



Q-Gold Resources Ltd.

Consolidated Financial Statements

For the three and nine months ended September 30, 2025 and 2024

(Expressed in Canadian Dollars)

**NOTICE OF NO AUDITOR REVIEW OF
CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

Under National Instrument 51-102, Part 4, subsection 4.3(3) (a), if an auditor has not performed a review of the condensed interim consolidated financial statements, they must be accompanied by a notice indicating that the interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these condensed interim consolidated financial statements in accordance with standards established by the Chartered Professional Accountants of Canada (CPA Canada) for a review of interim financial statements by an entity's auditor

Q-Gold Resources Ltd.
Consolidated Statements of Financial Position

(Expressed in Canadian dollars)

As at	September 30, 2025	December 31, 2024
ASSETS		
Current assets		
Cash	\$ 155,553	\$ 718,716
Amounts receivable (Note 4)	121,684	108,082
Prepaid expenses	231,053	1,906
Total current assets	\$ 508,290	\$ 828,704
Non-current asset		
Equipment (Note 6)	1,644	3,357
Total Assets	\$ 509,934	\$ 832,061
LIABILITIES AND SHAREHOLDERS' (DEFICIENCY)		
Current liabilities		
Accounts payable and accrued liabilities (Notes 8,12)	\$ 2,568,385	\$ 2,005,311
Flow-through premium liability (Note 10)	24,190	82,500
Loans payable (Note 9)	390,547	358,381
Total Liabilities	\$ 2,983,122	\$ 2,446,192
Shareholders' (deficiency)		
Share capital (Note 10)	\$ 23,763,765	\$ 23,591,685
Warrants reserve (Note 11)	191,563	199,738
Share based payment reserve (Note 11)	332,464	209,997
Deficit	(26,760,980)	(25,615,551)
Total Shareholders' (Deficiency)	\$ (2,473,188)	\$ (1,614,131)
Total Liabilities and Shareholders' (Deficiency)	\$ 509,934	\$ 832,061

Nature of operations and going concern (Note 1)

Commitments and contingencies (Notes 7, 17)

Subsequent events (Note 18)

Approved by the Board of Directors on December 1, 2025

"Peter Tagliamonte"
Peter Tagliamonte, Director

"Andreas Rompel"
Andreas Rompel, Director

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

Q-Gold Resources Ltd.
Consolidated Statements of Loss and Comprehensive Loss

(Expressed in Canadian dollars)

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
EXPENSES				
Consulting fees (Note 12)	\$ 154,866	\$ 53,659	\$ 200,934	\$ 161,196
Exploration and evaluation expenditures (Note 7)	34,894	3,721	509,636	28,973
Office expenses	25,255	15,151	59,033	45,433
Professional fees	49,842	11,175	70,934	33,175
Investor relations and filing fees	38,962	1,318	101,101	23,315
Share based payments (Note 11)	-	-	193,522	-
Total expenses	\$ 321,000	\$ 85,024	\$ 1,172,684	\$ 292,092
Other income (expense)				
Amortization of flow through premium	\$ 4,986	-	\$ 58,310	\$ -
Foreign exchange (loss) gain	(466)	268	1,115	(323)
Interest expense (Note 9)	(10,840)	(11,739)	(32,170)	(28,305)
Total other income (expense)	(6,320)	(11,471)	27,255	(28,628)
Net loss and comprehensive loss	\$ (327,320)	\$ (96,495)	\$ (1,145,429)	\$ (320,720)
Loss per share				
- basic	\$ (0.01)	\$ (0.00)	\$ (0.02)	\$ (0.01)
- diluted	\$ (0.01)	\$ (0.00)	\$ (0.02)	\$ (0.01)
Weighted average number of shares				
- basic	61,559,739	55,998,695	62,430,232	55,998,695
- diluted	70,630,232	55,998,695	70,630,232	55,998,695

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

Q-Gold Resources Ltd.
Consolidated Statements of Changes in Shareholders' Deficiency

(Expressed in Canadian dollars)

	SHARE CAPITAL		RESERVES			DEFICIT	TOTAL
	NUMBER OF SHARES	AMOUNT (\$)	WARRANTS	SHARE BASED PAYMENTS			
Balance at December 31, 2024	61,659,739	\$ 23,591,685	\$ 199,738	\$ 209,997	\$ (25,615,551)	\$ (1,614,131)	
Options exercised (Note 11)	950,000	146,305	-	(71,055)	-	75,250	
Warrants exercised (Note 11)	110,000	25,775	-	(8,175)	-	17,600	
Share-based payments (Note 11)	-	-	-	193,522	-	193,522	
Net loss for the period	-	-	-	-	(1,145,429)	(1,145,429)	
Balance at September 30, 2025	62,719,739	\$ 23,763,765	\$ 199,738	\$ 324,289	\$ (26,760,980)	\$ (2,473,188)	
Balance at December 31, 2023	55,998,695	\$ 23,074,746	\$ -	\$ 216,327	\$ (25,175,863)	\$ (1,884,790)	
Net loss for the period	-	-	-	-	(320,720)	(320,720)	
Balance at September 30, 2024	55,998,695	\$ 23,074,746	\$ -	\$ 216,327	\$ (25,496,583)	\$ (2,205,510)	

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

Q-Gold Resources Ltd.
Consolidated Statements of Cash Flows
(Expressed in Canadian dollars)

	Nine months ended September 30,	
	2025	2024
Cash (used in) provided by:		
<i>Operating activities</i>		
Net loss for the period	\$ (1,145,429)	\$ (320,720)
Adjustments for items not affecting cash		
Share based payments (Note 11)	193,522	
Interest expense (Note 9)	32,166	28,164
Depreciation expense (Note 6)	1,713	3,665
Amortization of flow through premium	(58,310)	
Changes in non-cash working capital (Note 16)	320,325	245,057
Net cash (used in) operating activities	(656,013)	(43,834)
<i>Financing activities</i>		
Proceeds from loans payable (Note 9)	-	47,000
Options exercised (Note 10,11)	75,250	-
Warrants exercised proceeds (Note 10,11)	17,600	-
Net cash provided from financing activities	92,850	47,000
(Decrease) increase in cash during the period	(563,163)	3,166
Cash, beginning of period	718,716	10,476
Cash, end of period	\$ 155,553	\$ 13,642

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

Q-Gold Resources Ltd.

Notes to the Consolidated Financial Statements

For the three and nine months ended September 30, 2025 and 2024
(Expressed in Canadian dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Q-Gold Resources Ltd. ("Q-Gold" or the "Company") was incorporated under the Business Corporations Act (Alberta) on March 25, 1998 under the name Solana Petroleum Corp. In January 2004, the Company changed its name to Q-Gold Resources Ltd., and in December 2011, continued to British Columbia. In October 2018, the Company continued to Ontario.

The registered head office of the Company is located at 198 Davenport Road, Toronto, Ontario, M5R 1J2. The Company's shares trade on the TSX Venture Exchange ("TSXV") under the symbol QGR.

Q-Gold is a mineral exploration company focused on exploring its mineral properties and has not yet identified a commercial mineral resource. The recoverability of costs incurred on properties is dependent upon the discovery of an economically recoverable resource and Q-Gold obtaining the necessary financing to complete exploration, development and construction of processing facilities, obtaining government approvals and attaining future profitable production of the mineral resources.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current operations, including exploration and evaluation programs will result in profitable mining operations. The Company's continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, or the ability of the Company to raise additional financing, if necessary, or alternatively upon the Company's ability to dispose of its interests on an advantageous basis.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of operations of such properties, these procedures do not guarantee the Company's title. Property title may be subject to government licensing requirements or regulations, social licensing requirements, unregistered prior agreements, unregistered claims, aboriginal claims, and non-compliance with regulatory and environmental requirements. The Company's assets may also be subject to increases in taxes and royalties, renegotiation of contracts, political uncertainty and currency exchange fluctuations and restrictions.

Going Concern

These consolidated financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations, and do not include any adjustments to the recoverability of assets and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

As at September 30, 2025, Q-Gold has a working capital deficiency of \$2,474,832 (December 31, 2024 – \$1,617,488), a deficit of \$26,760,980 (December 31, 2024 - \$25,615,551) and incurred a net loss and comprehensive loss of \$327,320 and \$1,145,429 for the three and nine months ended September 30, 2025 (three and nine months ended September 30, 2024 - \$96,495 and \$320,720). The continuation of Q-Gold as a going concern is dependent upon the ability of the Company to obtain the necessary equity financing to continue operations, the successful results of mineral property exploration activities and its ability to attain profitable operations and generate funds therefrom or realize proceeds from their sale. Q-Gold may periodically have to raise additional capital to fund projects and continue operations and while it has been successful in doing so in the past, there can be no assurance the Company will be able to do so in the future. Material uncertainties as mentioned above cast significant doubt upon the Company's ability to continue as a going concern.

Q-Gold Resources Ltd.

Notes to the Consolidated Financial Statements

For the three and nine months ended September 30, 2025 and 2024
(Expressed in Canadian dollars)

2. MATERIAL ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements unless otherwise noted below. The accounting policies have been applied consistently by all of the group's entities.

Statement of compliance

These consolidated financial statements of the Company and its subsidiaries were prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"), and International Financial Reporting Interpretations Committee ("IFRIC") interpretations. Except as discussed under changes in accounting policies (Note 2), the Company has consistently applied the accounting policies used in the preparation of these consolidated financial statements throughout all periods presented.

These consolidated financial statements were approved and authorized for issuance by the Board of Directors on December 1, 2025.

Basis of preparation

These consolidated financial statements have been prepared on a historical cost basis except for certain financial instruments, which are stated at their fair values. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

Consolidation

These consolidated financial statements include the accounts of Q-Gold Resources Ltd. and its wholly owned subsidiaries, Q-Gold (Ontario) Ltd., Mineral Creek Resources Inc., 1253034 BC Ltd., and Q-Gold Peru S.A.C.

Subsidiaries consist of entities over which the Company is exposed to, or has rights to, variable returns as well as the ability to affect those returns through the power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date control is transferred to the Company and are de-consolidated from the date control ceases. The consolidated financial statements include all the assets, liabilities, revenues, expenses and cash flows of the Company and its subsidiaries after eliminating inter-entity balances and transactions.

Q-Gold Resources Ltd.

Notes to the Consolidated Financial Statements

For the three and nine months ended September 30, 2025 and 2024
(Expressed in Canadian dollars)

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Current Accounting Changes

Certain standards changes under IFRS were effective on January 1, 2024. The adoption of these changes had no material impact on the Company's consolidated financial statements.

IAS 1 – Presentation of Financial Statements (“IAS 1”) was amended in January 2020 to provide a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. The amendments clarify that the classification of liabilities as current or noncurrent is based solely on a company's right to defer settlement at the reporting date. The right needs to be unconditional and must have substance. The amendments also clarify that the transfer of a company's own equity instruments is regarded as settlement of a liability, unless it results from the exercise of a conversion option meeting the definition of an equity instrument.

Future Accounting Changes

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods commencing on or after January 1, 2025. Many are not applicable or do not have a significant impact to the Company and have been excluded. The Company is still assessing the impact of these accounting changes.

Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)

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

Presentation and Disclosure in Financial Statements (IFRS 18)

In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements to improve reporting of financial performance. The new standards replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new categories and required subtotals in the statement of profit and loss and also requires disclosure of management-defined performance measures. It also includes new requirements for the location, aggregation and disaggregation of financial information. The standard is effective for annual reporting periods beginning on or after January 1, 2027, including interim financial statements. Retrospective application is required and early adoption is permitted.

3. CRITICAL ACCOUNTING ESTIMATES AND MANAGEMENT JUDGMENTS

The preparation of the consolidated financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reported period. Actual results may differ from these estimates.

Q-Gold Resources Ltd.

Notes to the Consolidated Financial Statements

For the three and nine months ended September 30, 2025 and 2024
(Expressed in Canadian dollars)

3. CRITICAL ACCOUNTING ESTIMATES AND MANAGEMENT JUDGMENTS (CONTINUED)

Estimates and underlying assumptions are reviewed on an ongoing basis and revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The significant areas of judgement and estimation uncertainty considered by management in preparing the consolidated financial statements include:

Critical judgment in applying accounting policies:

- Control of subsidiaries

The Company consolidates subsidiaries over which it has control. Management assesses control in accordance with IFRS 10 - Consolidated Financial Statements and has determined it controls each of its subsidiaries.

- Determination of functional currency

Based on the primary indicators in IAS 21 – The Effects of Change in Foreign Exchange Rates – the Canadian dollar has been determined as the functional currency of the Company and all subsidiaries, as the Canadian dollar is the currency in which funds from financing activities (i.e. issuing debt and equity instruments) are generated and because the activities of the foreign operation are carried out as an extension of the reporting entity, rather than being carried out with a significant degree of autonomy. Effects of changes in foreign exchange rates are recorded as foreign exchange gain (loss) on the consolidated statement of loss. If the functional currency of the United States entity had been the US dollar, the effect of changes in foreign exchange rates would have been reflected as other comprehensive income and carried as a cumulative translation adjustment within accumulated other comprehensive income in the equity section of the consolidated statement of financial position.

Key sources of estimation uncertainty:

- Estimation of decommissioning and restoration costs and the timing of expenditure

The cost estimates are updated annually to reflect known developments (e.g. revisions to cost estimates and to the estimated lives of operations) and are subject to review at regular intervals. Decommissioning, restoration and similar liabilities are estimated based on the Company's interpretation of current regulatory requirements, constructive obligations and are measured at fair value. Fair value is determined based on the net present value of estimated future cash expenditures for the settlement of decommissioning, restoration or similar liabilities that may occur upon decommissioning of the mine. Such estimates are subject to change based on changes in laws and regulations and negotiations with regulatory authorities.

- Expected credit losses - Determining an allowance for expected credit losses ("ECLs") requires management to make estimates and assumptions about credit losses expected to occur in the future, which is based on the probability of default, loss given default, and expected cash shortfall relating to the underlying loan receivable. The expected credit loss is determined by evaluating a range of possible outcomes incorporating the time value of money and reasonable and supportable information about past events, current conditions, and future economic forecasts.

Q-Gold Resources Ltd.

Notes to the Consolidated Financial Statements

For the three and nine months ended September 30, 2025 and 2024
(Expressed in Canadian dollars)

3. CRITICAL ACCOUNTING ESTIMATES AND MANAGEMENT JUDGMENTS (CONTINUED)

- Share based payment transactions and warrants

The Company records share based payments at fair value over the vesting period. The Company also issues warrants. The fair value of the options and warrants is determined using the Black-Scholes options pricing model and management assumptions including the expected dividend yield, expected volatility, forfeiture rate, risk free rate and expected life. Should the underlying assumptions change, it will impact the fair value. Such judgments and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates.

- Income, value added, withholding and other taxes

In assessing the probability of realizing income tax assets recognized, management makes estimates related to expectations of future taxable income, applicable tax planning opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified. Estimates of future taxable income are based on forecasted cash flows from operations and the application of existing tax laws in each jurisdiction. The Company considers whether relevant tax planning opportunities are within the Company's control, are feasible, and are within management's ability to implement. Examination by applicable tax authorities is supported based on individual facts and circumstances of the relevant tax position examined in light of all available evidence. Where applicable tax laws and regulations are either unclear or subject to ongoing varying interpretations, it is reasonably possible that changes in these estimates can occur that materially affect the amounts of income tax assets recognized. Also, future changes in tax laws could limit the Company from realizing the tax benefits from the deferred tax assets. The Company reassesses unrecognized income tax assets at each reporting period.

The Company is subject to income, value added, withholding and other taxes. Significant judgment is required in determining the Company's provisions for taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. The determination of the Company's income, value added, withholding and other tax liabilities requires interpretation of complex laws and regulations. The Company's interpretation of taxation law as applied to transactions and activities may not coincide with the interpretation of the tax authorities. All tax related filings are subject to government audit and potential reassessment subsequent to the financial statement reporting period. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the tax related accruals and deferred income tax provisions in the period in which such determination is made.

- Contingencies.

Refer to Notes 1, 7 and 17.

Q-Gold Resources Ltd.

Notes to the Consolidated Financial Statements

For the three and nine months ended September 30, 2025 and 2024

(Expressed in Canadian dollars)

4. AMOUNTS RECEIVABLE

	September 30, 2025		December 31, 2024
Sales taxes	\$ 118,533	\$	96,932
Others	3,151		11,150
	\$ 121,684	\$	108,082

5. LOAN RECEIVABLE

On May 3, 2021, the Company entered into a loan agreement with Quebec Aur Ltd. (“Borrower”). The Company loaned \$250,000 to the Borrower. Interest on the loan principal as well as interest on accrued and unpaid interest are calculated at 12% per annum. The loan principal and accrued interest are repayable to the Company on or before December 31, 2023. As at December 31, 2023 it was determined that full collectability could not be assured, the loan principal plus accrued interest of \$299,890 were fully provided for. As at September 30, 2025, the loan receivable has a carrying value of \$nil (December 31, 2024 - \$nil).

At the time the loan was provided, the Borrower was not related to the Company. As at September 30, 2025 and December 31, 2024, the Borrower was controlled by a corporation that had a director in common with the Company.

On August 21, 2024, the O2Gold Inc. entered into a settlement agreement with the Borrower and the Company to settle all amounts owing by the Borrower to the Company pursuant to a loan agreement dated May 3, 2021 by way of the issuance of 7,000,000 common shares of O2Gold Inc. (“Settlement Shares”). The settlement is subject to the closing and completion of the Transaction and the approval of the TSXV. Peter Michel and Aaron Atin are the chief financial officer and corporate secretary, respectively, of both the Company and O2Gold Inc.

6. EQUIPMENT

Cost	Equipment	
Balance December 31, 2023 and 2024	\$	25,372
Accumulated depreciation		
Balance December 31, 2023	\$	(17,419)
Changes for the year		(4,596)
Balance December 31, 2024	\$	(22,015)
Changes for the year		(1,713)
Balance September 30, 2025	\$	(23,728)
Net book value as at December 31, 2024	\$	3,357
Net book value as at September 30, 2025	\$	1,644

Q-Gold Resources Ltd.

Notes to the Consolidated Financial Statements

For the three and nine months ended September 30, 2025 and 2024
(Expressed in Canadian dollars)

7. EXPLORATION AND EVALUATION EXPENDITURES

	Three months ended September 30		Nine months ended September 30	
	2025	2024	2025	2024
Q-Gold Ontario properties				
Consulting and labour	\$ 20,302	\$ -	\$ 82,262	\$ 7,837
Claims	2,651	-	12,152	-
Depreciation	(149)	931	1,713	3,666
Drilling	12,091	-	376,293	-
Field expenses	-	735	-	2,354
Land and property taxes	-	2,055	265	3,987
Rent for core shacks	-	-	34,950	9,300
Software license rental	-	-	1,840	-
Travel	-	-	164	470
	\$ 34,894	\$ 3,721	\$ 509,636	\$ 27,614
Q-Gold Peru properties				
Consulting and labour	\$ -	\$ -	\$ -	\$ 1,359
Expenditures	\$ 34,894	\$ 3,721	\$ 509,636	\$ 28,973

Ontario

The Company maintains certain mineral claims near Mine Centre, Ontario that include the historic Foley gold mine and the McKenzie Gray gold/silver zone.

Peru

On July 20, 2020, the Company entered into an acquisition agreement to indirectly acquire an option agreement through its wholly owned subsidiary 1253034 BC Ltd. ("BCCO") who had acquired an option right to earn a 100% interest (the "Acquisition") in the Surupana Silver Property (the "Surupana Property") on July 6, 2020, covering the historical Surupana Silver Mining Camp, located in central Puno province of southern Peru.

During 2020, the Company entered into a share exchange agreement with BCCO and issued 11,000,000 shares of the Company to BCCO's shareholders indirectly owning the option right to the Surupana Property in Peru.

Q-Gold Resources Ltd.

Notes to the Consolidated Financial Statements

For the three and nine months ended September 30, 2025 and 2024

(Expressed in Canadian dollars)

7. EXPLORATION AND EVALUATION EXPENDITURES (CONTINUED)

Over a period of five years, the Company had the exclusive right to acquire a 100% interest in the Surupana Property for a proposed aggregate purchase price consisting of:

- \$175,000 payable by Q-Gold in cash over a period of four years (\$25,000 upon closing of the Acquisition (paid); \$25,000 on or before 12 months from Closing (paid); \$25,000 on or before 24 months from Closing (paid); \$25,000 on or before 36 months from Closing; and \$75,000 on or before 48 months from Closing); During the year ended December 31, 2023 the Company cancelled the option agreement forfeiting its remaining interest in the Surupana Property. As at September 30, 2025, \$nil (December 31, 2024 - \$nil) remains outstanding.
- an aggregate of 14,000,000 common shares of Q-Gold (13,000,000 Payment Shares (issued); 250,000 Payment Shares on or before 12 months from Closing (issued); 250,000 Payment Shares on or before 24 months from Closing (Note 10); 250,000 Payment Shares on or before 36 months from Closing; and 250,000 Payment Shares 48 months from Closing). As at December 31, 2023 an aggregate of 13,500,000 shares have been issued in connection with this transaction and the remaining 500,000 shares will not be issued as a result of the cancellation of the option agreement during the year ended December 31, 2023. As at September 30, 2025, no shares remain to be issued in connection with the Acquisition.
- Q-Gold was initially required to incur aggregate exploration expenditures totaling \$1,800,000 over a period of five years on the Surupana Property (\$135,000 on or before 12 months from Closing (incurred); an additional \$165,000 on or before 24 months from Closing (partially incurred); an additional \$200,000 on or before 36 months from Closing; \$500,000 on or before 48 months from Closing; and an additional \$800,000 on or before 60 months from Closing); and
- the optionor had been granted a 2.0% net smelter returns royalty upon commencement of commercial production (of which 1.0% can be purchased by Q-Gold for US\$850,000).

A Force Majeure notice was delivered to the Optionee on July 9, 2022 as SAIS Sollocota, the owners of the Surupana Property, has not permitted the Company to access the property. SAIS Sollocota is in substance, the local community that regulates physical access to the property. As a result the Company cancelled the option agreement and forfeited its interest in the Surupana Property during the year ended December 31, 2023.

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	September 30, 2025		December 31, 2024	
Trade payables	\$	1,655,544	\$	1,674,773
Accruals		912,841		330,538
	\$	2,568,385	\$	2,005,311

Q-Gold Resources Ltd.

Notes to the Consolidated Financial Statements

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(Expressed in Canadian dollars)

9. LOANS PAYABLE

On October 27, 2021, the Company entered into a loan agreement with Aberdeen International Inc. (“Aberdeen”) for an unsecured loan of \$250,000. Interest is accrued and calculated at 12% per annum. Principal plus accrued interest are due and payable on or before October 31, 2024. Aberdeen and the Company may negotiate repayment of the loans via the transfer of securities or other investment products but any arrangement for repayment other than cash is subject to a subsequent written agreement.

On July 29, 2025 the loan agreement with Aberdeen was extended to mature on December 31, 2027, with all other terms remaining the same.

As of September 30, 2025, the loan principal of \$250,000 (December 31, 2024 - \$250,000) plus accrued interest of \$140,547 (December 31, 2024 - \$108,381) remained outstanding. A former officer of the Company (Ryan Ptolemy) is also a former officer of Aberdeen.

On April 29, 2024, the Company entered into a loan agreement with Forbes & Manhattan Inc. (“Forbes”) for an unsecured loan of \$47,000. Interest is accrued and calculated at 20% per annum. Principal plus accrued interest are due and payable on or before October 29, 2025. Forbes and the Company may negotiate repayment of the loans via the transfer of securities or other investment products but any arrangement for repayment other than cash is subject to a subsequent written agreement.

On December 13, 2024, the loan principal of \$47,000 plus accrued interest of \$4,047 was settled in full through the issuance of 364,617 units of the Company to Forbes as part of the Company's private placement. See Note 10(b). As at June 30, 2025, there are no amounts outstanding related to this loan.

10. SHARE CAPITAL

a) Authorized

Unlimited number of common shares

Unlimited number of first preferred shares

Unlimited number of second preferred shares

The first and second preferred shares may each be issued in one or more series and the directors are authorized to fix, before issuance, the number of shares in and the designation, rights, privileges, restrictions and conditions attaching to the shares of each series.

Q-Gold Resources Ltd.

Notes to the Consolidated Financial Statements

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(Expressed in Canadian dollars)

10. SHARE CAPITAL (CONTINUED)

b) Issued and outstanding shares

	Number of Common shares	Amount
Balance, December 31, 2023	55,998,695	\$ 23,074,746
Units issued through private placements	1,436,044	152,065
Flow through units issued through private placements	4,125,000	422,328
Options exercised	100,000	13,330
Shares issue costs	-	(70,784)
Balance, December 31, 2024	61,659,739	\$ 23,591,685
Options exercised	950,000	146,305
Warrants exercised	110,000	25,775
Balance, September 30, 2025	62,719,739	\$ 23,763,765

On December 13, 2024, the Company closed a financing for gross proceeds of \$151,047. Pursuant to the financing, the Company issued 1,078,902 units of the Company at a price of \$0.14 per unit. Each unit consists of one common share of the Company and one half of one share purchase warrant. Each whole warrant will entitle the holder to acquire one common share of the Company at an exercise price of \$0.20 for a period of 24 months following the closing date. The issue date fair value of the warrants was estimated at \$36,892 using the Black Scholes option pricing model with the following assumptions: share price of \$0.0684, expected dividend yield of 0%; expected volatility of 124.2% (based on the Company's historical volatility); risk-free interest rate of 3.01% and an expected life of 2 years. 364,617 of the units were issued to Forbes, a related party, to settle \$51,047 of loan principal and accrued interest. See Note 9.

On December 13, 2024, the Company closed a flow-through financing for gross proceeds of \$352,000. Pursuant to the financing, the Company issued 2,200,000 units of the Company at a price of \$0.16 per unit. Each unit consists of one flow-through common share of the Company and one half of one share purchase warrant. Each whole warrant will entitle the holder to acquire one common share of the Company at an exercise price of \$0.20 for a period of 24 months following the closing date. The gross proceeds from the flow-through offering were allocated to common shares, warrants and flow-through share premium using the residual method, with proceeds being allocated to the common shares and warrants first based on the fair value of the shares and warrants at the time of the issuance as determined in the concurrent non-flow through financing. The fair value of the shares was determined to be \$224,440, the fair value of the warrants was determined to be \$83,559 and \$44,001 was allocated as the value of the flow-through share premium.

The Company issued 220,000 broker warrants with an exercise price of \$0.16 in connection with the December 13, 2024 private placements. The issue date fair value of the warrants was estimated at \$16,350 using the Black Scholes option pricing model with the following assumptions: share price of \$0.0929, expected dividend yield of 0%; expected volatility of 124.2% (based on the Company's historical volatility); risk-free interest rate of 3.01% and an expected life of 2 years. The Company also paid cash issue costs of \$36,200 including finder's fees in cash of \$35,200.

On December 27, 2024, the Company closed a financing for gross proceeds of \$50,000. Pursuant to the financing, the Company issued 357,142 units of the Company at a price of \$0.14 per unit. Each unit consists of one common share of the Company and one share purchase warrant. Each warrant will entitle the holder

Q-Gold Resources Ltd.

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For the three and nine months ended September 30, 2025 and 2024
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10. SHARE CAPITAL (CONTINUED)

b) Issued and outstanding shares (continued)

to acquire one common share of the Company at an exercise price of \$0.20 for a period of 24 months following the closing date. The issue date fair value of the warrants was estimated at \$12,089 using the Black Scholes option pricing model with the following assumptions: share price of \$0.0677, expected dividend yield of 0%; expected volatility of 121.1% (based on the Company's historical volatility); risk-free interest rate of 3% and an expected life of 2 years.

On December 27, 2024, the Company closed a flow-through financing for gross proceeds of \$308,000. Pursuant to the financing, the Company issued 1,925,000 units of the Company at a price of \$0.16 per unit. Each unit consists of one flow-through common share of the Company and one half of one share purchase warrant. Each whole warrant will entitle the holder to acquire one common share of the Company at an exercise price of \$0.20 for a period of 24 months following the closing date. The gross proceeds from the flow-through offering were allocated to common shares, warrants and flow-through share premium using the residual method, with proceeds being allocated to the common shares and warrants first based on the fair value of the shares and warrants at the time of the issuance as determined in the concurrent non-flow through financing. The fair value of the shares was determined to be \$197,888, the fair value of the warrants was determined to be \$71,613 and \$38,499 was allocated as the value of the flow-through share premium.

During the three and nine months ended September 30, 2025 the company incurred income of \$4,986 and \$58,310 on Amortization of flow-through premium resulting in a reduction of the flow-through premium liability from \$82,500 as at December 31, 2024 to \$24,190 as at Septemebr 30, 2025.

The Company issued 150,000 broker warrants with an exercise price of \$0.16 in connection with the December 27, 2024 private placements. The issue date fair value of the warrants was estimated at \$14,628 using the Black Scholes option pricing model with the following assumptions: share price of \$0.0831, expected dividend yield of 0%; expected volatility of 121.1% (based on the Company's historical volatility); risk-free interest rate of 3% and an expected life of 2 years. The Company also paid cash issue costs of \$39,000 entirely for finder's fees.

On December 23, 2024, there were 100,000 options exercised at a price of \$0.07 for gross proceeds of \$7,000. The trading share price on the exercise date was \$0.14. The grant date fair value of the options exercised was \$6,330.

On September 22, 2025, there were 600,000 options exercised at a price of \$0.07 for gross proceeds of \$42,000. The trading share price on the exercise date was \$0.205. The grant date fair value of the options exercised was \$37,980.

On September 22, 2025, there were 350,000 options exercised at a price of \$0.095 for gross proceeds of \$33,250. The trading share price on the exercise date was \$0.205. The grant date fair value of the options exercised was \$33,075.

On September 30, 2025, there were 110,000 warrants exercised at a price of \$0.16 for gross proceeds of \$17,600. The grant date fair value of the options exercised was \$8,175.

Q-Gold Resources Ltd.

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11. RESERVES

Warrants

	Options			Warrants		
	Number of options	Weighted average exercise prices	Value of options	Number of warrants	Weighted average exercise prices	Value of warrants
December 31, 2023	3,180,000	\$ 0.08	\$ 216,327	-	\$ -	\$ -
Granted	-	-	-	3,150,522	0.20	199,738
Exercised	(100,000)	0.07	(6,330)	-	-	-
December 31, 2024	3,080,000	\$ 0.08	\$ 209,997	3,150,522	0.20	\$ 199,738
Granted	2,070,000	0.09	193,522	-	-	-
Exercised	(950,000)	(0.08)	(71,055)	(110,000)	0.07	(8,175)
September 30, 2025	4,200,000	\$ 0.08	\$ 332,464	3,150,522	\$ 0.20	\$ 191,563

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

	Grant date	Expiry date	Number outstanding	Number exercisable	Exercise price	Grant date fair value
Warrants	December 13, 2024	December 13, 2026	1,100,000	1,100,000	\$0.20	\$ 66,042
Warrants	December 13, 2024	December 13, 2026	539,451	539,451	\$0.20	\$ 36,892
Warrants	December 13, 2024	December 13, 2026	110,000	110,000	\$0.16	\$ 8,175
Warrants	December 27, 2024	December 27, 2026	178,571	178,571	\$0.20	\$ 12,089
Warrants	December 27, 2024	December 27, 2026	962,500	962,500	\$0.20	\$ 53,737
Warrants	December 27, 2024	December 27, 2026	150,000	150,000	\$0.16	\$ 14,628
			3,040,522	3,040,522		\$ 191,563

Stock options

Q-Gold has established a stock option plan for the benefit of directors, officers, employees and consultants of the Company. The exercise price of each option shall not be less than the market price of Q-Gold's stock as calculated on the date of the grant. The options may be granted for a maximum term of five years and certain options to employees and consultants vest over periods of time as determined by the board of directors.

On February 14, 2025, the Company granted 2,000,000 stock options to directors, officers and consultants of Company to purchase common shares of the Company for the price of \$0.095 for a period of five years from the date of grant. The options vest immediately.

On March 20, 2025, the Company granted 70,000 stock options to a consultant of Company to purchase common shares of the Company for the price of \$0.065 for a period of five years from the date of grant. The options vest immediately.

Q-Gold Resources Ltd.

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11. RESERVES (CONTINUED)

Stock options (continued)

The weighted average contractual years remaining on the outstanding options, as of September 30, 2025, was 3.46 years (December 31, 2024 – 2.44 years).

As at September 30, 2025 the Company had stock options outstanding and exercisable as follows:

Grant date	Expiry date	Number outstanding	Number exercisable	Exercise price	Grant date fair value
January 8, 2021	January 8, 2026	40,000	40,000	\$0.26	\$ 8,520
May 19, 2021	May 19, 2026	100,000	100,000	\$0.14	\$ 10,900
February 1, 2022	February 1, 2027	125,000	125,000	\$0.11	\$ 12,387
July 6, 2022	July 6, 2027	2,215,000	2,215,000	\$0.07	\$ 140,210
February 14, 2025	February 14, 2030	2,000,000	2,000,000	\$0.095	\$ 155,925
March 20, 2025	March 20, 2030	70,000	70,000	\$0.065	\$ 4,522
		4,550,000	4,550,000		\$ 332,464

12. RELATED PARTY TRANSACTIONS

The Company shares office space with other companies who may have common officers and directors. The costs associated with the use of this space, including the provision of office equipment and supplies, are administered by 2227929 Ontario Inc. to whom the Company pays a fee of \$10,000 per month. Total amount of \$30,000 and \$90,000 was charged during the three and nine months ended September 30, 2025 (three and nine months ended September 30, 2024 - \$30,000 and \$90,000). As at September 30, 2025, the Company had a payable balance of \$816,897 (December 31, 2024 - \$689,732) owing to 2227929 Ontario Inc. to cover shared expenses. Amounts owing are unsecured, non-interest bearing and due on demand.

As at September 30, 2025, included in accounts payable is \$30,000 (December 31, 2024 - \$30,000) of funds advanced from 2227929 Ontario Inc. This balance bears no interest and has no set repayment terms.

As at September 30, 2025, 2024, included in accounts payable is \$399,352 (December 31, 2024 - \$25,000) of funds advanced from Forbes & Manhattan Inc., a Company that had a director in common with the Company. This balance bears no interest and has no set repayment terms.

See Notes 5, 9, 10 and 11.

Q-Gold Resources Ltd.

Notes to the Consolidated Financial Statements

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12. RELATED PARTY TRANSACTIONS (CONTINUED)

Compensation of Key Management

Key management includes the Company's directors and officers. Compensation awarded to key management included:

	Three months ended		Nine months ended	
	September 30,		September 30,	
	2025	2024	2025	2024
Short-term benefits	\$ 84,750	\$ 38,250	\$ 135,750	\$ 76,500
Share based payments	-	-	145,530	-
	\$ 84,750	\$ 38,250	\$ 281,280	\$ 76,500

Included in accounts payable and accrued liabilities as at September 30, 2025 is \$352,498 (December 31, 2024 - \$392,669) due to directors and officers of the Company. These amounts are unsecured, non-interest bearing and due on demand.

On August 21, 2024, the O2Gold Inc. entered into a settlement agreement with the Borrower and the Company to settle all amounts owing by the Borrower to the Company pursuant to a loan agreement dated May 3, 2021 by way of the issuance of 7,000,000 common shares of O2Gold Inc. ("Settlement Shares"). The settlement is subject to the closing and completion of the Transaction and the approval of the TSXV. Peter Michel and Aaron Atin are the chief financial officer and corporate secretary, respectively, of both the Company and O2Gold Inc.

13. FINANCIAL INSTRUMENTS

Financial instruments measured at fair value on the consolidated statements of financial position are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

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

The Company's financial instruments consist of cash, amounts receivable, loan receivable, accounts payable and accrued liabilities and loans payable. The fair value of these financial instruments approximates their carrying values due to the short-term nature of these instruments. The Company has no financial instruments recorded at fair value.

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13. FINANCIAL INSTRUMENTS (CONTINUED)

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

	Assets & (Liabilities) at amortized cost	Assets & (Liabilities) at fair value through profit & loss	TOTAL
<u>At September 30, 2025</u>			
Financial assets:			
Cash	\$ 155,553	\$ -	\$ 155,553
Amounts receivable	\$ 3,151	\$ -	\$ 3,151
Financial liabilities:			
Accounts payable and accrued liabilities	\$ (2,568,385)	\$ -	\$ (2,568,385)
Loans payable	\$ (390,547)	\$ -	\$ (390,547)
	Assets & (Liabilities) at amortized cost	Assets & (Liabilities) at fair value through profit & loss	TOTAL
<u>At December 31, 2024</u>			
Financial assets:			
Cash	\$ 10,476	\$ -	\$ 10,476
Amounts receivable	\$ 3,000	\$ -	\$ 3,000
Financial liabilities:			
Accounts payable and accrued liabilities	\$ (1,670,530)	\$ -	\$ (1,670,530)
Loans payable	\$ (315,416)	\$ -	\$ (315,416)

14. FINANCIAL RISK FACTORS

Q-Gold is exposed to a number of different risks arising from normal course business exposures, as well as the Company's use of financial instruments.

a) Liquidity risk

Liquidity risk is the risk that Q-Gold will encounter difficulty in meeting its obligations associated with financial liabilities. The Company's ability to continue as a going concern is dependent on the board and management's ability to raise the required capital through future equity sales or debt issues. As Q-Gold is in the exploration stage, it has no production upon which it could rely to fund its operations or the exploration of its properties. Financial liabilities consist of accounts payable, accrued liabilities and loans payable, which are current and are expected to be settled within one year.

b) Credit risk

Credit risk is the risk that a counterparty will fail to pay amounts owing or fail to perform an obligation causing a financial loss. The Company's credit risk is primarily attributable to amounts receivable and loan receivable. The Company recognizes a loss allowance for expected credit losses on financial assets measured at amortized cost. Q-Gold is exposed to the risk that the third party that owes its money will not perform their underlying obligation. The total carrying value of these financial instruments at September 30, 2025 was

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14. FINANCIAL RISK FACTORS (CONTINUED)

b) Credit risk (continued)

\$3,151 (December 31, 2024 – \$11,150). Cash is held with high credit quality financial institutions and credit risk is considered minimal. The Company continues to monitor and is subject to normal mining industry credit risks.

c) Market risk

Market risk consists of currency risk, commodity price risk and interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable limits while maximizing returns. The Company recognizes that external factors, which it cannot control, such as financial market instability and commodity prices, can adversely affect its ability to raise the necessary capital to maintain ongoing operations.

d) Currency risk

Q-Gold's operations are in Canada and previously Peru. The international nature of Q-Gold's operations results in foreign exchange risk as transactions are denominated in foreign currency.

The operating results and the financial position of Q-Gold are reported in Canadian dollars. The fluctuations of the operating currencies relative to the Canadian dollar will, consequently, have an impact upon the reported results of the Company and may also affect the value of its assets and liabilities. The Company has sought to minimize this risk by keeping its cash reserves in Canadian dollars and only purchasing US dollars as needed. Q-Gold has not entered into any agreements or purchased any instruments to hedge possible currency risks at this time.

e) Interest rate risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The risk that Q-Gold will realize a loss as a result of a decline in the fair value of cash is limited because of their short-term investment nature. A variable rate of interest is earned on cash; changes in market interest rates would not have a material impact on the Company's consolidated financial statements.

15. CAPITAL DISCLOSURES

Q-Gold's capital structure consists of shareholders' (deficiency) and current liabilities. The primary capital management objectives are to maintain a flexible capital structure, which optimizes the cost of capital at acceptable risk to facilitate ongoing exploration and to maintain a strong capital base so as to maintain investor confidence and provide an appropriate return to its shareholders. Q-Gold has the ability to adjust its capital structure by issuing new equity and adjusting its mineral exploration program to the extent the mineral exploration expenditures are not committed to. The Company's capital management objectives, policies and processes have remained unchanged during the six months ended September 30, 2025 and 2024.

As at September 30, 2025 Q-Gold had a working capital deficiency of \$2,474,832 (December 31, 2024 – \$1,617,488) and no long-term debt.

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15. CAPITAL DISCLOSURES (CONTINUED)

No other capital requirements are imposed by a lending institution or regulatory body, other than of the TSXV which requires adequate working capital or financial resources of the greater of (i) \$50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of nine months. As at September 30, 2025, the Company is not compliant with the TSXV capital requirements. The consequences of non-compliance are at the discretion of the TSXV.

16. CHANGE IN NON-CASH WORKING CAPITAL

Change in non-cash working capital consists of the following:

	Nine months ended	
	September 30,	
	2025	2024
Amounts receivable	\$ (13,603)	\$ (14,259)
Prepaid expenses	(229,147)	2,930
Accounts payable and accrued liabilities	563,075	166,727
	<u>\$ 320,325</u>	<u>\$ 155,398</u>

17. COMMITMENTS AND CONTINGENCIES

Management contracts

The Company is party to certain management contracts and severance obligations. These contracts contain clauses requiring additional payments of \$380,000 to be made to the officers of the Company upon the occurrence of certain events such as a change of control. As the triggering effect has not taken place, the contingent payments have not been reflected in these consolidated financial statements. Additional minimum management contractual commitments remaining under the agreements are approximately \$229,000 all due within one year.

Environmental

The Company's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

Exploration properties

Ontario Mineral Properties

The mining claims held by Q-Gold in the Kenora Mining Division of Ontario require an annual application of assessment work credits.

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17. COMMITMENTS AND CONTINGENCIES (CONTINUED)

Peru Surupana Silver Property

The Company was previously required to make certain options payments in cash and shares and incur exploration spending as per the option agreement signed in July 2020. During 2022, the Company claimed force majeure due to property access issues and during 2023, the Company terminated the existing option agreement. See Note 7 for details.

Alamos

On March 31, 2025, the Company entered into a share exchange agreement with 0975828 B.C. Ltd. (the "Target") and its sole shareholder, Alamos Gold Inc. ("Alamos"), pursuant to which Q-Gold intends to indirectly acquire a mineral exploration project located in south-central Oregon through the purchase of all of the issued and outstanding shares of the Target from Alamos. The closing of the Acquisition is subject to the satisfaction of customary conditions precedent, including, inter alia, any requisite approval of the TSXV (which may require the preparation at the Company's expense of certain documents requested by the TSXV), completion of a private placement financing, the provision of legal opinions concerning certain corporate matters and the title to the Assets, and other closing conditions customarily found in transactions similar to the Acquisition. As at September 30th this transaction had not completed (Note 18).

Pursuant to the Agreement, Q-Gold has agreed to pay or issue (as applicable) to Alamos the following (the "Purchase Price"):

On the closing date of the Acquisition (the "Closing Date"):

\$3,888,255 (US\$2,850,000) in cash; and such number of common shares of the Company which represent 9.99% of Q-Gold's issued and outstanding common shares immediately prior to the Closing Date, after taking into account any common shares of the Company to be issued pursuant to the concurrent minimum \$5,000,000 financing, the terms had not been finalized at September 30, 2025 (Note 18).

\$4,297,545 (US\$3,150,000) in cash or common shares (at Alamos' election) payable on the first anniversary of the Closing Date;

\$3,410,750 (US\$2,500,000) in cash or common shares (at Alamos' election) payable on the second anniversary of the Closing Date;

\$3,410,750 (US\$2,500,000) in cash or common shares (at Alamos' election) payable on the third anniversary of the Closing Date;

\$6,821,500 (US\$5,000,000) in cash or common shares (at Alamos' election) payable on the earlier of: (i) completion of a feasibility study in respect of the Quartz Mountain Project, and (ii) the Company making a decision to commence construction of a mine on the Quartz Mountain Project and

\$6,821,500 (US\$5,000,000) in cash or common shares (at Alamos' election) payable when the Quartz Mountain Project has been permitted.

This transaction closed subsequent to September 30, 2025 (see Note 18).

Q-Gold Resources Ltd.

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17. COMMITMENTS AND CONTINGENCIES (CONTINUED)

Legal Matters

From time to time, the Company may be named as a party to claims or involved in proceedings, including legal, regulatory and tax related, in the ordinary course of its business. While the outcome of these matters may not be estimable at period end, the Company makes provisions, where possible, for the estimated outcome of such claims or proceedings. Should a loss result from the resolution of any claims or proceedings that differs from these estimates, the difference will be accounted for as a charge to net income (loss) in that period.

Flow-Through Financing

The Company has been partially financed through the issuance of flow-through shares and, according to tax rules regarding this type of financing, the Company is engaged in realizing mining exploration work. These tax rules also set deadlines for carrying out the exploration work, which must be performed no later than the earlier of the following dates:

- end of the calendar year following the flow-through placements; and
- one year after the Company has renounced the tax deductions relating to the exploration work.

There is no guarantee that the Company's exploration expenses will qualify as Canadian Exploration Expenditures, even if the Company is committed to taking all the necessary measures in this regard. Refusal of certain expenses by the tax authorities would have a negative tax impact for investors and for the Company.

Pursuant to the terms of the flow-through agreements entered into on December 13 and December 27, 2024, the Company is committed to incur Canadian Exploration Expenditures of \$660,000 by December 31, 2025. As at September 30, 2025, the Company has incurred \$509,636 in Canadian Exploration Expenditures. The Company has indemnified the subscribers of the current flow-through share offerings against any tax-related amounts that become payable by the shareholder as a result of the Company not meeting its expenditure commitments.

In August 2025 the Company entered into a Consulting proposal where by a Consultant would provide advice and assistance in connection with capital raising activities in consideration of \$450,000 plus applicable taxes charged as a cash service fee along with 1,000,000 stock options of the Company at an exercise price equal to the greater of the price per security of the securities to be issued by the Company pursuant to its next private placement financing following the date hereof, as disclosed publicly in a press release of the Company announcing such financing, and the Discounted Market Price (as such term is defined in the policies of the Exchange) of the common shares of the Company calculated as of the date of the grant, one-third vesting immediately, one-third vesting in six months following the grant date, and the remaining one-third vesting in 12 months following the grant date (See Note 18).

Going Concern

See Note 1 for more detailed discussion.

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18. SUBSEQUENT EVENTS

On October 21, 2025, the company closed on the acquisition of Alamos the advanced-stage Quartz Mountain gold exploration project through the purchase of all issued and outstanding shares of 0975828. The Target from its sole shareholder Alamos.

Pursuant to the Agreement, the Company paid and issued to Alamos, respectively, \$3,888,255 (US\$2,850,000) in cash and 13,924,702 common shares of the Company, which represents 9.99% of the Company's issued and outstanding common shares on an undiluted basis immediately prior to the closing date of the Acquisition.

In addition, the Company has also agreed to pay or issue (as applicable) to Alamos the following:

\$4,297,545 (US\$3,150,000) in cash or common shares (at Alamos' election) payable on the first anniversary of the Closing Date (the "12-Month Payment");

\$3,410,750 (US\$2,500,000) in cash or common shares (at Alamos' election) payable on the second anniversary of the Closing Date (the "24-Month Payment");

\$3,410,750 (US\$2,500,000) in cash or common shares (at Alamos' election) payable on the third anniversary of the Closing Date (collectively with the 12-Month Payment and the 24-Month Payment, the "Anniversary Payments");

\$6,821,500 (US\$5,000,000) in cash or common shares (at Alamos' election) payable on the earlier of: (i) completion of a feasibility study in respect of the Quartz Mountain Project, and (ii) the Company deciding to commence construction of a mine on the Quartz Mountain Project (the "FS Payment"); and

\$6,821,500 (US\$5,000,000) in cash or common shares (at Alamos' election) payable when the Quartz Mountain Project has been permitted (collectively with the Anniversary Payments and FS Payment, the "Milestone Payments").

The Milestone Payments may also be paid in a number of the Company's common shares in certain circumstances described in and calculated in accordance with the terms of the Agreement. In the event that the issuance of the Milestone Shares would result in Alamos holding more than 19.9% of the issued and outstanding Common Shares, then in lieu of issuing additional shares in excess of such threshold, the value of the shares that would have been issued absent the application of such threshold shall be satisfied by the Company causing Quartz Mountain Gold Ltd. to grant a re-purchasable net smelter return royalty (the "NSR Royalty") to Alamos in respect of all minerals from the Quartz Mountain Project at a fixed rate of 0.2% of the net smelter return for each US\$1,000,000 in value being satisfied by the issuance of such NSR Royalty on the terms described in the Agreement.

Further, no Common Shares shall be issued in respect of Milestone Payments in the event that such issuances would mean the total number of Common Shares issued in respect of Payment Shares and Milestone Payments would exceed 138,326,406 Common Shares in aggregate (the "Share Cap"), provided the Company has also agreed to use commercially reasonable efforts to obtain approval of the TSX Venture Exchange (the "TSXV") for issuances of its Common Shares beyond the Share Cap to satisfy Milestone Payments upon Alamos' request.

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18. SUBSEQUENT EVENT (CONTINUED)

On October 22, 2025 the Company closed a private placement offering pursuant to an agency agreement dated October 3, 2025 (the "Agency Agreement") between the Company and BMO Capital Markets, as agent (the "Agent"), the Company issued a total 76,666,667 subscription receipts ("Subscription Receipt") at a price of \$0.15 per unit for aggregate gross proceeds to the Company of \$11,500,000 (the "Offering"), which included the exercise in full by the Agent of its over-allotment option granted pursuant to the Agency Agreement.

Each Subscription Receipt will be deemed to be automatically exchanged, without payment of additional consideration or further action by the holder thereof, into one unit (a "Unit") immediately upon the satisfaction or waiver of the Escrow Release Conditions on or before November 14, 2025 (the "Escrow Release Deadline").

Unit will be comprised of one common share in the capital of the Company (a "Common Share") and one-half of one Common Share purchase warrant of the Company (each whole warrant, a "Warrant"). Each Warrant will entitle the holder to acquire one Common Share (a "Warrant Share") at a price of \$0.20 per Warrant Share until October 3, 2027; provided, however, that if at any time after February 4, 2026, the Common Shares trade at \$0.25 per Common Share or higher on the TSX Venture Exchange ("TSXV") for a period of 10 consecutive days, the Company will have the right (but not the obligation) to accelerate the expiry date of the Warrants to the date that is 30 days after the Company issues a news release announcing that it has elected to exercise this acceleration right. Pursuant to the terms of the Subscription Receipt Agreement, each Subscription Receipt shall be automatically exchanged into one Unit upon:

- receipt by Q-Gold of all required corporate, regulatory and TSXV approvals in connection with the Offering and the proposed indirect acquisition by the Company of the interest held by Alamos Gold Inc. ("Alamos") in the advanced stage gold mineral exploration project (the "Quartz Mountain Project") located in south-central Oregon, pursuant to a share exchange agreement (the "SEA") dated March 31, 2025, as amended, between the Company, Alamos and certain target subsidiaries of Alamos (the "Acquisition");
- the completion, satisfaction or waiver of all conditions precedent to the closing of the Acquisition in accordance with the SEA, other than the payment of the closing cash consideration for which the release of escrowed funds is required; and
- the delivery of a joint notice from Q-Gold and the Agent to the Subscription Receipt Agent confirming that the conditions set forth above have been met or waived,

(collectively, the "Escrow Release Conditions"). If the Escrow Release Conditions are not satisfied at or before the Escrow Release Deadline, each of the then issued and outstanding Subscription Receipts will be cancelled and the Subscription Receipt Agent will return to each holder of Subscription Receipts an amount equal to the aggregate issue price of the Subscription Receipts held by such holder. To the extent that the escrowed funds are insufficient to refund such amounts to each holder of the Subscription Receipts, the Company shall be liable for and will contribute such amounts as are necessary to satisfy the shortfall. Pursuant to the Agency Agreement, the Agent is entitled to be paid a cash commission equal to 6% of the of the gross proceeds raised under the Offering, which is equal to \$690,000 (the "Agent's Fee"). Of this amount, 50% (or \$345,000) was paid by the Company immediately upon closing of the Offering and the remaining 50% was deposited into escrow with the Subscription Receipt Agent alongside the balance of the gross proceeds of the Offering and will be payable to the Agent only upon satisfaction of the Escrow Release Conditions. The Agent is also entitled to be issued 4,600,000 non-transferable broker warrants (the "Broker Warrants"), being equal to 6.0% of the number of Subscription Receipts sold pursuant to the Offering.

Q-Gold Resources Ltd.

Notes to the Consolidated Financial Statements

For the three and nine months ended September 30, 2025 and 2024
(Expressed in Canadian dollars)

18. SUBSEQUENT EVENT (CONTINUED)

The Broker Warrants will be issued to the Agent only upon satisfaction of the Escrow Release Conditions at or prior to the Escrow Release Deadline. Once issued, each Broker Warrant will entitle the Agent to purchase one Common Share at a price of \$0.15 per share until October 3, 2030. The Broker Warrants will vest upon the earlier to occur of the Company's closing share price on the TSXV exceeding \$0.30 per share for five consecutive trading days and October 3, 2028. All securities issued in connection with the Offering, including the Subscription Receipts, will be subject to a statutory hold period ending February 4, 2026. If the Escrow Release Conditions are satisfied at or prior to the Escrow Release Deadline, concurrently with automatic exchange of the Subscription Receipts for Units, the balance of the escrowed proceeds, less the remaining 50% of the Agent's Fee (which, together with any interest earned thereon, will be paid to the Agent) together with any interest earned thereon, will be released to the Company as the net proceeds of the Offering. The Company intends to use the net proceeds of the Offering (i) to finance a portion of the purchase price of the Acquisition pursuant to the SEA, (ii) to undertake an exploration program and engineering studies at the Quartz Mountain Project, (iii) to finance a portion of the exploration program along the Quetico Fault Zone at the Company's project in Mine Centre, Ontario, and (iv) for working capital and general corporate purposes. The Offering is subject to the receipt of final approval of the TSXV. Completion of the Acquisition remains subject to a number of customary closing conditions, such as receipt of final approval of the TSXV, including in respect of the National Instrument 43-101 – Standards of Disclosure for Mineral Projects technical report respecting the Quartz Mountain Project submitted by the Company, which are expected to be satisfied at or prior to the Escrow Release Deadline.

In connection with the financing the Company agreed to pay consultants cash compensation of \$450,000 plus applicable taxes as a service fee for providing assistance in capital raising activities. The Company also agreed to issue 1,000,000 options in connection with the financing, these options have yet to be issued.

On November 29, 2025, Robert Bryce resigned from the Company's Board of Directors.