

DISCOVERY HARBOUR RESOURCES CORP.

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED SEPTEMBER 30, 2025 AND 2024

(Expressed in Canadian Dollars)

Independent Auditor's Report

To the Shareholders of Discovery Harbour Resources Corp.

Opinion

We have audited the consolidated financial statements of Discovery Harbour Resources Corp. and its subsidiaries (the "Company"), which comprise the consolidated statements of financial position as at September 30, 2025, and the consolidated statements of loss and comprehensive loss, consolidated statements of changes in equity and consolidated statements of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at September 30, 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other matter

The consolidated financial statements of the Company for the year ended September 30, 2024, were audited by another auditor who expressed an unmodified opinion on those statements on January 28, 2025.

Material uncertainty related to going concern

We draw attention to Note 1 in the consolidated financial statements, which indicates that the Company accumulated losses since inception. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that material uncertainties exist that cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Except for the matter described in the Material uncertainty related to going concern section, we have determined that there were no additional key audit matters to communicate in our report.

Other information

Management is responsible for the other information. The other information comprises Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of

assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risks of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Company as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner of the audit resulting in this independent auditor's report is Nicole Louli.

McGovern Hurley LLP



**Chartered Professional Accountants
Licensed Public Accountants**

Toronto, Ontario
January 27, 2026

DISCOVERY HARBOUR RESOURCES CORP.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)

	Note	September 30, 2025 \$	September 30, 2024 \$
Assets			
Current assets			
Cash		9,118	101,204
Amounts receivable		5,464	9,637
Prepays		1,419	-
Total current assets		16,001	110,841
Non-current assets			
Investment	5	772,200	356,400
Total assets		788,201	467,241
Liabilities			
Current liabilities			
Trade and other payables	10	159,849	76,317
Total liabilities		159,849	76,317
Equity			
Share capital	8	22,379,913	22,379,913
Contributed surplus	8, 9	2,617,134	2,582,634
Accumulated deficit		(24,368,695)	(24,571,623)
Total equity		628,352	390,924
Total liabilities and equity		788,201	467,241

Nature of operations and going concern (Note 1)
Subsequent event (Note 15)

These consolidated financial statements were approved and authorized for issue by the Board of Directors:

 /s/“Darren Collins” Director /s/“Jeremy Woodgate” Director

The accompanying notes form an integral part of these consolidated financial statements.

DISCOVERY HARBOUR RESOURCES CORP.
CONSOLIDATED STATEMENTS OF INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)
FOR THE YEARS ENDED SEPTEMBER 30, 2025 AND 2024
(Expressed in Canadian Dollars)

	Note	2025 \$	2024 \$
Expenses			
Accounting and audit fees		42,135	60,075
Consulting	10	62,580	120,000
Insurance		8,500	8,500
Investor communications		2,011	3,844
Legal		20,228	39,725
Office and administration		21,591	11,597
Salaries and benefits	10	-	19,000
Share-based compensation	9, 10	34,500	79,070
Transfer agent and filing fees		21,343	17,479
Total expenses		(212,888)	(359,290)
Foreign exchange		16	(8)
Fair valuation gain on investment	5	415,800	59,400
Gain on settlement of debt	7	-	45,000
		415,816	104,392
Net income (loss) and comprehensive income (loss) for the year		202,928	(254,898)
Income (loss) per common share, basic and diluted		0.01	(0.02)
Weighted average number of common shares outstanding, basic and diluted		14,150,962	12,255,894

The accompanying notes form an integral part of these consolidated financial statements.

DISCOVERY HARBOUR RESOURCES CORP.**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY****FOR THE YEARS ENDED SEPTEMBER 30, 2025 AND 2024****(Expressed in Canadian Dollars)**

	Number of Shares	Share Capital \$	Contributed Surplus \$	Accumulated Deficit \$	Total \$
Balance at September 30, 2023	9,450,929	22,156,822	2,503,564	(24,316,725)	343,661
Private placement	4,700,000	235,000	-	-	235,000
Share issue costs	-	(11,909)	-	-	(11,909)
Share-based compensation	-	-	79,070	-	79,070
Net loss for the year	-	-	-	(254,898)	(254,898)
Balance at September 30, 2024	14,150,929	22,379,913	2,582,634	(24,571,623)	390,924
Share-based compensation	-	-	34,500	-	34,500
Net income for the year	-	-	-	202,928	202,928
Balance at September 30, 2025	14,150,929	22,379,913	2,617,134	(24,368,695)	628,352

The accompanying notes form an integral part of these consolidated financial statements.

DISCOVERY HARBOUR RESOURCES CORP.

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED SEPTEMBER 30, 2025 AND 2024

(Expressed in Canadian Dollars)

	2025	2024
	\$	\$
Operating activities		
Net income (loss) for the year	202,928	(254,898)
Items not involving cash:		
Gain on settlement of debt	-	(45,000)
Share-based compensation	34,500	79,070
Fair valuation gain on investment	(415,800)	(59,400)
Changes in non-cash working capital accounts:		
Amounts receivable	4,173	(3,264)
Prepaid expenses	(1,419)	940
Trade and other payables	83,532	101,654
Total cash used in operating activities	(92,086)	(180,898)
Financing activities		
Private placement	-	235,000
Share issue costs	-	(11,909)
Loan repayment	-	(30,000)
Total cash provided by financing activities	-	193,091
Total change in cash	(92,086)	12,193
Cash, beginning	101,204	89,011
Cash, end	9,118	101,204

The accompanying notes form an integral part of these consolidated financial statements.

DISCOVERY HARBOUR RESOURCES CORP.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED SEPTEMBER 30, 2025 AND 2024

(Expressed in Canadian Dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Discovery Harbour Resources Corp. (the “Company”) was incorporated under the Business Corporations Act of British Columbia on March 11, 2009. The Company completed a reverse takeover transaction with CVC Cayman Ventures Corp. on April 2, 2013. The Company is listed on the TSX Venture Exchange as a Tier 2 Venture Issuer having the symbol DHR-V.

The address of the Company’s corporate office and principal place of business is 1188-1095 West Pender St., Vancouver, British Columbia, Canada.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The recoverability of the amounts expended on exploration and evaluation assets and the Company's continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, or, if necessary, or alternatively upon the Company's ability to dispose of its interests on an advantageous basis.

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

The Company has not generated revenue from operations since inception. The Company has accumulated losses of \$24,368,595 since inception and expects to incur further losses in the development of its business. The Company also has a working capital deficiency of \$143,848 at September 30, 2025, which reflects the need for additional capital. These matters represent material uncertainties that cast significant doubt about the Company’s ability to continue as a going concern. The Company’s ability to continue as a going concern is dependent upon its ability to raise financing and generate future profitable operations. As the Company is in the exploration stage, the recoverability of costs incurred to date on exploration properties is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its properties, future profitable production or proceeds from the disposition of the properties and the ability of the Company to acquire or invest in suitable projects and the attainment of profitable operations. The Company will periodically have to raise funds to continue operations, and although it has been successful in doing so in the past, there is no assurance it will be able to do so in the future.

These consolidated financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these consolidated financial statements. Such adjustments could be material.

DISCOVERY HARBOUR RESOURCES CORP.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED SEPTEMBER 30, 2025 AND 2024

(Expressed in Canadian Dollars)

2. BASIS OF PREPARATION

Statement of Compliance to International Financial Reporting Standards

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). The accounting policies set out below have been applied consistently to all periods presented in these financial statements unless otherwise noted below.

The consolidated financial statements were authorized for issue by the Board of Directors on January 27, 2026.

Basis of Measurement

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair value.

The consolidated financial statements are presented in Canadian dollars, which is also the Company's functional currency.

Basis of Consolidation

The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries, 0845837 B.C. Ltd. (active) and Discovery Harbour (USA) LLC (dormant). Inter-company balances and transactions are eliminated on consolidation.

3. MATERIAL ACCOUNTING POLICY INFORMATION

a) Mineral Exploration and Evaluation Assets

All costs related to the acquisition, exploration and development of resource properties are capitalized and classified as intangible assets. Upon commencement of commercial production, the related accumulated costs are amortized to income using the unit of production method over estimated recoverable ore reserves. Management periodically assesses carrying values of non-producing properties and if management determines that the carrying values cannot be recovered or the carrying values are related to properties that have lapsed, the unrecoverable amounts are expensed.

The recoverability of the carried amounts of exploration and evaluation assets is dependent on the existence of economically recoverable ore reserves and the ability to obtain the necessary financing to complete the development of such ore reserves and the success of future operations. The Company has not yet determined whether any of its mineral properties contains economically recoverable reserves. Amounts capitalized as exploration and evaluation assets represent costs incurred to date, less write-downs and recoveries, and do not necessarily reflect present or future values.

When options are granted on resource properties or properties are sold, proceeds are reflected as a reduction of the cost of the property. If sale proceeds exceed costs, the excess is reported as a gain in the consolidated statement of loss.

DISCOVERY HARBOUR RESOURCES CORP.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED SEPTEMBER 30, 2025 AND 2024

(Expressed in Canadian Dollars)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

b) Impairment of Non-Financial Assets

Impairment of exploration and evaluation assets is generally considered to have occurred if one of the following factors are present: the rights to explore have expired or are near to expiry with no expectation of renewal; no further substantive expenditures are planned; exploration and evaluation work is discontinued in an area for which commercially viable quantities have not been discovered; or indications in an area with development likely to proceed that the carrying amount is unlikely to be recovered in full by development or by sale.

The recoverable amount is the higher of an asset's fair value less cost to sell or its value in use. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. Value in use is determined using discounted estimated future cash flows of the relevant asset. For the purpose of measuring recoverable amounts, assets are grouped at the lowest levels for which there are separately identifiable cash flows which are cash-generating units.

The Company evaluates impairment losses for potential reversals when events or circumstances warrant such consideration.

c) Financial Instruments

Financial assets – Classification

On initial recognition, a financial asset is classified as measured at: (i) amortized cost; (ii) fair value through other comprehensive income ("FVOCI"); or (iii) fair value through profit and loss ("FVTPL"). Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortized cost if it meets the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within the business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

DISCOVERY HARBOUR RESOURCES CORP.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED SEPTEMBER 30, 2025 AND 2024

(Expressed in Canadian Dollars)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

c) Financial Instruments (CONTINUED)

On initial recognition of an equity investment that is not held-for-trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis. All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost, FVOCI, or FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets – Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. Financial assets are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent measurement of financial assets depends on their classification. There are three measurement categories under which the Company classifies its financial assets:

- **Amortized cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included as finance income using the effective interest method.
- **FVOCI:** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains and losses, interest revenue, and foreign exchange gains and losses which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains (losses). Interest income from these financial assets is included as finance income using the effective interest method.
- **FVTPL:** Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on an investment that is subsequently measured at FVTPL is recognized in profit or loss and presented net as other income in the Statement of Comprehensive Income (Loss) in the period in which it arises.

DISCOVERY HARBOUR RESOURCES CORP.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED SEPTEMBER 30, 2025 AND 2024

(Expressed in Canadian Dollars)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

c) Financial Instruments (CONTINUED)

Financial liabilities

The Company classifies its financial liabilities at (i) FVTPL; or (ii) amortized cost.

A financial liability is classified as at FVTPL if it is classified as held-for-trading or is designated as such on initial recognition. Directly attributable transaction costs are recognized in profit or loss as incurred. The fair value change to financial liabilities at FVTPL is presented as follows:

- the amount of change in the fair value that is attributable to changes in the credit risk of the liability is presented in OCI; and
- the remaining amount of the change in the fair value is presented in profit or loss.

Other non-derivative financial liabilities are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortized cost using the effective interest method.

A financial liability is derecognized when the contractual obligation under the liability is discharged, cancelled or expires or its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

The following table summarizes the classification of the Company's financial instruments:

Financial assets	
Cash	Amortized cost
Investment	FVTPL
Financial liabilities	
Trade and other payables	Amortized cost

d) Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. At each financial position reporting date presented the Company has not incurred any decommissioning costs related to the exploration and evaluation of its mineral properties and accordingly no provision has been recorded for such site reclamation or abandonment.

DISCOVERY HARBOUR RESOURCES CORP.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED SEPTEMBER 30, 2025 AND 2024

(Expressed in Canadian Dollars)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

e) Deferred Income Taxes

The Company utilizes the asset and liability method of accounting for income taxes. Under this method, deferred income taxes and liabilities are recognized to reflect the expected deferred tax consequences arising from temporary differences between the carrying value and the tax bases of the deferred tax assets and liabilities and are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled. Deferred income tax assets are recognized to the extent that it is probable the asset will be realized.

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. At the end of each reporting period the Company reassesses unrecognized deferred tax assets. The Company recognizes a previously unrecognized deferred tax asset to the extent it is probable that future taxable profit will allow the deferred tax asset to be recovered.

f) Share Capital

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares, stock options, share purchase warrants and the equity portion of a convertible debenture are classified as equity instruments.

The proceeds from the issue of units are allocated between common shares and share purchase warrants based on the residual value method. The fair value of common shares is based on the market closing price on the date the units are issued. Equity instruments issued to agents as financing costs are measured at their fair value at the date of grant. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

g) Earnings (Loss) Per Share

The Company presents basic and diluted earnings (loss) per share data for its common shares, calculated by dividing the earnings (loss) attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the year. Diluted earnings (loss) per share is determined by adjusting the earnings (loss) attributable to common shareholders and the weighted average number of common shares outstanding for the effects of all dilutive potential common shares. All outstanding warrants and options are anti-dilutive for the years ended September 30, 2025 and 2024.

DISCOVERY HARBOUR RESOURCES CORP.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED SEPTEMBER 30, 2025 AND 2024

(Expressed in Canadian Dollars)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

h) Share-based Payments

The Company operates an incentive stock option plan. Share-based payments to employees are measured at the fair value of the instruments issued and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued. If it is determined that the fair value of the goods or services cannot be reliably measured, it would then be recorded at the date the goods or services were received. The fair value of share-based compensation is charged to the consolidated statement of comprehensive loss with a corresponding credit recorded to contributed surplus. Upon exercise, shares are issued from treasury and the amount reflected in contributed surplus is credited to share capital, adjusted for any consideration paid.

The fair value of options is determined using the Black-Scholes option pricing model. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the statement of comprehensive income (loss) over the remaining vesting period.

Where a grant of options is cancelled or settled during the vesting period, excluding forfeitures when vesting conditions are not satisfied, the Company immediately accounts for the cancellation as an acceleration of vesting and recognizes the amount that otherwise would have been recognized for services received over the remainder of the vesting period. Any payment made to the employee on the cancellation is accounted for as the repurchase of an equity interest except to the extent the payment exceeds the fair value of the equity instrument granted, measured at the repurchase date. Any such excess is recognized as an expense in income (loss).

The Black-Scholes option pricing model requires management to make estimates, which are subjective and may not be representative of actual results. Changes in assumptions can materially affect estimates of fair values.

i) Foreign Currency Translation

The presentation currency and functional currency of the Company and its subsidiaries is the Canadian dollar as this is the principal currency of the economic environment in which they operate. The Company translates transactions in foreign currencies into Canadian dollars at the rates of exchange prevailing at the dates of the transactions. Monetary assets and liabilities are translated at the exchange rates in effect at the consolidated statement of financial position date. Non-monetary assets and liabilities are translated at historical rates. The resulting exchange gains or losses are recognized in income (loss).

DISCOVERY HARBOUR RESOURCES CORP.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED SEPTEMBER 30, 2025 AND 2024

(Expressed in Canadian Dollars)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

j) Accounting pronouncements not yet adopted

IFRS 18 Presentation and Disclosure in Financial Statements, 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 statement of profit or loss, in particular additional defined subtotals, disclosures about management-defined performance measures and new principles for aggregation and disaggregation of information. IFRS 18 is accompanied by limited amendments to the requirements in IAS 7 Statement of Cash Flows. IFRS 18 is effective from January 1, 2027.

Companies are permitted to apply IFRS 18 before that date. Management believes that IFRS 18 will likely have a material impact on the Company's presentation of its consolidated financial statements.

In May 2023, the IASB issued amendments to IFRS 9, Financial Instruments, and IFRS 7, Financial Instruments: Disclosures to clarify the classification and measurement of financial instruments and to enhance disclosures related to credit risk and financial instrument characteristics. The amendments include clarification of the criteria for assessing contractual cash flow characteristics, including features related to environmental, social and governance (ESG)-linked instruments, as well as expanded disclosure requirements under IFRS 7 to improve transparency regarding an entity's exposure to credit risk and the effects of financial instruments on financial position and performance.

The amendments to IFRS 9 and IFRS 7 are effective for annual reporting periods beginning on or after January 1, 2026, with early adoption permitted. Management is currently assessing the impact of these amendments on the Company's consolidated financial statements and does not expect the adoption of the amendments to have a material impact on the recognition or measurement of the Company's financial instruments; however, additional disclosures may be required.

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 income or loss in the period of the change, if the change affects that period only, or in the period of the change and future periods, if the change affects both.

Information about critical estimates and judgements in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the consolidated financial statements are discussed below:

DISCOVERY HARBOUR RESOURCES CORP.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED SEPTEMBER 30, 2025 AND 2024

(Expressed in Canadian Dollars)

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (CONTINUED)

i) Exploration and Evaluation Expenditures

The application of the Company's accounting policy for exploration and evaluation expenditures requires judgment in determining whether 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 expenditure is capitalized, information becomes available suggesting impairment, the amount capitalized is written off in the income or loss in the period the new information becomes available.

ii) 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.

iii) Income Taxes

Significant judgment is required in determining the provision for income taxes and the recognition of deferred income taxes. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Company recognizes liabilities and contingencies for anticipated tax audit issues based on the Company's current understanding of the tax law. For matters where it is probable that an adjustment will be made, the Company records its best estimate of the tax liability including the related interest and penalties in the current tax provision. Management believes that they have adequately provided for the probable outcome of these matters; however, the final outcome may result in a materially different outcome than any amount recognized as current or deferred taxes.

iv) Going Concern

As described in Note 1, management uses its judgement in determining whether the Company is able to continue as a going concern.

v) Share-based Payment Transactions

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

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4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (CONTINUED)

vi) Fair valuation of investment

The determinations of fair value of the Company's investments at other than initial cost are subject to certain limitations. Financial information for privately-held company investments may not be available and, even if available, that information may be limited and/or unreliable. Use of the valuation approach described below may involve uncertainties and determinations based on the Company's judgment and any value estimated from these techniques may not be realized or realizable.

Company-specific information is considered when determining whether the fair value of a privately-held investment should be adjusted upward or downward at the end of each reporting period. The key assumptions used in the valuation of these instruments include (but are not limited to) the value at which a recent financing was done by the investee, company-specific information, trends in general market conditions and the share performance of comparable publicly-traded companies. In addition to company-specific information, the Company will take into account trends in general market conditions when valuing privately-held investments.

5. INVESTMENT

UVAD Technologies Inc. (formerly Stratus Aeronautics Inc.)

The Company's investment in UVAD Technologies Inc.. ("UVAD"), a private company incorporated in Canada, is classified as FVTPL and measured at fair value. The Company acquired 594,000 shares of UVAD on September 22, 2011 pursuant to a transaction to settle a \$330,000 loan agreement with UVAD. The shares held represent approximately 2% of UVAD's issued and outstanding common shares.

During the year ended September 30, 2025, the Company recognized unrealized gain of \$415,800 (2024 - \$59,400) as a fair value adjustment on the investment. The fair value of the investment was \$772,200 as at September 30, 2025 (2024 - \$356,400), and is assessed based on recent equity-based transactions in UVAD, whereby UVAD issued shares in January 2025, and there has been no evidence of any further change in fair value to September 30, 2025.

6. EXPLORATION AND EVALUATION ASSETS

Fortuity 89 Property (Nevada, USA)

During the year ended September 30, 2023, the Company wrote off expenditures incurred on this property as the Company had no current plans to explore on the property.

During the year ended September 30, 2025, the Company did not renew its 46 claims in the Fortuity 89 area, and at September 30, 2025 the Company held no mineral property rights.

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7. LOAN PAYABLE

On April 30, 2020, the Company received a loan from the Canadian government's Canada Emergency Business Account ("CEBA") Program in the amount of \$40,000. The CEBA was a government guaranteed loan of up to \$40,000 that was interest-free until January 18, 2024. The loan was available to help businesses with operating costs during COVID-19. Twenty-five percent of the loan amount (\$10,000) was eligible for forgiveness as long as the business paid back \$30,000 on or before January 18, 2024. During the year ended September 30, 2024, the Company repaid \$30,000 of the loan and recorded a gain on settlement of \$10,000.

8. SHARE CAPITAL AND RESERVES

a) Common Shares

The Company is authorized to issue an unlimited number of common shares without par value.

The holders of common shares are entitled to receive dividends and are entitled to one vote per share at meetings of the Company. All shares are ranked equally with regards to the Company's residual assets.

During the year ended September 30, 2024, the Company arranged a non-brokered private placement consisting of the issuance of 4,700,000 units at a price of \$0.05 per unit for gross proceeds of \$235,000. Each unit consists of one common share of the Company and one common share purchase warrant, with each warrant entitling the holder to purchase one share at a price of \$0.07 per share for a period of two years. Warrants were fair valued at Nil using the residual value method. The Company paid share issuance costs of \$11,909 in relation to the financing.

There were no common shares issued during the year ended September 30, 2025.

b) Preferred Shares

The Company is authorized to issue an unlimited number of preferred shares without par value. No preferred shares have been issued since the Company's inception.

c) Share Purchase Warrants

A summary of the continuity of the Company's share purchase warrants is presented below:

	Number of Warrants	Weighted Average Exercise Price (\$)
Balance at September 30, 2023	-	-
Issued	4,700,000	0.07
Balance at September 30, 2024 and 2025	4,700,000	0.07

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8. SHARE CAPITAL AND RESERVES (CONTINUED)

c) Share Purchase Warrants (CONTINUED)

Details of warrants outstanding as at September 30, 2025 and 2024 are as follows:

Expiry Date	Exercise Price (\$)	September 30, 2025	September 30, 2024
February 23, 2029*	0.07	4,700,000	4,700,000
	Outstanding	4,700,000	4,700,000

*During the year ended September 30, 2025, the Company extended the expiry date of these warrants from March 25, 2026 to February 23, 2029.

9. SHARE-BASED PAYMENTS

a) Option Plan Details

The Company has an amended and restated Stock Option Plan dated March 23, 2023 (the "Plan"). Because it is a rolling stock option plan, the Company may grant options to a maximum of 10% of the issued and outstanding Common Shares, from time to time, under the Plan. However, share compensation awards under all share compensation arrangements of the Company may not exceed, in aggregate, 10% of the total number of issued and outstanding Common Shares. The Plan is administered by the Board and options are granted at the discretion of the Board to eligible optionees, subject to the price restrictions and other TSX Venture Exchange Policy requirements. Options granted under the Plan are subject to vesting terms determined by the Board.

A summary of the continuity of the Company's stock options is presented below:

	Number of Options	Weighted Average Exercise Price (\$)
Balance at September 30, 2023	607,500	0.89
Granted	1,000,000	0.08
Expired/cancelled	(607,500)	0.89
Balance at September 30, 2024	1,000,000	0.08
Granted	500,000	0.08
Balance at September 30, 2025	1,500,000	0.08

On July 15, 2024, the Company granted 1,000,000 stock options to officers, directors and consultants exercisable at \$0.08 per share expiring July 15, 2029.

On February 26, 2025, the Company granted 500,000 stock options to its consultants exercisable at \$0.08 per share expiring February 26, 2030.

During the year ended September 30, 2025, the Company recognized \$34,500 (2024 - \$79,070) in share-based compensation expense for options granted and vested.

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9. SHARE-BASED PAYMENTS (CONTINUED)

a) Option Plan Details (continued)

Details of stock options outstanding and exercisable as at September 30, 2025 and 2024 are as follows:

Expiry Date	Exercise Price (\$)	September 30, 2025	September 30, 2024
July 15, 2029	0.08	1,000,000	1,000,000
February 26, 2030	0.08	500,000	-
	Outstanding	1,500,000	1,000,000
	Exercisable	1,500,000	1,000,000

The weighted-average remaining contractual life of the options at September 31, 2025 was 4 years (2024 - 4.79 years).

The following weighted average assumptions were used for the Black-Scholes valuation of stock options granted:

	Year ended September 30, 2025	Year ended September 30, 2024
Share price	\$0.08	\$0.08
Risk-free interest rate	2.70%	3.36%
Expected life of grant	5 years	5 years
Volatility	219%	223%
Dividend	0%	0%
Weighted average fair value per option	\$0.07	\$0.07

b) RSU Plan Details

The Company has a restricted share unit plan (the “RSU Plan”) to provide certain directors, officers, employees, and consultants (each, an “Eligible Person”) of the Company and its related entities with the opportunity to acquire RSUs of the Company in order to enable them to participate in the long-term success of the Company and to promote a greater alignment of their interests with the interests of the Company’s Shareholders. The RSU Plan allows the Company to grant RSUs, under and subject to the terms and conditions of the RSU Plan, which may be exercised to purchase up to a maximum of 10% of the Company’s issued and outstanding Common Shares from time to time. As at September 30, 2025, no RSUs had been granted or were outstanding under the RSU Plan.

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10. RELATED PARTY TRANSACTIONS

Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, and include directors, the chief executive officer and chief financial officer of the Company.

During the year ended September 30, 2025, the Company recorded the following to key management personnel:

- \$Nil (2024: \$15,000) in salaries and benefits to a former Director and Chief Executive Officer of the Company.
- \$Nil (2024: \$4,000) in salaries and benefits to a former Director and Chief Financial Officer of the Company.
- \$60,000 (2024: \$55,000) in consulting fees to a Director and Chief Financial Officer of the Company. As at September 30, 2025 the Company owed \$90,000 to this Chief Financial Officer (September 30, 2024: \$30,000).
- \$Nil (2024: \$71,162) in share-based payments to Directors and Officers of the Company.

11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair values

The Company's financial instruments include cash, investment, and trade and other payables. The fair value of these financial instruments approximates their carrying values due to the relative short-term maturity of these instruments.

The following table summarizes information regarding the carrying and fair values of the Company's financial instruments:

	September 30, 2025		September 30, 2024	
	Fair Value	Carrying Value	Fair Value	Carrying Value
	\$	\$	\$	\$
Amortized cost assets (i)	9,118	9,118	101,204	101,204
FVTPL assets (ii)	772,200	772,200	356,400	356,400
Amortized cost liabilities (iii)	159,849	159,849	76,317	76,317

- (i) Cash
- (ii) Investments
- (iii) Trade and other payables and loan payable

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11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

Financial instruments recorded at fair value on the statements of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 - valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - valuation techniques based on inputs other than quoted prices included in 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 - valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Investments in publicly held companies including shares that are traded on a recognized securities exchange are recorded at fair values based on quoted closing prices at the reporting date or the closing price on the last day the security traded if there were no trades at the reporting date. These are included in Level 1.

Investments in privately held companies are initially recorded at cost, being the fair value at the time of acquisition. At the end of each financial reporting period, management estimates the fair value of these investments by considering the following: third party equity financings of the investee; significant corporate, political or operating events affecting the investee that, in management's opinion, have an impact on the value of the shares of the investee; and general market conditions. The absence of any of these events indicates generally that the fair value of the investment has not materially changed. The resulting values may differ from values that would be realized had a ready market existed. The amounts which the Company's privately held investments could be disposed of may differ from the carrying value assigned. Such differences could be material. These are included in Level 3.

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

As at September 30, 2025	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Investments	-	-	772,200	772,200

As at September 30, 2024	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Investments	-	-	356,400	356,400

The Company has assessed that the recorded values of all other financial instruments approximate their current fair values because of their nature and respective maturity dates.

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11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

The following table presents the changes in fair value measurements of financial instruments classified as Level 3 as at September 30, 2025 and 2024. These financial instruments are measured at fair value utilizing non-observable market inputs. The net realized and unrealized gain are recognized in the statements of loss.

	2025	2024
Fair value of investment in UVAD Technologies Inc	\$	\$
Opening balance	356,400	297,000
Unrealized gain recognized in income (loss)	415,800	59,400
Closing balance	772,200	356,400

Within Level 3, the Company includes private company investments that are not quoted on an exchange. The key assumptions used in the valuation of these instruments include (but are not limited to) the value at which a recent financing was done by the investee, company-specific information, trends in general market conditions and the share performance of comparable publicly-traded companies. The valuation technique used to determine the valuation of UVAD Technologies Inc. shares was a recent financing, with consideration of unobservable inputs which include the marketability of shares.

As valuations of investments for which market quotations are not readily available, are inherently uncertain they may fluctuate within short periods of time and are based on estimates, determination of fair value may differ materially from the values that would have resulted if a ready market existed for the investments. Given the size of the private investments, such changes may have a significant impact on the Company's financial condition or operating results.

The valuation was based on UVAD Technologies Inc.'s most recent financing of \$728,000. Management has determined that there are no reasonably possible alternative assumptions that would change the fair value significantly as at September 30, 2025. As at September 30, 2025, a +/- 10% change in the fair value of UVAD Technologies Inc. will result in a corresponding +/- \$77,200 change in income or loss (September 30, 2024 - \$35,640). Had the Company applied a marketability discount of 5%, it would have resulted in a corresponding change in fair value of approximately \$38,610 (September 30, 2024 - \$17,820) in income or loss. The sensitivity analysis is intended to reflect the significant uncertainty inherent in the valuation of private investments under current market conditions, and the results cannot be extrapolated due to non-linear effects that changes in valuation assumptions may have on the estimated fair value of these investments. Furthermore, the analysis does not indicate a probability of changes occurring and it does not necessarily represent the Company's view of expected future changes in the fair value of these investments. Any management actions that may be taken to mitigate the inherent risks are not reflected in this analysis.

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11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

Credit risk

Credit risk is the risk of an unexpected loss associated with a counterparty's inability to fulfill its contractual obligations. Management evaluates credit risk on an ongoing basis and monitors activities related to amounts and other receivable including the amounts of counterparty concentrations. The primary sources of credit risk for the Company arise from its financial assets consisting of cash. The carrying value of these financial assets represents the Company's maximum exposure to credit risk. To minimize credit risk, the Company only holds its cash with high credit chartered Canadian financial institutions. As at September 30, 2025, the Company has no financial assets that are past due or impaired due to credit risk defaults.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations with respect to financial liabilities as they fall due. The Company's financial liabilities consist of its trade and other payables, amounts due to related parties and loans payable. The Company has working capital deficiency of \$143,848 as at September 30, 2025 and handles its liquidity risk through the management of its capital structure. All of the Company's financial liabilities are due on demand within one year, do not generally bear interest and are subject to normal trade terms.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, investment fluctuations due to change in share price, and commodity and equity prices. Market conditions will cause fluctuations in the fair values of financial instruments and cause fluctuations in the fair value of future cash flows for financial instruments. The Company is not exposed to significant interest rate risk as the Company has no publicly traded debt and no debt that bears variable interest. The Company's ability to raise capital to fund exploration or development activities is subject to risks associated with fluctuations in gold and metal 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.

The Company is exposed to market risk in its investments and unfavourable market conditions could result in dispositions of investments at less than favourable prices. For the year ended September 30, 2025, a 10% (decrease) increase in the price of other investments would result in an estimated increase (decrease) in net loss of \$77,220 (2024 - \$35,640).

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the foreign currency exchange rates. The Company's functional currency is the Canadian dollar. The Company is exposed to foreign exchange risk because the Company's financial instruments are denominated in both Canadian dollars and US dollars, and all current exploration occurs within the United States.

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12. CAPITAL MANAGEMENT

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern such that it can support continued development of its exploration and evaluation assets, pursue the acquisition and exploration of other mineral interests, and to maintain a flexible capital structure for its projects for the benefit of its shareholders and other stakeholders. The Company is not exposed to externally imposed capital requirements.

The Company considers items included in equity to be capital. 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. In order to maintain or adjust its capital structure, the Company may issue new shares, sell assets to settle liabilities, option its properties for cash from optionees, enter into joint venture arrangements, return capital to its shareholders or adjust the amount of cash. There were no significant changes in the Company's approach to capital management during the years ended September 30, 2025 and 2024.

13. SEGMENTED INFORMATION

The Company has one operating segment, the exploration of mineral properties, and two geographical segments, with its exploration property being conducted in the United States:

	September 30, 2025			September 30, 2024		
	Canada \$	USA \$	Total \$	Canada \$	USA \$	Total \$
Current assets	16,001	-	16,001	110,841	-	110,841
Investments	772,200	-	772,200	356,400	-	356,400
Total assets	788,201	-	788,201	467,241	-	467,241

14. INCOME TAXES

a) Provision for Income Taxes

The reconciliation of the combined Canadian federal and provincial statutory income tax rate of 26.5% to the effective tax rate is as follows:

	2025 \$	2024 \$
(Loss) before income taxes	202,928	(254,898)
Expected income tax recovery based on statutory rate	54,000	(68,000)
Adjustment to expected income tax recovery:		
Share based compensation	9,000	-
Expenses not deductible for tax purposes	(110,000)	75,000
Change in unrecorded deferred tax asset	47,000	(7,000)
Change in benefit of tax assets not recognized		
Deferred income tax provision (recovery)	-	-

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14. INCOME TAXES (CONTINUED)

b) Deferred Income Tax

Deferred taxes are a result of temporary differences that arise due to the differences between the income tax values and the carrying amount of assets and liabilities.

	2025	2024
Recognized deferred tax assets and liabilities:		
Non-capital and capital loss carry-forwards	117,000	-
Investments	(117,000)	-
Deferred income tax liability	-	-

	2025	2024
Unrecognized deferred tax assets and liabilities:		
Non-capital and capital loss carry-forwards	4,273,000	4,343,000
Equipment	7,000	7,000
Investments	-	63,000
Share issuance costs	3,000	3,000
Mineral property costs	2,009,000	2,009,000
Deferred income tax assets	6,371,000	6,425,000

As at September 30, 2025, the Company has available for deduction against future taxable income non-capital losses of approximately \$16,564,000, which will expire between 2030 and 2045. The Company has available for deduction against future taxable capital gains capital losses of approximately \$370,000 which can be carried forward indefinitely. Deferred tax assets have not been recognized in respect of these items because it is not probable that future taxable profit will be available against which the Company can use the benefit

15. SUBSEQUENT EVENT

Subsequent to the year ended September 30, 2025, the Company completed a non-brokered private placement, issuing 2,000,000 units at \$0.06 per unit, for total gross proceeds of \$120,000. Each unit consists of one common share and one common share purchase warrant. Each warrant entitles the holder to acquire one additional common share at an exercise price of \$0.075 per warrant and expires on November 7, 2030.