
LABRADOR GOLD CORP.
CONDENSED INTERIM FINANCIAL STATEMENTS
THREE MONTHS ENDED DECEMBER 31, 2025
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)

Notice To Reader

The accompanying unaudited condensed interim financial statements of Labrador Gold Corp. (the "Company") have been prepared by and are the responsibility of management. The unaudited condensed interim financial statements have not been reviewed by the Company's auditors.

Labrador Gold Corp.

Condensed Interim Statements of Financial Position
(Expressed in Canadian Dollars)
(Unaudited)

	As at December 31, 2025	As at September 30, 2025
ASSETS		
Current		
Cash and cash equivalents	\$ 15,914,982	\$ 16,766,742
Amounts receivable	77,138	162,567
Prepaid expenses and deposits	358,284	40,926
Marketable securities (note 4)	14,420	-
Total current assets	16,364,824	16,970,235
Non-current assets		
Unproven mineral right interests (note 5)	7,282,037	7,152,543
Total assets	\$ 23,646,861	\$ 24,122,778
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities (note 7)	\$ 285,255	\$ 281,284
Total liabilities	285,255	281,284
Shareholders' equity		
Share capital (note 6)	61,472,277	61,472,277
Share-based payments reserve (note 6)	4,860,859	4,850,377
Deficit	(42,971,530)	(42,481,160)
Total shareholders' equity	23,361,606	23,841,494
Total liabilities and shareholders' equity	\$ 23,646,861	\$ 24,122,778

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

Nature of operations and going concern (note 1)

Subsequent events (note 9)

Labrador Gold Corp.**Condensed Interim Statements of Loss and Comprehensive Loss****(Expressed in Canadian Dollars)****(Unaudited)**

	Three Months Ended December 31, 2025	Three Months Ended December 31, 2024
Operating expenses		
Consulting and management fees (note 7)	\$ 49,925	\$ 57,000
Corporate development	2,500	18,000
Exploration and evaluation expenditures	12,375	7,647
Office and miscellaneous	10,922	13,328
Professional fees (note 7)	446,523	26,916
Regulatory and transfer fees	15,968	13,865
Share-based compensation (note 6)	10,482	12,332
Shareholder communications	22,214	5,208
Loss before other items	(570,909)	(154,296)
Other items		
Other income	80,539	52,968
Fair value changes on marketable securities (note 4)	-	(3,641,315)
Realized loss on sale of marketable securities (note 4)	-	(1,019,575)
Net loss and comprehensive loss for the period	\$ (490,370)	\$ (4,762,218)
Basic and diluted net loss per share	\$ (0.00)	\$ (0.03)
Weighted average number of common shares outstanding	170,009,979	170,009,979

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

Labrador Gold Corp.**Condensed Interim Statements of Cash Flows****(Expressed in Canadian Dollars)****(Unaudited)**

	Three Months Ended December 31, 2025	Three Months Ended December 31, 2024
Operating activities		
Net loss for the period	\$ (490,370)	\$ (4,762,218)
Adjustments for:		
Share-based compensation	10,482	12,332
Fair value changes on marketable securities	-	3,641,315
Realized loss on sale of marketable securities	-	1,019,575
Changes in non-cash working capital items:		
Amounts receivable	85,429	62,738
Prepaid expenses and deposits	(317,358)	(1,111)
Accounts payable and accrued liabilities	91,183	(14,239)
Net cash (used in) provided by operating activities	(620,634)	(41,608)
Investing activities		
Unproven mineral right interest - exploration	(216,706)	(57,611)
Purchase of marketable securities	(14,420)	-
Proceeds from sale of marketable securities	-	1,807,925
Net cash provided by (used in) investing activities	(231,126)	1,750,314
Net change in cash and cash equivalents	(851,760)	1,708,706
Cash and cash equivalents, beginning of period	16,766,742	6,057,040
Cash and cash equivalents, end of period	\$ 15,914,982	\$ 7,765,746

Supplemental Information

Unproven mineral right interest - exploration included in accounts payable and accrued liabilities	\$ 13,571	\$ 498
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Labrador Gold Corp.**Condensed Interim Statements of Changes in Equity****(Expressed in Canadian Dollars)****(Unaudited)**

	Share Capital Number	Share Capital Amount	Share-based payments reserve	Deficit	Total
Balance, September 30, 2024	170,009,979	\$ 61,472,277	\$ 4,705,377	\$ (34,872,062)	\$ 31,305,592
Share-based compensation	-	-	12,332	-	12,332
Net loss for the period	-	-	-	(4,762,218)	(4,762,218)
Balance, December 31, 2024	170,009,979	\$ 61,472,277	\$ 4,717,709	\$ (39,634,280)	\$ 26,555,706
Balance, September 30, 2025	170,009,979	\$ 61,472,277	\$ 4,850,377	\$ (42,481,160)	\$ 23,841,494
Share-based compensation	-	-	10,482	-	10,482
Net loss for the period	-	-	-	(490,370)	(490,370)
Balance, December 31, 2025	170,009,979	\$ 61,472,277	\$ 4,860,859	\$ (42,971,530)	\$ 23,361,606

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

Labrador Gold Corp.

Notes to Condensed Interim Financial Statements
For the Three Months Ended December 31, 2025
(Expressed in Canadian Dollars)
(Unaudited)

1. Nature of business and going concern

Labrador Gold Corp. ("Labrador Gold" or the "Company") is a company involved in the acquisition and exploration of prospective gold projects in the Americas. It was incorporated under the Business Corporations Act (British Columbia) in 1987. Effective July 1, 2021, the Company filed Articles of Continuance to continue into Ontario and is now subject to the provisions of the Business Corporations Act (Ontario). The Company is listed on the TSX Venture Exchange ("TSX-V") under the symbol "LAB". Its principal office is located at 82 Richmond Street East, Toronto, ON, Canada M5C 1P1.

The Company is focused on conducting mineral exploration in Eastern Canada. At the date of these financial statements, the Company has not yet determined whether any of its mineral interests contain economic mineral reserves. Accordingly, the carrying amount of its mineral right interests represents the cumulative acquisition costs and exploration expenditures incurred to date, which does not necessarily reflect present or future values. The recovery of these costs is dependent on the discovery of economically recoverable mineral reserves and the ability of the Company to obtain the necessary financing to undertake continuing exploration and development, and to resolve any environmental, regulatory or other constraints.

These financial statements have been prepared on a going concern basis, which assume that the Company will be able to continue in operation for a reasonable period of time and will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future.

The Company is a mineral exploration company with a history of recurring losses and without a source of revenue. At December 31, 2025, the Company had no source of operating cash flow. Operations in recent years have been funded from the issuance of share capital and cash on hand.

Given its current stage of operations, the Company's ability to continue as a going concern is contingent on its ability to obtain additional financing. In the event the Company is unable to raise adequate financing or meet its current obligations, the carrying value of the Company's unproven mineral right interests could be subject to adjustments. At December 31, 2025, the Company believes it has sufficient funds to finance its operations for the current fiscal year.

2. Basis of Preparation

Statement of compliance

These unaudited condensed interim financial statements have been prepared in accordance with IFRS Accounting Standards ("IFRS") applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. These interim financial statements do not include all the information required for a complete set of IFRS statements. However, selected notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual financial statements as at and for the year ended September 30, 2025.

These unaudited condensed interim financial statements were authorized for issue by the board of directors of the Company on February 25, 2026.

Labrador Gold Corp.

Notes to Condensed Interim Financial Statements
For the Three Months Ended December 31, 2025
(Expressed in Canadian Dollars)
(Unaudited)

3. Material accounting policies

These unaudited condensed interim financial statements follow the same accounting policies and methods of application as the Company's most recent annual financial statements. Accordingly, the interim financial statements should be read in conjunction with the Company's most recent annual financial statements.

4. Marketable securities

	December 31, 2025	September 30, 2025
Balance, beginning of period	\$ -	\$ 18,157,892
Addition	14,420	-
Disposals	-	(12,188,783)
Unrealized gain (loss)	-	1,684,210
Realized loss	-	(7,653,319)
Balance, end of period	\$ 14,420	\$ -

5. Unproven mineral right interests

	Hopedale Property	Borden Lake Property	Scotch Property	Other	Total
Balance, September 30, 2024	\$ 5,630,806	\$ 809,135	\$ 604,162	\$ 20,865	\$ 7,064,968
Acquisition	50,000	5,600	640	-	56,240
Deferred exploration	780,257	3,550	-	23,257	807,064
Recoveries	(126,805)	-	-	-	(126,805)
Impairment	-	-	(604,802)	(44,122)	(648,924)
Balance, September 30, 2025	6,334,258	818,285	-	-	7,152,543
Deferred exploration	62,171	67,323	-	-	129,494
Balance, December 31, 2025	\$ 6,396,429	\$ 885,608	\$ -	\$ -	\$ 7,282,037

Ownership in mineral right interests involves certain inherent risks due to the difficulties of determining and obtaining clear title to claims as well as the potential for problems arising from the ambiguous conveyance history of many mineral right interests. The Company has investigated ownership of its mineral right interests and, to the best of its knowledge, ownership of its interests are in good standing.

Labrador Gold Corp.

Notes to Condensed Interim Financial Statements
For the Three Months Ended December 31, 2025
(Expressed in Canadian Dollars)
(Unaudited)

5. Unproven mineral right interests (continued)

Hopedale Property

On December 7, 2020, the Company entered into an option agreement that granted the Company the option to earn a 100% interest in the Hopedale property, located in Labrador.

During the year ended September 30, 2023, the Company exercised the option and earned a 100% interest in the Hopedale property.

The Company has made cash payments totalling \$975,000 and issued a total of 2,875,000 common shares.

The vendors of the Hopedale property retain a 2% net smelter return ("NSR") royalty, half of which may be bought back by the Company at any time for \$2 million plus \$1 per ounce of gold in measured and indicated resources. An advance royalty of \$25,000 per annum for each property became payable in calendar 2024.

Borden Lake Property

The Company has a 100% undivided interest in the Borden Lake Property located near Chapleau, Ontario, subject to a 2% NSR royalty, half of which may be bought back by the Company for \$1 million at any time.

Scotch Property

In March 2021, the Company acquired a 100% undivided interest in the Scotch Property. The Scotch Property is located southwest of Moncton, New Brunswick and consists of 16 claims.

During the year ended September 30, 2025, the Company allowed the claims making up the Scotch Property to lapse. As a result, the Company wrote off \$604,802, being the historical capitalized amounts associated with the claims that were allowed to lapse.

6. Equity

(a) Authorized

An unlimited number of common shares without par value

(b) Issued and outstanding

	Number of common shares	Amount
Balance, September 30, 2024, September 30, 2025 and December 31, 2025	170,009,979	\$ 61,472,277

(c) Share-based payment reserve

Share-based payments reserve consists of the accumulated fair value of common share options, share purchase warrants and broker units recognized as share-based payments, net of the fair values of common share options, share purchase warrants and broker units transferred to share capital upon exercise.

Labrador Gold Corp.

Notes to Condensed Interim Financial Statements For the Three Months Ended December 31, 2025 (Expressed in Canadian Dollars) (Unaudited)

6. Equity (continued)

(d) Share purchase options

The following table reflects the continuity of stock options for the periods ended December 31, 2025 and 2024:

	Number of stock options	Weighted average exercise price
Balance, September 30, 2024 and December 31, 2024	5,350,000	\$ 0.36
Granted (i)(ii)	3,550,000	0.10
Expired	(3,150,000)	0.45
Balance, September 30, 2025	5,750,000	0.15
Cancelled	(750,000)	0.14
Balance, December 31, 2025	5,000,000	\$ 0.15

During the three months ended December 31, 2025, \$10,482 (2024 - \$12,332) was expensed to share-based compensation.

- (i) On January 15, 2025, the Company granted officers, directors, and consultants an aggregate of 3,050,000 stock options exercisable until January 15, 2030 at \$0.10 per share. A fair value of \$134,505 was determined using the Black-Scholes valuation model using the following weighted average assumptions: share price - \$0.065; dividend yield - 0%; expected volatility - 97%; risk-free rate - 3.14%; and an expected life - 5 years. The options vest 25% on January 15, 2025, 25% on July 15, 2025, 25% on January 15, 2026, and 25% on July 15, 2026.
- (ii) On June 23, 2025, the Company granted an officer 500,000 stock options exercisable until June 23, 2030 at \$0.10 per share. A fair value of \$28,500 was determined using the Black-Scholes valuation model using the following weighted average assumptions: share price - \$0.085; dividend yield - 0%; expected volatility - 88%; risk-free rate - 2.85%; and an expected life - 5 years. The options vest 25% on June 23, 2025, 25% on December 23, 2025, 25% on June 23, 2026, and 25% on December 23, 2026.

The following table reflects the share purchase options issued and outstanding as of December 31, 2025:

Expiry Date	Exercise price (\$)	Remaining contractual life (years)	Number of options outstanding	Vested and exercisable
April 3, 2028	0.23	2.26	1,950,000	1,950,000
January 15, 2030	0.10	4.04	2,550,000	1,275,000
June 23, 2030	0.10	4.48	500,000	250,000
	0.15	3.39	5,000,000	3,475,000

(e) Share purchase warrants

As at December 31, 2025 and 2024, there were no share purchase warrants issued and outstanding.

Labrador Gold Corp.

Notes to Condensed Interim Financial Statements For the Three Months Ended December 31, 2025 (Expressed in Canadian Dollars) (Unaudited)

7. Related party transactions

Key management personnel include the members of the Board of Directors, the Chief Executive Officer ("CEO"), and the Chief Financial Officer ("CFO") of the Company. Compensation of key management personnel was as follows for the periods ended December 31, 2025 and 2024.

	Three Months Ended December 31, 2025	Three Months Ended December 31, 2024
Management fees (i)	\$ 36,425	\$ 43,500
Geological consulting fees (i)(iv)	32,565	-
Directors' fees (ii)	13,500	13,500
Professional fees (iii)	18,085	13,458
Share-based payments	8,395	7,488
	\$ 108,970	\$ 77,946

- (i) During the three months ended December 31, 2025, the Company incurred management fees of \$36,425 (2024 - \$43,500) and geological consulting fees of \$11,640 (2024 - \$nil) for services provided by a company controlled by the Company's CEO. As at December 31, 2025, \$16,325 (September 30, 2025 - \$18,858) was due to the CEO, and is included in accounts payable and accrued liabilities with respect to the fees and other expense reimbursements. These amounts are unsecured, non-interest bearing, with no fixed terms of repayment.

Management fees were paid pursuant to a consulting agreement under which Moss Exploration Services Ltd. would receive a monthly fee of \$16,500 effective October 1, 2024. The Company can terminate the agreement with three months' notice, or payment of the fees during the termination period in lieu of notice.

- (ii) During three months ended December 31, 2025, the Company incurred directors' fees of \$13,500 (2024 - \$13,500) to its independent directors.
- (iii) For the three months ended December 31, 2025, the Company incurred \$18,085 in professional fees (2024 - \$13,458) to Marrelli Support Services Inc. ("Marrelli") for an employee of Marrelli to act as the CFO of the Company. As at December 31, 2025, \$7,984 (September 30, 2025 - \$2,601) was due to Marrelli, and is included in accounts payable and accrued liabilities with respect to the fees. These amounts are unsecured, non-interest bearing, with no fixed terms of repayment.
- (iv) During the three months ended December 31, 2025, the Company incurred \$20,925 in geological consulting fees (2024 - \$nil) for the service provided by a company controlled by an officer of the Company. As at December 31, 2025, \$12,713 (September 30, 2025 - \$21,611) is included in accounts payable and accrued liabilities with respect to the fees. These amounts are unsecured, non-interest bearing, with no fixed terms of repayment.

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

Labrador Gold Corp.

Notes to Condensed Interim Financial Statements

For the Three Months Ended December 31, 2025

(Expressed in Canadian Dollars)

(Unaudited)

8. Contingencies

In February 2026, Coloured Ties Capital Inc. and Kulwant (Kal) Malhi commenced a legal action against the Company and its directors, alleging defamation in connection with statements made by the Company. The plaintiffs are seeking injunctive relief and unspecified monetary damages.

The Company believes the claim is without merit and intends to vigorously defend its position. Based on management's assessment and consultation with legal counsel, the outcome of this matter cannot be determined at this time and no provision has been recorded in these financial statements.

9. Subsequent events

On February 10, 2026, the Company announced the formation of a corporate joint venture with Nemo Resources Inc. ("Nemo") through a private exploration company, Elementary Minerals Inc. ("Elementary"). Under the terms of the agreement, the Company and Nemo will form a joint venture pursuant to the terms of a Unanimous Shareholders Agreement among Labrador Gold, Nemo and Elementary, to advance the Watson Project. The Board of Directors of Elementary will consist of two nominees from the Company and one nominee from Nemo. Nemo transferred 314 map-staked mining claims (the "Watson Property") and related exploration data to Elementary in consideration for which Nemo will receive 4 million common shares (20%) of Elementary. The Company contributed \$303,842 to Elementary to cover the costs of staking a further 6,040 mining claims surrounding the Watson Property and will advance a further \$1,196,158 to Elementary to cover general and administrative expenditures and fund approved programs and budgets for the exploration of the Watson Project for a total of \$1.5 million for which it will receive 16 million common shares (80%) of Elementary.

At the Annual General and Special Meeting of Shareholders of the Company held on February 24, 2026, shareholders approved the proposed change of business to change the Company's business focus from a pure exploration company to an exploration and investment issuer (the "Change of Business"), among other matters.