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**Railtown Capital Corp.**  
**(a capital pool company)**

Condensed Interim Financial Statements  
Amended and Restated

For the Three and Nine Months Ended August 31, 2025 and 2024  
(Unaudited - expressed in Canadian Dollars)

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**Railtown Capital Corp.**  
**Condensed Interim Statements of Financial Position**

As at August 31, 2025 and November 30, 2024

(Unaudited - expressed in Canadian dollars)

	August 31, 2025	November 30, 2024 (Audited)
	\$	\$
<b>Assets</b>		
<b>Current</b>		
Cash and cash equivalents (Note 4)	1,230,534	1,256,380
Prepaid expenses	3,337	1,983
<b>Total assets</b>	<b>1,233,871</b>	<b>1,258,363</b>
<b>Liabilities</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	33,739	27,994
<b>Shareholders' equity</b>		
Share capital (Note 5)	1,557,509	1,557,509
Contributed surplus (Note 5)	374,389	374,389
Deficit	(731,766)	(701,529)
	1,200,132	1,230,369
<b>Total liabilities and shareholders' equity</b>	<b>1,233,871</b>	<b>1,258,363</b>

Nature of operations – Note 1

Subsequent events – Note 4 and 9

**APPROVED BY THE DIRECTORS**

\_\_\_\_\_  
"Christopher Taylor" Director

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"Claudia Tornquist" Director

## Railtown Capital Corp.

### Condensed Interim Statements of (Loss) Income and Comprehensive (Loss) Income

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

(Unaudited - expressed in Canadian dollars)

	Three months ended		Nine months ended	
	2025	August 31, 2024	2025	August 31, 2024
	\$	\$	\$	\$
<b>Expenses</b>				
Filing fees	2,786	2,585	10,398	12,873
General office and administration	112	-	773	240
Interest and bank charges	206	218	624	801
Professional fees	25,122	6,684	43,258	37,314
Share-based compensation (Note 5 and 6)	-	-	-	241,344
<b>Loss before other income</b>	<b>(28,226)</b>	<b>(9,487)</b>	<b>(55,053)</b>	<b>(292,572)</b>
<b>Other income</b>				
Interest income (Note 4)	7,799	12,606	24,816	31,705
<b>(Loss) income and comprehensive (loss) income for the period</b>	<b>(20,427)</b>	<b>3,119</b>	<b>(30,237)</b>	<b>(260,867)</b>
<b>(Loss) earnings per share</b>				
Basic and diluted	(0.00)	0.00	(0.00)	(0.01)
<b>Weighted average number of shares outstanding</b>				
Basic	19,500,000	19,500,000	19,500,000	19,500,000
Diluted	19,500,000	20,863,107	19,500,000	19,500,000

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

**Railtown Capital Corp.**  
**Condensed Interim Statements of Cash Flows**  
For the Nine Months Ended August 31, 2025 and 2024  
(Unaudited - expressed in Canadian dollars)

	August 31, 2025	August 31, 2024
	\$	\$
<b>Cash (used in) provided by:</b>		
<b>Operating activities</b>		
Loss for the period	(30,237)	(260,867)
Items not involving cash:		
Share-based compensation (Note 5)	-	241,344
Change in non-cash working capital items:		
Accounts payable and accrued liabilities	5,745	(26,775)
Prepaid expenses	(1,354)	(1,960)
<b>Net cash used in operating activities</b>	<b>(25,846)</b>	<b>(48,258)</b>
<b>Decrease in cash and cash equivalents</b>	<b>(25,846)</b>	<b>(48,258)</b>
<b>Cash and cash equivalents - beginning of period</b>	<b>1,256,380</b>	<b>1,295,068</b>
<b>Cash and cash equivalents - end of period</b>	<b>1,230,534</b>	<b>1,246,810</b>

## Railtown Capital Corp.

### Condensed Interim Statements of Changes in Shareholders' Equity

For the Nine Months Ended August 31, 2025 and 2024

(Unaudited - expressed in Canadian dollars)

	Number of common shares	Share capital	Contributed surplus	Accumulated deficit	Total
	#	\$	\$	\$	\$
<b>Balance, November 30, 2023</b>	19,500,000	1,557,509	133,045	(431,532)	1,259,022
Share-based compensation (Note 5)	-	-	241,344	-	241,344
Loss for the period	-	-	-	(260,867)	(260,867)
<b>Balance, August 31, 2024</b>	<b>19,500,000</b>	<b>1,557,509</b>	<b>374,389</b>	<b>(692,399)</b>	<b>1,239,499</b>
Loss for the period	-	-	-	(9,130)	(9,130)
<b>Balance, November 30, 2024</b>	19,500,000	1,557,509	374,389	(701,529)	1,230,369
Loss for the period	-	-	-	(30,237)	(30,237)
<b>Balance, August 31, 2025</b>	<b>19,500,000</b>	<b>1,557,509</b>	<b>374,389</b>	<b>(731,766)</b>	<b>1,200,132</b>

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

# **Railtown Capital Corp.**

## **Notes to the Condensed Interim Financial Statements**

For the Nine Months Ended August 31, 2025 and 2024  
(Unaudited - expressed in Canadian dollars)

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### **1. Nature of operations**

Railtown Capital Corp. (the "Company") was incorporated pursuant to the provisions of the Business Corporations Act of British Columbia on June 22, 2020. The Company listed on the TSX Venture Exchange ("TSXV") and classified as a capital pool company as defined by TSXV Policy 2.4 ("Policy 2.4"). The Company's objective is to complete a Qualifying Transaction ("QT") as defined under Policy 2.4 by identifying and evaluating potential business acquisitions and to subsequently negotiate acquisition or participation agreements subject to regulatory and shareholder approvals. The shares in the Company were listed on the TSXV on February 1, 2021 under the trading symbol "RLT.P".

These condensed interim financial statements have been prepared on a going concern basis, which assumes that the Company will be able to meet its obligations and continue its operations for the next twelve months. As at August 31, 2025, the Company had a deficit of \$731,766 (November 30, 2024 - \$701,529) and working capital of \$1,200,132 (November 30, 2024 - \$1,230,369). The Company estimates it has sufficient funds to continue operations for the next twelve months.

The Company's corporate office is located at Suite 2200 - 885 West Georgia Street, Vancouver, BC V6C 3E8.

### **2. Basis of preparation**

#### **Statement of compliance**

These condensed interim financial statements have been presented in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), effective for the Company's reporting for the period ended August 31, 2025, including IAS 34, *Interim Financial Reporting*. These condensed interim financial statements do not include all disclosures required for annual financial statements. Accordingly, they should be read in conjunction with the Company's audited financial statements for the year ended November 30, 2024.

#### **Basis of measurement and functional currency**

These condensed interim financial statements have been prepared on a historical cost basis. In addition, the condensed interim financial statements have been prepared using the accrual basis of accounting except for cash flow disclosure. These condensed interim financial statements are presented in Canadian dollars, which is also the functional currency of the Company.

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

These condensed interim financial statements have been amended and restated to include professional fees of \$18,729 incurred during the three and nine months ended August 31, 2025 for the Transaction (Note 9).

These condensed interim financial statements were approved by the Board of Directors on November 21, 2025.

### **3. Material accounting policy information**

These condensed interim financial statements have been prepared on a basis consistent with the material accounting policies, accounting estimates and judgments disclosed in the annual financial statements for the year ended November 30, 2024.

### **4. Cash and cash equivalents**

As at August 31, 2025, cash and cash equivalents included \$1,100,000 (November 30, 2024 - \$1,100,000) invested in a 90-day guaranteed investment certificate ("GIC"). The GIC matured on October 10, 2025 and accrued interest at 2.40% per annum.

**Railtown Capital Corp.**  
**Notes to the Condensed Interim Financial Statements**  
For the Nine Months Ended August 31, 2025 and 2024  
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During the three and nine months ended August 31, 2025, the Company earned GIC interest income of \$7,197 and \$22,854 (2024 - \$11,927 and \$29,821) and interest income of \$602 and \$1,962 (2024 - \$679 and \$1,884) through its savings account included in other income on the condensed interim statements of (loss) income and comprehensive (loss) income.

Subsequent to August 31, 2025, the GIC matured and the Company re-invested \$1,000,000 in a 60-day GIC.

**5. Share capital**

**a) Authorized:** Unlimited common shares without par value.

**b) Shares issued**

Common shares: 19,500,000 (November 30, 2024 – 19,500,000).

During the nine months ended August 31, 2025, the Company did not issue any shares.

During the year ended November 30, 2024, the Company did not issue any shares.

**c) Escrowed shares and options**

On January 28, 2021, the Company entered into an Escrow Agreement (the "Escrow Agreement") in accordance with Policy 2.4, with certain shareholders and 5,560,000 common shares and 1,300,000 stock options were placed in escrow.

Pursuant to the non-brokered private placement completed during the year ended November 30, 2023, 100,000 common shares were placed in escrow.

During the year ended November 30, 2024, the Company granted 600,000 stock options to certain directors and an officer of the Company. The 600,000 stock options were placed in escrow.

During the nine months ended August 31, 2025, 625,000 stock options granted to former directors of the Company expired unexercised and were removed from escrow.

Subject to Policy 2.4, the escrowed common shares and stock options will be released from escrow as follows: 25% on the completion of Qualifying Transaction, and 25% on each of the dates 6 months, 12 months and 18 months following the initial release.

As at August 31, 2025, 5,660,000 (November 30, 2024 – 5,660,000) common shares and 1,275,000 (November 30, 2024 – 1,900,000) stock options were held in escrow.

**d) Stock options**

The Company adopted a stock option plan whereby the Company may grant options with a maximum term of ten years, for up to 10% of the Company's issued and outstanding common shares, to directors, officers, employees and consultants at exercise prices to be determined by the market value on the date of grant. The number of common shares reserved for issuance to any individual director or officer will not exceed 5% of the issued and outstanding common shares, and the number of common shares reserved for issuance to all technical consultants will not exceed 2% of the issued and outstanding common shares. Incentive stock options issued have an immediate vesting term, unless vesting is imposed by the Company's board of directors.

During the nine months ended August 31, 2025, the Company did not grant any stock options.

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

- Granted 600,000 stock options to certain directors and an officer of the Company. Each stock option entitles the holder to purchase one common share of the Company at an exercise price of \$0.53 per share for a 10-year period. The stock options vested immediately. The weighted average fair value per option was \$0.40. The fair value of the options was estimated using the Black-Scholes option pricing model with the following assumptions on the grant date of the options: risk-free rate – 3.52%; stock price - \$0.53; expected life – 5 years; volatility – 100%; dividend rate – 0%; and forfeiture rate – 0%.

During the three and nine months ended August 31, 2025, the Company recorded share-based compensation expense of \$nil and \$nil (2024 - \$nil and \$241,344).

The Company's stock options outstanding as at August 31, 2025 and November 30, 2024 and the changes for the periods then ended are as follows:

	Number of options	Weighted average exercise price
	#	\$
<b>Balance as at November 30, 2023</b>	1,300,000	0.10
Granted	600,000	0.53
<b>Balance as at November 30, 2024</b>	1,900,000	0.24
Expired	(625,000)	0.10
<b>Balance as at August 31, 2025</b>	1,275,000	0.30

The following table summarizes information about the share options as at August 31, 2025:

Exercise price	Number of options outstanding	Weighted average remaining life (years)	Number of options exercisable <sup>1</sup>	Expiry date
\$0.10	675,000	5.41	-	January 28, 2031
\$0.53	600,000	8.51	-	March 3, 2034

The following table summarizes information about the share options as at November 30, 2024:

Exercise price	Number of options outstanding	Weighted average remaining life (years)	Number of options exercisable <sup>1</sup>	Expiry date
\$0.10	1,300,000	6.16	-	January 28, 2031
\$0.53	600,000	9.26	-	March 3, 2034

<sup>1</sup>The options outstanding as at August 31, 2025 and November 30, 2024 are vested, however, they are held in escrow and therefore not exercisable as at August 31, 2025 and November 30, 2024.

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**Notes to the Condensed Interim Financial Statements**  
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**e) Warrants**

The Company's warrants outstanding as at August 31, 2025 and November 30, 2024 and the changes for the periods then ended are as follows:

	Number of warrants	Weighted average exercise price
	#	\$
<b>Balance as at November 30, 2023</b>	500,000	0.10
Issued	-	-
<b>Balance as at August 31, 2025 and November 30, 2024</b>	500,000	0.10

The following table summarizes information about the warrants as at August 31, 2025:

Exercise price	Number of warrants outstanding	Weighted average remaining life (years)	Expiry date
\$0.10	500,000	0.41	January 28, 2026

The following table summarizes information about the warrants as at November 30, 2024:

Exercise price	Number of warrants outstanding	Weighted average remaining life (years)	Expiry date
\$0.10	500,000	1.16	January 28, 2026

**6. Related party transactions**

The Company's related parties consist of key management, which includes the Company's directors and officers, and any companies associated with them.

During the three and nine months ended August 31, 2025, the Company did not enter into any transactions with related parties.

During the nine months ended August 31, 2024, the Company granted a total of 600,000 stock options to certain directors and an officer of the Company. The stock options are exercisable for up to 10 years at a price of \$0.53 per share. During the three and nine months ended August 31, 2024, the Company recorded share-based compensation of \$nil and \$241,344 as a result of the grant of the options.

During the three and nine months ended August 31, 2025 and 2024, no compensation was paid or payable to key management for employee services.

As at August 31, 2025, the Company had \$nil (November 30, 2024 - \$1,575) owing to related parties for the reimbursement of expenses.

**7. Financial instruments and risk management**

**Classification of financial instruments**

The Company's financial instruments consist of cash and cash equivalents and accounts payable and accrued liabilities. These financial instruments are classified as financial assets and liabilities at amortized cost and are reported at amortized cost.

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*(Unaudited - expressed in Canadian dollars)*

The classification of the financial instruments as well as their carrying values as at August 31, 2025 is shown in the table below.

<b>At August 31, 2025</b>	<b>Assets – Amortized cost</b>	<b>Liabilities – Amortized cost</b>	<b>Total</b>
	\$	\$	\$
<b>Financial assets</b>			
Cash and cash equivalents	1,230,534	-	1,230,534
Total financial assets	1,230,534	-	1,230,534
<b>Financial liabilities</b>			
Accounts payable and accrued liabilities	-	33,739	33,739
Total financial liabilities	-	33,739	33,739

The classification of the financial instruments as well as their carrying values as at November 30, 2024 is shown in the table below.

<b>At November 30, 2024</b>	<b>Assets – Amortized cost</b>	<b>Liabilities – Amortized cost</b>	<b>Total</b>
	\$	\$	\$
<b>Financial assets</b>			
Cash and cash equivalents	1,256,380	-	1,256,380
Total financial assets	1,256,380	-	1,256,380
<b>Financial liabilities</b>			
Accounts payable and accrued liabilities	-	27,994	27,994
Total financial liabilities	-	27,994	27,994

Note that the fair values approximate the carrying values due to their short-term nature.

**Financial and capital risk management**

The Company examines the various financial instruments and risks to which it is exposed and assesses the impact and likelihood of those risks. Where material, these risks are reviewed and monitored by the Board of Directors.

The Board of Directors has overall responsibility for the determination of the Company's risk management objectives and policies. The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility.

Discussions of risks associated with financial assets and liabilities are detailed below:

**Credit risk**

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. Credit risk arises from cash and cash equivalents held with banks and financial institutions. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The Company considers credit risk with respect to its cash and cash equivalents to be immaterial as cash and cash equivalents are held through a high credit quality major Canadian financial institution as determined by ratings agencies.

**Liquidity risk**

Liquidity risk is the risk that the Company is not able to meet its financial obligations as they become due. The Company manages its liquidity risk by continuously monitoring forecasted and actual cash flows, as well as anticipated investing and financing activities. Accounts payable and accrued liabilities have contractual maturities of 30 days or are due on demand, and are subject to normal trade terms. As at August 31, 2025, the Company had working capital of \$1,200,132.

# **Railtown Capital Corp.**

## **Notes to the Condensed Interim Financial Statements**

For the Nine Months Ended August 31, 2025 and 2024  
(Unaudited - expressed in Canadian dollars)

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### **Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. The Company's exposure to and management of market risk has not changed materially from that of the year ended November 30, 2024.

- **Interest rate risk**  
Interest rate risk is the risk that the future cash flows or fair value of a financial instrument will fluctuate because of changes in market interest rates. The Company believes it is not exposed to material interest rate risk as the Company's cash and cash equivalents is earning interest at market rates, and the Company has no interest bearing financial liabilities.
- **Currency risk**  
Currency risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in foreign exchange rates. The Company's functional currency is the Canadian dollar and major transactions are transacted in Canadian dollars. As a result, the Company believes it is not exposed to material currency risk.
- **Other price risk**  
Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer by factors affecting all similar financial instruments traded in the market. The Company believes it is not exposed to material other price risk.

### **8. Management of capital**

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern. In the management of capital, the Company includes its components of shareholders' equity.

The capital structure of the Company consists of equity attributable to common shareholders, comprised of issued capital and deficit. The Company maintains and adjusts its capital structure based on changes in economic conditions and the Company's planned requirements. The Company may adjust its capital structure by issuing new equity, issuing new debt, or acquiring or disposing of assets, and controlling the capital expenditures program. The Company does not have a source of revenue. As such, the Company is dependent on external financing to fund its activities. In order to pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed.

Management reviews its capital management policies on an ongoing basis. The Company is not subject to any externally imposed capital requirements.

### **9. Subsequent events**

On September 2, 2025, the Company signed a letter of intent (the "LOI") with Tiernan Gold Corp. ("Tiernan"), an arm's length private company incorporated under the laws of British Columbia, to effect a transaction that would result in a reverse takeover of Railtown by Tiernan.

On October 6, 2025, the Company entered into a definitive business combination agreement (the "Definitive Agreement"), which sets out the terms and conditions of a three-cornered amalgamation that will result in Railtown acquiring all of the issued and outstanding common shares of Tiernan (the "Tiernan Shares") in exchange for common shares of the Company and will result in a reverse takeover of Railtown by Tiernan (the "Transaction"). The Company intends to complete the Transaction to constitute a Qualifying Transaction in accordance with Policy 2.4 of the TSXV. Pursuant to the Transaction, the Company incorporated a wholly owned subsidiary, 1559261 B.C. Ltd. on October 2, 2025.

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Tiernan has entered into an engagement letter dated October 6, 2025 with Canaccord Genuity Corp. ("Canaccord") whereby Canaccord has agreed to act as co-lead agent on its own behalf and on behalf of BMO Capital Markets and a syndicate of agents including Raymond James Ltd. and Haywood Securities Inc. (collectively, the "Agents") with respect to a proposed brokered best-efforts private placement (the "Financing") of subscription receipts of Tiernan (the "Tiernan Subscription Receipts"). The Financing is expected to be completed in connection with the Transaction.

On November 7, 2025, the Company entered into an amended and restated definitive business combination agreement (the "Amended and Restated Definitive Agreement"). The Amended and Restated Definitive Agreement reflects among others, changes to: (a) the terms of the concurrent private placement financing; (b) the ratios in connection with the consolidations of the Tiernan Shares and the common shares of Railtown to be carried out prior to the completion of Transaction. As a result, it is anticipated that the Company will complete a consolidation of its common shares prior to completion of the Transaction (the "Railtown Consolidation") on the basis of one post consolidation share for every 7.0916667 pre-consolidation common shares.

On November 18, 2025, Tiernan announced the closing of the Financing. Tiernan issued 8,000,000 Tiernan Subscription Receipts for gross proceeds of \$40,000,000. In addition, Tiernan issued 3,670,200 Tiernan Subscription Receipts through a secondary offering of Tiernan common shares.

As consideration for the acquisition of all of the outstanding common shares of Tiernan, the Company will issue one post-consolidation common share of the Company for every common share of Tiernan. The closing of the Transaction will be conditional upon: (i) approval from the TSXV; and (ii) such other conditions that are customary for this type of transaction.

Subsequent to August 31, 2025, 26,880 warrants were exercised for gross proceeds of \$2,688.