PIRATE GOLD CORP. (FORMERLY SOKOMAN MINERALS CORP.)

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

THREE AND SIX MONTHS ENDED DECEMBER 31, 2025

(EXPRESSED IN CANADIAN DOLLARS)

(UNAUDITED)

Notice To Reader

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

Pirate Gold Corp. (Formerly Sokoman Minerals Corp.)
Condensed Interim Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)
Unaudited

	As at December 31, 2025	As at June 30, 2025
ASSETS		
Current assets		
Cash and cash equivalents	$ **27,541,578**	$ 1,116,030
Amounts receivable (note 3)	**351,898**	46,105
Prepaid expenses (note 3)	**54,481**	36,765
Security deposit (note 3)	**14,320**	14,320
Marketable securities (note 4)	**333,516**	316,075
Total current assets	**28,295,793**	1,529,295
Non-current assets		
Property and equipment (note 5)	**458,102**	111,101
Exploration and evaluation assets (note 6)	**2,054,731**	901,928
Investment in Vinland Lithium Inc. (note 7)	**1,856,894**	1,948,782
Total assets	$ **32,665,520**	$ 4,491,106
EQUITY AND LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities (note 10)	$ **850,340**	$ 67,130
Deferred premium on flow-through shares (note 9)	**4,486,866**	80,000
Total liabilities	**5,337,206**	147,130
Equity		
Share capital (note 9)	**68,749,461**	42,659,755
Warrants (note 9)	**331,340**	148,516
Contributed surplus	**13,754,324**	9,722,780
Deficit	**(55,506,811)**	(48,187,075)
Total equity	**27,328,314**	4,343,976
Total equity and liabilities	$ **32,665,520**	$ 4,491,106

The accompanying notes to the unaudited condensed interim consolidated financial statements are an integral part of these statements.

Nature of operations and going concern (note 1)
Commitments (note 11)
Subsequent event (note 12)

Pirate Gold Corp. (Formerly Sokoman Minerals Corp.)
Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)
Unaudited

	Three Months Ended December 31, 2025	Three Months Ended December 31, 2024	Six Months Ended December 31, 2025	Six Months Ended December 31, 2024
Expenses				
Mineral exploration expenses (notes 8 and 10)	**$ 1,351,483**	$ 1,269,380	**$ 1,697,018**	$ 2,158,839
Office and general	**113,994**	43,603	**133,997**	49,032
Filing fees	**90,987**	10,914	**103,306**	16,244
Management fees and consulting (note 10)	**561,435**	-	**561,435**	-
Business development and promotion (note 10)	**146,041**	55,594	**194,473**	101,281
Directors' fees (note 10)	**20,133**	8,400	**27,333**	15,600
Professional fees (note 10)	**100,426**	41,711	**126,349**	65,799
Salaries and benefits (note 10)	**94,411**	8,537	**100,140**	17,994
Share-based payments (notes 9 and 10)	**3,789,011**	-	**4,678,177**	-
Amortization (note 5)	**1,493**	125	**1,593**	250
Net loss before other items	**(6,269,414)**	(1,438,264)	**(7,623,821)**	(2,425,039)
Other items				
Interest and dividend income	**357**	2,095	**743**	6,877
Gain on sale of property and equipment (note 5)	**-**	-	**39,326**	-
Unrealized gain (loss) on marketable securities (note 4)	**105,328**	18,205	**822,241**	(21,238)
Realized (loss) gain on marketable securities (note 4)	**-**	32,830	**(630,721)**	32,830
Equity loss on investment (note 7)	**(47,912)**	-	**(91,888)**	-
	57,773	53,130	**139,701**	18,469
Net loss before taxes	**(6,211,641)**	(1,385,134)	**(7,484,120)**	(2,406,570)
Flow through share premium renunciation	**164,384**	-	**164,384**	-
Net and comprehensive loss for the period	**$ (6,047,257)**	$ (1,385,134)	**$ (7,319,736)**	$ (2,406,570)
Basic and diluted net loss per share	**$ (0.01)**	$ (0.00)	**$ (0.02)**	$ (0.01)
Weighted average number of common shares outstanding	**449,101,573**	292,373,673	**394,453,034**	289,577,478

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Pirate Gold Corp. (Formerly Sokoman Minerals Corp.)

Condensed Interim Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)
Unaudited

	Six Months Ended December 31, 2025	Six Months Ended December 31, 2024
Operating activities		
Net loss for the period	**$ (7,319,736)**	$ (2,406,570)
Adjustments for:		
Amortization	**1,593**	250
Amortization in exploration expenses	**43,370**	21,814
Share-based payments	**4,678,177**	-
Flow through share premium renunciation	**(164,384)**	-
Gain on sale of property and equipment	**(39,326)**	-
Realized loss on marketable securities	**630,721**	(32,830)
Unrealized (gain) loss on marketable securities	**(822,241)**	21,238
Equity loss on investment	**91,888**	-
Changes in non-cash working capital items:		
Amounts receivable	**(305,793)**	(70,985)
Prepaid expenses	**(17,716)**	(6,055)
Security deposit	**-**	(8,870)
Accounts payable and accrued liabilities	**783,210**	(41,766)
Net cash used in operating activities	**(2,440,237)**	(2,523,774)
Investing activities		
Exploration and evaluation assets expenditures (net of cash received)	**(245,303)**	(5,226)
Purchase of property and equipment	**(430,138)**	-
Proceeds from sale of property and equipment	**77,500**	-
Proceeds from sale of marketable securities	**174,079**	68,780
Net cash provided by (used in) investing activities	**(423,862)**	63,554
Financing activities		
Proceeds from private placements	**26,221,750**	1,486,250
Share issuance costs	**(1,327,994)**	(53,400)
Warrants exercised	**3,464,391**	-
Stock options exercised	**931,500**	-
Net cash provided by financing activities	**29,289,647**	1,432,850
Net change in cash and cash equivalents	**26,425,548**	(1,027,370)
Cash and cash equivalents, beginning of period	**1,116,030**	2,526,136
Cash and cash equivalents, end of period	**$ 27,541,578**	$ 1,498,766
Supplemental information		
Broker warrants issued	**$ 329,659**	$ 14,007
Shares issued to acquire exploration properties	**$ 907,500**	$ -

The accompanying notes to the unaudited condensed interim consolidated financial statements are an integral part of these statements.

Pirate Gold Corp. (Formerly Sokoman Minerals Corp.)

Condensed Interim Consolidated Statements of Changes in Equity
(Expressed in Canadian Dollars)
Unaudited

	Share capital					
	Number of shares	**Share capital**	**Warrants**	**Contributed surplus**	**Deficit**	**Total**
Balance, June 30, 2024	**286,781,282**	**$ 42,724,061**	**$ 119,212**	**$ 9,685,214**	**$ (44,734,445)**	**$ 7,794,042**
Private placements	37,262,500	1,486,250	-	-	-	1,486,250
Share issue costs	1,200,000	(67,407)	14,007	-	-	1,146,600
Net loss and comprehensive loss for the period	-	-	-	-	(2,406,570)	(2,406,570)
Balance, December 31, 2024	**325,243,782**	**$ 44,142,904**	**$ 133,219**	**$ 9,685,214**	**$ (47,141,015)**	**$ 6,820,322**

	Number of shares	**Share capital**	**Warrants**	**Contributed surplus**	**Deficit**	**Total**
Balance, June 30, 2025	**339,529,496**	**$ 42,659,755**	**$ 148,516**	**$ 9,722,780**	**$ (48,187,075)**	**$ 4,343,976**
Private placements	113,950,000	26,221,750	-	-	-	26,221,750
Share issue costs	-	(1,657,653)	329,659	-	-	(1,327,994)
Deferred premium on flow-through shares	-	(4,571,250)	-	-	-	(4,571,250)
Warrants exercised	29,748,923	3,595,594	(131,203)	-	-	3,464,391
Warrants expired	-	-	(15,632)	15,632	-	-
Stock options exercised	16,800,000	1,593,765	-	(662,265)	-	931,500
Shares issued to acquire exploration properties	5,150,000	907,500	-	-	-	907,500
Share-based payments	-	-	-	4,678,177	-	4,678,177
Net loss and comprehensive loss for the period	-	-	-	-	(7,319,736)	(7,319,736)
Balance, December 31, 2025	**505,178,419**	**$ 68,749,461**	**$ 331,340**	**$ 13,754,324**	**$ (55,506,811)**	**$ 27,328,314**

The accompanying notes to the unaudited condensed interim consolidated financial statements are an integral part of these statements.

1. Nature of operations and going concern

Pirate Gold Corp. (formerly Sokoman Minerals Corp.) ("Pirate Gold" or "Company") is a public company listed on the TSX Venture Exchange (TSXV: YARR) and operating under the laws of the Province of British Columbia. The Company is an exploration-stage company that is in the process of exploring its mineral properties located in Canada and has not yet determined whether these properties contain reserves that are economically recoverable. The Company's registered office is 82 Richmond Street East, Toronto, Ontario M5C 1P1.

These unaudited condensed interim consolidated financial statements have been prepared using IFRS Accounting Standards ("IFRS") applicable to a going concern which assumes continuity of operations and realization of assets and settlement of liabilities in the normal course of business for the foreseeable future, which is at least, but not limited to, one year from December 31, 2025. At December 31, 2025, the Company has an accumulated deficit of $55,506,811 (June 30, 2025 - deficit of $48,187,075) and has working capital of $22,958,587 (June 30, 2025 - $1,382,165). The Company's ability to continue as a going concern is dependent upon its ability to generate sufficient funds and continue to obtain sufficient capital from investors to meet its current and future obligations. The Company is subject to risks and challenges similar to other exploration stage companies. As a result of these risks, a material uncertainty exists that casts significant doubt as to the appropriateness of the going concern assumption. There is no assurance that the Company's funding initiatives will continue to be successful and these unaudited condensed interim consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and consolidated statements of financial position classifications that would be necessary if the going concern assumption was inappropriate. These adjustments could be material. The Company will have to raise additional funds to advance its exploration and development efforts and, while it has been successful in doing so in the past, there can be no assurance that it will be able to do so in the future.

2. Material accounting policies

Statement of compliance

These unaudited condensed interim consolidated financial statements have been prepared in accordance with IFRS as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim financial statements, including IAS 34 - Interim Financial Reporting. The accounting policies followed in these unaudited condensed interim consolidated financial statements are the same as those applied in the audited annual financial statements of the Company for the year ended June 30, 2025.

The policies applied in these unaudited condensed interim consolidated financial statements are based on IFRS issued and outstanding as of February 26, 2026, the date the Audit Committee approved the statements.

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities and disclosures of contingent assets and contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Significant accounts that require estimates as the basis for determining the stated amounts include exploration and evaluation assets, share-based payments, allocation of financing proceeds, and income taxes. Differences may be material.

(Expressed in Canadian Dollars)

2. Material accounting policies (continued)

New and future accounting pronouncements not yet effective

Certain pronouncements have been issued by the IASB that are mandatory for accounting periods after December 31, 2025. Management is still evaluating and does not expect any such pronouncements to have a significant impact on the Company's consolidated financial statements upon adoption.

IFRS 18 - Presentation and disclosure in financial statements ("IFRS 18")

In April 2024, the IASB issued IFRS 18, focusing on presentation and disclosure in financial statements. Key changes would impact the structure of the statement of loss and comprehensive loss and amendments to disclosure requirements for certain profit or loss performance measures. IFRS 18 will replace IAS 1, effective reporting period beginning on January 1, 2027. This will also impact comparative information at the point of adoption. An assessment of the impact of the new standard will be performed on the financial statements to which the pronouncement applies.

IFRS 9 - Financial Instruments ("IFRS 9") and IFRS 7 - Financial Instruments: Disclosures ("IFRS 7")

In May 2024, the IASB issued amendments to IFRS 9 and IFRS 7. The amendments clarify the derecognition of financial liabilities and introduce an accounting policy option to derecognize financial liabilities that are settled through an electronic payment system. The amendments also clarify how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features and the treatment of non-recourse assets and contractually linked instruments (CLIs). Further, the amendments mandate additional disclosures in IFRS 7 for financial instruments with contingent features and equity instruments classified at FVOCI. The amendments are effective for annual periods starting on or after January 1, 2026. Retrospective application is required and early adoption is permitted.

Management does not expect any material impact to the Company's consolidated financial statements upon adoption of these amendments.

3. Amounts receivable, prepaid expenses and security deposit

	As at December 31, 2025	As at June 30, 2025
Prepaid expenses	**$ 54,481**	$ 36,765
Security deposit	**14,320**	14,320
HST receivable	**348,916**	21,130
Accounts receivable	**1,725**	24,432
Interest receivable	**1,257**	543
	$ 420,699	$ 97,190

(Expressed in Canadian Dollars)

4. Marketable securities

All of the marketable securities held by the Company were acquired through current and prior year's property option and sales transactions with the below listed companies. As at December 31, 2025, the following securities were included in marketable securities:

	As at December 31, 2025	As at June 30, 2025
Balance, beginning of period	**$ 316,075**	$ 506,694
Disposals	**(174,079)**	(88,965)
Unrealized gain (loss)	**822,241**	(142,369)
Realized (loss) gain	**(630,721)**	40,715
Balance, end of period	**$ 333,516**	$ 316,075

5. Property and equipment

Cost	**Office equipment**	**Trucks**	**Prospecting equipment**	**Total**
Balance, June 30, 2024 and June 30, 2025	$ 12,649	$ 299,863	$ 78,480	$ 390,992
Additions	27,849	320,274	82,015	430,138
Disposals	-	(167,805)	-	(167,805)
Balance, December 31, 2025	$ 40,498	$ 452,332	$ 160,495	$ 653,325

Accumulated Amortization	**Office equipment**	**Trucks**	**Prospecting equipment**	**Total**
Balance, June 30, 2024	$ 10,144	$ 169,051	$ 56,568	$ 235,763
Depreciation for the year	500	39,244	4,384	44,128
Balance, June 30, 2025	10,644	208,295	60,952	279,891
Disposals	-	(129,631)	-	(129,631)
Depreciation for the period	1,593	37,517	5,853	44,963
Balance, December 31, 2025	$ 12,237	$ 116,181	$ 66,805	$ 195,223

Carrying value	**Office equipment**	**Trucks**	**Prospecting equipment**	**Total**
Balance, June 30, 2025	$ 2,005	$ 91,568	$ 17,528	$ 111,101
Balance, December 31, 2025	$ 28,261	$ 336,151	$ 93,690	$ 458,102

(Expressed in Canadian Dollars)

6. Exploration and evaluation assets

	June 30, 2024	Additions (Disposals)	June 30, 2025	Additions (Disposals)	December 31, 2025
Treasure Island	$ 404,214	$ 36,210	$ 440,424	$ 1,140,303	$ 1,580,727
Fleur de Lys	331,515	-	331,515	-	331,515
Benton Joint Venture	141,525	(11,539)	129,986	12,500	142,486
Burin Property	1	-	1	-	1
Lamaline	1	-	1	-	1
Iron Horse	1	-	1	-	1
Total	$ 877,257	$ 24,671	$ 901,928	$ 1,152,803	$ 2,054,731

Treasure Island (formerly Moosehead and Crippleback Lake)

Moosehead

The Company acquired 100% of the property during the year ended June 30, 2018. The Company issued 7,754,371 common shares and issued 1,428,571 share purchase warrants. The purchase warrants had an exercise price of $0.05 per share and were fully exercised in 2019. The property is subject to a 2% NSR royalty. The Company had a requirement to incur $500,000 in exploration expenditures on the property, which was incurred during the year ended June 30, 2019. Hence this spending requirement has been met.

Crippleback Lake

During the year ended June 30, 2017, the Company acquired 100% interest in the Crippleback Lake property by making cash payments totaling $34,500 and issuing 600,000 shares over a three-year period. The vendors retain a 2% NSR with a buyback of 1% for $1 million, as well as, a 1% NSR on the Company’s contiguous claims with a $500,000 cash buyback of 0.5%. The vendors will also receive 10% of the value of any third party transaction the Company completes on the property, as well as first consideration for any eligible field work.

In September 2025, the Company purchased 100% undivided interest in mineral claims in the Crippleback Lake area from United Gold Inc. for a one-time cash payment of $20,000 and issuance of 500,000 common shares.

In September 2025, the Company purchased 100% interest in mineral claims in the Crippleback Lake area for a one-time cash payment of $2,500 and issuance of 100,000 common shares. The property is subject to a 1% NSR royalty. The Company may repurchase one-half of the NSR for $500,000. In the event that the Company options the property to a third party, the Company will make a $15,000 cash payment to the vendor.

Other acquisitions

In October 2025, the Company acquired a 100% interest in 6 mineral licences (the "Keats Property") in consideration for which the Company made a 1-time cash payment of $50,000 and issued 2,500,000 common shares (valued at $525,000). The property is subject to a 1.5% NSR royalty, with a buyback of one half for $1,500,000.

In October 2025, the Company acquired a 100% interest in 4 mineral licences (the "Stony Lake Property") in consideration for which the Company issued 2,000,000 common shares (valued at $350,000) and incurred sufficient exploration expenditures to keep the property in good standing. The property is not subject to any NSR royalty.

6. Exploration and evaluation assets (continued)

Treasure Island (formerly Moosehead and Crippleback Lake) (continued)

In November 2025, the Company entered into an agreement to acquire a 100% interest in 7 mineral licences (the "Aurora Project"). In consideration, the Company will, subject to TSX Venture Exchange approval, make a one-time cash payment of $50,000 (completed) and issue 800,000 common shares. The Aurora Project is subject to a 1.5% NSR royalty with a buyback of one-half for $1,500,000.

In November 2025, the Company entered into an agreement to acquire a 100% interest in one mineral license, subject to TSX Venture Exchange approval, for a one-time cash payment of $10,000 (completed) and issuance of 100,000 common shares. The property is subject to a 1.0% NSR royalty, with a buyback of one-half for $500,000.

Fleur de Lys

In March 2021, the Company acquired the Fleur de Lys Project on the Baie Verte Peninsula of northwestern Newfoundland, through staking and option agreements.

In June 2021, the Company entered into an agreement to acquire a 100% interest in a property (the "Duffitt Property") subject to a 2% NSR with a buyback of 1% for $1,000,000, for cash payments totalling $100,000 and issuance of a total of 450,000 common shares over 3 years. The Company completed the option in June 2024.

In June 2021, the Company entered into an agreement to acquire a 100% interest in a property (the "Squires/McGuire Property") subject to a 2% NSR, with a buyback of 1% for $1,000,000, for cash payments totalling $50,000 and issuance of 250,000 common shares over 3 years. The Company completed the option in June 2024.

Benton Joint Venture

<u>Killick Lithium</u>

In May 2021, the Company entered into a strategic alliance with Benton Resources Inc. ("Benton") to jointly acquire and explore gold opportunities in Newfoundland. The Company and Benton acquired by staking, a property named Killick Lithium (formerly the Golden Hope project).

On October 11, 2023, the Company and Benton entered into a Definitive Agreement (the “Transaction”) with Piedmont Lithium Inc. and its subsidiaries (“Piedmont”), enabling Piedmont to earn up to a 70% direct and indirect ownership interest in the Killick Lithium project.

Pursuant to the terms of the Transaction, each of Benton and Pirate Gold assigned all of its rights and interest to the Killick Lithium project to Vinland Lithium Inc. ("Vinland"), a newly incorporated British Columbia corporation, in exchange for all of the issued and outstanding shares in the capital of Vinland, held by each of Benton and Pirate Gold in equal proportions. In turn, Vinland assigned the Killick Lithium project to its newly incorporated, wholly owned subsidiary, Killick Lithium Inc. ("Killick").

6. Exploration and evaluation assets (continued)

Benton Joint Venture (continued)

Vinland and Piedmont entered into:

(i) a subscription agreement pursuant to which Piedmont subscribed for a 19.9% ownership interest in Vinland for an aggregate subscription amount of $2,000,000 (the "Subscription"); and
(ii) a shareholders' agreement with Benton and Pirate Gold setting forth the framework for the governance of Vinland and for the holding, disposal and subsequent issuances of interests in Vinland.

Upon the completion of the Subscription, Killick and Piedmont entered into:

(i) an earn-in agreement, pursuant to which Piedmont was granted the option to acquire up to a direct 62.5% interest in the Killick Lithium project (the "Earn-In Agreement");
(ii) a royalty agreement pursuant to which Benton and Pirate Gold were jointly granted an aggregate 2% royalty on the net returns of precious metals and the value of lithium received from the Killick Lithium project; and
(iii) a marketing agreement pursuant to which Piedmont was granted the exclusive marketing rights for the promotion and sale of lithium products produced from the Killick Lithium project.

Pursuant to the Earn-In Agreement, Piedmont was granted the option (the "Initial Earn-In Right") to acquire a 16.35% voting and participating interest in Killick in consideration of:

(i) the issuance by Piedmont to each of Benton and Pirate Gold of shares of its common stock having an aggregate subscription price of $2,000,000 (completed) based on Piedmont's 10-day volume weighted average price ("VWAP") up to the date of the initial interest exercise notice, and
(ii) payment of work expenditures in the aggregate amount of at least $6,000,000 (the "Initial Earn-In Amount") within the 30-month period following the Initial Earn-In Right exercise notice.

Upon exercise of the Initial Earn-In Right by Piedmont, Piedmont's combined direct and indirect (through Vinland) ownership interest in Killick will be equal to approximately 33%.

Within 60 days following the funding of the Initial Earn-In Amount, Piedmont shall have the option (the "First Additional Earn-In Right"), exercisable by notice, to acquire an additional 21.65% (totaling 38%) voting and participating interest in Killick (the "First Additional Interest") in consideration of:

(i) the issuance by Piedmont to each of Benton and Pirate Gold of shares of its common stock having an aggregate subscription price of $2,000,000 based on Piedmont's 10-day VWAP up to the date of the First Additional Earn-In Right exercise notice; and
(ii) payment of work expenditures in the aggregate amount of at least $3,000,000 (the "First Additional Earn-In Amount") within the 12-month period following the First Additional Earn-In Right exercise notice.

Upon exercise of the First Additional Earn-In Right by Piedmont, Piedmont's combined direct and indirect (through Vinland) ownership interest in Killick will be equal to approximately 50%.

6. Exploration and evaluation assets (continued)

Benton Joint Venture (continued)

Within 60 days following the funding of the First Additional Earn-In Amount, Piedmont shall have the option (the "Second Additional Earn-In Right"), exercisable by notice, to acquire an additional 24.5% (totaling 62.5%) voting and participating interest in Killick (the "Second Additional Interest") in consideration of:

(i) the issuance by Piedmont to each of Benton and Pirate Gold of shares of its common stock having an aggregate subscription price of $6,000,000 based on Piedmont's 10-day VWAP up to the date of the Second Additional Earn-In Right exercise notice; and
(ii) payment of work expenditures in the aggregate amount of at least $3,000,000 (the "Second Additional Earn-In Amount") within the 12-month period following the Second Additional Earn-In Right exercise notice.

Upon exercise of the Second Additional Earn-In Right by Piedmont, Piedmont's combined direct and indirect (through Vinland) ownership interest in Killick will be equal to approximately 70%.

The Company has accounted for the assignment of its rights and interest in the Killick Lithium project to Vinland as a disposition of exploration and evaluation asset. As a result, the Company recorded an option income of $5,038,386.

<u>Grey River</u>

In May 2021, the Company and Benton jointly acquired the Grey River Project optioned from local interests under letter agreements.

In July 2021, the Company entered into the following option agreement, on behalf of the strategic alliance with Benton, to acquire a 100% interest in a property (the "Lewis Property") subject to a 1.5% NSR with a buyback of 1% for $1,000,000, for cash payments totalling $40,000 and issuance of 200,000 common shares over 3 years.

<u>Larry's Pond</u>

The Company and Benton jointly entered into an option agreement to acquire the Larry's Pond Project. Under the terms of the joint venture, the Company will reimburse Benton for 50% of the following option payments to be made by Benton:

- Cash payment of $10,000 on execution of the agreement (completed);
- Issuance of 50,000 Benton shares upon receipt of Exchange approval of the agreement (completed);
- Cash payment of $10,000 and issuance of 50,000 Benton shares by the first anniversary;
- Cash payment of $10,000 and issuance of 50,000 Benton shares by the second anniversary; and
- Cash payment of $30,000 and issuance of 50,000 Benton shares by the third anniversary.

(Expressed in Canadian Dollars)

6. Exploration and evaluation assets (continued)

Startrek

The Company acquired 100% interest in two antimony/gold properties in northeastern Newfoundland, the Startrek and Antimony Ridge properties. The property is subject to a 2% NSR royalty to the vendors. The Antimony Ridge property has since been dropped leaving only the Startrek property.

Iron Horse

The Company owns a 100% interest in the Iron Horse project is located approximately 120 kilometers Northeast of Labrador City, Labrador.

7. Investment in Vinland Lithium Inc.

Details of the Company's investment in Vinland Lithium Inc. for the period ended December 31, 2025 are as follows:

	Number of shares	Carrying amount
Balance, June 30, 2024	4,025,126	$ 3,853,149
Shares received from Benton pursuant to Plan of Arrangement	1,615	1,573
Distributed to shareholders pursuant to Plan of Arrangement	(2,025,126)	(1,971,672)
Equity income on investment	-	65,732
Balance, June 30, 2025	2,001,615	1,948,782
Equity loss on investment	-	(91,888)
Balance, December 31, 2025	2,001,615	$ 1,856,894

The Company has recorded its investment in Vinland Lithium Inc. as an equity investment.

During the year ended June 30, 2025, the Company completed a plan of arrangement (the "Plan of Arrangement"), whereby it would, through a return of capital transaction, distribute 2,025,126 common shares of Vinland with a carrying value at the time of distribution of $0.97 per share to shareholders of the Company on a pro-rata basis to shareholders with accounts holding greater than 8,000 shares of the Company as part of a larger initiative to have Vinland achieve a listing on the TSX Venture Exchange. The distribution was approved at the Company’s annual general and special meeting of shareholders on March 21, 2025. The distribution amount of $1,971,672 has been recorded in equity as a reduction in share capital.

As at December 31, 2025, the Company holds 2,001,615 Class A common shares (19.92%) of Vinland with a carrying value of $1,856,894 (June 30, 2025 - 2,001,615 Class A common shares (19.92%) with a carrying value of $1,948,782).

(Expressed in Canadian Dollars)

8. Mineral exploration expenses

A summary of exploration expenditures incurred for the periods ended December 31, 2025 and 2024 is as follows:

For six months ended December 31, 2025	Treasure Island	Fleur de Lys	Other	Total
Field office expenses	$ 267,226	$ 1,724	$ -	$ 268,950
Geo services	288,965	-	-	288,965
Drilling	438,304	-	-	438,304
Analysis	137,726	2,834	-	140,560
Wages and salaries	338,455	61,046	-	399,501
Amortization	43,370	-	-	43,370
Travel and accommodations	126,368	-	-	126,368
Recovery	-	-	(9,000)	(9,000)
Total	$ 1,640,414	$ 65,604	$ (9,000)	$ 1,697,018

For six months ended December 31, 2024	Treasure Island	Fleur de Lys	Other	Total
Field office expenses	$ 86,013	$ 19,215	$ -	$ 105,228
Geo services	307,882	28,810	11,703	348,395
Drilling	814,941	331,767	-	1,146,708
Analysis	66,955	36,090	-	103,045
Wages and salaries	264,995	93,760	4,672	363,427
Amortization	21,814	-	-	21,814
Travel and accommodations	50,150	20,062	10	70,222
Total	$ 1,612,750	$ 529,704	$ 16,385	$ 2,158,839

9. Share capital

(a) Authorized share capital

(i) an unlimited number of common shares
(ii) an unlimited number of preferred shares issued in series (none issued to date)

(Expressed in Canadian Dollars)

9. Share capital (continued)

(b) Common shares issued

	Number of shares	Share capital
Balance, June 30, 2024	286,781,282	$ 42,724,061
Private placements (i)(ii)	37,262,500	1,486,250
Share issue costs (i)(ii)	1,200,000	(67,407)
Balance, December 31, 2024	325,243,782	$ 44,142,904
Balance, June 30, 2025	339,529,496	$ 42,659,755
Private placements (iii)	113,950,000	26,221,750
Share issue costs (iii)	-	(1,657,653)
Deferred premium on flow-through shares (iii)	-	(4,571,250)
Warrants exercised	29,748,923	3,595,594
Stock options exercised	16,800,000	1,593,765
Shares issued to acquire exploration properties	5,150,000	907,500
Balance, December 31, 2025	505,178,419	$ 68,749,461

(i) On December 17, 2024, the Company completed the first tranche of a non-brokered private placement for total proceeds of $1,421,250 consisting of 35,400,000 flow-through shares at a price of $0.04 per share and 150,000 non flow-through shares at a price of $0.035 per share. In connection with the private placement, the Company incurred $51,000 of cash share issuance costs, issued 1,200,000 finders' shares, and issued 1,050,000 broker warrants. Each broker warrant is exercisable for an exercise price of $0.06 for a period of 12 months.

The grant date fair values of the 1,050,000 broker warrants were estimated to be $13,403 using the Black-Scholes option pricing model with the following assumptions: expected dividend yield of 0%, expected volatility of 112%, risk-free interest rate of 2.99%, and expected life of 1 year.

(ii) On December 31, 2024, the Company completed the second tranche of a non-brokered private placement for total proceeds of $65,000 consisting of 1,012,500 flow-through shares at a price of $0.04 per share and 700,000 non flow-through shares at a price of $0.035 per share. In connection with the private placement, the Company incurred $2,400 of cash share issuance costs and issued 60,000 broker warrants. Each broker warrant is exercisable for an exercise price of $0.06 for a period of 12 months.

The grant date fair values of the 60,000 broker warrants were estimated to be $604 using the Black-Scholes option pricing model with the following assumptions: expected dividend yield of 0%, expected volatility of 113%, risk-free interest rate of 2.92%, and expected life of 1 year.

(Expressed in Canadian Dollars)

9. Share capital (continued)

(b) Common shares issued (continued)

(iii) On October 31, 2025, the Company closed a bought deal private placement, which consisted of:

- 53,000,000 common shares of the Company at a price of $0.19 per share for aggregate gross proceeds of $10,070,000; and
- 60,950,000 flow-through common shares of the Company at a price of $0.265 per flow-through share for aggregate gross proceeds of $16,151,750. The flow-through shares were distributed on a charity flow through basis.

In connection with the private placement, the Company paid a cash commission of $1,073,305 and issued 3,679,105 broker warrants. Each broker warrant entitles the holder thereof to purchase one common share of the Company at an exercise price of $0.19 per share for a period of 24 months. The grant date fair values of the 3,679,105 broker warrants were estimated to be $329,659 using the Black-Scholes option pricing model with the following assumptions: expected dividend yield of 0%, expected volatility of 141%, risk-free interest rate of 2.46%, and expected life of 2 years.

The Company recognized a deferred premium liability on flow-through shares of $4,571,250.

(c) Stock options

The Company has adopted an incentive stock option plan in accordance with the policies of the TSX Venture (the "Stock Option Plan") which provides that the Board of Directors of the Company may from time to time, in its discretion, grant to directors, officers, employees and consultants of the Company non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance under the Stock Option Plan shall not exceed ten percent (10%) of the issued and outstanding Common Shares exercisable for a period of up to five (5) years.

Stock option transactions and the number of stock options outstanding are summarized as follows:

	Number of stock options	Weighted average exercise price
Balance, June 30, 2024 and December 31, 2024	8,275,000	$ 0.36
Balance, June 30, 2025	10,925,000	$ 0.29
Granted (i)(ii)(iii)(iv)	50,100,000	0.15
Exercised	(16,800,000)	0.06
Expired	(2,825,000)	0.22
Balance, December 31, 2025	41,400,000	$ 0.22

(Expressed in Canadian Dollars)

9. Share capital (continued)

(c) Stock options (continued)

(i) On September 29, 2025, the Company granted 22,000,000 stock options to certain officers and a director of the Company. The stock options are exercisable for 3 years at $0.055 per stock option. The options vested immediately. The grant date fair value of $870,948 was assigned to the stock options as estimated by using the Black-Scholes valuation model with the following assumptions: share price of $0.055, expected dividend yield of 0%, expected volatility of 122% which is based on historical volatility of the Company's share price, risk-free rate of return of 2.47% and an expected maturity of 3 years.

(ii) On October 1, 2025, the Company granted 6,000,000 stock options to certain directors and a consultant of the Company. The stock options are exercisable for 5 years at $0.14 per stock option. The options vested immediately. The grant date fair value of $671,562 was assigned to the stock options as estimated by using the Black-Scholes valuation model with the following assumptions: share price of $0.14, expected dividend yield of 0%, expected volatility of 111% which is based on historical volatility of the Company's share price, risk-free rate of return of 2.73% and an expected maturity of 5 years.

(iii) On October 14, 2025, the Company granted 1,000,000 stock options to a consultant of the Company. The stock options are exercisable for 5 years at $0.24 per stock option. The options vest 1/4 each on grant date and every six months thereafter. The grant date fair value of $193,225 was assigned to the stock options as estimated by using the Black-Scholes valuation model with the following assumptions: share price of $0.24, expected dividend yield of 0%, expected volatility of 112% which is based on historical volatility of the Company's share price, risk-free rate of return of 2.71% and an expected maturity of 5 years.

(iv) On November 24, 2025, the Company granted 21,100,000 stock options to the directors, officers, and consultants of the Company. The stock options are exercisable for 5 years at $0.25 per stock option. The options vested immediately. The grant date fair value of $3,022,830 was assigned to the stock options as estimated by using the Black-Scholes valuation model with the following assumptions: share price of $0.185, expected dividend yield of 0%, expected volatility of 113% which is based on historical volatility of the Company's share price, risk-free rate of return of 2.76% and an expected maturity of 5 years.

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

Expiry date	Exercise price ($)	Weighted average remaining contractual life (years)	Number of options outstanding
March 14, 2026	0.295	0.20	250,000
May 13, 2026	0.46	0.36	150,000
September 28, 2026	0.44	0.74	4,450,000
May 19, 2027	0.44	1.38	600,000
September 29, 2028	0.055	2.75	5,500,000
April 1, 2030	0.08	4.50	2,350,000
October 2, 2030	0.14	4.76	6,000,000
October 14, 2030	0.24	4.79	1,000,000
November 25, 2030	0.25	4.90	21,100,000
	0.22	4.01	41,400,000

(Expressed in Canadian Dollars)

9. Share capital (continued)

(d) Warrants

Warrant transactions and the number of warrants outstanding are summarized as follows:

	Number of warrants	Weighted average exercise price
Balance, June 30, 2024	32,812,764	$ 0.13
Issued	1,110,000	0.06
Expired	(2,666,340)	0.10
Balance, December 31, 2024	31,256,424	$ 0.13
Balance, June 30, 2025	32,084,423	$ 0.13
Issued	3,679,105	0.19
Expired	(2,215,500)	0.12
Exercised	(29,748,923)	0.12
Balance, December 31, 2025	3,799,105	$ 0.13

The following table reflects the warrants outstanding as of December 31, 2025:

Expiry date	Exercise price ($)	Number of warrants outstanding
June 10, 2026	0.07	120,000
October 1, 2027	0.19	3,679,105
		3,799,105

10. Related party transactions

(a) The Company entered into the following transactions with related parties:

(i) Included in business development and promotion is $18,750 and $37,500, respectively for the three and six months ended December 31, 2025 (2024 - $18,750 and $37,500, respectively) paid to a company related to a director.

(ii) Included in business development and promotion is $9,000 and $18,000, respectively for the three and six months ended December 31, 2025 (2024 - $9,000 and $18,000, respectively) paid to a director.

(iii) During the three and six months ended December 31, 2025, the Company incurred legal fees of $49,813 and $49,813, respectively (2024 - $12,262 and $12,262, respectively) included in professional fees and share issuance costs of $nil and $nil, respectively (2024 - $9,000 and $9,000, respectively) to a law firm controlled by the Corporate Secretary.

(iii) Included in professional fees is $10,729 and $28,277, respectively for the three and six months ended December 31, 2025 (2024 - $19,848 and $35,936, respectively) paid to Marrelli Support Services Inc. ("MSSI") for an employee of MSSI to act as the Chief Financial Officer of the Company and bookkeeping services.

(Expressed in Canadian Dollars)

10. Related party transactions (continued)

(b) Key management personnel 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. Remuneration of directors and key management personnel of the Company, except as noted in (a) above, was as follows:

	Three Months Ended December 31, 2025	Three Months Ended December 31, 2024	Six Months Ended December 31, 2025	Six Months Ended December 31, 2024
Management fees	**$ 537,500**	$ -	**$ 537,500**	$ -
Salaries and benefits	**9,750**	3,250	**9,750**	4,875
Mineral exploration expenses	**60,250**	29,250	**92,750**	60,125
Directors' fees	**20,132**	8,400	**27,332**	15,600
Share-based payments	**3,251,336**	-	**4,129,502**	-
	$ 3,341,468	$ 40,900	**$ 4,259,334**	$ 80,600

As at December 31, 2025, $252,911 (June 30, 2025 - $3,296) was owed to key management personnel and this amount was included in accounts payable and accrued liabilities.

11. Commitments

In connection with the flow-through share financings in 2025, the Company is committed to incur qualifying Canadian Exploration Expenditures (as such term is defined in the Income Tax Act (Canada)) of a total of $16,551,750 by December 31, 2026. If the Company does not incur the required qualifying expenditures, it will be required to indemnify the holders of the flow-through shares for any tax and other costs payable by them as a result of the Company not making the required expenditures.

As at December 31, 2025, the Company is required to incur qualifying exploration expenditures totaling approximately $15,971,000 by December 31, 2026.

12. Subsequent event

In February 2026, the Company entered into an agreement to acquire a 100% interest in one mineral license adjacent to the Company's Treasure Island Project. In consideration the Company will, subject to TSX Venture Exchange approval, make a one-time cash payment of $7,500, issue 150,000 common shares, and grant a 1.0% NSR royalty, with a buyback of 0.5% for $500,000.