



**Brunswick Exploration Inc.**

**Financial statements**

**For the years ended  
December 31, 2025 and 2024**

In Canadian Dollars



## Independent Auditor's Report

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To the Shareholders of  
Brunswick Exploration Inc.

### Opinion

We have audited the financial statements of Brunswick Exploration Inc. (hereafter "the Company"), which comprise the statements of financial position as at December 31, 2025 and 2024, and the statements of loss and comprehensive loss, the statements of shareholders' equity and the statements of cash flows for the years then ended, and notes to financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2025 and 2024, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (hereafter "IFRS Accounting Standards").

### Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Material uncertainty related to going concern

We draw attention to Note 1 to the financial statements, which indicates the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

### Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion

on these matters. Except for the matter described in the "Material uncertainty related to going concern" section, we have determined that there are no other key audit matters to communicate in our report.

### **Information other than the financial statements and the auditor's report thereon**

Management is responsible for the other information. The other information comprises the information included in Management's Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

### **Responsibilities of management and those charged with governance for the financial statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are, therefore, the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure

about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Karine Desrochers.

*Raymond Chabot Grant Thornton LLP<sup>1</sup>*

Montréal  
February 26, 2026

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<sup>1</sup> CPA auditor, public accountancy permit no. A127023

# Brunswick Exploration Inc.

## Statements of Financial Position

<i>(in Canadian dollars)</i>	December 31, 2025	December 31, 2024
	\$	\$
<b>ASSETS</b>		
<u>Current</u>		
Cash and cash equivalents (Note 6)	2,948,012	5,625,371
Other receivables (Note 8)	164,841	53,444
Sales taxes receivable	70,100	92,187
Mining tax credit receivables (Note 7)	59,000	1,580,000
Prepaid expenses and deposits	353,325	361,828
	<b>3,595,278</b>	7,712,830
<u>Non-current</u>		
Exploration and evaluation assets (Note 7)	21,497,757	14,340,780
Equipment and intangible assets	4,775	23,888
<b>TOTAL ASSETS</b>	<b>25,097,810</b>	<b>22,077,498</b>
<b>LIABILITIES</b>		
<u>Current</u>		
Accounts payable and accrued liabilities	808,363	946,950
Deferred premium on flow-through shares (Note 9)	-	1,806,944
<b>TOTAL LIABILITIES</b>	<b>808,363</b>	<b>2,753,894</b>
<b>EQUITY</b>		
Share capital	59,276,185	54,065,845
Warrants	3,087,131	3,115,120
Stock-based compensation	3,035,194	2,683,105
Contributed surplus	3,913,073	2,539,929
Deficit	(45,022,136)	(43,080,395)
Equity attributable to shareholders	<b>24,289,447</b>	19,323,604
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>25,097,810</b>	<b>22,077,498</b>

Going concern (Note 1)  
 Commitments and contingencies (Note 20)  
 Subsequent event (Note 21)

*The accompanying notes form an integral part of these financial statements.*

/s/ Robert Wares

Robert Wares, Chairman

/s/ Killian Charles

Killian Charles, President and  
 Chief Executive Officer

## Brunswick Exploration Inc. Statements of Loss and Comprehensive Loss

<i>(in Canadian dollars)</i>	For the years ended December 31,	
	2025	2024
	\$	\$
<b>Expenses</b>		
Administrative expenses (Note 14)	2,509,200	2,735,991
Stock-based compensation (Note 12)	644,430	1,092,185
Interest revenue	(84,965)	(310,295)
Impairment of exploration and evaluation assets (Note 7)	82,761	5,057,961
Depreciation of equipment and intangible assets	19,113	24,426
Other financial expenses	-	43,475
<b>Net loss and comprehensive loss before tax</b>	<b>(3,170,539)</b>	<b>(8,643,743)</b>
Income tax recovery (Note 16)	1,806,944	312,863
<b>Net loss and comprehensive loss</b>	<b>(1,363,595)</b>	<b>(8,330,880)</b>
<b>Per Share (Note 13)</b>		
Basic and diluted	(0.01)	(0.04)
Weighted average number of common shares – basic and diluted	235,622,478	197,090,222

*The accompanying notes form an integral part of these financial statements.*

# Brunswick Exploration Inc.

## Statements of Shareholders' Equity

For the years ended December 31, 2025 and 2024 (in Canadian dollars, except for number of shares)

	Issued and outstanding common shares	Share capital	Warrants	Stock-based compensation	Contributed surplus	Deficit	Total equity
	Number	\$	\$	\$	\$	\$	\$
<b>Balance as at January 1, 2025</b>	<b>218,087,432</b>	<b>54,065,845</b>	<b>3,115,120</b>	<b>2,683,105</b>	<b>2,539,929</b>	<b>(43,080,395)</b>	<b>19,323,604</b>
Flow through financing (Note 10)	12,123,097	2,121,542	-	-	-	-	2,121,542
Flow through issue costs (Note 10)	-	-	-	-	-	(102,096)	(102,096)
Units issued pursuant to a brokered private placement (Note 10)	25,064,102	2,581,610	918,389	-	-	-	3,499,999
Units share issue costs	-	-	43,971	-	-	(476,050)	(432,079)
Acquisition of mining properties (Note 7)	4,187,500	507,188	-	-	-	-	507,188
Expired Warrants (Note 11)	-	-	(990,349)	-	990,349	-	-
Expired stock options (Note 12)	-	-	-	(382,795)	382,795	-	-
Stock-based compensation (Note 12)	-	-	-	734,884	-	-	734,884
Net loss and comprehensive loss	-	-	-	-	-	(1,363,595)	(1,363,595)
<b>Balance as at December 31, 2025</b>	<b>259,462,131</b>	<b>59,276,185</b>	<b>3,087,131</b>	<b>3,035,194</b>	<b>3,913,073</b>	<b>(45,022,136)</b>	<b>24,289,447</b>
<b>Balance as at January 1, 2024</b>	<b>194,075,136</b>	<b>49,732,052</b>	<b>3,154,271</b>	<b>1,414,088</b>	<b>2,539,929</b>	<b>(34,597,055)</b>	<b>22,243,285</b>
Acquisition of mining properties (Note 7)	3,375,000	1,250,625	-	-	-	-	1,250,625
Flow through financing (Note 10)	20,030,125	4,809,370	-	-	-	-	4,809,370
Deferred premium on flow-through shares	-	(1,905,002)	-	-	-	-	(1,905,002)
Flow through issue costs (Note 10)	-	-	-	-	-	(152,460)	(152,460)
Exercised Warrants (Note 11)	607,171	178,800	(39,151)	-	-	-	139,649
Stock-based compensation (Note 12)	-	-	-	1,269,017	-	-	1,269,017
Net loss and comprehensive loss	-	-	-	-	-	(8,330,880)	(8,330,880)
<b>Balance as at December 31, 2024</b>	<b>218,087,432</b>	<b>54,065,845</b>	<b>3,115,120</b>	<b>2,683,105</b>	<b>2,539,929</b>	<b>(43,080,395)</b>	<b>19,323,604</b>

## Brunswick Exploration Inc. Statements of Cash Flows

<i>(in Canadian dollars)</i>	For the years ended December 31,	
	2025	2024
	\$	\$
<b>Operating activities</b>		
Net loss	(1,363,595)	(8,330,880)
Adjustments		
Share-based compensation (Note 12)	644,430	1,092,185
Depreciation of equipment and intangible assets	19,113	24,426
Impairment of exploration and evaluation assets (Note 7)	82,761	5,057,961
Income tax recovery (Note 16)	(1,806,944)	(312,863)
Changes in working capital items (Note 19)	19,862	(110,768)
<b>Net cash flows used in operating activities</b>	<b>(2,404,373)</b>	<b>(2,579,939)</b>
<b>Investing activities</b>		
Investments in exploration and evaluation assets	(7,159,871)	(9,654,496)
Government grant (Note 8)	175,963	-
Refundable credits received	1,671,782	886,798
Investments in equipment and intangible assets	-	(7,805)
<b>Net cash flows used in investing activities</b>	<b>(5,312,126)</b>	<b>(8,775,503)</b>
<b>Financing activities</b>		
Issuance of Units pursuant to a private placement (Note 10)	3,499,999	-
Issuance of flow-through shares pursuant to a non-brokered private placement (Note 10)	2,121,542	4,809,370
Share issue costs	(582,401)	(162,932)
Exercised Warrants (Note 11)	-	139,649
<b>Net cash flows provided by financing activities</b>	<b>5,039,140</b>	<b>4,786,086</b>
Net decrease in cash and cash equivalents	(2,677,359)	(6,569,355)
<b>Cash and cash equivalents, beginning of year</b>	<b>5,625,371</b>	<b>12,194,726</b>
<b>Cash and cash equivalents, end of year</b>	<b>2,948,012</b>	<b>5,625,371</b>

### Supplemental disclosure (Note 19)

*The accompanying notes form an integral part of these financial statements.*

# Brunswick Exploration Inc.

## Notes to Financial Statements

For the years ended December 31, 2025 and 2024 (in Canadian dollars)

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### 1. NATURE OF ACTIVITIES AND GOING CONCERN

Brunswick Exploration Inc. (the "Company" or "BRW") is primarily engaged in the acquisition and exploration of mineral properties. BRW is domiciled in Canada and is governed by the *Business Corporations Act* (Québec). The address of the Company's registered office is 1100, Avenue des Canadiens-de-Montreal, Suite 300, Montreal, Québec, Canada.

The Company is listed on the Toronto Venture Exchange ("TSX-V") under the symbol "BRW". The Company's common shares ("Common Shares") are also traded on the OTCQB Venture Market under the symbol "BRWXF". The Company is focused on exploration and development of energy transition metal properties in Canada.

Until it is determined that properties contain mineral reserves or resources that can be economically mined, they are classified as exploration and evaluation properties. The recoverability of deferred exploration and evaluation expenses is dependent on the discovery of economically recoverable reserves and resources; securing and maintaining title and beneficial interest in the properties; the ability to obtain necessary financing to continue the exploration, evaluation and development of its properties; and obtaining certain government approvals or proceeds from the disposal of properties. Changes in future conditions could require material impairment of the carrying value of the deferred exploration and evaluation expenses. Although the Company has taken steps to verify title to its mining properties on which it is currently conducting exploration and evaluation work, in accordance with industry standards for the current stage of exploration and evaluation of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements and non-compliance with regulatory requirements.

These financial statements have been prepared on the basis of accounting principles applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they come due. In assessing whether the going concern assumption is appropriate, Management of the Company ("Management") considers all available information about the future, which is at least, but not limited to twelve months from the end of the reporting period. As at December 31, 2025, the Company had a working capital of \$2,786,915 (including a cash and cash equivalent balance of \$2,948,012), an accumulated deficit of \$45,022,136 and had incurred a loss of \$1,363,595 for the year ended December 31, 2025. As the Company is in the exploration and evaluation stage for its projects, it has not recorded any revenues from operations and has no source of operating cash flow.

The working capital as at December 31, 2025, will not be sufficient to meet the Company's obligations, commitments and budgeted expenditures through December 31, 2026. Management is aware, in making its assessment, of material uncertainties related to events and conditions that may cast a significant doubt upon the Company's ability to continue as a going concern as described in the preceding paragraph, and accordingly, the appropriateness of the use of accounting principles applicable to a going concern. These financial statements do not reflect the adjustments to the carrying values of assets and liabilities, expenses and balance sheet classifications that would be necessary if the going concern assumption was not appropriate. These adjustments could be material.

The Company's ability to continue future operations and fund its planned exploration activities at its projects is dependent on Management's ability to secure additional financing in the future. Any funding shortfall may be met in the future in a number of ways, including, but not limited to, the issuance of debt or equity instruments. While Management has been successful in securing financing in the past, there can be no assurance that it will be able to do so in the future or that these sources of funding or initiatives will be available to the Company or that they will be available on terms that are acceptable to the Company. If Management is unable to obtain new funding, the Company may be unable to continue its operations, and amounts realized for assets might be less than the amounts reflected in these financial statements.

### 2. BASIS OF PRESENTATION

The accompanying financial statements have been prepared in accordance with the International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards"). The accounting policies, methods of computation and presentation applied in these financial statements are consistent with those of the previous financial year. These financial statements were approved by the Company's Board of Directors (the "Board") on February 26, 2026.

# **Brunswick Exploration Inc.**

## **Notes to Financial Statements**

### **For the years ended December 31, 2025 and 2024 (in Canadian dollars)**

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### **3. SUMMARY OF MATERIAL ACCOUNTING POLICIES**

The material accounting policies used in the preparation of these financial statements are as follows:

*(a) Basis of measurement*

The financial statements are prepared on a going concern basis and under the historical cost convention using the accrual basis of accounting, except for certain financial instrument and cash flow information.

*(b) Foreign currency translation*

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The financial statements are presented in Canadian dollars, which is the Company's functional currency.

Transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the exchange rate prevailing at the date of the transaction. At each statement of financial position date, monetary assets and liabilities are translated using the year-end foreign exchange rate. Non-monetary assets and liabilities are translated using the historical rate at the date of the transaction. All gains and losses on translation of these foreign currency transactions are included in the statement of income (loss) and comprehensive income (loss) under foreign exchange loss (gain).

*(c) Cash and cash equivalents*

Cash and cash equivalents consist of cash, bank balances and short-term highly liquid investments with original maturities of three months or less that are readily convertible into known amounts of cash and which are subject to an insignificant risk of change in value.

*(d) Financial instruments*

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred.

A financial liability is derecognized when it is extinguished, discharged, cancelled or when it expires.

Financial assets and financial liabilities are measured initially at fair value plus transaction costs, except for financial assets and financial liabilities carried at fair value through profit or loss, which are measured initially at fair value.

*(i) Financial assets*

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following categories upon initial recognition:

- Amortized cost;
- At fair value through profit or loss; and
- At fair value through other comprehensive loss.

The category determines subsequent measurement and whether any resulting income and expense is recognized in profit or loss or in other comprehensive income. All income and expenses relating to financial assets that are recognized in profit or loss are presented within interest expense or interest income.

**Brunswick Exploration Inc.**  
**Notes to Financial Statements**  
**For the years ended December 31, 2025 and 2024 (in Canadian dollars)**

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**3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)**

*(d) Financial instruments (continued)*

i. Amortized cost

Financial assets classified at amortized cost are financial assets that are held within a business model whose objective is achieved by collecting contractual cash flows and meet the criteria of the contractual cash flow test performed to determine whether cash flows are solely payments of principal and interest. After initial recognition, they are measured at amortized cost using the effective interest method, less a provision for impairment. Discounting is omitted where the effect of discounting is immaterial. The elements in this category include cash and cash equivalents and other receivables.

ii. Impairment of financial assets

A loss allowance for expected credit losses is recognized in net loss for financial assets measured at amortized cost. At each financial position date, on a forward-looking basis, the Company assesses the expected credit losses associated with its financial assets carried at amortized cost and, if any, fair value through other comprehensive income. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The expected credit losses are required to be measured through a loss allowance at an amount equal to the 12-month expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date) or full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument). A loss allowance for full lifetime expected credit losses is required for a financial instrument if the credit risk of that financial instrument has deteriorated significantly since initial recognition and whose credit risk is low.

(ii) Financial liabilities

For the purpose of subsequent measurement, financial liabilities are classified into the following categories upon initial recognition:

- Amortized cost;

i. Amortized cost

Financial liabilities classified at amortized cost are financial liabilities that are not classified in the "At fair value through profit or loss" category. They are initially recognized at fair value less transaction costs directly attributable. Thereafter, they are measured at amortized cost using the effective interest method, and the corresponding adjustment is attributed to net loss. Financial liabilities at amortized cost include:

- Accounts payable and accrued liabilities;

All interest-related charges are reported in profit or loss within interest expense.

*(e) Impairment of non-financial assets (except exploration and evaluation assets)*

The carrying value of non-current assets is reviewed regularly and whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. Non-current assets that are not depreciated are subject to an annual impairment test. For the purpose of measuring recoverable amounts, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units or CGUs). The recoverable amount is the higher of an asset's fair value less cost to sell and value in use (being the present value of the expected future cash flows of the relevant asset or CGU). An impairment loss is recognized in net loss for the amount by which the asset's carrying amount exceeds its recoverable amount. Where an impairment loss subsequently reverses, the carrying amount of the asset or CGU is increased to the estimated recoverable amount, but not exceeding the carrying amount that would have been determined had no impairment loss been recognized for the asset or CGU in prior years. A reversal of an impairment loss is recognized immediately in net loss.

# Brunswick Exploration Inc.

## Notes to Financial Statements

For the years ended December 31, 2025 and 2024 (in Canadian dollars)

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### 3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

(f) Exploration and evaluation expenditures, and exploration and evaluation assets

Exploration and evaluation expenditures are costs incurred during the initial search for mineral resources before the technical feasibility and commercial viability of extracting a mineral resource are demonstrable. Costs incurred before the legal right to undertake exploration and evaluation activities are recognized in profit or loss when they are incurred.

Once the legal right to undertake exploration and evaluation activities has been obtained, all costs of acquiring mineral rights, expenses related to the exploration and evaluation of mining properties, less refundable governmental credits and tax credits related to these expenses, are recognized as exploration and evaluation assets.

Expenses related to exploration and evaluation include topographical, geological, geochemical and geophysical studies, exploration drilling, trenching, sampling and other costs related to the evaluation of the technical feasibility and commercial viability of defining and extracting a mineral resource.

The various costs are capitalized on a property-by-property basis pending determination of the technical feasibility and commercial viability of extracting a mineral resource. These assets are recognized as mining properties and are carried at cost less any accumulated impairment losses. No depreciation expense is recognized for these assets during the exploration and evaluation phase.

Whenever a mining property is considered no longer viable, or is abandoned, the capitalized amounts are written down to their recoverable amounts and the difference is then immediately recognized in profit or loss.

When the technical feasibility and commercial viability of extracting a mineral resource are demonstrable, exploration and evaluation assets related to the mining property are transferred to property and equipment in mining assets under construction. Before the reclassification, exploration and evaluation assets are tested for impairment and any impairment loss is recognized in profit or loss.

To date, neither the technical feasibility nor the commercial viability of extracting a mineral resource has been demonstrated.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (CGUs).

Whenever events or changes in circumstances indicate that the carrying amount may not be recoverable, an asset or CGU is reviewed for impairment.

Impairment reviews for exploration and evaluation assets are carried out on a project-by-project basis, with each project representing a potential single CGU. An impairment review is undertaken when indicators of impairment arise, but typically when one of the following circumstances apply:

- The right to explore the areas has expired or will expire in the near future with no expectation of renewal;
- No further exploration or evaluation expenditures in the area are planned or budgeted;
- No commercially viable deposits have been discovered, and the decision has been made to discontinue exploration in the areas; and
- Sufficient work has been performed to indicate that the carrying amount of the expenditure carried as an asset will not be fully recovered.

Additionally, when the technical feasibility and commercial viability of extracting a mineral resource are demonstrable, the exploration and evaluation assets of the related mining property are tested for impairment before these items are transferred to property and equipment.

An impairment loss is recognized in profit or loss for the amount by which the CGU's carrying amount exceeds its recoverable amount. The recoverable amount of a CGU is the higher of its fair value less cost to sell and its value in use.

An impairment charge is reversed if the CGU's recoverable amount exceeds its carrying amount.

**Brunswick Exploration Inc.**  
**Notes to Financial Statements**  
**For the years ended December 31, 2025 and 2024 (in Canadian dollars)**

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**3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)**

(g) Stock-based compensation

Share option plan

The Company offers a stock-based compensation plan for its eligible directors, employees and consultants. All goods and services received in exchange for the grant of any stock-based compensation are measured at their fair value. Where employees are rewarded using stock-based compensation, the fair value of the services rendered by the employees is determined indirectly by reference to the fair value of the equity instruments granted. This fair value is evaluated at the grant date.

All equity-settled stock-based compensation is recognized as an expense in net loss with a corresponding credit to stock-based compensation in equity. If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of stock options of the Company ("Options") expected to vest. Non-market vesting conditions are included in assumptions about the number of Options that are expected to become exercisable. Estimates are subsequently revised if there is any indication that the number of Options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognized in the current year.

Upon exercise of Options, the proceeds received net of any directly attributable transaction costs are credited to share capital. Stock-based compensation is recorded at fair value as determined by the Black-Scholes option-pricing model.

Deferred share units

The Company offers a deferred share unit ("DSU") plan to its non-executive directors as part of their long-term compensation package, entitling them to receive a payment in the form of common shares, cash or a combination of common shares and cash, at the sole discretion of the Company. The fair value of the DSU granted by the Company to be settled in common shares is measured on the grant date and is recognized over the vesting period under contributed surplus with a corresponding charge to stock-based compensation.

(h) Equity

Share capital represents the amount received when the shares were issued. If shares are issued when Options and warrants are exercised or when DSUs are settled, the share capital account also comprises the compensation costs previously recorded as warrants and stock-based compensation.

In addition, if shares are issued for the acquisition of a mining property or some other form of non-monetary asset, they are measured at their fair value unless this fair value cannot be estimated reliably, in which case the fair value is estimated according to the quoted price on the day of the conclusion of the agreement.

Proceeds from unit placements are allocated between shares and warrants issued according to the respective fair values.

Issuance of flow-through shares represents in substance an issue of ordinary shares and the sale of the right to tax deductions to the investors.

When the flow-through shares or flow-through units are issued, the sale of the right to tax deductions is deferred and presented as other liabilities in the statement of financial position.

The proceeds received from flow-through shares are allocated between share capital and deferred premium on flow-through shares using the residual method. Proceeds are first allocated to share capital according to the quoted price of existing shares at the time of issuance, and the residual proceeds are allocated to deferred premium on flow-through shares.

The proceeds received from flow-through units are allocated between share capital, warrants and deferred premium on flow-through units using the residual method. Proceeds are first allocated to share capital according to the quoted price of existing shares at the time of issuance. Subsequently, proceeds are allocated to warrants at fair value as determined by the Black-Scholes option-pricing model and the residual proceeds are allocated to deferred premium on flow-through shares.

# Brunswick Exploration Inc.

## Notes to Financial Statements

### For the years ended December 31, 2025 and 2024 (in Canadian dollars)

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#### 3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

##### (i) Income taxes

The Company uses the deferred tax assets and liabilities method. According to this method, deferred income taxes are determined using the difference between the accounting and tax bases of assets and liabilities. Deferred income tax assets and liabilities are measured using enacted or substantively enacted tax rates at the statement of financial position date and that are expected to apply when the deferred income taxes are expected to be recovered or settled. Deferred income tax assets are recognized when it is probable that the asset will be realized.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset deferred tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

##### (j) Basic and diluted loss per share

Basic loss per share is calculated by dividing the loss attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the year. The diluted net loss per share is equal to the basic net loss per share due to the anti-dilutive effect of the Options, DSUs and warrants.

#### 4. ACCOUNTING STANDARDS ISSUED BUT NOT APPLIED

At the date of authorization of these financial statements, the Company has not yet adopted certain standards, interpretations to existing standards and amendments which have been issued but have an effective date of later than December 31, 2025. Other than the items detailed below, these updates are not expected to have a significant impact on the Company's financial statements and are therefore not discussed herein.

##### IFRS 18, Presentation and disclosure in financial statements

On April 9, 2024, the IASB issued IFRS 18 to improve reporting of financial performance. The new standard replaces IAS 1 *Presentation of Financial Statements*. It carries forward many requirements from IAS 1 unchanged. IFRS 18 applies for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The new Accounting Standard introduces significant changes to the structure of income statements, including the presentation of two new defined subtotals in the statement of profit or loss: (1) Operating profit; and (2) Profit before financing and income taxes, required disclosures in the notes to the financial statements of management-defined performance measures and introduces new principles for aggregation and disaggregation of information. The impact of adoption of this standard has not yet been determined by the Company.

##### Amendments – IFRS 9, Financial Instruments and IFRS 7, Financial Instruments: Disclosures

On May 30, 2024, the IASB issued targeted amendments to IFRS 9 and IFRS 7, which respond to recent questions arising in practice. The amendments were issued to:

- clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest criterion;
- add new disclosures for certain instruments with contractual terms that can change cash flows; and
- update disclosures for equity instruments designated at fair value through other comprehensive income.

The new requirements will apply from January 1, 2026, with early application permitted. These amendments are not expected to have a significant impact on the financial statements

**Brunswick Exploration Inc.**  
**Notes to Financial Statements**  
**For the years ended December 31, 2025 and 2024 (in Canadian dollars)**

**5. CRITICAL ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS**

The preparation of financial statements in conformity with IFRS Accounting Standards requires the Company to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The Company also makes estimates and assumptions concerning the future. The determination of estimates requires the exercise of judgment based on various assumptions and other factors such as historical experience and current and expected economic conditions. Actual results could differ from those estimates. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

a) Going concern

The assessment of the Company's ability to continue on a going concern basis, to obtain sufficient funds to cover ongoing expenses and to meet its obligations for the coming year involves a large part of judgment based on past experience and other factors, including expectations of future events that are considered reasonable in the circumstances.

b) Impairment of exploration and evaluation assets

Determining if there are any facts and circumstances indicating loss or reversal of impairment losses is a subjective process involving judgment and a number of estimates and interpretations in many cases. When an indication of impairment loss or a reversal of an impairment loss exists, the recoverable amount of the individual asset or CGU must be estimated.

In assessing impairment, management makes estimates and assumptions regarding future circumstances, whether an economically viable operation can be established, the probability that the expenses will be recovered from either future exploitation or sale when the activities have not reached a stage that permits a reasonable assessment of the existence of reserves, the Company's capacity to obtain financial resources necessary to complete the evaluation and development, and renewal of permits. Estimates and assumptions may change if new information becomes available. If, after expenditures are capitalized, information becomes available suggesting that the recovery of the expenditures is unlikely, the capitalized amount is written-off in the statement of comprehensive loss in the period information becomes available.

c) Fair value of Options and warrants

Determining the fair value of Options and warrants (collectively, the "Instruments") requires the selection of an appropriate valuation model and consideration as to the inputs necessary for the valuation model chosen. The Company has made estimates as to the volatility of its own Common Shares, the probable life and the time of exercise of the Instruments and expected extinguishments. The model used by the Company is the Black-Scholes valuation model. Any changes in the estimates or inputs utilized to determine fair value could have a significant impact on the Company's future operating results.

**6. CASH AND CASH EQUIVALENTS**

	<b>December 31, 2025</b>	<b>December 31, 2024</b>
	<b>\$</b>	<b>\$</b>
Cash	<b>2,948,012</b>	5,545,371
Cash equivalents	-	80,000
	<b>2,948,012</b>	<b>5,625,371</b>

At December 31, 2024, cash equivalents are comprised of redeemable term deposits bearing a weighted-average interest rate of 5%

**Brunswick Exploration Inc.**  
**Notes to Financial Statements**  
**For the years ended December 31, 2025 and 2024 (in Canadian dollars)**

**7. EXPLORATION AND EVALUATION ASSETS**

The Company has incurred the following costs on its exploration and evaluation assets for the years ended December 31, 2025 and 2024:

Property	Balance at January 1, 2024	Additions	Tax credits	Impairment	Balance at December 31, 2024
	\$	\$	\$	\$	\$
<b>Québec (Note 7(a))</b>					
Pontiac Lithium Project					
Mining rights	54,261	-	-	(54,261)	-
	54,261	-	-	(54,261)	-
North Shore Lithium Project					
Mining rights	47,599	-	-	(47,599)	-
Exploration expenses	-	6,842	-	(6,842)	-
	47,599	6,842	-	(54,441)	-
Mirage Project					
Mining rights	1,530,781	195,983	-	(1,002,210)	724,554
Exploration expenses	2,292,583	7,257,614	(1,578,668)	-	7,971,529
	3,823,364	7,453,597	(1,578,668)	(1,002,210)	8,696,083
Mythril/Elrond Properties					
Mining rights	162,994	-	-	(162,994)	-
Exploration expenses	397,777	410,041	-	(807,818)	-
	560,771	410,041	-	(970,812)	-
Anatacau/Plex Properties					
Mining rights	991,480	1,219,960	-	-	2,211,440
Exploration expenses	2,135,987	374,733	-	-	2,510,720
	3,127,467	1,594,693	-	-	4,722,160
Other Quebec Properties					
Mining rights	456,841	45,158	-	(501,999)	-
Exploration expenses	311,239	164,912	(18,296)	(457,855)	-
	768,080	210,070	(18,296)	(959,854)	-
<b>Ontario (Note 7(b))</b>					
Hearst Project					
Mining rights	13,254	-	-	(13,254)	-
Exploration expenses	143,525	6,297	-	(149,822)	-
	156,779	6,297	-	(163,076)	-
Other Ontario Properties					
Mining rights	129,426	-	-	(129,426)	-
Exploration expenses	286,282	285	-	(286,567)	-
	415,708	285	-	(415,993)	-
<b>Nova Scotia (Note 7(c))</b>					
Mining rights	37,750	620	-	(38,370)	-
Exploration expenses	86,580	29,341	(520)	(115,401)	-
	124,330	29,961	(520)	(153,771)	-
<b>New Brunswick (Note 7(d))</b>					
Mining rights	36,650	36,646	-	(73,296)	-
Exploration expenses	244,871	172,564	(77,350)	(340,085)	-
	281,521	209,210	(77,350)	(413,381)	-
<b>Saskatchewan (Note 7(e))</b>					
Mining rights	53,939	-	-	(53,939)	-
Exploration expenses	685,091	881	-	(685,972)	-
	739,030	881	-	(739,911)	-
<b>Newfoundland (Note 7(f))</b>					
Mining rights	-	10,697	-	(10,697)	-
Exploration expenses	-	132,393	(12,839)	(119,554)	-
	-	143,090	(12,839)	(130,251)	-
<b>Greenland (Note 7(g))</b>					
Mining rights	-	23,828	-	-	23,828
Exploration expenses	-	898,709	-	-	898,709
	-	922,537	-	-	922,537
<b>Summary</b>					
Mining rights	3,514,975	1,532,892	-	(2,088,045)	2,959,822
Exploration expenses	6,583,935	9,454,612	(1,687,673)	(2,969,916)	11,380,958
	10,098,910	10,987,504	(1,687,673)	(5,057,961)	14,340,780

**Brunswick Exploration Inc.**  
**Notes to Financial Statements**  
**For the years ended December 31, 2025 and 2024 (in Canadian dollars)**

**7. EXPLORATION AND EVALUATION ASSETS (continued)**

Property	Balance at January 1, 2025 \$	Additions/ transfers \$	Tax credits/ government grants	Impairment	Balance at December 31, 2025 \$
<b>Québec (Note 7(a))</b>					
Mirage					
Mining rights	724,554	1,409,435	-	-	2,133,989
Exploration expenses	7,971,529	4,564,858	(150,782)	-	12,385,605
	8,696,083	5,974,293	(150,782)	-	14,519,594
Anatacau/Plex Properties					
Mining rights	2,211,440	(305,610)	-	-	1,905,830
Exploration expenses	2,510,720	248,557	(293,272)	-	2,466,005
	4,722,160	(57,053)	(293,272)	-	4,371,835
<b>Greenland (Note 7(g))</b>					
Mining rights	23,828	83,598	-	(11,829)	95,597
Exploration expenses	898,709	1,682,954	-	(70,932)	2,510,731
	922,537	1,766,552	-	(82,761)	2,606,328
<b>Summary</b>					
Mining rights	2,959,822	1,187,423	-	(11,829)	4,135,416
Exploration expenses	11,380,958	6,496,369	(444,054)	(70,932)	17,362,341
	14,340,780	7,683,792	(444,054)	(82,761)	21,497,757

(a) Québec

**Pontiac Lithium Project:** In March 2022, BRW staked claims throughout the Abitibi region of Québec, collectively known as the "Pontiac Lithium Project". During the year ended December 31, 2024, the Company impaired \$54,261 of costs incurred on this property related to specific areas where claims are not expected to be renewed, where the Company has decided to discontinue exploration and evaluation activities or the assets carrying amount exceeds its recoverable amount.

**North Shore Lithium Project:** On April 19, 2022, the Company announced that claims were acquired or optioned (collectively, the "North Shore Lithium Project") in the North Shore of Québec. During the year ended December 31, 2024, BRW impaired \$54,441 of costs incurred on these properties related to specific areas where claims are not expected to be renewed, where the Company has decided to discontinue exploration and evaluation activities or the assets carrying amount exceeds its recoverable amount.

**Mirage Project:** In addition to the staking of claims in the James Bay region (Québec), on January 5, 2023, BRW completed an option agreement with Globex Mining Enterprises ("Globex") (all staked and optioned claims, the "Mirage Project"). The Mirage Project included an option on the "Lac Escale" on 100% of the claim block from Globex for \$500,000 (\$250,000 paid in cash and issuance of 272,886 Common Shares with a fair value of \$250,000).

BRW entered into a royalty agreement granting a 3% Gross Metal Royalty ("GMR") to Globex of which 1% of the GMR may be purchased by BRW for \$1,000,000, resulting in a net GMR of 2%. The GMR shall also apply to any mineral rights newly staked by either party within 1 km of the current claim boundaries. On the fifth anniversary of the coming into force of this royalty agreement or 5 years following total expenditures of \$4,000,000, whichever comes first, BRW will start paying Globex an annual \$100,000 advance royalty payment deductible from eventual production royalty.

On August 21, 2023, BRW announced a transaction with 1Minerals Corp. ("1Minerals"), amended on September 29, 2023 (the "Definitive Agreement"), to purchase 100% interest in certain claims contiguous to the Mirage Project as well as an additional regional lithium grassroots claim package.

**Brunswick Exploration Inc.**  
**Notes to Financial Statements**  
**For the years ended December 31, 2025 and 2024 (in Canadian dollars)**

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**7. EXPLORATION AND EVALUATION ASSETS (continued)**

(a) Québec (continued)

Mirage Project (continued):

The terms of the 1Minerals transaction were as follows:

- Cash payment of \$500,000 was completed as at December 31, 2023.
- Further payment of \$3,000,000 in cash, Common Shares (at a minimum price of \$0.66 per Common Share) or a combination of both at BRW's discretion on signing of Definitive Agreement under the following schedule:
  - \$500,000 (587,554 Common Shares) were issued as at December 31, 2023;
  - \$500,000 on the first-year anniversary of the signing of the Definitive Agreement;
  - \$500,000 on the second-year anniversary of the signing of the Definitive Agreement;
  - \$750,000 on the third-year anniversary of the signing of the Definitive Agreement;
  - \$750,000 on the fourth-year anniversary of the signing of the Definitive Agreement.

On October 15, 2024, the Company notified 1Minerals that BRW decided to discontinue exploration and evaluation activities on these properties. During the year ended December 31, 2024, the Company impaired \$1,002,210 of costs incurred on these properties related to specific areas where the Company decided to discontinue exploration and evaluation activities.

BRW signed an agreement with Sirios Resources ("Sirios"), approved by the TSX-V on April 11, 2024 (the "Approval date"), to repurchase an existing 0.5% NSR on certain claims within the Mirage Project (the "Royalty Repurchase"). The Royalty Repurchase payment schedule was subject to the following constraints:

- Minimum 25% in cash; and
- Common Share amount to be calculated on the 10-day Volume Weighted Average Share Price ("VWAP") preceding the date of the payment and is subject to a \$0.40 minimum Common Share price.

The Royalty Repurchase was completed under the following terms:

- Cash payment of \$50,000 was completed in April 2024;
- Payment of \$25,000 in cash and 187,500 Common Shares (fair value of \$46,875) were completed in June 2024; and
- Payment schedule in cash, share or a combination of both, to Sirios:
  - Payments of \$25,000 in cash and 187,500 Common Shares (fair value of \$48,750) were completed in October 2024; and
  - Payments of \$25,000 in cash and 187,500 Common Shares (fair value of \$27,188) were completed in January 2025.

Upon start of mineral extraction over the claims covered by this agreement, the Company will make a further milestone payment of \$250,000 in cash or an amount in Common Shares (based on the 10-day VWAP preceding the date of the payment and subject to a minimum \$0.40 Common Share price) or a combination of both, at BRW's discretion.

Mythril/Elrond Properties: On November 22, 2022, the Company signed an option agreement with Midland Exploration Inc. ("Midland") to acquire a maximum of 85% interest in the Mythril and Elrond properties (the "Midland Properties"), located in the James Bay region of Québec. The first part of the option allows BRW to acquire an initial 50% interest in the rare mineral potential of the Midland Properties (exclusive of base and precious metals) for a total consideration of \$500,000 in cash and Common Shares over a three-year period under the following terms:

- Payments of \$75,000 in cash and 111,044 Common Shares (fair value of \$75,000) were completed as at December 31, 2023;
- A payment of \$140,000, half in Common Shares, on or before the second year anniversary; and
- A payment of \$210,000 in Common Shares, on or before the third year anniversary.

In order to exercise the First Option for the initial 50% interest; BRW shall fund an aggregate amount of \$1,500,000 in work expenditures in accordance with the following schedule:

- A firm commitment of \$300,000 was completed before the first year anniversary;
- An aggregate of \$600,000 was completed before the second year anniversary;
- An aggregate of \$1,500,000, on or before the third year anniversary.

**Brunswick Exploration Inc.**  
**Notes to Financial Statements**  
**For the years ended December 31, 2025 and 2024 (in Canadian dollars)**

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**7. EXPLORATION AND EVALUATION ASSETS (continued)**

(a) Québec (continued)

Mythril/Elrond Properties (continued):

The second part of the option allows BRW to acquire a further 35% interest in these properties for a total consideration of \$200,000 in cash or Common Shares over a two-year period upon exercise of the first option under the following terms:

- An amount of \$100,000 in cash, Common Shares or a combination of both at BRW's choosing on or before the first year anniversary of the exercise of the first option;
- An amount of \$100,000 in cash, Common Shares or a combination of both at BRW's choosing on or before the second year anniversary of the exercise of the first option.

In order to exercise the second option, BRW is required to fund an aggregate amount of \$2,000,000 in work expenditures in accordance with the following schedule:

- An aggregate of \$1,000,000, on or before the first year anniversary of the exercise of the first option;
- An aggregate of \$2,000,000, on or before the second year anniversary of the exercise of the first option.

Common Shares to be issued by the Company as consideration under this option agreement are subject to a minimum value of \$0.24 per Common Share with no maximum value. Upon execution of the second option, BRW will retain a right of first refusal ("ROFR") on Midland's 15% ownership.

On October 15, 2024, the Company notified Midland that BRW decided to discontinue exploration and evaluation activities on these properties. During the year ended December 31, 2024, the Company impaired \$970,812 of costs incurred on these properties related to specific areas where the Company decided to discontinue exploration and evaluation activities.

Anatacau/Plex Properties: On November 28, 2022, BRW signed an agreement with Osisko Baie-James General Partnership ("Osisko GP"), an affiliated entity of Osisko Development Corp. ("ODEV"), to acquire a 90% interest in the Anatacau Property (the "Anatacau Option"). On December 5, 2022, BRW expanded the Anatacau Option (the "Expanded Option Agreement") to also acquire a 90% interest in the PLEX Project. This agreement was signed on March 1, 2023 and approved by the TSX-V on June 14, 2023 (the "Effective Date").

The Expanded Option Agreement allows BRW to acquire a 90% interest in the Anatacau and PLEX project packages for a total consideration of 8,000,000 Common Shares over a two-year period under the following terms:

- An initial payment of 1,000,000 Common Shares was completed in June 2023 (fair value of \$790,000);
- A payment of 3,000,000 Common Shares was completed in June 2024 (fair value of \$1,155,000); and
- A payment of 4,000,000 Common Shares, was completed in June 2025 (fair value of \$480,000).

In order to exercise this option; BRW will complete \$6,000,000 in work expenditures in accordance with the following schedule:

- An aggregate of \$1,000,000 was completed before the first year anniversary of the Effective Date;
- An aggregate of \$2,000,000 was completed before the second year anniversary of the Effective Date;
- An aggregate of \$4,000,000 was completed before the third year anniversary of the Effective Date;
- An aggregate of \$6,000,000 before the fourth year anniversary of the Effective Date.

Upon execution of this option, BRW will retain a ROFR on Osisko GP's 10% ownership and Osisko GP will not be expected to fund its pro-rata share of the exploration budget following the exercise of this option until the construction of a mine.

On August 21, 2023, BRW announced a transaction with ODEV through Osisko GP in which the Company has an option to acquire a 75% undivided interest in 8 claims (the "8 claims") in the immediate area of the Mirage Project under the following terms:

- Option transaction to earn 75% interest in claims held by Osisko GP;
- Osisko GP's remainder interest (25%) to be free carried to a final construction decision.

This option will be exercisable concurrently with the successful completion of the existing Option Agreement between BRW and Osisko GP covering the option to acquire a 90% interest in the PLEX and Anatacau Projects.

**Brunswick Exploration Inc.**  
**Notes to Financial Statements**  
**For the years ended December 31, 2025 and 2024 (in Canadian dollars)**

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**7. EXPLORATION AND EVALUATION ASSETS (continued)**

(a) Québec (continued)

Anatacau/Plex Properties (continued):

On August 15, 2025, the Company announced the consolidation of its ownership covering the 8 claims pursuant to a purchase and sale agreement, with Osisko GP. BRW is now the owner of 100% of the mining claims across the Mirage Project. To acquire such rights, BRW agreed to renounce to its option to acquire a 90% undivided interest in the Plex Property. In partial consideration for the termination of the Plex Property Option, Osisko GP shall pay to BRW an amount of \$1,000,000 to be paid within thirty days of the first publication of a technical report prepared in accordance with the requirements of National Instrument ("NI") 43-101 presenting a minimum of 1,000,000 oz in gold in Measure, Indicated and/or Inferred resources (as those terms are defined in NI 43-101). During the year ended December 31, 2025, the Company transferred \$1,318,049 in costs incurred on the Plex Project and allocated them to the Mirage Project to reflect this consolidation of ownership.

Other Québec Properties:

The Company owns other staked claims with lithium potential in the Province of Québec. During the year ended December 31, 2024, the Company impaired \$959,854 of costs incurred on these properties related to specific areas where the Company decided to discontinue exploration and evaluation activities.

(b) Ontario

Hearst Project: On October 3, 2022, the Company announced that it has staked and optioned multiple claim groups near Hearst, Ontario (the "Hearst Project"). The claim package includes two option agreements; the Lowther Pegmatite Option Agreement (signed on September 21, 2022) and the Lowther Regional Option (dated September 27, 2022). During the year ended December 31, 2024, BRW impaired \$163,076 of costs incurred on these properties related to specific areas where claims are not expected to be renewed, where the Company has decided to discontinue exploration and evaluation activities or the assets carrying amount exceeds its recoverable amount.

Other Ontario Properties:

BRW owns other staked claims with lithium potential in the Province of Ontario. During the year ended December 31, 2024, the Company impaired \$415,993 of costs incurred on these properties related to specific areas where claims are not expected to be renewed, where BRW has decided to discontinue exploration and evaluation activities or the assets carrying amount exceeds its recoverable amount.

(c) Nova Scotia

In March 2022, BRW staked multiple claim groups in west central Nova Scotia. During the year ended December 31, 2024, the Company impaired \$153,771 of costs incurred on these properties related to specific areas where claims are not expected to be renewed, where BRW has decided to discontinue exploration and evaluation activities or the assets carrying amount exceeds its recoverable amount.

(d) New Brunswick

In December 2021 and March 2022, the Company staked claims located in southeastern and central New Brunswick. During the year ended December 31, 2024, BRW impaired \$413,381 of costs incurred on these properties related to specific areas where claims are not expected to be renewed, where the Company has decided to discontinue exploration and evaluation activities or the assets carrying amount exceeds its recoverable amount.

(e) Saskatchewan

On January 17, 2023, BRW announced the staking of multiple claim groups in Saskatchewan. During the year ended December 31, 2024, the Company decided to discontinue exploration and evaluation activities in Saskatchewan and therefore BRW impaired \$739,911 of costs incurred on these properties.

**Brunswick Exploration Inc.**  
**Notes to Financial Statements**  
**For the years ended December 31, 2025 and 2024 (in Canadian dollars)**

**7. EXPLORATION AND EVALUATION ASSETS (continued)**

(f) Newfoundland

During the year ended December 31, 2024, the Company staked licenses located near and in between the areas of Cartwright, Port Hope Simpson in southeast Labrador. During the year ended December 31, 2024, BRW impaired \$130,251 of costs incurred on these properties related to specific areas where claims are not expected to be renewed, where the Company has decided to discontinue exploration and evaluation activities or the assets carrying amount exceeds its recoverable amount.

(g) Greenland

The Company held 5 projects in Greenland called Nuuk, Paamiut, Disko Bay, Uummanaq and Hinkslund. During the year ended December 31, 2025, the Company impaired \$82,761 of costs incurred on these properties related to specific areas where claims are not expected to be renewed, where BRW has decided to discontinue exploration and evaluation activities or the assets carrying amount exceeds its recoverable amount.

**8. OTHER RECEIVABLES**

On March 26, 2025, the Company was awarded a grant under the Mining Exploration Support Program for Critical and Strategic Minerals from the Ministère des Ressources naturelles et des Forêts (“MRNF”) (the “Grant”). BRW will be reimbursed for 50% of its costs up to an amount of \$293,272. As at December 31, 2025, the Company has received \$175,963. At December 31, 2025, BRW has incurred \$586,545 in costs related to the Grant and, as such, has recorded a receivable of \$117,309 in other receivables as at December 31, 2025.

**9. DEFERRED PREMIUM ON FLOW-THROUGH SHARES**

	December 31, 2025	December 31, 2024
	\$	\$
Balance – beginning of the year	1,806,944	312,863
Liability related to flow-through shares issued (Note 10)	-	1,806,944
Reversal of liability related to flow-through shares	(1,806,944)	(312,863)
Balance – end of year	-	1,806,944

**10. SHARE CAPITAL**

Authorized:

Unlimited number of Common Shares, voting and participating, without par value

Unlimited number of preferred shares, non-voting, without par value, issuable in series

Financing activities for the year ended December 31, 2025:

On December 23, 2025, the Company closed a non-brokered private placement (the “Offering”) for aggregate gross proceeds of \$2,121,542 from the sale of 12,123,097 Common Shares sold as “flow-through shares” within the meaning of the Income Tax Act (Canada) (the “Tax Act”) and the Taxation Act (Québec) (each, a “Québec FT Share”) at a price of \$0.175 per Québec FT Share. In connection with the Offering, share issue costs totaled \$102,096.

On May 30, 2025, BRW closed a brokered private placement (the “2025 Offering”) for aggregate gross proceeds of \$3,499,999 from the sale of the following:

- 12,980,769 units of the Company (“Life Units”) at a price of \$0.13 per LIFE Unit for gross proceeds of \$1,687,500; and
- 12,083,333 units of the Company (“Non-Life Units”) at a price of \$0.15 per Non-LIFE Unit for gross proceeds of \$1,812,499.

Each LIFE Unit consists of one Common Share (each, a “Unit Share”) and one-half of one Common Share purchase warrant (each whole warrant, a “LIFE Warrant”). Each whole LIFE Warrant entitles the holder thereof to purchase one Common Share (each, a “Warrant Share”) at a price of \$0.20 at any time on or before May 30, 2028.

# Brunswick Exploration Inc.

## Notes to Financial Statements

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### 10. SHARE CAPITAL (continued)

#### Financing activities for the year ended December 31, 2025 (continued):

Each Non-LIFE Unit consists of one Unit Share and one Common Share purchase warrant (each, a “Non-LIFE Warrant”). Each Non-LIFE Warrant entitles the holder thereof to purchase one Warrant Share at a price of \$0.25 at any time on or before May 30, 2028.

In connection with the 2025 Offering, BRW incurred \$476,050, including \$432,079 in cash and the issuance of 588,960 non-transferable broker warrants (the “Broker Warrants”). Each Broker Warrant is exercisable for one Common Share of the Company (each, a “Broker Share”) at a price of \$0.13 per Broker Share at any time on or before May 30, 2028. The fair value of these Warrants and Broker Warrants were determined by the Black-Scholes option pricing model based on the following weighted assumptions:

Exercise price	\$0.13
Share price at date of grant	\$0.125
Risk-free interest rate	2.60%
Expected life	3 years
Annualized expected volatility	95%
Fair value	\$0.07

#### Financing activities for the year ended December 31, 2024:

On December 19, 2024, BRW closed a non-brokered private placement (the “2024 Offering”) for aggregate gross proceeds of \$4,809,370 from the sale of the following:

- 11,755,382 Common Shares sold to Québec purchasers as “flow-through shares” within the meaning of the Tax Act and the Taxation Act (Québec) (each, a “Québec FT Share”) at a price of \$0.23 per Québec FT Share for gross proceeds of \$2,703,738.
- 4,837,242 Common Shares sold to Canadian purchasers as “flow-through shares” within the meaning of the Tax Act (each, a “National FT Share”) at a price of \$0.215 per National FT Share for gross proceeds of \$1,040,007.
- 3,437,501 Common Shares sold to Canadian purchasers as “Charity flow-through shares” (each, a “Charity FT Share”) at a price of \$0.31 per Charity FT Share for gross proceeds of \$1,065,625.

In connection with the 2024 Offering, share issue costs totaled \$250,518. An amount of \$1,806,944 (net of share issue costs of \$98,058) was allocated to the deferred premium on flow-through shares (Note 9). Insiders of the Company participated in the 2024 Offering and were issued an aggregate of 2,887,501 Common Shares.

### 11. WARRANTS

The following table sets out the activity in Warrants:

	<b>Number of Warrants</b>	<b>Weighted average exercise price (\$)</b>
Balance – January 1, 2024	13,676,124	0.78
Exercised	(607,171)	0.23
Balance – December 31, 2024	<b>13,068,953</b>	<b>0.81</b>
Expired	<b>(7,160,749)</b>	<b>0.46</b>
Issued	<b>19,162,677</b>	<b>0.23</b>
Balance – December 31, 2025	<b>25,070,881</b>	<b>0.47</b>

**Brunswick Exploration Inc.**  
**Notes to Financial Statements**  
**For the years ended December 31, 2025 and 2024 (in Canadian dollars)**

**11. WARRANTS**

The Warrants outstanding at December 31, 2025, are as follows:

<b>Exercise price (\$)</b>	<b>Number</b>	<b>Expiry date</b>	<b>Weighted average remaining contractual life (years)</b>
0.85	264,705	March 9, 2026	0.19
1.25	4,411,764	March 9, 2026	0.19
0.85	7,500	March 24, 2026	0.23
1.25	878,647	March 24, 2026	0.23
1.25	345,588	March 31, 2026	0.25
0.20	6,490,384	May 30, 2028	2.41
0.25	12,083,333	May 30, 2028	2.41
0.13	588,960	May 30, 2028	2.41
	<b>25,070,881</b>		

**12. STOCK-BASED COMPENSATION**

Options:

On April 30, 2025, the Board amended its stock-based compensation plan (the "Option Plan") under which the Board may award Options to directors, staff members and consultants. On June 12, 2025, shareholders of the Company ("Shareholders") approved 19,400,000 Common Shares to be reserved for issuance under the Option Plan.

The following table sets out the activity in Options:

	<b>Number</b>	<b>Weighted average exercise price (\$)</b>
Balance – January 1, 2024	9,200,000	0.40
Granted	2,845,000	0.60
Expired	(500,000)	0.48
Forfeited	(25,000)	0.60
Balance – December 31, 2024	<b>11,520,000</b>	<b>0.45</b>
Granted	<b>3,430,000</b>	<b>0.14</b>
Forfeited	<b>(900,000)</b>	<b>0.42</b>
Expired	<b>(2,500,000)</b>	<b>0.23</b>
Balance – December 31, 2025	<b>11,550,000</b>	<b>0.41</b>
Exercisable Options – December 31, 2025	<b>5,889,991</b>	<b>0.44</b>

Options outstanding at December 31, 2025, are as follows:

<b>Exercise price (\$)</b>	<b>Number outstanding</b>	<b>Number exercisable</b>	<b>Weighted average remaining life (Years)</b>
\$0.37	400,000	400,000	0.3
\$0.13	400,000	400,000	0.9
\$0.40	100,000	100,000	1.2
\$0.21	2,250,000	2,250,000	1.5
\$0.32	400,000	400,000	1.9
\$0.83	2,050,000	1,366,667	2.3
\$0.80	150,000	100,002	3.0
\$0.60	2,620,000	873,322	3.1
\$0.14	3,180,000	-	4.1
	<b>11,550,000</b>	<b>5,889,991</b>	

# Brunswick Exploration Inc.

## Notes to Financial Statements

For the years ended December 31, 2025 and 2024 (in Canadian dollars)

### 12. STOCK BASED COMPENSATION (continued)

#### Options (continued):

On February 3, 2025, the Company granted Options to directors, officers, employees and consultants to purchase up to an aggregate of 3,430,000 Common Shares. Grants are subject to a three-year vesting period and a five-year term at an exercise price of \$0.14 per Common Share.

On February 2, 2024, the Company granted Options to directors, officers, employees and consultants to purchase up to an aggregate of 2,845,000 Common Shares. Grants are subject to a three-year vesting period and a five-year term at an exercise price of \$0.60 per Common Share.

The Company determined the fair value of the Options using the Black-Scholes valuation method. The volatility was determined by reference to historical data of the Common Shares over the expected average life of the Options. The following weighted average assumptions were used to value the Options:

	2025	2024
Share price	\$0.14	\$0.55
Exercise price	\$0.14	\$0.60
Risk-free interest rate	2.60%	3.45%
Expected volatility	90.0%	90.0%
Expected life	5.0 years	5.0 years
Weighted average fair value	\$0.10	\$0.38

For the year ended December 31, 2025, the stock-based compensation costs amounted to \$697,076 (\$1,269,017 for the year ended December 31, 2024) for which \$606,621 was recorded in the income statement (\$1,092,185 for the year ended December 31, 2024) and \$90,455 was capitalized to exploration assets (\$176,832 for the year ended December 31, 2024). The offsetting credit is recorded as contributed surplus.

#### Deferred share units ("DSUs")

On April 30, 2025, the Board adopted a deferred share unit plan (the "DSU Plan") under which the Board may award deferred share units to directors. On June 12, 2025, Shareholders approved 2,400,000 Common Shares to be reserved for issuance under the DSU Plan.

On August 15, 2025, BRW granted 821,425 DSUs to its non-executive directors. The DSUs were granted at a fair market value of \$0.14 per DSU and will vest one year from the date of grant. On September 26, 2025, a non-executive director resigned, forfeiting 107,142 DSUs. At December 31, 2025, 714,283 DSUs remained outstanding.

For the year ended December 31, 2025, the DSU cost amounted to \$37,808 (\$ nil for the year ended December 31, 2024) which was recorded in the income statement for the year ended December 31, 2025. The offsetting credit is recorded as contributed surplus.

### 13. NET LOSS PER SHARE

Due to the net loss for the years ended December 31, 2025 and 2024, all potentially dilutive Common Shares (Notes 11 and 12) are deemed to be antidilutive and thus diluted net loss per share is equal to the basic net loss per share for these periods.

# Brunswick Exploration Inc.

## Notes to Financial Statements

For the years ended December 31, 2025 and 2024 (in Canadian dollars)

### 14. ADMINISTRATIVE EXPENSES

	For the years ended December 31,	
	2025	2024
	\$	\$
Salaries	783,304	960,889
Investor relations	714,814	624,759
Exploration and evaluation expenditures	321,044	373,262
Professional fees	223,521	267,319
Travel	210,509	192,914
Office	189,373	229,917
Regulatory fees	66,635	86,931
	<b>2,509,200</b>	<b>2,735,991</b>

### 15. RELATED PARTIES

Related party transactions and balances, not otherwise disclosed, are summarized below:

Key management includes directors and officers of the Company. The compensation paid or payable to key management for employee services is presented below for the years ended December 31, 2025 and 2024:

	2025	2024
	\$	\$
Salaries and short-term employee benefits	712,250	759,166
Stock-based compensation	509,883	912,334
	<b>1,222,133</b>	<b>1,671,500</b>

During the years ended December 31, 2025 and 2024, the Company undertook transactions with certain related companies. OR Royalties Inc ("ORR") and Falco Resources Ltd. ("Falco") are related parties to BRW as they have common officers and directors.

During the year ended December 31, 2025, ORR invoiced an amount of \$75,000 in relation to professional services and rental of offices (\$84,869 for the year ended December 31, 2024). As at December 31, 2025, \$13,000 is included in trade and other payables (\$15,000 as at December 31, 2024).

During the year ended December 31, 2025, an amount of \$39,000 was invoiced by Falco for professional services (\$39,000 during the year ended December 31, 2024). As at December 31, 2025, \$15,000 is included in trade and other payables (\$4,000 as at December 31, 2024).

Management is of the opinion that these transactions were undertaken under the same conditions as transactions with non-related parties. These operations were incurred in the normal course of business and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

# Brunswick Exploration Inc.

## Notes to Financial Statements

For the years ended December 31, 2025 and 2024 (in Canadian dollars)

### 16. INCOME TAXES

A reconciliation of income taxes at statutory rates (26.5%) with the taxes reported in the statement of loss and comprehensive loss for the year ended December 31, 2025 (26.5% for the year ended December 31, 2024), is as follows:

	2025	2024
	\$	\$
Net loss before income taxes	(3,170,539)	(8,643,743)
Expected income tax recovery	(840,193)	(2,290,593)
Non-deductible expenses	151,300	249,054
Recognition of previously unrecognized tax benefits	(608,587)	724,015
Flow-through share exploration expenditures	(509,464)	1,004,661
Net deferred income tax recovery	(1,806,944)	(312,863)

As at December 31, 2025, deductible timing differences for which the Company has not recognized deferred tax asset are as follows:

	Federal	Provincial
	\$	\$
Property and equipment and Intangibles assets	127,237	127,237
Mining properties	2,783,606	2,776,928
Financing fees	1,286,366	1,286,366
Non-capital losses	7,474,720	13,566,232
Capital losses	4,924,681	4,924,681
Unrecognized deferred tax asset	16,596,610	22,681,444

As at December 31, 2025, the Company has tax losses that can be used to reduce future taxable income. These losses expire as follows:

Expiry year	Federal	Provincial
	\$	\$
2037	-	319,425
2038	-	1,698,301
2039	-	1,553,988
2041	-	938,559
2042	-	1,378,832
2043	2,223,882	2,442,514
2044	2,587,819	2,571,594
2045	2,663,019	2,663,019
	<b>7,474,720</b>	<b>13,566,232</b>

The ability to realize the tax benefits is dependent upon a number of factors, including the future profitability of operations. Deferred tax assets are recognized only to the extent that it is probable that sufficient taxable profits will be available to allow the asset to be recovered. Accordingly, deferred tax assets in the amount of \$5,097,858 have not been recognized.

**Brunswick Exploration Inc.**  
**Notes to Financial Statements**  
**For the years ended December 31, 2025 and 2024 (in Canadian dollars)**

**17. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT**

The Company is exposed to various financial risks resulting from its operations. BRW's management manages the financial risks. The Company does not enter into financial instrument agreements, including derivative financial instruments for speculative purposes. The main financial risks to which BRW is exposed as well as its policies for managing such risk are detailed below:

*Credit risk*

Credit risk is the risk that one party to a financial instrument will fail to discharge its obligation and cause the other party to incur a financial loss. Financial instruments that potentially subject the Company to credit risk consist of cash and cash equivalents and other receivables. BRW reduces its credit risk by investing its cash in a Canadian institution with an A+ credit rating and by exchanging services with companies in good financial position.

*Liquidity risk*

Liquidity risk is the risk that the Company will not be able to meet the obligations associated with its financial liabilities that are settled by delivering cash. To date, BRW has incurred significant operating losses and cash outflows related to its exploration activities. BRW has funded its operations in the past mainly through the issuance of equity. Management does not believe that it has sufficient funds to meet its obligations and existing commitments for at least the next 12 months. BRW's business plan is dependent on raising additional funds to pursue exploration and development of its projects, which may be completed in several ways, including the issuance of equity instruments or other types of arrangements. While Management has been successful in securing financing in the past, there can be no assurance it will be able to do so in the future, that these sources of funding will be available to the Company, or that they will be available on terms that are acceptable to the Company.

The following tables present contractual maturities (including interest payments where applicable) of the Company's liabilities as at December 31, 2025 and 2024:

	<b>2025</b>	
	<b>Less than one year</b>	<b>More than one year</b>
	\$	\$
Accounts payable and accrued liabilities	<b>404,700</b>	-
<b>Total</b>	<b>404,700</b>	-

  

	<b>2024</b>	
	<b>Less than one year</b>	<b>More than one year</b>
	\$	\$
Accounts payable and accrued liabilities	566,669	-
<b>Total</b>	<b>566,669</b>	-

*Fair Value*

Financial instruments that are not measured at fair value at the statement of financial position date consist of cash and cash equivalents, other receivables, accounts payable and accrued liabilities. The fair values of cash and cash equivalents, other receivables, accounts payable and accrued liabilities (except tax payable, salaries payable, vacations payable and deductions at source payable), approximate their carrying values due to their short-term nature.

The fair value hierarchy has the following levels:

- Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2: Inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3: Inputs for assets or liabilities that are not based on observable market data.

There were no transfers between levels during the years ended December 31, 2025 and 2024.

# Brunswick Exploration Inc.

## Notes to Financial Statements

For the years ended December 31, 2025 and 2024 (in Canadian dollars)

### 18. CAPITAL MANAGEMENT POLICIES AND PROCEDURES

The Company's capital management objectives are to ensure its ability to continue as a going concern, to increase the value of the assets of the business, and to provide an adequate return to its shareholders. These objectives will be achieved by identifying the right exploration projects, adding value to these projects and ultimately taking them through to production or sale and cash flow, with or without partners. BRW monitors capital on the basis of the carrying amount of its equity. Capital for the reporting year is summarized in the statement of changes in equity.

The Company is not exposed to any externally imposed capital requirements, except when BRW issues flow-through shares for which an amount should be used for exploration work. See Note 20 for more information related to this.

The Company finances its exploration and evaluation activities principally by raising additional capital through share capital issuance or public offerings. When financing conditions are not optimal, BRW may enter into option agreements or use other solutions to continue its activities, or it may slow down its activities until conditions improve.

### 19. SUPPLEMENTAL DISCLOSURE – STATEMENTS OF CASH FLOW

Changes in non-cash working capital items:	For the year ended December 31,	
	2025	2024
	\$	\$
Sales taxes and other receivables	27,999	54,493
Prepaid expenses and deposits	8,503	(39,400)
Accounts payable and accrued liabilities	(16,640)	(125,861)
	19,862	(110,768)

Other information not otherwise disclosed:	For the year ended December 31,	
	2025	2024
	\$	\$
Exploration and evaluation asset expenditures included in trade and other payables:		
Beginning of year	285,013	379,263
End of year	211,292	285,013
Share issue costs included in trade and other payables:		
Beginning of year	87,586	-
End of year	39,360	87,586

### 20. COMMITMENTS AND CONTINGENCIES

#### Flow-through shares

The Company is partially financed through the issuance of flow-through shares, and accordingly, BRW is engaged to complete mining exploration activities. These tax rules also set deadlines for carrying out the exploration work no later than the first of the following dates:

- Two years following the flow-through placements;
- One year after the Company has renounced the tax deductions relating to the exploration work.

In December 2024, the Company received \$4,809,370 following the issuance of flow-through shares for which BRW renounced tax deductions as at December 31, 2024. As at December 31, 2025, this commitment was completed.

In December 2025, the Company received \$2,121,542 following the issuance of flow-through shares for which BRW will renounce tax deductions as at December 31, 2025. As at December 31, 2025, \$2,121,542 remains to be incurred by December 31, 2026.

# **Brunswick Exploration Inc.**

## **Notes to Financial Statements**

**For the years ended December 31, 2025 and 2024 (in Canadian dollars)**

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### **21. SUBSEQUENT EVENT**

On February 25, 2026, announced a non-brokered private placement (the “2026 Offering”) for the sale of up to 16,000,000 units of the Company (a “2026 Unit”) at a price of \$0.25 per 2026 Unit for gross proceeds of up to \$4,000,000.

Each 2026 Unit will consist of one Common Share and one half of one Warrant. Each Warrant will entitle the holder thereof to purchase one Common Share at a price of \$0.35 at any time for a period of 36 months following the closing date of the 2026 Offering.