

SKRR EXPLORATION INC.

CONDENSED INTERIM FINANCIAL STATEMENTS

(Expressed in Canadian Dollars - Unaudited)

FOR THE SIX MONTHS ENDED OCTOBER 31, 2025

**NOTICE OF NO AUDITOR REVIEW OF
INTERIM FINANCIAL STATEMENTS**

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

The accompanying unaudited interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

SKRR EXPLORATION INC.
CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)

	As at October 31, 2025 (unaudited)	As at April 30, 2025 (audited)
	\$	\$
ASSETS		
Current assets		
Cash and cash equivalents	1,789,521	1,830,764
GST receivables	23,409	19,937
Promissory note (Note 4)	25,000	-
Short-term investments (Note 5)	82,625	220,000
Prepaid expenses	-	20,000
Total current assets	1,920,195	2,090,701
Exploration and evaluation assets (Notes 6 and 8)	-	-
Total assets	1,920,555	2,090,701
LIABILITIES AND EQUITY		
Current liabilities		
Accounts payable and accrued liabilities (Note 8)	30,397	77,963
Total current liabilities	30,397	77,963
Equity		
Capital stock (Note 7)	18,589,036	18,549,536
Reserves (Note 7)	1,507,750	1,507,750
Deficit	(18,206,928)	(18,044,548)
Total equity	1,889,858	2,012,738
Total liabilities and equity	1,920,555	2,090,701

Nature and continuance of operations (Note 1)

Approved and authorized on December 15, 2025 on behalf of the Board:

“SHERMAN DAHL”
Director

“TIM FERNBACK”
Director

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

SKRR EXPLORATION INC.
CONDENSED INTERIM STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(Expressed in Canadian Dollars - Unaudited)

	For the three months ended October 31, 2025	For the three months ended October 31, 2024	For the six months ended October 31, 2025	For the six months ended October 31, 2024
	\$	\$	\$	\$
EXPENSES				
Consulting fees (recovery) (Note 8)	15,000	22,500	-	45,000
Filing fees	4,109	8,059	4,304	13,531
Investor relations and marketing	3,193	18,388	4,790	40,473
Office and administration (Note 8)	22,690	19,836	45,098	30,105
Professional fees (Note 8)	51,320	37,930	79,079	89,974
Property investigation expense	300	-	450	
Stock-based compensation (Notes 7)	-	-	-	60,150
LOSS BEFORE OTHER ITEMS	(96,612)	(106,713)	(133,721)	(279,233)
Flow-through share recovery	-	13,667	-	13,667
Interest income	65,696	-	75,574	
Realized gain (loss) on sale of short-term investments (Note 5)	-	-	(5,808)	5,539
Realized gain on sale of mineral properties	-	570,000	-	570,000
Unrealized gain (loss) on short-term investments (Note 5)	(109,625)	400,000	(98,125)	342,060
Net and comprehensive income (loss) for the period	(140,541)	876,954	(162,080)	652,033
Basic loss per common share	\$ (0.01)	\$ (0.18)	\$ (0.01)	\$ (0.13)
Diluted loss per common share	\$ (0.01)	\$ (0.18)	\$ (0.01)	\$ (0.13)
Weighted average number of common shares outstanding – basic	17,250,206	4,843,844	17,166,565	4,843,844
Weighted average number of common shares outstanding – diluted	17,250,206	4,843,844	17,082,923	4,843,844

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

SKRR EXPLORATION INC.
CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY
(Expressed in Canadian Dollars – Unaudited)

	<u>Capital stock</u>				Total equity
	Shares	Amount	Reserves	Deficit	
		\$	\$	\$	\$
Balance, April 30, 2024	4,843,844	17,279,695	1,120,750	(12,902,430)	5,498,015
Private placement, gross	878,758	-	60,150	-	60,150
Net and comprehensive loss for the period	-	-	-	652,033	652,033
Balance, October 31, 2024	4,843,844	17,279,695	1,180,900	(12,250,397)	6,210,198
Balance, April 30, 2025	16,980,207	18,549,536	1,507,750	(18,044,548)	2,012,738
Warrants exercised	270,000	39,500	-	-	39,500
Net and comprehensive loss for the period	-	-	-	(162,080)	(162,080)
Balance, October 31, 2025	17,250,207	18,549,536	1,507,750	(18,206,628)	1,890,158

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

SKRR EXPLORATION INC.
CONDENSED INTERIM STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars - Unaudited)

	For the six months ended October 31, 2025	For the six months ended October 31, 2024
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Net and comprehensive income (loss) for the period	(162,080)	652,033
Non-cash items:		
Unrealized loss on short-term investments	98,125	(342,060)
Realized (gain) loss on short-term investments	5,808	(5,539)
Stock-based compensation	-	60,150
Flow-through share premium recovery	-	(13,667)
Gain on sale of mineral properties	-	(570,000)
Changes in non-cash working capital items:		
Increase (decrease) in GST receivables	(3,472)	12,385
Increase (decrease) in prepaid expenses	20,000	(221,389)
Increase (decrease) in accounts payable and accrued liabilities	(47,566)	69,717
Net cash flows used in operating activities	(89,185)	(358,373)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of mineral property		(39,500)
Exploration and evaluation assets expenditures	-	(303,399)
Promissory note	(25,000)	-
Proceeds from sale of short-term investments	33,442	50,099
Net cash flows provided by (used in) investing activities	8,442	(292,800)
CASH FLOWS FROM FINANCING ACTIVITIES		
Warrant exercise proceeds	39,500	-
Net cash flows provided by financing activities	39,500	-
Change in cash and cash equivalents for the period	(41,243)	(651,173)
Cash and cash equivalents, beginning of period	1,830,764	1,078,820
Cash and cash equivalents, end of period	1,789,521	427,647
Cash and cash equivalents consisted of:		
Cash	125,396	427,647
Cash equivalents	1,664,125	-
Cash paid for interest	-	-
Cash paid for tax	-	-

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

1. NATURE AND CONTINUANCE OF OPERATIONS

SKRR Exploration Inc. (the “Company”) was incorporated under the *Business Corporations Act* (British Columbia) on September 20, 2006. The registered address, head office, principal address and records office of the Company is located at 228 - 1122 Mainland Street, Vancouver, British Columbia, V6B 5L1. On January 13, 2020, the Company received approval by the TSX Venture Exchange (“TSXV”) regarding its reactivation and application for graduation to Tier 2. Effective, January 23, 2020, the Company’s common shares commenced trading under the symbol SKRR.

Going concern of operations

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

These financial statements are prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. As at October 31, 2025, the Company has had significant losses and has a working capital of \$1,889,858 (April 30, 2025 - \$2,012,738). In addition, the Company has not generated revenues from operations. The Company has financed its operations primarily through the issuance of common shares, and short-term loans. In order to continue as a going concern and to meet its corporate objectives, the Company will require additional financing through debt or equity issuances or other available means. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company. As such, there is a material uncertainty that raises significant doubt about the Company’s ability to continue as a going concern.

2. BASIS OF PRESENTATION

Statement of compliance

The Company applies International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). These unaudited condensed interim financial statements have been prepared in accordance with International Accounting Standard 34 - Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by the IASB. The same accounting policies and methods of computation are followed in these unaudited condensed interim financial statements as compared with the most recent annual financial statements as at and for the year ended April 30, 2025 except as noted below. Any subsequent changes to IFRS that are given effect in the Company’s annual financial statements for the year ending April 30, 2026 could result in the restatement of these condensed interim financial statements.

Basis of measurement

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

2. BASIS OF PRESENTATION (continued)

Basis of consolidation

The financial statements include the accounts of the Company and its controlled entity. Control occurs when the Company is exposed to, or has the right to, variable returns from its involvement with an investee and has the ability to affect those returns through its power over the investee.

3. MATERIAL ACCOUNTING POLICIES

Use of significant accounting judgments and critical accounting estimates

Significant accounting judgments

Significant accounting judgments that management has made in the process of applying accounting policies and that have the most significant effect on the amounts recognized in the financial statements include the assessment of the ability of the Company to continue as a going concern and impairment of exploration and evaluation assets.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less from the date of acquisition. These are subject to an insignificant risk of changes in value and are used by the Company to meet its short-term cash commitments.

Exploration and evaluation assets

Pre-exploration costs

Pre-exploration costs are expensed in the period in which they are incurred.

Exploration and evaluation expenditures

Once the legal right to explore a property has been acquired, all costs related to the acquisition, exploration and evaluation of mineral properties are capitalized by property. These direct expenditures include such costs as materials used, surveying costs, drilling costs, payments made to contractor and depreciation on plant and equipment during the exploration phase. Costs not directly attributable to exploration and evaluation activities, including general administrative overhead costs, are expensed in the period in which they occur.

3. MATERIAL ACCOUNTING POLICIES (continued)

Exploration and evaluation assets (continued)

Exploration and evaluation expenditures (continued)

When a project is deemed to no longer have commercially viable prospects to the Company, exploration and evaluation expenditures in respect of that project are deemed to be impaired. As a result, those exploration and evaluation expenditure costs, in excess of estimated recoveries, are written off to profit or loss.

The Company assesses exploration and evaluation assets for impairment when facts and circumstances suggest that the carrying amount of an asset may exceed its recoverable amount. These facts and circumstances include the following:

The period for which the entity has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed.

- i. Substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned.
- ii. Exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area.
- iii. Sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

Impairment is recognized when the carrying amount of an asset exceeds its recoverable amount. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit (“CGU”) to which the asset belongs. The recoverable amount is the greater of the asset’s fair value less costs of disposal and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm’s length transaction between knowledgeable and willing parties. The impairment loss is recognized in profit or loss in the statement of operations and comprehensive loss for the year.

Once the technical feasibility and commercial viability of extracting the mineral resource has been determined, the property is considered to be a mine under development and is classified as “mines under construction.” Exploration and evaluation assets are tested for impairment before the assets are transferred to development properties.

As the Company currently has no operational income, any incidental revenues earned in connection with exploration activities are applied as a reduction to capitalized exploration costs. Mineral exploration and evaluation expenditures are classified as intangible assets. The Company accounts for the mineral exploration tax credit on an accrual basis unless collectability cannot be reasonably assured.

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 and that, at the time of the transaction, affects neither accounting or taxable profit or loss and does not give rise to equal taxable and deductible temporary difference. 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.

3. MATERIAL ACCOUNTING POLICIES (continued)

Flow-through shares

The Company finances a portion of its exploration activities through financings in which flow-through common shares are issued. These shares transfer the tax deductibility of qualifying resource expenditures to investors. At the time of closing a financing involving flow-through shares, the Company allocates the gross proceeds received (i.e. the "flow-through commitment") as follows:

- Capital stock;
- Flow-through share premium – recorded as a liability and equal to the estimated premium, if any, investors pay for the flow-through feature; and
- Warrant reserve, any excess.

As qualifying resource expenditures are incurred, these costs are capitalized to exploration and evaluation assets.

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 (before or after the end of the reporting period). Additionally, the Company reverses the liability for the flow-through share premium to other income as the expenditures are incurred.

Valuation of equity units issued in private placements

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component.

The fair value of the common shares issued in the private placements was determined to be the more easily measurable component and were valued at their fair value, as determined by the closing quoted bid price on the announcement date. The balance, if any, was allocated to the attached warrants. Any fair value attributed to the warrants is recorded as reserves.

Income (loss) per share

The Company uses the treasury stock method to compute the dilutive effect of options, warrants and similar instruments. Under this method the dilutive effect on income (loss) per share is recognized on the use of the proceeds that could be obtained upon exercise of options, warrants and similar instruments. It assumes that the proceeds would be used to purchase common shares at the average market price during the period. For the current and prior fiscal year this calculation proved to be anti-dilutive. Basic income (loss) per share is calculated using the weighted-average number of shares outstanding during the period.

3. MATERIAL ACCOUNTING POLICIES (continued)

Share-based payments

The Company grants stock options to acquire common shares of the Company to directors, officers, employees and consultants. An individual is classified as an employee when the individual is an employee for legal or tax purposes, or provides services similar to those performed by an employee.

The fair value of stock options is measured on the date of grant, using the Black-Scholes option pricing model, and is expensed over the vesting terms. Consideration paid for the shares on the exercise of stock options is credited to capital stock. When vested options are forfeited or are not exercised at the expiry date the amount previously recognized in reserves remains in the same account. The Company estimates a forfeiture rate and adjusts the corresponding expense each period based on an updated forfeiture estimate.

In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the entity cannot be reliably measured, they are measured at the fair value of the share-based payment based on the fair market value of when the shares are issued. Otherwise, share-based payments are measured at the fair value of goods or services received.

Financial instruments

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL") or at amortized cost. Cash and cash equivalents and short-term investments are classified and measured as FVTPL. Accounts payable and accrued liabilities are classified as at amortized cost initially recognized at fair value and subsequently measured at amortized cost using effective rate method.

A financial asset is derecognized when the contractual rights to the cash flows from the asset expire, or when the Company transfers substantially all the risks and rewards of ownership of the asset to another party. A financial liability is derecognized when the obligation under the liability is discharged, cancelled, or expires. On derecognition of a financial asset or liability, the difference between the carrying amount and the consideration received or paid is recognized in profit or loss.

Asset Retirement Obligation (ARO)

The Company recognizes a provision for statutory, contractual, and legal obligations associated with the reclamation and closure of exploration and evaluation properties, including site restoration and dismantling of infrastructure. A liability for an asset retirement obligation is recognized in the period in which a legal or constructive obligation is incurred, and a reasonable estimate of the obligation can be made. The liability is measured at the present value of estimated future cash outflows required to settle the obligation, discounted using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

The corresponding asset is capitalized as part of the carrying amount of the related non-current asset (exploration and evaluation assets), and is amortized on a systematic basis over the useful life of the asset or expensed immediately if related to abandoned projects. The ARO liability is reviewed at each reporting date and adjusted for changes in the estimated timing or amount of future costs and for changes in the discount rate. Adjustments to the ARO are added to or deducted from the related asset, unless the asset has been fully impaired or decommissioned, in which case the adjustment is recognized in profit or loss.

For the period ended October 31, 2025 and year ended April 30, 2025, no AROs have been identified by the Company.

3. MATERIAL ACCOUNTING POLICIES (continued)

Accounting policies adopted

Amendment to IAS 1 – Classification of Liabilities as Current or Non-current

Effective May 1, 2024, the Company adopted the amendments to IAS 1 *Presentation of Financial Statements* regarding the classification of liabilities as current or non-current. The amendments clarify that classification is based on rights in existence at the reporting date to defer settlement of a liability for at least twelve months and that classification is unaffected by expectations or events after the reporting date. The adoption of these amendments did not have an impact on the Company's financial statements.

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.

SKRR Exploration Inc.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

(Expressed in Canadian Dollars - Unaudited)

FOR THE SIX MONTHS ENDED OCTOBER 31, 2025

4. PROPOSED REVERSE TAKEOVER TRANSACTION WITH KENZ GLOBAL RESOURCES LTD.

On July 31, 2025, the Company entered into a non-binding letter of intent ("LOI") with Kenz Global Resources Ltd. ("KENZ"), a private British Columbia-incorporated company, for a proposed transaction (the "Proposed Transaction"). The Proposed Transaction is expected to constitute a reverse takeover of the Company under the policies of the TSXV, whereby the Company will acquire all issued and outstanding securities of KENZ in exchange for common shares of the Company. Upon completion, KENZ will become a wholly-owned subsidiary of the Company, and the existing shareholders of KENZ are anticipated to hold approximately 75% of the issued and outstanding shares of the resulting issuer (the "Resulting Issuer") on a fully-diluted basis, with the Company's existing shareholders holding the remaining 25%.

KENZ, through its subsidiaries, holds exploration interests in Saudi Arabia. The Proposed Transaction is anticipated to be structured as a share exchange, plan of arrangement, amalgamation, or other form of transaction, subject to negotiation of a definitive agreement (the "Definitive Agreement").

Key terms include:

- The Resulting Issuer's board of directors will consist of six members: four nominees from KENZ, one from Haywood Securities Inc. (KENZ's financial advisor), and one from the Company.
- The Company will change its name to "Saudi Minerals Corporation" or another name determined by KENZ, and the Resulting Issuer is expected to be listed as a Tier 2 Mining Issuer on the TSXV.
- The LOI includes an exclusivity period until the earlier of 90 days from execution or the signing of the Definitive Agreement, during which KENZ is restricted from pursuing alternative proposals, subject to fiduciary exceptions.

Completion of the Proposed Transaction is subject to various conditions, including but not limited to:

- Negotiation and execution of the Definitive Agreement;
- Satisfactory due diligence by both parties;
- Delivery of a National Instrument 43-101 compliant technical report on the AM ARTI Project;
- Preparation and delivery of audited and pro forma financial statements compliant with TSXV policies;
- Obtaining all necessary approvals, including from the TSXV, shareholders (if required), and other regulatory bodies;
- Completion of any required sponsorship or exemption therefrom;
- Closing by December 31, 2025.

The Proposed Transaction is an arm's-length transaction, and no finder's fees are expected to be payable. Trading in the Company's shares has been halted pending TSXV review and is not expected to resume until the Proposed Transaction closes or as otherwise determined by the TSXV.

In connection with the LOI, the Company agreed to provide a bridge loan to KENZ (the "Bridge Loan") to fund operations and transaction-related costs, including exploration, audits, legal fees, and preparation of the technical report.

SKRR Exploration Inc.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
(Expressed in Canadian Dollars - Unaudited)
FOR THE SIX MONTHS ENDED OCTOBER 31, 2025

4. PROPOSED TRANSACTION (continued)

The Bridge Loan comprises:

- An initial advance of \$25,000, which was due upon execution of the LOI (loaned on August 25, 2025);
- Up to an additional \$375,000, subject to TSXV approval and upon KENZ's request.

The initial advance under the Bridge Loan is evidenced by an unsecured, non-interest bearing promissory note, and is payable on demand any time after the 10 business days after termination the Proposed Transaction; promissory note is governed by the laws of British Columbia and applicable federal laws of Canada. Any additional funds advanced under the Bridge Loan would be evidenced by a secured promissory note or loan agreement, secured by a general security agreement, and payable on demand upon termination of the Proposed Transaction.

There is no assurance that the Definitive Agreement will be executed, that additional funds will be advanced under the Bridge Loan, or that the Proposed Transaction will be completed as contemplated, or at all. If completed, the Proposed Transaction may qualify as a reverse acquisition under IFRS 3 *Business Combinations*, with KENZ identified as the accounting acquirer. In such case, the transaction would be accounted for as a continuation of KENZ's financial statements, with the Company's net assets recognized at fair value and any difference recorded as a listing expense in profit or loss. The fair values of assets acquired and liabilities assumed, including any contingent consideration, would be determined at the acquisition date.

5. SHORT-TERM INVESTMENTS

	TOTAL
	\$
Balance at April 30, 2024	192,500
Additions	550,000
Proceeds from sale	(488,459)
Realized gain	24,732
Change in fair value	(58,773)
Balance at April 30, 2025	220,000
Proceeds from sale	33,442
Realized gain	(5,808)
Change in fair value	(165,009)
Balance at October 31, 2025	82,265

Throughout the year ended April 30, 2024, the Company purchased additional marketable securities for \$37,468 and sold some of these securities for proceeds of \$166,313 during the same fiscal year.

On August 19, 2024, the Company acquired 1,000,000 shares of Military Metals Corp at a fair market value of \$550,000 through the sale of Manson Bay gold project.

For the period ended October 31, 2025, the Company sold additional marketable securities for gross proceeds of \$33,442.

As at October 31, 2025 and October 31, 2025, the carrying value of the short-term investments was adjusted to fair market value based on the quoted closing price of the shares.

SKRR Exploration Inc.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
(Expressed in Canadian Dollars - Unaudited)
FOR THE SIX MONTHS ENDED OCTOBER 31, 2025

6. EXPLORATION AND EVALUATION ASSETS

Exploration and evaluation assets comprise the following accumulated expenditures:

	Olson Gold	Clearwater	TOTAL
	\$	\$	\$
Balance at April 30, 2024	4,068,831	328,990	4,397,821
Acquisition	-	39,500	39,500
Management (Note 8)	-	7,500	7,500
Drilling	-	295,000	295,000
Tenure and maintenance	1,500	-	1,500
Impairment	(4,070,331)	(670,990)	(4,741,321)
Balance at October 31, 2025	-	-	-

Olson Gold Property

On October 24, 2019, the Company entered into an option agreement with Eagle Plains Resources Ltd. (“Eagle Plains”), under which the Company acquired and currently owns 75% of Eagle Plains’ Olson gold property, comprising twenty (20) mineral dispositions, located approximately 100 km east of La Ronge, Saskatchewan, in the Deschambault Lake area.

Under the agreement, the Company completed cash payments, share payments of common shares in the capital of the Company to Eagle Plains and exploration expenditures.

The Company acquired a 51% interest in the Olson property initially, and then earned an additional 24% (75% total) interest in the property by making additional exploration expenditures of \$1,500,000 (completed) on the property and issuing 10,000 common shares (issued on February 22, 2023). There are no further cash or share payment obligations anticipated. The Company is determining the next steps for the 75% ownership interest in Olson Gold Property and no further exploration is planned; as a result of this, the carrying value has been impaired to \$Nil as at April 30, 2025.

6. EXPLORATION AND EVALUATION ASSETS (continued)

Clearwater West Project

On May 25, 2023, and amended on January 10, 2024, the Company entered into an option agreement with F3 Uranium Corp. ("F3") to acquire a 70% interest in the Clearwater West Property comprising 3 contiguous mineral claims across 11,786 hectares.

Under the agreement, to earn an initial 50%, the Company needed to have completed cash payments, share payments of common shares in the capital of the Company to F3 and exploration expenditures over a period as follows:

- (i) \$25,000 in cash upon execution of the option agreement (paid);
- (ii) \$25,000 in cash on or before December 31, 2023 (paid);
- (iii) 250,000 common shares due on signing of the agreement (issued); and
- (iv) 151,250 common shares on January 22, 2024 (issued);
- (v) 98,750 common shares on or before June 1, 2024, unless subsequent to such issuance, F3's partially diluted shareholdings in the Company would exceed 10% of the issued and outstanding shares of the Company, in which case the Company shall pay \$39,500 (paid during the current year) in cash to F3 on or before June 5, 2024 in lieu thereof; and
- (vi) \$3,000,000 in work expenditures on the Clearwater West Property to be spent on or before May 25, 2025.

F3 would retain a 2.0% net smelter return ("NSR") royalty of which 1% may be repurchased by the Company for \$1,000,000.

Upon completion of the 50% interest earn-in, F3 and the Company would have automatically entered into a joint venture and will negotiate to formalize a joint venture agreement. Pursuant to the terms of the Clearwater West Agreement, the Company will have the option to increase its interest in the Clearwater West Property to 70% by making additional cash and exploration expenditures:

- (i) \$50,000 cash on or before December 31, 2024; and
- (ii) \$3,000,000 additional work expenditures on the Clearwater West Property on or before the third anniversary of the agreement.

On August 15, 2024, the agreement was assigned to F4 Uranium Corp. from F3 as a result of a plan of arrangement. Furthermore, on February 5, 2025, the option agreement with F3 was terminated by the Company with no joint venture formed before this. In addition, the carrying value was impaired to \$Nil on February 5, 2025.

SKRR Exploration Inc.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
(Expressed in Canadian Dollars - Unaudited)
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7. CAPITAL STOCK AND RESERVES

a) Authorized

Unlimited number of common shares, without par value.

On November 27, 2024, the Company's shares were consolidated on a four to one basis. The share consolidation has been applied retrospectively and as a result all shares, options, warrants and per share amounts are stated on an adjusted basis.

b) Share issuances

During the six months ended October 31, 2025

On June 26, 2025, 270,000 warrants were exercised at a price of \$0.145 per share for total gross proceeds of \$39,150.

During the year ended April 30, 2025

On February 20, 2025, the Company completed a first tranche non-brokered private placement of \$600,395 comprising 5,458,136 units at \$0.11 per unit. Each unit comprises one common share and one share purchase warrant exercisable at \$0.145 per share for two years from the closing date. No finder's fees were paid in connection to this private placement.

On March 6, 2025, the Company completed a second tranche non-brokered private placement of \$734,605 comprising 6,678,227 units at \$0.11 per unit. Each unit comprises one common share and one share purchase warrant exercisable at \$0.145 per share for two years from the closing date. \$50,773 in cash finder's fees were paid in connection to this private placement.

In addition, the Company incurred after share issuance costs of \$14,386.

c) Stock options

The Company follows the policies of the TSXV under which it is authorized to grant options to executive officers and directors, employees and consultants enabling them to acquire up to 10% of the then issued and outstanding common stock of the Company. Under the policies, the exercise price of each shall not be less than the closing price of the Company's common shares on the day preceding the day on which the directors grant such options, less any discount permitted by the TSXV. The options can be granted for a maximum term of ten years.

Stock option transactions and the number of stock options outstanding are summarized as follows:

	Number of Options	Weighted Average Exercise Price \$
Balance, April 30, 2024	199,500	3.12
Granted	1,647,270	0.30
Expired	(136,750)	3.30
Forfeited	(12,500)	7.40
Balance, April 30, 2025	1,698,020	0.34
Balance, October 31 2025	1,698,020	0.34

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7. CAPITAL STOCK AND RESERVES (continued)

On March 13, 2025, 1,442,804 options were issued to directors, officers and consultants of the Company. The options are exercisable at \$0.30 per share for 36 months from date of grant. The fair value of the options was estimated at \$332,000, using the Black-Scholes Option Pricing Model with the following weighted average assumptions: expected dividend yield – Nil%, share price of \$0.30, expected volatility – 136% (based on historical volatility), risk-free interest rate – 2.409%, and an expected average life of 36 months.

On July 22, 2024, 204,466 options were granted to an directors, officers and consultants of the Company. The options are exercisable at \$0.32 per share for three years from date of grant and vest immediately upon grant. The fair value of the options was estimated at \$55,000, using the Black-Scholes Option Pricing Model with the following weighted average assumptions: expected dividend yield – Nil%, share price of \$0.36, expected volatility – 125% (based on historical volatility), risk-free interest rate – 3.43%, and an expected average life of 3 years.

As at October 31, 2025, the Company’s stock options outstanding and exercisable are summarized as:

Exercise price	Expiry date	Number of Options
\$ 1.60	April 13, 2026	50,750
\$ 0.32	July 22, 2027	204,466
\$ 0.30	March 13, 2028	1,442,804
	TOTAL	1,698,020

As of October 31, 2025, the weighted average remaining life of stock options is 2.23 years (2025 – 2.74 years).

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7. CAPITAL STOCK AND RESERVES (continued)

d) Warrants

Warrant transactions and the number of warrants outstanding are summarized as follows:

	Number of Warrants	Weighted Average Exercise Price \$
Balance, April 30, 2024	987,911	0.84
Granted	12,136,363	0.15
Expired	(198,248)	1.60
Balance, April 30, 2025	12,926,026	0.18
Exercised	(270,000)	0.145
Balance, October 31, 2025	12,656,026	0.17

As at October 31, 2025, the Company's share purchase warrants are summarized as:

Exercise price	Expiry date	Number of Warrants
\$ 1.20	July 10, 2026	53,750
\$ 0.80	July 10, 2026	700
\$ 0.60	December 29, 2025	130,630
\$ 0.60	April 5, 2027	595,833
\$ 0.60	April 5, 2027	8,750
\$ 0.145	February 20, 2027	5,188,136
\$ 0.145	March 6, 2027	6,678,227
	TOTAL	12,656,026

As at October 31, 2025, the weighted average remaining life of share purchase warrants is 1.32 years (2025 – 1.82 years).

e) Flow-through premium liability

All flow-through share obligations were satisfied by April 30, 2025.

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8. 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.

	For the six months ended October 31, 2025	For the six months ended October 31, 2024
	\$	\$
Exploration and evaluation	-	7,500
Consulting	30,000	45,000
Office and administration	6,300	6,300
Professional	30,000	22,500
TOTAL	66,300	81,300

Included in exploration and evaluation expenditures: \$Nil paid or accrued to the CEO for consulting services related to the mineral property projects (April 30, 2025 - \$7,500).

Included in consulting expenses: \$30,000 paid or accrued to the CEO for executive management services (October 31, 2024 - \$15,000). \$Nil paid or accrued to an independent director, audit committee chairman, of the Company (October 31, 2024 - \$15,000). \$Nil paid or accrued to a former independent director of the Company (October 31, 2024 - \$15,000).

Included in office expenses: \$6,300 paid or accrued to a private company owned by the CFO for office rent (October 31, 2024 - \$6,300).

Included in professional fees: \$30,000 paid or accrued to a private company owned by the CFO for accounting services (October 31, 2024 - \$22,500).

As at October 31, 2025, \$23,782 was owing to a private company owned by the CFO for reimbursable office expenses (April 30, 2025 - \$283).

9. FINANCIAL INSTRUMENTS AND RISKS

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.

Cash and cash equivalents and short-term investments are measured and carried at fair value using Level 1 inputs. The fair values of the Company's other financial instruments are not materially different from their carrying values due to the short-term maturity nature of the financial instruments.

The methodology and assessment of inputs for determining the fair values of financial assets and liabilities as well as the levels of hierarchy remain unchanged.

Financial risk factors

The Company's risk exposures and the impact on the Company's financial statements are summarized below.

Credit risk

Financial instruments that potentially subject the Company to a significant concentration of credit risk consist primarily of cash and cash equivalents. The Company limits its exposure to credit loss by placing its cash and cash equivalents with major financial institutions. The risk is assessed as low.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at October 31, 2025, the Company had a cash and cash equivalents balance of \$1,789,521 (April 30, 2025 - \$1,830,764) to settle accounts payable of \$30,397 (April 30, 2025- \$77,963). All of the Company's financial liabilities have contractual maturities of 30 days or due on demand and are subject to normal trade terms. The Company intends to raise money through equity financing to meet its financial obligations.

9. FINANCIAL INSTRUMENTS AND RISKS

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates and commodity and equity prices. Such fluctuations may be significant.

a) Interest rate risk

The Company is exposed to interest rate risk to the extent that the cash maintained at financial institutions is subject to a floating rate of interest. The interest rate risks on cash and cash equivalents are not considered significant.

b) Foreign currency risk

The Company is exposed to foreign currency risk on fluctuations related to cash and cash equivalents, accounts payable and accrued liabilities that are denominated in a foreign currency. As at October 31, 2025, the Company did not have any accounts in foreign currencies and considers foreign currency risk insignificant.

c) Price risk

The Company has limited exposure to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company's short-term investments are subject to price risk.

10. CAPITAL MANAGEMENT

The Company's objective when managing capital is to safeguard the entity's ability to continue as a going concern. In the management of capital, the Company monitors its adjusted capital which comprises all components of equity (i.e. capital stock, reserves and deficit).

The Company sets the amount of capital in proportion to risk. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue common shares through private placements. The Company is not exposed to any externally imposed capital requirements. The Company's overall strategy remains unchanged from prior year.