

HERTZ ENERGY INC.

Condensed Interim Consolidated Financial Statements

For the nine months ended April 30, 2026 and 2025

(Unaudited - Expressed in Canadian dollars)

**NOTICE OF NO AUDITOR REVIEW OF THE
CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

In accordance with National Instrument 51-102 Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of these condensed interim consolidated financial statements, they must be accompanied by a notice indicating that the condensed interim consolidated financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim consolidated financial statements of the Company for the nine months ended April 30, 2026 have been prepared by and are the responsibility of the Company's management and have not been reviewed by the Company's independent auditors.

HERTZ ENERGY INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(UNAUDITED - EXPRESSED IN CANADIAN DOLLARS)

	Note	April 30, 2026	July 31, 2025
		\$	\$
ASSETS			
Current assets			
Cash		723,573	49,336
Prepaid expenses		82,066	42,559
Tax receivables		192,543	161,131
Due from a related party	5	494	494
Total current assets		998,676	253,520
Non-current assets			
Exploration and evaluation properties	3	9,366,592	8,521,450
Total assets		10,365,268	8,774,970
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		320,713	103,782
Due to related parties	5	1,039,864	1,002,325
Flow-through premium liability	7	68,000	145,207
		1,428,577	1,251,314
Non-current liabilities			
Due to related party	5	107,440	109,175
Total liabilities		1,536,017	1,360,489
SHAREHOLDERS' EQUITY			
Share capital	4	13,673,569	11,939,072
Shares to be issued	4	16,000	-
Reserves	4	1,035,739	362,377
Accumulated other comprehensive gain (loss)		1,609	(154)
Deficit		(5,897,666)	(4,886,814)
Total shareholders' equity		8,829,251	7,414,481
Total liabilities and shareholders' equity		10,365,268	8,774,970

Going concern (*Note 1*)
Subsequent event (*Note 4*)

APPROVED BY THE BOARD OF DIRECTORS ON JUNE 29, 2026

ON BEHALF OF THE BOARD

/s/ Kulwant Malhi

Kulwant Malhi, Director

/s/ Jamie L. Hogue

Jamie L. Hogue, Director

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

HERTZ ENERGY INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(UNAUDITED - EXPRESSED IN CANADIAN DOLLARS)

		Three months ended April 30,		Nine months ended April 30,	
	Note	2026	2025	2026	2025
		\$	\$	\$	\$
Expenses:					
Advertisement and marketing		18,798	5,000	26,748	68,837
Consulting fees		4,500	4,500	13,500	27,000
Management fees	5	64,500	90,000	211,000	264,500
Office expenses		6,339	5,547	12,233	22,032
Professional fees	5	41,217	47,189	140,213	81,648
Property investigation		-	(1,496)	-	11,068
Share-based compensation	4, 5	515,469	3,933	516,852	63,649
Transfer agent and filing fees		17,720	18,468	57,383	45,333
Total expenses		(668,543)	(173,141)	(977,929)	(584,067)
Other income (expenses):					
Flow-through premium income		-	-	-	462,230
Interest income		-	-	-	16,326
Interest	5	(10,753)	(7,891)	(32,026)	(42,301)
Foreign exchange loss		(893)	(335)	(897)	(4,318)
Impairment of mineral property	3	-	-	-	(314,986)
Net loss		(680,189)	(181,367)	(1,010,852)	(467,116)
Other comprehensive income (loss):					
Exchange differences on translating foreign operations		(489)	5,203	1,763	(192)
Comprehensive loss		(680,678)	(176,164)	(1,009,089)	(467,308)
Net loss per share, basic and diluted		(0.04)	(0.02)	(0.08)	(0.06)
Weighted average number of shares outstanding, basic and diluted		17,418,604	8,754,110	12,600,422	7,313,829

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

HERTZ ENERGY INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED APRIL 30, 2026 AND 2025
(UNAUDITED - EXPRESSED IN CANADIAN DOLLARS)

	Share capital			Reserves				
	Number of shares	Amount \$	Shares to be issued \$	Share-based payment reserve \$	Warrants reserve \$	Accumulated other comprehensive income (loss) \$	Deficit \$	Total \$
	(Note 4)	(Note 4)						
Balance, July 31, 2024	6,604,671	10,679,072	-	233,631	63,874	285	(4,142,636)	6,834,226
Share issued for exploration and evaluation properties	3,300,000	1,260,000	-	-	-	-	-	1,260,000
Share-based compensation	-	-	-	63,649	-	-	-	63,649
Net and comprehensive loss	-	-	-	-	-	(192)	(467,116)	(467,308)
Balance, April 30, 2025	9,904,671	11,939,072	-	297,280	63,874	93	(4,609,752)	7,690,567
Share-based compensation	-	-	-	1,223	-	-	-	1,223
Net and comprehensive loss	-	-	-	-	-	(247)	(277,062)	(277,309)
Balance, July 31, 2025	9,904,671	11,939,072	-	298,503	63,874	(154)	(4,886,814)	7,414,481
Share issued for exploration and evaluation properties	2,500,000	625,000	-	-	-	-	-	625,000
Shares issued for private placements	6,490,000	1,400,000	20,000	-	-	-	-	1,420,000
Share issuance cost	-	(226,503)	-	-	156,510	-	-	(69,993)
Flow through premium liability	-	(64,000)	(4,000)	-	-	-	-	(68,000)
Share-based compensation	-	-	-	516,852	-	-	-	516,852
Net and comprehensive loss	-	-	-	-	-	1,763	(1,010,852)	(1,009,089)
Balance, April 30, 2026	18,894,671	13,673,569	16,000	815,355	220,384	1,609	(5,897,666)	8,829,251

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

HERTZ ENERGY INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE NINE MONTHS ENDED APRIL 30, 2026 AND 2025
(UNAUDITED - EXPRESSED IN CANADIAN DOLLARS)

	April 30, 2026	April 30, 2025
Cash Provided By (Used In)	\$	\$
Operating Activities		
Net loss	(1,010,852)	(467,116)
Adjustments for non-cash items:		
Share-based compensation	516,852	63,649
Impairment of mineral property	-	314,986
Flow-through premium income	-	(462,230)
Changes in working capital:		
Prepaid expenses	(39,507)	(12,427)
Tax receivables	(31,412)	(53,891)
Due from related party	-	1,042
Due to related parties	35,804	447,281
Accounts payable and accrued liabilities	71,724	(350,894)
Net cash used in operating activities	(457,391)	(519,600)
Investing Activity		
Exploration and evaluation expenditures	(220,142)	(652,051)
Net cash used in investing activity	(220,142)	(652,051)
Financing Activities		
Private placement, net issue costs	1,350,007	-
Share issuance cost	-	(514)
Net cash provided by financing activities	1,350,007	(514)
Increase (decrease) in cash	672,474	(1,172,165)
Effect of exchange rate changes on cash	1,763	(192)
Cash, beginning of the period	49,336	1,255,435
Cash, end of period	723,573	83,078

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Hertz Energy Inc. (the “Company” or “Hertz”) was incorporated on February 15, 2019, in the province of British Columbia, Canada as Hybrid Ventures Inc., and on January 24, 2022, the Company changed its name to Hertz Lithium Inc and then to Hertz Energy Inc. on February 9, 2024. The Company’s head office and registered address is located at 1055 West Georgia Street, 1500 Royal Centre, Vancouver, British Columbia, V6E 4N7, Canada.

The Company is engaged in the exploration and development of mineral resources, currently focusing on projects in British Columbia, Quebec, New Brunswick and Yukon, Canada. Currently, the Company does not own any operating mines and has no operating income from mineral production. Funding for operations is raised primarily through public and private share offerings. It is not known whether the Company’s mineral properties contain reserves that are economically recoverable. The recoverability of amounts recorded by the Company for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, the ability to raise funding for continued exploration and development, the completion of property option expenditures and acquisition requirements, or from proceeds from disposition.

These condensed interim consolidated financial statements have been prepared with the assumption that the Company will realize its assets and discharge its liabilities in the normal course of business. The Company’s ability to meet its obligations and maintain its current operations through the ensuing twelve-month period and thereafter is contingent upon successful completion of additional financing arrangements and ultimately upon the discovery of proven reserves and generating profitable operations.

Management expects to be successful in arranging sufficient funding to meet operating commitments for the ensuing year. However, the Company’s future capital requirements will depend on many factors, including the costs of exploring and developing its resource properties, operating costs, the current capital market environment and global market conditions. As of April 30, 2026, the Company has not generated any operating income and has a cumulative deficit of \$5,897,666 (July 31, 2025 - \$4,886,814). Consequently, there is a material uncertainty that may cast significant doubt on the Company’s ability to continue as a going concern. For significant expenditures and resource property development, the Company will depend almost exclusively on outside capital. Such outside capital will include the issuance of additional equity shares. There can be no assurance that capital will be available, as necessary, to meet the Company’s operating commitments and further exploration and development plans. These condensed interim consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence.

2. BASIS OF PRESENTATION

Statement of compliance

These condensed interim consolidated financial statements of the Company have been prepared in accordance with IFRS Accounting Standards (“IFRS”), as applicable to interim financial reports including International Accounting Standards (“IAS”) 34 Interim Financial Reporting.

These condensed interim consolidated financial statements have been prepared based on accounting principles and methods consistent with those used in the preparation of the audited consolidated financial statements for the year ended July 31, 2025 and should be read in conjunction with the Company’s audited consolidated financial statements for the year ended July 31, 2025. The Company’s interim results are not necessarily indicative of its results for a full year.

Basis of consolidation

These condensed interim consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries, Hertz Lithium USA LLC. (“Hertz US”), incorporated in Utah, USA, Hertz Uranium Inc. (“Hertz Uranium”), incorporated in British Columbia, Canada, and Canuck Lithium Corp. (“Canuck”). Subsidiaries are all entities over which the Company has control. The Company controls an entity where the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is

HERTZ ENERGY INC.
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FOR THE THREE AND NINE MONTHS ENDED APRIL 30, 2026 AND 2025
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transferred to the Company and are deconsolidated from the date that control ceases. All intercompany balances and transactions have been eliminated upon consolidation.

Judgments and estimates

The preparation of the Company's financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, and contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Significant estimates and judgments made by management in the preparation of these condensed interim consolidated financial statements are outlined below:

Going concern of operations

Management has applied judgements in the assessment of the Company's ability to continue as a going concern when preparing these condensed interim consolidated financial statements. Management prepares its financial statements on a going concern basis unless management either intends to liquidate the entity or to cease trading or has no realistic alternative but to do so.

Impairment of exploration and evaluation assets

Management considers both external and internal sources of information in assessing whether there are any indications that the Company's exploration and evaluation assets are impaired. External sources of information management considers include changes in the market, economic and legal environments in which the Company operates, that are not within its control and that affect the recoverable amount of its mining properties. Internal sources of information that management considers include the manner in which mining properties are being used, or are expected to be used, and indications of economic performance of the assets.

Where a potential impairment is indicated, assessments are performed for each area of interest. To the extent that deferred exploration expenditures are not expected to be recovered, an impairment is charged to profit or loss. Exploration areas where reserves have been discovered but require major capital expenditure before production can begin, are continually evaluated to ensure that commercial quantities of reserves exist or to ensure that additional exploration work is underway as planned.

An impairment charge relating to an exploration and evaluation asset may be subsequently reversed when new exploration results or actual or potential proceeds on sale or farm-out of the property result in a revised estimate of the recoverable amount but only to the extent that this does not exceed the original carrying value of the property that would have resulted if no impairment had been recognized.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and evaluation activities, and in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements, non-compliance with regulatory requirements or aboriginal land claims.

During the year ended July 31, 2025, the Company assessed the existence of impairment indicators with respect to its exploration and evaluation assets and recorded an impairment charge of \$314,986.

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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTHS ENDED APRIL 30, 2026 AND 2025
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3. EXPLORATION AND EVALUATION ASSETS

As at April 30, 2026 and July 31, 2025, the Company's exploration and evaluation properties are as follows:

	AC/DC and La Fleur Project, Quebec	Maskwa Property, Quebec	Harriman, Property Quebec	Lake George, NB	Crag and Rod, YK	Agastya Project	Total
	\$	\$	\$	\$	\$	\$	\$
Balance July 31, 2024	6,646,224	319,912	-	-	-	-	6,966,136
Acquisition Cost:							
Shares issued	-	-	60,000	-	-	1,200,000	1,260,000
Cash payment	-	-	20,000	-	-	-	20,000
Impairment	-	(100,000)	-	-	-	-	(100,000)
	-	(100,000)	80,000	-	-	1,200,000	1,180,000
Exploration and evaluation expenditures:							
Staking and claim maintenance	-	-	-	4,438	-	-	4,438
Geological exploration	43,667	35,074	312,771	9,552	-	331,798	732,862
Prepayment reverse	(107,000)	(40,000)	-	-	-	-	(147,000)
Impairment	-	(214,986)	-	-	-	-	(214,986)
	(63,333)	(219,912)	312,771	13,990	-	331,798	375,314
Balance July 31, 2025	6,582,891	-	392,771	13,990	-	1,531,798	8,521,450
Acquisition Cost:							
Shares issued	-	-	-	-	625,000	-	625,000
Cash payment	-	-	-	25,000	100,000	-	125,000
	-	-	-	25,000	725,000	-	750,000
Exploration and evaluation expenditures:							
Staking and claim maintenance	825	-	-	970	-	1,225	3,020
Consulting	-	-	-	17,500	-	-	17,500
Geological exploration	32,142	-	11,670	19,134	1,155	7,219	71,320
Licenses and filing fees	1,472	-	-	-	-	1,830	3,302
	34,439	-	11,670	37,604	1,155	10,274	95,142
Balance April 30, 2026	6,617,330	-	404,441	76,594	726,155	1,542,072	9,366,592

CURRENT AND ACTIVE MINERAL PROJECTS:

AC/DC and La Fleur Project, Quebec:

The AC/DC and La Fleur Project consists of certain lithium properties located in Quebec.

On January 31, 2023, Canuck entered into a property purchase agreement (the “Glenn Purchase Agreement”) with Glenn Griesbach, to acquire a 100% beneficial interest in certain lithium mineral tenements located in Quebec, Canada. Pursuant to the Glenn Purchase Agreement, the payments required are as follows:

- a) Cash payment of \$15,000 (paid on January 31, 2023);
- b) Issue 15,000 common shares within 7 days of execution of the agreement (issued on August 15, 2023);
- c) Issue 25,000 common shares upon surface samples returning results in excess of 1% lithium; and
- d) Issue 25,000 common shares upon drill results returning minimum of 25 meters with assays of 1% lithium or greater.

The Company also agreed to pay Glenn a 2% NSR Royalty upon commencement of commercial production. The NSR Royalty may be reduced by 1% at any time by paying cash of \$500,000.

On March 31, 2023, Canuck entered into a property purchase agreement with Prospectus Capital Inc. (“Prospectus”), to acquire a 100% beneficial interest in certain mineral tenements located in Quebec, Canada, in exchange for the following considerations:

- a) Cash payment of \$100,000 due 30 days after obtaining a listing on a recognized stock exchange, which has been extended to September 30, 2026 pursuant to an amendment dated September 30, 2024; and
- b) Issue 1,220,000 shares (issued on August 16, 2023).

The Company also agreed to pay Prospectus a 2% NSR Royalty upon commencement of commercial production.

On July 4, 2023, Canuck entered into a property purchase agreement with Anna-Rosa Giglio and 9219-8845 QC. Inc. (collectively referred to as the “Quebec Optionors”), to acquire a 100% beneficial interest in certain mineral tenements located in Quebec, Canada in exchange of 300,000 common shares of Canuck (issued on August 16, 2023). The Company agreed to pay the Quebec Optionors a 2% NSR Royalty upon commencement of commercial production. The NSR Royalty may be reduced by 1% at any time by paying cash of \$500,000.

Harriman Antimony Property, Quebec:

On August 29, 2024, the Company, through its wholly owned subsidiary Canuck, entered into an option agreement with Glenn Griesbach, to acquire a 100% interest in the Harriman Antimony Property, located in the Gaspé region of Québec. The property originally comprised of 49 mineral claims, of which 44 remained in good standing as at April 30, 2026 and July 31, 2025. To exercise the option, the Company must:

- a) Make a cash payment of \$20,000 within 7 business days of execution (paid on November 5, 2024); and
- b) Issue 400,000 common shares as follows:
 - 100,000 common shares upon execution of the agreement and upon receipt of approval from the exchange (Issued on January 9, 2025, valued at \$60,000 based on the Company’s stock trading price at the date of issuance);
 - 150,000 common shares on or before the 12-month anniversary of the agreement date; and
 - 150,000 common shares on or before the 24-month anniversary of the agreement date.

Upon full exercise of the option, the vendor will retain a 2.5% NSR Royalty which may be reduced to 1% upon payment of \$1,500,000 in cash.

Lake George, New Brunswick:

On September 9, 2024, Canuck staked 97 claims surrounding the historic Lake George antimony mine, located approximately 30 km southwest of the city of Fredericton, New Brunswick. As at April 30, 2026, these claims were held in trust by Louis Martin on behalf of the Company pursuant to a trust agreement.

Agastya Property, Quebec:

On December 9, 2024, Canuck entered into a property purchase agreement with Prospectus, to acquire a 60% interest in 207 mineral claims comprising the Agastya Property, located in Quebec, Canada. As consideration, the Company issued 3,200,000 common shares valued at \$1,200,000 based on the Company's 10-day volume-weighted average trading price as of the date of issuance on March 5, 2025. Pursuant to the same agreement, the Company also granted a 2% Gross Metal Royalty to Prospectus. As at April 30, 2026, the property titles remained registered under the name of the original claim holders and were in the process of being transferred to Canuck.

Crag and Rod Properties, Yukon:

On January 26, 2026, Canuck entered into an option agreement with Strategic Metals Ltd. to acquire a 100% interest in the Crag and Rod properties, together with and including the Craig silver-lead-zinc deposit (collectively, the "Crag and Rod Properties"), located in east-central Yukon.

Under the option agreement, the Company will earn the 100% interest for a total consideration of \$2,350,000, comprised of the following:

- a) \$100,000 in cash upon execution (paid February 1, 2026);
- b) 2,500,000 common shares issued within 10 business days of execution (issued February 5, 2026);
- c) \$1,500,000 payable in cash or common shares of the Company (at the Company's election) on or before the earlier of (i) 10 days following receipt of a Yukon quartz mining land use permit to conduct drilling or (ii) the first anniversary of the agreement.

Upon exercise of the option, Strategic Metals Ltd. shall retain a 2% NSR Royalty on all mineral production from the properties, which may be reduced to 1% at any time prior to a production decision by delivering 500 ounces of gold or the cash equivalent to Strategic Metals Ltd.

PAST AND INACTIVE PROJECTS:

Maskwa Property, Quebec:

On December 20, 2023, the Company entered into an option agreement with Sirios Resources Inc. to acquire a 100% interest in certain mineral claims of Maskwa property located in Eeyou Istchee James Bay in Quebec. Total payments made included cash payment of \$100,000 and exploration expenditures incurred of \$214,986.

During the year ended July 31, 2025, due to a lack of significant results from its prospecting and sampling program, the Company decided not to pursue this project. As a result, the Company fully impaired the property and recorded an impairment loss of \$314,986.

4. SHARE CAPITAL AND RESERVES

The authorized share capital of the Company consists of an unlimited number of common shares without par value.

As at April 30, 2026, the Company had 18,894,671 (July 31, 2025 – 9,904,671) common shares issued and outstanding.

Share consolidation

Effective December 11, 2024, the Company consolidated the issued share capital on the basis of 4 old common shares for one new common share. Effective September 19, 2025, the Company completed another consolidation of its common shares on the basis of one new common share for 2.5 old common shares. These condensed interim consolidated financial statements reflect the share consolidation for all shares, warrants, options and per share amounts retrospectively.

Share issuances

During the nine months ended April 30, 2026:

On January 16, 2026, the Company closed a non-brokered private placement for gross proceeds of \$420,000, which consists of 4,200,000 units of the Company at a price of \$0.10 per unit. Each unit consists of one common share and one common share purchase warrant granting the holder the right to purchase one additional common share of the Company at a price of \$0.125 at any time on or before 36 months from closing. A value of \$Nil has been allocated to the warrants using the residual method. In connection with the private placement, the Company issued a total of 400,000 finder's warrants. Each finder's warrant is exercisable at \$0.125 per share until January 15, 2029. The fair value of the finder's warrants was \$142,138, calculated using Black Scholes Option Pricing model with the following assumptions: stock price - \$0.375 per share, risk-free rate – 2.52%; expected life – 3 years; expected volatility – 190.81%; forfeiture rate – Nil and expected dividends – \$Nil.

On February 5, 2026, the Company issued 2,500,000 common shares in connection with the Crag and Rod property option agreement. The fair value of the shares issued was \$625,000.

On March 26, 2026, the Company closed a non-brokered private placement offering for total gross proceeds of \$1,000,000, which consists of 1,650,000 units of the Company ("LIFE Units") at a price of \$0.40 per LIFE Unit for gross proceeds of \$660,000 as part of the LIFE Offering, and 680,000 flow-through units of the Company ("FT Units") at a price of \$0.50 per FT Unit for gross proceeds of \$340,000 as part of the FT Offering. 40,000 of the FT Units were issued subsequent to April 30, 2026 as a result of an administrative delay.

Each LIFE Unit consists of one common share and one-half common share purchase warrant, with each full common share purchase warrant granting the holder the right to purchase one additional common share of the Company at a price of \$0.60 at any time on or before 24 months from closing. Each FT Unit consists of one common flow-through share and one-half common share purchase warrant with each full common share purchase warrant granting the holder the right to purchase one additional common share of the Company at a price of \$0.60 at any time on or before 24 months from closing. In connection with the private placement, the Company paid finders a cash fee totalling \$67,200, incurred share issue costs of \$2,793 and issued a total of 59,850 finder's warrants. Each finder's warrant is exercisable at \$0.60 per share until March 26, 2029. The fair value of the finder's warrants was \$14,372, calculated using Black Scholes Option Pricing model with the following assumptions: stock price - \$0.400 per share, risk-free rate – 3.03%; expected life – 2 years; expected volatility – 135.19%; forfeiture rate – Nil and expected dividends – \$Nil. The Company has allocated \$68,000 to the flow-through premium (Note 7). A value of \$Nil has been allocated to the warrants using the residual method.

During the years ended July 31, 2025:

On January 9, 2025, pursuant to an option agreement for the Harriman Antimony Property, the Company issued 100,000 common shares valued at \$60,000 based on the Company's stock trading price at the date of issuance.

On March 5, 2025, pursuant to a property purchase agreement for the Agastya Property, the Company issued 3,200,000 common shares valued at \$1,200,000 based on the Company's 10-day volume-weighted average trading price as of the date of issuance on March 5, 2025.

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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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Stock Options

On August 29, 2022, the Company adopted and approved a stock option plan for directors, officers, employees, consultants or subsidiaries of the Company (the “Stock Option Plan”). The plan provides that the aggregate number of shares issuable under the plan is limited to 10% of the Company’s issued and outstanding common shares at the time the options are granted.

On September 6, 2024, the Company granted an aggregate of 100,000 stock options to consultants, with an exercise price of \$0.85 per share for a period of two years. All stock options vested immediately. The stock options were valued at \$0.57 per option using Black Scholes Option Pricing model with the following assumptions: stock price - \$0.80 per share, risk-free rate – 3.05%; expected life – 2 years; expected volatility – 151.57%; forfeiture rate – Nil and expected dividends – \$Nil.

On February 4, 2026, the Company granted an aggregate of 1,000,000 stock options to directors, officers and consultants, with an exercise price of \$0.35 per share for a period of three years. All stock options vested immediately. The stock options were valued at \$0.29 per option using Black Scholes Option Pricing model with the following assumptions: stock price - \$0.38 per share, risk-free rate – 2.94%; expected life – 3 years; expected volatility – 127.70%; forfeiture rate – Nil and expected dividends – \$Nil.

On April 15, 2026, the Company granted an aggregate of 828,467 stock options to an officer and consultants, with an exercise price of \$0.35 per share for a period of three years. All stock options vested immediately. The stock options were valued at \$0.34 per option using Black Scholes Option Pricing model with the following assumptions: stock price - \$0.38 per share, risk-free rate – 2.91%; expected life – 3 years; expected volatility – 176.21%; forfeiture rate – Nil and expected dividends – \$Nil.

For the nine months ended April 30, 2026, the Company recorded \$516,852 (2025 – \$63,649) as share-based compensation expense.

A summary of the movements of the stock options is presented below:

	Number of options	Exercise price \$	Weighted average remaining life
Balance, July 31, 2024	190,000	1.60	2.58
Granted	100,000	0.85	1.10
Forfeited	(70,000)	1.25	-
Expired	(55,000)	1.90	-
Balance, July 31, 2025	165,000	0.65	1.65
Granted	1,828,467	0.35	
Balance, April 30, 2026	1,993,467	0.41	2.70

The following table is a summary of outstanding and exercisable stock options as at April 30, 2026:

Number of options outstanding	Number of options exercisable	Exercise Price \$	Remaining contractual life (years)	Expiry date
50,000	50,000	1.25	1.42	September 30, 2027
15,000	15,000	2.00	2.88	March 15, 2029
100,000	100,000	0.85	0.35	September 6, 2026
1,000,000	1,000,000	0.35	2.77	February 4, 2029
828,467	828,467	0.35	2.96	April 15, 2029
1,993,467	1,993,467			

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RSUs

On October 24, 2022, the Company adopted and approved a rolling restricted share unit plan (the ‘RSU Plan’) authorizing the granting of restricted share units to the directors, officers, employees and consultants of the Company or subsidiaries of the Company. The maximum number of common shares available for issuance pursuant to the RSU Plan, together with any shares reserved for issuance pursuant to any other share compensation arrangement, including but not limited to the Stock Option Plan, shall be determined from time to time by the directors of the Company, but in any case, shall not exceed 20% of the issued and outstanding shares (on a non-diluted basis) immediately prior to the issuance of RSUs. There are no RSUs issued and outstanding as at April 30, 2026 and July 31, 2025.

Warrants

A summary of the movements of the number of warrants is presented below:

	Number of warrants	Exercise price \$	Weighted average remaining life
Balance, July 31, 2024	2,425,359	3.10	0.59
Expired	(1,474,026)	2.50	-
Balance, July 31, 2025	951,333	4.00	0.14
Granted	5,824,850	0.22	
Expired	(951,333)	4.00	
Balance, April 30, 2026	5,824,850	0.22	2.76

The following table summarizes information concerning outstanding share purchase warrants as at April 30, 2026:

Number of warrants outstanding	Number of warrants exercisable	Exercise price	Remaining contractual life (years)	Expiry date
4,600,000	4,600,000	\$ 0.125	2.72	January 15, 2029
1,224,850	1,224,850	\$ 0.600	2.91	March 26, 2029
5,824,850	5,824,850			

5. RELATED PARTY TRANSACTIONS

Related party transactions have been measured at the exchange amount of consideration agreed between the related parties. The related party transactions not disclosed elsewhere in these condensed interim consolidated financial statements are presented below.

As at April 30, 2026 and July 31, 2025, the balances of due to related parties are as below:

	April 30, 2026	July 31, 2025
	\$	\$
Current		
Company controlled by the CEO, who is also a director of the Company (i) and (ix)	212,395	258,173
Loan payable to a company related to the CEO (ii)	295,930	288,002
Loan payable to a company controlled by the relative of CEO (iii)	178,029	166,809
Loan payable to a company controlled by the CEO (iv)	97,445	94,080
Loans payable to the CEO (v), (vi), (vii) and (viii)	196,237	146,729
Company controlled by the CEO (i)	20,000	20,000
Company in which the CFO is a shareholder (i)	18,994	5,513
Company controlled by the Corporate Development Officer (“CDO”), who is also a director of the Company (i)	-	7,350
Due to directors (i)	20,834	15,669
Non-current		
Company controlled by the CEO (i)	107,440	109,175
	1,147,304	1,111,500

- (i) Amounts due to related parties, except loans payable, are non-interest bearing and unsecured. The balance in the amount of \$107,440 (July 31, 2025 - \$109,175) is owed to a company controlled by the CEO who has agreed not to claim the repayment before July 31, 2026; therefore the amount has been classified as non-current as at April 30, 2026 and July 31, 2025.
- (ii) On June 1, 2023 (as amended on December 31, 2023 and 2024), Canuck entered into a loan agreement with Coloured Ties Inc. (“CTI”) for \$265,000. This loan bears interest at the rate of 4% annually and was due on December 31, 2025. A director and officer of CTI is also a director and officer the Company. The total interest accrued on the loan as of April 30, 2026 was \$30,930 (July 31, 2025 - \$23,002)
- (iii) On June 17, 2024, the Company entered into a loan agreement with Flowing Lithium Exploration Inc. for \$150,000. This loan bears interest at the rate of 10% annually and was originally due on June 17, 2025. On June 17, 2025, the Company entered into an amendment to loan agreement and both parties agreed to extend the loan maturity date to June 17, 2026. The total interest accrued on the loan as of April 30, 2026 was \$28,029 (July 31, 2025 - \$16,809).
- (iv) On September 3, 2024, the Company entered into a loan agreement with Bullrun Capital Inc. (“Bullrun”) for \$90,000. This loan bears interest at the rate of 5% annually and was originally due on September 3, 2025. On June 3, 2025, the Company entered into an amendment to loan agreement and both parties agreed to extend the loan maturity date to September 3, 2026. The total interest accrued on the loan as of April 30, 2026 was \$7,445 (July 31, 2025 - \$4,080).
- (v) On November 4, 2024, the Company entered into a loan agreement with Kulwant Malhi, the CEO, for \$40,000. This loan bears interest at the rate of 7% annually and was due on November 4, 2025. On November 4, 2025, the Company entered into an amendment to loan agreement and both parties agreed to extend the

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loan maturity date to November 4, 2026. The total interest accrued on the loan as of April 30, 2026 was \$4,159 (July 31, 2025 - \$2,064).

- (vi) On December 5, 2024, the Company entered into a loan agreement with Kulwant Malhi, the CEO, for \$60,000. This loan bears interest at the rate of 8% annually and was due on December 5, 2025. The total interest accrued on the loan as of April 30, 2026 was \$6,720 (July 31, 2025 - \$3,130).
- (vii) On February 6, 2025, the Company entered into a loan agreement with Kulwant Malhi, the CEO, for \$40,000. This loan bears interest at the rate of 8% annually and was due on February 6, 2026. The total interest accrued on the loan as of April 30, 2026 was \$3,929 (July 31, 2025 - \$1,535).
- (viii) On November 18, 2025, the Company entered into a loan agreement with Kulwant Malhi, the CEO, for \$40,000. This loan bears interest at the rate of 8% annually and is due on November 18, 2026. The total interest accrued on the loan as of April 30, 2026 was \$1,429 (July 31, 2025 - \$nil).
- (ix) As at April 30, 2026, an amount of \$30,000 is receivable from the CEO (July 31, 2025 - \$30,000).

During the nine months ended April 30, 2026, total interest expense charged by the CEO on these related-party loans was \$32,021 (2025 - \$7,180).

As at April 30, 2026 and July 31, 2025, the balances of due from related parties are as below:

	April 30, 2026	July 31, 2025
	\$	\$
Due from a company controlled by the CEO	494	494
	494	494

The Company's key management includes the CEO, CFO and CDO. Key management personnel were not paid post-employment benefit, termination fees or other long-term benefits for the nine months ended April 30, 2026 and 2025. Key management compensation for the three and nine months ended April 30, 2026 and 2025 is as follows:

	Three months ended April 30,		Nine months ended April 30,	
	2026	2025	2026	2025
	\$	\$	\$	\$
Management fees	60,000	85,500	197,500	249,000
Professional fees	23,396	17,976	70,052	37,976
Director fees	4,500	4,500	13,500	15,500
Share based payments	63,150	3,933	64,533	6,196
	151,046	111,909	345,585	308,672

The Company entered into a CEO consulting agreement dated September 13, 2022, pursuant to which the Company agreed to pay CEO a consulting fee of \$20,000 per month, plus a bonus of \$150,000 upon the Company achieving a market capitalization of \$20 million on the CSE or another recognized stock exchange, and a bonus of \$250,000 upon the Company achieving a market capitalization of \$40 million on the CSE or another recognized stock exchange. No bonus has been paid or accrued as of April 30, 2026 and July 31, 2025.

Management fees incurred during the nine months ended April 30, 2026 consist of \$180,000 (2025 - \$180,000) paid to Bullrun, \$17,500 (2025 - \$31,500) paid to the CDO, and \$Nil (2025 - \$37,500) paid to a company controlled by the former CFO. Directors' fees incurred during the nine months ended April 30, 2026 consist of \$13,500 (2025 - \$13,500) paid to a director and \$Nil (2025 - \$2,000) paid to a former director. Accounting fees incurred during the nine months ended April 30, 2026 consist of \$70,052 (2025 - \$17,976) paid to a company in which the CFO is a shareholder, and \$Nil (2025 - \$20,000) paid to a company controlled by the former CFO.

6. SEGMENTED INFORMATION

The Company's business segments are based on Geographical locations as below: being the acquisition, exploration, and development of mineral properties.

April 30, 2026	Canada (\$)	USA (\$)	Total (\$)
Total assets	10,365,268	-	10,365,268
Loss for the period	1,010,852	-	1,010,852

July 31, 2025	Canada (\$)	USA (\$)	Total (\$)
Total assets	8,772,893	2,077	8,774,970
Loss for the year	743,386	792	744,178

7. FLOW-THROUGH PREMIUM LIABILITY

On March 26, 2026, the Company issued 680,000 flow-through units for gross proceeds of \$340,000 and recognized a flow-through premium of \$68,000, being the difference between the per share amounts received from the subscribers for flow-through shares and unit price from the concurrent issuance of LIFE Units. The flow-through premium is initially recorded as a liability and is recognized as income as eligible exploration expenditures are incurred and renounced on the property.

As of April 30, 2026, the flow-through premium liability outstanding relating to these flow-through shares was \$68,000.

8. COMMITMENTS

The Company is bound by a management agreement dated September 13, 2022, with the CEO according to which, if the CEO terminates this agreement as a consequence of a change in control, the Company will pay to the CEO an amount equal to 24 times of monthly base fee in effect at the date of termination. In the event of termination of the agreement by the Company other than for just cause or if the agreement is terminated by the consultant for good reason, then the Company will be liable for 6 times of monthly base fee in effect at the date of termination for each complete year of services provided by the CEO hereunder.

The Company is bound by a management agreement dated September 1, 2022 with the CDO according to which, in the event of termination of the agreement by the Company other than for just cause or if the agreement is terminated by the consultant for good reason, then the Company will be liable for 3 times of monthly base fee in effect at the date of termination for each complete year of services provided by the CDO hereunder.