STLLR Gold Inc.

Consolidated Financial Statements

For the years ended December 31, 2025 and 2024

Presented in thousands of Canadian dollars

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The accompanying consolidated financial statements of STLLR Gold Inc. ("STLLR") were prepared by management in accordance with IFRS® Accounting Standards ("IFRS") as issued by the International Accounting Standards Board. Management acknowledges responsibility for the preparation and presentation of the consolidated financial statements, including responsibility for significant accounting judgments and estimates and the choice of accounting principles and methods that are appropriate to STLLR's circumstances. STLLR's material accounting policies are summarized in Note 3 of the consolidated financial statements.

Management has established processes, which are in place to provide it sufficient knowledge to support management representations that it has exercised reasonable diligence that (i) the consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of, and for the periods presented by, the consolidated financial statements and (ii) the consolidated financial statements fairly present in all material respects the financial condition, results of operations and cash flows of STLLR, as of the date of, and for the period presented by the consolidated financial statements.

The Board of Directors is responsible for reviewing and approving the consolidated financial statements and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the internal controls over the financial reporting process, the financial statements and the auditors' report. The Audit Committee also reviews STLLR's Management's Discussion & Analysis to ensure that the financial information reported therein is consistent with the information presented in the consolidated financial statements. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the consolidated financial statements for issuance to the shareholders.

Management recognizes its responsibility for conducting STLLR's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

(signed) "Salvatore Curcio"
Salvatore Curcio
Chief Financial Officer

(signed) "Keyvan Salehi"
Keyvan Salehi
President & CEO

February 26, 2026
Toronto, Canada

To the Shareholders of STLLR Gold Inc.:

Opinion

We have audited the consolidated financial statements of STLLR Gold Inc. and its subsidiaries (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2025 and December 31, 2024, and the consolidated statements of net loss and comprehensive loss, changes in shareholders' equity and cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information.

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

Basis for Opinion

We conducted our audits 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 Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audits of the consolidated 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 in the consolidated financial statements, which indicates that the Company is subject to significant risks and challenges similar to companies in a comparable stage of exploration and development and the Company will have to raise additional funds in order to continue its exploration and development efforts and there can be no assurance that it will be able to do so. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on 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 consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated 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.

Other Information

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

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audits of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audits 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. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

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

In preparing the consolidated 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 Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 consolidated 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Company as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

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

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 consolidated 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 Brock Stroud.

MNP LLP

Toronto, Ontario
February 26, 2026

Chartered Professional Accountants
Licensed Public Accountants

STLLR GOLD INC.
Consolidated Statements of Financial Position
(Presented in thousands of Canadian dollars)

As at	Notes	December 31, 2025 $	December 31, 2024 $
ASSETS			
Current			
Cash and equivalents		**34,378**	32,314
Short term investments	**19**	**7,000**	-
Marketable securities	**5**	**350**	-
Receivables	**20**	**629**	232
Prepaid expenses and supplies		**1,186**	1,108
Total current assets		**43,543**	33,654
Non-current			
Restricted cash	**6, 20**	**5,429**	5,359
Reclamation deposits	**7**	**192**	192
Property, plant and equipment	**8**	**2,130**	954
Exploration and evaluation assets	**9,10**	**88,250**	88,814
Total non-current assets		**96,001**	95,319
TOTAL ASSETS		**139,544**	128,973
LIABILITIES			
Current			
Accounts payable and accrued liabilities	**17, 19, 20**	**3,053**	2,372
Deferred premium on flow-through shares	**13**	**2,273**	3,145
Lease liabilities	**15**	**216**	-
Total current liabilities		**5,542**	5,517
Non-current			
Reclamation provisions	**11**	**2,334**	2,211
Provision for service obligation	**12, 20**	**2,617**	2,719
Lease liabilities	**15**	**979**	-
Total non-current liabilities		**5,930**	4,930
TOTAL LIABILITIES		**11,472**	10,447
SHAREHOLDERS' EQUITY			
Capital stock	**13**	**269,823**	236,837
Contributed surplus	**13**	**19,091**	16,918
Accumulated deficit		**(160,842)**	(135,229)
Total shareholders' equity		**128,072**	118,526
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**139,544**	128,973

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

Nature of operations and going concern	**1**
Subsequent events	**21**

On behalf of the Board:

(signed) "Josef Vejvoda"
Josef Vejvoda
Director

(signed) "Morris Prychidny"
Morris Prychidny
Director

STLLR GOLD INC.
Consolidated Statements of Net Loss & Comprehensive Loss
(Presented in thousands of Canadian dollars, except per share amounts)

	Notes	Year ended December 31, 2025 $	2024 $
OPERATING EXPENSES			
Exploration and evaluation expenditures	**9**	**19,787**	17,658
General & administration			
Wages, benefits, director fees	**17**	**3,904**	3,841
Office & administration		**978**	1,060
Professional & consulting fees		**935**	794
Regulatory		**649**	494
Marketing & investor relations		**565**	630
Share based compensation	**13, 17**	**2,823**	3,589
Amortization and depreciation		**294**	153
Accretion expense		**-**	116
Loss from operational activities		**29,935**	28,335
OTHER ITEMS			
Deferred premium on flow-through shares	**13**	**(3,145)**	(6,102)
Interest expense	**15**	**65**	-
Interest income		**(1,001)**	(1,091)
Other income		**(354)**	(223)
Gain on marketable securities	**5**	**(300)**	-
Loss on sale of exploration & evaluation asset	**9**	**413**	-
Loss on debt settlement		**-**	65
Loss before income taxes		**25,613**	20,984
Net loss and comprehensive loss for the year		**25,613**	20,984
Basic and diluted loss per share (in dollars)	**16**	**$0.20**	$0.21
Weighted average outstanding shares	**16**	**129,763,163**	100,834,162

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

STLLR GOLD INC.

Consolidated Statement of changes in Shareholders' Equity

(Presented in thousands of Canadian dollars, except per share amounts)

	Notes	Capital Stock Shares	Capital Stock $	Contributed Surplus	Accumulated Deficit	Shareholders' Equity
Balance as at December 31, 2023		**61,012,054**	**$ 162,874**	**$ 11,125**	**$ (114,245)**	**$ 59,754**
Asset acquisition of Nighthawk	**10**	31,538,239	39,738	-	-	**39,738**
Shares issued - asset acquisition cost of Nighthawk	**10**	968,500	1,250	-	-	**1,250**
Replacement Options - acquisition of Nighthawk	**10**	-	-	1,340	-	**1,340**
Shares issued to settle accounts payable	**13**	1,301,438	1,565	-	-	**1,565**
Share issuance on subcription receipt financing	**13**	8,029,412	13,000	-	-	**13,000**
Fair value of warrants	**13**	-	(1,257)	1,257	-	**-**
Share issuance costs - cash	**13**	-	(1,056)	-	-	**(1,056)**
Issuance of shares	**13**	610,371	1,219	(1,219)	-	**-**
Share issuance on prospectus financing	**13**	20,478,860	25,672	-	-	**25,672**
Deferred premium on flow-through shares	**13**	-	(3,145)	-	-	**(3,145)**
Share issuance costs	**13**	-	(2,197)	-	-	**(2,197)**
Fair value of warrants	**13**	-	(738)	738	-	**-**
Fair value of broker warrants	**13**	-	(88)	88	-	**-**
Share based compensation	**13, 17**	-	-	3,589	-	**3,589**
Loss and comprehensive loss		-	-	-	(20,984)	**(20,984)**
Balance as at December 31, 2024		**123,938,874**	**$ 236,837**	**$ 16,918**	**$ (135,229)**	**$ 118,526**
Issuance of shares	**13**	267,914	537	(537)	-	**-**
Share issuance on private placements	**13**	26,829,026	36,614	-	-	**36,614**
Deferred premium on flow-through shares	**13**	-	(2,273)	-	-	**(2,273)**
Share issuance costs	**13**	-	(2,408)	-	-	**(2,408)**
Share issuance on exercise of options	**13**	162,666	172	-	-	**172**
Fair value of options exercised	**13**	-	102	(102)	-	**-**
Share issuance on exercise of warrants	**13**	150,000	231	-	-	**231**
Fair value of warrants exercised	**13**	-	11	(11)	-	**-**
Share based compensation	**13, 17**	-	-	2,823	-	**2,823**
Loss and comprehensive loss		-	-	-	(25,613)	**(25,613)**
Balance as at December 31, 2025		**151,348,480**	**$ 269,823**	**$ 19,091**	**$ (160,842)**	**$ 128,072**

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

STLLR GOLD INC.
Consolidated Statements of Cash Flows
(Presented in thousands of Canadian dollars)

For the year ended December 31,	Notes	2025 $	2024 $
Cash flows from operating activities			
Net loss and comprehensive loss for the year		**(25,613)**	(20,984)
Adjustments for non-cash items:			
Share based compensation	**13, 17**	**2,823**	3,589
Amortization and depreciation	**8**	**294**	153
Accretion expense and change in reclamation provision estimate	**11**	**123**	146
Interest expense on lease liabilities	**15**	**65**	-
Gain on marketable securities	**5**	**(300)**	-
Loss on sale of exploration & evaluation asset	**9**	**413**	-
Loss on debt settlement		**-**	65
Deferred premium on flow-through shares	**13**	**(3,145)**	(6,102)
Operating cash flows before movements in working capital		**(25,340)**	(23,133)
Changes in non-cash working capital items:			
(Increase) decrease in receivables		**(397)**	542
(Increase) decrease in prepaid expenses and supplies		**(78)**	585
Increase (decrease) in accounts payable and accrued liabilities		**681**	(2,755)
Total cash used in operating activities		**(25,134)**	(24,761)
Investing activities			
Acquisition of property, plant and equipment	**8**	**(181)**	(115)
Acquisition of Nighthawk	**10, 13**	**-**	22,479
Purchase of short term investments	**19**	**(7,000)**	-
Restricted cash	**6**	**(70)**	(330)
Acquisition of exploration and evaluation assets	**9**	**(149)**	(32)
Proceeds from sale of exploration and evaluation asset	**9**	**250**	-
Reduction in provision for service obligation	**12**	**(102)**	(294)
Total cash (used in) provided from investing activities		**(7,252)**	21,708
Financing activities			
Exercise of stock options	**13**	**172**	-
Exercise of warrants	**13**	**231**	-
Payment on lease liabilities	**15**	**(159)**	-
Common shares issued, net of issue costs		**34,206**	23,315
Cash provided from financing activities		**34,450**	23,315
Net increase in cash and equivalents		**2,064**	20,262
Cash and equivalents, beginning of year		**32,314**	12,052
Cash and equivalents, end of year		**34,378**	32,314

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

Supplemental disclosure		$	$
Shares issued to acquire Nighthawk	**10**	**-**	39,738
Shares issued - asset acquisition cost of Nighthawk	**10**	**-**	1,250
Shares issued to settle accounts payable	**13**	**-**	1,565
Options issued to acquire Nighthawk	**10, 13**	**-**	1,340
Total		**-**	43,893

1. Nature of operations and going concern

Nature of operations

STLLR Gold Inc. ("STLLR" or the "Company") is a public Company listed on the Toronto Stock Exchange (TSX: STLR) (OTCQX: STLRF) (FSE: O9D) and incorporated under the laws of the Province of Ontario on October 14, 1910. STLLR Gold Inc. is referred to in this document, as "STLLR.". STLLR is a mineral resource exploration and development Company actively advancing high-potential gold projects on its land package in the Timmins Camp in Timmins, Ontario (Canada) and in the Northwest Territories (Canada). The Company's head office is Suite 2410, 161 Bay St., Toronto, Ontario, M5J 2S1. STLLR, a former gold producer, is currently an exploration and development stage Company and has no properties in current production and no production revenues at the present time.

The Company announced on November 28, 2023, that it had entered into an arm's length arrangement agreement for an at-market merger (the "Arrangement") whereby the Company agreed to acquire all the issued and outstanding common shares of Nighthawk Gold Corp. ("Nighthawk" or "the Company's subsidiary") in exchange for common shares of the Company, by way of a plan of arrangement. Pursuant to the terms of the arrangement agreement, Nighthawk Shareholders received 0.21 shares of the Company. The Arrangement was approved by the Shareholders of the Company and Nighthawk Shareholders on January 29, 2024, and closed on February 6, 2024.

As a result of the Arrangement, Nighthawk became a wholly owned subsidiary of STLLR, and the Nighthawk shares were delisted from the Toronto Stock Exchange at market close on February 8, 2024 (See Note 10 for more details). These financial statements have consolidated the activities of Nighthawk from February 6, 2024 (the date of acquisition).

Going concern

These consolidated financial statements, including comparatives, have been prepared using IFRS® Accounting Standards ("IFRS") applicable to a going concern organization. Continuity of operations and realization of assets and settlement of liabilities in the normal course of business for the foreseeable future is assumed, at least, but not limited to, one year from December 31, 2025. The Company is subject to risks and challenges similar to companies in a comparable stage of exploration and development. As a result of these risks, there is material uncertainty that may raise significant doubt as to the Company's ability to continue as going concern. There is no assurance that the Company's funding initiatives will continue to be successful.

These consolidated financial statements do not reflect the adjustments that would be necessary if the going concern assumption was inappropriate. Adjustments to the carrying values of assets, liabilities, reported expenses and statements of financial position classifications could be material. To advance its exploration and development efforts, the Company will have to raise additional funds. While the Company has been successful in doing so in the past, there can be no assurance that it will be able to do so in the future.

2. Basis of preparation

Statement of compliance

These consolidated financial statements have been prepared in accordance with IFRS as issued by the international Accounting Standards Board ("IASB"). The Company operates in one segment defined as the cash generating unit which is Canada. These consolidated financial statements were approved by the Board of Directors (the "Board of Directors" or the "Board") of the Company on February 26, 2026.

Basis of measurement

These consolidated financial statements have been prepared under the historical cost convention.

The preparation of financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 4.

All amounts are expressed in thousands of Canadian dollars unless otherwise noted.

3. Material accounting policies

The consolidated financial statements have been prepared on a historical cost basis using the accounting policies as set out below:

a) Basis of presentation and consolidation

The consolidated financial statements incorporate the financial statements of the Company and its wholly owned subsidiaries: Nighthawk Gold Corp., Wounded Bull Resources Inc., 1001108570 Ontario Inc., 2025369 Ontario Inc., 1000308714 Ontario Inc. and 508825 Ontario Ltd. All the subsidiaries except for Nighthawk Gold Corp, 508825 Ontario Ltd., and 1001108570 Ontario Inc. are inactive with limited operations. The consolidated financial statements of subsidiaries are prepared for the same reporting periods as the Company, using consistent accounting policies. All Intercompany balances and transactions have been eliminated upon consolidation. The Company's and its subsidiaries' presentation currency and functional currency is the Canadian Dollar.

b) Foreign currency translation

Monetary assets and liabilities denominated in a foreign currency are translated to Canadian dollars at exchange rates in effect at the balance sheet date and non-monetary assets and liabilities are translated at rates of exchange in effect when the assets were acquired, or obligations incurred. Revenues and expenses are translated at rates in effect at the time of the transactions. Foreign exchange gains and losses are included in the consolidated statements of net loss and comprehensive loss, except for differences arising on the translation of available for sale equity instruments that are recorded in other accumulated comprehensive income.

c) Financial instruments

(i) Financial assets

Classification and measurement

The Company's business model and a financial instrument's contractual cash flows determine its classification and measurement in the consolidated financial statements. Upon initial recognition, each financial asset will be classified as follows:

Fair value through profit or loss (FVPL);
Amortized cost; or
Fair value through other comprehensive income (FVOCI).

Financial assets classified as amortized cost arise principally from the provision of goods and services to customers, but also incorporate other types of financial assets where the objective is to hold these assets to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest. They are initially recognized at fair value plus transaction costs that are directly attributable to their acquisition or issue and are subsequently carried at amortized cost using the effective interest rate method, less provision for impairment. Cash and equivalents, short term investments, receivables, restricted cash, and reclamation deposits are classified as amortized cost.

At December 31, 2025, the Company holds $350 of financial assets in the form of marketable securities (Note 5), which are classified as fair value through profit or loss (FVPL).

Impairment

IFRS 9 requires an expected credit loss ("ECL") impairment model for all financial assets measured at amortized cost. The ECL model results in an allowance for credit losses being recorded on financial assets regardless of whether there has been an actual impairment.

The ECL model requires the recognition of credit losses based on up to 12 months of expected losses for receivables (Stage 1) and the recognition of lifetime expected losses on receivables that have experienced a significant increase in credit risk since origination (Stage 2), and that is for which there is objective evidence of impairment at the reporting date (Stage 3). As of December 31, 2025, there was no ECL accrued.

Derecognition of financial assets
Financial assets are derecognized when the contractual rights to receive cash flows from the asset expire.

(ii) Financial liabilities

Classification and measurement
Financial liabilities are classified into one of two categories:

Fair value through profit or loss (FVPL); or
Other financial liabilities.

Other financial liabilities are non-derivative financial liabilities that are not classified as fair value through profit or loss. After initial recognition, such liabilities are measured at amortized cost using the effective interest rate method. Accounts payable and accrued liabilities are classified as other financial liabilities.

Determination of fair value
The fair value of a financial instrument on initial recognition is the transaction price, which is the fair value of the consideration given or received. After initial recognition, fair value is determined by management using available market information or other valuation methodologies.

The fair value of the financial instruments, noted above, all approximate their carrying amounts due to their short-term maturities.

d) Exploration and evaluation assets
Acquisition costs related to exploration properties are capitalized as exploration and evaluation assets at fair value at the time of purchase. The acquisition costs are written off when an exploration and evaluation asset is disposed of through sale or abandonment.

Exploration and evaluation expenditures incurred on exploration properties are expensed until such time that a future economic benefit is more likely to be realized than not by the establishment of ore resources. Exploration and evaluation expenditures incurred after the establishment of commercially viable and technically feasible gold resources on a property are to be capitalized as exploration and evaluation assets. Exploration and evaluation assets are not depreciated until the properties are in commercial production.

The Company assesses its exploration arrangements with other entities to determine if joint control, as defined in IFRS 11 – Joint Arrangements, exist over any of the Company's projects.

e) Impairment of long-lived assets
The carrying amounts of property, plant & equipment and exploration and evaluation assets are reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable. If there are indicators of impairment, an exercise is undertaken to determine whether the carrying values are in excess of their recoverable amount. Such review is undertaken on the basis of cash-generating units. The assessment requires the use of estimates and assumptions such as, but not limited to, long-term commodity prices, future capital requirements, resource estimates, and exploration potential. It is possible that the actual fair value could be significantly different from those assumptions, and changes in these assumptions will affect the recoverable amount of the exploration and evaluation assets.

f) Income taxes
Income taxes are recognized in net loss and comprehensive loss, except where they relate to items recognized in other comprehensive income or directly in capital stock, in which case the related taxes are recognized in comprehensive loss or capital stock. Deferred income taxes are calculated using the balance sheet liability method for unused tax losses, unused tax credits and temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

g) Share capital
Common shares issued by the Company are classified as capital stock. Incremental costs directly attributable to the issue of new common shares, such as share issue costs, are recognized under capital stock as a deduction from the share proceeds.

h) Flow-through shares

Under Canadian income tax legislation, the Company may issue flow through shares whereby the Company agrees to incur qualifying expenditures and renounce the related income tax deductions to the investors. The Company allocates the proceeds from the issuance between the offering of shares and the sale of tax benefits. The allocation is made based on the difference between the quoted price of the shares and the amount the investor pays for the shares. A temporary non-cash deferred flow through premium 'liability' is recognized on the consolidated statement of financial position. The liability is reversed upon renunciation of such qualifying expenditures to the flow through investors and reported as deferred premium on flow-through shares in the consolidated statements of net loss and comprehensive loss.

i) Share based payments

Stock options

The fair value of stock options granted to directors, officers, and employees is measured at grant date using the Black-Scholes valuation model using assumptions for risk-free interest rates, dividend yield, volatility factors of the expected market price of the Company's common shares, expected forfeitures and expected life of the options. The fair value of these share-based payments is recognized as a charge to the statements of net loss and comprehensive loss with a corresponding credit to shareholders' equity on the statement of financial position.

The fair value of stock options, subject to a vesting schedule, is measured using Black-Scholes and assumptions at the time of vesting. The applicable fair value of any stock options which are exercised are transferred from contributed surplus to capital stock.

Restricted share units

Restricted share units (RSUs) represent an entitlement to one common share of the Company, upon vesting the fair value of RSUs granted is recognized as an expense over the vesting period with a corresponding increase in contributed surplus.

Deferred share units

For the years ended December 31, 2025 and 2024, the Company issued Deferred share units (DSUs). The principal accounting relating policy for DSUs is outlined below.

DSUs represent an entitlement to one common share of the Company. Upon vesting, the fair value of DSUs granted is recognized as an expense over the vesting period. The expense is calculated over the vesting period with a corresponding increase in contributed surplus.

Purchase warrants and broker compensation options

Purchase warrants and broker compensation options are classified as capital stock and measured at fair value on the date of issue using the Black-Scholes option pricing model. Broker compensation options are classified as issuance costs and a deduction from capital stock and measured on the date of issue using the Black-Scholes option pricing model. The fair value of the purchase warrants and broker compensation options are not subsequently revalued.

j) Loss (earnings) per share

Basic loss (earnings) per share is computed by dividing net loss (earnings) available to common shareholders by the weighted average number of outstanding common shares for the period. In computing diluted loss (earnings) per share, an adjustment is made for the dilutive effect of the exercise of stock options, warrants, DSUs and RSUs. The number of additional shares is calculated by assuming that outstanding stock options, warrants, DSUs and RSUs are exercised and that the proceeds from such exercises were used to acquire common shares at the average market price during the reporting periods. In periods where a net loss is reported, all outstanding options, warrants, DSUs and RSUs are excluded from the calculation of diluted loss per share, as they are anti-dilutive.

k) Business combinations

Business combinations are accounted for using the acquisition method of accounting, whereby identifiable assets acquired, and liabilities assumed are recorded at fair market value as of the date of acquisition with the excess of the purchase price over such fair value recorded as goodwill. If a transaction does not meet the definition of a business combination as per IFRS standards, the transaction is recorded as an acquisition of an asset.

l) Related party transactions

A related party is a person or entity that is related to the Company; that has control or joint control over the Company; that has significant influence over the Company; or is a member of the key management personnel of the Company.

An entity is related to the Company if the entity and the reporting entity are members of the same group (which means that each parent, subsidiary, and fellow subsidiary is related to the others).

A related party transaction is a transfer of resources, services or obligations between the Company and a related party, regardless of whether a price is charged. All transactions with related parties are in the normal course of business and are measured at fair value.

m) Asset retirement obligations

An asset retirement obligation is recognized for the expected costs of reclamation at mineral properties where the Company is legally or contractually responsible for such costs. Asset retirement obligations arise from the Company's obligation to undertake site reclamation and remediation in connection with the exploration of mineral properties. The Company recognizes the estimated reclamation costs when environmental disturbance occurs but only when a reasonable estimate can be made. The asset retirement obligation includes reclamation provisions and provision for service obligation.

The asset retirement obligation recognized is estimated on the risk adjusted costs required to settle present obligations, discounted using a pre-tax risk-free discount rate consistent with the expected timing of expected cash flows. Changes in the estimated undiscounted cash flows and risk-free discount rate used in calculating the present value of the asset retirement obligation are offset to the reclamation cost previously recognized for the specific property. Actual reclamation expenditures incurred reduce the carrying value of the reclamation provision.

n) Property, plant, and equipment

Property, plant, and equipment ("PPE") are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset. Subsequent costs are included in the asset's carrying amount or recognized as separate assets, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost can be measured reliably. The carrying amount of a replaced asset is derecognized when replaced. Repairs and maintenance costs are charged to the consolidated statements of net loss & comprehensive loss during the year in which they are incurred. The major categories of PPE are depreciated using the straight-line method as follows:

Category	Number of years
Buildings	5-20
Vehicles	5
Equipment	3-5
Furniture	3-7
Right-of-use assets	4-15

o) Accounting pronouncements

The Company adopted various amendments to IFRS, which were effective for accounting periods beginning on or after January 1, 2025. The impact of adoption was not significant to the Company's consolidated financial statements. The Company is currently scoping the requirements for IFRS 18 which will impact certain presentation and disclosure within the financial statements and plans to implement by Q1 2027.

p) Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- The contract involves the use of an identified asset. This may be specific, explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;

- The Company has the right to obtain substantially all of the economic benefit from use of the asset throughout the period of use; and
- The Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used.

The Company recognizes a right-of-use asset and a lease liability at the earlier of lease commencement or occupancy date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

Where the Company is expected to exercise a purchase option the right-of-use asset is depreciated using the straight-line method over the useful life of the asset, otherwise it is depreciated to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of the right-of-use assets are determined on the same basis as those of the plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in the consolidated statement of loss and comprehensive loss if the carrying amount of the right-of-use asset has been reduced to zero.

4. Key sources of estimation uncertainty and judgement

In the application of the Company's accounting policies described in Note 3 of the annual consolidated financial statements of the Company for the year ended December 31, 2025, management is required to make estimates and assumptions about future events that affect the reported amounts of assets, 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 year.

Estimates and assumptions are reviewed on an ongoing basis and are based on historical experience and other factors considered relevant, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The following are the areas involving estimates made in the process of applying the Company's accounting policies that have a significant effect on the amounts recognized in the consolidated financial statements.

a) Share based payments

Management measures the fair value of granted stock options using the Black-Scholes option valuation model. The fair value of stock options using valuation models is only an estimate of their potential value and requires the use of estimates and assumptions which include volatility, interest rates and expected life of the options.

Management measures the fair value of Restricted Share Units ("RSUs") and Deferred Shared Units ("DSUs") based on the market price of STLLR's shares.

b) Exploration and evaluation expenditures

The application of the Company's accounting policy for exploration and evaluation expenditures requires judgment in determining whether it is likely that future economic benefits are either from future production or sale of the property, or where exploration activities are not adequately advanced to support a gold resource assessment. The determination

is an estimation process that requires varying degrees of uncertainty, and these estimates directly impact the deferral of exploration and evaluation expenditures.

c) Impairment of long-lived assets

The carrying amounts of property, plant & equipment and exploration and evaluation assets are reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable. If there are indicators of impairment, an exercise is undertaken to determine whether the carrying values are in excess of their recoverable amount. Such review is undertaken on the basis of cash-generating units. The assessment requires the use of estimates and assumptions such as, but not limited to, long-term commodity prices, future capital requirements, resource estimates, and exploration potential. It is possible that the actual fair value could be significantly different from those assumptions, and changes in these assumptions will affect the recoverable amount of the exploration and evaluation assets.

d) Reclamation provisions

The Company records the fair value of estimated costs of legal and constructive obligations required to restore operating locations in the period in which the obligation is incurred. The nature of these restoration activities includes dismantling and removing structures, rehabilitating mines and tailings dams, dismantling operating facilities, closure of plant and waste sites, and restoration, reclamation, and re-vegetation of affected areas.

The estimated fair value of a liability, and corresponding expense for the related property, is reported in the year in which it is incurred and when a reasonable estimate of fair value can be made. The fair value is the amount at which that liability could be settled in a current transaction between willing parties, that is, other than in a forced or liquidation transaction and, in the absence of observable market transactions, is determined as the present value of expected cash flows. The Company subsequently allocates the cost to expense using a systematic and rational method over its useful life and records the accretion of the liability as a charge to the statements of net loss and comprehensive loss.

e) Contingent liabilities

Contingent liabilities are not recognized in the financial statements unless reliably estimated and probable and are disclosed in notes to the financial statements unless their occurrence is remote. By their nature, contingent liabilities will only be resolved when one or more future events occur or fail to occur. The assessment of contingencies inherently involves the exercise of significant judgment and estimates of the outcome of future events.

f) Accounting for acquisitions

The Company assesses whether an acquisition is an asset acquisition or a business combination. The Company accounts for an acquisition as a business combination if the assets acquired and liabilities assumed constitute a business and the Company obtains control of the business. When the cost of a business combination exceeds the fair value of the identifiable assets acquired or liabilities assumed, such excess is recognized as goodwill. Transaction related costs are expensed as incurred.

If an acquisition does not meet the definition of a business combination, the Company accounts for the acquisition as an asset acquisition. The February 6, 2024 acquisition of Nighthawk (Note 10) was accounted for as an asset acquisition.

5. Marketable securities

Balance as of December 31, 2024	**$**	**-**
Additions		50
Change in market value		300
Balance as of December 31, 2025	**$**	**350**

On June 27, 2025, the Company sold its non-core Loveland asset to Loyalist Exploration Limited (PNGC.CN) ("Loyalist") for total consideration of: 1) gross proceeds of $250 cash, 2) 2% net smelter royalty on the property (providing Loyalist with an option to buy-back one-half of the net smelter royalty for $1,000 and 3) receipt of $50 in marketable securities, being 10,000,000 common shares in the capital of Loyalist ("Loyalist Shares") (Note 9). The Company evaluates its marketable securities investment on an ongoing basis with respect to any possible additional purchases or dispositions, whereupon any such marketable securities transactions are accounted for as of the trade date.

During the years ended December 31, 2025, and 2024, the Company recorded an unrealized gain on marketable securities of $300 and $nil, respectively in the Consolidated statements of net loss & comprehensive loss.

6. Restricted cash

Nighthawk maintains irrevocable standby letters of credit with a Canadian chartered bank, in the amount of $1,299, to provide security under its land use permit and water access license for the existing reclamation work associated with the Damoti Reclamation Obligation (see Note 11), as well as for its exploration activities at the Indin Lake Gold Property in the Northwest Territories, Canada. In March 2024, Nighthawk posted additional security of $167 upon receiving approval for its updated territorial land use permit, which supports its expanded exploration activities on the Indin Lake Gold Property. Nighthawk also posted $147 as additional security upon receiving its renewed Federal water access license, thereby authorizing its exploration activities. The licenses have been renewed for 15 years and expire in 2038.

On January 26, 2012, as part of the agreement to acquire full ownership of the Colomac Gold Project's mineral claims and leases (see Note 12), Nighthawk initiated two letters of credit at a Canadian chartered bank. These were in favor of Crown-Indigenous Relations and Northern Affairs Canada (formerly Aboriginal Affairs and Northern Development Canada) to ensure Nighthawk's commitment to carrying out reclamation services. Specifically, the amounts were $3,000 for the Diversified site and $1,000 for the Spyder Lake site which are collectively referred to as the "Restricted LOC's". Additionally, a $60 letter of credit was established to secure corporate credit card facilities. During the year ended December 31, 2025, an extra $70 was added to the letter of credit to further enhance the corporate credit facility.

The Restricted LOC's totaling $4,000 are secured by guaranteed investment certificates (the "Colomac GIC's") at a Canadian chartered bank for the same amounts. Upon completion of the service obligation with respect to each reclamation site to the satisfaction of an independent third-party engineer, the Restricted LOC's with respect to each site will be released and the hold restriction on the related Colomac GIC will be eliminated. At any time, the Company may terminate the liability relating to this service obligation, but as a consequence would relinquish the related Colomac GIC still held as security against the Restricted LOC's at that time.

	Permit Security	Restricted LOC	Total
Balance as at December 31, 2024	**$ 1,299**	**$ 4,060**	**$ 5,359**
Corporate credit card facility	-	70	**70**
Balance as at December 31, 2025	**$ 1,299**	**$ 4,130**	**$ 5,429**

7. Reclamation deposits

The Company has cash and bond reclamation deposits of $192 (December 31, 2024 - $192) with the Ministry of Energy and Mines as financial guarantees covering the cost of mine reclamation related to the Company's historical mine and tailings.

8. Property, plant, and equipment

As a direct result of the acquisition of Nighthawk (Note 10) during the year ended December 31, 2024, the Company has obtained property, plant and equipment with a net book value of $127, which is included in the continuity table below.

The following table summarizes information regarding the Company property, plant, and equipment as at December 31, 2025:

				December 31, 2025				
		Cost ($)			Accumulated depreciation ($)			
Class	**Amortization Period (Years)**	**Beginning Balance**	**Additions**	**Ending Balance**	**Opening Balance**	**Depreciation**	**Ending Balance**	**Net Book Value**
Land	-	$ 33	$ -	**$ 33**	$ -	$ -	**$ -**	**$ 33**
Building	5-20	725	48	**773**	165	63	**228**	**$ 545**
Vehicles	5	184	-	**184**	85	35	**120**	**$ 64**
Equipment	3-5	357	132	**489**	105	64	**169**	**$ 320**
Furniture	3-7	12	1	**13**	2	2	**4**	**$ 9**
Right-of-use assets [1]	4-15	-	1,289	**1,289**	-	130	**130**	**$ 1,159**
Total		**$ 1,311**	**$ 1,470**	**$ 2,781**	**$ 357**	**$ 294**	**$ 651**	**$ 2,130**

[1] Includes solar farm equipment and corporate head office right-of-use assets. For further details on the lease liabilities associated with the right of use assets, please refer to Note 15.

				December 31, 2024					
		Cost ($)			Accumulated depreciation ($)				
Class	**Amortization Period (Years)**	**Beginning Balance**	**Additions**	**Ending Balance**	**Beginning Balance**	**Acquisition Depreciation**	**Depreciation**	**Ending Balance**	**Net Book Value**
Land	-	$ 33	$ -	**$ 33**	$ -	$ -	$ -	**$ -**	**$ 33**
Building	5-20	725	-	**725**	105	-	60	**165**	**$ 560**
Vehicles	5	184	-	**184**	44	-	41	**85**	**$ 99**
Equipment	3-5	104	253	**357**	31	23	51	**105**	**$ 252**
Furniture	3-7	-	12	**12**		-	2	**2**	**$ 10**
Total		**$ 1,046**	**$ 265**	**$ 1,311**	**$ 180**	**$ 23**	**$ 154**	**$ 357**	**$ 954**

9. Exploration and evaluation expenditures

Exploration and evaluation assets

For the year ended December 31,		Beginning 2025		Additions (Reductions)		Ending 2025
Garrison	$	51,528	$	-	$	**51,528**
Golden Highway		1,793		-		**1,793**
Loveland		713		(713)		**-**
Buffonta		205		-		**205**
North Tisdale		203		-		**203**
Other		153		9		**162**
Kayorum		136		-		**136**
Pike		52		-		**52**
Nighthawk Lake		34		-		**34**
Hollinger		-		100		**100**
Indin Lake Gold		33,997		40		**34,037**
Total exploration and evaluation assets	**$**	**88,814**	**$**	**(564)**	**$**	**88,250**

For the year ended December 31,		Beginning 2024		Additions (Reductions)		Ending 2024
Garrison	$	51,497	$	31	$	**51,528**
Golden Highway		1,793		-		**1,793**
Loveland		713		-		**713**
Buffonta		205		-		**205**
North Tisdale		203		-		**203**
Other		164		(11)		**153**
Kayorum		136		-		**136**
Pike		52		-		**52**
Nighthawk Lake		33		1		**34**
Indin Lake Gold [(1)]		-		33,997		**33,997**
Total exploration and evaluation assets	**$**	**54,796**	**$**	**34,018**	**$**	**88,814**

(1) Mineral properties obtained during acquisition of Nighthawk was $33,987. The remainder were additions from February 6, 2024 to December 31, 2024.

On June 27, 2025, the Company sold its non-core Loveland asset for total consideration of: 1) gross proceeds of $250 cash, 2) 2% net smelter royalty on the property (providing Loyalist with an option to buy-back one-half of the net smelter royalty for $1,000 and 3) receipt of $50 in marketable securities, being the Loyalist Shares which are listed on the Canadian Securities Exchange (Note 5). A loss of $413 was recorded on the sale of the Loveland asset.

There were no indications of impairment of exploration and evaluation assets during the years ended December 31, 2025, and 2024.

Exploration and evaluation expenses

Exploration and evaluation expenditures for the years ended December 31, 2025, and 2024, of $19,787 and $17,658, respectively, were charged to the consolidated statements of net loss & comprehensive loss. Exploration expenditures were incurred as follows:

Exploration and evaluation expenses	Year ended December 31,	
	2025	**2024**
Geological & consultant fees	**$ 8,371**	$ 7,135
Drilling	**4,364**	3,910
Environmental, baseline & other	**2,800**	528
Camp & site	**1,301**	2,724
Assaying & analytical	**1,200**	588
Transportation	**838**	1,726
Licenses & permits	**632**	824
Community engagement	**169**	69
Surveying	**112**	154
Total exploration and evaluation expenses	**$ 19,787**	$ 17,658

10. Acquisition of Nighthawk Gold Corp.

On January 29, 2024, the shareholders of the Company and Nighthawk approved the arrangement agreement to form STLLR Gold Inc. and the common share consolidation. On January 30, 2024, Nighthawk obtained the final court order from the Ontario Superior Court of Justice for the proposed transaction.

On February 6, 2024, the effective date for the Arrangement, STLLR acquired all issued outstanding common shares of Nighthawk. Former holders of Nighthawk shares received 0.21 of a common share of STLLR for each Nighthawk share held.

In aggregate, 31,538,239 STLLR shares were issued to former Nighthawk shareholders as consideration for their Nighthawk shares. As a result of the Arrangement, Nighthawk has become a wholly owned subsidiary of STLLR.

As the acquisition of Nighthawk does not meet the definition of a business in accordance with IFRS 3 – Business Combinations, STLLR has accounted for the transaction as an asset acquisition, measured under IFRS 2, Share-based Payments. The fair value of the consideration will be allocated to the identifiable assets acquired and liabilities assumed based on their relative fair values at the date of acquisition.

The allocation of the purchase price to the estimated fair value of the assets and liabilities of Nighthawk is as follows:

Purchase Price		
Issuance of 31,538,239 shares of STLLR to Nighthawk shareholders	$	39,738
Issuance of 2,195,550 options of STLLR to Nighthawk option holders		1,340
Fair Value of 4,024,185 Nighthawk warrants assumed by STLLR		-
Total Purchase Price	**$**	**41,078**
Fair Value of assets and liabilities acquired		
Cash	$	22,479
Receivables		112
Prepaid expenses		1,555
Deferred financing costs		161
Restricted cash		5,029
Property, plant and equipment		127
Accounts payable and accrued liabilities		(3,923)
Subscription receipt payable, net of issue costs		(12,105)
Provision for service obligation		(3,012)
Reclamation provision		(1,302)
Fair Value of Net Assets and Liabilities Acquired	**$**	**9,121**
Difference to increase Exploration and Evaluation Assets	**$**	**31,957**
Acquisition of exploration and evaluation assets		
Exploration and evaluation assets	$	31,957
968,500 shares issued for advisory fees at $1.2907 per share		1,250
Acquisition costs paid in cash		780
Acquisition of exploration and evaluation assets	**$**	**33,987**
Fair Value of Net Assets and Liabilities Acquired & E&E	**$**	**43,108**
Less acquisition costs and shares issued for advisory fees		(2,030)
Total Purchase Price	**$**	**41,078**

The fair value of the shares issued to Nighthawk shareholders and advisory fees were based on the fair value of a STLLR common share on the day they were issued.

The fair value of the replacement options was calculated using the Black-Scholes option pricing model with the following weighted average assumptions:

- Expected volatility: 45.69-70.09%
- Risk free interest Rate: 3.24-4.86%
- Expected life of 0.5 - 4.7 years
- Exercise Price: $1.381-$10.00
- Share Price: $1.26

The replacement options are fully exercisable.

The Company also assumed 4,024,185 Nighthawk warrants (convertible into 4,024,185 STLLR shares). The fair value of the Nighthawk warrants on February 6, 2024, was calculated using the Black Scholes option pricing model with the following weighted average assumptions:

- Expected volatility: 42.28%
- Risk free interest Rate: 4.86%
- Expected life of 0.3 years
- Exercise Price: $3.33-$5.00
- Share Price: $1.26

The Nighthawk replacement warrants above have a value of $nil at the acquisition date and subsequently expired.

In connection with closing of the transaction, the escrow release conditions in respect of an aggregate of 38,235,294 subscription receipts (the "Subscription Receipts") of Nighthawk issued on December 19, 2023, at a price of $0.34 per Subscription Receipt (the "Subscription Receipt Financing") were satisfied and the gross proceeds in the amount of approximately $13 million were released. Upon the escrow release, 8,029,412 STLLR shares were issued. See Note 13 below for further details.

11. Reclamation provisions

The Company's reclamation provisions are estimated based on the Company's site remediation and restoration plan and the estimated timing of the costs to be paid in future years. The total amount of cash flows required to settle the Company's reclamation provisions are as follows:

	December 31, 2025	December 31, 2024
Northwest Territories	$ 1,403	$ 1,302
Ontario	931	909
Reclamation provisions	**$ 2,334**	**$ 2,211**

Northwest Territories

As a result of the acquisition of Nighthawk (Note 10), a reclamation provision has been recognized for its property in the Northwest Territories which includes the Damoti Lake Property and Colomac.

Nighthawk has carried out assessments using a third-party specialist and currently estimates the cost of the Damoti Reclamation Obligation and the Colomac Exploration Project Reclamation to be $1,403.

To date, Nighthawk has posted the Permit GIC's and security for an amount of $1,299 (Note 6) to provide security under its land use permit and water access licence for the Damoti Reclamation Obligation as well as for exploration activities relating to the Indin Lake Gold Property.

The Company is currently unable to reliably estimate when the reclamation activities will be completed.

Ontario

The Company continues to carry out environmental monitoring using third party specialists and estimates the total cost of reclamation across all its Ontario sites to be $931 at December 31, 2025 (December 31, 2024 – $909). This amount is secured with a reclamation deposit of $192 at December 31, 2025 (December 31, 2024 – $192) held by the Ministry of Energy and Mines (Note 7).

The Company is currently unable to reliably estimate when the reclamation activities will be completed.

12. Provision for service obligation

As a result of the acquisition of Nighthawk (Note 10), a provision for service obligation was recognized. As consideration for the Colomac Gold Project, Nighthawk agreed to perform reclamation services on three other sites within the Indin Lake Gold Property land package which are the responsibility of Crown-Indigenous Relations and Northern Affairs Canada (the "CIRNAC"): Diversified, Chalco Lake (service obligation completed in 2013), and Spyder Lake. The obligation for the reclamation services was to be carried out on behalf of CIRNAC to a maximum of $5,000, of which $1,000 of the reclamation activities related to the Chalco Lake site were relinquished in 2013 upon approvals of the third-party engineer. Nighthawk has the Restricted LOC's totaling $4,000 in favour of CIRNAC to secure Nighthawk's obligation to perform the services for each site. The Restricted LOC's are secured by the Colomac GIC's at a Canadian chartered bank for the same amounts (Note 6).

Nighthawk did not assume the reclamation liabilities of these sites. Upon completion of the service obligation with respect to each site to the satisfaction of an independent third-party engineer, the Restricted LOC's with respect to each site will be released and the hold restriction on the related Colomac GIC will be eliminated. At any time, the Company may terminate the liability relating to this service obligation, but as a consequence would relinquish the related Colomac GIC still held as security against the Restricted LOC's at that time.

The following table summarizes the provision for service obligation:

Balance as of December 31, 2023	**$**	**-**
Additions [1]		3,012
Reductions [2]		(293)
Balance as of December 31, 2024	**$**	**2,719**
Additions		-
Reductions [2]		(102)
Balance as of December 31, 2025	**$**	**2,617**

[1] A provision for service obligation was recognized as a result of the acquisition of Nighthawk on February 6, 2024 (Note 10).

[2] Reclamation work relates to Spyder Lake

13. Capital stock

The Company is authorized to issue an unlimited number of Class A preferred shares, Class B preferred shares, common shares, and non-voting shares. Class A preferred shares are entitled to preference as to the payment of dividends and distribution of the remaining property of the Company on dissolution over Class B preferred shares, common shares, and non-voting shares. Class B preferred shares are entitled to preference as to the payment of dividends and distribution of the remaining property of the Company on dissolution over common shares and non-voting shares. The non-voting shares shall rank equally with common shares in all respects except that the holders are not entitled to vote at shareholder meetings.

As at December 31, 2025, the Company has 151,348,480 common shares issued and outstanding. There are no Class A preferred shares, Class B preferred shares and non-voting shares outstanding.

Share Capital transactions

Fiscal Year 2025

During the year, the Company issued 267,914 shares to settle RSUs and DSUs to former directors and officers of the Company. The 267,914 RSUs and DSUs in aggregate were valued at $537 resulting in a reduction in contributed surplus and an addition to share capital.

During the year, stock options were exercised resulting in the Company issuing 162,666 shares. The 162,666 stock options in aggregate were valued at $102 resulting in a reduction in contributed surplus and an addition to share capital. Proceeds from the exercise of these options totaled $172.

On October 15, 2025, the Company closed a private placement offering of an aggregate of 20,792,026 hard dollar shares ("Hard Dollar Shares"), 3,246,800 flow-through shares ("FT Shares") and 2,790,200 premium flow-through shares ("Premium FT Shares") for aggregate proceeds of approximately $36,614 (collectively, the "2025 Offering").

The Hard Dollar Shares were sold at a price of $1.28 per Hard Dollar Share, the FT Shares were sold at a price of $1.54 per FT Share, and the Premium FT Shares were sold at a price of $1.792 per Premium FT Share.

All the FT Shares and Premium FT Shares were issued pursuant to a "bought deal" private placement. Of the total 20,792,026 Hard Dollar Shares, 5,166,026 Hard Dollar Shares were issued under the "bought deal" private placement, 11,719,000 Hard Dollar Shares were issued pursuant to a "best efforts" private placement while the remaining 3,907,000 Hard Dollar Shares were issued pursuant to a non-brokered private placement.

A non-cash deferred premium on flow-through share's liability of $2,273 was reported representing the premiums of $0.51 and $0.26 received over the hard dollar share price of $1.28, on the shares issued on a flow-through basis.

During the year, warrants were exercised resulting in the Company issuing 150,000 shares. The 150,000 warrants in aggregate were valued at $11 resulting in a reduction in contributed surplus and an addition to share capital. Proceeds from the exercise of these warrants totaled $231.

Fiscal Year 2024

On February 6, 2024, the effective date for the Arrangement, STLLR acquired all issued outstanding common shares of Nighthawk. Former holders of Nighthawk shares received 0.21 of a common share of STLLR for each Nighthawk share held.

In aggregate, 31,538,239 STLLR shares were issued to former Nighthawk shareholders as consideration for their Nighthawk shares. As a result of the Arrangement, Nighthawk has become a wholly owned subsidiary of STLLR.

On February 6, 2024, concurrent to the closing of the acquisition of Nighthawk (Note 10), Nighthawk released from escrow the proceeds from its Subscription Receipt Financing. STLLR issued 8,029,412 units ("Units") at $1.62 per Unit, for aggregate gross proceeds of $13 million. Share issue costs related to the financing totalled $1,056 for legal fees and commission paid to brokers. Net proceeds from the Subscription Receipt Financing were $11,944. Each Unit was composed of one common share and half of one common share purchase warrant ("Warrant"). Each whole warrant entitles the holder thereof to acquire one common share at a price of $2.19 until February 6, 2027.

During the year, the Company issued 968,500 common shares to settle acquisition costs of Nighthawk amounting to $1,250. The common shares issued had a fair value of $1,162.

On November 26, 2024, the Company closed an offering of 11,518,860 Hard Dollar Units ("Hard Dollar Units"), 4,167,000 FT Units ("FT Units") and 4,793,000 Premium FT Units ("Premium FT Units") on a bought deal basis for aggregate proceeds of approximately $25.7 million (the "2024 Offering").

The Hard Dollar Units were sold at a price of $1.10 per Hard Dollar Unit, the FT Units were sold at a price of $1.32 per FT Unit, and the Premium FT Units were sold at a price of $1.565 per Premium FT Unit.

Each Hard Dollar Unit was composed of one non-flow-through common share and half of one Warrant. Each FT Unit was composed of one flow-through common share and half of one Warrant, issued on a flow-through basis. Each Premium FT Unit was composed of one flow-through common share and half of one Warrant, issued on a flow-through basis.

Each Warrant underlying the Hard Dollar Units, FT Units and Premium FT Units entitles the holder thereof to acquire one Warrant share on a non flow-through basis at an exercise price of $1.54 until November 26, 2026. The Warrant shares acquired upon exercise of the Warrants comprising part of the Premium FT Units and FT Units will not qualify as flow-through shares.

As part of the November 26, 2024 financing, the Company also issued 614,356 broker warrants with an exercise price of $1.10 that will expire on November 26, 2026.

A non-cash deferred premium on flow-through share's liability of $3,145 was reported representing the premiums of $0.47 and $0.22 received over the hard dollar share price of $1.10, on the shares issued on a flow-through basis.

During the year, the Company issued 1,301,438 common shares to settle accounts payable of $1,500. The common shares issued had a fair value of $1,653.

During the year, the Company issued 610,371 shares to settle RSUs and DSUs to former directors and officers of the Company. The 610,371 share units in aggregate were worth $1,218, resulting in a reduction in contributed surplus and in addition to share capital.

Stock Options

On June 2, 2022, the Company adopted a new omnibus share incentive plan (the "Share Incentive Plan") consisting of stock options (the "Options"), RSUs, DSUs and performance share units ("PSUs"). Each award is subject to the terms and conditions set forth in the Share Incentive Plan and to those other terms and conditions specified by the Board or the Corporate Governance, Nominating, and Compensation Committee. Up to 10% of the Shares issued and outstanding from time to time (including shares issued under any other security-based compensation arrangement of the Company) may be issued pursuant to awards under the Share Incentive Plan. Options granted have a maximum term of ten years and vest immediately or over time at the discretion of the Board.

The Company previously established a stock option plan whereby the Board granted options to directors, officers, employees, and consultants to acquire common shares of the Company. Following the approval of the Share Incentive Plan, no further options were permitted to be granted under the Company's stock option plan.

In connection with the Arrangement, all options to acquire Nighthawk shares then outstanding under Nighthawk's legacy option plan (the "Nighthawk Legacy Option Plan") were exchanged for options to acquire shares of the Company. No further options will be granted under the Nighthawk Legacy Option Plan.

The following table summarizes the outstanding stock options:

	Number of Options	Weighted Average Exercise Price
Balance as of December 31, 2023	1,477,732	$3.38
Granted [1]	6,435,550	$1.32
Exercised	-	-
Expired	(597,596)	$3.16
Forfeited	(399,999)	$1.25
Balance as of December 31, 2024	**6,915,687**	**$1.61**
Granted	6,435,000	$1.08
Exercised	(162,666)	$1.06
Expired	(651,666)	$2.68
Forfeited	(481,168)	$1.18
Balance as of December 31, 2025	**12,055,187**	**$1.34**

[1] The 6,435,550 options granted in 2024 includes 2,195,550 replacement options from Nighthawk (Note 10).

Options granted were calculated using the Black Scholes option pricing model with the following assumptions:

Grant Date	Number of options	Volatility	Exercise Price [1]	Risk free interest rate
March 18, 2024	3,390,000	71.8%	$ 1.25	3.67%
April 1, 2024	250,000	71.6%	$ 1.21	3.64%
July 2, 2024	500,000	70.6%	$ 1.21	3.60%
September 17, 2024	100,000	69.7%	$ 1.20	2.72%
Total 2024 grants [2]	**4,240,000**	**71.6%**	**$ 1.24**	**3.64%**
February 28, 2025 [2]	3,050,000	66.7%	$ 0.90	2.70%
June 5, 2025 [3]	75,000	65.8%	$ 0.89	2.86%
August 1, 2025 [4]	125,000	63.4%	$ 0.79	2.94%
November 6, 2025 [5]	3,185,000	55.8%	$ 1.27	2.39%
Total 2025 grants	**6,435,000**	**61.21%**	**$ 1.08**	**2.55%**

[1] Exercise price for the grant was the closing share price the day prior to the grant date.

[2] Grants have a five year term and vest over a three year period as follows: 1/3 vesting immediately; 1/3 on the first annivesary; and 1/3 on the second anniversary.

[3] Grants originally had a five year term but during the year, 2/3 were forfeited while 1/3 expired.

[4] Grants have a five year term and vest over a three year period as follows: 1/3 vesting on the first anniversary; 1/3 on the second annivesary; and 1/3 on the third anniversary.

[5] Grants have a three year term and vest over a three year period as follows: 1/3 vesting immediately; 1/3 on the first annivesary; and 1/3 on the second anniversary.

The summary of the Company's outstanding and exercisable stock options as at December 31, 2025 is presented below:

Grant Date	Options Outstanding	Options Exercisable	Exercise Price	Remaining Contractual Life (years)
March 29, 2021	4,166	4,166	$ 4.20	0.2
June 30, 2021	33,333	33,333	$ 4.38	0.5
November 8, 2021	129,369	129,369	$ 3.44	0.9
March 21, 2022	206,082	206,082	$ 4.66	1.2
June 2, 2022	33,333	33,333	$ 4.58	1.1
June 6, 2022	62,500	62,500	$ 4.42	1.1
December 5, 2022	33,333	33,333	$ 3.30	1.1
June 1, 2023	125,971	125,971	$ 2.22	1.9
February 6, 2024	2,165,100	2,165,100	$ 1.71	1.8
March 18, 2024	2,790,000	1,901,670	$ 1.25	3.0
April 1, 2024	250,000	166,667	$ 1.21	3.3
September 17, 2024	100,000	66,667	$ 1.20	3.7
February 28, 2025	2,812,000	937,338	$ 0.90	4.2
August 1, 2025	125,000	-	$ 0.79	4.6
November 6, 2025	3,185,000	1,061,674	$ 1.27	2.9
Total and weighted average total	**12,055,187**	**6,927,203**	**$ 1.34**	**3.0**

Compensation expense for the years ended December 31, 2025 and 2024, related to the vesting and forfeiture of options was $2,344 and $2,438, respectively and was recorded as share based compensation in the consolidated statements of net loss and comprehensive loss.

Warrants

The following table summarizes the outstanding warrants:

	Number of Warrants		Allocated Value
Balance as of December 31, 2023	198,240	$	287
Granted	18,892,686		2,083
Exercised	-		-
Expired	(4,222,425)		(287)
Forfeited	-		-
Balance as of December 31, 2024	**14,868,501**	**$**	**2,083**
Granted	-		-
Exercised	(150,000)		(11)
Expired	-		-
Forfeited	-		-
Balance as of December 31, 2025	**14,718,501**	**$**	**2,072**

The summary of the Company's outstanding warrants at December 31, 2025 is presented below:

Grant and Issue Date [1]	Number of warrants		Exercise Price [2]	Expiry Date
February 6, 2024	4,014,706	$	2.19	February 6, 2027
November 26, 2024	10,089,430	$	1.54	November 26, 2026
November 26, 2024	614,365	$	1.10	November 26, 2026
Total and weighted average total	**14,718,501**	**$**	**1.70**	

(1) Excludes the 4,024,185 replacement warrants from Nighthawk (Note 10) which ultimately expired on May 3, 2024.

(2) Closing price on the grant and issue date.

Restricted Share Units (RSUs)

Compensation expense for the years ended December 31, 2025 and 2024, related to the vesting of RSUs was $30 and $817, respectively and was recorded as share-based payments in the consolidated statements of net loss & comprehensive loss.

	Number of RSUs
Balance as of December 31, 2023	640,494
Granted	-
Exercised	(351,660)
Expired	-
Forfeited	(10,654)
Balance as of December 31, 2024	278,180
Granted	232,500
Exercised	(178,786)
Expired	-
Forfeited	-
Balance as of December 31, 2025	**331,894**

Grant Date	RSUs Outstanding	RSUs Vested	Vesting Terms [1]
September 6, 2022	26,667	26,667	Fully vested
June 1, 2023	72,727	72,727	Fully vested
November 6, 2025	232,500	-	1/3 in 2026, 1/3 in 2027, 1/3 in 2028
Balance as of December 31, 2025	**331,894**	**99,394**	

[1] Per the RSU plan, all granted RSUs are fully vested and redeemable in the event of termination.

Deferred Share Units (DSUs)

DSUs will be settled by the Company as soon as practicable following the death, retirement, or loss of office or directorship, or employment of the participant with the Company and/or each of its Affiliates terminates, no later than the end of the first calendar year following the year in which event occurs.

During the years ended December 31, 2025 and 2024, 635,087 and 264,931 DSUs were granted, respectively, to directors. The fair value of the DSUs at the time of grant was $590 and $334 for the years ended December 31, 2025 and 2024, respectively.

Compensation expense for the years ended December 31, 2025, related to the vesting and exercise of DSUs, was $449 and $334, respectively and was recorded as share based compensation in the consolidated statements of net loss & comprehensive loss.

	Number of DSUs
Balance as of December 31, 2024	33,492
Granted	635,087
Exercised	(89,128)
Expired	-
Forfeited	(156,473)
Balance as of December 31, 2025	422,978

Grant Date	DSUs Outstanding	DSUs Vested	Vesting Terms [1]
February 28, 2025	302,478	302,478	In equal installments over ten months
June 5, 2025	70,000	70,000	In equal installments over seven months
November 6, 2025	50,500	50,500	In equal installments over two months
Balance as of December 31, 2025	**422,978**	**422,978**	

[1] Per the DSU plan, all granted DSUs are fully vested and exercisable by the end of the calendar grant year.

14. Income Taxes

The Company's effective tax rate, which differs from the combined federal and provincial statutory income tax rates for the years ended December 31, 2025 and 2024 of 26.5%, has been reconciled as follows:

	For the year ended December 31,	
	2025	**2024**
Net loss before income taxes	**$ 25,613**	$ 20,984
Income tax recovery at statutory rates	**$ 6,787**	$ 5,561
Increase (decrease) related to:		
Flow-through expenditures	**(3,459)**	(4,399)
Shared based compensation	**(748)**	(951)
Deferred tax not recognized	**(2,580)**	(211)
Deferred tax recovery	**$ -**	$ -
Deferred premium on flow through shares	**$ 3,145**	$ 6,102

Deferred taxes are provided as a result of temporary differences that arise due to the differences between the income tax values and the carrying amount of assets and liabilities. Deferred tax assets have not been recognized in respect of the following deductible temporary differences:

	For the year ended December 31,	
	2025	**2024**
Unrecognized deductible temporary differences		
Non-capital loss carry forwards	**$ 48,965**	$ 40,099
Net capital loss carry forwards	**3,977**	3,977
Resource deductions	**66,708**	57,913
Investment tax credits	**1,577**	1,577
Lease obligation	**1,195**	-
Asset retirement obligations	**1,033**	909
Property, plant and equipment	**2,030**	3,026
Other	**3,225**	5,884
	$ 128,710	$ 113,385

The Company and its subsidiaries have non-capital losses of $48,965 (December 31, 2024 – $40,099) available for deduction against future taxable income, which if not utilized will expire between the years of 2026 and 2045 (December 31, 2024 – 2025 and 2044).

The Company has $3,977 (December 31, 2024 – $3,977) in capital losses available to apply against future capital gains.

The potential tax benefit of the above losses has not been recognized in these consolidated financial statements.

15. Lease liabilities

For the year ended December 31, 2025, the Company entered into two separate leases in Ontario and Northwest Territories for the new head office and solar farm equipment, respectively. These leases met the conditions stipulated under IFRS 16 and as a result, the Company has set up a right of use asset (Note 8) with a corresponding lease liability as follows:

	December 31, 2025	December 31, 2024
Lease liabilities, beginning of year	$ -	$ -
Addition	1,289	-
Interest expense on lease liabilities	65	-
Payment of lease liabilities	(159)	-
Balance, end of year	**$ 1,195**	$ -
Current portion	$ 216	$ -
Non-current portion	979	-
Balance, end of year	**$ 1,195**	$ -

The future undiscounted lease payments as at December 31, 2025 was $1,494 (December 31, 2024 - $nil). The Company uses an incremental borrowing rate of 8.33% to present value the expected lease payments. The incremental borrowing rate was determined by exercising professional judgement and using market comparable loan rates for assets of a similar nature adjusted for the Company's credit risk level.

16. Net loss per share

Net loss per share has been calculated using the weighted average number of shares outstanding during the years ended December 31, 2025 and 2024.

	Year ended December 31, 2025	**2024**
Net loss for the year	**$ 25,613**	$ 20,984
Basic and fully diluted weighted average number of shares oustanding during the year	**129,763,163**	100,834,162
Basic and fully diluted net loss per share	**$ 0.20**	$ 0.21

The Company incurred net losses for each of the years ended December 31, 2025, and 2024, therefore all outstanding stock options, warrants, RSUs and DSUs, that could potentially dilute basic earnings per share in the future, have been excluded from the calculation of diluted loss per share since the effect would be anti-dilutive.

17. Related party transactions

	Year ended December 31, 2025	**2024**
Salaries & benefits	**$ 3,287**	$ 2,729
Director fees	**354**	347
Share based compensation	**2,425**	2,777
Total Director & Executive Compensation	**$ 6,066**	$ 5,853

On November 26, 2024, directors and key management personnel, which include CEO, CFO and certain of the Vice Presidents of the Company, each related parties of the Company, participated in the 2024 Offering through their purchase of 186,540 of the Hard Dollar Units at $1.10 per Hard Dollar Unit for total proceeds of $205. Each of these Hard Dollar Units entitled the related party holders to one non-flow-through common share and half of one common share purchase warrant.

During the year, Agnico Eagle Mines Limited participated in the 2025 Offering (as defined below) by purchasing 3,907,000 common shares of the Company.

There were no loans to directors or officers for the year ended December 31, 2025 (December 31, 2024 – $nil). Included in accounts payable and accrued liabilities are $1,106 that is due to management (December 31, 2024 – $832) for miscellaneous expense reimbursements and the annual short term incentive plan based on the estimated achievement of KPIs, respectively. Certain directors and officers participated in the 2025 Offering by purchasing 434,100 Hard Dollar Shares (as defined below) and 19,500 FT Shares (as defined below) for aggregate gross proceeds of $586.

Agnico Eagle Mines Limited, through its subsidiary, have owned greater than 10% of the outstanding STLLR shares, and continued to own 16,365,939 common shares of STLLR, representing approximately 10.8% at December 31, 2025 (December 31, 2024 – 10.1%) of the outstanding shares of the Company.

2176423 Ontario Ltd., beneficially owned by Eric Sprott, increased its ownership in the Company to 22,588,795 common shares of STLLR representing approximately 14.9% of the outstanding STLLR Shares, through a combination of purchases on the open market and purchase of an aggregate of 11,719,000 Hard Dollar Shares in the 2025 Offering.

All related party transactions were completed in the normal course of business.

18. Reclassification

Certain comparative figures have been reclassified to conform to the current year's presentation. The reclassification had no impact on the consolidated statement of loss and comprehensive loss.

19. Capital management

The Company manages capital, based on its cash and equivalents and ongoing working capital, with an objective of safeguarding the Company's ability to continue as a going concern, maximizing the funds invested into exploration and development activities, exploring, and developing gold resources, and considering additional financings which minimize shareholder dilution. There were no changes in the Company's approach to capital management during the years ended December 31, 2025.

	December 31, 2025	December 31, 2024
Net working capital, excluding deferred premium on flow through share liability	$ 40,274	$ 31,282
Net working capital, excluding deferred premium on flow through share liability and lease liability	40,490	31,282
Cash held with Canadian financial institutions with an "AA-" credit rating	34,378	32,314
Short term investments [(1)]	7,000	-
Remaining Flow Through Obligation [(2)]	9,943	12,997

(1) Investment in 1 year GICs that mature in December 2026

(2) December 31, 2025 balance relates to flow-through funds raised in the 2025 Offering

The Company's capital structure reflects a Company focused on mineral exploration and financing both internal and external growth opportunities. The exploration for and development of mineral deposits involves significant risk which even a combination of careful evaluation, experience and knowledge may not adequately mitigate.

The Company manages capital in proportion to risk and manages the exploration and evaluation assets and capital structure based on economic conditions and prevailing gold commodity pricing and trends. The Company relies on equity financing to maintain adequate liquidity to support its ongoing exploration and development activities and ongoing working capital commitments. The Company is not subject to any externally imposed capital requirements other than the restricted cash and reclamation deposits held for the asset retirement obligations.

20. Financial instruments and risk management

The Company's financial risk management goals are to ensure that the outcome of activities involving elements of risk are consistent with the Company's objectives and risk tolerance, while maintaining an appropriate risk/reward balance and protecting the Company's financial position from events that have the potential to materially impair its financial strength. Balancing risk and reward are achieved through identifying risk appropriately, aligning risk with overall exploration and development strategy, diversifying risk, mitigation through preventive controls, and transferring risk to third parties.

Fair value

The carrying values for primary financial instruments, including cash and equivalents, receivables, restricted cash, and accounts payable and accrued liabilities approximate fair values due to their short-term maturities. The Company's exposure to potential loss from financial instruments relates primarily to its cash and equivalents held with Canadian financial institutions. The Company's marketable securities are valued based on the closing trading price of the shares on the public stock exchange at the period-end date. There have been no major or significant changes that have had an impact on the overall risk assessment of the Company during the year. The objectives and strategy for the exploration and evaluation of the asset portfolio remains unchanged.

The Company's exploration and development activities expose it to the following financial risks:

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Company's exposure to credit risk is concentrated in four specific areas: the credit risk on operating balances including restricted cash, and cash and equivalents held with Canadian financial institutions. The maximum exposure to credit risk is equal to the carrying values of these financial assets. No provision against these credit risk areas has been recognized in these consolidated financial statements.

	December 31, 2025	December 31, 2024
Cash held with Canadian financial institutions with an "AA-" credit rating	$ 34,378	$ 32,314
Short term investments	7,000	-
Restricted cash	5,429	5,359
Receivables	629	232
Aggregate gross credit risk exposure	**$ 47,436**	**$ 37,905**

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, such as foreign currency exchange rates, commodity prices, interest rates and liquidity. A discussion of the Company's primary market risk exposures, and how those exposures are currently managed, follows:

Commodity price risk

Commodity prices, and in particular gold spot prices, fluctuate and are affected by factors outside of the Company's control. This risk is not applicable as the Company is not currently in commercial gold production. The current and expected future spot prices have a significant impact on the market sentiment for investment in mineral exploration companies and may impact the Company's ability to raise equity financing for its ongoing working capital requirements.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's interest rate risk is minimal as there are no outstanding interest-bearing debts. The Company has not entered into any interest rate swaps or other active interest rate management programs at this time.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The purpose of liquidity management is to ensure that there will be sufficient cash to meet all financial commitments and working capital obligations as they become due. To manage cash flow requirements, the Company maintains principally all its assets in cash and equivalents.

The Company's contractual obligations as at December 31, 2025 are as follows:

	Less than 1 year	1 - 3 years	Over 3 years	Total
Accounts payable and accrued liabilities	$ 3,053	$ -	$ -	**$ 3,053**
Reclamation provisions	-	238	2,096	**2,334**
Lease payments associated with ROU assets	302	604	588	**1,494**
Other operating lease	58	-	-	**58**
Provision for service obligation	-	-	2,617	**2,617**
Total contractual obligations	**$ 3,413**	**$ 842**	**$ 5,301**	**$ 9,556**

21. Subsequent events

Subsequent to the year ended December 31, 2025, warrants were exercised resulting in the Company issuing 27,500 shares. The 27,500 warrants in aggregate were valued at $2 resulting in a reduction in contributed surplus and an addition to share capital. Proceeds from the exercise of these warrants totaled $42.

On February 2, 2026, the Company granted 50,000 stock options to a member of the management team.