



# **EGR EXPLORATION LTD.**

CONDENSED INTERIM FINANCIAL STATEMENTS

For the six months ended September 30, 2025

(Expressed in Canadian Dollars)

(Unaudited – Prepared by Management)

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

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In accordance with 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 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 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.

**EGR EXPLORATION LTD.**  
**CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION**  
(Expressed in Canadian Dollars)

	<b>Note</b>	<b>September 30, 2025</b>	<b>March 31, 2025</b>
		(Unaudited)	(Audited)
<b>ASSETS</b>			
<b>Current</b>			
Cash		\$ 13,069	\$ 35,174
Marketable securities	7	126,000	45,000
Amount receivable		8,325	7,414
Prepaid expenses and deposit		3,970	8,458
		<u>151,364</u>	<u>96,046</u>
<b>Non-current</b>			
Exploration and evaluation assets	8	615,060	615,060
Equipment		1,112	1,260
		<u>616,172</u>	<u>616,320</u>
		<u>\$ 767,536</u>	<u>\$ 712,366</u>
<b>LIABILITIES</b>			
<b>Current</b>			
Accounts payable and accrued liabilities		\$ 38,043	\$ 108,291
Due to related parties	11	120,092	87,503
		<u>158,135</u>	<u>195,794</u>
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	10	17,665,017	17,665,017
Reserves	10	5,152,038	5,152,038
Deficit		<u>(22,207,654)</u>	<u>(22,300,483)</u>
		<u>609,401</u>	<u>516,572</u>
		<u>\$ 767,536</u>	<u>\$ 712,366</u>

Nature of operations and continuance of operations (Note 1)

These condensed interim financial statements were authorized for issue by the Board of Directors on November 26, 2025.

Approved by the Board of Directors:

*"David Suda"*

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David Suda

*"Daniel Rodriguez"*

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Daniel Rodriguez

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

**EGR EXPLORATION LTD.****CONDENSED INTERIM STATEMENTS OF NET LOSS AND COMPREHENSIVE LOSS**

(Expressed in Canadian Dollars; Unaudited)

		For the		For the	
	Note	three months ended September 30,		six months ended September 30,	
		2025	2024	2025	2024
Exploration expenses	8	\$ -	\$ (26,250)	\$ (500)	\$ (61,438)
Administrative expenses					
Accretion expense	9	-	9,694	-	19,283
Bank charges and interest		62	30	96	69
Depreciation		74	99	148	197
Management fee	11	10,000	30,000	30,000	60,000
Office and general		5,309	5,571	7,671	9,474
Professional fees	11	10,253	30,958	23,703	49,377
Shareholder communications	11	67	7,446	786	18,170
Transfer agent and filing fees		3,551	3,976	3,807	6,791
Travel and entertainment		-	1,200	-	2,541
		<u>(29,316)</u>	<u>(88,974)</u>	<u>(66,211)</u>	<u>(165,902)</u>
Other items					
Gain on re-valuation of derivative liability	9	-	12,000	-	28,500
Gain (Loss) on re-valuation of marketable securities	7	(37,500)	-	90,000	-
Gain on sale of marketable securities	7	23,540	-	23,540	-
Proceeds received in excess of exploration and evaluation asset costs	8	46,000	-	46,000	45,000
Write-off of accounts payable		-	-	-	21,628
		<u>32,040</u>	<u>12,000</u>	<u>159,540</u>	<u>95,128</u>
Net income (loss) and comprehensive income (loss) for the period		<u>\$ 2,724</u>	<u>\$ (103,224)</u>	<u>\$ 92,829</u>	<u>\$ (132,212)</u>
Basic and diluted earnings (loss) per share		<u>\$ 0.00</u>	<u>\$ (0.00)</u>	<u>\$ 0.00</u>	<u>\$ (0.00)</u>
Weighted average number of common shares outstanding		<u>41,699,202</u>	<u>40,199,202</u>	<u>41,699,202</u>	<u>40,199,202</u>

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

**EGR EXPLORATION LTD.****CONDENSED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**

(Expressed in Canadian Dollars)

		<b>Share capital</b>				<b>Total</b>
	<b>Note</b>	<b>Number of</b>	<b>Amount</b>	<b>Reserves</b>	<b>Deficit</b>	<b>shareholders'</b>
		<b>shares</b>				<b>equity</b>
<b>Balance as at March 31, 2024 (Audited)</b>		40,199,202	\$ 17,523,017	\$ 5,152,038	\$ (22,025,979)	\$ 649,076
Net loss and comprehensive loss		-	-	-	(132,212)	(132,212)
<b>Balance as at September 30, 2024 (Unaudited)</b>		40,199,202	17,523,017	5,152,038	(22,158,191)	516,864
Share issuance costs	11	-	(8,000)	-	-	(8,000)
Conversion of note payable	9,10(b)	1,500,000	150,000	-	-	150,000
Net loss and comprehensive loss		-	-	-	(142,292)	(142,292)
<b>Balance as at March 31, 2025 (Audited)</b>		41,699,202	17,665,017	5,152,038	(22,300,483)	516,572
Net income and comprehensive income		-	-	-	92,829	92,829
<b>Balance as at September 30, 2025 (Unaudited)</b>		<b>41,699,202</b>	<b>\$ 17,665,017</b>	<b>\$ 5,152,038</b>	<b>\$ (22,207,654)</b>	<b>\$ 609,401</b>

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

**EGR EXPLORATION LTD.**  
**CONDENSED INTERIM STATEMENTS OF CASH FLOWS**  
(Expressed in Canadian Dollars; Unaudited)

	<b>For the</b>	
	<b>six months ended September 30,</b>	
	<b>2025</b>	<b>2024</b>
<b>Cash provided by (used for):</b>		
<b>Operating activities</b>		
Net income (loss)	\$ 92,829	\$ (132,212)
Items not involving cash:		
Accretion expense	-	19,283
Depreciation	148	197
Proceeds received in excess of exploration and evaluation asset costs	-	(45,000)
Gain on re-valuation of marketable securities	(90,000)	-
Gain on sale of marketable securities	(23,540)	-
Gain on re-valuation of derivative liability	-	(28,500)
Write-off of accounts payable	-	(21,628)
Changes in non-cash working capital items:		
Amount receivable	(911)	(11,067)
Prepaid expenses and deposit	4,488	11,727
Accounts payable and accrued liabilities	(70,248)	29,179
Due to related parties	32,589	-
Cash used in operating activities	<u>(54,645)</u>	<u>(178,021)</u>
<b>Investing activities</b>		
Proceeds from the sale of marketable securities	32,540	-
Cash provided by investing activities	<u>32,540</u>	<u>-</u>
<b>Change in cash during the period</b>	(22,105)	(178,021)
<b>Cash - beginning of the period</b>	<u>35,174</u>	<u>245,647</u>
<b>Cash - end of the period</b>	<u>\$ 13,069</u>	<u>\$ 67,626</u>

See note 5 supplemental cash flow information.

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

**EGR EXPLORATION LTD.**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED SEPTEMBER 30, 2025**  
**(Expressed in Canadian Dollars; Unaudited)**

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**1. NATURE OF OPERATIONS AND CONTINUANCE OF OPERATIONS**

EGR Exploration Ltd. (the “Company” or “EGR”) was incorporated on March 2, 2006 and is domiciled in Canada under the Business Corporations Act (British Columbia). Its registered office and records office is Suite 2300 – 550 Burrard Street, Vancouver, BC, V6C 2B5.

The Company’s principal business activity is the acquisition and exploration of mineral properties. The Company is listed on the TSX Venture Exchange (the “Exchange”) under the symbol “EGR”.

These condensed interim 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 of September 30, 2025, the Company has not achieved profitable operations, has accumulated losses of \$22,207,654 since inception and expects to incur further losses in the development of its business. The above material uncertainties cast significant doubt about the Company’s ability to continue as a going concern. The Company’s continuation as a going concern is dependent upon successful results from its exploration and evaluation activities, its ability to attain profitable operations to generate funds and/or its ability to raise equity capital or borrowings sufficient to meet its current and future obligations. Although the Company has been successful in the past in raising funds to continue operations, there is no assurance it will be able to do so in the future.

A summary of the Company’s working capital and its accumulated deficit is as follows:

	September 30, 2025	March 31, 2025
Deficit	\$ (22,207,654)	\$ (22,300,483)
Working capital deficiency	\$ (6,771)	\$ (99,748)

## **2. BASIS OF PREPARATION**

### **(a) Statement of compliance**

These financial statements have been prepared in accordance with IFRS Accounting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). The financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at 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.

The preparation of the condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, profit and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods.

## **3. SIGNIFICANT ACCOUNTING POLICIES**

The preparation of financial data is based on accounting principles and practices consistent with those used in the preparation of the Company’s most recent annual financial statements for the year ended March 31, 2025.

These unaudited condensed interim financial statements do not include all note disclosures required by IFRS for annual financial statements and, therefore, should be read in conjunction with the annual financial statements for the year ended March 31, 2025. In the opinion of management, all adjustments considered necessary for a fair presentation of the Company’s financial position, results of operations and cash flows have been included. Operating results for the six-month period ended September 30, 2025, are not necessarily indicative of the results that may be expected for the current fiscal year ending March 31, 2026.

**4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS**

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognized prospectively by including it in a comprehensive loss in the year of the change, if the change affects that year only or in the year of the change and future years if the change affects both.

Critical judgments in applying accounting policies

Information about critical judgments in applying accounting policies that have the most significant risk of causing a material adjustment to the carrying amounts of assets and liabilities recognized in the condensed interim financial statements within the next financial year is discussed below:

Exploration and Evaluation Asset and Impairment

The application of the Company’s accounting policy for the exploration and evaluation of assets and impairment of the capitalized expenditures requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after an item of expenditure is capitalized, information becomes available suggesting that the recovery of the expenditure is unlikely, the amount capitalized is written off in profit or loss in the year the new information becomes available.

Going Concern

The assessment of the Company’s ability to continue as a going concern requires significant judgement. See Note 1.

Title to Mineral Property Interests

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.

Significant estimates

The Company estimates the fair value of convertible note - derivative liability using the Black-Scholes valuation model, which requires assumptions regarding expected volatility, estimated life, conversion price and risk-free rates. A gain or loss on the change of fair value of the derivative liability that is subsequently measured at each reporting date using the Black-Scholes valuation model is recognized in profit or loss in the period in which it arises.

**5. SUPPLEMENTAL CASH FLOW INFORMATION**

The Company incurred non-cash financing activities for the six months ended September 30, 2025 and 2024 as follows:

	<b>For the</b>	
	<b>six months ended September 30,</b>	
	<b>2025</b>	<b>2024</b>
Shares received from sale of exploration and evaluation assets	\$ -	\$ 45,000

**EGR EXPLORATION LTD.**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED SEPTEMBER 30, 2025**  
(Expressed in Canadian Dollars; Unaudited)

**6. SEGMENTED INFORMATION**

The Company currently operates in one industry segment, being mineral exploration and in one geographic area, namely Canada.

**7. MARKETABLE SECURITIES**

On June 20, 2024, the Company received 1,000,000 shares of Harvest Gold Corp. (“Harvest Gold”) valued at \$45,000, and on December 13, 2024, the Company received 500,000 shares of Harvest Gold valued at \$17,500, for a total of \$62,500 pursuant to an option agreement entered into on December 19, 2023 for the Urban Barry Property (Note 8(b)). In July 2025, the Company sold 300,000 Harvest Gold shares for proceeds of \$32,540. The shares are measured and presented at fair value using the observable market share price as at the dates of the statements of financial position. The gain or loss as a result of the re-measurement is recorded in profit and loss. As at September 30, 2025, there was an unrealized gain of \$90,000 as a result of the re-measurement at the market share price.

<b>September 30, 2025</b>	<b>Number of Shares</b>	<b>Trading Price</b>	<b>Fair Value</b>
Harvest Gold	1,200,000	\$ 0.105	\$ 126,000

<b>September 30, 2025</b>			
Net changes in fair value on marketable securities through profit or loss:			
Balance as at March 31, 2025		\$ 45,000	
Proceeds from the sale of marketable securities		(32,540)	
Gain on sale of marketable securities		23,540	
Change in fair value		90,000	
Balance as at September 30, 2025		126,000	

As at March 31, 2025, there was an unrealized loss of \$17,500 as a result of the re-measurement at the market share price.

<b>March 31, 2025</b>	<b>Number of Shares</b>	<b>Trading Price</b>	<b>Fair Value</b>
Harvest Gold	1,500,000	\$ 0.030	\$ 45,000

<b>March 31, 2025</b>			
Net changes in fair value on marketable securities through profit or loss:			
Balance as at March 31, 2024 and 2023		\$ -	
Shares received		62,500	
Change in fair value		(17,500)	
Balance as at March 31, 2025		\$ 45,000	

**EGR EXPLORATION LTD.**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED SEPTEMBER 30, 2025**  
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**8. EXPLORATION AND EVALUATION ASSETS AND MINERAL EXPLORATION EXPENSES**

The following tables summarize the Company's exploration and evaluation assets as at September 30, 2025 and March 31, 2025.

<b>Exploration and evaluation assets</b>	<b>Detour West</b>	<b>Urban Barry</b>	<b>Total</b>
<b>As of March 31, 2024</b>	\$ 615,060	\$ -	\$ 615,060
Shares - option payment received	-	(62,500)	(62,500)
Cash - option payment received	-	(35,000)	(35,000)
Proceeds received in excess of exploration and evaluation asset costs – recognized as income	-	97,500	97,500
<b>As of March 31, 2025 and September 30, 2025</b>	\$ 615,060	\$ -	\$ 615,060

The following tables summarize the Company's exploration expenditures for the six months ended September 30, 2025 and 2024.

<b>Mineral exploration expenses for the period ended September 30, 2025</b>	<b>Detour West</b>	<b>Urban Barry</b>	<b>Total</b>
Consulting	\$ 500	\$ -	\$ 500
	\$ 500	\$ -	\$ 500

<b>Mineral exploration expenses for the period ended September 30, 2024</b>	<b>Detour West</b>	<b>Urban Barry</b>	<b>Total</b>
Consulting	\$ 60,400	\$ -	\$ 60,400
Geological	250	750	1,000
Project supervision	-	38	38
	\$ 60,650	\$ 788	\$ 61,438

**EGR EXPLORATION LTD.**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED SEPTEMBER 30, 2025**  
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**8. EXPLORATION AND EVALUATION ASSETS AND MINERAL EXPLORATION EXPENSES** *(Continued)*

**(a) Detour West, Ontario**

On July 27, 2020, the Company entered into a property option agreement with Altus Capital Partners and Luke Schuss (the “Optionors”) to acquire 100% interest in 912 mineral titles located in Ontario, Canada, also known as Detour West property. As consideration, the Company was to make cash payments of \$40,000 and issue 2,000,000 common shares of the Company from the date of the Exchange’s acceptance (September 10, 2020) as follows:

	Cash	Shares
September 10, 2020	\$ 40,000 (paid)	666,666 (issued)
September 10, 2021	-	666,667 (issued)
September 10, 2022	-	666,667 (issued)
	\$ 40,000	2,000,000

Upon exercise of the Option, the Company will pay to the Optionors a royalty of 2.5% Net Smelter Royalty (“NSR”). The Company shall have the right, to purchase 1.0% of the NSR from the Optionors in consideration of \$500,000.

On July 21, 2022, the Company issued 666,667 common shares valued at \$50,000 and completed the Option to acquire the 100% interest in Detour West.

On February 22, 2023, the Company entered into a property purchase agreement with Luke Schuss (the “Vendor”) to acquire 100% interest in an additional 50 claims located within the Detour West property. As consideration, the Company made cash payments of \$2,450 and granted a 1.25% NSR under the terms of a Royalty Agreement. The Royalty Agreement also contains a provision that allows for a reduction of the Royalty Interest to 0.75% by making a payment of \$250,000 to the Vendor at any time before the property reaches commercial production. During the year ended March 31, 2024, the Company recorded staking cost of \$760.

**(b) Urban Barry, Quebec**

The Company holds certain claims in the Urban Barry Property in Quebec, Canada. During the year ended March 31, 2024, the Company recorded staking costs of \$12,613.

On December 19, 2023, the Company entered into an option agreement (the “Option Agreement”) with Harvest Gold (the “Optionee”) for the Optionee to earn a 100% interest in the Urban Barry Property. As consideration, the Optionee will make cash payments of \$90,000 and issue up to 2,750,000 common shares of the Optionee to the Company, and incur \$300,000 exploration expenditures from the date of the Exchange’s acceptance (February 28, 2024) as follows:

**EGR EXPLORATION LTD.**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
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(Expressed in Canadian Dollars; Unaudited)

**8. EXPLORATION AND EVALUATION ASSETS AND MINERAL EXPLORATION EXPENSES** *(Continued)*

**(b) Urban Barry, Quebec** *(Continued)*

	Cash	Shares	Exploration expenditures
Upon signing of the Option Agreement and the Exchange's approval	\$ 15,000 (received)	-	\$ -
Upon updated claims status with Ministère des ressources naturelles et des forêts	-	1,000,000 (received)	-
July 2, 2024 **	30,000 (received)	-	-
December 15, 2024	-	500,000 (received)	-
February 28, 2025	-	-	100,000 (incurred)
July 2, 2025 *	45,000 (received)	-	-
December 15, 2025	-	250,000	-
February 28, 2026	-	-	200,000
If there is an NI 43-101 inferred resource estimate of 1,000,000 oz AuEq or greater	-	1,000,000	-
	<u>\$ 90,000</u>	<u>2,750,000</u>	<u>\$ 300,000</u>

\* On June 26, 2025, the Company and the Optionee agreed to extend the timing for this payment by paying late fees in cash.

\*\* On July 22, 2024, the Company and the Optionee agreed to extend the timing for this payment by paying late fees in cash.

Upon exercise of the Option, the Company will retain a 2.0% NSR on the Urban Barry Property. The Optionee shall have the right, to purchase 1.0% of the NSR from the Company in consideration of \$1,000,000.

The Optionee will expend \$100,000 on the property within one year of the date of the Exchange's approval and an additional \$200,000 on or before the second anniversary of the Exchange's approval of the Option Agreement. The Optionee is to complete two years of work commitments prior to returning any claims.

During the year ended March 31, 2024, the Company received the first cash payment of \$15,000 and recognized the proceeds received in excess of the staking costs of \$2,387 as other income. During the year ended March 31, 2025, the Company received 1,500,000 common shares of the Optionee with a fair value of \$62,500 (Note 7) and recognized the proceeds received as other income. The Company also received \$30,000 option payment plus \$5,000 late fee from the Optionee, and recognized the proceeds received as other income. Harvest Gold also met its exploration spending of \$100,000. On August 7, 2025 the Company received \$45,000 option payment plus \$1,000 late fee from the Optionee.

## **9. CONVERTIBLE NOTE AND SETTLEMENT OF ACCOUNTS PAYABLE**

On October 25, 2022, the Company, Pioneer and 101252103 Saskatchewan Ltd. entered into a debt settlement agreement where the Company will make the following payments to settle in full the debt to Pioneer and 101252103 Saskatchewan Ltd.:

- a) Cash payments in the aggregate amount of \$100,000 as follows (paid):
  - i. The greater of \$50,000 and such amount equal to 10% of the gross proceeds received by the Company from a 2022 fall private placement over \$500,000 up to \$1,000,000, up to a maximum of \$100,000; and
  - ii. The balance, if any, which is the difference between \$100,000 and the amount paid per above, shall be paid out of proceeds to be received by the Company from any equity or debt financing by the Company subsequent to the 2022 fall private placement.In December 2022, the Company paid the aggregate amount of \$100,000 to Pioneer.
  
- b) The issuance by the Company to Pioneer of an unsecured convertible note of \$150,000 (the "Convertible Note"), with a term of two years, convertible at:
  - i. \$0.18 per share in year one; or
  - ii. The greater of market price and \$0.10 per share in year two.

The convertible note does not bear any interest and is convertible by Pioneer any time, and can be forced to convert by the Company any time after one year from the issuance of the convertible note.

On November 22, 2022, the Company issued the Convertible Note. The Convertible Note was bifurcated into an embedded derivative representing the conversion option and a host liability. The derivative liability of this Convertible Note was valued at \$63,000, determined using the Black-Scholes Option Pricing Model assuming an expected life of 2 years, expected dividend yield of 0%, a risk-free interest rate of 3.93% and an expected volatility of 163.44%. The residual amount of \$87,000, subtracting the issuance transaction cost of \$4,000 allocated by proration, resulted in \$83,000 recognized as host liability of the Convertible Note, and will be amortized using the effective annual interest rate of 34.48%. The issuance transaction cost of \$2,997 related to the derivative liability by proration was expensed. During the six months ended September 30, 2024, the Company incurred \$19,283 accretion expense in connection with the amortization of the host liability of this Convertible Note, resulting in Note payable – host liability of \$150,000 immediately prior to the conversion of the Note. The Note was converted on November 22, 2024.

During the six months ended September 30, 2024, the Company recorded a gain on re-valuation of derivative liability of \$28,500.

On November 22, 2024, the Company issued 1,500,000 shares in the conversion of the Convertible Note. The shares were recorded at the sum of the carrying amount of the host liability (\$150,000) and the carrying amount of the derivative liability (\$Nil) immediately before the conversion.

- c) The issuance of the Company's common shares with a deemed value of \$50,000 at a deemed price per share as may be allowed under the Exchange policies. The Company may, at its option and at any time prior to December 1, 2022, elect to pay Pioneer \$50,000 in cash instead.

The Company elected to pay Pioneer \$50,000 in cash in December 2022.

**EGR EXPLORATION LTD.**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED SEPTEMBER 30, 2025**  
(Expressed in Canadian Dollars; Unaudited)

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**10. SHARE CAPITAL**

(a) Authorized:

As of September 30, 2025, the authorized share capital was comprised of an unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.

(b) Share issuances:

During the six months ended September 30, 2025:

No common shares were issued during the six months ended September 30, 2025.

During the year ended March 31, 2025:

On November 22, 2024, the Company issued 1,500,000 shares in a conversion of the Convertible Note (Note 9(b)).

(c) Stock options:

The Company has established a stock option plan for directors, employees and consultants, which is administered by the board of directors with full and final authority regarding granting all options. The exercise prices shall be determined by the board, but shall, in no event, be less than the closing market price of the Company's shares on the grant date, less the maximum discount permitted under the Exchange's policies. The number of common shares issuable under the plan may not exceed 10% of the issued and outstanding common shares. In addition, the number of common shares which may be reserved for issuance to any one individual may not exceed 5% of the issued common shares on a yearly basis. Options may be exercisable for a maximum of ten years from the date of grant.

Stock option transactions and the number of stock options for the six months ended September 30, 2025 are summarized as follows:

<b>Expiry date</b>	<b>Exercise price</b>	<b>March 31, 2025</b>	<b>Granted</b>	<b>Exercised</b>	<b>Expired / Cancelled</b>	<b>September 30, 2025</b>		
September 17, 2025	\$ 0.450	150,000	-	-	(150,000)	-		
January 4, 2028	\$ 0.075	1,575,000	-	-	-	1,575,000		
March 27, 2028	\$ 0.110	175,000	-	-	-	175,000		
September 27, 2028	\$ 0.060	1,185,000	-	-	-	1,185,000		
Options outstanding		3,085,000	-	-	(150,000)	2,935,000		
Options exercisable		3,085,000	-	-	(150,000)	2,935,000		
Weighted average exercise price	\$	0.09	\$	-	\$	0.45	\$	0.07

As at September 30, 2025, the weighted average contractual remaining life of options is 2.57 years (March 31, 2025 – 2.95 years).

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**10.SHARE CAPITAL** (Continued)

(c) Stock options (Continued):

Stock option transactions and the number of stock options for the year ended March 31, 2025 are summarized as follows:

Expiry date	Exercise price	March 31, 2024	Granted	Exercised	Expired / Cancelled	March 31, 2025		
September 17, 2025	\$ 0.450	150,000	-	-	-	150,000		
January 4, 2028 (a)	\$ 0.075	1,800,000	-	-	(225,000)	1,575,000		
March 27, 2028	\$ 0.110	175,000	-	-	-	175,000		
September 27, 2028 (a)	\$ 0.060	1,310,000	-	-	(125,000)	1,185,000		
Options outstanding		3,435,000	-	-	(350,000)	3,085,000		
Options exercisable		3,435,000	-	-	(350,000)	3,085,000		
Weighted average exercise price	\$	0.09	\$	-	\$	0.07	\$	0.09

(a) With the resignation of a former director, the options with original expiration dates of January 4, 2028, and September 27, 2028, expired on December 9, 2024, 90 days after the resignation.

(d) Warrants:

The continuity of warrants for the six months ended September 30, 2025 is as follows:

Expiry date	Exercise price	March 31, 2025	Issued	Exercised	Expired	September 30, 2025		
December 14, 2025	\$ 0.12	15,875,000	-	-	-	15,875,000		
May 15, 2026	\$ 0.22	4,123,376	-	-	-	4,123,376		
Warrants outstanding		19,998,376	-	-	-	19,998,376		
Weighted average exercise price	\$	0.14	\$	-	\$	-	\$	0.14

As at September 30, 2025, the weighted average contractual remaining life of warrants is 0.29 years (March 31, 2025 – 0.79 years).

The continuity of warrants for the year ended March 31, 2025 is as follows:

Expiry date	Exercise price	March 31, 2024	Issued	Exercised	Expired	March 31, 2025		
April 15, 2024 (a)	\$ 0.69	1,777,778	-	-	(1,777,778)	-		
December 14, 2025	\$ 0.12	15,875,000	-	-	-	15,875,000		
May 15, 2026	\$ 0.22	4,123,376	-	-	-	4,123,376		
Warrants outstanding		21,776,154	-	-	(1,777,778)	19,998,376		
Weighted average exercise price	\$	0.19	\$	-	\$	0.69	\$	0.14

(a) On April 12, 2023, the Exchange approved the extension of the 1,777,778 share purchase warrants with an original expiry date of April 15, 2023, to be extended for one year with a new expiration date of April 15, 2024. The exercise price of \$0.69 and all the other terms and conditions of the warrants remained unchanged. These warrants expired on April 15, 2024.

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**10.SHARE CAPITAL** (Continued)

(e) Agent's warrants:

The continuity of agent's warrants for the year ended March 31, 2025 is as follows:

Expiry date	Exercise price	March 31, 2024	Issued	Exercised	Expired	March 31, 2025
May 15, 2024	\$ 0.11	129,900	-	-	(129,900)	-
Agent's warrants outstanding		129,900	-	-	(129,900)	-
Weighted average exercise price	\$ 0.11	\$ -	\$ -	\$ -	\$ -	\$ -

**11. RELATED PARTY TRANSACTIONS AND BALANCES**

The following expenses were incurred with key management personnel of the Company and companies controlled by key management personnel. Key management personnel are persons responsible for planning, directing and controlling the activities of an entity and include certain directors and officers. Key management compensation comprises of:

For the six months ended September 30, 2025:

	Service for	Key management compensation	TOTAL
Daniel Rodriguez <sup>(1)</sup> CEO	Management fees	\$ 30,000	\$ 30,000
Mark T. Brown <sup>(2)</sup> CFO	Professional fees, financing fees	\$ 31,450	\$ 31,450

For the six months ended September 30, 2024:

	Service for	Key management compensation	TOTAL
Daniel Rodriguez <sup>(1)</sup> CEO	Management fees	\$ 60,000	\$ 60,000
Mark T. Brown <sup>(2)</sup> CFO	Professional fees	\$ 35,000	\$ 35,000

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**11. RELATED PARTY TRANSACTIONS AND BALANCES** *(Continued)*

Related party balances:

	Services for:		As at September 30, 2025	As at March 31, 2025
Daniel Rodriguez <sup>(1)</sup>	Management Fees	\$	60,750	\$ 47,250
Daniel Rodriguez <sup>(1)</sup>	Expenses reimbursement		1,515	3,169
Pacific Opportunity Capital Ltd. <sup>(2)</sup>	Accounting/ Financing		57,803	35,280
Mark T. Brown <sup>(2)</sup>	Expenses reimbursement		25	1,804
<b>Total</b>		<b>\$</b>	<b>120,092</b>	<b>\$ 87,503</b>

Amounts owing are unsecured, non-interest bearing and have no specific terms of repayment.

- (1) Daniel Rodriguez was appointed as the Chief Executive Officer, effective June 1, 2022. The Company signed an executive management agreement with Mr. Rodriguez where the Company must pay Mr. Rodriguez one-year's management fee of \$120,000 if the Company is substantially sold or has a change of control (more than 50% change in ownership of the Company or a sudden change in the board of directors such that 50% of the board is changed at one meeting).
- (2) Mark T. Brown was appointed as the Chief Financial Officer, effective June 1, 2022. Mr. Brown's accounting and financing fees were incurred with Pacific Opportunity Ltd., a private company controlled by Mr. Brown.

All related party transactions are in the normal course of operations and have been measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

**12. CAPITAL RESOURCES**

The Company's objectives when managing capital are to identify, pursue and complete the exploration and development of resource properties, to maintain financial strength, to protect its ability to meet its ongoing liabilities, to continue as a going concern, to maintain creditworthiness and to maximize returns for shareholders over the long term. The Company does not have any externally imposed capital requirements to which it is subject. The capital of the Company comprises cash and shareholders' equity.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares.

The Company's investment policy is to invest its cash in financial instruments in high credit quality financial institutions with terms to maturity selected with regards to the expected timing of expenditures from continuing operations.

There were no changes to the Company's approach to capital management during the period.

### **13. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT**

The Company is exposed through its operations to the following financial risks:

- Liquidity risk
- Market risk
- Credit risk

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.

There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous years unless otherwise stated in the note.

#### **Liquidity Risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure and financial leverage, as outlined in the note.

The Company monitors its ability to meet its short-term administrative expenditures by matching investment income received to expenditures to be incurred and by disposing of its investments when required. All of the Company's financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms.

As at September 30, 2025, the Company had a cash balance of \$13,069 and an amount receivable of \$8,325 to settle accounts payable and accrued liabilities of \$38,043.

The Company's management team will continue to monitor the cash and will rely on equity financings to meet its capital requirements.

#### **Market Risk**

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, investment fluctuations, and commodity and equity prices. The Company's ability to raise capital to fund mineral resource exploration is subject to risks associated with fluctuations in mineral resource prices. Management closely monitors commodity prices, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

#### **Interest rate Risk**

The Company is not exposed to significant interest rate risk.

#### **Price Risk**

The Company is exposed 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 closely monitors commodity prices of gold and other precious and base metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

### **13. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Continued)**

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**Credit Risk**

Financial instruments that potentially expose the Company to credit risk is cash. To minimize the credit risk on cash, the Company places the instrument with a high-credit quality financial institution. The maximum exposure to loss arising from these advances is equal to their total carrying amounts.

**Fair Values**

The Company's financial instruments include cash, marketable securities, accounts payable and accrued liabilities, due to related parties, and note payable. The carrying amounts of the financial liabilities are reasonable estimates of their fair values because of their current nature. It is impractical to determine the fair value of these financial instruments with sufficient reliability due to the nature of these financial instruments, the absence of a secondary market and the significant cost of obtaining external appraisals.

**Fair Value Hierarchy**

The Company classifies its fair value measurements in accordance with the three-level fair value hierarchy as follows:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Cash and marketable securities are measured at Level 1.

The following table sets forth the Company's financial assets measured at fair value by level within the fair value hierarchy as follows:

September 30, 2025	Level 1	Level 2	Level 3	Total
Cash	\$ 13,069	\$ -	\$ -	\$ 13,069
Marketable securities	\$ 126,000	\$ -	\$ -	\$ 126,000

  

March 31, 2025	Level 1	Level 2	Level 3	Total
Cash	\$ 35,174	\$ -	\$ -	\$ 35,174
Marketable securities	\$ 45,000	\$ -	\$ -	\$ 45,000