



SILVER NORTH RESOURCES LTD.

Consolidated Financial Statements

For the years ended September 30, 2025, 2024 and 2023

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and the Board of Directors of Silver North Resources Ltd.

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Silver North Resources Ltd. (“the Company”), which comprise the consolidated statements of financial position as at September 30, 2025 and 2024 and the consolidated statements of comprehensive loss, changes in shareholders’ equity and cash flows for each of the years in the three-year period ended September 30, 2025, and a summary of material accounting policies and other explanatory information (collectively referred to as the “financial statements”).

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at September 30, 2025 and 2024 and its financial performance and its cash flows for each of the years in the three-year period ended September 30, 2025, in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

Going Concern

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 1 to the consolidated financial statements, the recovery of the Company’s investment in its exploration and evaluation assets is dependent upon the future discovery, development and sale of minerals, upon the ability to raise sufficient capital to finance these activities, and/or upon the sale of these properties. In the near-term, the ability of the Company to continue as a going concern is dependent on obtaining additional financing through the issuance of common shares or obtaining joint venture or property sale agreements for one or more properties. These conditions, along with other matters as set forth in Note 1, raise substantial doubt about its ability to continue as a going concern. Management’s plans in regard to these matters are also described in Note 1. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty. Going concern uncertainty is further discussed below as a critical audit matter.

Basis for Opinion

These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (“PCAOB”) and are required to be independent with respect to the Company in accordance with U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free of material misstatement, whether due to fraud or error. The Company is not required to have, nor were we engaged to perform, an audit of internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of a critical audit matter does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing a separate opinion on the critical audit matters or on the accounts or disclosures to which it relates.

Exploration and Evaluation Assets – Assessment of Whether Indicators of Impairment Exist

As described in Note 5 to the financial statements, the Company holds the rights to several exploration stage exploration and evaluation assets, which are the Company’s primary non-current assets. Note 3 to the financial statements explains that the Company capitalizes acquisition and exploration costs incurred in acquiring and subsequently advancing these exploration and evaluation assets, net of any recoveries received. At the end of each reporting period, the carrying amounts of the Company’s exploration and evaluation assets are reviewed under *IFRS 6 – Exploration and Evaluation of Mineral Resources* to determine whether there is any indication that these assets are impaired.

Management considered the following factors to determine whether or not an indicator of impairment exists: (i) whether the period for which the Company has the right to explore its projects has expired or will expire in the near future; (ii) whether further exploration on its project(s) is neither budgeted nor planned; (iii) whether exploration activities to date have led to the discovery of commercially viable quantities of mineral resources; and (iv) whether there is sufficient data that indicates the carrying amount of the Company’s exploration and evaluation assets are unlikely to be recovered in full from successful development and/or sale. Of the factors that must be considered, the judgments associated with the Company’s ability and options to develop its projects and the impact of the Company’s market capitalization relative to the carrying value of its net assets are the most subjective. Auditing these judgments required a high degree of subjectivity in applying audit procedures and in evaluating the results of those procedures. This resulted in an increased extent of audit effort.

The principal considerations for our determination that the assessment of potential impairment is a critical audit matter are: (i) materiality of the aggregate amounts involved in respect to quantum; (ii) the degree of judgment required by management when assessing the recoverability of deferred acquisition costs; and (iii) the required extent of auditor judgment, subjectivity, and effort in performing procedures to evaluate management’s assessment.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the financial statements. These procedures also included, among others, (i) testing management’s process for determining whether an indicator of impairment exists; (ii) testing the completeness and accuracy of underlying data used in management’s assessment and evaluating the reasonableness of the significant estimates and assumptions used by management; and (iii) considering whether the financial statements fairly disclose the inherent uncertainties applicable to the recoverability of deferred exploration and evaluation asset costs.

Going Concern

The principal considerations for our determination that the going concern uncertainty was a critical audit matter were: (i) that the formal reporting of such uncertainty involves a significant disclosure, the absence of which could constitute a material misstatement to a financial statement reader and, (ii) that, at the same time, it involves on our part the use of a high level of subjective judgement as we are required to consider the possible impact of future events that cannot currently be known and which typically cannot be directly linked to any particular current or future financial results and reporting, or the lack thereof.

Addressing this matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the financial statements. These procedures also included, among others, (i) obtaining and evaluating management’s assessment of the Company’s ability to remain a going concern; (ii) determining based on all other evidence available to us whether management’s assessment appeared to be fair and reasonable in the circumstances and, (iii) considering whether the resultant disclosure of these matters herein was consistent with the foregoing, in the context of the Company’s overall business activities, objectives and financial history.



CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, Canada
January 23, 2026

We have served as the Company’s auditor since 2015.

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SILVER NORTH RESOURCES LTD.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Presented in Canadian Dollars)

	Note	September 30, 2025	September 30, 2024
Assets			
Current assets			
Cash		\$ 1,828,062	\$ 709,647
Receivables		75,937	38,360
Prepaid expenses		459,571	105,372
		<u>2,363,570</u>	<u>853,379</u>
Non-current assets			
Exploration and evaluation assets	5	8,414,909	6,873,183
Deposits	6	13,921	75,889
		<u>8,428,830</u>	<u>6,949,072</u>
Total assets		\$ 10,792,400	\$ 7,802,451
Current liabilities			
Accounts payable and accrued liabilities		\$ 566,696	\$ 498,199
Due to related parties	9	603,869	608,679
Flow-through share premium liability	7	259,245	107,997
		<u>1,429,810</u>	<u>1,214,875</u>
Shareholders' equity			
Share capital	7	30,012,153	26,930,571
Reserves	7,8	4,278,290	4,131,153
Accumulated other comprehensive loss		(86,160)	(38,074)
Deficit		(24,841,693)	(24,436,074)
		<u>9,362,590</u>	<u>6,587,576</u>
Total shareholders' equity and liabilities		\$ 10,792,400	\$ 7,802,451

Nature of operations and going concern (Note 1)
Events after the reporting period (Note 5,8 and15)

These consolidated financial statements are authorized for issue by the Board of Directors on January 23, 2026.

On behalf of the Board of Directors:

Director "Jason Weber"

Director "Mark T. Brown"

See accompanying notes to the consolidated financial statements

SILVER NORTH RESOURCES LTD.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(Presented in Canadian Dollars)

	Note	Years ended September 30		
		2025	2024	2023
Expenses				
Accounting and legal fees	9	\$ 161,497	\$ 158,770	\$ 169,483
Investor relations and shareholder information	9	451,287	602,716	144,501
Office facilities and administrative services	9	18,000	18,047	18,000
Office expenses		30,705	25,624	20,271
Property investigation expenses		-	2,238	23,667
Restoration expenses		1,896	-	-
Share-based payments	8	58,372	336,735	-
Transfer agent, listing and filing fees		49,457	55,980	47,151
Travel		50,578	17,394	9,751
Wages, benefits and consulting fees	9	140,400	179,333	194,233
		(962,192)	(1,396,837)	(627,057)
Interest income and other income		10,493	9,289	2,376
Fair value gain on marketable securities	4	-	7,500	76,985
Flow-through share premium recovery		448,752	54,503	4,221
Foreign exchange gain (loss)		26,606	(1,101)	128
Gain (loss) on sale of marketable securities	4	-	8,625	(30,052)
Proceeds received in excess of exploration and evaluation asset costs	5	60,309	3,986	133,008
Other income		-	-	27,000
Write-down of exploration and evaluation assets	5	-	(717,378)	(338,943)
Write-down of VAT receivables		-	-	(42,706)
Write-off of accounts payable		10,413	-	-
Net loss for the year		\$ (405,619)	\$ (2,031,413)	\$ (795,040)
Other comprehensive income (loss)				
Exchange difference arising on the translation of foreign subsidiaries		(48,086)	30	(22,578)
Total comprehensive loss for the year		\$ (453,705)	\$ (2,031,383)	\$ (817,618)
Basic and diluted loss per common share		\$ (0.01)	\$ (0.05)	\$ (0.02)
Weighted average number of common shares outstanding - basic and diluted		56,060,308	40,645,267	31,838,036

See accompanying notes to the consolidated financial statements

SILVER NORTH RESOURCES LTD.
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Presented in Canadian Dollars)

	Note	Share Capital		Share subscription	Reserves			Accumulated Other Comprehensive Income (Loss)		Total equity
		Number of shares	Amount		Equity settled employee benefits	Warrants	Finders' warrants	Foreign exchange reserve	Deficit	
Balance, September 30, 2022		31,790,134	\$ 24,869,917	\$ -	\$ 2,498,092	\$ 791,848	\$ 455,246	\$ (15,526)	\$ (21,609,621)	\$ 6,989,956
Share subscription	7(c)(ii)	-	-	85,000	-	-	-	-	-	85,000
Exercise of warrants	7(c)(i)	87,860	21,965	-	-	-	-	-	-	21,965
Net loss		-	-	-	-	-	-	(22,578)	(795,040)	(817,618)
Balance, September 30, 2023		31,877,994	24,891,882	85,000	2,498,092	791,848	455,246	(38,104)	(22,404,661)	6,279,303
Private placements	7(c)(ii)(iii)(v)	15,655,500	2,454,255	-	-	23,125	-	-	-	2,477,380
Flow-through share premium	7(c)(v)	-	(162,500)	-	-	-	-	-	-	(162,500)
Share subscription	7(c)(ii)	-	-	(85,000)	-	-	-	-	-	(85,000)
Share issue costs	7(c)(ii)(iii)(v)	-	(292,666)	-	-	-	26,107	-	-	(266,559)
Acquisition of exploration and evaluation assets	7(c)(iv)	180,000	39,600	-	-	-	-	-	-	39,600
Share-based payments	8(a)	-	-	-	336,735	-	-	-	-	336,735
Net loss		-	-	-	-	-	-	30	(2,031,413)	(2,031,383)
Balance, September 30, 2024		47,713,494	26,930,571	-	2,834,827	814,973	481,353	(38,074)	(24,436,074)	6,587,576
Private placements	7(c)(vi)(viii)(ix)	25,967,000	3,820,050	-	-	-	-	-	-	3,820,050
Flow-through share premium	7(c)(ix)	-	(600,000)	-	-	-	-	-	-	(600,000)
Share issue costs	7(c)(vi)(viii)(ix)	-	(355,663)	-	-	-	91,410	-	-	(264,253)
Acquisition of exploration and evaluation assets	7(c)(vii)	180,000	21,600	-	-	-	-	-	-	21,600
Exercise of finder's warrants	7(c)(x)	38,937	8,595	-	-	-	(2,645)	-	-	5,950
Exercise of warrants	7(c)(x)	1,040,000	187,000	-	-	-	-	-	-	187,000
Share-based payments	8(a)	-	-	-	58,372	-	-	-	-	58,372
Net loss		-	-	-	-	-	-	(48,086)	(405,619)	(453,705)
Balance, September 30, 2025		74,939,431	\$ 30,012,153	\$ -	\$ 2,893,199	\$ 814,973	\$ 570,118	\$ (86,160)	\$ (24,841,693)	\$ 9,362,590

On August 14, 2023, the Company effected a consolidation of its issued share capital on a five pre-consolidation common shares for one new common share basis. All references to the number of shares and per share amounts have been retroactively restated to reflect the consolidation.

See accompanying notes to the consolidated financial statements

SILVER NORTH RESOURCES LTD.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Presented in Canadian Dollars)

	Years ended September 30		
	2025	2024	2023
Cash flows from (used in) operating activities			
Net loss for the year	\$ (405,619)	\$ (2,031,413)	\$ (795,040)
Items not affecting cash:			
Fair value gain on marketable securities	-	(7,500)	(76,985)
Flow-through share premium recovery	(448,752)	(54,503)	(4,221)
(Gain) loss on sale / transfer of marketable securities	-	(8,625)	30,052
Other income	-	-	(27,000)
Proceeds received in excess of exploration and evaluation asset costs	(60,309)	(1,286)	(133,008)
Share-based payments	58,372	336,735	-
Write-down of exploration and evaluation assets	-	717,378	338,943
Write-down of VAT receivables	-	-	42,706
Write-off of accounts payable	(10,413)	-	-
Changes in non-cash working capital items:			
Receivables	(37,287)	(21,287)	65,875
VAT Receivables	-	-	(198)
Prepaid expenses	(111,199)	(41,175)	72,156
Accounts payable and accrued liabilities	(5,330)	(114,574)	147,863
Due to related parties	(89,801)	(73,979)	203,085
Funds held for optionee	-	-	(234,081)
Net cash (used in) operating activities	<u>(1,110,338)</u>	<u>(1,300,229)</u>	<u>(369,853)</u>
Cash flows from (used in) investing activities			
Proceeds from sale of marketable securities	-	20,625	216,232
Deposits	64,640	5,444	12,224
Exploration and evaluation assets, net of recoveries	(1,545,665)	(369,274)	(452,748)
Net cash (used in) investing activities	<u>(1,481,025)</u>	<u>(343,205)</u>	<u>(224,292)</u>
Cash flows from financing activities			
Share subscriptions received	-	-	85,000
Proceeds from issuance of common shares	3,820,050	2,392,380	-
Proceeds from exercise of warrants	187,000	-	21,965
Proceeds from exercise of finder's warrants	5,950	-	-
Share issue costs	(255,003)	(172,560)	-
Net cash from financing activities	<u>3,757,997</u>	<u>2,219,820</u>	<u>106,965</u>
Effect of exchange rate changes on cash	<u>(48,219)</u>	<u>(1,942)</u>	<u>(14,791)</u>
Change in cash for the year	<u>1,118,415</u>	<u>574,444</u>	<u>(501,971)</u>
Cash, beginning of the year	<u>709,647</u>	<u>135,203</u>	<u>637,174</u>
Cash, end of the year	<u>\$ 1,828,062</u>	<u>\$ 709,647</u>	<u>\$ 135,203</u>
Cash comprised of:			
Cash	<u>\$ 1,828,062</u>	<u>\$ 709,647</u>	<u>\$ 135,203</u>
	<u>\$ 1,828,062</u>	<u>\$ 709,647</u>	<u>\$ 135,203</u>

Supplemental disclosure with respect to cash flows (Note 10)

Cash includes \$907,358 (2024 - \$373,836; 2023 - \$nil) held to pay for flow-through expenditures. Amounts of \$243,000 (2024 - \$50,000; 2023 - \$nil) included in prepaid expenses and \$543,002 (2024 - \$385,850; 2023 - \$nil) included in accounts payable and accrued liabilities also relate to flow-through expenditures incurred or to be incurred.

See accompanying notes to the consolidated financial statements

1. NATURE OF OPERATIONS AND GOING CONCERN

Silver North Resources Ltd. (formerly Alianza Minerals Ltd., "Alianza") (the "Company" or "Silver North") was incorporated in Alberta on October 21, 2005 under the Business Corporations Act of Alberta and its registered office is Suite 410, 325 Howe Street, Vancouver, BC, Canada, V6C 1Z7. On April 25, 2008 the Company filed for a certificate of continuance and is continuing as a BC Company under the Business Corporations Act (British Columbia). The Company changed its name and consolidated its shares ("Consolidation") on August 14, 2023 and began trading on the TSX Venture Exchange (the "Exchange") under the symbol "SNAG".

The Company is an exploration stage company and is engaged principally in the acquisition and exploration of mineral properties. The recovery of the Company's investment in its exploration and evaluation assets is dependent upon the future discovery, development and sale of minerals, upon the ability to raise sufficient capital to finance these activities, and/or upon the sale of these properties.

These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards ("IFRS") applicable to a going concern, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The ability of the Company to continue as a going concern is dependent on obtaining additional financing through the issuance of common shares or obtaining joint venture or property sale agreements for one or more properties.

There can be no assurance that the Company will be able to continue to raise funds in which case the Company may be unable to meet its obligations. Should the Company be unable to realize on its assets and discharge its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts recorded on the consolidated statement of financial position. The consolidated financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations.

Adverse financial market conditions and volatility increase the uncertainty of the Company's ability to continue as a going concern given the need to both manage expenditures and to raise additional funds. The Company is experiencing, and has experienced, negative operating cash flows. The Company will continue to search for new or alternate sources of financing but anticipates that the current market conditions may impact the ability to source such funds. Accordingly, these material uncertainties cast significant doubt upon the Company's ability to continue as a going concern.

As at September 30, 2025, the Company had working capital of \$933,760 (September 30, 2024 - working capital deficiency of \$361,496), inclusive of a flow-through share premium liability of \$259,245 (September 30, 2024: \$107,997).

2. BASIS OF PREPARATION

Statement of Compliance

These consolidated financial statements have been prepared in accordance and compliance with IFRS as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

2. BASIS OF PREPARATION - continued

Basis of preparation

These consolidated financial statements have been prepared on a historical cost basis. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

These consolidated financial statements, including comparatives, have been prepared on the basis of IFRS standards that are published at the time of preparation.

New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for the September 30, 2025 reporting period. The Company has not early adopted the new and revised standards, amendments and interpretations that have been issued but are not yet effective:

- Presentation and Disclosure in Financial Statements

IFRS 18 was issued in April 2024 and applies to an annual reporting period beginning on or after January 1, 2027. IFRS 18 will replace IAS 1. IFRS requires all companies using IFRS Standards to provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses. The Company is currently assessing the impact of this new accounting standard on its financial statements.

3. MATERIAL ACCOUNTING POLICY INFORMATION

Basis of Presentation

The consolidated financial statements of the Company include the accounts of Silver North Resources Ltd. and the following entities:

Name of Subsidiaries	% of ownership	Jurisdiction	Principal Activity
Alianza Holdings Ltd.	100%	Canada	Holding Company
Canadian Shield Explorations (Int'l) Ltd.	100%	Canada	Holding Company
Estrella Gold Peru S.A.C. ⁽²⁾	100%	Peru	Exploration Company
Estrella Gold DR, S.R.L. ⁽¹⁾	100%	Dominican Republic	Holding Company
Tarsis Resources US Inc.	100%	Nevada, USA	Holding Company
Yanac Minera Peru S.A.C. ⁽²⁾	100%	Peru	Exploration Company

(1) Estrella Gold DR. S.R.L. is in the process of being wound up.

(2) The Company is also arranging the wind-up of these two entities in Peru.

3. MATERIAL ACCOUNTING POLICY INFORMATION – continued

Basis of Presentation – continued

All subsidiaries are entities that we control, either directly or indirectly. Control is defined as the exposure, or rights, to variable returns from involvement with an investee and the ability to affect those returns through power over the investee. Power over an investee exists when the Company has existing rights that give it the ability to direct the activities that significantly affect the investee's returns. This control is generally evidenced through owning more than 50% of the voting rights or currently exercisable potential voting rights of a company's share capital. All of the intra-group balances and transactions, including unrealized profits and losses arising from intra-group transactions, have been eliminated in full. For subsidiaries that the Company controls, but does not own 100% of, the net assets and net profit attributable to outside shareholders are presented as amounts attributable to non-controlling interests in the consolidated statements of financial position and consolidated statements of comprehensive loss.

Certain of our business activities are conducted through associates (see below).

Foreign currencies

The functional and presentation currency of the Company is the Canadian dollar.

Transactions in currencies other than the functional currency are recorded at the rate of the exchange prevailing on dates of transactions. At each financial position reporting date, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at each reporting date. Non-monetary items denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

The Company has determined that the functional currency of its subsidiaries in Peru is the Peruvian nuevo sole and the functional currency of its subsidiaries in USA is the US dollar. Exchange differences arising from the translation of the subsidiaries' functional currencies into the Company's presentation currency are taken directly to the foreign exchange reserve.

Exploration and evaluation

The Company is in the exploration stage with respect to its investment in exploration and evaluation assets and accordingly follows the practice of capitalizing all costs relating to the acquisition of, exploration for and development of its mineral claims and crediting all proceeds received against the cost of related claims. Such costs include, but are not exclusive to, geological, geophysical studies, exploratory drilling and sampling. At such time as commercial production commences, these costs will be charged to operations on a unit-of-production method based on proven and probable reserves. The aggregate costs related to abandoned mineral claims are charged to operations at the time of any abandonment or when it has been determined that there is evidence of a permanent impairment. An impairment charge relating to a mineral property is subsequently reversed when new exploration results or actual or potential proceeds on sale result in a revised estimate of the recoverable amount but only to the extent that this does not exceed the original carrying value of the property that would have resulted if no impairment had been recognized.

3. MATERIAL ACCOUNTING POLICY INFORMATION – continued

Exploration and evaluation – continued

The recoverability of amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain financing to complete development of the properties, and on future production or proceeds of disposition.

The Company recognizes in income costs recovered on exploration and evaluation assets when amounts received or receivable are in excess of the carrying amount.

Upon transfer of “Exploration and evaluation costs” into “Mine development”, all subsequent expenditure on the construction, installation or completion of infrastructure facilities is capitalized within “Mine development”. After production starts, all assets included in “Mine development” are transferred to “Producing mines”.

All capitalized exploration and evaluation expenditures are monitored for indications of impairment. Where a potential impairment is indicated, assessments are performed for each area of interest. To the extent that exploration expenditures are not expected to be recovered, they are charged to operations. Exploration areas where reserves have been discovered, but require major capital expenditure before production can begin, are continually evaluated to ensure that commercial quantities of reserves exist or to ensure that additional exploration work is underway as planned.

Decommissioning, restoration, and similar obligations

An obligation to incur restoration, rehabilitation and environmental costs arises when an environmental disturbance is caused by the exploration, development or ongoing production of a mineral property interest. Such costs arising for the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying value of the asset, as soon as the obligation to incur such costs arises. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either the unit-of-production or the straight-line method. The related liability is adjusted each period for the unwinding of the discount rate and for changes to the current market-based discount rate, amount or timing of the underlying cash flows needed to settle the obligation. Costs for restoration of subsequent site damage which is created on an ongoing basis during production are provided for at their net present values and charged against profits as extraction progresses.

As at September 30, 2025, the Company has no material restoration, rehabilitation and environmental costs as the disturbance to date is minimal.

Financial instruments

The Company recognizes an allowance using the Expected Credit Loss (“ECL”) model on financial assets classified as amortized cost. The Company has elected to use the simplified approach for measuring ECL by using a lifetime expected loss allowance for all amounts recoverable. Under this model, impairment provisions are based on credit risk characteristics and days past due. When there is no reasonable expectation of collection, financial assets classified as amortized cost are written off. Indications of credit risk arise based on failure to pay and other factors. Should objective events occur after an impairment loss is recognized, a reversal of impairment is recognized in the statement of loss and comprehensive loss.

3. MATERIAL ACCOUNTING POLICY INFORMATION – continued

Financial instruments – continued

We have assessed the classification and measurement of our financial assets and financial liabilities under IFRS 9 as follows:

	IFRS 9
Financial Assets	
Cash	Amortized cost
Receivables	Amortized cost
Financial Liabilities	
Accounts payable and accrued liabilities	Amortized cost
Due to related parties	Amortized cost

The classification of financial assets is based on how an entity manages its financial instruments and the contractual cash flow characteristics of the financial asset. Transaction costs with respect to financial instruments classified as fair value through profit or loss are recognized in the consolidated statements of comprehensive income or loss.

Significant accounting judgments and estimates

The preparation of these consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The consolidated financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the consolidated statement of financial position date, that could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Significant judgments

The following are significant judgments that management has made in the process of applying accounting policies and that have the most significant effect on the amounts recognized in the consolidated financial statements:

- the determination that the Company will continue as a going concern for the next year;
- the determination that there have been no events or changes in circumstances that indicate the carrying amount of exploration and evaluation assets may not be recoverable;
- the determination that there are no restoration, rehabilitation and environmental costs to be accrued; and
- the determination that the functional currency of the parent is the Canadian dollar, the functional currency of its subsidiaries in Peru is the Peruvian nuevo sole and the functional currency of its subsidiaries in the USA is the US dollar.

3. MATERIAL ACCOUNTING POLICY INFORMATION – continued

Impairment

At each financial position reporting date, the carrying amounts of the Company's non-financial assets are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in the statement of comprehensive loss for the period. For the purpose of impairment testing, exploration and evaluation assets are allocated to cash-generating units to which the exploration activity relates. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the statement of comprehensive loss.

Share-based payment transactions

The Company's stock option plan allows the Company's employees and consultants to acquire shares of the Company through the exercise of granted stock options. The fair value of options granted is recognized as a share-based payment expense with a corresponding increase in shareholders' equity. An individual is classified as an employee when such individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee.

The fair value is measured at grant date and each tranche is recognized on a graded-vesting basis over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option pricing model taking into account the terms and conditions upon which the options were granted. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest.

Warrants with the right to acquire common shares in the Company are typically issued through the Company's equity financing activities. Where finders' warrants are issued on a stand-alone basis, their fair values are measured on their issuance date using the Black-Scholes option pricing model and are recorded as both an increase to reserves and as a share issue cost.

When warrants are exercised, the cash proceeds along with the amount previously recorded in equity reserves are recorded as share capital.

3. MATERIAL ACCOUNTING POLICY INFORMATION – continued

Share capital

Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares and share options are recognized as a deduction from equity. Common shares issued for consideration other than cash are valued based on their market value at the date the shares are issued.

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component. The Company considers the fair value of common shares issued in a private placement to be the more easily measurable component and the common shares are valued at their fair value, as determined by the closing quoted bid price on the announcement date. The balance, if any, is allocated to the attached warrants. Any fair value attributed to the warrants is recorded as reserves.

Flow-through shares

The resource expenditure deductions for income tax purposes related to exploration and development activities funded by flow-through share arrangements are renounced to investors in accordance with Canadian tax legislation. On issuance, the premium recorded on the flow-through share, being the difference in price over a common share with no tax attributes, is recognized as a liability. As expenditures are incurred, the liability associated with the renounced tax deductions is recognized through profit or loss with a pro-rata portion of the deferred premium.

Loss per common share

The Company presents basic and diluted loss per share (“EPS”) data for its common shares. Basic EPS is calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period, adjusted for own shares held. Diluted EPS is determined by dividing the loss attributable to common shareholders by the weighted average number of common shares outstanding, adjusted for own shares held and for the effects of all potential dilutive common shares related to outstanding stock options and warrants issued by the Company.

Income taxes

Income tax on the loss for the periods presented comprises current and deferred tax. Income tax is recognized in the loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Income tax provisions are recognized when it is considered probable that there will be a future outflow of funds to a taxing authority. In such cases, a provision is made for the amount that is expected to be settled, where this can be reasonably estimated. This requires the application of judgment as to the ultimate outcome, which can change over time depending on facts and circumstances. A change in estimate of the likelihood of a future outflow and/or in the expected amount to be settled would be recognized in income in the period in which the change occurs.

3. MATERIAL ACCOUNTING POLICY INFORMATION – continued

Income taxes – continued

Deferred tax assets or liabilities arising from temporary differences between the tax and accounting values of assets and liabilities, are recorded based on tax rates expected to be enacted when these differences are reversed. Deferred tax assets are recognized only to the extent it is considered probable that those assets will be recovered. This involves an assessment of when those deferred tax assets are likely to be realized, and a judgment as to whether or not there will be sufficient taxable profits available to offset the tax assets when they do reverse. This requires assumptions regarding future profitability and is therefore inherently uncertain. To the extent assumptions regarding future profitability change, there can be an increase or decrease in the amounts recognized in respect of deferred tax assets as well as in the amounts recognized in income in the period in which the change occurs.

Tax provisions are based on enacted or substantively enacted laws. Changes in those laws could affect amounts recognized in income both in the period of change, which would include any impact on cumulative provisions, and in future periods.

Comparative figures

Certain comparative figures have been reclassified to conform to the current year's presentation.

4. MARKETABLE SECURITIES

On February 3, 2022, the Company received 1,000,000 shares of Volt Lithium Corp. (formerly known as Allied Copper Corp.) (“Volt” or “Allied”) valued at \$225,000 pursuant to an option agreement entered into in 2021 for the Klondike property. On September 8, 2022, the Company received 250,000 Allied shares valued at \$42,500 pursuant to an option agreement entered into in 2022 for the Stateline property.

On August 8, 2022, the Company paid the finders for the Klondike property by transferring 94,293 Allied shares at a value of \$20,800 (US\$16,000) with a loss on the transfer of Allied shares of \$416 recognized. During the year ended September 30, 2023, the remaining 1,155,707 Allied shares were sold for proceeds of \$216,232, with the Company realizing a \$30,052 loss on disposal.

On March 29, 2023, the Company received 75,000 shares of Highlander Silver Corp. (“Highlander”) valued at \$12,000 pursuant to a data purchase agreement. In October 2023, Highlander completed a share consolidation on a two pre-consolidation common shares for one new common share basis, resulting in the Company holding 37,500 Highlander shares. During the year ended September 30, 2024, 37,500 Highlander shares were sold for proceeds of \$20,625, with the Company realizing a \$8,625 gain on disposal.

The shares were measured and presented at fair value using the observable market share price as at the dates of the statements of financial position. The gain or loss as a result of the re-measurement was recorded in profit and loss.

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4. MARKETABLE SECURITIES – continued

	September 30, 2025	September 30, 2024
Net changes in fair value on marketable securities through profit and loss:		
Beginning of the year	\$ -	\$ 4,500
Shares sold	-	(20,625)
Realized gain	-	8,625
Change in unrealized gain	-	7,500
Value at September 30, 2025 and 2024	\$ -	\$ -

5. EXPLORATION AND EVALUATION ASSETS

The Company typically obtains its mineral exploration rights by way of direct acquisition from government regulatory authorities, outright purchases from third parties, or by entering into option agreements to acquire such rights subject to future consideration, often inclusive of requirements to complete exploration work on such properties. Such costs, when subsequently incurred by the Company, are also capitalized as non-current assets and included within the Exploration and Evaluation category. The Company will, and has, also subsequently entered into arrangements with other parties to vend certain of these interests utilizing similar mechanisms, based on management's assessment of what is advantageous to the Company.

Although the Company has taken steps to verify title to its unproven mineral right interests, 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.

The Company's major mineral property interests are its Haldane and Tim silver properties located in the Yukon Territory of Canada while it also has other mineral property interests in North and South America. Following are summary tables of exploration and evaluation assets and brief summary descriptions of each of the exploration and evaluation assets:

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5. EXPLORATION AND EVALUATION ASSETS - continued

	Haldane	Tim	Others - Maintained	Total
Balance at September 30, 2024	\$ 5,686,215	\$ -	\$ 1,186,968	\$ 6,873,183
Additions during the year				
Acquisition costs:				
Property acquisition	-	-	27,600	27,600
	-	-	27,600	27,600
Exploration expenditures:				
Aircraft charter	-	-	17,188	17,188
Camp, travel and meals	150,470	-	10,155	160,625
Community relations	1,350	-	-	1,350
Drilling	1,107,058	-	-	1,107,058
Field equipment rental	1,800	-	-	1,800
Field supplies and maps	225	-	-	225
Geochemical	12,574	-	-	12,574
Geological consulting	147,735	17,462	37,526	202,723
Geophysics	13,675	-	-	13,675
Licence and permits	273	-	8,028	8,301
Permitting	-	-	6,069	6,069
	1,435,160	17,462	78,966	1,531,588
Less:				
Option payments received	-	(75,000)	(2,771)	(77,771)
Proceeds received in excess of exploration and evaluation asset costs - recognized as income	-	57,538	2,771	60,309
Net additions	1,435,160	-	106,566	1,541,726
Balance at September 30, 2025	\$ 7,121,375	\$ -	\$ 1,293,534	\$ 8,414,909

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5. EXPLORATION AND EVALUATION ASSETS - continued

	Haldane	Tim	Others - Maintained	Others - Dropped	Total
Balance at September 30, 2023	\$ 5,048,921	\$ -	\$ 1,129,142	\$ 703,582	\$ 6,881,645
Additions during the year					
Acquisition costs:					
Property acquisition	-	-	45,600	3,375	48,975
	-	-	45,600	3,375	48,975
Exploration expenditures:					
Camp, travel and meals	66,154	3,335	-	3,645	73,134
Drilling	416,562	-	-	-	416,562
Field equipment rental	1,155	-	-	-	1,155
Geochemical	-	-	-	549	549
Geological consulting	140,953	55,129	4,246	592	200,920
Licence and permits	-	-	7,980	(3,118)	4,862
Permitting	-	-	-	6,148	6,148
Trenching	12,470	-	-	-	12,470
	637,294	58,464	12,226	7,816	715,800
Less:					
Option payments received	-	(50,000)	(2,700)	-	(52,700)
Proceeds received in excess of exploration and evaluation asset costs - recognized as income	-	1,286	2,700	-	3,986
Recovered exploration expenditures	-	(9,750)	-	-	(9,750)
Write-down of properties	-	-	-	(717,378)	(717,378)
Net additions	637,294	-	57,826	(706,187)	(11,067)
Foreign currency translation	-	-	-	2,605	2,605
Balance at September 30, 2024	\$ 5,686,215	\$ -	\$ 1,186,968	\$ -	\$ 6,873,183

5. EXPLORATION AND EVALUATION ASSETS – continued

(a) Haldane

On March 2, 2018, the Haldane property was purchased from Equity Exploration Consultants Ltd. (“Equity”), and is located in Yukon Territory, Canada. Equity has a 2% NSR royalty on the Haldane property and is entitled to receiving bonus share payments from the Company:

- issue 50,000 post-Consolidation shares to Equity upon the public disclosure of a Measured Mineral Resource (as such term is defined in National Instrument 43-101- Standards of Disclosure for Mineral Projects) of 5 million oz silver-equivalent at 500g/t silver-equivalent; and
- issue 100,000 post-Consolidation shares upon the decision to commence construction of a mine or processing plant.

On April 12, 2018, the Company purchased the Nur, Clarkston and Fara claims which are contiguous to and grouped with the Haldane property from the estate of Yukon prospector John Peter Ross (the “Estate”). The Estate is entitled to receiving bonus share payments from the Company:

- issue 50,000 post-Consolidation shares to the Estate upon the public disclosure of a Measured Mineral Resource (as such term is defined in National Instrument 43-101- Standards of Disclosure for Mineral Projects) of 5 million oz silver-equivalent at 500g/t silver-equivalent; and
- issue 100,000 post-Consolidation shares upon the decision to commence construction of a mine or processing plant.

As of September 30, 2025, the Company had spent \$7,121,375 (September 30, 2024 - \$5,686,215) on advancing this property, including the acquisition costs.

5. EXPLORATION AND EVALUATION ASSETS – continued

(b) Tim

On January 24, 2020, subsequently amended on December 5, 2023 and on December 12, 2025, the Company entered into an option agreement with a subsidiary of Coeur Mining Inc. (“Coeur”) for Coeur to acquire the Company’s wholly-owned Tim property located in southern Yukon.

Coeur can earn an initial 51% interest in the Tim property by completing item numbers 1 to 7 per the table below:

	Date/Period	Expenditures	Option Payment
1	On the Effective Date	None	\$10,000 (received)
2	On or before 1 st anniversary of the Class 1 Notification Date	\$50,000 (completed)	\$15,000 (received)
3	On or before 2 nd anniversary of the Class 1 Notification Date	-	\$25,000 (received)
4	By December 31, 2023	-	\$50,000 (received)
5	By December 31, 2024	\$700,000 (completed)	\$75,000 (received)
6	By December 31, 2025	-	\$50,000 (subsequently received)
7	By December 31, 2026	\$1,100,000	\$100,000
8	By December 31, 2027	\$1,353,073	\$100,000
9	On or before the 8 th anniversary of the Class 1 Notification Date	-	\$100,000

(*) Class 1 Notification Date is December 16, 2020.

As further consideration for the agreed upon amendments, Coeur agreed to make a one-time payment of \$50,000 to the Company on or before December 31, 2023 (received).

After earning an initial 51% interest in the property, to increase its interest to 80%, Coeur must finance a feasibility study and notify the Company of its intention to develop a commercial mine on the property on or before the eighth anniversary from the date of notification of the Class 1 exploration permit, as well as completing item numbers 8 and 9 per the table above.

During the year ended September 30, 2025, Coeur was invoiced \$nil (2024 - \$9,750) (received) for reimbursements related to the Tim property.

5. EXPLORATION AND EVALUATION ASSETS – continued

(c) Others

i. Ashby (Nevada)

On January 27, 2015, the Company signed a binding agreement to acquire the Ashby gold property from Sandstorm Gold Ltd. (“Sandstorm”) for 3,750 Company common shares valued at \$7,500 and granted Sandstorm a right of first refusal on any future metal streaming agreements.

On August 2, 2017, the Company signed an exploration lease agreement to lease the Ashby property to Nevada Canyon Gold Corp. (“Nevada Canyon”). Under the terms of the agreement, Nevada Canyon made a US\$1,000 payment on signing, will make annual payments of US\$2,000 and will grant a 2% Net Smelter Royalty (“NSR”) on future production from the Lazy 1-3 claims comprising the Ashby property. Nevada Canyon will also be responsible for all claim fees and certain reclamation work to be undertaken on the property. The initial term of the lease is 10 years and can be extended for an additional 20 years.

A 2% NSR is payable to Nevada Eagle Resources LLC (“NER”) and a 1% NSR is payable to Sandstorm on production from the property.

During the year ended September 30, 2025, Nevada Canyon paid the Company US\$2,000 (2024 – US\$2,000) for the annual payment.

ii. GDR (Yukon)

On May 9, 2024, the Company entered into an option agreement to earn a 100% interest in the GDR property in southern Yukon under the following terms:

Date/Period	Cash	Shares
On the Closing Date (5 business days following TSX Venture Exchange’s approval) **	\$6,000 (paid)	180,000 (issued)
On or before 1 st anniversary of the Closing Date	\$6,000 (paid)	180,000 (issued)
On or before 2 nd anniversary of the Closing Date	\$20,000	240,000
On or before 3 rd anniversary of the Closing Date	\$30,000	240,000
On or before 4 th anniversary of the Closing Date	\$40,000	720,000

** Closing Date is defined as May 29, 2024.

On exercise of the option, the GDR property will be subject to a Net Smelter Return (NSR) royalty of 2.4%, 0.9% of which can be purchased for \$2,000,000 by the Company until 6 months after the start of production.

As of September 30, 2025, the Company had spent \$147,497 (September 30, 2024 - \$48,959) on advancing this property, including the acquisition costs.

5. EXPLORATION AND EVALUATION ASSETS – continued

(c) **Others** – continued

iii. White River, Goz Creek and MOR (Yukon)

In 2010, the Company acquired the White River property through staking. The White River property is located in the Yukon Territory, northwest of Whitehorse.

On July 23, 2007, the Company purchased from Almaden certain properties in the Yukon and Almaden assigned the 2% NSR royalty on future production from these mineral claims to Almadex:

- Goz Creek – located 180 kilometers north east of Mayo, Yukon.
- MOR – located 35 kilometers east of Teslin, Yukon and is 1.5 kilometers north of the paved Alaska Highway.

As of September 30, 2025, the Company had spent \$1,146,037 (September 30, 2024 - \$1,138,009) on advancing these properties, net of recoveries.

iv. Peru

The Company holds a 1.08% Net Smelter Royalty on the Pucarana project located in central Peru.

5. EXPLORATION AND EVALUATION ASSETS – continued

(d) Dropped / disposed properties

i. Twin Canyon (Colorado)

On June 17, 2020, the Company acquired a lease of the Twin Canyon gold property in southwest Colorado from Myron Goldstein and Jon Thorson (“Goldstein and Thorson”).

In June 2024, the Company transferred the Twin Canyon claims back to Goldstein and Thorson and relinquished any other commitments to this property. During the year ended September 30, 2024, the Company wrote off \$710,523 of capitalized exploration and evaluation costs.

ii. Klondike (Colorado)

During fiscal 2021, the Company acquired the Klondike property by staking a 100% interest in this property in Colorado. In August 2024, the Company transferred the Klondike claims back to original owner and relinquished any other commitments to this property. During the year ended September 30, 2024, the Company wrote off \$8,922 of capitalized exploration and evaluation costs.

iii. Stateline (Colorado and Utah)

During fiscal 2021, the Company acquired the Stateline property by staking a 100% interest in this property in Colorado and Utah. In August 2024, the Company transferred the Stateline claims back to original owner and relinquished any other commitments to this property. During the year ended September 30, 2024, the Company recovered \$2,067 of capitalized exploration and evaluation costs.

6. DEPOSITS

As of September 30, 2025, the Company has a US\$10,000 (\$13,921) performance bond with the State of Colorado Board of Land Commissioners (September 30, 2024 – US\$56,218 (\$75,889)). Subsequent to September 30, 2025, the Company received US\$10,000 performance bond refund from Colorado Board of Land Commissioners.

7. SHARE CAPITAL

a) Authorized:

As at September 30, 2025, the authorized share capital is comprised of an unlimited number of common shares without par value and an unlimited number of preferred shares issuable in series. All issued shares are fully paid.

b) Share consolidation:

On August 14, 2023, the Company effected a consolidation of its issued share capital on a five pre-consolidation common shares for one new common share basis. All references to the number of shares and per share amounts have been retroactively restated to reflect the consolidation.

c) Issued:

During the year ended September 30, 2023, the Company:

- i) Issued common shares pursuant to the exercise of 87,860 warrants for cash proceeds of \$21,965.

During the year ended September 30, 2024, the Company:

- ii) Completed a non-brokered private placement in two tranches closing October 19, 2023 and December 28, 2023 by issuing 2,700,000 non-flow-through units ("Unit") at a price of \$0.20 per Unit for gross proceeds of \$540,000 and 2,300,000 flow-through shares ("FT Share") at a price of \$0.20 per FT Share for gross proceeds of \$460,000. Each Unit consists of one common share and one-half of one common share purchase warrant. Each warrant entitles the holder to purchase one additional common share for a 36-month period at a price of \$0.30. Under the residual value approach, \$12,000 was assigned to the warrant component of the Units. In connection with the financing, the Company paid \$24,640 in cash finder's fees and issued 123,200 finder's warrants, each of which is exercisable into one common share at a price of \$0.20 for a period of 36 months. The value of the finder's warrants was determined to be \$16,293 and was calculated using the Black-Scholes option pricing model. The Company incurred additional share issue costs of \$61,205 in connection with this financing.
- iii) On April 11, 2024, the Company completed a non-brokered private placement by issuing 6,500,000 units ("Unit") at a price of \$0.10 per Unit for gross proceeds of \$650,000. Each Unit consists of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one additional common share for a 36-month period at a price of \$0.20. In connection with the financing, the Company paid \$28,210 in cash finder's fees and another \$45,102 paid in cash was also included as share issue costs.
- iv) Issued 180,000 common shares to the optionors at a price of \$0.22 per share for a total consideration of \$39,600 to pay for the GDR property (Note 5(c)(ii)).

7. SHARE CAPITAL – continued

c) Issued: – continued

- v) On June 21, 2024, the Company completed the first tranche of a non-brokered private placement by issuing 2,500,000 charity flow-through units (“CFT Unit”) at a price of \$0.225 per CFT Unit for gross proceeds of \$562,500. Each CFT Unit consists of one common share and one common share purchase warrant. On June 28, 2024, the Company completed the second tranche of a non-brokered private placement by issuing 1,099,250 non-flow-through units (“NFT Units”) at a price of \$0.16 per NFT Unit for gross proceeds of \$175,880. Each NFT Unit consists of one common share and one common share purchase warrant. On July 18, 2024, the Company completed the third tranche of a non-brokered private placement by issuing 556,250 NFT Units for gross proceeds of \$89,000. Each Warrant entitles the holder to purchase one additional common share for a 48-month period at a price of \$0.35. Under the residual value approach, \$11,125 was assigned to the warrant component of the NFT Units. The Company recorded a flow-through premium liability of \$162,500 in connection with this financing.

In connection with the financing, the Company paid \$20,230 in cash finder’s fees and issued the following finder’s warrants exercisable into one common share at a price of \$0.16 for a period of 12 months: 105,000 finder’s warrants until June 21, 2025, 10,500 finder’s warrants until June 28, 2025 and 10,937 finder’s warrants until July 18, 2025. The value of the finder’s warrants was determined to be \$9,814 and was calculated using the Black-Scholes option pricing model. Another \$87,172 paid in cash was also included as share issue costs.

During the year ended September 30, 2025, the Company:

- vi) On April 9, 2025, the Company completed a non-brokered private placement by issuing 13,500,000 units (“Unit”) at a price of \$0.10 per Unit for gross proceeds of \$1,350,000. Each Unit consists of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one additional common share for a 36-month period at a price of \$0.15. In connection with the financing, the Company paid \$32,200 in cash finder’s fees and issued 320,000 finder’s warrants, each of which is exercisable into one common share at a price of \$0.15 until April 9, 2028. The value of the finder’s warrants was determined to be \$22,691 and was calculated using the Black-Scholes option pricing model. Another \$84,651 paid in cash was also included as share issue costs.
- vii) Issued 180,000 common shares to the optionors at a price of \$0.12 per share for a total consideration of \$21,600 to pay for the GDR property (Note 5(c)(ii)).

7. SHARE CAPITAL – continued

c) Issued: – continued

viii) On July 31, 2025, the Company completed a non-brokered private placement by issuing 2,467,000 units (“HD Units”) at a price of \$0.15 per HD Unit for gross proceeds of \$370,050. Each HD Unit consists of one common share and one-half common share purchase warrant. Each Warrant entitles the holder to purchase one additional common share for a 48-month period at a price of \$0.35. In connection with the financing, the Company paid \$10,404 in cash finder’s fees and issued 69,360 finder’s warrants exercisable into one common share at a price of \$0.15 until July 31, 2027. The value of the finder’s warrants was determined to be \$11,542 and was calculated using the Black-Scholes option pricing model.

ix) On August 12, 2025, the Company completed a non-brokered private placement by issuing 10,000,000 charity flow-through units (“CFT Units”) at a price of \$0.21 per CFT Unit for gross proceeds of \$2,100,000. Each CFT Unit consists of one common share and one-half common share purchase warrant. Each Warrant entitles the holder to purchase one additional common share for a 48-month period at a price of \$0.35. In connection with the financing, the Company paid \$54,420 in cash finder’s fees and issued 362,800 finder’s warrants exercisable into one common share at a price of \$0.15 until August 12, 2027. The value of the finder’s warrants was determined to be \$57,177 and was calculated using the Black-Scholes option pricing model. Another \$82,578 paid in cash was also included as share issue costs. The Company recorded a flow-through premium liability of \$600,000 in connection with this financing.

x) Issued common shares pursuant to the exercise of 1,040,000 warrants and 38,937 finder’s warrants for cash proceeds of \$192,950.

8. STOCK OPTIONS AND WARRANTS

a) Stock option compensation plan

The Company grants stock options to directors, officers, employees and consultants pursuant to the Company’s Stock Option Plan (the “Plan”). The number of options that may be issued pursuant to the Plan are limited to 10% of the Company’s issued and outstanding common shares and to other restrictions with respect to any single participant (not greater than 5% of the issued common shares) or any one consultant (not greater than 2% of the issued common shares).

Options granted to consultants performing investor relations activities will contain vesting provisions such that vesting occurs over at least 12 months with no more than one quarter of the options vesting in any 3-month period.

Vesting provisions may also be applied to other option grants, at the discretion of the directors. Options issued pursuant to the Plan will have an exercise price as determined by the directors, and permitted by the TSX-V, at the time of the grant. Options have a maximum expiry date of 5 years from the grant date.

On August 14, 2023, the Company’s stock options were consolidated on a 5 for 1 basis and the exercise prices were reflected as such (Note 7(b)).

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8. STOCK OPTIONS AND WARRANTS - continued

a) Stock option compensation plan – continued

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

Expiry date	Exercise price	September 30, 2024	Granted	Exercised	Expired / cancelled	September 30, 2025
October 15, 2025	^(a) \$0.70	401,000	-	-	-	401,000
January 18, 2027	\$0.50	1,160,000	-	-	-	1,160,000
April 24, 2029	^(b) \$0.15	1,860,000	-	-	-	1,860,000
July 2, 2029	\$0.15	450,000	-	-	-	450,000
January 28, 2030	^(c) \$0.10	-	605,000	-	-	605,000
Options outstanding		3,871,000	605,000	-	-	4,476,000
Options exercisable		3,683,500	605,000	-	-	4,476,000
Weighted average exercise price		\$0.31	\$0.10	\$Nil	\$Nil	\$0.28

(a) Subsequently, 401,000 stock options expired unexercised.

(b) Subsequently, 70,000 stock options were exercised.

(c) Subsequently, 20,000 stock options were exercised.

As at September 30, 2025, the weighted average contractual remaining life of options is 2.79 years (September 30, 2024 – 3.54 years; September 30, 2023 – 2.64 years). The weighted average fair value of stock options granted during the year ended September 30, 2025 was \$0.08 (2024 - \$0.15; 2023 - \$nil).

Stock option transactions and the number of stock options for the year ended September 30, 2024 are summarized as follows:

Expiry date	Exercise price	September 30, 2023	Granted	Exercised	Expired / cancelled	September 30, 2024
July 30, 2024	\$0.50	345,000	-	-	(345,000)	-
October 15, 2025	\$0.70	401,000	-	-	-	401,000
January 18, 2027	\$0.50	1,160,000	-	-	-	1,160,000
March 17, 2027	\$0.50	100,000	-	-	(100,000)	-
April 24, 2029	\$0.15	-	1,860,000	-	-	1,860,000
July 2, 2029	\$0.15	-	450,000	-	-	450,000
Options outstanding		2,006,000	2,310,000	-	(445,000)	3,871,000
Options exercisable		2,006,000	2,122,500	-	(445,000)	3,683,500
Weighted average exercise price		\$0.54	\$0.15	\$Nil	\$0.50	\$0.31

Stock option transactions and the number of stock options for the year ended September 30, 2023 are summarized as follows:

Expiry date	Exercise price	September 30, 2022	Granted	Exercised	Expired / cancelled	September 30, 2023
March 14, 2023	\$0.50	168,000	-	-	(168,000)	-
July 30, 2024	\$0.50	345,000	-	-	-	345,000
October 15, 2025	\$0.70	401,000	-	-	-	401,000
January 18, 2027	\$0.50	1,160,000	-	-	-	1,160,000
March 17, 2027	\$0.50	100,000	-	-	-	100,000
Options outstanding		2,174,000	-	-	(168,000)	2,006,000
Options exercisable		2,174,000	-	-	(168,000)	2,006,000
Weighted average exercise price		\$0.54	\$Nil	\$Nil	\$0.50	\$0.54

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8. STOCK OPTIONS AND WARRANTS - continued

a) Stock option compensation plan – continued

The weighted average assumptions used to estimate the fair value of options for the years ended September 30, 2025, 2024 and 2023 were as follows:

	2025	2024	2023
Risk-free interest rate	2.90%	3.52% - 3.72%	n/a
Expected life	5 years	5 years	n/a
Expected volatility	122.94%	142.43% - 142.96%	n/a
Expected dividend yield	nil	nil	n/a

b) Warrants

On August 14, 2023, the Company's warrants were consolidated on a 5 for 1 basis and the warrant quantities and exercise prices are reflected as such (Note 7(b)).

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

Expiry date	Exercise price	September 30, 2024	Issued	Exercised	Expired	September 30, 2025
March 15, 2025	\$0.50	87,860	-	-	(87,860)	-
May 19, 2025	\$0.625	1,000,000	-	-	(1,000,000)	-
October 19, 2026	\$0.30	1,250,000	-	-	-	1,250,000
December 28, 2026	\$0.30	100,000	-	-	-	100,000
April 11, 2027	(a) \$0.20	6,500,000	-	(620,000)	-	5,880,000
June 21, 2028	\$0.35	2,500,000	-	-	-	2,500,000
June 28, 2028	\$0.35	1,099,250	-	-	-	1,099,250
July 18, 2028	\$0.35	556,250	-	-	-	556,250
April 9, 2028	(b) \$0.15	-	13,500,000	(420,000)	-	13,080,000
July 31, 2029	\$0.35	-	1,233,500	-	-	1,233,500
August 12, 2029	\$0.35	-	5,000,000	-	-	5,000,000
Outstanding		13,093,360	19,733,500	(1,040,000)	(1,087,860)	30,699,000
Weighted average exercise price		\$0.29	\$0.21	\$0.18	\$0.61	\$0.23

(a) Subsequently, 620,000 warrants were exercised.

(b) Subsequently, 1,575,000 warrants were exercised.

As at September 30, 2025, the weighted average contractual remaining life of warrants is 2.57 years (September 30, 2024 – 2.71 years; September 30, 2023 – 1.62 years).

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8. STOCK OPTIONS AND WARRANTS - continued

b) Warrants – continued

The continuity of warrants for the year ended September 30, 2024 is as follows:

Expiry date	Exercise price	September 30, 2023	Issued	Exercised	Expired	September 30, 2024
May 19, 2025	\$0.625	1,000,000	-	-	-	1,000,000
March 15, 2025	\$0.50	87,860	-	-	-	87,860
October 19, 2026	\$0.30	-	1,250,000	-	-	1,250,000
December 28, 2026	\$0.30	-	100,000	-	-	100,000
April 11, 2027	\$0.20	-	6,500,000	-	-	6,500,000
June 21, 2028	\$0.35	-	2,500,000	-	-	2,500,000
June 28, 2028	\$0.35	-	1,099,250	-	-	1,099,250
July 18, 2028	\$0.35	-	556,250	-	-	556,250
Outstanding		1,087,860	12,005,500	-	-	13,093,360
Weighted average exercise price		\$0.61	\$0.26	\$Nil	\$Nil	\$0.29

The continuity of warrants for the year ended September 30, 2023 is as follows:

Expiry date	Exercise price	September 30, 2022	Issued	Exercised	Expired	September 30, 2023
October 9, 2022	\$1.00	767,037	-	-	(767,037)	-
March 15, 2023	(a) \$0.25	3,820,000	-	(87,860)	(3,732,140)	-
May 19, 2025	\$0.625	1,000,000	-	-	-	1,000,000
March 15, 2025	(b) \$0.50	-	87,860	-	-	87,860
Outstanding		5,587,037	87,860	(87,860)	(4,499,177)	1,087,860
Weighted average exercise price		\$0.59	\$0.50	\$0.25	\$0.38	\$0.61

(a) On February 15, 2023, the exercise price of the 3,820,000 warrants was amended from \$0.50 to \$0.25 and the expiry date was extended to March 15, 2023.

(b) Pursuant to the warrant incentive program, 87,860 warrants were exercised for 87,860 common shares and 87,860 incentive warrants at a price of \$0.50 expiring on March 15, 2025.

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8. STOCK OPTIONS AND WARRANTS - continued

c) Finder's warrants

On August 14, 2023, the Company's finder's warrants were consolidated on a 5 for 1 basis and the finder's warrant quantities and exercise prices are reflected as such (Note 7(b)).

The continuity of finder's warrants for the year ended September 30, 2025 is as follows:

Expiry date	Exercise price	September 30, 2024	Issued	Exercised	Expired	September 30, 2025
June 21, 2025	\$0.16	105,000	-	-	(105,000)	-
June 28, 2025	\$0.16	10,500	-	-	(10,500)	-
July 18, 2025	\$0.16	10,937	-	(10,937)	-	-
October 19, 2026	\$0.20	79,450	-	-	-	79,450
December 28, 2026	\$0.20	43,750	-	-	-	43,750
April 9, 2028	\$0.15	-	320,000	(28,000)	-	292,000
July 31, 2027	\$0.15	-	69,360	-	-	69,360
August 12, 2027	(a) \$0.15	-	362,800	-	-	362,800
Outstanding		249,637	752,160	(38,937)	(115,500)	847,360
Weighted average exercise price		\$0.18	\$0.15	\$0.15	\$0.16	\$0.16

(a) Subsequently, 8,000 warrants were exercised.

As at September 30, 2025, the weighted average contractual remaining life of finder's warrants is 1.98 years (September 30, 2024 – 1.42 years; September 30, 2023 – nil years).

The continuity of finder's warrants for the year ended September 30, 2024 is as follows:

Expiry date	Exercise price	September 30, 2023	Issued	Exercised	Expired	September 30, 2024
June 21, 2025	\$0.16	-	105,000	-	-	105,000
June 28, 2025	\$0.16	-	10,500	-	-	10,500
July 18, 2025	\$0.16	-	10,937	-	-	10,937
October 19, 2026	\$0.20	-	79,450	-	-	79,450
December 28, 2026	\$0.20	-	43,750	-	-	43,750
Outstanding		-	249,637	-	-	249,637
Weighted average exercise price		\$Nil	\$0.18	\$Nil	\$Nil	\$0.18

The continuity of finder's warrants for the year ended September 30, 2023 is as follows:

Expiry date	Exercise price	September 30, 2022	Issued	Exercised	Expired	September 30, 2023
October 9, 2022	\$0.675	267,807	-	-	(267,807)	-
June 14, 2023	\$0.60	133,117	-	-	(133,117)	-
Outstanding		400,924	-	-	(400,924)	-
Weighted average exercise price		\$0.65	\$Nil	\$Nil	\$0.65	\$Nil

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8. STOCK OPTIONS AND WARRANTS - continued

c) Finder's warrants - continued

The weighted average assumptions used to estimate the fair value of finder's warrants for the years ended September 30, 2025, 2024 and 2023 were as follows:

	2025	2024	2023
Risk-free interest rate	2.64% - 2.76%	3.39% - 4.54%	n/a
Expected life	2 years - 3 years	1 year - 3 years	n/a
Expected volatility	116.94% - 133.23%	120.44% - 130.18%	n/a
Expected dividend yield	nil	nil	n/a

9. RELATED PARTY TRANSACTIONS

The aggregate value of transactions and outstanding balances relating to key management personnel and entities over which they have control or significant influence were as follows:

For the year ended September 30, 2025

	Short-term employee benefits	Post-employment benefits	Other long-term benefits	Termination benefits	Share-based payments	Total
Jason Weber Chief Executive Officer, Director	\$ 162,000	\$ Nil	\$ Nil	\$ Nil	\$ 9,963	\$ 171,963
Rob Duncan VP of Exploration	\$ 150,000	\$ Nil	\$ Nil	\$ Nil	\$ 7,970	\$ 157,970
Winnie Wong Chief Financial Officer	\$ Nil	\$ Nil	\$ Nil	\$ Nil	\$ 6,376	\$ 6,376
Marc G. Blythe Director	\$ Nil	\$ Nil	\$ Nil	\$ Nil	\$ 6,376	\$ 6,376
Mark T. Brown Director	\$ Nil	\$ Nil	\$ Nil	\$ Nil	\$ 7,970	\$ 7,970
Craig Lindsay Director	\$ Nil	\$ Nil	\$ Nil	\$ Nil	\$ 6,376	\$ 6,376

For the year ended September 30, 2024

	Short-term employee benefits	Post-employment benefits	Other long-term benefits	Termination benefits	Share-based payments	Total
Jason Weber Chief Executive Officer, Director	\$ 162,000	\$ Nil	\$ Nil	\$ Nil	\$ 53,851	\$ 215,851
Rob Duncan VP of Exploration	\$ 126,724	\$ Nil	\$ Nil	\$ Nil	\$ 46,158	\$ 172,882
Winnie Wong Chief Financial Officer	\$ Nil	\$ Nil	\$ Nil	\$ Nil	\$ 30,772	\$ 30,772
Marc G. Blythe Director	\$ Nil	\$ Nil	\$ Nil	\$ Nil	\$ 30,772	\$ 30,772
Mark T. Brown Director	\$ Nil	\$ Nil	\$ Nil	\$ Nil	\$ 46,158	\$ 46,158
Craig Lindsay Director	\$ Nil	\$ Nil	\$ Nil	\$ Nil	\$ 30,772	\$ 30,772

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9. RELATED PARTY TRANSACTIONS - continued

For the year ended September 30, 2023

	Short-term employee benefits	Post-employment benefits	Other long-term benefits	Termination benefits	Share-based payments	Total
Jason Weber Chief Executive Officer, Director	\$ 162,000	\$ Nil	\$ Nil	\$ Nil	\$ Nil	\$ 162,000
Rob Duncan VP of Exploration	\$ 150,000	\$ Nil	\$ Nil	\$ Nil	\$ Nil	\$ 150,000

Related party transactions and balances

	Services	Years ended		Balance due	
		September 30, 2025	September 30, 2024	As at September 30, 2025	As at September 30, 2024
Amounts due to:					
Jason Weber	Consulting fee and share-based payment	\$ 171,963	\$ 215,851	\$ Nil	\$ Nil
Rob Duncan	Consulting fee and share-based payment	\$ 157,970	\$ 172,882	\$ Nil	\$ Nil
Pacific Opportunity Capital Ltd. ^(a)	Accounting, financing, and shareholder communication services	\$ 242,565	\$ 224,507	\$ 524,341	\$ 606,564
Mark Brown	Expenses reimbursement and share-based payment	\$ 63,025	\$ 78,882	\$ Nil	\$ Nil
Marc G. Blythe	Expenses reimbursement and share-based payment	\$ 6,376	\$ 32,792	\$ Nil	\$ 2,115
Banyan Gold Corp. ^(b)	Exploration services	\$ 140,983	\$ Nil	\$ 79,528	\$ Nil
TOTAL:		\$ 782,882	\$ 724,914	\$ 603,869	\$ 608,679

(a) The president of Pacific Opportunity Capital Ltd., a private company, is a director of the Company.

(b) Marc G. Blythe, the director of Banyan Gold Corp., is a director of the Company.

10. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

The significant non-cash investing and financing transactions during the year ended September 30, 2025 were as follows:

- As at September 30, 2025, a total of \$467,261 in exploration and evaluation asset costs was included in accounts payable and accrued liabilities;
- As at September 30, 2025, a total of \$75,741 in exploration and evaluation asset costs was included in due to related parties;
- As at September 30, 2025, a total of \$243,000 advance for exploration and evaluation costs was included in prepaid expenses;
- As at September 30, 2025, a total of \$136,000 in share issue costs was included in due to related parties;
- The Company recorded \$21,600 in share capital related to the issue of common shares pursuant to the acquisition of exploration and evaluation assets;
- The Company recorded \$91,410 in share issue costs related to the issue of finder's warrants pursuant to the private placement financing completed; and
- The Company reclassified \$2,645 of finder's warrants to share capital.

The significant non-cash investing and financing transactions during the year ended September 30, 2024 were as follows:

- As at September 30, 2024, a total of \$385,850 in exploration and evaluation asset costs was included in accounts payable and accrued liabilities;
- As at September 30, 2024, a total of \$50,000 advance for exploration and evaluation costs was included in prepaid expenses;
- As at September 30, 2024, a total of \$126,750 in share issue costs was included in due to related parties;
- The Company recorded \$39,600 in share capital related to the issue of common shares pursuant to the acquisition of exploration and evaluation assets; and
- The Company recorded \$26,107 in share issue costs related to the issue of finder's warrants pursuant to the private placement financing completed.

The significant non-cash investing and financing transactions during the year ended September 30, 2023 were as follows:

- As at September 30, 2023, a total of \$20,161 in exploration and evaluation asset costs was included in accounts payable and accrued liabilities and a total of \$19,447 was included in due to related parties;
- The Company recorded \$12,000 in marketable securities related to shares received as part of consideration for entry into a data purchase agreement with Highlander Silver Corp; and
- During the year ended September 30, 2023, the Company sold marketable securities with an original cost of \$246,284 for proceeds of \$216,232.

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11. SEGMENTED INFORMATION

The Company has one reportable operating segment, that being the acquisition and exploration of mineral properties. Geographical information is as follows:

	<u>September 30, 2025</u>	<u>September 30, 2024</u>
Non-current assets		
USA	\$ 13,921	\$ 75,889
Canada	8,414,909	6,873,183
	<u>\$ 8,428,830</u>	<u>\$ 6,949,072</u>

12. INCOME TAXES

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

	<u>2025</u>	<u>2024</u>
Loss before income taxes	\$ (405,619)	\$ (2,031,413)
Expected income tax recovery	\$ (109,000)	\$ (507,000)
Permanent differences	(104,000)	77,000
Share issue costs	(71,000)	(72,000)
Effect of flow through amounts	423,000	175,000
Change in unrecognized deductible temporary differences	(139,000)	327,000
Total deferred income tax (recovery) expense	<u>\$ -</u>	<u>\$ -</u>

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

	<u>2025</u>	<u>Expiry Date Range</u>	<u>2024</u>	<u>Expiry Date Range</u>
Temporary Differences	\$		\$	
Exploration and evaluation assets	(2,402,000)	No expiry date	(796,000)	No expiry date
Property and equipment	-	No expiry date	-	No expiry date
Share issue costs	375,000	2026 to 2029	291,000	2025 to 2028
Allowable capital losses	3,787,000	No expiry date	3,787,000	No expiry date
Non-capital losses available for future periods	22,257,000	2026 to 2045	21,190,000	2025 to 2044

Expenditures related to the use of flow-through share proceeds are included in exploration costs but are not available as a tax deduction to the Company as the tax benefits of these expenditures are renounced to the investors. At September 30, 2025, the Company has an obligation for future flow-through expenditures of \$907,358 (2024: \$373,836).

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

13. FINANCIAL INSTRUMENTS

The Company's financial instruments are exposed to certain financial risks, including currency risk, credit risk, liquidity risk, market risk and commodity price risk.

(a) Currency risk

The Company is affected by changes in exchange rates between the Canadian Dollar and foreign functional currencies. The Company does not invest in foreign currency contracts to mitigate the risks. The Company's exploration program, some of its general and administrative expenses and financial instruments denoted in a foreign currency are exposed to currency risk. A 10% change in the US dollar and the Peruvian nuevo sol over the Canadian dollar would change the results of operations by approximately \$2,200.

(b) Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to the liquidity of its cash. The Company limits exposure to credit risk by maintaining its cash with a large Canadian financial institution.

(c) 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 ensures there is sufficient capital in order to meet short-term business requirements, after taking into account cash flows from operations and the Company's holdings of cash. The Company had sufficient cash to settle its current liabilities, and further funding will be required to meet the Company's short-term and long-term operating needs. The Company manages liquidity risk through the management of its capital structure.

Accounts payable and accrued liabilities are due within the current operating period.

(d) Market risk

Market risks to which the Company is exposed include unfavorable movements in commodity prices, interest rates, and foreign exchange rates. As at September 30, 2025, the Company has no producing assets and holds the majority of its cash in secure, Canadian dollar-denominated deposits. Consequently, its exposure to these risks has been significantly reduced, but as the Company redeploys its cash, exposure to these risks may increase. The objective of the Company is to mitigate exposure to these risks while maximizing returns.

13. FINANCIAL INSTRUMENTS – continued

(d) Market risk – continued

i) Interest rate risk

As at September 30, 2025, the Company's exposure to movements in interest rates was limited to potential decreases in interest income from changes to the variable portion of interest rates for its cash. Should such risks increase, the Company may mitigate future exposure by entering into fixed-rate deposits. A 1% change in the interest rate, with other variables unchanged, would not significantly affect the Company.

ii) Foreign exchange risk

The Company is exposed to the financial risk related to the fluctuation of foreign exchange rates. The Company may maintain cash and other financial instruments, or may incur revenues and expenditures in currencies other than the Canadian dollar. Significant changes in the currency exchange rates between the Canadian dollar relative to these foreign currencies, which may include but are not limited to US dollars and Peruvian nuevo sol, could have an effect on the Company's results of operations, financial position or cash flows. The Company has not hedged its exposure to currency fluctuations.

(e) Commodity price risk

The ability of the Company to develop its mineral properties and the future profitability of the Company are directly related to the market price of minerals such as gold, zinc, lead and copper. The Company's input costs are also affected by the price of fuel. The Company closely monitors mineral and fuel prices to determine the appropriate course of action to be taken by the Company.

IFRS 7 establishes a fair value hierarchy that prioritizes the input to valuation techniques used to measure fair value as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – 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 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table sets forth the Company's financial assets measured at amortized cost by level within the fair value hierarchy.

As at September 30, 2025	Level 1	Level 2	Level 3	Total
Assets:				
Cash	\$ 1,828,062	\$ -	\$ -	\$ 1,828,062
As at September 30, 2024	Level 1	Level 2	Level 3	Total
Assets:				
Cash	\$ 709,647	\$ -	\$ -	\$ 709,647

14. MANAGEMENT OF CAPITAL RISK

The Company considers items included in shareholders' equity as capital. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of its mineral properties and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

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

In order to facilitate the management of its capital requirements, the Company prepares expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions.

In order to maximize ongoing development efforts, the Company does not pay out dividends. The Company's approach to managing capital remained unchanged during the year ended September 30, 2025.

15. EVENTS AFTER THE REPORTING PERIOD

- (a) Subsequent to September 30, 2025, 90,000 stock options, 2,195,000 warrants, and 8,000 finder's warrants were exercised, resulting in gross proceeds of \$373,950.
- (b) On December 19, 2025, the Company completed a non-brokered private placement by issuing 6,430,000 flow-through shares (the "FT Share") at a price of \$0.35 per FT Share for gross proceeds of \$2,250,500. Each FT Share will qualify as a "flow-through share" within the meaning of subsection 66(15) of the Income Tax Act (Canada) (the "Tax Act"). In connection with the financing, the Company paid \$144,931 in cash finder's fees and issued 414,090 finder's warrants, each of which is exercisable into one common share at a price of \$0.35 until December 19, 2027.
- (c) On January 15, 2026 and January 16, 2026, the Company announced that it had entered into an agreement with Red Cloud Securities Inc. ("Red Cloud") to act as sole agent and bookrunner in connection with a "best efforts" private placement (the "Marketed Offering") for aggregate gross proceeds of up to \$10,584,000 from the sale of (i) up to 5,000,000 units of the Company (the "Units") at a price of \$0.40 per Unit and (ii) up to 15,328,572 flow-through units of the Company to be sold to charitable purchasers (the "Charity FT Units", and together with the Units, the "Offered Securities") at a price of \$0.56 per Charity FT Unit.

Each Unit will consist of one common share of the Company and one-half of one common share purchase warrant (each whole warrant, a "Warrant"). Each Charity FT Unit will consist of one common share of the Company to be issued as a "flow-through share" within the meaning of subsection 66(15) of the Income Tax Act (Canada) (each, a "FT Share") and one-half of one Warrant. Each whole Warrant shall entitle the holder to purchase one common share of the Company at a price of \$0.56 at any time after the 60th day following the Closing Date (as herein defined) to the date that is on or before that date which is 36 months after the Closing Date.

The Company has also granted Red Cloud an option, exercisable in full or in part up to 48 hours prior to the closing of the Marketed Offering, to sell up to an additional \$1,000,000 in any combination of Units and Charity FT Units at their respective offering prices (the "Agent's Option"). The Marketed Offering and the securities issuable upon exercise of the Agent's Option shall be collectively referred to as the "Offering".