Essex Resources Corp.

Condensed Interim Financial Statements

For the Six Months ended July 31, 2025

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ESSEX RESOURCES CORP.
CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)

As at		**July 31, 2025 (unaudited)**	January 31, 2025 (audited)
ASSETS		**$**	$
Current assets			
Cash		**30,733**	104,930
Deferred financing cost	5	**25,500**	-
		56,233	104,930
Exploration and evaluation assets	4, 7	**120,173**	101,673
TOTAL ASSETS		**176,406**	206,603
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	7	**50,134**	23,000
Deferred income tax liability	10	**17,000**	17,000
Total liabilities		**67,134**	40,000
EQUITY			
Share capital	5	**204,450**	204,750
Accumulated deficit		**(95,178)**	(38,147)
		109,273	166,603
TOTAL LIABILITIES AND EQUITY		**176,406**	206,603

The accompanying notes are integral to these condensed interim financial statements.

Approved on Behalf of the Board of Directors on October 3, 2025

"Simon Dyakowski"
Director

"Chris Dyakowski"
Director

ESSEX RESOURCES CORP.

CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

(Expressed in Canadian Dollars)

	Share Capital			
	Number of Class A Common Shares	Amount	Accumulated Deficit	Total
		$	$	$
Founders shares issued on incorporation (August 30, 2024)	**1,975,000**	**19,750**	**-**	**19,750**
Private placements proceeds	3,700,000	185,000	-	185,000
Net loss for the period	-	-	(38,147)	(38,147)
Balance, January 31, 2025	**5,675,000**	**204,750**	**(38,147)**	**166,603**
Share issuance costs	-	(300)	-	(300)
Net loss for the period	-	-	(57,031)	(57,031)
Balance, July 31, 2025	**5,675,000**	**204,450**	**(95,178)**	**109,272**

The accompanying notes are integral to these condensed interim financial statements.

ESSEX RESOURCES CORP.
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE LOSS
(Expressed in Canadian Dollars - Unaudited)

	Note	For the three months ended July 31, 2025	For the six months ended July 31, 2025
		$	$
EXPENSES			
Office and administrative		211	422
Professional	7	8,384	34,449
Regulatory		22,160	22,160
NET LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD		(30,755)	(57,031)
Weighted Average Number of Shares Outstanding		5,675,000	5,675,000
Basic and Diluted Loss Per Share		(0.00)	(0.01)

The accompanying notes are integral to these condensed interim financial statements.

ESSEX RESOURCES CORP.
CONDENSED INTERIM STATEMENT OF CASH FLOWS
(Expressed in Canadian Dollars - Unaudited)

	For the six months ended July 31, 2025
	$
CASH FLOWS USED IN OPERATING ACTIVITIES	
Net Loss for the period	(57,031)
Changes in non-cash working capital item:	
Deferred financing cost	(25,500)
Accounts payable and accrued liabilities	27,134
	(55,397)
CASH FLOWS USED IN INVESTING ACTIVITIES	
Exploration and evaluation assets	(18,500)
CASH FLOWS USED IN FINANCING ACTIVITIES	
Share issuance cost	(300)
Net decrease in cash	(74,197)
Cash, beginning of the period	104,930
Cash, end of the period	30,733
Supplemental information:	
Interest paid	-
Income taxes paid	-

The accompanying notes are integral to these condensed interim financial statements.

1. NATURE OF OPERATIONS

Essex Resources Corp. (the "Company") was incorporated under the Business Corporations Act (British Columbia) on August 30, 2024, and is primarily engaging in mineral exploration activities in British Columbia, Canada. The Company intends to take steps to list its common shares on the TSX Venture Exchange. The head office and the principal address of the Company are located at 228 – 1122 Mainland Street, Vancouver, BC V6B 5L1, Canada.

These financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. As at July 31, 2025, the Company had a net loss of $57,031, working capital of $6,099 (January 31, 2025 -$81,930), had not advanced its mineral properties to commercial production, and was not able to finance day to day activities through operations. The Company's continuation as a going concern is dependent upon the successful exercise of its mineral property option agreement, results from its mineral property exploration activities and its ability to attain profitable operations and generate funds from and/or raise equity capital or borrowings sufficient to meet current and future obligations.

The Company's business may be affected by changes in political and market conditions, such as interest rates, tariffs, availability of credit, inflation rates, changes in laws, and national and international circumstances. Recent geopolitical events, and potential economic global challenges such as the risk of higher inflation and energy crises, may create further uncertainty and risk with respect to the prospects of the Company's business.

These uncertainties may cast a significant doubt on the ability of the Company to continue operations as a going concern. Management intends to finance operating costs over the next twelve months with its proceeds from its initial public offering of its shares (Note 5), loans from directors and companies controlled by directors and/or additional private placement of common shares. These financial statements do not include any adjustments that might result from this uncertainty. Such adjustments could be material.

2. BASIS OF PRESENTATION

Statement of compliance

These financial statements for the six months ended July 31, 2025, have been prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim financial statements, including IAS 34 – Interim Financial Reporting. These statements are presented in Canadian Dollars, which is the Company's functional currency.

These financial statements have been prepared on a historical cost basis, except for certain financial instruments classified as financial instruments at fair value through profit or loss, which are stated at fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The financial statements were authorized for issue by the Board of Directors on October 2, 2025.

2. BASIS OF PRESENTATION (continued)

Significant estimates and judgements

The preparation of financial statements in accordance with IFRS requires management to make estimates and judgements concerning the future. The Company's management reviews these estimates and judgements on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised. Significant estimates and judgements about the future and other sources of estimation uncertainty that management has made at the 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 estimates and judgements made, relate to, but are not limited to the following:

Ability to continue as a going-concern

Management assesses the Company's ability to continue as a going concern at each reporting date, using all quantitative and qualitative information available. This assessment, by its nature, relies on estimates of future cash flows and other future events (as discussed in Note 1), whose subsequent changes could materially impact the validity of such an assessment.

3. MATERIAL ACCOUNTING POLICIES

Exploration and evaluations assets

The Company may hold interests in mineral property interests in various forms, including prospecting licenses, exploration and exploitation concessions, mineral leases and surface rights, and property options. The Company capitalizes payments made in the process of acquiring legal title to these properties. Mineral property interest acquisition costs are recorded at historical cost. Exploration and evaluation expenditures incurred on properties prior to obtaining legal rights to explore the specific area are charged to operations as incurred.

The carrying values of exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The carrying value of the exploration and evaluation asset is reviewed for indications of impairment at each reporting date. When impairment indicators exist, the asset's recoverable amount is estimated. If it is determined that the estimated recoverable amount is less than the carrying value of an asset, then a write-down is made with a charge to profit or loss.

An impairment loss is reversed if there is indication that there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of amortization, if no impairment loss had been recognized.

Provision for environmental rehabilitation

The Company recognizes the fair value of a liability for the provision for environmental rehabilitation in the year in which it is incurred when a reliable estimate of fair value can be made. The carrying amount of the related long-lived asset is increased by the same amount as the liability.

Changes in the liability for an asset retirement obligation due to the passage of time will be measured by applying an interest method of allocation. The amount will be recognized as an increase in the liability and an accretion expense through profit or loss. Changes resulting from revisions to the timing or the amount of the original estimate of undiscounted cash flows are recognized as an increase or a decrease to the carrying amount of the liability and the related long-lived asset. As at July 31, 2025, there was no material provision for environmental rehabilitation.

3. MATERIAL ACCOUNTING POLICIES (continued)

Flow-through shares

Flow-through shares entitle a company that incurs certain resource expenditures in Canada to renounce them for tax purposes allowing the expenditures to be deducted for income tax purposes by the investors who purchase the shares.

At the time of closing a financing involving flow-through shares, the Company allocates proceeds received first to common shares based on the market trading price of the common shares or the concurrent non flow-through share price at the time the flow-through shares are priced, and any excess is allocated to flow-through premium liability.

Thereafter, as qualifying resource expenditures are incurred, these costs are expensed as exploration and evaluation costs and the flow-through premium, if any, is amortized to profit or loss. At the end of each reporting period, the Company reviews its tax position and records an adjustment to its deferred tax expense/liability accounts for taxable temporary differences, including those arising from the transfer of tax benefits to investors through flow-through shares. For this adjustment, the Company considers the tax benefits (of qualifying resource expenditures already incurred) to have been effectively transferred, if it has formally renounced those expenditures at any time. The Company may also be subject to a Part XII.6 tax on flow-through proceeds renounced under the Look-back Rule in accordance with Government of Canada flow-through regulations. When applicable, this flow-through share tax expense is accrued and recorded in profit or loss.

Income taxes

Income tax expense comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity. Current tax expense is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years. Deferred tax is recorded using the liability method, providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes, except for temporary differences arising on the initial recognition of an asset or liability in a transaction that:

- is not a business combination;
- at the time of the transaction, affects neither accounting profit nor taxable profit or loss; and
- at the time of the transaction, does not give rise to equal taxable and deductible temporary differences.

The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Equity Instruments

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares are classified as equity instruments. Common shares issued for consideration other than cash are valued at the fair value of the assets received or the services rendered. If the fair value of the assets received or services rendered cannot be reliably measured, common shares issued for consideration will be valued at their fair value on the date of issuance. Where the Company issued common shares and warrants together as units, value is allocated first to share capital based on the market value of common shares on the date of issue, with any residual value from the proceeds being allocated to the warrants.

Financial Instruments

The Company classified its financial instruments in the following categories: at fair value through profit or loss (“FVTPL”) or at amortized cost. Cash is classified and measured as FVTPL. Accounts payables and accrued liabilities are classified as amortized cost initially recognized at fair value and subsequently measured at amortized cost using the effective rate method.

3. MATERIAL ACCOUNTING POLICIES (continued)

Loss per share

Basic loss per share is calculated by dividing the net loss available to common shareholders by the weighted average number of common shares outstanding during the period. The diluted loss per share is calculated based on the weighted average number of common shares outstanding during the period, plus the effects of the dilutive common share equivalents. This method requires that the dilutive effect of outstanding options and warrants issued be calculated using the treasury stock method. This method assumes that all common share equivalents have been exercised at the beginning of the period (or at the time of issuance, if later), and that the funds obtained thereby were used to purchase common shares of the Company at the average trading price of common shares during the period.

Share issuance costs

Costs directly identifiable with the raising of capital will be charged against the related capital stock. Costs related to shares not yet issued are recorded as deferred financing cost. These costs will be deferred until the issuance of the shares to which the costs relate, at which time the costs will be charged against the related capital stock or charged to operations if the shares are no longer probable of being issued. Share issuance costs consist primarily of corporate finance fees, filing fees and legal fees.

Accounting policies issued but not effective

IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 introduces three sets of new requirements to give investors more transparent and comparable information about companies' financial performance for better investment decisions.

1. Three defined categories for income and expenses—operating, investing and financing—to improve the structure of the income statement, and require all companies to provide new defined subtotals, including operating profit.

2. Requirement for companies to disclose explanations of management-defined performance measures (MPMs) that are related to the income statement.

3. Enhanced guidance on how to organize information and whether to provide it in the primary financial statements or in the notes.

This new standard is effective for reporting periods beginning on or after January 1, 2027. The Company will be assessing the impact of adopting the above standard on the financial statements.

(Expressed in Canadian Dollars - Unaudited)

4. EXPLORATION AND EVALUATION ASSETS

Exploration and evaluation assets comprise the following accumulated expenditures:

	Rabbitt Property
	$
Balance at August 30, 2024 (date of incorporation)	**-**
Acquisition costs	15,000
Airborne survey	37,538
Geological	37,847
Soil analysis	11,288
Balance at January 31, 2025	101,673
Geological	5,480
Geophysics	13,020
Balance at July 31, 2025	120,173

Rabbitt Property

On September 5, 2024, and amended on April 23, 2025 and August 12, 2025, the Company entered into a purchase option agreement ("Option Agreement" or "Option") with Dylan Adam ("Optionor"), whereby the Company was granted exclusive rights to acquire 100% of the Optionor's 8 mining claims located 5 kilometres northwest of Tulameen, British Columbia, Canada.

In order to exercise the option, the Company must meet the following commitments:

a. Pay to the Optionor an aggregate of $105,000 as follows:
   i. $15,000 within 10 days after execution of the Option Agreement (paid);
   ii. $20,000 within 10 days of listing on the TSX Venture Exchange (the "Listing Date");
   iii. $20,000 on or before the 12-month anniversary of the Listing Date;
   iv. $25,000 on or before the 18-month anniversary of the Listing Date; and
   v. $25,000 on or before the 24-month anniversary of the Listing Date.

b. Issue to the Optionor an aggregate of 200,000 common shares of the Company within 10 days after the Listing Date.

c. Incur no less than $300,000 of exploration expenditures by the 18-month anniversary of the Listing Date.

If the Company exercises the Option and acquires 100% rights, title and interest in the claims, the Optionor will be entitled to 2.0% net smelter royalty (100% of which may be repurchased for $1,000,000).

The Option Agreement shall terminate at the election of the Optionor if the Listing Date has not occurred by October 31, 2025.

5. SHARE CAPITAL

Authorized:
Unlimited number of fully paid Class A common shares without par value and with voting rights ("Common shares").
Unlimited number of Class B common shares (none outstanding).

Issued:

For the six months ended July 31, 2025

On April 16, 2025, the Company entered into an agreement with Leede Financial Inc. ("Leede") to act as a lead agent for the Company's proposed initial public offering of common shares. The Company's private placement will comprise 2,700,000 common shares at $0.15 per share and 1,000,000 flow-through shares at $0.20 per flow-through share for total gross proceeds of $605,000. Leede may earn a 8% cash fee of the gross proceeds from the sale of the common shares, and also earn Agents Warrants calculated as 8% of total number of common shares and flow-through shares sold under the offering. In addition, Leede will charge a $35,000 corporate finance fee plus applicable sales tax of which $15,000 will be settled in common shares of the Company along with applicable sales tax of $750. $10,500 of this corporate finance fee was paid in in cash during the period ended April 30, 2025. In addition, the Company paid a $15,000 retainer to Leede's out of pocket disbursements of legal counsel fees during the period ended April 30, 2025. As at April 30, 2025, the $25,500 corporate finance fee and retainer is included in prepaid expense.

From August 30, 2024 (date of incorporation) to January 31, 2025

On incorporation on August 30, 2024, the Company issued 1,975,000 founders shares at a price of $0.01 per share for gross proceeds of $19,750.

Pursuant to a private placement, on September 12, 2024, the Company issued 400,000 flow through common shares at a price of $0.05 per share for gross proceeds of $20,000.

Pursuant to a private placement, on November 1, 2024, the Company issued 1,600,000 flow through common shares at a price of $0.05 per share for gross proceeds of $80,000.

Pursuant to a private placement, on November 20, 2024, the Company issued 1,700,000 common shares at a price of $0.05 per share for gross proceeds of $85,000.

6. FLOW-THROUGH LIABILITY COMMITMENT

During the period ended January 31, 2025, it was determined that no flow-through share liability was recognizable. The Company incurred $86,673 eligible exploration and evaluation expenditures during the period ended January 31, 2025 in relation to the issuance of flow-through shares on September 12, 2024 and November 1, 2024.

There are no flow-through share liability as at period ended July 31, 2025.

7. RELATED PARTY 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. The Company has identified its directors and officers as its key management personnel.

As at July 31, 2025, $5,000 remains payable to a company owned by the Chief Financial Officer for professional services provided.

8. FINANCIAL AND CAPITAL RISK MANAGEMENT

Fair value

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

Fair value measurements of financial instruments are required to be classified using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The levels of the fair value hierarchy are defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3: Inputs for assets or liabilities that are not based on observable market data.

The fair values of the Company's financial instruments are not materially different from their carrying values due to the short-term maturity nature of the financial instruments. Cash is measured using level 1 hierarchy.

8. FINANCIAL AND CAPITAL RISK MANAGEMENT (continued)

Management of Industry and Financial Risk

The Company is engaged primarily in mineral exploration and manages related industry risk issues directly. The Company may be at risk for environmental issues and fluctuations in commodity pricing. Management is not aware of and does not anticipate any significant environmental remediation costs or liabilities in respect of its current operations.

The Company's financial instruments are exposed to certain financial risks, which include the following:

Credit risk
Credit risk is the risk of loss due to the counterparty's inability to meet its obligations. The Company's exposure to credit risk is on its cash. Risk associated with cash is managed through the use of major banks which are high credit quality financial institutions as determined by rating agencies. The Company is not exposed to significant credit risk.

Liquidity risk
Liquidity risk is the risk that the Company will encounter difficulties in meeting obligations when they become due. The Company ensures that there is sufficient capital in order to meet short-term operating requirements, after taking into account the Company's holdings of cash. The Company's cash is held in corporate bank accounts available on demand. The Company's accounts payable and accrued liabilities are due within 90 days of Aril 30, 2025. Liquidity risk has been assessed as being low. The Company is not exposed to significant liquidity risk.

Market Risk
Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and price risk. The Company is not exposed to significant market risk.

Currency Risk
The Company is subject to normal market risks including fluctuations in foreign exchange rates and interest rates. While the Company manages its operations in order to minimize exposure to these risks, the Company has not entered into any derivatives or contracts to hedge or otherwise mitigate this exposure. The Company is not exposed to significant currency risk.

Interest Rate Risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to significant interest rate risk.

Price Risk
The Company is exposed to price risk with respect to equity prices. Price risk as it relates to the Company is defined as the potential adverse impact on the Company's ability to raise financing due to movements in individual equity prices or general movements in the level of the stock market. The Company closely monitors individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company.

8. FINANCIAL AND CAPITAL RISK MANAGEMENT (continued)

Capital management

The Company’s objective when managing capital is to safeguard the Company’s ability to continue as a going concern. The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Company consists of components of shareholders' equity. There were no changes in the Company's approach to capital management during the period. The Company is actively looking to acquire an interest in a business or assets, and this involves a high degree of risk. The Company has not determined whether it will be successful in its endeavors and does not generate cash flows from operations. The Company’s primary source of funds comes from the issuance of common shares. The Company does not use other sources of financing that require fixed payments of interest and principal due to lack of cash flow from current operations and is not subject to any externally imposed capital requirements.

9. SEGMENTED INFORMATION

The Company operates in one business segment being the exploration and development of resource properties. All assets of the Company are located in Canada.