



**Condensed Interim Consolidated Financial Statements
(Unaudited)**

As at and for the three and nine months ended September 30, 2025 and 2024

(in Canadian dollars)

Talisker Resources Ltd.
Condensed Interim Consolidated Statements of Financial Position (Unaudited)
(Expressed in Canadian dollars)

| As at, | Notes | September 30, 2025 | December 31, 2024 |
|---|--------|-----------------------|----------------------|
| ASSETS | | | |
| Current assets | | | |
| Cash and cash equivalents | 4 | \$ 16,326,208 | \$ 14,811,384 |
| Marketable securities | 6 | 292,500 | 2,157,562 |
| Amounts receivable | 5 | 3,710,749 | 672,657 |
| Inventory | 7 | 2,254,907 | 158,654 |
| Prepaid and other expenses | | 798,048 | 651,209 |
| Total current assets | | 23,382,412 | 18,451,466 |
| Reclamation deposits | 15 | 1,468,300 | 1,468,300 |
| Property, plant and equipment | 8 | 20,115,301 | 7,316,955 |
| Exploration and evaluation assets | 9 | 18,041,920 | 17,991,423 |
| TOTAL ASSETS | | \$ 63,007,933 | \$ 45,228,144 |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | | |
| Current liabilities | | | |
| Accounts payable and accrued liabilities | 10, 21 | \$ 8,542,226 | \$ 3,433,418 |
| RSU Liability | 19 | 1,116,482 | - |
| Current portion of lease obligation | 11 | 240,678 | 234,941 |
| Current portion of gold linked notes | 12 | 400,460 | 217,753 |
| Current portion of deferred revenue | 14 | 414,200 | 130,776 |
| Total current liabilities | | 10,714,046 | 4,016,888 |
| RSU Liability | 19 | 558,242 | - |
| Provision for site reclamation and closure | 15 | 18,641,872 | 18,209,280 |
| Lease payable | 11 | 342,428 | 26,556 |
| Gold linked notes | 12 | 1,603,893 | 1,214,817 |
| Deferred revenue | 14 | 18,291,709 | 16,224,410 |
| Convertible debentures | 13 | 4,423,778 | 4,364,817 |
| Total liabilities | | 54,575,968 | 44,056,768 |
| Shareholders' equity | | | |
| Issued capital | 16 | 122,444,758 | 104,587,941 |
| Share-based payment reserve | 19 | 814,050 | 347,000 |
| Warrant reserve | 18 | 11,411,500 | 6,677,200 |
| Conversion component of convertible debentures | 13 | 448,308 | 448,308 |
| Accumulated deficit | | (126,686,651) | (110,889,073) |
| Total shareholders' equity | | 8,431,965 | 1,171,376 |
| TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY | | \$ 63,007,933 | \$ 45,228,144 |

Nature of operations and going concern (note 1)

Events after the reporting period (note 23)

On behalf of the Board:

Signed: "Terence Harbort"

Terence Harbort
Chief Executive Officer and Director

Signed: "Morris Prychidny"

Morris Prychidny
Director

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

Talisker Resources Ltd.
Condensed Interim Consolidated Statements of Loss and Comprehensive Loss (Unaudited)

(Expressed in Canadian dollars)

| | Notes | Three months ended September 30, | | Nine months ended September 30, | |
|---|----------------|-------------------------------------|---------------------|------------------------------------|----------------------|
| | | 2025 | 2024 | 2025 | 2024 |
| Revenues | 5 | \$ 5,454,501 | \$ - | \$ 5,454,501 | \$ - |
| Cost of goods sold | | | | | |
| Production costs | | 5,510,414 | - | 6,820,285 | - |
| | | 5,510,414 | - | 6,820,285 | - |
| Gross Margin | | (55,913) | - | (1,365,784) | - |
| Expenses | | | | | |
| Exploration and evaluation expenditures | 21 | 248,364 | 1,011,203 | 1,399,775 | 5,864,007 |
| Mine care and maintenance costs | 21 | 616,475 | 115,596 | 1,164,328 | 592,285 |
| Consulting and wages | 21 | 756,845 | 504,657 | 2,155,299 | 1,455,864 |
| Administration | | 622,809 | 671,088 | 1,673,193 | 1,893,059 |
| Share-based expense | 19 | 1,289,764 | 681,377 | 2,203,654 | 690,477 |
| Depreciation of property, plant and equipment | 8 | 205,642 | 270,583 | 644,287 | 860,646 |
| Impairment of assets | 8 | 944,685 | - | 944,685 | - |
| | | 4,684,584 | 3,254,504 | 10,185,221 | 11,356,338 |
| Other income and expense | | | | | |
| Finance expense (income) | 12, 13, 14, 15 | 1,219,559 | 234,732 | 3,597,429 | 694,857 |
| Foreign currency translation loss (gain) | | (27,126) | (3,329) | 239,657 | (74,457) |
| Gain on marketable securities | 6 | (82,500) | - | (142,500) | - |
| Change in fair value of derivative in gold linked notes | 13 | 322,114 | - | 568,637 | - |
| | | 1,432,047 | 231,403 | 4,263,223 | 620,400 |
| Loss before income taxes | | 6,172,544 | 3,485,907 | 15,814,228 | 11,976,738 |
| Income tax recovery | | - | - | - | (318,000) |
| Net loss and comprehensive loss | | \$ 6,172,544 | \$ 3,485,907 | \$ 15,814,228 | \$ 11,658,738 |
| Loss per share - basic and diluted | | \$ 0.04 | \$ 0.04 | \$ 0.13 | \$ 0.13 |
| Weighted average common shares outstanding | | 144,397,846 | 92,370,847 | 120,604,005 | 90,259,024 |

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

Talisker Resources Ltd.

Condensed Interim Consolidated Statements of Changes in Shareholders' Equity (Unaudited)

(Expressed in Canadian dollars)

| | Number of Shares | Issued Capital (Note 16) | Share-based Payment Reserve (Note 19) | Warrant Reserve (Note 18) | Conversion Component of Convertible Debentures (Note 13) | Retained Earnings (Deficit) | Total |
|--|---------------------|-----------------------------|--|---------------------------------|--|-----------------------------------|----------------------|
| Balance as at December 31, 2023 | 89,148,377 | \$ 101,364,157 | \$ 695,000 | \$ 6,348,200 | \$ - | \$ (96,971,679) | \$ 11,435,678 |
| Issue of shares pursuant to private placement, net of issue costs (Note 16) | 6,300,500 | 2,078,775 | - | 329,000 | - | - | 2,407,775 |
| Issue of shares for acquisition of mineral properties (Note 9) | 50,000 | 15,500 | - | - | - | - | 15,500 |
| Issued pursuant to agreement | 263,158 | 100,000 | - | - | - | - | 100,000 |
| Exercise of RSU's (Note 16) | 2,039,646 | 815,858 | - | - | - | - | 815,858 |
| Expiry of stock options | - | - | (260,000) | - | - | 260,000 | - |
| Net loss for the period | - | - | - | - | - | (11,658,738) | (11,658,738) |
| Balance as at September 30, 2024 | 97,801,681 | \$ 104,374,290 | \$ 435,000 | \$ 6,677,200 | \$ - | \$ (108,370,417) | \$ 3,116,073 |
| Exercise of RSU's (Note 16) | 43,335 | 13,651 | - | - | - | - | 13,651 |
| Issue of shares for services (Note 13) | 500,000 | 200,000 | - | - | - | - | 200,000 |
| Expiry of stock options | - | - | (88,000) | - | - | 88,000 | - |
| Conversion component of convertible debentures, net of tax and costs (Note 13) | - | - | - | - | 448,308 | - | 448,308 |
| Net loss for the period | - | - | - | - | - | (2,606,656) | (2,606,656) |
| Balance as at December 31, 2024 | 98,345,016 | \$ 104,587,941 | \$ 347,000 | \$ 6,677,200 | \$ 448,308 | \$ (110,889,073) | \$ 1,171,376 |
| Issue of shares pursuant to private placement, net of issue costs (Note 16) | 43,913,000 | 15,063,046 | - | 5,113,000 | - | - | 20,176,046 |
| Issue of shares for acquisition of mineral properties (Note 9) | 36,363 | 12,000 | - | - | - | - | 12,000 |
| Exercise of RSU's (Note 16) | 1,072,665 | 359,343 | - | - | - | - | 359,343 |
| Exercise of warrants | 3,353,386 | 1,714,828 | - | - | - | - | 1,714,828 |
| Transfer of reserve on exercise of warrants | - | 378,700 | - | (378,700) | - | - | - |
| Exercise of stock options | 385,000 | 138,600 | - | - | - | - | 138,600 |
| Transfer of reserve on exercise of stock options | - | 90,300 | (90,300) | - | - | - | - |
| Issued pursuant to agreement | 84,745 | 100,000 | - | - | - | - | 100,000 |
| Share based payments - options | - | - | 574,000 | - | - | - | 574,000 |
| Expiry of stock options | - | - | (16,650) | - | - | 16,650 | - |
| Net loss for the period | - | - | - | - | - | (15,814,228) | (15,814,228) |
| Balance as at September 30, 2025 | 147,190,175 | \$ 122,444,758 | \$ 814,050 | \$ 11,411,500 | \$ 448,308 | \$ (126,686,651) | \$ 8,431,965 |

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

Talisker Resources Ltd.

Condensed Interim Consolidated Statements of Cash Flows (Unaudited)

(Expressed in Canadian dollars)

| For the nine month periods ended September 30, | Notes | 2025 | 2024 |
|--|----------------|----------------------|---------------------|
| Cash provided by (used in): | | | |
| Operating activities | | | |
| Net loss for the period | | \$ (15,814,228) | \$ (11,658,738) |
| Items not involving cash: | | | |
| Income tax recovery | 17 | - | (318,000) |
| Change in fair value of derivative in gold linked notes | | 568,637 | - |
| Share-based expense | 19 | 2,430,234 | 877,518 |
| Non-cash revenue recognized under royalty agreement | 14 | (13,789) | - |
| Impairment of assets | 8 | 944,685 | - |
| Foreign exchange | | 301,218 | - |
| Gain on marketable securities | 6 | (142,500) | - |
| Finance expense | 12, 13, 14, 15 | 3,745,564 | 422,163 |
| Depreciation of property, plant and equipment | 8 | 644,287 | 860,646 |
| Shares issued pursuant to property agreement | | 100,000 | 100,000 |
| Working capital changes | | | |
| Change in amounts receivable | | (3,030,092) | 183,547 |
| Change in inventory | | 1,031 | (447,854) |
| Change in prepaid expenses | | (146,839) | 158,036 |
| Change in accounts payable and accrued liabilities | | (23,833) | 640,823 |
| Cash flows used in operating activities | | (10,435,625) | (9,181,859) |
| Investing activities | | | |
| Acquisition of exploration and evaluation assets | 9 | (38,497) | (30,750) |
| Acquisition of property, plant and equipment | 8 | (10,665,221) | (95,536) |
| Settlement of guaranteed investment certificates | 6 | 2,007,562 | - |
| Cash used in investing activities | | (8,696,156) | (126,286) |
| Financing activities | | | |
| Issue of shares pursuant to private placement | 16 | 21,956,500 | 2,520,200 |
| Share issue costs | 16 | (1,780,454) | (111,656) |
| Exercise of options and warrants | 16 | 1,853,428 | - |
| Interest paid | 12, 13 | (841,145) | - |
| Repayment of leases | 11 | (168,444) | (100,044) |
| Cash flows provided by financing activities | | 21,019,885 | 2,308,500 |
| Net increase (decrease) in cash and cash equivalents for the period | | 1,888,104 | (6,999,645) |
| Effect of exchange rate changes on cash | | (373,280) | - |
| Cash and cash equivalents, beginning of the period | | 14,811,384 | 8,461,525 |
| Cash and cash equivalents, end of the period | | \$ 16,326,208 | \$ 1,461,880 |
| Supplementary cash flow information | | | |
| Interest received | | \$ 148,135 | \$ 9,911 |

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Talisker Resources Ltd. (“Talisker” or the “Company”) is a publicly listed company incorporated in British Columbia and continued in the Province of Ontario. The Company is engaged in exploration, evaluation and development of mineral properties in British Columbia. The Company’s shares are traded on the Toronto Stock Exchange (the “TSX”) under the symbol TSK. The head office and registered address of the Company is located at 130 Adelaide Street West, Suite 3002, Toronto, Ontario, M5H 3P5.

The condensed interim consolidated financial statements have been prepared on a going concern basis. The going concern basis assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. As at September 30, 2025, the Company had initiated and was ramping up production from the Bralorne Gold Project.

Notwithstanding the royalty agreement (Note 9), convertible debt financing (Note 13) and gold-linked note financing (Note 12), the Company’s ability to continue as a going concern is dependent upon attaining profitable operations, and the ability to raise further public equity or other financing to complete the development expenditures required to attain profitable operations at the Bralorne Gold Project. There is no assurance that these activities will be successful in the future. As at September 30, 2025, the Company had cash and cash equivalents of \$16,326,208 and the Company recorded an accumulated deficit of \$126,686,651. For the nine-month period ended September 30, 2025, the Company recorded a net loss of \$15,814,228 (2024: \$11,658,738), and net cash used in operating activities of \$10,435,625 (2024: \$9,181,859). The Company has not reached profitable operations, and it still relies on its ability to raise capital. The current cash and cash equivalents balance may not be sufficient to finance continued operations for the 12 months following September 30, 2025; therefore, there is a material uncertainty which may cast significant doubt upon the Company’s ability to continue as a going concern. The Company continues to adopt the going concern basis in preparing its condensed interim consolidated financial statements. These condensed interim consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities, the reported revenues and expenses, and the balance sheet classifications that would be necessary if the going concern assumption was not appropriate and the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. These adjustments would be material to the condensed interim consolidated financial statements.

These condensed interim consolidated financial statements were approved and authorized for issuance by the Board of Directors of the Company on November 14, 2025.

2. BASIS OF PRESENTATION

Statement of Compliance

These condensed interim consolidated financial statements, including comparatives, have been prepared in accordance with International Accounting Standards (“IAS”) 34 ‘Interim Financial Reporting’ (“IAS 34”) using accounting policies consistent with IFRS Accounting Standards as issued by the International Accounting Standards Board (“IFRS”).

IFRS 18 Presentation and Disclosure in Financial Statements was issued by the International Accounting Standards Board in April 2024, with mandatory application of the standard in annual reporting periods beginning on or after January 1, 2027. The Company has not yet assessed the impact of IFRS 18 on the Company’s financial statements.

2. BASIS OF PRESENTATION (continued)

On May 30, 2024, the IASB issued targeted amendments to IFRS 9 and IFRS 7 to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities. The amendments are effective January 1, 2026, and Company has not yet assessed the impact of these amendments on the Company's financial statements.

No standards have been early adopted in 2025.

Basis of Measurement

These condensed interim consolidated financial statements have been prepared on the basis of accounting policies and methods of computation consistent with those applied in the Company's December 31, 2024 annual financial statements, except as disclosed below:

- **Mineral properties – Construction in progress**

All expenditures undertaken in the development, construction, installation and/or completion of mine production facilities to extract, treat, gather, transport and store minerals are capitalized and initially classified as "Construction in process". All expenditures related to the construction of a mine and obtaining access to the orebody are considered to be capital development and are capitalized. Assets in construction in process are not depreciated.

When elements of the mineral properties are available for use in the manner intended by management, that element of "Construction in process" is reclassified to "Mineral Property". Determination of when an element of mineral properties is available for use requires the application of judgment. The Company considers primarily the following factors, among others, in making this judgment:

- i) All major capital expenditures have been incurred;
- ii) A reasonable period of testing has been completed;
- iii) The ability to produce saleable product (ie, the ability to produce ore within specifications), at required production levels and grades; and
- iv) The ability to sustain ongoing production of ore.

As at September 30, 2025, certain elements of mineral properties are available for use in the manner intended by management.

- **Revenue recognition**

Revenue from contracts with customers is recognized when the customer obtains control of the promised asset and the Company satisfies its performance obligation. The transaction price is based upon the amount that the Company expects to be entitled to in exchange for the transferring of the gold concentrate.

The Company satisfies its performance obligation for its gold concentrate sales per the specific contract terms, which is generally when the gold concentrate is picked up by the customer from the mill site.

2. BASIS OF PRESENTATION (continued)**• Revenue recognition (continued)**

Revenue is measured at the fair value of the consideration received or receivable, net of specified deductions, including treatment and refining charges and penalties for deleterious elements. Revenue is recorded at initial recognition based on forward prices for the expected date of settlement. The final sales prices are determined by quoted market prices in a period subsequent to the date of sale. Variations between the price recorded at initial recognition and the actual final price set under the contract are caused by changes in the market gold price, which result in trade receivables being accounted for as derivative assets. The trade receivables are recorded at fair value each period until final settlement occurs, with changes in fair value classified as provisional price adjustments and included in Revenue in the consolidated statement of loss and presented separately in the notes to the consolidated financial statements.

• Inventory

Inventory classifications include stockpiled ore, ore subject to toll milling, concentrate and supplies. The value of all production inventories includes direct production costs (including costs of materials and labour), the amounts paid for toll milling provided by a third party (consisting of fixed and variable components), depreciation and amortization of property, plant and equipment directly involved in the mining process, and attributable overhead incurred to bring the materials to their current point in the processing cycle. General and administrative costs for the corporate office are not included in any inventories.

All inventories are valued at the lower of cost and net realizable value, with net realizable value determined with reference to market prices, less estimated future production costs to convert inventories into saleable form. If carrying value exceeds net realizable value, a write-down is recognized. The write-down may be reversed in a subsequent period if the circumstances which caused the write-down no longer exists.

- i) Stockpiled ore represents unprocessed ore that has been mined and is available for future processing. Stockpiled ore is measured by estimating the number of tonnes through physical surveys and contained ounces. Stockpiled ore value is based on the costs incurred, including depreciation and applicable mine-site overheads, in bringing the ore to the stockpile. Costs are added to the stockpiled ore based on current mining costs and are removed at the average costs per tonne of ore in the stockpile.
- ii) Ore subject to toll milling represents material that is currently being processed to extract the contained gold into a saleable concentrate form. The amount of ore subject to toll milling is determined by assay values and by measure of the various gold bearing materials in the recovery process. The ore subject to toll milling is valued at the average of the beginning inventory and the costs of material fed into the processing stream plus in-circuit conversion costs.
- iii) Concentrate is the finished product in its saleable form that is produced by the mill. The amount of concentrate is determined by assay values and physical weight measurements. Concentrate is valued at average cost.
- iv) Supplies inventories include equipment parts and other consumables required for mining and are valued at the lower of average cost and net realizable value.

2. BASIS OF PRESENTATION (continued)

Principles of Consolidation

These condensed interim consolidated financial statements for the three and nine month periods ended September 30, 2025 and 2024 include the financial position, financial performance and cash flows of the Company and its subsidiary detailed below:

| Subsidiary | Country of Incorporation | Economic Interest | Basis of Accounting |
|--------------------------|--------------------------|-------------------|---------------------|
| Bralorne Gold Mines Ltd. | Canada | 100% | Full consolidation |
| New Carolin Gold Corp. | Canada | 100% | Full consolidation |

Subsidiaries - Subsidiaries are entities over which the Company has control, whereby control is defined as the power to direct activities of an entity that significantly affect the entity's returns so as to obtain benefit from its activities. Control is presumed to exist where the Company has a shareholding of more than one half of the voting rights in its subsidiaries. The effects of potential voting rights that are currently exercisable are considered when assessing whether control exists. Subsidiaries are fully consolidated from the date control is transferred to the Company, and are de-consolidated from the date at which control ceases.

3. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements requires the Company's management to make judgments, estimates and assumptions about future events that affect the amounts reported in the financial statements. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results may differ from those estimates.

The areas which require management to make significant judgments, estimates and assumptions in determining carrying values include, but are not limited to:

- Impairment of non-financial assets** - The Company assesses its cash-generating units at each reporting date to determine whether any indication of impairment exists. Where an indicator of impairment exists or when exploration and evaluation assets are reclassified to property, plant and equipment upon reaching technical feasibility and commercial viability, an estimate of the recoverable amount is made, which is the higher of the fair value less costs of disposal and value in use. The determination of the recoverable amount requires the use of estimates and assumptions such as long-term commodity prices, discount rates, future capital requirements, exploration potential and future operating performance. 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.
- Provision for site reclamation and closure** – Provisions for site reclamation and closure have been created based on management estimates. Assumptions, based on the current economic environment, have been made which management believes are a reasonable basis upon which to estimate the future liability as shown in Note 15. These estimates take into account any material changes to the assumptions that occur when reviewed regularly by management and are based on current regulatory requirements. Significant changes in estimates of discount rate, contamination, restoration standards and techniques will result in changes to provisions from period to period. Actual reclamation and closure costs will ultimately depend on future market prices for the costs which will reflect the market condition at the time the costs are actually incurred. The final cost of the currently recognized rehabilitation provisions may be higher or lower than currently provided for.

3. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS (continued)

- **Convertible debentures and Gold Linked Notes** – The Company’s convertible debentures and gold-linked notes represent management’s best estimates and judgement in accounting for separate components of financial liability, derivative liability and an equity instrument. The identification of such components embedded within convertible debentures and gold-linked notes requires significant judgement given that it is based on the interpretation of the substance of the contractual arrangement. In the case of convertible debentures, the conversion option has a fixed conversion rate, the financial liability, which represents the obligation to pay coupon interest on the convertible debentures in the future, is initially measured at its fair value and subsequently measured at amortized cost. The residual is accounted for as an equity instrument at issuance. In the case of gold linked notes, the embedded derivative is separated on issuance at fair value and is marked to market at each period end with changes in fair value recorded as gain on fair value of derivative. The financial liability, which represents the obligation to pay coupon interest on the gold linked notes in the future, is initially measured at its fair value and subsequently measured at amortized cost. The Company considered various factors to determine fair value, including: market rate of interest and forecast gold price expected over the life of the arrangement that is based on the forward curve for gold.
- **Determination of Commercial Viability and Technical Feasibility of the Bralorne Gold Project**

The application of the Company’s accounting policy for mineral property development costs required judgment to determine when technical feasibility and commercial viability of the Bralorne Gold Project was demonstrable. The Company considered various factors, including:

- the updated NI 43-101 resource estimate published in January 2023 together with the positive drilling engineering studies conducted subsequent to this estimate;
- fully permitted operations for mining and existing infrastructure requiring limited development to access ore;
- the results from the ore hauling agreement with Nicola Mining and the decision to start test production trucking of first ore with an expectation of generating a positive long-term return on the Bralorne Gold Project;
- positive Net Present Value generated from a discounted cash flow model; and
- the availability of funds to pursue the further development of the Bralorne Gold Project with the financing activities completed in the fourth quarter of 2024, including the second tranche of the royalty proceeds under the arrangement with Sprott Resource Steaming and Royalty Corp.

4. CASH AND CASH EQUIVALENTS

The balance at September 30, 2025 consists of cash on deposit with major Canadian banks in interest bearing accounts totaling \$4,866,310 (December 31, 2024 - \$8,921,310) and short term guaranteed investment certificates with major Canadian banks of \$11,459,898 (December 31, 2024 - \$5,890,074) for total cash and cash equivalents of \$16,326,208 (December 31, 2024 - \$14,811,384).

During the nine month period ended September 30, 2025, the Company recognized interest income of \$148,135 (2024 - \$9,911).

Talisker Resources Ltd.

Notes to the Condensed Interim Consolidated Financial Statements (Unaudited) For the three and nine month periods ended September 30, 2025 and 2024

(Expressed in Canadian dollars)



5. AMOUNTS RECEIVABLE

| As at, | September 30, 2025 | December 31, 2024 |
|--------------------------------------|-------------------------------|------------------------------|
| Receivable from gold sales | \$ 2,759,366 | \$ - |
| HST and other government receivables | 736,583 | 364,353 |
| Other receivables | 214,800 | 308,304 |
| | \$ 3,710,749 | \$ 672,657 |

At September 30, 2025, the Company anticipates full recovery of these amounts and therefore no expected credit loss has been recorded against these receivables. The Company holds no collateral for any receivable amounts outstanding as at September 30, 2025 and December 31, 2024.

The Company recorded an initial receivable related to gold sales of \$2,456,055 and subsequently recorded a provisional price adjustment due to changes in expected gold price at settlement of \$303,311.

6. MARKETABLE SECURITIES

As at September 30, 2025, the Company holds 1,500,000 shares of Westhaven Gold Corp. ("Westhaven") valued at \$292,500 (December 31, 2024 – 1,500,000 shares with value of \$150,000). The Company received the shares, with value on receipt of \$225,000, as part of the property option agreement.

The Company also holds guaranteed investment certificates with maturities greater than three months of \$nil (December 31, 2024 - \$2,007,562) for total marketable securities of \$292,500 (December 31, 2024 - \$2,157,562).

During the year nine month period ended September 30, 2025, the Company recognized an unrealized gain of \$142,500 (2024 - \$nil) as the market value of the shares increased.

7. INVENTORY

Inventory consists of stockpiled ore, ore subject to toll milling, concentrate and supplies required during the course of exploration, development and production from operations. The following is a breakdown of items in inventory:

| As at, | September 30, 2025 | December 31, 2024 |
|-----------------------------|-------------------------------|------------------------------|
| Stockpiled ore | \$ 306,646 | \$ - |
| Ore subject to toll milling | 281,820 | - |
| Finished goods | 840,418 | - |
| Supplies | 826,023 | 158,654 |
| | \$ 2,254,907 | \$ 158,654 |

During the nine month period ended September 30, 2025, the Company recorded a write down in the amount of \$1,309,871 to reduce the carrying value of inventories to net realizable value. This amount has been recorded in production costs as a cost of goods sold.

Talisker Resources Ltd.

Notes to the Condensed Interim Consolidated Financial Statements (Unaudited)

For the three and nine month periods ended September 30, 2025 and 2024

(Expressed in Canadian dollars)



8. PROPERTY, PLANT AND EQUIPMENT

| | Construction in Process ⁽¹⁾ | Mineral Property | Machinery and Equipment | Buildings | Land | Water Treatment Facility | Vehicles | Right-of-Use Asset | Total |
|--|---|---------------------|----------------------------|-----------|---------|-----------------------------|----------|-----------------------|------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Balance at December 31, 2023 | - | - | 1,443,806 | 6,161,212 | 315,000 | 941,321 | 172,391 | 1,801,389 | 10,835,119 |
| Reclassification from E&E asset | 1,469,234 | - | - | - | - | - | - | - | 1,469,234 |
| Additions | 581,377 | - | 47,535 | 50,000 | - | - | - | 101,073 | 779,985 |
| Change in estimate of ARO | (932,515) | - | - | - | - | - | - | - | (932,515) |
| Disposal | - | - | - | (1,782) | - | - | - | - | (1,782) |
| Balance at December 31, 2024 | 1,118,096 | - | 1,491,341 | 6,209,430 | 315,000 | 941,321 | 172,391 | 1,902,462 | 12,150,041 |
| Additions | 13,559,228 | - | 394,459 | - | - | - | - | 490,053 | 14,443,740 |
| Impairment ⁽²⁾ | - | - | (21,185) | (923,500) | - | - | - | - | (944,685) |
| Reclassification from Construction In Process | (1,840,365) | 1,840,365 | - | - | - | - | - | - | - |
| Balance at September 30, 2025 | 12,836,959 | 1,840,365 | 1,864,615 | 5,285,930 | 315,000 | 941,321 | 172,391 | 2,392,515 | 25,649,096 |

ACCUMULATED DEPRECIATION

| | | | | | | | | | |
|-------------------------------|---|---|-----------|-----------|---|---------|---------|-----------|-----------|
| Balance at December 31, 2023 | - | - | 1,061,804 | 1,018,770 | - | 272,904 | 89,627 | 1,276,419 | 3,719,524 |
| Additions | - | - | 221,545 | 572,632 | - | 61,984 | 21,412 | 235,989 | 1,113,562 |
| Balance at December 31, 2024 | - | - | 1,283,349 | 1,591,402 | - | 334,888 | 111,039 | 1,512,408 | 4,833,086 |
| Additions | - | - | 103,022 | 401,539 | - | 45,864 | 4,269 | 146,015 | 700,709 |
| Balance at September 30, 2025 | - | - | 1,386,371 | 1,992,941 | - | 380,752 | 115,308 | 1,658,423 | 5,533,795 |

NET BOOK VALUE

| | | | | | | | | | |
|------------------------------|-------------------|------------------|----------------|------------------|----------------|----------------|---------------|----------------|-------------------|
| At December 31, 2024 | 1,118,096 | - | 207,992 | 4,618,028 | 315,000 | 606,433 | 61,352 | 390,054 | 7,316,955 |
| At September 30, 2025 | 12,836,959 | 1,840,365 | 478,244 | 3,292,989 | 315,000 | 560,569 | 57,083 | 734,092 | 20,115,301 |

(1) Construction in process relates to the Company's Bralorne mine and primarily includes acquisition costs, expenditures related to development, costs incurred to secure the second tranche of the royalty funding, and discounted future reclamation costs (Note 15). No depreciation or depletion has been recorded for the construction in progress assets as they are not ready for use as intended by management.

(2) Impairment of buildings in the amount of \$923,500 relates to the kitchen and mine office complex which was condemned due to mold.

8. PROPERTY, PLANT AND EQUIPMENT (continued)

On June 12, 2023 the Company entered into a royalty agreement with Sprott Resource Streaming and Royalty Corp. (“Sprott”) in relation to the Company’s Bralorne Gold Project whereby Sprott will pay the Company up to US\$31,250,000 for a net smelter returns royalty (the “Royalty”) covering all minerals produced from the Project (the “Royalty Transaction”). The Royalty Transaction includes:

- A maximum of US\$31,250,000, with a minimum consideration of US\$18,750,000, payable as to:
 - an initial grant of a 1.12% Royalty for a draw of US\$7,000,000 (received) for drilling, detailed engineering and working capital;
 - a further 1.88% Royalty for a subsequent draw of US\$11,750,000 (received) on, among other things, the signing of a toll milling agreement for mobilization, site infrastructure, resource conversion drilling and working capital; and
 - up to a further 2% Royalty, to a maximum of a 5% Royalty, for US\$12,500,000 available as needed for site infrastructure, mine start-up capital and working capital;
 - An option, exercisable solely at the discretion of the Company until December 31, 2028, to repurchase 50% of the Royalty (as more particularly described below);
 - The residual Royalty will be reduced by an additional 50% for no additional consideration following 1.5 million ounces of gold production;

Buyback

The Company will have a right, to be satisfied in cash or in shares (subject to a 4.9% ownership limit, calculated at the time of the buyback), at the Company’s sole discretion (and subject to prior approval of the Toronto Stock Exchange (the “TSX”)), to repurchase a 50% interest of the Royalty for a price that is equal to half of the then-paid Purchase Price multiplied by the multiplier, as follows:

| On of before | Multiplier | Based on Minimum 3% Royalty | Based on Maximum 5% Royalty |
|---------------|------------|-----------------------------|-----------------------------|
| June 30, 2025 | 1.20 | US\$11,250,000 | US\$18,750,000 |
| June 30, 2026 | 1.25 | US\$11,718,750 | US\$19,531,250 |
| June 30, 2027 | 1.30 | US\$12,187,500 | US\$20,312,500 |
| June 30, 2028 | 1.35 | US\$12,656,250 | US\$21,093,750 |
| June 30, 2029 | 1.40 | US\$13,125,000 | US\$21,875,000 |

Production Target and Purchase Price Repayment

There is an amount payable under the Royalty agreement by the Company if aggregate sales of contained gold in product is not equal to or greater than 38,000 ounces for the period commencing on January 1, 2028 and ending on June 30, 2028 (inclusive). The Purchase price repayment is calculated as follows:

$APP \times (T-P)/T \times (1+r)^Q$, where:

APP = Aggregate Purchase Price or dollar amount received under the facility.

T = the Target Amount;

P = the aggregate Sales of contained gold in Product during the Sales Testing Period;

r = the Quarterly interest rate of 2.5%; and

Q = the number of Quarter ends that have occurred from the First Closing Date up to (15), and including the last day of the Quarter in which the Sales Testing Period expires.

8. PROPERTY, PLANT AND EQUIPMENT (continued)

Participation Right

The Company has granted a five year pre-emptive right (subject to rights previously granted to OR) to participate up to a maximum of 40%, or US\$40,000,000, in any proposed grant, sale or issuance to any third party of a stream, royalty or similar transaction based on future production from the Project.

On October 9, 2024, the Company completed the second draw of US\$11,750,000 and received proceeds in the amount of \$15,483,327, being \$16,085,750 (US\$11,750,000) less transaction costs of \$602,423. The amount has been recorded as deferred revenue, see Note 14 for details.

9. EXPLORATION AND EVALUATION ASSETS

The exploration and evaluation assets for the Company are summarized as follows:

Nine month period ended September 30, 2025:

| Project | January 1, 2025 | Additions | Disposals | September 30, 2025 |
|-------------------------------|------------------------|------------------|------------------|---------------------------|
| Bralorne Gold Camp | | | | |
| Royalle Property | \$ 243,000 | \$ - | \$ - | 243,000 |
| NaiKun Wind Crown Grant | 36,000 | - | - | 36,000 |
| Congress Property | 295,000 | - | - | 295,000 |
| Big Sheep Property | 120,000 | - | - | 120,000 |
| Southern BC Properties | - | | | |
| Spences Bridge | 5,456,823 | - | - | 5,456,823 |
| Golden Hornet Property | 133,250 | 50,037 | - | 183,287 |
| Ladner Gold Project | 11,707,350 | 460 | - | 11,707,810 |
| | \$ 17,991,423 | \$ 50,497 | \$ - | \$ 18,041,920 |

On January 30, 2025, the Company acquired the Golden Hornet project after the completion of its previously announced option agreement. In connection with the acquisition of Golden Hornet, Talisker also negotiated the purchase of the 2 per cent net smelter royalty granted to Rich River Exploration Ltd. in connection with the option agreement for total aggregate consideration of \$100,000, with 1 per cent being purchased for cancellation by Talisker in consideration for the payment of \$38,000 in cash and \$12,000 through the issuance of 36,363 shares of Talisker at a price of 33 cents per share and the other 1 per cent being purchased by OR Royalties Ltd. (OR) pursuant to a first right of refusal granted under the royalty purchase agreement (RPA) entered into between, among others, the Company and OR, in December, 2021. In accordance with the terms of the RPA and the completion of the option agreement, Talisker and OR have entered into a royalty agreement whereby OR will now hold a 2 per cent net smelter return royalty on all production from the Golden Hornet, Blue Jay and Barnato properties.

10. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

| As at, | September 30, 2025 | December 31, 2024 |
|---------------------|-------------------------------|------------------------------|
| Accounts payable | \$ 4,563,385 | \$ 2,153,007 |
| Accrued liabilities | 3,978,841 | 1,280,411 |
| | \$ 8,542,226 | \$ 3,433,418 |

11. LEASES PAYABLE

The Company has entered into equipment leases expiring between 2025 and 2029, with interest rates ranging from 2.99% to 9.49% per annum. The Company has the option to purchase the equipment at the end of the lease term for a nominal amount. The Company's obligations under leases are secured by the lessor's title to the leased assets.

The contractual maturities and interest charges in respect of the Company's lease obligations are as follows:

| | September 30, 2025 | December 31, 2024 |
|---|-------------------------------|------------------------------|
| Not later than one year | \$ 293,685 | \$ 250,644 |
| Later than one year and not later than five years | 341,686 | 27,000 |
| Less: Future interest charges | (52,265) | (16,147) |
| Present value of lease payments | 583,106 | 261,497 |
| Less: current portion | (240,678) | (234,941) |
| Non-current portion | \$ 342,428 | \$ 26,556 |

Reconciliation of debt arising from lease liabilities:

| | September 30, 2025 | December 31, 2024 |
|---|-------------------------------|------------------------------|
| Lease liability at beginning of year | \$ 261,497 | \$ 288,281 |
| Additions | 490,053 | 101,073 |
| Principal payments on lease liabilities | (168,444) | (127,857) |
| | \$ 583,106 | \$ 261,497 |

12. GOLD LINKED NOTES

On October 17, 2024, the Company issued notes in the aggregate principal amount of \$1,332,000. The notes bear interest at a rate of 15% per annum and mature on December 31, 2027.

The principal amount of the notes was used to calculate the quantity of gold (the "Gold Quantity") to be represented by the notes, being the deemed number of ounces of gold using a price (the "Floor Price") of US\$2,500. The Gold Quantity on the date of issuance amounted to 386 ounces. The Gold Quantity will be reduced on each of December 31, 2025, December 31, 2026 and December 31, 2027, by that number of ounces that represents 15% (58 ounces), 25% (97 ounces) and 60% (231 ounces), respectively, of the Gold Quantity on the closing of the Gold-Linked Note Financing, by the payment of the Deemed value of such Gold Quantity. The "Deemed Value" means the applicable Gold Quantity multiplied by the Gold Price (the "Gold Price" being the greater of: (a) the Floor Price; and (b) the "London Gold Fix" price per ounce (in U.S. dollars) as of the 15th day of the month of such payment date).

There is no requirement or option to deliver physical gold as a form of repayment under the terms of the Gold Linked Notes.

12. GOLD LINKED NOTES (continued)

Interest shall be calculated and payable quarterly in arrears, with the interest payable being calculated based on the Deemed Value of the Gold Quantity on the applicable interest payment date.

For the nine month period ended September 30, 2025, the Company has recorded an interest charge of \$211,173 (2024 - \$nil) related to the host loan and a loss of \$563,933 (2024 - \$nil) for the change in fair value of the embedded derivative.

As at September 30, 2025 and December 31, 2024, the Gold Linked Note is presented as follows:

| Principal | September 30, 2025 | December 31, 2024 |
|---|-------------------------------|------------------------------|
| Beginning balance | \$ 1,134,192 | \$ - |
| Issuance of Gold Linked Notes | - | 1,332,000 |
| Less: embedded derivative | - | (242,512) |
| Less: transaction costs | - | (80,690) |
| | 1,134,192 | 1,008,798 |
| Interest expense | 211,173 | 43,550 |
| Accretion | 91,904 | 23,885 |
| Foreign exchange | (45,208) | 57,959 |
| Payment of interest | (254,723) | - |
| Ending balance | \$ 1,137,338 | \$ 1,134,192 |
| Embedded Derivative | | |
| Beginning balance | \$ 298,378 | \$ - |
| Issuance of Gold Linked Notes | - | 242,512 |
| Loss on revaluation of derivative | 568,637 | 55,866 |
| Ending balance | \$ 867,015 | \$ 298,378 |
| Total | | |
| Principal | \$ 1,137,338 | \$ 1,134,192 |
| Embedded derivative | 867,015 | 298,378 |
| Gold Linked Note Liability | 2,004,353 | 1,432,570 |
| Current portion of Gold Linked Note Liability | (400,460) | (217,753) |
| Long term portion of Gold Linked Note Liability | 1,603,893 | \$ 1,214,817 |

13. CONVERTIBLE DEBENTURES

On October 9, 2024, the Company issued a convertible debenture; an unsecured obligation of the Company in the principal amount of \$4,000,000. The convertible debenture bears interest at a rate of 12% per annum, calculated and payable quarterly in arrears, and has a term of three years. The holder of the convertible debenture may convert the principal amount to common shares of Talisker at a conversion price of \$0.50 up until the trading day prior to the maturity date of the convertible debenture. Talisker has the option to convert all or any portion of the convertible debenture into shares if the closing price of the Shares on the TSX is at least 130% of the Conversion Price for each of the 20 trading days before a notice of conversion is delivered. If shares are issued pursuant to the Company’s conversion right and the holder wishes to sell any Shares, Talisker also has the right to identify a purchaser for such shares.

On November 7, 2024, the Company issued a convertible debenture; an unsecured obligation of the Company in the principal amount of \$1,100,000. The convertible debenture bears interest at a rate of 12% per annum, calculated and payable quarterly in arrears, and has a term of three years. The holder of the convertible debenture may convert the principal amount to common shares of Talisker at a conversion price of \$0.56 up until the trading day prior to the maturity date of the convertible debenture. Talisker has the option to convert all or any portion of the convertible debenture into shares if the closing price of the Shares on the TSX is at least 130% of the Conversion Price for each of the 20 trading days before a notice of conversion is delivered. If shares are issued pursuant to the Company’s conversion right and the holder wishes to sell any Shares, Talisker also has the right to identify a purchaser for such shares.

As at September 30, 2025 and December 31, 2024, the Convertible Debentures are presented as follows:

| | | Liability Component | Equity Component |
|------------------------------------|----|--------------------------------|-----------------------------|
| Balance, January 1, 2024 | \$ | - | \$ - |
| Issuance of Convertible Debentures | | 4,434,672 | 665,328 |
| Less: transaction costs | | (246,754) | (37,020) |
| Less: deferred tax | | - | (180,000) |
| | | 4,187,918 | 448,308 |
| Interest expense | | 128,680 | - |
| Accretion | | 48,219 | - |
| Balance, December 31, 2024 | \$ | 4,364,817 | \$ 448,308 |
| Interest expense | | 457,742 | - |
| Accretion | | 187,641 | - |
| Payment of interest | | (586,422) | - |
| Balance, September 30, 2025 | \$ | 4,423,778 | \$ 448,308 |

14. DEFERRED REVENUE

On October 9, 2024, the Company issued a 1.88% NSR royalty under the second tranche of the royalty agreement with Sprott Resource Streaming and Royalty Corp. and received proceeds in the amount of \$16,085,750 (US\$11,750,000), less transaction costs of \$424,675.

The upfront cash payment received under the agreement is accounted for as deferred revenue with a significant financing component, with the related accretion expense being expensed to the statement of loss and comprehensive loss. The deferred revenue associated with the royalty agreement is being accreted to reflect the significant financing component at a rate of 18.5%, being the interest rate that it would use if it were to enter into a separate financing transaction with the customer at contract inception. As the Company produces and sells gold concentrate to third party customers, the balance will be reduced and recognized as revenue in the statement of loss and comprehensive loss.

The changes in the carrying value of deferred revenue are as follows:

| | September 30, 2025 | December 31, 2024 |
|---|-------------------------------|----------------------|
| Balance, beginning of year | \$ 16,355,186 | \$ - |
| Issuance of royalty | - | 16,085,750 |
| Less: transaction costs | - | (424,675) |
| Interest on financing component of deferred revenue | 2,364,512 | 694,111 |
| Deferred revenue recognized | (13,789) | - |
| Balance, end of year | \$ 18,705,909 | \$ 16,355,186 |
| Less: current portion | (414,200) | (130,776) |
| Non-current portion | \$ 18,291,709 | \$ 16,224,410 |

15. PROVISION FOR SITE RECLAMATION AND CLOSURE

Provincial laws and regulations concerning environmental protection affect the Company's operations. Under current regulations, the Company is required to meet performance standards to minimize the environmental impact from its activities and to perform site restoration and other closure activities. The Company's provision for future site closure and reclamation costs is based on known requirements.

The breakdown of the provision for site reclamation and closure is as per below:

| | September 30, 2025 | | | December 31, 2024 | | |
|-----------------------------------|---------------------------|------------------------|-------------------|-------------------|----------------|------------|
| | Bralorne | New Carolin | Total | Bralorne | New Carolin | Total |
| Balance, beginning of period/year | 10,827,580 | 7,381,700 | 18,209,280 | 11,414,435 | 7,207,096 | 18,621,531 |
| Change in estimate | - | - | - | (932,515) | (43,647) | (976,162) |
| Accretion | 269,679 | 162,913 | 432,592 | 345,660 | 218,251 | 563,911 |
| Balance, end of period/year | 11,097,259 | 7,544,613 | 18,641,872 | 10,827,580 | 7,381,700 | 18,209,280 |

15. PROVISION FOR SITE RECLAMATION AND CLOSURE (continued)

The present value of the obligation for Bralorne of \$11,097,259 (December 31, 2024 – \$10,827,580) is based on an undiscounted obligation of \$55,959,711, out of which \$11,770,751 is expected to be incurred in 2044 with the remaining \$44,188,960 to be incurred on water treatment and quality monitoring throughout 2144. The provision was calculated using a weighted average risk-free interest rate of 3.33% (December 31, 2024 – 3.33%) and a weighted average inflation rate of 1.82% (December 31, 2024 – 1.82%). Reclamation activities are estimated to begin in 2044 and are expected to be incurred over a period of 100 years.

The present value of the obligation for Ladner Lake of \$7,544,613 (December 31, 2024 – \$7,381,700) is based on an undiscounted obligation of \$14,540,227. The provision was calculated using a weighted average risk-free interest rate of 3.33% (December 31, 2024 – 3.33%) and a weighted average inflation rate of 1.82% (December 31, 2024 – 1.82%). Reclamation activities are estimated to begin in 2026 and are expected to be incurred over a period of 100 years

Reclamation Deposits

The Company is required to make reclamation deposits in respect of its expected site reclamation and closure obligations. The reclamation deposits represent collateral for possible reclamation activities necessary on mineral properties in connection with the permits required for exploration activities by the Company.

| | September 30, 2025 | | | | December 31, 2024 | | | |
|-----------------------------------|--------------------|-----------|-------------|-----------|-------------------|-----------|-------------|-----------|
| | Talisker | Bralorne | New Carolin | Total | Talisker | Bralorne | New Carolin | Total |
| Balance, beginning of period/year | 58,300 | 1,190,000 | 220,000 | 1,468,300 | 58,300 | 1,190,000 | 220,000 | 1,468,300 |
| Additions | - | - | - | - | - | - | - | - |
| Disposals | - | - | - | - | - | - | - | - |
| Balance, end of period/year | 58,300 | 1,190,000 | 220,000 | 1,468,300 | 58,300 | 1,190,000 | 220,000 | 1,468,300 |

Under regulations set by the Ministry of Energy, Mines and Petroleum Resources (“MEM”), the Company is required to hold reclamation bonds that cover the estimated future cost to reclaim the ground disturbed. Bralorne is required to pay \$250,000 every six months until a cumulative security equal to \$12,300,000. At September 30, 2025, the surety amounted to \$4,400,000 and the Company has placed \$1,190,000 in cash (December 31, 2024 - \$1,190,000), totalling \$5,590,000 to cover estimated future costs related to the ground disturbance at the Company’s Bralorne Gold Project. As at September 30, 2025 and December 31, 2024, the Company is current with all its obligations with the MEM.

16. ISSUED CAPITAL

Authorized Unlimited common shares without par value

| | September 30, 2025 | December 31, 2024 |
|---|-------------------------------|----------------------|
| Issued capital | \$ 122,548,985 | \$ 104,587,941 |
| Fully paid common shares ⁽¹⁾ | 147,190,175 | 98,345,016 |

(1) As at September 30, 2025 and December 31, 2024, there are 50,000 shares awaiting issuance, the proceeds for which were received in 2008 and are included in share capital.

Common Shares Issued

| | Number of Shares | Value of Shares |
|---|---------------------|--------------------|
| Balance as at December 31, 2023 | 89,148,377 | \$ 101,364,157 |
| Issue of shares pursuant to private placement, net of issue costs | 6,300,500 | 2,078,775 |
| Issue of shares for acquisition of mineral properties (Note 9) | 50,000 | 15,500 |
| Issued pursuant to agreement | 263,158 | 100,000 |
| Exercise of RSU's | 2,082,981 | 829,509 |
| Issuance of shares for services (Note 13) | 500,000 | 200,000 |
| Balance as at December 31, 2024 | 98,345,016 | \$ 104,587,941 |
| Issue of shares pursuant to private placement, net of issue costs | 43,913,000 | 15,063,046 |
| Issue of shares for acquisition of mineral properties (Note 9) | 36,363 | 12,000 |
| Exercise of RSU's | 1,072,665 | 359,343 |
| Exercise of warrants | 3,353,386 | 1,714,828 |
| Transfer of reserve on exercise of warrants | - | 378,700 |
| Exercise of stock options | 385,000 | 138,600 |
| Transfer of reserve on exercise of stock options | - | 90,300 |
| Issued pursuant to agreement | 84,745 | 100,000 |
| Balance as at September 30, 2025 | 147,190,175 | \$ 122,444,758 |

Financings

On May 5, 2025, the Company closed a private placement of 16,000,000 units of the Company at a price of \$0.50 per unit for gross proceeds of \$8,000,000.

Each unit consists of one common share of the Company and one-half common share purchase warrant. Each warrant entitles the holder thereof to acquire one Common share at an exercise price of \$0.75 until May 5, 2028. The warrants were ascribed a fair value of \$1,715,000 which was valued using the Black-Scholes pricing model with the following assumptions: dividend yield 0%; risk free interest 2.58%; volatility 80% and an expected life of 36 months.

The Company also issued 841,200 finders' warrants. Each finder's warrant entitles the holder thereof to purchase one common share at an exercise price of \$0.60 cents until May 5, 2028. The finder warrants were ascribed a fair value of \$203,000 which was valued using the Black-Scholes pricing model with the following assumptions: dividend yield 0%; risk free interest 2.58%; volatility 80% and an expected life of 36 months.

16. ISSUED CAPITAL (continued)

On June 6, 2025, the Company closed a private placement of 27,913,000 units of the Company at a price of \$0.50 per unit for gross proceeds of \$13,956,500.

Each unit consists of one common share of the Company and one-half common share purchase warrant. Each warrant entitles the holder thereof to acquire one Common share at an exercise price of \$0.75 until May 5, 2028. The warrants were ascribed a fair value of \$2,850,000 which was valued using the Black-Scholes pricing model with the following assumptions: dividend yield 0%; risk free interest 2.72%; volatility 81% and an expected life of 36 months.

The Company also issued 1,347,540 finders' warrants. Each finder's warrant entitles the holder thereof to purchase one common share at an exercise price of \$0.50 cents until June 6, 2028. The finder warrants were ascribed a fair value of \$345,000 which was valued using the Black-Scholes pricing model with the following assumptions: dividend yield 0%; risk free interest 2.72%; volatility 81% and an expected life of 36 months.

In consideration for their services, the Company has paid the agents a cash commission and incurred other closing costs totalling \$1,776,227.

Diluted Weighted Average Number of Shares Outstanding

| | Three months ended | | Nine months ended | |
|---|-----------------------|-----------------------|-----------------------|-----------------------|
| | September 30, 2025 | September 30, 2024 | September 30, 2025 | September 30, 2024 |
| Basic weighted average shares outstanding: | 144,397,846 | 92,370,847 | 120,604,005 | 90,259,024 |
| Effect of outstanding securities | - | - | - | - |
| Diluted weighted average shares outstanding | 144,397,846 | 92,370,847 | 120,604,005 | 90,259,024 |

During the three and nine month periods ended September 30, 2025 and 2024, the Company had a net loss, as such, the diluted loss per share calculation excludes any potential conversion of debentures, options and warrants that would decrease loss per share.

17. FLOW-THROUGH PREMIUM LIABILITY

For the purposes of calculating the tax effect of any premium related to the issuances of the flow-through shares, the Company reviewed the share price of the Company's common shares and compared it to the issuance price of the flow-through shares to determine if there was a premium paid on the flow-through shares.

During the nine month period ended September 30, 2024, the Company recognized an amount of \$318,000, in relation to flow-through private placements closed in the prior year and has recorded the gain as income tax recovery upon filing of renunciation documents with the Canada Revenue Agency.

18. WARRANTS RESERVE

The following is a summary of changes in warrants:

| | Number of Warrants | Weighted average exercise price per warrant | Amount |
|------------------------------|--------------------|---|---------------|
| Balance, December 31, 2023 | 11,504,733 | \$ 0.84 | \$ 6,348,200 |
| Issuance of warrants | 3,150,250 | 0.60 | 323,000 |
| Issuance of finders warrants | 45,330 | 0.46 | 6,000 |
| Balance, December 31, 2024 | 14,700,313 | \$ 0.79 | \$ 6,677,200 |
| Issuance of warrants | 21,956,500 | 0.75 | 4,565,000 |
| Issuance of finders warrants | 2,188,740 | 0.54 | 548,000 |
| Expiry of warrants | (5,679,600) | 1.20 | - |
| Exercise of warrants | (3,353,386) | 0.51 | (378,700) |
| Balance, September 30, 2025 | 29,812,567 | \$ 0.69 | \$ 11,411,500 |

As at September 30, 2025, the Company had outstanding warrants as follows:

| Expiry Date | Exercise Price | Outstanding and exercisable |
|-------------------------------------|----------------|-----------------------------|
| November 6, 2025 | \$0.50 | 3,445,776 |
| November 6, 2025 – finders warrants | \$0.33 | 14,571 |
| August 12, 2026 | \$0.60 | 2,555,250 |
| August 12, 2026 – finders warrants | \$0.46 | 18,930 |
| September 11, 2026 | \$0.60 | 437,500 |
| May 5, 2028 | \$0.75 | 8,000,000 |
| May 5, 2028 – finders warrants | \$0.60 | 60,000 |
| June 6, 2028 | \$0.75 | 13,955,500 |
| June 6, 2028 – finders warrants | \$0.50 | 1,325,040 |
| Balance, September 30, 2025 | | 29,812,567 |

19. SHARE-BASED PAYMENT RESERVE

Stock Option Plan

The Board of Directors of the Company adopted a stock option plan (the "Plan") whereby the aggregate number of common shares reserved for issuance under the Plan, including common shares reserved for issuance under any other share compensation arrangement granted or made available by the Company from time to time, may not exceed 10% of the Company's issued and outstanding common shares. The Plan is administered by the Board of Directors and grants made pursuant to the Plan must at all times comply with regulatory policies.

The terms of any options granted under the Plan are fixed by the Board of Directors and may not exceed a term of five years. The exercise price of the options granted under the Plan is set at the last closing price of the Company's common shares before the date of grant or in accordance with regulatory requirements.

Each share option converts into one common share of the Company on exercise. No amounts are paid or payable by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry.

The following options were outstanding as at September 30, 2025:

| Number of options outstanding | Number of exercisable options | Grant date | Expiry date | Exercise price | Fair value vested |
|-------------------------------|-------------------------------|-------------------|-------------------|----------------|-------------------|
| 1,150,000 | 1,150,000 | December 18, 2023 | December 18, 2028 | \$ 0.360 | 319,100 |
| 2,225,000 | 2,225,000 | January 16, 2025 | January 16, 2030 | \$ 0.360 | 494,950 |
| 3,375,000 | 3,375,000 | | | | 814,050 |

The share options outstanding as at September 30, 2025 had a weighted exercise price of \$0.36 (December 31, 2024: \$0.36) and a weighted average remaining contractual life of 3.93 years (December 31, 2024: 3.97 years).

Options vested on their date of issue, and expire within five years of their issue, or 90 days after the resignation of the director, officer, employee or consultant.

Fair value of share options granted in the nine month period ended September 30, 2025

On January 16, 2025, 2,585,000 share options were granted to directors, officers, consultants and employees of the Company to acquire the Company's shares at an exercise price of \$0.36 until January 16, 2030. These share options had an estimated fair value of \$574,000 at grant date, and vest immediately.

19. SHARE-BASED PAYMENT RESERVE (continued)

The fair value of share options granted in the nine month period ended September 30, 2025 was calculated using the following assumptions:

| | Number of Options Granted | |
|-------------------------|----------------------------------|---------|
| | 16-Jan-25 | |
| | 2,585,000 | |
| Grant date share price | \$ | 0.355 |
| Exercise price | \$ | 0.360 |
| Expected volatility | | 75% |
| Expected option life | | 5 years |
| Expected dividend yield | | 0% |
| Risk-free interest rate | | 3.05% |

Movements in Share Options During the Period

The following reconciles the share options outstanding for the nine month period ended September 30, 2025 and year ended December 31, 2024:

| | Number of options | Weighted average exercise price |
|----------------------------------|-------------------|------------------------------------|
| Balance as at December 31, 2023 | 1,728,000 | \$ 0.58 |
| Expired | (478,000) | \$ 1.16 |
| Balance as at December 31, 2024 | 1,250,000 | \$ 0.36 |
| Granted | 2,585,000 | \$ 0.36 |
| Expired | (75,000) | \$ 0.36 |
| Exercised | (385,000) | \$ 0.36 |
| Balance as at September 30, 2025 | 3,375,000 | \$ 0.36 |

Restricted Share Units

The Restricted Share Unit Plan (RSU Plan) provides for the grant of restricted share units (each, an “RSU”) convertible into a maximum number of common shares equal to ten percent (10%) of the number of common shares then issued and outstanding, provided, however, the number of common shares reserved for issuance from treasury under the RSU Plan and pursuant to all other security-based compensation arrangements of the Company shall, in the aggregate, not exceed ten percent (10%) of the number of common shares then issued and outstanding. Any common shares subject to a RSU which has been cancelled or terminated in accordance with the terms of the RSU Plan without settlement will again be available under the RSU Plan. When vested, each RSU entitles the holder to receive, subject to adjustments as provided for in the RSU Plan, one common Share or payment in cash for the equivalent thereof based on the volume weighted average trading price of the common shares on the five trading days immediately preceding the redemption date. The terms and conditions of vesting (if applicable) of each grant are determined by the Board at the time of the grant, subject to the terms of the RSU Plan. RSU awards may, but need not, be subject to performance incentives to reward attainment of annual or long-term performance goals.

Any such performance incentives or long term performance goals are subject to determination by the Board and specified in the award agreement.

19. SHARE-BASED PAYMENT RESERVE (continued)

The Company uses the fair value method to recognize the obligation and compensation expense associated with the RSUs. The fair value of RSUs issued is determined on the grant date based on the market price of the common shares on the grant date multiplied by the number of RSUs granted. The fair value is expensed over the vesting term. Upon redemption of the RSU the carrying amount is recorded as an increase in common share capital and a reduction in the liability.

The following table summarizes changes in the number of RSUs outstanding:

| | Number of RSU's |
|-----------------------------|----------------------------|
| Balance, December 31, 2023 | 43,335 |
| Granted | 2,177,453 |
| Exercised | (2,220,788) |
| Balance, December 31, 2024 | - |
| Granted | 3,350,000 |
| Exercised | (1,116,665) |
| Balance, September 30, 2025 | 2,233,335 |

RSU liability:

As at September 30, 2025 a liability of \$1,674,724 (December 31, 2024 - \$nil) has been recorded for RSUs.

Share-based payment reserve:

The following table summarizes information about share-based payment reserve:

| | | |
|--|----|-----------|
| Balance as at December 31, 2023 | \$ | 695,000 |
| Expiry/cancellation of stock options | | (348,000) |
| Balance as at December 31, 2024 | \$ | 347,000 |
| Share-based expense - options | | 574,000 |
| Transfer of reserve on exercise of options | | (90,300) |
| Expiry/cancellation of stock options | | (16,650) |
| Balance as at September 30, 2025 | \$ | 814,050 |

20. FINANCIAL INSTRUMENTS

Financial assets and financial liabilities as at September 30, 2025 and December 31, 2024 were as follows:

| | Fair value through profit or loss | Amortized cost | Other financial liabilities | Total |
|--|---|----------------|--------------------------------|---------------|
| As at September 30, 2025 | | | | |
| Cash and cash equivalents | \$ - | \$ 16,326,208 | \$ - | \$ 16,326,208 |
| Marketable securities | 292,500 | - | - | 292,500 |
| Amounts receivable | - | 214,800 | - | 214,800 |
| Receivable from gold sales | 1,192,526 | 1,566,840 | - | 2,759,366 |
| Reclamation deposits | - | 1,468,300 | - | 1,468,300 |
| Accounts payable and accrued liabilities | - | - | 8,542,226 | 8,542,226 |
| RSU liability | 1,674,724 | - | - | 1,674,724 |
| Leases payable | - | 583,106 | - | 583,106 |
| Convertible debentures | - | 4,423,778 | - | 4,423,778 |
| Gold linked notes | - | 1,137,338 | - | 1,137,338 |
| Gold linked notes – embedded derivative | 867,015 | - | - | 867,015 |
| As at December 31, 2024 | | | | |
| Cash and cash equivalents | \$ - | \$ 14,811,384 | \$ - | \$ 14,811,384 |
| Marketable securities | 150,000 | 2,007,562 | - | 2,157,562 |
| Amounts receivable | - | 272,937 | - | 272,937 |
| Reclamation deposits | - | 1,468,300 | - | 1,468,300 |
| Accounts payable and accrued liabilities | - | - | 3,433,418 | 3,433,418 |
| Leases payable | - | 261,497 | - | 261,497 |
| Convertible debentures | - | 4,364,817 | - | 4,364,817 |
| Gold linked notes | - | 1,134,192 | - | 1,134,192 |
| Gold linked notes – embedded derivative | 298,378 | - | - | 298,378 |

The Company classifies its financial instruments carried at fair value according to a three level hierarchy that reflects the significance of the inputs used in making the fair value measurements. The three levels of fair value hierarchy are as follows:

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

The carrying value of cash and cash equivalents, guaranteed investment certificates, amounts receivable (excluding receivables from gold sales), reclamation deposits, accounts payable and accrued liabilities, and leases payables approximate fair value because of the relatively short term nature of the instruments. The convertible debentures and the principal amount of the gold linked notes were issued in October 2024, as such, given limited time has elapsed, carrying value approximates fair value. The carrying value of common shares recorded as marketable securities reflect a level 1 fair value measurement. Receivables from gold sales and RSU liability reflect a level 2 fair value measurement. The carrying value of the derivative in gold linked reflects a level 3 fair value measurement.

21. RELATED PARTY DISCLOSURES

The following is a summary of the Company’s related party transactions during the nine month periods ended September 30, 2025 and 2024:

The Company charged rent in the amount of \$60,750 for the nine month period ended September 30, 2025 (2024 - \$60,750) paid by JHI Associates Inc., a company with certain common officers.

Compensation of Key Management Personnel of the Company

In accordance with IAS 24, key management personnel, including companies controlled by them, are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company.

The remuneration of directors and key executives is determined by the compensation committee.

The remuneration of directors and other members of key management personnel during the nine month periods ended September 30, 2025 and 2024 were as follows:

| | September 30, 2025 | September 30, 2024 |
|---|-------------------------------|-----------------------|
| Short term employee benefits, director fees | \$ 1,285,587 | \$ 1,450,644 |
| Share based payments | 1,069,104 | 777,556 |
| | \$ 2,354,691 | \$ 2,228,200 |

As at September 30, 2025, an amount of \$145,645 (December 31, 2024 - \$626,390) due to key management personnel, was included in accounts payable and accrued liabilities. This amount is unsecured, non-interest bearing and without fixed terms of repayment. A member of key management personnel participated in the gold linked note financing during 2024 and the carrying amount of the liability to this member of key management personnel under the gold linked notes at September 30, 2025 is \$207,626 (December 31, 2024 - \$178,814).

22. COMMITMENTS AND CONTINGENCIES

Due to the size, complexity and nature of the Company’s operations, various legal, tax, environmental and regulatory matters are outstanding from time to time. By their nature, contingencies will only be resolved when one or more future events occur or fail to occur. The assessment of contingencies inherently involves the exercise of significant judgment and estimates of the outcome of future events.

23. EVENTS AFTER THE REPORTING PERIOD

On October 3, 2025, the Company exercised its right to convert all of the outstanding principal amounts of its Convertible Debentures into common shares. The Company converted all the outstanding principal amount of the into 9,964,285 Shares.

On November 6, 2025, the Company closed its offering of 15,333,334 common shares of the Company at a price of \$1.50 per share for gross proceeds of \$23,000,001.