



CONDENSED INTERIM FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

**FOR THE THREE AND NINE MONTHS ENDED JUNE 30, 2025 AND
2024**

**NOTICE OF NO AUDITOR REVIEW OF
CONDENSED 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 condensed interim financial statements, they must be accompanied by a notice indicating that an auditor has not reviewed the financial statements.

The accompanying unaudited condensed 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 condensed interim financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

EnGold Mines Ltd.

CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

(Expressed in Canadian Dollars)

Unaudited

As at	June 30, 2025	September 30, 2024
ASSETS		
Current		
Cash	\$ 11,195	\$ 54,784
Receivables	1,392	11,906
Prepaid expenses	3,500	24,000
Total current assets	16,087	90,690
Reclamation deposits (Note 4)	147,000	147,000
Other assets	1,008	1,008
Equipment and right-of-use assets (Note 5)	11,974	45,208
Mineral properties (Note 6)	2,620,709	2,616,709
Total assets	\$ 2,796,778	\$ 2,900,615
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities	\$ 894,326	\$ 431,270
Due to related parties (Notes 8 and 10)	926,549	1,245,613
Current portion of lease liabilities (Note 7)	-	91,116
Current portion legal settlement payable (Note 11)	370,000	160,000
Flow-through premium liability (Note 9)	18,337	33,419
Current portion of loans payable (Notes 8 and 10)	148,236	72,309
Total current liabilities	2,357,448	2,033,727
Loans payable (Note 8 and 10)	60,000	60,000
Total liabilities	2,417,448	2,093,727
Shareholders' equity		
Share capital (Note 9)	46,216,310	46,212,310
Reserves (Note 9)	14,052,610	14,052,610
Deficit	(59,889,590)	(59,458,032)
Total shareholders' equity	379,330	806,888
Total liabilities and shareholders' equity	\$ 2,796,778	\$ 2,900,615

Nature of operations and the ability to continue as a going concern (Note 1)

Commitments and contingencies (Note 11)

Approved and authorized by the Board of Directors on August 29, 2025:

<u>"John Brown"</u>	Director	<u>"Dale Reimer"</u>	Director
John Brown		Dale Reimer	

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

EnGold Mines Ltd.**CONDENSED INTERIM STATEMENTS OF COMPREHENSIVE LOSS**

(Expressed in Canadian Dollars)

Unaudited

	For the three months ended		For the nine months ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
EXPENSES				
Depreciation (Note 5)	\$ 2,171	\$ 8,173	\$ 18,765	\$ 26,593
Mineral property expenditures	-	5,940	26,894	22,712
Filing and regulatory	526	1,945	9,017	13,520
Insurance	1,822	3,267	5,957	8,243
Office and other	10,972	836	21,785	18,179
Management and consulting (Note 10)	19,983	48,118	105,983	145,446
Professional fees (Note 10)	8,679	8,850	32,045	25,216
Shareholder communications	495	894	6,162	2,900
	(44,648)	(78,023)	(226,608)	(262,809)
OTHER ITEMS				
Lease accretion (Note 7)	(90)	(2,208)	(4,187)	(6,699)
Legal provision (Note 11)	(210,000)	-	(210,000)	-
Interest on loan payable (Note 8)	(1,905)	(1,646)	(5,845)	(4,036)
Other income (Note 11)	2,726	-	15,082	-
Loss and comprehensive loss for the period	\$ (253,917)	\$ (81,877)	\$ (431,558)	\$ (273,544)
Basic and diluted loss per common share	\$ (0.01)	\$ (0.00)	\$ (0.01)	\$ (0.01)
Weighted average number of common shares outstanding – basic and diluted	41,481,546	37,190,337	41,434,660	37,381,546

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

EnGold Mines Ltd.**CONDENSED INTERIM STATEMENTS OF CASH FLOWS**

(Expressed in Canadian Dollars)

Unaudited

For the nine months ended June 30,	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the period	\$ (431,558)	\$ (273,544)
Non-cash items:		
Depreciation	18,765	26,593
Lease accretion	4,187	6,699
Other income	(15,082)	-
Interest on loan payable	5,845	4,036
Changes in non-cash working capital items:		
Receivables	10,514	1,661
Prepaid expenses	20,500	-
Due to related parties	(187,339)	143,916
Legal provision	210,000	-
Accounts payable and accrued liabilities and provisions	250,497	62,097
Net cash used in operating activities	(113,671)	(28,542)
CASH FLOWS FROM FINANCING ACTIVITIES		
Loan repayments	(8,618)	-
Loans received	78,700	24,700
Share issuance costs	-	(1,000)
Net cash provided by financing activities	70,082	23,700
Change in cash during the period	(43,589)	(4,842)
Cash, beginning of period	54,784	7,507
Cash, end of period	\$ 11,195	\$ 2,665
Supplemental cash flow information:		
Fair value of common shares issued for mineral properties	\$ 4,000	\$ 13,000
Lease liability reclassified to accounts payable	\$ 80,834	\$ -
Current loans payable	\$ 75,927	\$ -
Adjustment to lease liabilities and right of use assets	\$ 14,469	\$ 15,585

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

EnGold Mines Ltd.

CONDENSED INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(Expressed in Canadian Dollars)

Unaudited

	Share Capital				
	Number	Amount	Reserves	Deficit	Total
Balance, September 30, 2023	37,181,546	\$ 45,974,099	\$ 14,049,721	\$ (58,955,074)	\$ 1,068,746
Shares issued for mineral properties	200,000	13,000	-	-	13,000
Share issuance costs	-	(1,000)	-	-	(1,000)
Loss for the period	-	-	-	(273,544)	(273,544)
Balance, June 30, 2024	37,381,546	45,986,099	14,049,721	(59,228,618)	807,202
Share issuance costs	-	(10,900)	-	-	(10,900)
Private placements – flow through	4,000,000	320,000	-	-	320,000
Flow-through premium liability	-	(80,000)	-	-	(80,000)
Finders' warrants	-	(2,889)	2,889	-	-
Loss for the period	-	-	-	(229,414)	(229,414)
Balance, September 30, 2024	41,381,546	46,212,310	14,052,610	(59,458,032)	806,888
Shares issued for mineral properties	100,000	4,000	-	-	4,000
Loss for the period	-	-	-	(431,558)	(431,558)
Balance, June 30, 2025	41,481,546	\$ 46,216,310	\$ 14,052,610	\$ (59,889,590)	\$ 379,330

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

EnGold Mines Ltd.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED JUNE 30, 2025 AND 2024

(Expressed in Canadian Dollars)

Unaudited

1. NATURE OF OPERATIONS AND THE ABILITY TO CONTINUE AS A GOING CONCERN

EnGold Mines Ltd. (the “Company”) was incorporated in British Columbia under the Business Corporations Act. The Company is in the business of exploring for and evaluating economically viable mineral properties in Canada.

The Company’s registered and records office is 2200 – 700 W Georgia Street, Vancouver, BC V7Y 1K8.

The Company is in the process of exploring and evaluating its resource properties and has not yet determined whether the properties contain mineral reserves that are economically recoverable. The recoverability of the amounts shown for mineral properties are dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of those reserves and upon future profitable production.

These condensed interim financial statements have been prepared in accordance with accounting principles applicable to a going concern, which assumes that the Company will realize its assets and discharge its liabilities in the ordinary course of business. For the period ended June 30, 2025, the Company incurred a loss of \$431,558, has an accumulated deficit of \$59,889,590 and expects to incur further losses in the development of its business. These conditions indicate the existence of material uncertainties that may cast significant doubt about the Company’s ability to continue as a going concern.

The Company’s continuing operations and its ability to discharge its liabilities and fulfill its commitments as they come due, is dependent upon the ability of the Company to continue to obtain debt or equity financing in the short term, the continued support of related parties, and ultimately, on locating economically recoverable ore reserves in its mineral properties. Management believes the Company will be successful at securing additional funding, however, there is no assurance that such plans will be successful and if so, that the funding will be provided on terms acceptable to the Company.

If the Company is unable to obtain adequate additional financing and the continued support of related parties, the Company will be required to curtail operations and exploration activities. Furthermore, failure to continue as a going concern would require restatement of assets and liabilities on a liquidation basis, which would differ significantly from the going concern basis. The condensed interim financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations.

2. BASIS OF PREPARATION

Statement of Compliance

These condensed interim financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”).

Basis of Presentation

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

The preparation of these condensed interim financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported expenses during the period. Actual results could differ from these estimates.

EnGold Mines Ltd.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED JUNE 30, 2025 AND 2024

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Unaudited

2. BASIS OF PREPARATION (cont'd...)

Use of Estimates and Judgments

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting year, that could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made, relate to:

Critical accounting estimates

- i. Share-based payments are subject to estimation of the value of the award at the date of grant using pricing models such as the Black-Scholes option valuation model. The option valuation model requires the input of highly subjective assumptions including the expected share price volatility. Because the Company's options and warrants have characteristics significantly different from those of traded options and because the subjective input assumptions can materially affect the calculated fair value, such value is subject to measurement uncertainty.

Critical accounting judgments

- i. The carrying value and recoverability of mineral properties requires management to make certain estimates, judgments and assumptions about each project. Management considers the economics of the project, including the latest resources prices and the long-term forecasts, and the overall economic viability of the project. Management has assessed these indicators and does not believe an impairment provision is required.
- ii. Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.
- iii. The estimate for contingencies and settlement provisions require management to make judgments as to the likelihood of outcomes and estimates of the timing and the possible outflow of economic benefits.

3. MATERIAL ACCOUNTING POLICY DISCLOSURE INFORMATION

The accounting policies applied in these condensed interim financial statements are the same as those applied in the most recent audited annual financial statements as at and for the year ended September 30, 2024, and reflect all the adjustments necessary for fair presentation in accordance with IAS 34.

New accounting standards issued but not yet effective:

IFRS 18, Presentation and Disclosure in Financial Statements ("IFRS 18"), which will replace IAS 1, Presentation of Financial Statements aims to improve how companies communicate in their financial statements, with a focus on information about financial performance in the statements of loss and comprehensive loss, in particular additional defined subtotals, disclosures about management-defined performance measures and new principles for aggregation and disaggregation of information. IFRS 18 is effective from January 1, 2027. Companies are permitted to apply IFRS 18 before that date. The Company has not yet determined the impact of this amendment on its condensed consolidated interim financial statements

4. RECLAMATION DEPOSITS

As at June 30, 2025 the Company held \$147,000 (September 30, 2024 - \$147,000) in deposits with a financial institution as security for reclamation requirements.

EnGold Mines Ltd.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

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5. EQUIPMENT AND RIGHT-OF-USE ASSETS

	Right-Of-Use assets: property lease	Field Equipment	Vehicles	Office Furniture and equipment	Computer Equipment	Total
Cost						
Balance, September 30, 2023	\$ 162,530	\$ 102,713	\$ 125,336	\$ 53,679	\$ 2,757	\$ 447,015
Amendment to lease liabilities (Note 7)	14,274	-	-	-	-	14,274
Balance, September 30, 2024	176,804	102,713	125,336	53,679	2,757	461,289
Amendment to lease liabilities (Note 7)	(14,469)	-	-	-	-	(14,469)
Extinguishment of lease (Note 7)	(162,335)	-	-	-	-	(162,335)
Balance, June 30, 2025	-	102,713	125,336	53,679	2,757	284,485
Accumulated depreciation						
Balance, September 30, 2023	\$ 109,570	\$ 100,536	\$ 111,972	\$ 53,376	\$ 992	\$ 376,446
Additions	36,113	435	2,673	61	353	39,635
Balance, September 30, 2024	145,683	100,971	114,645	53,437	1,345	416,081
Additions	16,652	261	1,604	36	212	18,765
Extinguishment of lease (Note 7)	(162,335)	-	-	-	-	(162,335)
Balance, June 30, 2025	\$ -	\$ 101,232	\$ 116,249	\$ 53,473	\$ 1,557	\$ 272,511
As at September 30, 2024	\$ 31,121	\$ 1,742	\$ 10,691	\$ 242	\$ 1,412	\$ 45,208
As at June 30, 2025	\$ -	\$ 1,481	\$ 9,087	\$ 206	\$ 1,200	\$ 11,974

6. MINERAL PROPERTIES

	Lac La Hache
Balance, September 30, 2023	\$ 2,603,709
Additions	13,000
Balance, September 30, 2024	\$ 2,616,709
Additions	4,000
Balance, June 30, 2025	\$ 2,620,709

The balance of mineral properties represents acquisitions costs paid by the Company. The following descriptions apply to adjacent properties in the Clinton Mining and Cariboo Divisions located near Lac La Hache, British Columbia:

a) Miracle/Murphy

The Company owns a 100% interest in four mineral claims located in the Clinton Mining Division of British Columbia, located near Lac La Hache. There is a 2% net smelter return ("NSR") which will be reduced to 1% upon an aggregate total payment of \$1,500,000 to the original vendor.

EnGold Mines Ltd.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

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6. MINERAL PROPERTIES (cont'd...)

b) Peach Lake

The Company owns a 100% interest in a number of mineral claims located in the Clinton Mining Division of British Columbia, located near Lac La Hache that were acquired under option agreements with the original vendors. There is a 3% NSR due to the original vendor on four of the original seven claims acquired to a maximum of \$500,000 and a 1% NSR in favour of Peach Lake Resources Ltd., purchasable at any time for \$2,000,000.

c) Ann

The Company owns a 100% interest in two mineral claims located in the Clinton Mining Division of British Columbia, located near Lac La Hache. Under the terms of the agreements, the claims are subject to a 5% net profits royalty to a maximum of \$500,000.

d) Murphy Lake

The Company owns a 100% interest in a number of mineral claims located in the Cariboo Mining Division of British Columbia, located near Lac La Hache. Under the terms of an agreement dated June 3, 1993, the Company has agreed with the original vendor to issue 30,000 common shares, when it is confirmed that an ore body exists and the plans to commence commercial production are in place and pay a 3% NSR to a maximum of \$1,000,000. No shares have been issued to the date of these condensed interim financial statements.

e) PMA/Cassidy

The Company owns a 100% interest in four mineral claims, located in the Cariboo Mining Division of British Columbia, located near Lac La Hache.

f) Candorado Option Agreement

The Company owns a 100% interest in certain mineral claims located east of Williams Lake, BC, near Lac La Hache (the "Claims").

The Claims acquired by the Company are subject to a 2% NSR in favour of two optionees, purchasable by the Company at any time for \$1,000,000 (\$500,000 to each optionee). Certain other Claims are also subject to a 2% NSR in favour of two other optionees, which NSR is similarly purchasable by the Company at any time for \$1,000,000 (\$500,000 to each optionee).

g) Tam Property

On February 11, 2020, the Company entered into an option agreement to acquire 100% of the Tam Property which comprises mineral claims adjoining the Company's Lac La Hache Property.

The agreement with the vendor calls for EnGold to, on signing, apply 2 periods' worth of assessment work on the property (completed) and pay \$40,000 and issue 150,000 common shares over a four-year period. During the year ended September 30, 2024, the Company entered into an amending agreement, whereby the term was extended to five years and the total shares issuable under the agreement increased to 745,000 as follows:

- a) 10,000 common shares on exchange acceptance (*issued with fair value of \$4,500*);
- b) on the 12-month anniversary, \$5,000 and 15,000 common shares (*\$5,000 paid and 15,000 common shares issued with fair value of \$6,000 during the year ended September 30, 2021*);
- c) on the 24-month anniversary, \$10,000 and 20,000 common shares; (*\$10,000 paid and 20,000 common shares issued with fair value of \$4,300 during the year ended September 30, 2022*);
- d) on the 36-month anniversary, 100,000 common shares (amended from \$10,000 and 25,000 common shares – *issued during the period ended June 30, 2025 with fair value of \$4,000 (Note 9)*);
- e) on the 48-month anniversary, 200,000 common shares (amended from \$15,000 and 80,000 common shares – *issued during the year ended September 30, 2024 (Note 9)*); and
- f) on the 60-month anniversary, \$25,000 and 400,000 common shares.

EnGold Mines Ltd.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED JUNE 30, 2025 AND 2024

(Expressed in Canadian Dollars)

Unaudited

6. MINERAL PROPERTIES (cont'd...)

All commitments except the application of the work and payment of the first 10,000 shares are at the sole option of the Company. The Tam Property will at all times be subject to a 2% NSR in favour of the vendor, which NSR will be purchasable at any time by the Company for \$1,500,000.

As at the date of these condensed interim financial statements, the commitments under the option agreement have not been met, however the option remains in good standing as the Company is in negotiations with the optionor.

LLH1 Claim

The Company acquired the LLH1 mineral claim for consideration of a 2% NSR of the claim, of which 1% is purchasable by the Company for \$1,000,000 at any time.

7. LEASE LIABILITIES

The Company's lease liabilities include a property lease. During the year ended September 30, 2022, the Company entered into a new lease for a vehicle rental with undiscounted payments of \$59,664. During the year September 30, 2023, the Company terminated its vehicle lease, which was valued at \$32,578. On termination, the Company derecognized right-of use assets with a value of \$39,776 and recognized accounts receivable of \$5,301, which was due to the Company on termination. The Company recognized an aggregate loss of \$1,897 on the termination of the lease.

During the year ended September 30, 2024, due to amendments in the lease payment schedule, the Company recognized an adjustment to lease liabilities of \$14,274. During the period ended June 30, 2025, due to amendments in the lease payment schedule, the Company recognized an adjustment to lease liabilities of \$14,469.

In calculating present values, the Company used a discount rate of 10%.

The following is a reconciliation of the changes in the lease liabilities:

	June 30, 2025	September 30, 2024
Opening balance	\$ 91,116	\$ 85,385
Revaluation of lease liabilities	(14,469)	14,274
Lease accretion	4,187	9,222
Payments	-	(17,765)
Extinguishment of lease	(80,834)	-
	-	91,116
Current portion of lease liabilities	-	(91,116)
Lease liabilities	\$ -	\$ -

On June 30, 2025, the lease term ended and remaining payments of \$80,834 were reclassified to accounts payable and accrued liabilities.

EnGold Mines Ltd.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED JUNE 30, 2025 AND 2024

(Expressed in Canadian Dollars)

Unaudited

8. LOANS PAYABLE

CEBA loan

As part of the Government of Canada's response to the COVID-19 global pandemic, certain businesses are eligible to apply for the Canada Emergency Business Account (the "CEBA"). The CEBA provides companies with a \$40,000 interest free loan to be used to cover non-deferrable operating expenses during the period where operations had been temporarily reduced due to the economic impacts of the COVID-19 virus. During the year ended September 30, 2020, the Company applied for the CEBA and received the \$40,000 loan. The CEBA remained interest free until January 18, 2024 and has no fixed repayment schedule. If \$30,000 is repaid on or before December 31, 2023, the remaining \$10,000 will be forgiven. If at January 18, 2024, any amount remained unpaid, the Company would enter into an extension agreement whereby it would accrue interest at a rate of 5% per annum, with a repayment schedule to be determined at that time.

During the year ended September 30, 2021, the Company received an additional \$20,000 in CEBA proceeds, of which \$10,000 was forgivable if paid by January 18, 2024.

The loan was not paid by January 18, 2024, and the loan now matures on December 31, 2026, bearing interest at 5% per annum. During the period ended June 30, 2025, the Company paid \$894 (year ended September 30, 2024 - \$1,828) in interest on the loan and accrued an additional \$1,348 in unpaid interest.

Promissory notes

During the year ended September 30, 2023, the Company issued a promissory note to an arm's-length party in the amount of \$30,000. The loan is unsecured, bears simple interest at 12% per annum, and does not have a fixed maturity date. During the period ended June 30, 2025, the Company recognized interest of \$3,024 (2024 - \$2,700) on the promissory note.

Related party loans

During the year ended September 30, 2023, the Company issued a promissory note to a Director of the Company in the amount of \$10,000. The loan is unsecured, non-interest bearing and does not have a fixed maturity date.

During the year ended September 30, 2024, the Company issued the following promissory notes:

- a) \$12,500 to a Director of the Company. The loan is unsecured, non-interest bearing and does not have a fixed maturity date;
- b) \$2,200 to a Director of the Company. The loan is unsecured, non-interest bearing and does not have a fixed maturity date;
- c) \$5,000 to a former Director of the Company. The loan is unsecured, bears interest at 12% per annum and had a maturity of one year. During the period ended June 30, 2025, the Company recognized interest of \$449 (2024 - \$nil) on the loan;
- d) \$7,020 to a former Officer of the Company. The loan is unsecured, bears interest at 12% per annum and had a maturity of one year. During the year ended September 30, 2024, the Company recognized interest of \$132 (2024 - \$nil) on the loan. During the period ended June 30, 2025, the loan was repaid in full inclusive of \$704 in interest.

During the period ended June 30, 2025, the Company received an aggregate of \$78,700 in unsecured loans from three directors of the Company and an arm's-length party. The loans are non-interest bearing and have no maturity date.

EnGold Mines Ltd.

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Unaudited

8. LOANS PAYABLE (cont'd...)

A reconciliation of loans payable for the period ended June 30, 2025, and September 30, 2024, is as follows:

	June 30, 2025	September 30, 2023
Opening balance	\$ 132,309	\$ 100,900
Additions	78,700	26,720
Interest accrued	5,845	6,517
Repayments	(8,618)	(1,828)
	208,236	132,309
Current portion of loans payable	(148,236)	(72,309)
Loans payable	\$ 60,000	\$ 60,000

9. SHARE CAPITAL AND RESERVES

a) Authorized share capital

Unlimited number of common and preferred shares without par value.

b) Issued share capital

During the period ended June 30, 2025, the Company:

- i) Issued 100,000 common shares pursuant to the Tam Property option agreement (Note 6) with a fair value of \$4,000.

During the year ended September 30, 2024, the Company:

- i) Issued 200,000 common shares pursuant to the Tam Property option agreement (Note 6) with a fair value of \$13,000.
- ii) Closed a non-brokered private placement by issuing 4,000,000 flow-through units at a price of \$0.08 per flow-through unit for proceeds of \$320,000. Each flow-through unit consists of one flow-through share and one warrant entitling the holder to purchase a common share of the Company at a price of \$0.10 per share for a period of two-years. In connection with the financing, the Company paid finders' fees of \$8,400 and issued 105,000 finders' warrants with an exercise price of \$0.10 and life of two years. The finders' warrants were valued at \$2,889 using the Black-Scholes valuation model using the following assumptions: share price of \$0.60, volatility of 108.56%, expected life of two years, and discount rate of 3.63%.

The Company used the residual value method to calculate the fair value of the tax deduction attached with the flow-through common share and recorded a flow-through liability of \$80,000. As at June 30, 2025, the Company had incurred approximately 77% of the required expenditures and \$15,082 (2024 - \$nil) was recognized to comprehensive loss as other income.

c) Stock options and warrants

The Company has a share purchase option plan approved by the Company's shareholders that allows it to grant share purchase options, subject to regulatory terms and approval, to its officers, directors, and employees. The share purchase option plan the "Option Plan" is based on the maximum number of eligible shares equaling a percentage of 5% of the Company's outstanding common shares. Pursuant to the Option Plan, if outstanding share purchase options are exercised or expire, and/or the number of issued and outstanding common shares of the Company increases, then the share purchase options available to grant under the plan increases proportionately. The exercise price of each share purchase option is set by the Board of Directors at the time of grant but cannot be less than the market price (less permissible discounts).

EnGold Mines Ltd.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

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(Expressed in Canadian Dollars)

Unaudited

9. SHARE CAPITAL AND RESERVES (cont'd...)

c) Stock options and warrants

Under the Option Plan, if an optionee ceases to be a director, officer or employee for any reason other than death, this option shall terminate as specified by the Board and all rights to purchase common shares under such option shall cease and expire and be of no further force or effect. Options have a maximum term of five years and depending on who the optionee is and whether the optionee resigned or is terminated, will terminate on the effective date of resignation or termination or 18 months following termination, except in the case of death, in which case they terminate one year after death. Unless otherwise noted, vesting of options is made at the time of granting of the options at the discretion of the Board of Directors. Vested options are exercisable at any time. The Company did not grant any stock options during the period ended June 30, 2025 or the year ended September 30, 2024.

Stock option and share purchase warrants transactions are summarized as follows:

	Options		Warrants	
	Number of Shares	Weighted Average Exercise Price	Number of Shares	Weighted Average Exercise Price
Balance, September 30, 2023	100,000	0.85	3,500,000	0.20
Granted	-	-	4,105,000	0.10
Expired and cancelled	(100,000)	0.85	(3,500,000)	0.20
Balance, September 30, and June 30, 2025	-	-	4,105,000	0.10
Balance, September 30, and June 30, 2025 - exercisable	-	\$ -	4,105,000	\$ 0.10

As at June 30, 2025, no incentive stock options were outstanding.

As at June 30, 2025, share purchase warrants were outstanding as follows:

	Number	Exercise price	Expiry date
Share Purchase Warrants	4,105,000	\$ 0.10	July 25, 2026
	4,105,000		

10. RELATED PARTY TRANSACTIONS

Key management personnel comprise the Chief Executive Officer, Chief Financial Officer, Corporate Secretary, Vice President of Exploration and Directors of the Company. The remuneration of the key management personnel for the period ended June 30, 2025, is as follows:

- Included in management, salaries, and consulting fees are \$50,000 (2024 - \$90,000) for services provided by the former CEO, and \$18,000 (2024 - \$18,000) accrued to the corporate secretary and former interim CFO.
- Included in exploration and evaluation expenditures are \$26,500 (2024 - \$31,380) for geological consulting services to a company controlled by the Vice President of Exploration.

As at June 30, 2025, an amount of \$1,058,274 (September 30, 2024 - \$1,245,613) is included in due to related parties. These balances are unsecured, non-interest bearing, have no fixed repayment terms, and are due on demand. Included within due to related parties is an accrual of \$926,549 related to tax indemnification resulting from an unfulfilled obligation to incur qualifying exploration expenditures (Note 11). No demand payment of these funds has been made. As at June 30, 2025, \$nil (September 30, 2024 - \$22,000) is included within prepaid expenses to related parties.

As at June 30, 2025, an amount of \$89,257 due to current and former Directors of the Company (September 30, 2024 - \$30,109) is included within loans payable (Note 8).

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NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

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(Expressed in Canadian Dollars)

Unaudited

11. COMMITMENTS AND CONTINGENCIES

- i) From time to time, certain claims, lawsuits, and complaints may arise in the ordinary course of operations against the Company. Provisions related to such claims, if any, will be accrued when the claims meet the recognition criteria for contingent liabilities. The Company is not aware of any material unrecorded contingent liabilities which require recording in the condensed interim financial statements for the period ended June 30, 2025, other than the following.

On February 27, 2025, the President & CEO of the Company was terminated by the Company. The Company has been advised that the former CEO will be initiating litigation to collect unpaid wages and severance due under the officer's 2017 employment contract. During the period ended June 30, 2025, the Company recognized a legal provision of \$210,000 in relation to this litigation on top of previously accrued fees of \$230,000.

A former senior officer of the Company commenced litigation against the Company alleging wrongful dismissal and claiming unspecified damages. During the year ended September 30, 2020, a judgment was reached, and the Company was ordered to pay \$72,500 plus plaintiff's costs. As at September 30, 2022 the Company had accrued a provision of \$403,262 related to plaintiff costs. During the year ended September 30, 2023, the Company entered into an agreement whereby it would settle an aggregate of \$355,000 in plaintiff costs, of which \$121,142 was previously paid in trust, over the course of two years. Accordingly, the Company adjusted its legal settlements payable balance to \$234,000 and recognized an adjustment of \$169,404 to profit and loss during the year ended September 30, 2023.

The repayment schedule for legal settlements payable is as follows:

- \$140,000 by February 17, 2023 (*paid, of which \$121,142 was previously held in trust*)
- \$55,000 by July 1, 2023 (*paid*)
- \$55,000 by December 1, 2023 (*unpaid as at June 30, 2025*)
- \$55,000 by June 1, 2024 (*unpaid as at June 30, 2025*)
- \$50,000 by December 1, 2024 (*unpaid as at June 30, 2025*)

As at the date of these condensed interim financial statements, the remaining payments per the above the schedule have not been made. The Company has been granted extensions on a month-to-month basis in exchange for monthly payments of interest. During the year ended September 30, 2024, the Company made \$4,890 in interest payments on the balance owing. During the period ended June 30, 2025, the Company made \$8,040 in interest payments on the balance owing.

- ii) The Company is partly financed by the issuance of flow-through shares. However, there is no guarantee that the funds spent by the Company will qualify as Canadian exploration expenses, even if the Company has committed to take all the necessary measures for this purpose. Refusals of certain expenses by tax authorities would have negative tax consequences for investors. During the year ended September 30, 2023, the Company did not meet its required expenditures under its flow-through obligation and became liable to indemnify a shareholder for the tax impact of the shortfall. The Company has recognized an accrual within due to related parties for \$926,549 to profit and loss for the year ended September 30, 2023, relating to the expected indemnification.

As at June 30, 2025, the Company had an obligation to incur \$73,346 in eligible exploration expenditures related to the flow-through private placement completed during the year ended September 30, 2024 (Note 10).

12. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company is exposed to the following financial risks:

- Market Risk
- Interest Risk
- Credit Risk
- Liquidity Risk

EnGold Mines Ltd.

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12. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (cont'd...)

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these condensed interim financial statements.

General Objectives, Policies and Processes

The Board of Directors has overall responsibility for the determination of the Company's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Company's finance function.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility. Further details regarding these policies are set out below.

a) Market Risk

Market risk is the risk that changes in market prices, such as interest rates, commodity prices, and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. As at June 30, 2025, the Company is not materially exposed to market risk.

b) Interest Risk

Interest risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has not entered into any derivative contracts to manage risk. The Company's policy as it relates to its cash balances is to invest excess cash in a reputable Canadian chartered bank.

As of June 30, 2025, the Company's exposure to interest rate risk is cash with variable interest rate. A change in interest rates of 1% would not materially affect the Company's cash flows.

c) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or a counterparty to a financial instrument fails to meet its contractual obligations. The Company's exposure to credit risk is on its reclamation deposit.

d) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The key to success in managing liquidity is the degree of certainty in the cash flow projections. If future cash flows are fairly uncertain, the liquidity risk increases.

The Company anticipates that the current funds are not sufficient to support its corporate and administrative obligations on a continuous basis. Management is evaluating other alternatives to secure financing including additional equity offerings. However, there is no assurance that these initiatives will be successful. The amount and timing of additional funding will be impacted by, among other things, the strength of the capital markets.

Determination of Fair value

Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

The statement of financial position carrying values for cash, receivables, reclamation deposits, loans payable, due to related parties, leases and accounts payable and accrued liabilities approximates fair value due to their short-term nature.

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13. CAPITAL MANAGEMENT

The Company manages its capital to ensure that there are adequate capital resources to safeguard the Company's ability to continue as a going concern through the optimization of its capital structure. The capital consists of shareholder's equity comprising issued capital; share purchase warrants; reserves and deficit. The basis for the Company's capital structure is dependent on the Company's exploration programs. There were no changes in the Company's approach to capital management during the current period and the Company is not subject to externally imposed capital requirements, except when the Company issues flow-through shares. The Company is subject to certain requirements in relation to its use of funds raised through the issuance of flow-through shares. These funds have to be incurred for eligible exploration expenditures in accordance with Canadian federal and certain provincial income tax acts.