other than contingent consideration that were measured and recognized in the consolidated statements of financial position at fair value.

Financial Risk Management

The Company is exposed in varying degrees to a variety of financial instrument related risks. Management mitigate these risks by assessing, monitoring, and approving the Company's risk management processes:

a. Credit Risk

Credit risk is the risk of a potential loss to the Company if one party of a financial instrument fails to meet its contractual obligations. The maximum credit exposures at April 30, 2026 are the carrying amount of cash and accounts receivable. To reduce credit risk, all significant cash balances are placed with major, reputable, Canadian and U.S. financial institutions and the majority of the accounts receivable balance is with a major global refinery.

b. Commodity Price Risk

The Company is exposed to fluctuations in gold and silver prices, which impact revenue generated from the sale of doré and the realizable value of inventory.

c. Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations associated with financial liabilities. The Company manages liquidity risk through the effective management of its capital structure. The Company's approach to managing liquidity is to ensure that it will have sufficient liquidity at all times to settle obligations and liabilities when due. The Company has the following undiscounted contractual obligations:

	Less than 1 year $	2 to 3 years $	4 to 5 years $	Greater than 5 years $	Total $
Accounts payable and other payables	2,569,668	-	-	-	**2,569,668**
Decommissioning obligations	-	-	-	17,386,623	**17,386,623**
Contingent consideration	-	-	-	13,307	**13,307**
April 30, 2026	**2,569,668**	**-**	**-**	**17,399,930**	**19,969,598**

d. Currency Risk

The Company is subject to currency risk on its financial instruments which are denominated in a currency that is different from the functional currency of the entity that holds them. Exchange gains and losses would impact profit or loss. At April 30, 2026, the Company held CAD$24,800,510 in Canadian currency. A 10% change in the CADUSD foreign exchange rate would have following impact (in US$) on the balance held in CAD$:

	$ Impact
10% increase	(1,654,868)
10% decrease	2,022,616

e. Interest rate risk

Interest rate risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Currently, the Company has no assets or liabilities with a variable interest rate. Financial assets and financial liabilities that bear interest at fixed rates are subject to fair value interest rate risk. As at April 30, 2026, and July 31, 2025, the Company did not have any outstanding loans and borrowings that are subject to variable interest rates.