



Nations Royalty Corp.

Condensed Interim Consolidated Financial Statements

For the Three and Nine Months Ended December 31, 2025 and 2024

(Presented in Canadian Dollars)

(Unaudited)

Nations Royalty Corp.

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

		December 31, 2025	March 31, 2025
	Notes	(\$)	(\$)
Assets			
Current assets			
Cash and cash equivalents		3,262,972	4,713,250
Amounts receivable	5	1,276,000	895,485
Prepaid expenses and deposits		60,570	26,968
Total assets		4,599,542	5,635,703
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities		105,410	111,220
Total liabilities		105,410	111,220
Shareholders' equity			
Share capital	7	30,272,077	30,267,574
Reserves	7	5,092,924	3,805,337
Deficit		(30,870,869)	(28,548,428)
Total shareholders' equity		4,494,132	5,524,483
Total liabilities and shareholders' equity		4,599,542	5,635,703

Nature of operations (Note 1)
Subsequent events (Note 11)

Approved and authorized for issuance by the Board of Directors:

"Alex Morrison"

Director

"Derrick Pattenden"

CEO & Director

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

Nations Royalty Corp.

Condensed Interim Consolidated Statements of Net Loss and Comprehensive Loss

(Expressed in Canadian Dollars)

(Unaudited)

	Notes	Three months ended December 31,		Nine months ended December 31,	
		2025 (\$)	2024 (\$)	2025 (\$)	2024 (\$)
Revenue					
Royalty income	6	536,171	288,000	1,082,921	571,061
Expenses					
Salaries and benefits		354,252	307,991	1,049,617	600,793
Director fees		45,825	39,654	135,603	109,093
Consulting	8	59,885	138,111	206,583	302,510
Marketing		30,943	347,457	146,969	857,313
Professional fees		27,553	79,996	142,905	376,814
Office and administration		94,257	113,301	274,282	196,965
Transfer agent and filing fees		5,877	3,749	35,587	101,284
Travel		75,423	79,242	209,194	280,364
Donations		-	-	500	30,000
Share-based compensation	4,7,8	317,363	531,582	1,289,590	2,691,128
		(475,207)	(1,353,083)	(2,407,909)	(4,975,203)
Listing expense	4	-	-	-	(22,476,321)
Interest income		22,281	63,402	85,468	168,219
Net loss and comprehensive loss		(452,926)	(1,289,681)	(2,322,441)	(27,283,305)
Basic and diluted loss per share		(0.00)	(0.01)	(0.02)	(0.26)
Weighted average number of common shares outstanding – basic and diluted		144,755,637	144,730,637	144,737,505	103,529,945

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

Nations Royalty Corp.

Condensed Interim Consolidated Statements of Changes in Shareholders' Equity

(Expressed in Canadian Dollars)

(Unaudited)

	Notes	Number of Shares (#)	Share Capital (\$)	Reserves (\$)	Net Parent Investment (\$)	Deficit (\$)	Total Shareholders' Equity (\$)
At March 31, 2024		-	-	-	3,698,121	-	3,698,121
Reverse takeover transaction	4	144,730,637	30,267,574	523,513	(3,698,121)	-	27,092,966
Share-based compensation	4,7,8	-	-	2,691,128	-	-	2,691,128
Net loss and comprehensive loss		-	-	-	-	(27,283,305)	(27,283,305)
At December 31, 2024		144,730,637	30,267,574	3,214,641	-	(27,283,305)	6,198,910
At March 31, 2025		144,730,637	30,267,574	3,805,337	-	(28,548,428)	5,524,483
Share-based compensation	4,7,8	-	-	1,289,590	-	-	1,289,590
Exercise of stock options		25,000	4,503	(2,003)	-	-	2,500
Net loss and comprehensive loss		-	-	-	-	(2,322,441)	(2,322,441)
At December 31, 2025		144,755,637	30,272,077	5,092,924	-	(30,870,869)	4,494,132

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

Nations Royalty Corp.

Condensed Interim Consolidated Statements of Cash Flows

(Expressed in Canadian Dollars)

(Unaudited)

	Three months ended		Nine months ended	
	2025	2024	2025	2024
	(\$)	(\$)	(\$)	(\$)
Operating activities				
Net income (loss)	(452,926)	(1,289,681)	(2,322,441)	(27,283,305)
Items not involving cash:				
Share-based compensation	317,363	531,582	1,289,590	2,691,128
Listing expense	-	-	-	22,476,321
Changes in non-cash working capital items:				
Amounts receivable	(523,389)	(325,015)	(380,515)	(614,956)
Prepaid expenses and deposits	15,776	38,823	(33,602)	(53,362)
Accounts payable and accrued liabilities	(32,942)	(138,694)	(5,810)	(848,976)
Net cash used in operating activities	(676,118)	(1,182,985)	(1,452,778)	(3,633,150)
Investing activities				
Cash acquired (note 4)	-	-	-	9,328,348
Net cash provided by investing activities	-	-	-	9,328,348
Financing Activities				
Exercise of stock options	-	-	2,500	-
Net cash provided by financing activities	-	-	2,500	-
Change in cash and cash equivalents	(676,118)	(1,182,985)	(1,450,278)	5,695,198
Cash and cash equivalents – beginning	3,939,090	6,878,183	4,713,250	-
Cash and cash equivalents – end	3,262,972	5,695,198	3,262,972	5,695,198
Cash and cash equivalents is comprised of:				
Cash	3,205,472	5,637,698	3,205,472	5,637,698
Term deposit	57,500	57,500	57,500	57,500
	3,262,972	5,695,198	3,262,972	5,695,198
Supplemental cash flow information				
Amounts receivable acquired (note 4)	-	-	-	106,603
Accounts payable and accrued liabilities acquired (note 4)	-	-	-	1,120,185

No cash was paid for interest or income taxes during the three and nine months ended December 31, 2025 and 2024. During the three and nine months ended December 31, 2025, the Company received interest on cash and cash equivalents of \$22,281 and \$85,468 (December 31, 2024: \$63,402 and \$168,219).

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

Nations Royalty Corp.

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For the Three and Nine Months Ended December 31, 2025 and 2024

(Expressed in Canadian Dollars)

(Unaudited)

1. NATURE OF OPERATIONS

Nations Royalty Corp. (formerly Vega Mining Inc.) (the “Company”) is a majority Nisga’a Nation owned company focused on acquiring royalties in the resource sector and was incorporated on November 21, 2007, under the Business Corporations Act (British Columbia). The Company changed its name from Vega Mining Inc. to Nations Royalty Corp. on May 3, 2024. The head office is Suite 3123 - 595 Burrard Street, Vancouver, British Columbia, V7X 1J1 and its registered and records office is located at Suite 2500 - 700 West Georgia Street, Vancouver, British Columbia, V7Y 1B3. The Company’s common shares trade on the TSX Venture Exchange under the ticker symbol “NRC”, the OTCQB market under the trading symbol “NRYCF”, and the Frankfurt Stock Exchange under the trading symbol “Y96”.

On June 18, 2024, the Company completed the Transaction (as described in Note 4), pursuant to which it acquired all of the issued and outstanding shares of Nations Acquisition Corp. (“Nationsco”) in exchange for common shares of the Company. In connection with the Transaction, the Company changed its name to Nations Royalty Corp. and changed its fiscal year end from May 31 to March 31. Following completion of the Transaction, the Company’s common shares were approved for listing on Tier 2 of the TSX Venture Exchange and commenced trading on June 21, 2024, under the symbol ‘NRC’. The Company will carry on the business previously carried on by Nationsco.

2. BASIS OF PREPARATION

These unaudited condensed interim consolidated financial statements (these “Financial Statements”) have been prepared in accordance with IFRS Accounting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). These Financial Statements have been prepared in accordance with International Accounting Standards (IAS) 34 - Interim Financial Reporting and they follow the same accounting policies and methods of application as the Company’s most recent audited annual consolidated carve-out financial statements. Accordingly, they should be read in conjunction with the Company’s audited annual consolidated carve-out financial statements as at and for the years ended March 31, 2025 and 2024. These Financial Statements have been prepared on a historical cost basis. In addition, these Financial Statements have been prepared using the accrual basis of accounting, except for cash flow information. These Financial Statements are presented in Canadian Dollars, which is also the Company’s functional and reporting currency.

The Board of Directors approved these Financial Statements on February 26, 2026.

3. MATERIAL ACCOUNTING POLICIES

a) New Accounting Standards Issued but not yet Effective

Amendments to IFRS 9 and IFRS 7 - Amendments to the Classification and Measurement of Financial Instruments

In May 2024, the IASB issued amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures. The amendments clarify the date of recognition and derecognition of financial assets and liabilities, clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest criterion, add new disclosures for financial instruments with contractual terms that can change cash flows, and update the disclosure for equity investments designated at fair value through other comprehensive income. The amendments are effective for annual reporting periods beginning on or after January 1, 2026, with earlier adoption permitted. The Company is currently assessing the impact of the amendments.

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3. MATERIAL ACCOUNTING POLICIES (continued)

IFRS 18 – Presentation and Disclosure in Financial Statements

In April 2024, IFRS 18 Presentation and Disclosure in Financial Statements was issued to achieve comparability of the financial performance of similar entities. The standard, which replaces IAS 1, impacts the presentation of primary financial statements and notes, including the statement of earnings where companies will be required to present separate categories of income and expense for operating, investing, and financing activities with prescribed subtotals for each new category. The standard will also require management-defined performance measures to be explained and included in a separate note within the financial statements. The standard is effective for annual reporting periods beginning on or after January 1, 2027, including interim financial statements, and requires retrospective application. The Company is currently assessing the impact of the new standard.

4. REVERSE TAKEOVER TRANSACTION

On February 1, 2024, the Company entered into an amalgamation agreement with the Nisga'a Nation pursuant to which, among other things, the Company would acquire from the Nisga'a Nation the rights to five benefit payment entitlements (the "Royalties") (Note 6) in benefits agreements the Nisga'a Nation has in place in respect of mines and projects within the Golden Triangle Area, located in northwest British Columbia, in exchange for common shares of the Company (the "Transaction").

Concurrently with, and as a condition to, completion of the Transaction, Finco, a wholly-owned subsidiary of the Company, completed a private placement (the "Concurrent Financing") on April 9, 2024, of 11,111,112 subscription receipts (each, a "Subscription Receipt") at a price of \$0.90 per Subscription Receipt, for gross proceeds of \$10,000,001. All proceeds of the Concurrent Financing were held in escrow pending satisfaction of the closing conditions to the Transaction. Upon satisfaction of the escrow conditions, immediately prior to completion of the Transaction, each Subscription Receipt was automatically converted into one common share of Finco and the funds held in escrow were transferred to the Company's unrestricted bank account.

On June 18, 2024, the Transaction was completed by way of a three-cornered amalgamation under the provisions of the Business Corporations Act (British Columbia) whereby Finco amalgamated with Nationsco, a wholly-owned subsidiary of the Nisga'a Nation formed to hold the Royalties prior to closing and having had no other assets or material financial liabilities or obligations, with the resulting company being named Nass Valley Area Royalty Holdings Corp. ("Nass Valley Area Royalty"). All of the issued and outstanding shares of Nass Valley Area Royalty following the amalgamation were immediately exchanged for common shares of the Company on a one-for-one basis (the "Consideration Shares"). The Consideration Shares and most of the currently existing Company shares are subject to voluntary pooling restrictions and will be released over a period of 36 months from completion of the Transaction (Note 7). Pursuant to the Transaction, the Company issued an aggregate of 111,100,000 common shares to the Nisga'a Nation in consideration for the assignment of the Royalties.

Upon completion of the Transaction, including the Concurrent Financing, (i) the existing shareholders of the Company held approximately 15.56% of its issued and outstanding shares; (ii) the Nisga'a Nation held approximately 76.76% of the Company's issued and outstanding shares; and (iii) the investors in the Concurrent Financing held approximately 7.68% of the Company's issued and outstanding shares.

The legal acquisition of Nass Valley Area Royalty by the Company constitutes a reverse asset acquisition. As a result, the Transaction is accounted for in accordance with IFRS 2 – Share-based Payment, as a reverse acquisition with Nass Valley Area Royalty being identified as the accounting acquirer (legal subsidiary) and the Company being treated as the accounting acquiree (legal parent).

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4. REVERSE TAKEOVER TRANSACTION (continued)

As consideration for 100% of the outstanding shares of the Company, Nass Valley Area Royalty issued 33,630,637 common shares with a value of \$0.90 per share, being the value of the Concurrent Financing, on a one-for-one basis to the shareholders of the Company. In addition, Nass Valley Area Royalty issued 700,000 replacement options, in exchange for previously outstanding options of the Company with a fair value of \$523,513, using the Black-Scholes valuation model with the following assumptions: i) exercise price per share of \$0.10; ii) expected share price volatility of 75%; iii) risk-free interest rate of 3.24%; iv) expected life of 5 years; v) no dividend yield. The consideration paid was allocated first to the fair value of the net assets acquired, with any excess to listing expense as follows:

Consideration	
33,630,637 common shares issued with a value of \$0.90 per share	\$ 30,267,574
700,000 replacement options	523,513
	\$ 30,791,087
Identifiable net assets	
Cash	\$ 9,328,348
Amounts receivable	106,603
Accounts payable and accrued liabilities	(1,120,185)
	\$ 8,314,766
Listing expense	\$ 22,476,321

5. AMOUNTS RECEIVABLE

	December 31, 2025 (\$)	March 31, 2025 (\$)
Accrued royalty income	1,273,500	890,968
Other receivables	2,500	-
GST and other recoverable taxes	-	4,517
Total amounts receivable	1,276,000	895,485

The accrued royalty income balance is the Company's estimate of revenue from the Brucejack mine. Proceeds from the Brucejack Annual Payment are received once per year and consists of amounts accrued over a 12-month period.

6. REVENUE

The following table summarizes the Company's total revenue from royalty interests during the three and nine months ended December 31, 2025 and 2024:

	Three months ended December 31,		Nine months ended December 31,	
	2025 (\$)	2024 (\$)	2025 (\$)	2024 (\$)
Revenue from royalties				
Brucejack	536,171	288,000	1,082,921	571,061
Total revenue from royalties	536,171	288,000	1,082,921	571,061

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7. SHARE CAPITAL

The authorized share capital of the Company consists of an unlimited number of common shares without par value and an unlimited number of preferred shares without par value.

a) Share activities

As at December 31, 2025, the Company had 144,755,637 common shares outstanding (March 31, 2025 – 144,730,637).

During the three and nine months ended December 31, 2025, the Company issued Nil and 25,000 common shares resulting from the exercise of stock options.

b) Stock options

The Company has established a “rolling” Stock Option Plan (the “Plan”). Under the Plan, the number of shares reserved for issuance may not exceed 10% of the total number of issued and outstanding shares and, to any one optionee, may not exceed 5% of the issued shares on a yearly basis. The maximum term of each option shall not be greater than 10 years. The exercise price of each option shall not be less than the market price of the Company’s shares at the date of grant. Options granted to consultants performing investor relations activities shall vest over a minimum of 12 months with no more than 1/4 of such options vesting in any 3 month period. All other options vest at the discretion of the Board of Directors.

The Company uses the Black Scholes option pricing model to determine the fair value of stock options granted. Changes in stock options during the three and nine months ended December 31, 2025 are as follows:

	Number of stock options (#)	Weighted-average exercise price (\$)
Outstanding - March 31, 2024	-	-
Granted	11,250,000	0.85
Forfeited	(937,500)	0.90
Expired	(250,000)	0.90
Outstanding – March 31, 2025	10,062,500	0.84
Granted	1,015,000	0.58
Forfeited	(62,500)	0.90
Exercised	(25,000)	0.10
Outstanding – December 31, 2025	10,990,000	0.82

As at December 31, 2025, the following options were outstanding:

Outstanding (#)	Exercisable (#)	Exercise price (\$)	Expiry date
1,015,000	337,995	0.58	July 25, 2030
8,750,000	4,375,000	0.90	June 18, 2029
400,000	200,000	0.90	October 21, 2029
150,000	37,500	0.90	February 13, 2030
575,000 ⁽¹⁾	575,000	0.10	June 5, 2033
100,000 ⁽¹⁾	100,000	0.10	August 14, 2033
10,990,000	5,625,495	0.82	

(1) Replacement options – Note 4

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(Expressed in Canadian Dollars)

7. SHARE CAPITAL (continued)

The following assumptions were used in the valuation of the stock options granted during the three and nine months ended December 31, 2025 and 2024.

	Three months ended December 31,		Nine months ended December 31,	
	2025	2024	2025	2024
Annualized volatility	N/A	75%	79%	75%
Expected life (years)	N/A	5	5	5
Dividend rate	N/A	0.00%	0.00%	0.00%
Risk-free interest rate	N/A	3.01%	2.69%	3.01% - 3.28%
Forfeiture rate	N/A	0.00%	0.00%	0.00%

During the three and nine months ended December 31, 2025 the Company recorded \$317,363 and \$1,289,590 (December 31, 2024: \$531,582 and \$2,691,128) of share-based compensation expense based on the vesting of stock options.

c) Voluntary pooling restrictions:

132,852,500 of the issued and outstanding common shares are subject to voluntary pooling restrictions pursuant to a June 2024 agreement. As of December 31, 2025, 92,996,750 shares (March 31, 2025 – 119,567,250) remain subject to the voluntary pooling restrictions and will be released in scheduled tranches until June 2027.

8. RELATED PARTY TRANSACTIONS

Key management consists of personnel having the authority and responsibility for planning, directing, and controlling the activities of the Company, which are the directors and executive officers of the Company. Compensation to key management is summarized below:

	Three months ended December 31,		Nine months ended December 31,	
	2025	2024	2025	2024
	(\$)	(\$)	(\$)	(\$)
Salaries	191,250	191,250	573,750	341,250
Director fees	45,825	39,654	135,603	109,093
Consulting fees	-	1,250	-	12,500
Share-based compensation	144,066	242,183	592,563	1,304,603
	381,141	474,337	1,301,916	1,767,446

9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

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(Expressed in Canadian Dollars)

9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

The fair values of the Company's cash and cash equivalents, amounts receivable, and accounts payable approximate their carrying value, due to their short-term maturities and market interest rate.

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

a) *Credit Risk*

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk is attributable to cash and cash equivalents, and amounts receivable relating to royalty revenues. Cash and cash equivalents are held with large Canadian banks. Management believes the risk of loss to be remote. The Company's amounts receivable is primarily comprised of amounts owing from counterparties who own and operate the mines underlying the royalty portfolio. Therefore, the Company's amounts receivable is subject to the credit risk of the counterparties who own and operate the mines. Counterparty risk is not deemed significant given payments to date have always been received when due and the counterparty operates a mine with proven operational history.

b) *Liquidity Risk*

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk by continuing to monitor forecasted and actual cash flows. The Company has in place a planning and budgeting process to help determine the funds required to support the Company's normal operating requirements on an ongoing basis and its development plans. The Company strives to maintain sufficient liquidity to meet its short-term business requirements, taking into account its anticipated cash flows from royalty interests, its holdings in cash and cash equivalents and its committed liabilities. The Company had working capital (current assets less current liabilities) of \$4,494,132 at December 31, 2025 (March 31, 2025 - \$5,524,483).

c) *Market Risk*

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, commodity prices, and equity prices:

1. Interest Rate Risk

Interest rate risk consists of two components:

- (a) To the extent that payments made or received on the Company's monetary assets and liabilities are affected by changes in the prevailing market interest rates, the Company is exposed to interest rate cash flow risk.
- (b) To the extent that changes in prevailing market rates differ from the interest rate in the Company's monetary assets and liabilities, the Company is exposed to interest rate price risk.

Due to the short-term nature of the Company's financial instruments, fluctuations in market rates do not have a significant impact on estimated fair values during the periods presented. Future cash flows from interest income on cash will be affected by interest rate fluctuations. The Company manages interest rate risk by maintaining an investment policy that focuses primarily on the preservation of capital and liquidity. Interest rate risk is assessed as low.

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(Expressed in Canadian Dollars)

10. CAPITAL RISK MANAGEMENT

The Company defines its capital as all components of shareholders' equity. In order to maintain its capital structure, the Company is dependent on equity funding and when necessary, raises capital through the issuance of equity instruments, primarily comprised of common shares. The Company manages its capital structure and makes adjustments to it in light of economic conditions. The Company, upon approval from its Board of Directors, will make changes to its capital structure as deemed appropriate under the specific circumstances.

The Company is not subject to any externally imposed capital requirements or debt covenants, and does not presently utilize any quantitative measures to monitor its capital. There were no changes to the Company's approach to managing capital during the periods presented.

11. SUBSEQUENT EVENT

In January 2026, the Company issued 1,100,000 common shares for gross proceeds of \$790,000 through the exercise of stock options.

On January 30, 2026, the Company completed a bought-deal private placement for gross proceeds of \$15,000,000 by issuing 9,375,000 units of the Company (the "Units") at a price of \$1.60 per Unit. Each Unit consists of one common share of the Company (each, a "**Unit Share**") and one-half of one common share purchase warrant (each whole warrant, a "Warrant"). Each whole warrant shall entitle the holder to purchase one common share of the Company (each, a "Warrant Share") at a price of \$2.25 at any time on or before January 30, 2029. As part of the financing, the Company paid cash fees totalling \$873,600 and issued 546,000 non-transferable common share purchase warrants (the "**Broker Warrants**"). Each Broker Warrant is exercisable into a Warrant Share at the Offering Price at any time on or before January 30, 2029.