

Condensed Consolidated Interim Financial Statements
(Expressed in Canadian Dollars)

Telo Genomics Corp.

For the Three Months Ended September 30, 2025, and 2024
(unaudited)

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

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

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

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

Telo Genomics Corp.
Condensed Consolidated Interim Statements of Financial Position
(Unaudited)
(Expressed in Canadian dollars)

	Note	As at September 30, 2025	As at June 30, 2025
Assets		\$	\$
Current assets			
Cash		486,508	789,293
Amounts receivable		16,801	26,539
Prepaid expenses		85,237	76,430
		588,546	892,262
Non-current assets			
Property and equipment	6	18,350	19,038
Intangible asset	7	-	-
		18,350	19,038
Total assets		606,896	911,300
Liabilities and Equity			
Current liabilities			
Accounts payable and accrued liabilities	9	633,600	396,319
Total liabilities		633,600	396,319
Equity			
Share capital	8	24,624,595	24,574,226
Shares to be issued	8	-	50,369
Contributed surplus	8	6,440,366	6,440,366
Deficit		(31,091,665)	(30,549,980)
Total equity		(26,704)	514,981
Total liabilities and equity		606,896	911,300

Approved on behalf of the board of directors

/s/ Dr. Sabine Mai
Director

/s/ Guido Baechler
Director

Going concern (Note 4)

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

Telo Genomics Corp.
Condensed Consolidated Interim Statements of Loss and Comprehensive Loss
(Unaudited)
(Expressed in Canadian dollars)

	Note	For the three months ended September 30, 2025	For the three months ended September 30, 2024
Expenses		\$	\$
General and administrative	10	247,370	207,656
Research and development	10	294,315	345,108
		(541,685)	(552,764)
Net loss and comprehensive loss		(541,685)	(552,764)
Basic and diluted loss per share		(0.01)	(0.01)
Weighted average number of common shares used in computing basic and diluted loss per share		100,385,740	74,559,933

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

Telo Genomics Corp.
Condensed Consolidated Interim Statements of Changes in Equity
(Unaudited)
(Expressed in Canadian dollars)

	Number of Shares	Share capital	Contributed Surplus	Deficit	Total
		\$	\$	\$	\$
Balance, June 30, 2024	74,559,933	22,347,916	6,073,368	(27,831,227)	590,057
Private placement:					
Other share issuance costs	-	(175)	-	-	(175)
Net loss for the period	-	-	-	(552,764)	(552,764)
Balance, September 30, 2024	74,559,933	22,347,741	6,073,368	(28,383,991)	37,118

	Number of Shares	Share capital	Shares to be issued	Contributed Surplus	Deficit	Total
		\$	\$	\$	\$	\$
Balance, June 30, 2025	100,018,933	24,574,226	50,369	6,440,366	(30,549,980)	514,981
Shares to be issued pursuant to an advisory agreement	411,539	50,369	(50,369)	-	-	-
Net loss for the period	-	-	-	-	(541,685)	(541,685)
Balance, September 30, 2025	100,430,472	24,624,595	-	6,440,366	(31,091,665)	(26,704)

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

Telo Genomics Corp.
Condensed Consolidated Interim Statements of Cash Flows
(Unaudited)
(Expressed in Canadian dollars)

	Notes	For the three months ended September 30, 2025	For the three months ended September 30, 2024
		\$	\$
Operating activities:			
Net loss for the period		(541,685)	(552,764)
Depreciation of property and equipment	6,10	2,763	5,410
Share-based compensation	8(c),10		
Amounts receivable		9,738	13,762
Prepaid expenses		(8,807)	38,541
Accounts payable and accrued liabilities		237,281	27,478
Cash used in operating activities		(300,710)	(467,573)
Investing activity:			
Additions to property and equipment	6	(2,075)	-
Cash flows used in investing activities		(2,075)	-
Financing activities:			
Share issuance costs	8(b)		(175)
Cash flows from financing activities			(175)
Change in cash for the period		(302,785)	(467,748)
Cash, beginning of year		789,293	796,020
Cash, end of period		486,508	328,272

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

Telo Genomics Corp.

For the Period Ended September 30, 2025 and 2024
Notes to the Condensed Consolidated Interim Financial Statements
(Expressed in Canadian dollars)

1. Reporting entity

Telo Genomics Corp. (the "Company") was incorporated in Canada on May 25, 2014 and its shares are listed on the TSX Venture Exchange as a Tier 2 issuer under the symbol "TELO", the OTCQB under the symbol "TDSGF" and the Frankfurt Stock Exchange in Germany under the symbol "3D0". The Company's registered office is located at 1200-750 West Pender Street, Vancouver, BC V6C 2T8 and its corporate head office is located at 555 Richmond St W (4th floor), Toronto, ON M5V 3B1. The Company, through its wholly owned subsidiary Telo Genomics Holdings Corp., is developing diagnostic and prognostic products that may save lives, improve the quality of life, and reduce the cost of care associated with numerous diseases that display genomic instability.

2. Statement of compliance

These unaudited condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34, "Interim Financial Reporting", and IFRS as issued by the International Accounting Standards Board ("IASB"). These condensed consolidated interim financial statements should be read in conjunction with the company's audited financial statements as at and for the year ended June 30, 2025, as some disclosures from the annual financial statements may have been condensed or omitted.

The unaudited condensed consolidated interim financial statements were approved and authorized for issue by the Board of Directors on November 25, 2025.

3. Basis of preparation

(a) *Basis of measurement*

These condensed consolidated interim financial statements have been prepared on the historical cost basis except for certain financial instruments at fair value through profit or loss which are measured at fair value. These condensed consolidated interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

(b) *Basis of consolidation*

These condensed consolidated interim financial statements comprise the financial statements of the Company and its wholly owned subsidiary, Telo Genomics Holdings Corp., a corporation incorporated under the Canadian *Business Corporations Act*.

Subsidiaries are fully consolidated from the date of acquisition, being the date in which the Company obtains control, and continue to be consolidated until the date that such control ceases. The financial statements of the subsidiaries are prepared for the same reporting period as the parent company using consistent accounting policies. All intra-group balances, income and expenses, equity and dividends resulting from intra-group transactions have been eliminated upon consolidation.

(c) *Functional and presentation currency*

These condensed consolidated interim financial statements are presented in Canadian dollars, which is the functional currency of the Company and its subsidiary.

(d) *Significant accounting judgments, estimates and assumptions*

The preparation of the condensed consolidated interim financial statements requires management to use judgment in applying its accounting policies and estimates and assumptions about the future.

Estimates and other judgments are continuously evaluated and are based on management's experience and other factors, including expectations about future events that are believed to be reasonable under the circumstances.

Telo Genomics Corp.

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3. Basis of preparation (continued)

(d) Significant accounting judgments, estimates and assumptions (continued)

Significant estimates

The preparation of the condensed consolidated interim financial statements in accordance with IFRS requires the Company to make estimates when applying accounting policies. The most significant estimates are as follows:

- **Share-based compensation** - The fair value of share-based payments and warrants is subject to the limitations of the Black-Scholes option pricing model that incorporates market data and involves uncertainty in estimates used by management in the assumptions. Because the Black-Scholes option pricing model requires the input of highly subjective assumptions, including the volatility of share prices, changes in subjective input assumptions can materially affect the fair value estimate.
- **Provision for legal contingency** - Management evaluates the status of known legal matters based on the best information available, including advice from legal counsel where appropriate. Provisions are recognized when it is determined that an outflow of resources is probable and a reliable estimate can be made.

Significant judgments

The preparation of the condensed consolidated interim financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments in applying the Company's financial statements are as follows:

- **Going concern** - The assessment of whether the going concern assumption is appropriate requires management to take into account all available information about the future, which is at least, but not limited to, 12 months from the end of the reporting period. The Company is aware that material uncertainties exist related to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.
- **Research and development** - Management monitors the progress of its research and development activities. Significant judgment is required to distinguish between the research and development phases and if development cost capitalization criteria are met. Development costs are recognized as an asset when the following criteria are met: (i) technical feasibility; (ii) intention to complete the project; (iii) the ability to use or sell; (iv) the ability to generate future economic benefits; (v) availability of technical and financial resources; and (vi) the ability to measure the expenditures reliably. Management considers these factors in aggregate and applies significant judgment to determine whether the product is feasible. To date, management's assessment has concluded that the capitalization criteria have not been met; hence, research and development costs have been expensed as incurred.

4. Going concern

These condensed consolidated interim financial statements have been prepared on a going concern basis which contemplates the realization of assets and the payment of liabilities in the ordinary course of business. Should the Company be unable to continue as a going concern, it may be unable to realize the carrying value of its assets and to meet its liabilities as they become due.

The Company is a research and development stage company and as such is primarily dependent on the funding from investors to continue as a going concern. In the future, the Company's ability to continue as a going concern will be dependent upon its ability to attain profitable operations and generate funds there from, and/or to continue to obtain funding through equity or debt financings sufficient to meet current and future obligations.

These condensed consolidated interim financial statements do not reflect any other adjustments or reclassification of assets and liabilities which would be necessary if the Company were unable to continue its operations. Such adjustments could be material. The disclosed factors indicate the existence of material uncertainties that may cast significant doubt about the Company's ability to continue as a going concern.

During the period ended September 30, 2025, the Company incurred a net loss of \$541,685 (September 30, 2024 - \$552,764) and has an accumulated deficit of \$ 31,091,665 (June 30, 2025 - \$30,549,980).

Telo Genomics Corp.

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5. Summary of material accounting policies

The accounting policies set out below have been applied consistently to all periods presented in the condensed consolidated interim financial statements, unless otherwise indicated.

(a) Research and development

The Company incurs costs on activities that relate to research and development of new technologies. Research and development costs are expensed, except in cases where development costs meet certain identifiable criteria for deferral, including technical and economic feasibility. Development costs are capitalized only if the expenditures can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to, and has sufficient resources to, complete development and to use or sell the asset. Deferred development costs are amortized over the life of related commercial production, or in the case of serviceable property and equipment, are included in the appropriate property group and are depreciated over its estimated useful life. As at September 30, 2025 and 2024, the Company has not capitalized any research and development costs.

(b) Financial instruments

The following is the Company's accounting policy for financial instruments under IFRS 9 Financial Instruments ("IFRS 9"):

(i) Financial assets and liabilities

The Company classifies its financial assets into the following categories, depending on the purpose for which the asset was acquired. Management determines the classification of its financial assets at initial recognition.

Amortized cost - Amortized cost are those assets which are held within a business whose objective is to hold financial assets to collect contractual cash flows and the terms of the financial assets must provide on specified dates cash flows solely through the collection of principal and interest.

Fair value through profit or loss ("FVTPL") - A financial asset shall be measured at fair value through profit or loss unless it is measured at amortized cost or FVOCI. The Company may, however, make the irrevocable option to classify particular investments as FVTPL.

Management determines the classification of its financial liabilities at initial recognition.

Amortized cost - The Company classifies all financial liabilities as subsequently measured at amortized cost using the effective interest method, except for financial liabilities carried at FVTPL and certain other exceptions.

Financial liabilities are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

The following table shows the classification under IFRS 9:

Financial Instrument	Classification
Cash	FVTPL
Accounts payable and accrued liabilities	Amortized Cost

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5. Summary of material accounting policies (continued)

(b) *Financial instruments (continued)*

(ii) *Fair value of financial instruments*

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial instruments that are traded in active markets at each reporting date is determined by reference to quoted market prices, without any deduction for transaction costs.

For financial instruments not traded in an active market, the fair value is determined using appropriate valuation techniques that are recognized by market participants. Such techniques may include using recent arm's length market transactions, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis or other valuation models.

For those financial instruments where fair value is recognized in the consolidated statement of financial position the methods and assumptions used to develop fair value measurements have been classified into one of the three levels of the fair value hierarchy for financial instruments:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices included within Level 1 that are either directly or indirectly observable;
- Level 3 – Unobservable inputs in which little or no market activity exists, therefore requiring an entity to develop its own assumptions about the assumptions that market participants would use in pricing.

The following methods and assumptions were used to estimate the fair values:

Cash is measured at fair value which is determined using Level 1 inputs. Accounts payable and accrued liabilities are carried at amortized cost, which approximates fair value due to their short-term nature.

(c) *Share-based payments*

For equity-settled share-based payments to non-employees, the Company measures the equity awards issued as the fair value of the goods or services received, and the corresponding increase in equity, unless that fair value cannot be estimated reliably. When the value of goods or services received in exchange for the share-based payment cannot be reliably estimated, the fair value of the equity award is measured by use of a valuation model.

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date measured by use of a valuation model.

The fair value of the equity instruments granted is recognized as an expense over the estimated vesting period with a corresponding increase to contributed surplus.

Consideration paid for the shares on the exercise of stock options is credited to share capital; upon exercise, shares are issued from treasury and the amount reflected in contributed surplus is credited to share capital. Forfeited or expired equity instruments are not adjusted through earnings and contributed surplus.

(d) *Share capital*

Equity instruments are contracts that give a residual interest in the net assets of the Company. 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, share options, and warrants are classified as equity instruments. Incremental costs directly attributable to the issue of new common shares are shown in equity as a deduction from the proceeds. Where the Company issues common shares and warrants together as units, value is allocated first to share capital based on the market value of common shares on the date of issue, with any residual value from the proceeds being allocated to the warrants.

Telo Genomics Corp.

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5. Summary of material accounting policies (continued)

(e) *Earnings (loss) per share*

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

(f) *Government grants*

Government grants are recognized when there is reasonable assurance that the funds will be received and that the Company will comply with all requirements of the program for which such grants will be received.

(g) *New standards adopted*

The following amendment was effective for annual reporting periods beginning on or after January 1, 2024.

Classification of Liabilities as Current or Non-current (Amendments to IAS 1) – the amendments provide a more general approach to the classification of liabilities based on the contractual arrangements in place at the reporting period date.

The amendment did not have a material impact on the results and financial position of the Company.

(h) *New standards not yet adopted*

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

1. Three defined categories for income and expenses – operating, investing or financing – to improve the structure of the income statements, and require all companies to provide new defined subtotals, including operating profit;
2. Requirement for companies to disclose explanations of management-defined performance measures (MPMs) that are related to the income statement; and
3. Enhanced guidance on how to organize information and whether to provide it in the primary financial statements or in the notes.

This new standard is effective for reporting periods beginning on or after January 1, 2027. The Company will be evaluating the impact of the above standard on its condensed consolidated interim financial statements.

Telo Genomics Corp.

For the Period Ended September 30, 2025 and 2024
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6. Property and equipment

Cost	Computer Equipment	Computer Software & Lab Equipment	Furniture & Equipment	Total
Balance, June 30, 2024	\$ 127,003	\$ 802,952	\$ 16,867	\$ 946,822
Additions	3,250	-	-	3,250
Balance, June 30, 2025	130,253	802,952	16,867	950,072
Additions	-	-	2,075	2,075
Balance, September 30, 2025	\$ 130,253	\$ 802,952	\$ 18,942	\$ 952,147

Accumulated depreciation	Computer Equipment	Computer Software & Lab Equipment	Furniture & Equipment	Total
Balance, June 30, 2024	\$ 119,599	\$ 781,736	\$ 15,247	\$ 916,582
Depreciation	7,114	6,681	657	14,452
Balance, June 30, 2025	126,713	788,417	15,904	931,034
Depreciation	929	1,670	164	2,763
Balance, September 30, 2025	\$ 127,642	\$ 790,087	\$ 16,068	\$ 933,797

Carrying amounts	Computer Equipment	Computer Software & Lab Equipment	Furniture & Equipment	Total
Balance, June 30, 2025	\$ 3,540	\$ 14,535	\$ 963	\$ 19,038
Balance, September 30, 2025	\$ 2,611	\$ 12,865	\$ 2,874	\$ 18,350

7. Intangible asset

On April 27, 2020, the Company repurchased from Knight Therapeutics Inc. ("Knight") the exclusive license to commercialize diagnostic and prognostic test products of the Company and the right to act as the exclusive distributor of such products in Canada. In consideration for the rights, the Company paid \$5,000 and issued 50,000 share purchase warrants to Knight. Each warrant entitles the holder to acquire one common share of the Company at an exercise price of \$0.25 per share for a period of five years from the date of issuance. The warrants are exercisable at \$0.25 per share for five years from the date of grant. The fair value of these warrants was determined to be \$7,700 using the Black-Scholes valuation model and the following inputs: i) exercise price \$0.25, ii) stock price \$0.15, iii) volatility: 243%, iv) risk free rate: 1.50%. In addition, the Company paid \$3,671 professional fees in connection with the repurchase. The intangible asset has an indefinite useful life. During the year ended June 30, 2025, the Company wrote down the intangible asset of \$16,371.

Telo Genomics Corp.

For the Period Ended September 30, 2025 and 2024
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(Expressed in Canadian dollars)

8. Share capital

(a) Authorized

The Company has authorized share capital of an unlimited number of common voting shares without par value, an unlimited number of non-voting common shares without par value, and an unlimited amount of Class A, B, C, and D shares.

(b) Shares issued and outstanding

On July 10, 2025, the Company issued 214,605 common shares at a fair value of \$0.12 per share and 196,934 common shares at a fair value of \$0.125 per share in relation to a consulting agreement for services rendered, for a total value of \$50,369.

On December 23, 2024, the Company issued 25,459,000 units at \$0.10 per unit for gross proceeds of \$ 2,545,900. Each unit consisted of one common share and one share purchase warrant, with each whole warrant exercisable into one additional common share at a price of \$0.15 per share until December 23, 2027, subject to acceleration. The Company incurred finders fees of \$164,913, other share issuance costs of \$55,730 and issued 1,649,130 finders warrants to purchase an aggregate of 1,649,130 common shares at a price of \$0.10 per share until December 23, 2025. The finders' warrants had a fair value of \$98,947 estimated using the Black-Scholes valuation model and the following inputs: i) exercise price \$0.10, ii) stock price \$0.115, iii) volatility 114.76%, iv) risk free rate: 3.06%, v) expected life: 1 year.

(c) Stock options

The Company has an incentive stock option plan (the "Plan") whereby the Company may grant directors, officers, employees and contractors' options to purchase common voting shares of the Company. The terms and conditions of each option granted under the Plan are determined by the Board of Directors. The Company may grant stock options to a maximum of 10% of the issued shares of the Company at the date of granting the stock options and stock options are exercisable over periods of up to 10 years. The minimum exercise price of each stock option must not be less than the discounted market price.

In estimating the fair value of options issued using the Black-Scholes option pricing model, the Company is required to make assumptions. The expected volatility assumption is based on the historical volatility of the Company's common share price on the TSX Venture Exchange. The risk-free interest rate assumption is based on yield curves on Canadian government zero-coupon bonds with a remaining term equal to the stock options' expected life. The Company uses historical data to estimate option exercise, forfeiture and employee termination within the valuation model. The Company has historically not paid dividends on its common stock.

On August 07, 2025, 8,075 options with an exercise price of \$0.35 per common share expired unexercised.

On April 1, 2025, the Company granted 350,000 stock options to a director of Company. The options are exercisable for \$0.15 per share, vesting immediately from the date of grant and expiring 5 years from the date of grant. The fair value of the options was estimated at \$30,456, using the Black-Scholes option pricing model with the following inputs: i) exercise price \$0.15, ii) stock price \$0.12, iii) volatility: 100.26%, iv) risk free rate: 2.59%, v) expected life: 5 years.

On April 1, 2025, the Company granted 500,000 stock options to a consultant of the Company. The options are exercisable for \$0.15 per share, vesting immediately from the date of grant and expiring 5 years from the date of grant. The fair value of the options was estimated at \$43,507, using the Black-Scholes option pricing model with the following inputs: i) exercise price \$0.15, ii) stock price \$0.12, iii) volatility: 100.26%, iv) risk free rate: 2.59%, v) expected life: 5 years.

On March 6, 2025, the Company granted 2,150,000 stock options to directors and officers of the Company. The options are exercisable for \$0.15 per share, vesting immediately from the date of grant and expiring 5 years from the date of grant. The fair value of the options was estimated at \$175,834, using the Black-Scholes option pricing model with the following inputs: i) exercise price \$0.15, ii) stock price \$0.11, iii) volatility: 105.72%, iv) risk free rate: 2.75%, v) expected life: 5 years.

On March 6, 2025, the Company granted 250,000 stock options to employees and consultant of the Company. The options are exercisable for \$0.15 per share, vesting immediately from the date of grant and expiring 3 years from the date of grant. The fair value of the options was estimated at \$15,959, using the Black-Scholes option pricing model with the following inputs: i) exercise price \$0.15, ii) stock price \$0.11, iii) volatility: 102.01%, iv) risk free rate: 2.61%, v) expected life: 3 years.

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8. Share capital (continued)

(c) Stock options (continued)

On March 6, 2025, the Company granted 60,000 stock options to a consultant of the Company. The options are exercisable for \$0.15 per share, vesting immediately from the date of grant and expiring 1 years from the date of grant. The fair value of the options was estimated at \$2,295, using the Black-Scholes option pricing model with the following inputs: i) exercise price \$0.15, ii) stock price \$0.11, iii) volatility: 112.67%, iv) risk free rate: 2.67%, v) expected life: 1 year.

Changes in the number of options outstanding and exercisable are as follows:

	September 30, 2025			June 30, 2025
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Balance, beginning of year	4,245,624	\$ 0.51	3,333,143	\$ 0.64
Granted	-	-	3,310,000	0.15
Expired	(8,075)	0.35	(2,397,519)	0.20
Cancelled	-	-	-	-
Balance, end of period	4,237,549	\$ 0.51	4,245,624	\$ 0.51
Options exercisable, end of period	4,237,549	\$ 0.51	4,245,624	\$ 0.51

The following is a summary of stock options issued under the Plan as at September 30, 2025:

Expiry Date	Number outstanding	Options exercisable	Weighted average exercise price
March 6, 2026	60,000	60,000	0.15
April 1, 2026	100,000	100,000	0.64
September 26, 2026	121,924	121,924	10.15
October 27, 2026	20,000	20,000	2.20
January 18, 2027	50,625	50,625	2.85
March 15, 2027	250,000	250,000	0.335
July 18, 2027	10,000	10,000	0.34
September 30, 2027	175,000	175,000	0.265
March 6, 2028	250,000	250,000	0.15
December 8, 2028	200,000	200,000	0.20
March 6, 2030	2,150,000	2,150,000	0.15
April 1, 2030	850,000	850,000	0.15
	4,237,549	4,237,549	\$ 0.51

As of September 30, 2025, the weighted average remaining contractual life of the options was 3.69 years (June 30, 2025 – 3.93 years).

Telo Genomics Corp.

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8. Share capital (continued)

(d) Warrants

On December 23, 2024, as part of the unit offering, the Company issued 25,459,000 warrants to subscribers. Each warrant is exercisable into one additional common share at an exercise price of \$0.15 per share until December 23, 2027, subject to acceleration. The Company also issued 1,649,130 finders' warrants to purchase an aggregate of 1,649,130 common shares at a price of \$0.10 per share until December 23, 2025. The finders' warrants had a fair value of \$98,947, estimated using the Black-Scholes valuation model and the following inputs: i) exercise price \$0.10, ii) stock price \$0.115, iii) volatility 114.76%, iv) risk free rate: 3.06%, v) expected life: 1 year.

Changes in the number of warrants outstanding are as follows:

	September 30, 2025		June 30, 2025	
	Number of warrants	Weighted average exercise price	Number of warrants	Weighted average exercise price
Balance, beginning of year	28,733,130	\$ 0.16	7,402,750	\$ 0.38
Issued	-	-	27,108,130	0.15
Expired	-	-	(5,777,750)	0.40
Balance, end of period	28,733,130	\$ 0.16	28,733,130	\$ 0.16

The following is a summary of share purchase warrants as at September 30, 2025:

Expiry Date	Number outstanding	Weighted average exercise price
June 21, 2027	1,625,000	\$ 0.40
December 23, 2025	1,649,130	0.10
December 23, 2027	25,459,000	0.15
	28,733,130	\$ 0.16

As of September 30, 2025, the weighted average remaining contractual life of the warrants was 2.09 years (June 30, 2025 – 2.34 years).

9. Key management personnel compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company. The Company has identified its directors and officers as its key management personnel.

In addition to their salaries, the Company also provides non-cash benefits and participation in the Stock Option Plan. The following table details the compensation to key management personnel and directors:

	September 30, 2025	September 30, 2024
Salaries, fees, and short-term benefits	\$ 78,505	\$ 99,631
Share-based compensation	-	-
	\$ 78,505	\$ 99,631

As at September 30, 2025, the Company has \$117,159 (June 30, 2025 - \$68,381) recorded within accounts payable and accrued liabilities relating to amounts payable to key management personnel. The balance is unsecured, non-interest bearing and due pursuant to normal trade creditor terms.

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10. Supplemental disclosures – Consolidated statements of loss and comprehensive loss

General and administrative expenses include depreciation of \$244 (2024 – \$ Nil), share-based compensation of \$Nil (2024 -\$Nil), employee wages and benefits of \$47,121 (2024 - \$43,205). Research and development expenses include depreciation of \$2,520 (2024 – \$5,410), share-based compensation of \$Nil (2024 - \$Nil) and employee wages and benefits of \$76,976 (2024 - \$133,592).

11. Financial instruments and financial risk management

a. Risks arising from financial instruments

i. Market risk

The Company is exposed to foreign exchange risk, the risk that the fair value of future cash flows for financial instruments will fluctuate because of changes in foreign exchange rates, due to its United States dollar denominated in accounts payable and accrued liabilities. As at September 30, 2025 and 2024, the Company had no cash and \$ 109,643 (June 30, 2025 – \$41,917) in accounts payable and accrued liabilities denominated in the United States dollar. A 10% change in the value of the US dollar against the Canadian dollar would not result in a material effect on net loss for the year. The Company is not exposed to any significant interest risk as it does not have any variable rate borrowings.

ii. Credit risk

Credit risk is the potential that customers or a counterparty to a financial instrument fail to meet their obligation to the Company. The Company believes this risk to be low as there are no trade receivables and no revenues have been earned to September 30, 2025. Additionally, amounts receivable are primarily composed of government remittances receivable in which the Company believes the collection risk is low. Additionally, the Company mitigates credit risk by holding all cash in a chartered bank.

iii. Liquidity risk

Liquidity risk is the risk the Company will encounter difficulties in meeting its financial obligations as they become due. The Company manages liquidity risk through cash management. In managing liquidity risk, the Company maintains access to equity markets, the availability of which is dependent on market conditions. The Company monitors its requirements regularly and believes there may not be sufficient funding for the foreseeable future. All financial liabilities are current and due within the next twelve months.

b. Capital management

The Company's objective when managing capital is for the Company to safeguard the entity's ability to continue as a going concern, so that it can continue to explore and develop its research to ultimately provide returns for shareholders and benefits for other stakeholders.

The Company sets the amount of capital in proportion to risk and manages the capital structure and makes adjustments to it in light of changes to economic conditions and the risk characteristics of the underlying assets as with consideration of externally imposed capital requirements. In order to maintain or adjust the capital structure, the Company may issue new shares or attempt to obtain debt financing.

The Company's management of capital as of September 30, 2025, consists of cash and the components of shareholders' equity in the definition of capital. There were no changes in the Company's approach to capital management during the current fiscal year. The Company is not subject to externally imposed capital requirements.

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12. Segmented information

The Company has a single operating segment, focused on the development and commercialization of predictive technological products designed to personalize treatment plans for patients who have specific conditions. Substantially all of the Company's employees and assets are located within Canada.

13. Commitments

In October 2022, the Company renewed its agreement for lease of office and laboratory space at MaRS Discovery District for a period of one-year, effective November 1, 2022 until October 31, 2023. In accordance with the lease renewal, the Company committed to payments of \$8,925 per month. In October 2023, the Company extended its agreement for lease of office and laboratory space at MaRS Discovery District for a period of six months effective November 1, 2023 until April 30, 2024 with monthly payments of \$9,750. The Company further extended this agreement for a period of five months effective May 1, 2024, until September 30, 2024 with monthly payments of \$9,750. The Company further extended this agreement for a period of six months effective October 1, 2024, until March 31, 2025 with monthly payments of \$10,550. The Company further extended this agreement for a period of six months effective April 1, 2025, until September 30, 2025 with monthly payments of \$8,225. Subsequent to the year-end, the Company entered into a new lease agreement.

On July 28, 2025, the Company entered into a new lease agreement for operational and office space commencing November 15, 2025, for a period of twenty-four months. The monthly payments are \$11,300 per month inclusive of taxes.

14. Contingent liability

As of September 30, 2025, the Company is a defendant in a legal action brought by the Company's former President and Chief Technical Officer, relating to compensation and bonuses allegedly owing. The Statement of Claim was filed in June 2025, and the plaintiff is seeking an amount of \$522,083 plus interest. On August 8, 2025, the Company filed a Statement of Defence and Counterclaim in the amount of \$684,278 plus interest.

The Company is preparing documents for discovery and expects next to go to mediation in hopes to negotiate a settlement and avoid litigation. The Company expects that a settlement can be reached prior to litigation. Given the Company offer made on April 1, 2025, management believes the financial impact would be \$89,000 and has accrued a liability for the fiscal period ended September 30, 2025.

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15. Tax losses

The income tax provision recorded differs from the income tax obtained by applying the statutory income tax rate to the loss for the year and is reconciled as follows:

	2025	2024
Loss before income taxes	\$ (2,719,000)	\$ (2,713,000)
Statutory income tax rate	27%	27%
Expected income tax recovery	(734,000)	(733,000)
Non-deductible items	78,000	19,000
Share issuance costs	(60,000)	(32,000)
Change in tax assets not recognized	716,000	746,000
Income tax expense	\$ -	\$ -

As at June 30, 2025 and 2024, the Company has unused tax losses and deductible temporary differences for which no deferred tax assets have been recognized. The tax effected amounts are as follows:

	2025	2024
Non-capital losses	\$ 7,110,000	\$ 6,408,000
Property and equipment	230,000	227,000
Other	170,000	149,000
	\$ 7,510,000	\$ 6,784,000

The significant components of the Company's temporary differences, unused tax credits and unused tax losses that have not recognized on the consolidated statements of financial position are as follows:

	June 30, 2025 \$	Expiry Date Range	June 30, 2024 \$	Expiry Date Range
Temporary differences				
Property and equipment	852,000	No expiry date	841,000	No expiry date
Share issuance costs	302,000	2026 to 2029	224,000	2025 to 2028
Non-capital losses available for future years	26,302,000	2031 to 2045	23,733,000	2031 to 2044
Other	328,000	No expiry date	328,000	No expiry date

Tax attributes are subject to review, and potential adjustment, by tax authorities.