AVVENTURA RESOURCES LTD.
(Formerly HORWOOD EXPLORATION CORP.)

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED SEPTEMBER 30, 2025 AND 2024

(EXPRESSED IN CANADIAN DOLLARS)

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INDEPENDENT AUDITORS' REPORT

To the Shareholders and Directors of Avventura Resources Ltd.

Opinion

We have audited the consolidated financial statements of Avventura Resources Ltd. and its subsidiary (the "Company") which comprise:

- the consolidated statements of financial position as at September 30, 2025 and September 30, 2024;
- the consolidated statements of loss and comprehensive loss for the years ended September 30, 2025 and September 30, 2024;
- the consolidated statements of cash flows for the years ended September 30, 2025 and September 30, 2024;
- the consolidated statements of changes in equity for the years ended September 30, 2025 and September 30, 2024; and
- the notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at September 30, 2025 and 2024, and its consolidated financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the ethical requirements that are relevant to our audits of the consolidated financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the accompanying consolidated financial statements, which describes matters and conditions that indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended September 30, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Except for the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined that there are no other key audit matters to communicate in our report.

Other Information

Management is responsible for the other information. The other information comprises the Company's Management Discussion and Analysis to be filed with the relevant Canadian securities commissions.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are, therefore, the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditors' report is Artem Valeev.

Manning Elliott LLP

CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, British Columbia
February 2, 2026

AVVENTURA RESOURCES LTD. (Formerly HORWOOD EXPLORATION CORP.)
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2025 and SEPTEMBER 30, 2024
(Expressed in Canadian dollars unless otherwise indicated)

		2025		2024
ASSETS				
CURRENT				
Cash and cash and equivalents (Note 3(a))	$	360,744	$	34,948
Goods and services tax recoverable		45,067		24,866
		405,811		59,814
EXPLORATION AND EVALUATION ASSETS (*Note 5)*		416,641		155,067
	$	**822,452**	**$**	**214,881**
LIABILITIES				
CURRENT				
Accounts payable and accrued liabilities (Note 7)	$	473,387	$	175,030
		473,387		175,030
EQUITY				
SHARE CAPITAL (*Note 6*)		1,255,308		214,785
Shares subscriptions receivable		-		(39,838)
Contributed surplus		54,782		-
Reserves (*Note 6*)		191,335		144,841
DEFICIT		(1,152,360)		(279,937)
		349,065		39,851
	$	**822,452**	**$**	**214,881**

NATURE OF BUSINESS AND CONTINUING OPERATIONS (*Note 1*)
COMMITMENTS (*Note 10)*
SUBSEQUENT EVENT (*Note 12)*

Approved on behalf of the Board:

"Eric Allard"
Director

"John Pallot"
Director

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

AVVENTURA RESOURCES LTD. (Formerly HORWOOD EXPLORATION CORP.)
CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
FOR THE YEARS ENDED SEPTEMBER 30, 2025 AND 2024
(Expressed in Canadian dollars unless otherwise indicated)

		2025		**2024**
EXPENSES				
Management fees (*Note 7)*	$	55,091	$	77,429
Office expense (Note 7)		23,221		40,239
Interest and bank charges		567		471
Reverse take-over expense (Note 4,7)		619,425		-
Professional fees (Note 7)		174,119		61,840
NET LOSS AND COMPREHENSIVE LOSS	**$**	**(872,423)**	**$**	**(179,979)**
LOSS PER SHARE – BASIC AND DILUTED	**$**	**(0.03)**	**$**	**(0.02)**
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING – BASIC AND DILUTED		**25,388,558**		**11,187,843**

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

AVVENTURA RESOURCES LTD. (Formerly HORWOOD EXPLORATION CORP.)
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED SEPTEMBER 30, 2025 AND 2024
(Expressed in Canadian dollars unless otherwise indicated)

	2025	2024
OPERATING ACTIVITIES		
Net loss for the year	$ (872,423)	$ (179,979)
Adjustment for non-cash item:		
Reverse take-over expense	619,425	-
Changes in non-cash working capital balances:		
Goods and services tax recoverable	(18,924)	(6,558)
Prepaid expenses	577	-
Accounts payable and accrued liabilities	222,185	86,679
Cash used by operating activities	**(49,160)**	**(99,858)**
INVESTING ACTIVITIES		
Exploration and evaluation assets	(3,510)	(6,526)
Cash acquired on reverse take-over	1,960	-
Cash used by investing activities	**(1,550)**	**(6,526)**
FINANCING ACTIVITIES		
Shares issued for cash	626,000	126,552
Share issuance costs	(289,332)	-
Shares subscriptions receivable net	39,838	(39,838)
Cash flow from financing activities	**376,506**	**86,714**
CHANGE IN CASH AND CASH EQUIVALENTS	**325,796**	**(19,670)**
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	**34,948**	**54,618**
CASH AND CASH EQUIVALENTS, END OF YEAR	**$ 360,744**	**$ 34,948**
CASH	**2,936**	**34,948**
CASH EQUIVALENTS	**357,808**	-
CASH AND CASH EQUIVALENTS	**$ 360,744**	**$ 34,948**

Supplemental cash flow information

	2025	2024
	$	$
Shares for debt settlement	109,563	-
Warrants issued on IPO	46,494	-
Shares issued on mineral properties option agreement	70,000	-
Exploration assets in accounts payable	164,064	-

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

AVVENTURA RESOURCES LTD. (Formerly HORWOOD EXPLORATION CORP.)
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED SEPTEMBER 30, 2025 AND 2024
(Expressed in Canadian dollars unless otherwise indicated)

	Common shares						
	Number of shares	**Amount**	**Share subscription Advances**	**Contributed surplus**	**Warrants reserve**	**Deficit**	**Total equity**
As at September 30, 2023	10,625,001	$ 153,129	$ -	$ -	$ 79,945	$ (99,958)	$ 133,116
Shares issued for cash	2,950,000	61,656	-		64,896	-	126,552
Subscriptions receivable	-	-	(39,838)	-	-	-	(39,838)
Net loss for the year	-	-				(179,979)	(179,979)
As at September 30, 2024	13,575,001	$ 214,785	$ (39,838)	$ -	$ 144,841	$ (279,937)	$ 39,851
Shares Issued on reverse take-over	12,511,368	625,568	-	-	-	-	625,568
Subscriptions receivable	-	-	39,838	-	-	-	39,838
Shares issued on settlement of debt (Note 6, 7)	1,095,630	54,781	-	54,782	-	-	109,563
Shares issued on IPO (Note 6)	6,060,000	606,000	-	-	-	-	606,000
Shares issued on private placement (Note 6)	200,000	20,000	-	-	-	-	20,000
Share issuance costs (Note 6, 7)	-	(335,826)	-	-	46,494	-	(289,332)
Shares issued on mineral property option agreement (Note 5)	700,000	70,000	-	-	-	-	70,000
Net loss for the year	-	-	-	-	-	(872,423)	(872,423)
As at September 30, 2025	34,141,999	$ 1,255,308	$ -	$ 54,782	$ 191,335	$(1,152,360)	$ 349,065

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

1. NATURE OF BUSINESS AND CONTINUING OPERATIONS

Horwood Exploration Corp. changed its name changed on October 15, 2024 to Avventura Resources Ltd. ("Avventura" or "the Company"). The Company was incorporated under the Canada Business Corporations Act on April 27, 2022. The Company's registered address and principal place of business is located at 9285 203B Street, Langley, British Columbia, V1M 2L9. On August 25, 2025 the Company completed its initial public offering (the "IPO") and the Company's shares began trading on the Canadian Securities Exchange ("CSE") under the symbol AA.

The Company's principal business activities include the acquisition and exploration of mineral property assets. As at September 30, 2025, the Company had yet to determined whether the Company's mineral property assets contain ore reserves that are economically recoverable. The recoverability of amounts shown for exploration and evaluation asset is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development of and the future profitable production from the property or realizing proceeds from its disposition. The outcome of these matters cannot be predicted at this time and the uncertainties cast significant doubt upon the Company's ability to continue as a going concern.

On November 29, 2024, the Company completed the acquisition of Avventura Resources (BC) Inc. pursuant to a share exchange agreement. As a result of the completion of this transaction, the former holders of Avventura Resources (BC) Inc. common shares held approximately 52% of the issued and outstanding common shares of the Company and former holders of Horwood Exploration Corp. shares held approximately 48% of the common shares of the Company. Post the transaction, as the majority of the board members and management originated from Avventura Resources (BC) Inc., the transaction was accounted for as a reverse take-over (Note 4). The transaction is considered to be a related party transaction as there are significant common shareholders between the Avventura Resource (BC) Inc. and Avventura Resources Ltd. (Note 7).

The Company had a deficit of $1,152,360 as at September 30, 2025, which has been funded by the issuance of equity. At September 30, 2025, the Company had a working capital deficiency of $67,576 (September 30, 2024 - $115,216). The Company's ability to continue its operations and to realize its assets at their carrying value is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs. There is no certainty that the Company will ultimately achieve profitable operations, become cash flow positive, or raise additional debt and/or equity capital. These matters indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.

These consolidated financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in consolidated these financial statements.

2. BASIS OF PREPARATION

Statement of Compliance

These consolidated financial statements, including comparatives, are prepared using IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

Approval of the Financial Statements

The consolidated financial statements of the Company for the year ended September 30, 2025 were reviewed by the Audit Committee and approved and authorized for issuance by the Board of Directors on February 2, 2026.

Basis of Measurement

These consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value as explained in the accounting policies set out in Note 3.

Functional and Presentation Currency

These consolidated financial statements are presented in Canadian dollars. The functional currency of the Company is measured using the principal currency of the primary economic environment in which each entity operates. The functional currency of the Canadian entity and the subsidiary is in Canadian dollars.

Basis of Consolidation

The consolidated financial statements for the year ended September 30, 2025 and 2024 comprise of the financial results of the Company and its subsidiaries, which are the entities over which the Company has control. Control exists when the Company has power over an investee, when the Company is exposed, or has rights, to variable returns from the investee and when the Company has the ability to affect those returns through its power over the investee. The consolidated financial statements of subsidiaries are fully consolidated from the date that control (November 29, 2024) of Avventura Resources (BC) Inc. which is when 100% ownership commenced.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

These consolidated financial statements have been prepared on a going concern basis, which assumes that the Company will be able to meet its obligations and continue its operations for its next fiscal year. Realization values may be substantially different from carrying values as shown and these financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern.

a) Cash comprises amounts on deposits at Canadian chartered banks. As at September 30, 2025, the Company held $357,808 (2024 - $nil) in a trust account.

b) Critical Accounting Estimates and Judgements

The preparation of these consolidated financial statements requires management to make certain estimates, judgments 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. Actual outcomes could differ from these estimates. These consolidated financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. 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.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Significant accounting estimates

i. the measurement of deferred income tax assets and liabilities; and

Significant accounting judgments

i. the determination of categories of financial assets and financial liabilities;

ii. the evaluation of the Company's ability to continue as a going concern;

iii. the assessment of indications of impairment of the mineral property and related determination of the net realizable value and write-down of the mineral property where applicable; and

iv. the determination that the transaction completed during the year constituted a reverse takeover, including the identification of the accounting acquirer. In making this assessment, management exercised judgement in evaluating indicators of control, including relative voting rights, the composition of the board of directors and senior management, and which entity directs the relevant activities of the combined entity. Based on this assessment, the consolidated financial statements have been prepared as a continuation of the accounting acquirer. (Note 4).

c) Income Taxes

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the consolidated financial statements date, and includes any adjustments to tax payable or receivable in respect of previous years.

Deferred income taxes are recorded using the liability method whereby deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the consolidated statement of financial position date. Deferred tax is not recognized for temporary differences which arise on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting, nor taxable profit or loss.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

d) Loss Per Share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive. Basic and diluted loss per share excludes all of the Company's common shares from the weighted average shares calculation that are contingently returnable.

e) Common shares are classified as equity. Incremental costs directly attributable to the issuance of shares are recognized as a deduction from equity. The proceeds from the exercise of stock options or warrants together with amounts previously recorded in reserves over the vesting periods are recorded as share capital. Contributed surplus includes amounts in connection with stock-based compensation and the value of expired options and warrants. Income tax relating to transaction costs of an equity transaction are recognized directly in equity. The Company allocates the gross proceeds from share issuances between common shares and warrants using a relative fair value approach.

f) Share Issuance Costs

Professional, consulting, regulatory and other costs directly attributable to financing transactions are recorded as deferred financing costs until the financing transactions are completed, if the completion of the transaction is considered likely; otherwise they are expensed as incurred. Share issue costs are charged to share capital when the related shares are issued. Deferred financing costs related to financing transactions that are not completed are charged to operations.

g) Share-based payments

The fair value of equity settled stock options awarded to employees defined under IFRS 2 Share-based payments (i.e. employees for legal and tax purpose, directors and certain consultants), determined as of the date of grant, and awarded to non-employees defined under IFRS 2, as of the date of delivery of service, is recognized as share-based payments, included in general and administrative expenses in the consolidated statement of loss and comprehensive loss, over the vesting period of the stock options based on the estimated number of options expected to vest, with a corresponding increase to equity.

h) Financial Instruments

On initial recognition financial assets are classified as measured at:

i. Amortized cost;

ii. Fair value through other comprehensive income (“FVOCI”); and

iii. Fair value through profit and loss (“FVTPL”).

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. Financial assets are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent measurement of financial assets depends on their classification:

i. Amortized cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included as finance income using the effective interest method.

The Company does not have any assets classified at amortized cost.

ii. FVOCI

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets’ cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains and losses, interest revenue, and foreign exchange gains and losses which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains (losses). Interest income from these financial assets is included as finance income using the effective interest method.

The Company does not have any assets classified at FVOCI.

iii. FVTPL

Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on an investment that is subsequently measured at FVTPL is recognized in profit or loss and presented net as revenue in the consolidated statement of loss and comprehensive loss in the period in which it arises.

The Company's cash is classified at FVTPL.

Financial Liabilities and Equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the group entities are recorded at the proceeds received, net of direct issue costs.

Financial liabilities are classified as measured at (i) FVTPL; or (ii) amortized cost.

A financial liability is classified as at FVTPL if it is classified as held-for-trading or is designated as such on initial recognition. Directly attributable transaction costs are recognized in profit or loss as incurred. The amount of change in the fair value that is attributable to changes in the credit risk of the liability is presented in OCI and the remaining amount of the change in the fair value is presented in profit or loss.

The Company does not classify any financial liabilities at FVTPL.

Other non-derivative financial liabilities are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortized cost using the effective interest method.

The Company classifies its accounts payable at amortized cost.

A financial liability is derecognized when the contractual obligation under the liability is discharged, cancelled or expires or its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

i) Exploration and evaluation assets

All costs related to the acquisition, exploration and development of mineral properties are capitalized. Upon commencement of commercial production, the related accumulated costs are amortized against projected income using the units-of-production method over estimated recoverable reserves.

Management annually assesses carrying values of non-producing properties and properties for which events and circumstances may indicate possible impairment. Impairment of a property is generally considered to have occurred if the property has been abandoned, there are unfavourable changes in the property economics, there are restrictions on development, or when there has been an undue delay in development, which exceeds three years. In the event that estimated discounted cash flows expected from its use or eventual disposition is determined by management to be insufficient to recover the carrying value of the property, the carrying value is written-down to the estimated recoverable amount.

The recoverability of mineral properties and exploration and development costs is dependent on the existence of economically recoverable reserves, the ability to obtain the necessary financing to complete the development of the reserves, and the profitability of future operations. The Company has not yet determined whether or not any of its future mineral properties contain economically recoverable reserves. Amounts capitalized to mineral properties as exploration and development costs do not necessarily reflect present or future values.

When options are granted on mineral properties or properties are sold, proceeds are credited to the cost of the property. If no future capital expenditure is required and proceeds exceed costs, the excess proceeds are reported as a gain.

j) Decommissioning, restoration and similar liabilities

An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the exploration or development of a mineral property interest. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the asset, along with a corresponding liability as soon as the obligation to incur such costs arises. The timing of the actual rehabilitation expenditure is dependent on a number of factors such as the life and nature of the asset, the operating license conditions and, when applicable, the environment in which the mine operates.

Discount rates using a pre-tax rate that reflects the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either the units-of-production or the straight-line method. The corresponding liability is progressively increased as the effect of discounting unwinds creating an expense recognized in profit or loss.

Decommissioning costs are also adjusted for changes in estimates. Those adjustments are accounted for as a change in the corresponding capitalized cost, except where a reduction in costs is greater than the unamortized capitalized cost of the related assets, in which case the capitalized cost is reduced to nil and the remaining adjustment is recognized in profit or loss.

The operations of the Company have been, and may in the future be, affected from time to time in varying degree by changes in environmental regulations, including those for site restoration costs. Both the likelihood of new regulations and their overall effect upon the Company are not predictable.

The Company has no material restoration, rehabilitation and environmental obligations as the disturbance to date is immaterial.

k) Flow-through shares

The resource expenditure deductions for income tax purposes related to exploration and development activities funded by flow-through share arrangements are renounced to investors in accordance with Canadian tax legislation. On issuance, the premium recorded on the flow-through share, being the difference in price over a common share with no tax attributes, is recognized as a liability. As expenditures are incurred, the liability associated with the renounced tax deductions is recognized through profit and loss with a pro-rata portion of the deferred premium.

To the extent that the Company has deferred tax assets in the form of tax loss carry-forwards and other unused tax credits as at the reporting date, the Company may use them to reduce its deferred tax liability relating to tax benefits transferred through flow-through shares.

l) Adoption of new accounting standards, interpretations and amendments

- *IFRS 18 Presentation and Disclosure in the Financial Statements*

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

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

4. REVERSE TAKE-OVER

On October 1, 2024, Avventura Resources (BC) Inc. entered into a Share Exchange Agreement (the "SPA") with Avventura Resources Ltd. (formerly Horwood Exploration Corp.), an unlisted reporting issuer, whereby the Company acquired 100% of the issued and outstanding shares of Avventura Resources (BC) Inc. under a one-for-one share exchange. As a result of the transaction, Avventura Resources (BC) Inc. became a wholly-owned subsidiary of the Company, and its former shareholders received a total of 13,575,001 Avventura Resources Ltd. Common Shares. The transaction closed on November 29, 2024.

Upon the terms and subject to the conditions set forth in the Share Exchange Agreement, the Company cancelled 6,675,000 warrants, resulting in 12,511,368 common shares and 2,000,000 warrants outstanding.

At the closing of the transaction, in exchange for all shares of Avventura Resources (BC) Inc., the Company issued common shares to the former shareholders, cancelled their individual share certificates in favor of a single certificate evidencing the Company's sole ownership of 13,575,001 shares, and thereby made Avventura Resources (BC) Inc. a wholly-owned subsidiary. In addition to the common share exchange, 11,650,000 warrants of Avventura Resources (BC) Inc. were cancelled in exchange for 5,825,000 Avventura Resources Ltd. warrants on November 29, 2024.

The transaction is considered a reverse take-over because the former shareholders of Avventura Resources (BC) Inc. retained a higher proportional ownership percentage of the resulting company and management and directors of the resulting company came from Avventura Resources (BC) Inc. As a result, the consolidated financial statements have been prepared as a continuation of the financial statements of Avventura Resources (BC) Inc., which was determined to be the accounting acquirer, with the identifiable assets and liabilities of the legal acquirer recognized at fair value at the acquisition date. Management further determined that the acquired set of activities and assets did not meet the definition of a business under IFRS 3 Business Combinations. As a result, the transaction was accounted for as an asset acquisition. In accordance with IFRS 2 Share-based Payment, the excess of the fair value of the equity instruments issued over the fair value of the identifiable net assets acquired was recognized as a reverse take-over expense. The fair value of the shares was determined to be $0.05 based on the price of the most recent financing completed by the Company before the transaction.

(Expressed in Canadian dollars unless otherwise indicated)

The allocation of the components of total consideration to the net assets acquired was as follows:

Consideration	**$**
Acquisition consideration paid (12,511,368 shares at $0.05)	625,568
Cash	1,960
Goods and Services Taxes Recoverable	1,276
Prepaids	577
Accounts Payable	(21,670)
Exploration and Evaluation Asset	24,000
Total net assets acquired	6,143
Reverse take-over expense	619,425

The Company recorded a reverse-takeover expense of $619,425 during the year ended September 30, 2025.

The acquisition of Avventura Resources (BC) Inc. is a related party transaction as there were common significant shareholders between the entities.

5. EXPLORATION AND EVALUATION ASSETS

Kabik Lake Project

Pursuant to an option agreement dated March 17, 2022 (the "Agreement"), the Company was granted an option to acquire a 100% undivided interest in the Kabik Lake Project (the "Property") situated in the Patricia Mining Division in the Province of Ontario.

In accordance with the Agreement, the Company has the option to earn the undivided 100% interest in the Property (subject to the Net Smelter Returns ("NSR") described below by issuing a total of 200,000 common shares, making cash payments in aggregate amount of $75,000, and incurring an aggregate of $500,000 worth of exploration expenditures on the property as follows:

	Common Shares	Cash	Exploration Expenditures
	#	$	$
Upon signing the Option agreement (paid)	-	10,000	-
Upon listing of the Company's Common Shares on a Canadian Stock Exchange (the "Listing") (issued)	200,000	15,000*	-
On or before the first anniversary of the Listing	-	20,000	100,000
On or before the second anniversary of Listing	-	30,000	100,000
On or before the third anniversary of the Listing	-	-	300,000
	200,000	75,000	500,000

*This payment has not yet been made and the Company is currently negotiating timing of the payment with the optionors.

The optionors will retain a 1.5% NSR on the Property. The Company has the right to purchase the first 0.5% of the royalty for $500,000. Upon such purchase, the Company will have the right of first refusal on the remaining 1% of the NSR.

(Expressed in Canadian dollars unless otherwise indicated)

Horwood Property, Ontario, Canada

On May 4, 2022, the Company signed an option agreement to acquire 100% interest in a property of 35 mining claims, at a price of $124,000 and 500,000 common shares of the Company.

	Common Shares	Cash	Exploration Expenditures
	#	**$**	**$**
Upon signing the Option agreement (paid)	-	24,000	-
Upon listing of the Company's Common Shares on a Canadian Stock Exchange (the "Listing") (issued)	500,000	25,000	-
On or before the first anniversary of the Listing	-	30,000	-
On or before the second anniversary of Listing	-	45,000	-
	500,000	124,000	-

On January 8, 2026, the Company executed an amendment agreement to its existing option agreement dated May 4, 2022 with Gravel Ridge Resources Ltd. and 1544230 Ontario Inc. Under the terms of amendment, the Company is required to make payment and issue shares in accordance with the following schedule:

- $26,000 cash payment upon the signing of this Agreement (not paid);
- 500,000 common shares of the Optionee on the date of listing of the Optionee's common shares on the Canadian Securities Exchange (issued);
- issuance of 1,500,000 common shares of the Optionee on or before January 12, 2026 (Issued – Note 12)
- $74,000 cash payment on or before the first anniversary of the CSE Listing Date;
- $60,000 cash payment on or before the second anniversary of the CSE Listing Date; and
- $70,000 cash payment on or before the third anniversary of the CSE Listing Date.

The optionors will retain a 1.5% NSR on the Property. The Company has the right to purchase the first 0.5% of the royalty for $600,000.

(Expressed in Canadian dollars unless otherwise indicated)

	Kabik Lake Project $	**Horwood Property** $	**Total** $
Acquisition costs			
Balance, September 30, 2023, and 2024	10,000	-	10,000
Exploration and evaluation assets acquired	-	24,000	24,000
Option payments	20,000	50,000	70,000
Balance, September 30, 2025	**30,000**	**74,000**	**104,000**
Exploration costs			
Balance, September 30, 2023	138,541	-	**138,541**
Geological services	4,963	-	**4,963**
Magnetic Survey	1,563	-	**1,563**
Balance, September 30, 2024	**145,067**	-	**145,067**
Concession payments	-	1,288	**1,288**
Geological services	820	159,158	**159,978**
Assays	-	6,308	**6,308**
Balance, September 30, 2025	**145,887**	**166,754**	**312,641**

Total mineral property costs

	Kabik Lake Project $	**Horwood Property** $	**Total** $
Balance, September 30, 2024	155,067	-	**155,067**
Balance, September 30, 2025	175,887	240,754	**416,641**

6. SHARE CAPITAL

a) Authorized: Unlimited number of common shares without par value.

b) Issued and outstanding as at September 30, 2025: 34,141,999 common shares (September 30, 2024– 13,575,001).

As at September 30, 2025, the Company has 6,350,000 shares in escrow with 10% pending release and an additional 15% to be released every 6 months starting February 22, 2026 and completing on August 22, 2028.

During the year ended September 30, 2025, the Company had the following transactions:

On October 1, 2024, under the Share Exchange Agreement (Note 4), the Company cancelled 6,675,000 warrants, resulting in 12,511,368 common shares and 2,000,000 warrants outstanding. The Company acquired all outstanding shares of Avventura Resources (BC) Inc. by issuing 13,575,001 Avventura Resources Ltd. common shares to its shareholders.

On February 18, 2025, the Company issued 1,095,630 common shares, to settle $109,563 of legal fees due to a related party. The fair value of the shares issued were determined to be $54,781 which resulted in $54,782 being recorded as contributed surplus (Note 7).

On August 22, 2025, the Company issued 700,000 common shares as part of the consideration for the Company's option payments (Note 5).

On August 25, 2025 the Company completed its initial public offering (the "IPO") of 6,060,000 common shares, 60,000 of which were sold pursuant to an over-allotment option, at a price of $0.10 per common share for gross proceeds of $606,000. Concurrently with the closing of the IPO, the Company also closed a non-brokered private placement consisting of 200,000 common shares at a price of $0.10 per common share for additional gross proceeds of $20,000 (the "Concurrent Financing"). Pursuant to an agency agreement dated May 27, 2025 with the Company, Research Capital Corporation acted as agent (the "Agent") for the IPO. In consideration for the services provided by the Agent, the Company paid the Agent a cash commission in the amount of $60,600 and a corporate finance fee of $32,000. Additionally, the Company granted the Agent and its selling group an aggregate of 606,000 compensation warrants. Each compensation warrant entitles the holder thereof to purchase one common share at a price of $0.10 per Share, exercisable on or before August 25, 2027. In connection with the Concurrent Financing, the Company paid the Agent, who acted as a finder under the Concurrent Financing, aggregate finder's fees consisting of $2,000 in cash and issued 20,000 nontransferable finder's warrants. Each finder's warrant entitles the holder thereof to purchase one common share at a price of $0.10 per common share until August 25, 2027. The Company also incurred $51,232 in transaction costs related to the IPO.

The fair value of the agent and finders warrants issued was calculated as $0.0743 per warrant and was determined using the Black-Scholes option pricing model with the following weighted average assumptions: 2.72% risk free interest rate, expected life of 2 years, 158% annualized volatility and 0% dividend rate.

During the year ended September 30, 2024, the Company had the following transactions:

On November 28, 2023, the Company completed a non-brokered private placement of 250,000 units at a price of $0.05 per unit for aggregate gross proceeds of $12,500. Each unit was comprised of one common share of the Company and one share purchase warrant of the Company. Each warrant was exercisable for one common share of the Company at an exercise price of $0.05 per common share for a period of 36 months from the date the shares first commence trading on a stock exchange in Canada. The Company allocated the gross proceeds between common shares and warrants using the relative fair value method. The warrants were valued at $5,510 using the Black-Scholes option pricing model with the following assumptions: expected life in years- 3, volatility- 140 %, risk free rate- 4.12%, share price- $0.05, dividend yield- 0%.

(Expressed in Canadian dollars unless otherwise indicated)

On August 8, 2024, the Company completed a non-brokered private placement of 1,900,000 units at a price of $0.05 per unit for aggregate gross proceeds of $95,000. Each unit was comprised of one common share of the Company and one share purchase warrant of the Company. Each warrant was exercisable for one common share of the Company at an exercise price of $0.05 per common share for a period of 36 months from the date the shares first commence trading on a stock exchange in Canada. The warrants were valued at $74,612 using the Black-Scholes option pricing model with the following assumptions: expected life in years- 3, volatility- 140 %, risk free rate- 3.25%, share price- $0.05, dividend yield- 0%. The Company allocated the gross proceeds between common shares at $ 53,210 and warrants at $41,790 using the relative fair value method.

On August 29, 2024, the Company completed a non-brokered private placement of 800,000 units at a price of $0.05 per unit for aggregate gross proceeds of $40,000. Each unit was comprised of one common share of the Company and one share purchase warrant of the Company. Each warrant was exercisable for one common share of the Company at an exercise price of $0.05 per common share for a period of 36 months from the date the shares first commence trading on a stock exchange in Canada. The warrants were valued at $31,412 using the Black-Scholes option pricing model with the following assumptions: expected life in years- 3, volatility- 140 %, risk free rate- 3.25%, share price- $0.05, dividend yield- 0%. The Company allocated the gross proceeds between common shares at $ 22,405 and warrants at $17,595 using the relative fair value method.

c) Warrants

During the year ended September 30, 2025, the Company had the following transactions:

Upon the terms of the reverse take over (Note 4), the Company cancelled 6,675,000 warrants and issued 5,825,000 as part of the consideration.

The Company issued 606,000 compensation warrants as part of the IPO.

During the year ended September 30, 2024, the Company had the following transactions:

During the period September 30, 2024, the Company had issued 2,000,000 warrants attached to the units issued pursuant to the private placement transactions in April and May of 2024.

Information regarding the Company's warrant activity is summarized below:

	Number of warrants	Weighted average exercise price
Balance, September 30, 2023	6,675,000	0.05
Issued	2,000,000	0.10
Balance, September 30, 2024	8,675,000	0.07
Cancelled	(6,675,000)	0.06
Issued	6,451,000	0.10
Balance, September 30, 2025	8,451,000	0.10

(Expressed in Canadian dollars unless otherwise indicated)

Table below provides a summary of the warrants outstanding as at September 30, 2025:

Expiry Date	Number of warrants	Weighted Average exercise price
April 8, 2027	1,000,000	$0.10
May 2, 2027	1,000,000	$0.10
August 25, 2028	5,845,000	$0.10
August 25, 2027	606,000	$0.10
Total	**8,451,000**	**$0.10**

7. RELATED PARTY BALANCES AND TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties. Key management includes directors and key officers of the Company, including the Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”).

The Company had incurred the following key management personnel costs from related parties:

	Twelve months ended September 30, 2025	**Twelve months ended September 30, 2024**
	$	$
Management fees (company controlled by former CEO)	20,897	32,603
Rent (company controlled by former CEO)	9,937	6,863
Legal and filing fees (company controlled by relative of former CFO)	64,501	61,840
CFO fees (company controlled by former CFO)	34,194	44,826
	129,529	146,132

As at September 30, 2025, included in the accounts payable and accrued liabilities balance is a total of $128,983 (2024 - $146,383) was owed to related parties.

On February 18, 2025, the Company issued 1,095,630 common shares, to settle $109,563 of legal fees due to a related party. The fair value of the shares issued were determined to be $54,781 which resulted in $54,782 being recorded as contributed surplus

During the year ended September 30, 2025, the Company incurred $208,402 (2024 - $61,840) in legal and filing fees due to a related party, of which $143,901 (2024 - $nil) was recorded as share issuance costs incurred in the IPO.

The reverse take-over acquisition (Note 4) is considered to be a related party transaction as there are significant common shareholders between the Avventura Resource (BC) Inc. and Avventura Resources Ltd.

8. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the identification, evaluation and acquisition and exploration of economic mineral properties. The Company does not have any externally imposed capital requirements to which it is subject.

The Company's capital structure consists of equity and share subscriptions. As at September 30, 2025, the Company had capital resources consisting of cash. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue common shares or dispose of assets or adjust the amount of cash.

9. FINANCIAL INSTRUMENTS AND FINANCIAL RISK

IFRS 7, *Financial Instruments: Disclosures*, establishes a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair value of financial instruments

The Company's financial assets include cash and are classified as Level 1. The carrying value of these instruments approximates their fair values due to the relatively short periods of maturity of these instruments.

Assets measured at fair value on a recurring basis were presented on the Company's consolidated statements of financial position as at September 30, 2025 and September 30, 2024 were as follows:

		Fair value measurement using		
	Carrying amount	Level 1	Level 2	Level 3
Cash and cash equivalent as at September 30, 2025	$ **360,744**	$ 360,744	$ -	$ -
Cash and cash equivalent as at September 30, 2024	$ **34,948**	$ 34,948	$ -	$ -

Financial risk management objectives and policies

The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Currency risk

The Company's expenses are denominated in Canadian dollars. The Company's corporate office is based in Canada and current exposure to exchange rate fluctuations is minimal.

(Expressed in Canadian dollars unless otherwise indicated)

The Company does not have any significant foreign currency denominated monetary liabilities. The principal business of the Company is the identification and evaluation of assets or a business and once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval and acceptance by regulatory authorities.

Credit Risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. To minimize the credit risk the Company places these instruments with a high-quality financial institution.

Interest Rate Risk

The Company is exposed to interest rate risk on the variable rate of interest earned on bank deposits. The fair value interest rate risk on bank deposits is insignificant as the deposits are short- term.

The Company has not entered into any derivative instruments to manage interest rate fluctuations.

Liquidity risk

In the management of liquidity risk of the Company, the Company maintains a balance between continuity of funding and the flexibility through the use of borrowings. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company's projects and operations.

10. COMMITMENTS

The Company's commitments are limited to the obligations under its property option agreements as described above.

11. INCOME TAXES

The following table reconciles the amount of income tax recoverable on application of the combined statutory Canadian federal and provincial income tax rates:

	2025	2024
Canadian statutory income tax rate	27%	27%
Income tax recovery at statutory rate	$ (235,554)	$ (49,000)
Permanent differences	18,313	7,000
Change in deferred tax assets not recognized	217,241	42,000
Deferred income tax recovery	$ -	$ -

Significant components of the Company's deferred income tax assets are shown below:

	2025	2024
Non-capital loss carry forwards	$ 15,140	$ 69,000
Share issuance costs	20,728	-
Deferred tax assets not recognized	(15,140)	(69,000)
	$ -	$ -

As at September 30, 2025, the Company had approximately $1,099,657 in non-capital loss carry forward available to reduce taxable income for future years. The non-capital losses expire in 2045.

12. SUBSEQUENT EVENT

On January 21, 2026, the Company issued 1,500,000 common shares to the Optionors as required under the amended option agreement of the Horwood Property. (Note 5)