

Azincourt Energy Corp.

(An Exploration Stage Company)

Consolidated Financial Statements

For the Years Ended September 30, 2025 and 2024

Expressed in Canadian Dollars

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
Azincourt Energy Corp.

Opinion

We have audited the accompanying consolidated financial statements of Azincourt Energy Corp. (the "Company"), which comprise the consolidated statements of financial position as at September 30, 2025 and 2024 and the consolidated statements of 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, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at September 30, 2025 and 2024, and its financial performance and its 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 audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the 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 in our audit is sufficient and appropriate to provide a basis for our opinion.

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 year. 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.

Assessment of Impairment Indicators of Mineral Properties

As described in Note 6 to the consolidated financial statements, the carrying amount of the Company's mineral properties was \$5,559,717 as of September 30, 2025. As more fully described in Note 3 to the consolidated financial statements, management assesses mineral properties for indicators of impairment at the end of each reporting period.

The principal considerations for our determination that the assessment of impairment indicators of the mineral properties is a key audit matter is that there was judgment made by management when assessing whether there were indicators of impairment for the mineral properties, specifically relating to the assets' carrying amount which is impacted by the Company's intent and ability to continue to explore and evaluate these assets. This in turn led to a high degree of auditor judgment, subjectivity, and effort in performing procedures to evaluate audit evidence relating to the judgments made by management in their assessment of indicators of impairment that could give rise to the requirement to prepare an estimate of the recoverable amount of the mineral properties.



Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. Our audit procedures included, among others:

- Evaluating management's assessment of impairment indicators.
- Evaluating the intent for the mineral properties through discussion and communication with management.
- Reviewing the Company's recent expenditure activity.
- Assessing compliance with agreements and vouching cash payments and share issuances.
- Assessing the Company's rights to explore mineral properties including sending confirmation requests to optionors to ensure good standing of agreements.
- Evaluating title to ensure mineral rights underlying the mineral properties are in good standing.

Other Information

Management is responsible for the other information. The other information obtained at the date of this auditor's report includes 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 audit 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 audit, or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, 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, 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:

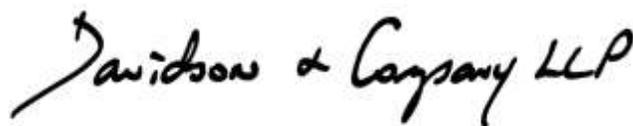
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance 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 audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year 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 Michael MacLaren.

A handwritten signature in black ink that reads "Davidson & Company LLP". The signature is written in a cursive, flowing style.

Vancouver, Canada

Chartered Professional Accountants

January 28, 2026

Azincourt Energy Corp.*(An Exploration Stage Company)***Consolidated Statements of Financial Position***In Canadian Dollars*

ASSETS	September 30, 2025	September 30, 2024
Current		
Cash and cash equivalents	\$ 817,632	\$ 1,877,344
Amounts receivable (Note 5)	60,732	43,141
Prepaid expenses	381,418	88,710
Marketable securities (Note 4)	-	220,000
	<u>1,259,782</u>	<u>2,229,195</u>
Mineral Properties (Note 6)	<u>5,559,717</u>	<u>4,915,174</u>
	<u>\$ 6,819,499</u>	<u>\$ 7,144,369</u>
LIABILITIES		
Current		
Accounts payable and accrued liabilities (Note 9)	\$ 341,078	\$ 364,445
Flow-through share liability (Note 7)	-	27,344
	<u>341,078</u>	<u>391,789</u>
SHAREHOLDERS' EQUITY		
Share Capital (Note 7)	30,378,312	28,159,411
Reserves (Note 7)	16,084,044	15,401,353
Deficit	<u>(39,983,935)</u>	<u>(36,808,184)</u>
	<u>6,478,421</u>	<u>6,752,580</u>
	<u>\$ 6,819,499</u>	<u>\$ 7,144,369</u>

Nature of Operations and Going Concern (Note 1)**Subsequent Events** (Note 13)

Approved by the Board of Directors:

"Paul Reynolds"

Paul Reynolds, Director

"Alex Klenman"

Alex Klenman, Director

- See Accompanying Notes -

Azincourt Energy Corp.
(An Exploration Stage Company)
Consolidated Statements of Loss and Comprehensive Loss
For the Years Ended September 30
In Canadian Dollars

	2025	2024
Operating expenses		
Audit and accounting	\$ 105,122	\$ 131,376
Communication and media (Note 9)	95,535	155,500
Consulting and directors' fees (Note 9)	541,500	618,214
Exploration and evaluation costs, net of recoveries (Note 6, 9)	440,206	1,421,311
Filing and transfer agent fees	65,765	99,913
Insurance	9,159	8,700
Investor relations	100,022	24,385
Legal costs	47,083	111,771
Marketing	834,838	75,000
Office and administration	78,020	81,630
Property investigation costs (Note 9)	27,300	48,572
Rent	30,000	29,000
Share-based compensation (Note 7 and 9)	235,737	-
Travel	-	4,943
	<u>(2,610,287)</u>	<u>(2,810,315)</u>
Interest income	42,672	103,428
Other income (Note 7)	27,344	254,088
Administration income (Note 6)	232	10,985
Realized gain (loss) on marketable securities (Note 4)	(10,194)	59,786
Unrealized gain (loss) on marketable securities (Note 4)	(37,500)	(187,500)
Gain on recovery of accounts payable	8,047	-
Write-off of mineral property interests (Note 6)	(596,065)	-
	<u>(596,065)</u>	<u>-</u>
Loss and comprehensive loss for the year	\$ (3,175,751)	\$ (2,569,528)
Loss per share – basic and diluted	\$ (0.05)	\$ (0.05)
Weighted average number of common shares outstanding – basic and diluted	64,211,664	46,851,340

– See Accompanying Notes –

Azincourt Energy Corp.
(An Exploration Stage Company)
Consolidated Statements of Cash Flows
For the Years Ended September 30
In Canadian Dollars

Cash Provided By (Used In):	2025	2024
Operations:		
Loss for the year	\$ (3,175,751)	\$ (2,569,528)
Items not affecting cash:		
Dilution of joint venture interest	(1,000)	(67,537)
Share-based compensation	235,737	-
Other income	(27,344)	(254,088)
Realized loss (gain) on marketable securities	10,194	(59,786)
Unrealized loss (gain) on marketable securities	37,500	187,500
Write-off of mineral property interests	596,065	-
Change in non-cash working capital:		
Amounts receivable	(17,591)	(4,993)
Prepaid expenses	(292,708)	28,005
Accounts payable and accrued liabilities	(23,367)	50,505
	<u>(2,658,265)</u>	<u>(2,689,922)</u>
Investing:		
Proceeds from sale of marketable securities	172,306	242,286
Mineral property acquisition costs	(150,274)	(27,375)
	<u>22,032</u>	<u>214,911</u>
Financing:		
Proceeds from issuance of shares and units	1,701,954	1,630,120
Share issuance costs	(125,433)	(154,013)
	<u>1,576,521</u>	<u>1,476,107</u>
Change in cash and cash equivalents	(1,059,712)	(998,904)
Cash and cash equivalents - beginning of year	1,877,344	2,876,248
Cash and cash equivalents - end of year	\$ 817,632	\$ 1,877,344
Cash and cash equivalents consist of:		
Cash	\$ 67,632	\$ 327,344
Demand deposit – guaranteed investment certificates	750,000	1,550,000
	<u>\$ 817,632</u>	<u>\$ 1,877,344</u>
Non-cash transactions summary:		
Interest and income taxes	\$ -	\$ -
Common shares issued for properties	\$ 1,089,334	\$ 277,500
Fair value of warrants issued	\$ 421,954	\$ 467,688
Fair value of warrants as finders' fees	\$ 25,000	\$ 62,000
Flow-through share liability	\$ -	\$ 281,432
Joint venture receivable applied to mineral properties	\$ -	\$ 67,537

– See Accompanying Notes –

Azincourt Energy Corp.*(An Exploration Stage Company)***Consolidated Statements of Changes in Shareholders' Equity***In Canadian Dollars*

	Share Capital				
	Shares	Amount \$	Reserves \$	Deficit \$	Total \$
Balance, September 30, 2023	40,292,071	27,216,924	14,871,665	(34,238,656)	7,849,933
Loss for the year	-	-	-	(2,569,528)	(2,569,528)
Private placements – flow-through	7,595,331	1,595,020	-	-	1,595,020
Flow-through liability	-	(281,432)	-	-	(281,432)
Relative fair value of warrants	-	(455,588)	455,588	-	-
Private placements – non flow-through	194,999	35,100	-	-	35,100
Relative fair value of warrants	-	(12,100)	12,100	-	-
Fair value of finders' fee warrants	-	(62,000)	62,000	-	-
Shares issued to acquire mineral properties	1,583,333	262,500	-	-	262,500
Finders' fee shares issued to acquire mineral properties	83,333	15,000	-	-	15,000
Share issue costs	-	(154,013)	-	-	(154,013)
Balance, September 30, 2024	49,749,067	28,159,411	15,401,353	(36,808,184)	6,752,580
Loss for the year	-	-	-	(3,164,751)	(3,164,751)
Private placements – flow-through	5,405,553	486,500	-	-	486,500
Relative fair value of warrants	-	(123,500)	123,500	-	-
Private placements – non flow-through	13,505,042	1,215,454	-	-	1,215,454
Relative fair value of warrants	-	(298,454)	298,454	-	-
Fair value of finders' fee warrants	-	(25,000)	25,000	-	-
Shares issued to acquire mineral properties	7,083,332	987,500	-	-	987,500
Finders' fee shares issued to acquire mineral properties	733,332	101,834	-	-	101,834
Share issue costs	-	(125,433)	-	-	(125,433)
Share-based compensation	-	-	235,737	-	235,737
Balance, September 30, 2025	76,476,326	30,378,312	16,084,044	(39,972,935)	6,489,421

*The number of common shares outstanding have been restated to reflect the effect of share consolidation on a six (6) to one (1) basis.

– See Accompanying Notes –

Azincourt Energy Corp.
(An Exploration Stage Company)

Notes to the Consolidated Financial Statements
For the Years Ended September 30, 2025 and 2024
In Canadian Dollars

1. Nature of Operations and Going Concern

Azincourt Energy Corp. (the “Company”) was incorporated on April 7, 2011, under the laws of the province of British Columbia, Canada, and its principal activity is the acquisition and exploration of mineral properties in Canada. The head office, principal address, and records office of the Company are located at 1030 West Georgia Street, Suite 1012, Vancouver, British Columbia, V6E 2Y3, Canada. The Company is listed on the TSX Venture Exchange (the “TSX-V”) under the symbol “AAZ”.

These consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, which presumes that the Company will realize its assets and discharge its liabilities in the normal course of business for at least the next twelve months. As at September 30, 2025, the Company had working capital of \$918,704 and subsequently, the Company completed financings with total proceeds of \$2,031,000. Management estimates that these funds will provide the Company with sufficient financial resources to carry out currently planned exploration and operations through the next twelve months

On December 23, 2025, the Company effected a consolidation of its common shares on a six (6) for one (1) basis. All shares and per share amounts have been retroactively restated to account for the share consolidation.

The Company’s ability to continue as a going concern and to realize the carrying value of its assets and discharge its liabilities when due is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete their development, and future profitable production or proceeds from the disposition of its resource property interests. The timing and availability of additional financing will be determined largely by the performance of the Company and market conditions and there is no certainty that the Company will be able to raise funds as they are required in the future.

These consolidated financial statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate. If the going concern basis was not appropriate for these financial statements, then adjustments would be necessary to reflect these financial statements on a liquidation basis which could differ from accounting principles applicable to a going concern. Such adjustments could be material.

2. Basis of Presentation

a) Statement of compliance

These consolidated financial statements have been prepared in accordance with the IFRS Accounting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”).

The accounting policies set out in Note 3 have been applied consistently by the Company during the years presented.

Azincourt Energy Corp.

(An Exploration Stage Company)

Notes to the Consolidated Financial Statements

For the Years Ended September 30, 2025 and 2024

In Canadian Dollars

2. Basis of Presentation - Continued

b) Basis of Measurement

These consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair value, as explained in the accounting policies set out in Note 3.

c) Basis of Consolidation

These consolidated financial statements include the financial statements of the Company and its wholly-owned subsidiary, Minera Azincourt Energy S.A.C., incorporated on November 15, 2021, in Peru.

d) Approval of the Financial Statements

These consolidated financial statements were approved and authorized for issue by the Board of Directors on January 28, 2026.

e) Functional and Presentation Currency

The functional currency of a company is the currency of the primary economic environment in which the company operates. The presentation currency for a company is the currency in which the company chooses to present its financial statements.

These consolidated financial statements are presented in Canadian dollars, which is the Company's functional and presentation currency. The functional currency of the Company's subsidiary does not differ from that of the parent company.

3. Material Accounting Policy Information

a) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held with banks, guaranteed investment certificates with original maturities of three months or less.

b) Mineral Property

i) Exploration and Evaluation

Staking costs, property option payments, finders' fees and other costs associated with acquiring exploration and evaluation assets are capitalized and classified as intangible exploration and evaluation assets, whereas exploration and evaluation expenditures are recognized as expenses as they are incurred. Exploration and evaluation expenditures include costs of equipment rental, geochemical analysis, and geological consulting services.

Azincourt Energy Corp.

(An Exploration Stage Company)

Notes to the Consolidated Financial Statements

For the Years Ended September 30, 2025 and 2024

In Canadian Dollars

3. Material Accounting Policy Information – Continued

b) Mineral Property – Continued

i) Exploration and Evaluation - Continued

Subsequent recovery of the resulting carrying value of capitalized costs depends on successful development or sale of the undeveloped project. If a project does not prove viable, all non-recoverable costs associated with the project net of any impairment provisions are written off.

ii) Development

Upon completion of a technical feasibility study and when commercial viability is demonstrated, capitalized exploration and evaluation assets are transferred to and classified as mineral property development costs and are subject to an impairment test. Costs associated with the commissioning of new assets incurred in the period before they are operating in the way intended by management, are capitalized. Interest on borrowings related to the construction and development of assets are capitalized until substantially all the activities required to make the asset ready for its intended use are complete.

Mineral property interests are derecognized upon disposal or when no future economic benefits are expected. Gains and losses on disposal are determined by comparing the proceeds from disposal with the carrying amount of the item and are recognized in profit or loss.

iii) Impairment

Exploration and evaluation assets are assessed for impairment at the end of each reporting period by management for facts and circumstances suggesting that the carrying amount of the asset may exceed its recoverable amount. When indicators of impairment are present, the recoverable amount of an asset is evaluated at the level of a cash generating unit ("CGU"), the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets, where the recoverable amount of a CGU is the greater of the CGU's fair value less costs to sell and its value in use. An impairment loss is recognized in profit or loss to the extent the carrying amount exceeds the recoverable amount.

Value-in-use is based on estimates of discounted future cash flows expected to be recovered from an asset or CGU through their use. Estimated future cash flows are calculated using estimates of future recoverable reserves and resources, future commodity prices and expected future operating and capital costs. Once calculated, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

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Notes to the Consolidated Financial Statements

For the Years Ended September 30, 2025 and 2024

In Canadian Dollars

3. Material Accounting Policy Information – Continued

b) Mineral Property – Continued

iii) Impairment – Continued

Fair value less costs to sell is the amount obtainable from either quotes from an active market or the sale of an asset or CGU in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal. Costs of disposal are incremental costs directly attributable to the disposal of an asset or CGU, excluding finance costs and income tax expense.

Impairment losses recognized in respect of CGUs are allocated to reduce the carrying amounts of the other assets in the unit or group of units on a pro rata basis and are recorded through profit or loss. Assumptions, such as future commodity prices, discount rate, and expenditures, underlying the fair value estimates are subject to risk uncertainties. Impairment charges are recorded in the reporting period in which determination of impairment is made by management.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depletion or amortization, if no impairment loss had been recognized.

c) Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. The increase in the obligation due to the passage of time is recognized as finance expense. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount receivable can be measured reliably.

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Notes to the Consolidated Financial Statements
For the Years Ended September 30, 2025 and 2024
In Canadian Dollars

3. Material Accounting Policy Information – Continued

d) Site Closure and Reclamation Provision

The Company recognizes a provision for statutory, contractual, constructive or legal obligations associated with decommissioning of mining operations and reclamation and rehabilitation costs arising when environmental disturbance is caused by the exploration or development of mineral properties, plant and equipment. Provisions for site closure and reclamation are recognized in the period in which the obligation is incurred or acquired, and are measured based on expected future cash flows to settle the obligation, discounted to their present value. The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and risks specific to the liability. For the years presented, the Company has not recognized any site closure and reclamation provision.

When an obligation is initially recognized, the corresponding cost is capitalized to the carrying amount of the related asset. These costs are depreciated on a basis consistent with depreciation, depletion, and amortization of the underlying assets.

e) Income Taxes

Provision for income taxes consists of current and deferred tax expense. Income tax expense is recognized in profit or loss except to the extent that it relates to items recognized either in other comprehensive income or directly in equity, in which case it is recognized in other comprehensive income or in equity, respectively.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for temporary differences associated with the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable income or loss and temporary differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse based on the laws that have been enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

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In Canadian Dollars

3. Material Accounting Policy Information – Continued

f) Share Capital

- i) The proceeds from the exercise of stock options, common share purchase warrants and sale of common shares are recorded as share capital in the amount for which the option or warrant enabled the holder to purchase a share in the Company.
- ii) Share capital issued for non-monetary consideration is recorded at the value of the goods or services received and if the value is not determinable, then it is based on the fair value of these common shares.
- iii) The proceeds from the issue of units is allocated between common shares and common share purchase warrants on a prorated basis using relative fair values of common shares and common share purchase warrants. The fair value of the common share purchase warrants are determined using the Black-Scholes Option Pricing Model (“Black-Scholes”).

All costs related to issuances of share capital are charged against the proceeds received from the related share capital.

g) Loss per Share

Basic loss per share is calculated using the weighted average number of common shares issued and outstanding during the period. Diluted loss per share is calculated by adjusting the weighted average number of common shares outstanding by an amount that assumes that the proceeds to be received on the exercise of dilutive stock options and warrants are applied to repurchase common shares at the average market price for the period in calculating the net dilution impact. For the years presented, diluted and basic loss per share are the same because the effects of potential issuances of common shares under stock options and warrants would be anti-dilutive.

h) Comprehensive Income

Comprehensive income or loss includes net income or loss and other comprehensive income or loss. Other comprehensive income or loss may include holding gains and losses on fair value through other comprehensive income (“FVOCI”) securities and foreign exchange gains and losses from self-sustaining foreign operations.

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Notes to the Consolidated Financial Statements
For the Years Ended September 30, 2025 and 2024
In Canadian Dollars

3. Material Accounting Policy Information – Continued

i) Share-based Payments

From time to time, the Company grants stock options to directors, officers and employees to purchase common shares. For stock options granted to non-employees, the value is based on the value of goods or services received and if the value is not determinable, then it is based on the fair value of these stock options. The Company accounts for share-based payments at their fair value on the grant date and recognizes the cost as a compensation expense over the period that the employees and non-employees become entitled to the award. The fair value of the stock options on the grant date is determined using the Black-Scholes option pricing model. The amount recognized as an expense is adjusted to reflect the number of awards for which the related service conditions are expected to be met such that the amount ultimately recognized as an expense is based on the number of awards that do meet the related service conditions at the vesting date. A corresponding increase is recognized in shareholders' equity for these costs.

From time to time, restricted stock units ("RSU's") are issued to directors, officers and employees. RSU's issued to employees are measured at fair value of the instruments issued and amortized over the vesting periods. RSU's to non-employees, the value is based on the value of goods or services received and if the value is not determinable, then it is based on the fair value of these RSU's. The corresponding amount is recorded to reserves. The fair value of an RSU is determined using the trading price on the date of issuance of the RSU. The number of RSU's expected to vest is reviewed and adjusted at each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

j) Financial Instruments

Financial assets

On initial recognition, financial assets are recognized at fair value and are subsequently classified and measured at: amortized cost; FVOCI; or fair value through profit or loss ("FVTPL"). The classification of financial assets depends on the purpose for which the financial assets were acquired and is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. Financial assets are measured at fair value net of transaction costs that are directly attributable to its acquisition except for financial assets at FVTPL where transaction costs are expensed. All financial assets not classified and measured at amortized cost or FVOCI are measured at FVTPL. On initial recognition of an equity instrument that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. The classification determines the method by which the financial assets are carried on the statement of financial position subsequent to inception and how changes in value are recorded. Financial assets are classified as current assets or non-current assets based on their maturity date. The Company's financial assets, which consist of cash and cash equivalents and amounts receivable, are classified as amortized cost. The Company has designated marketable securities as financial assets at FVTPL.

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3. Material Accounting Policy Information – Continued

j) Financial Instruments – Continued

Financial liabilities

Financial liabilities are designated as either: FVTPL or amortized cost. All financial liabilities are classified and subsequently measured at amortized cost except for financial liabilities at FVTPL. The classification determines the method by which the financial liabilities are carried on the statement of financial position subsequent to inception and how changes in value are recorded.

The Company's financial liabilities which consist of accounts payables and accrued liabilities are classified as amortized cost.

Impairment of financial assets

An expected credit loss ("ECL") model applies to financial assets measured at amortized cost, contract assets and debt investments at FVOCI, but not to investments in equity instruments. The ECL model requires a loss allowance to be recognized based on expected credit losses. The estimated present value of future cash flows associated with the asset is determined and an impairment loss is recognized for the difference between this amount and the carrying amount as follows: the carrying amount of the asset is reduced to estimated present value of the future cash flows associated with the asset, discounted at the financial asset's original effective interest rate, either directly or through the use of an allowance account and the resulting loss is recognized in profit or loss for the period. In a subsequent period, if the amount of the impairment loss related to financial assets measured at amortized cost decreases, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized. The Company's financial assets measured at amortized cost are subject to the ECL model.

k) Flow-through Shares

The Company will, from time to time, issue flow-through common shares to finance a significant portion of its exploration program on Canadian properties. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On issuance, the Company separates the flow-through common share into i) a flow-through common share premium, equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognized as a flow-through share liability and; ii) share capital. When the resource property expenditures are incurred, the Company proportionately derecognizes the liability and records the amount to other income.

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3. Material Accounting Policy Information – Continued

l) Critical Accounting Judgments and Estimates

The preparation of these consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, and income and expenses.

Although management uses historical experience and its best knowledge of the amount, events or actions to form the basis for judgments and estimates, actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods. The most significant accounts that require estimates as the basis for determining the stated amounts include: recoverability and impairment of mineral property and the valuation of share-based payments.

Significant estimates that have the most significant effect on the amounts recognized in the consolidated financial statements are as follows:

Recoverability of capitalized mineral property costs

The Company capitalizes mineral property acquisition costs that are to be amortized when production is attained or the balance thereof written off should the property be disproven through exploration or abandoned. The carrying value of the Company's capitalized mineral property costs is reviewed by management at least annually, or whenever events or circumstances indicate that its carrying value may not be recovered. If impairment is determined to exist, a formal estimate of the recoverable amount is performed and an impairment loss is recognized to the extent that the carrying amount exceeds the recoverable amount. The recoverable amount of an asset is measured at the greater of: fair value less costs to sell and value in use.

Share-based payments

The Company uses Black-Scholes to calculate the fair value stock options and of common share purchase warrants issued. Black Scholes requires the input of highly subjective assumptions including the expected price volatility. Changes in the subjective input assumptions can materially affect the fair value estimate, and therefore the existing models do not necessarily provide a reliable single measure of the fair value of the Company's stock options and common share purchase warrants. The assumptions used for estimating fair value of stock options and common share purchase warrants are disclosed in Note 7.

Critical judgments in applying the Company's accounting policies include the determination of the Company's ability to continue as a going concern (Note 1).

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3. Material Accounting Policy Information – Continued

m) Recent Accounting Pronouncements

On April 9, 2024, the IASB issued IFRS 18 “Presentation and Disclosure in the Financial Statements” (“IFRS 18”) replacing IAS 1. IFRS 18 introduces categories and defined subtotals in the statement of profit or loss, disclosures on management-defined performance measures, and requirements to improve the aggregation and disaggregation of information in the financial statements. As a result of IFRS 18, amendments to IAS 7 were also issued to require that entities use the operating profit subtotal as the starting point for the indirect method of reporting cash flows from operating activities and also to remove presentation alternatives for interest and dividends paid and received. Similarly, amendments to IAS 33 “Earnings per Share” were issued to permit disclosure of additional earnings per share figures using any other component of the statement of profit or loss, provided the numerator is a total or subtotal defined under IFRS 18. IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027, and is to be applied retrospectively, with early adoption permitted. The Company is currently assessing the impact of the standard on its consolidated financial statements.

n) Related Parties

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties. Related party transactions that are in the normal course of business and have commercial substance are measured at fair value.

4. Marketable Securities

During the year ended September 30, 2023, the Company received 1,000,000 common shares of Skyharbour Resources Ltd. (“Skyharbour”) to settle part of the exploration expenditures recoverable on the East Preston Property (Note 6). The initial common shares were recorded at cost, which was \$365,000. During the year ended September 30, 2025, the Company sold 500,000 Skyharbour common shares (2024 – 500,000) for \$172,306 (2024 – \$242,286), resulting in a realized loss on sale of marketable securities of \$10,194 (2024: realized gain of \$59,786). An unrealized loss on marketable securities of \$37,500 (2024: \$187,500) was also recorded in profit and loss with respect to the remaining Skyharbour shares. As at September 30, 2025, the value of the common shares was \$Nil (2024: \$220,000).

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5. Amounts Receivable

September 30	2025	2024
GST receivable	\$ 52,492	\$ 17,549
Interest receivable	3,134	10,592
Other	5,106	15,000
Total	\$ 60,732	\$ 43,141

6. Mineral Properties

Title to exploration and evaluation assets involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many resource claims. The Company has investigated title to all of its exploration and evaluation assets and, to the best of its knowledge, title to all of its claims are in good standing.

East Preston Property, Saskatchewan, Canada

The Company owns a 86.5% (September 30, 2024: 86.5%) interest in the East Preston Property, located in Saskatchewan pursuant to an option agreement with Skyharbour Resources Ltd. ("Skyharbour") and Dixie Gold Inc. ("Dixie Gold") dated March 27, 2017.

The project is subject to a 2% Net Smelter Return ("NSR") royalty on commercial production and a right of first refusal of any future proposed sale of the project.

Following the acquisition of the interest, the Company entered into a joint venture agreement with Skyharbour and Dixie Gold with the remaining 30% interest split evenly between Skyharbour and Dixie Gold. The Company has been appointed the manager and operator of the joint venture and is entitled to earn a quarterly administration fee equal to 7.5% on the first \$100,000 plus 5% on any additional exploration costs greater than \$100,000.

On August 15, 2023, Skyharbour and the Company entered into an amending agreement whereby Skyharbour paid \$150,000 and issued 166,666 common shares valued at \$365,000 to settle any exploration expenditures owing and its interests was diluted from 15% to 9.5%. During the year ended September 30, 2025, the project incurred total exploration expenditures of \$65,032 (2024: \$1,530,652), of which \$2,189 (2024: \$139,413) was recovered from Skyharbour for its 9.5% (2024: 9.5%) interest in the joint venture.

During the 2022 fiscal year, Dixie Gold elected to not participate in any exploration programs, therefore its interest of 15% has been diluted to 4.0% (September 30, 2024: 4.0%). The value of the diluted interest for year ended September 30, 2025 was \$1,000 (2024: \$67,537), which the Company has accounted for as acquisition costs and included in mineral properties. Upon dilution of Dixie Gold's interest, the Company's interest has increased to 86.5% as at September 30, 2025.

Total administration fee was \$232 (2024: \$10,985) for the year ended September 30, 2025.

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6. Mineral Properties – Continued

Snegamook Project, Newfoundland, Canada

- a) On October 28, 2024, the Company entered into a property option agreement with BR Corporation Pty Ltd. (BR) to acquire 100% interest in the Snegamook Project, located in Newfoundland and Labrador, Canada. Pursuant to the agreement, the Company can earn an 100% interest by making the following staged cash payments, issue common shares and incurring certain exploration expenditures:

Date	Common Shares	Work Obligation
On or before November 11, 2024	2,500,000 ⁽¹⁾	\$ Nil
On or before August 11, 2025	2,500,000 ⁽²⁾	Nil
On or before August 11, 2026	2,500,000	250,000
On or before August 11, 2027	2,500,000	750,000
TOTAL	10,000,000	\$ 1,000,000

(1) Issued with a fair value of \$300,000

(2) Issued with a fair value of \$375,000

The project is subject to a 2% NSR, half of which can be purchased back at any time for cash payment of \$1,000,000.

Finder's fee totaling 850,000 common shares is issuable in connection with the option agreement, of which 272,222 shares are issuable on or before November 11, 2024 (issued with a fair value of \$32,667), 202,778 shares issuable on or before August 11, 2025 (issued with a fair value of \$30,417), 187,500 shares issuable on or before August 11, 2026 and 187,500 shares issuable on or before August 11, 2027.

Big Hill Lithium Project, Newfoundland, Canada

On April 20, 2023 and subsequently amended on April 24, 2024, the Company entered into an option agreement with Atlantis Battery Metal Corp. ("Atlantis") to earn up to 75% interest in the Big Hill Lithium Project ("Big Hill") located in Newfoundland, Canada.

During year ended September 30, 2025, the Company has decided not to continue exploration on the property and has written off accumulated acquisition costs of \$596,065.

Harrier Project, Newfoundland, Canada

Harrier Project - Assignment and Amendment Agreement

On April 29, 2025, the Company entered into an Assignment and Amendment Agreement with Koba Resources Limited ("Koba"), Uranidor Resource Limited ("Uranidor"), a wholly-owned subsidiary of Koba, and Dean Fraser whereby Koba has assigned its option to acquire a 100% interest in the mineral claims comprising the Harrier Uranium Project ("Harrier Project"), located in Labrador, Canada, to the Company.

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6. Mineral Properties – Continued

Harrier Project, Newfoundland, Canada – Continued

Harrier Project - Assignment and Amendment Agreement (Continued)

To acquire a 100% interest in the Harrier Project, the Company is required to complete the following cash payments, share issuances and exploration expenditures:

Date	Cash Payments	Common Shares	Work Obligation
Assignment date	\$ Nil	Nil	\$ Nil
June 30, 2025	25,000 ⁽²⁾	416,666 ⁽¹⁾	Nil
April 11, 2026	50,000	1,041,666 ⁽³⁾	Nil
October 11, 2026	Nil	Nil	800,000
April 11, 2027	75,000	1,250,000 ⁽³⁾	Nil
April 11, 2028	100,000	833,333 ⁽³⁾	Nil
April 11, 2029	Nil	Nil	2,000,000
April 11, 2030	Nil	Nil	1,000,000
TOTAL	\$ 250,000	3,541,665	\$ 3,800,000

(1) Issued with a fair value of \$62,500

(2) Paid

(3) Number of common shares issuable will be adjusted based on 20-day weighted average closing price ("VWAP") before issuance. If VWAP is above \$0.12, shares will equal the applicable dollar amount divided by the 20-day VWAP. If VWAP is below \$0.12, the Company will pay additional cash equal to number of shares multiplied by \$0.12 minus the number of shares multiplied by the 20-day VWAP.

Following the exercise of the Harrier Option, the Harrier Project will be subject to a 0.5% NSR royalty, half of which may be purchased back at any time for a one-time cash payment of \$250,000.

The Company entered into a finders' fee agreement on April 29, 2025 and amended June 6, 2025, finders' fee totaling 447,917 common shares is payable by the Company to an arms-length third party in connection with the Harrier Option. Of the total finders' fee common shares issuable, 1) 58,333 shares, subject to adjustment, are payable upon earlier of the Assignment Date or June 30, 2025 (issued at fair value of \$8,750), 2) 137,500 shares, subject to adjustment, are payable on or before April 11, 2026; (iii) 139,583 shares, subject to adjustment, are payable on or before April 11, 2027 and (iv) 112,500 shares, subject to adjustment, are payable on or before April 11, 2028. Each share issuance will be adjusted if the 20-day VWAP on the TSXV before issuance exceeds \$0.30.

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6. Mineral Properties – Continued

Harrier Project, Newfoundland, Canada – Continued

Harrier Project - Staked Option Agreement

On April 29, 2025, the Company has also entered into a property option agreement (“Staked Option Agreement”) with Koba and Uranidor, pursuant to which the Company has been granted an option to acquire a 100% interest in certain mineral claims adjacent to the Harrier Project (the “Staked Claims”). The Staked Claims collectively form part of the Harrier Project. To acquire a 100% interest in the Stake Claims, the Company is required to complete the following cash payments and share issuances:

Date	Cash Payments	Common Shares
On or before July 2, 2025	\$ 50,000 ⁽³⁾	1,666,666 ⁽¹⁾⁽²⁾
On or before July 2, 2026	Nil	1,666,666 ⁽¹⁾
On or before July 2, 2027	Nil	1,666,666 ⁽¹⁾
TOTAL	\$ 50,000	4,999,998

(1) Number of common shares issuable with respect to each such issuance is subject to adjustment if the 20-day VWAP prior to the date of each such issuance exceeds \$0.30, pursuant to which such number of common shares shall be reduced and calculated as follows: \$250,000 divided by the 20-day VWAP prior to the date of such issuance.

(2) Issued with a fair value of \$250,000

(3) Paid

Following exercise of the Staked Option, the Staked Claims will be subject to a 2% percent NSR royalty, half of which may be purchased back at any time for a one-time cash payment of \$1,000,000.

The Company entered into a finders' fee agreement on April 29, 2025 and amended June 2, 2025, finder's fee totaling 450,000 common shares, subject to adjustment as further described below, is payable by the Company to an arms-length third party in connection with the Staked Claims. Of the total number of common shares issuable pursuant to the finder's fee, (i) 200,000 shares, subject to adjustment, are payable on or before July 2, 2025 (issued at fair value of \$30,000), (ii) 125,000 shares, subject to adjustment, are payable on or before July 2, 2026; and (iii) 125,000 shares, subject to adjustment, are payable on or before July 2, 2027. Each share issuance will be adjusted if the 20-day VWAP on the TSXV before issuance exceeds \$0.12.

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6. Mineral Properties – Continued

Acquisition Costs Summary

	East Preston Property	Big Hill Property	Snegamook Property	Harrier Property	Total
Balance, as at September 30, 2023	\$ 4,251,572	\$ 291,190	\$ -	\$ -	\$ 4,542,762
Option payment – shares	-	262,500	-	-	262,500
Finders' fee – shares	-	15,000	-	-	15,000
Claim fees	-	15,000	-	-	15,000
Filing fees	-	2,375	-	-	2,375
Advisory fees	-	10,000	-	-	10,000
Joint venture partner dilution	67,537	-	-	-	67,537
Balance, as at September 30, 2024	\$ 4,319,109	\$ 596,065	\$ -	\$ -	\$ 4,915,174
Option payment – shares	-	-	675,000	312,500	987,500
Option payment – cash	-	-	20,000	75,000	95,000
Finders' fee – shares	-	-	63,084	38,750	101,834
Filing fees	-	-	5,882	9,392	15,274
Joint venture partner dilution	1,000	-	-	-	1,000
Advisory fees	-	-	-	40,000	40,000
Write-off	-	(596,065)	-	-	(596,065)
Balance, as at September 30, 2025	\$ 4,320,109	\$ -	\$ 763,966	\$ 475,642	\$ 5,559,717

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6. Mineral Properties – Continued

Exploration and Evaluation Expenditures Summary

Details of exploration and evaluation costs incurred for the years ended September 30, 2025 and 2024 are as follows:

2025	East Preston Property	Big Hill Property	Snegamook Property	Harrier Property	2025 Total
Camp and general	\$ -	\$ -	\$ 5,919	\$ 29,398	\$ 35,317
Geological and geophysical	65,032	685	58,255	180,961	304,933
Helicopter charter	-	-	17,523	85,553	103,076
Total exploration and evaluation costs	65,032	685	81,697	295,912	443,326
Recoveries pursuant to joint venture agreement	(3,120)	-	-	-	(3,120)
Net exploration and evaluation costs	\$ 61,912	\$ 685	\$ 81,697	\$ 295,912	\$ 440,206

2024	East Preston Property	Big Hill Property	2024 Total
Camp and general	\$ 301,222	\$ 38,858	\$ 340,080
Drilling	506,775	-	506,775
Geological and geophysical	228,020	88,946	316,966
Freight	9,686	-	9,686
Helicopter charter	478,081	-	478,081
Mapping and interpretation	6,868	16,347	23,215
Total exploration and evaluation costs	1,530,652	144,151	1,674,803
Government grant	(50,000)	-	(50,000)
Recoveries pursuant to joint venture agreement	(203,492)	-	(203,492)
Net exploration and evaluation costs	\$ 1,277,160	\$ 144,151	\$ 1,421,311

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7. Shareholders' Equity

a) Authorized

Unlimited number of common shares without par value.

b) Issued Share Capital

Share transactions for the year ended September 30, 2025:

- (i) On November 25, 2024, the Company closed a non-brokered private placement consisting of 7,433,388 non flow-through units at \$0.09 per unit and 2,433,333 flow-through units at \$0.09 per unit for gross proceeds of \$888,005. Each non flow-through unit consists of one common share and one warrant. Each flow-through unit consists of one common share and one warrant. Each warrant is exercisable at \$0.30 per share into one non flow-through share until November 25, 2027. The Company paid \$52,001 of finders' fees and \$13,961 of share issuance costs in connection with the private placement.

Of the proceeds from non flow-through units, \$529,000 was allocated to share capital and \$140,005 was allocated to warrants based on their relative fair value. Of the proceeds from flow-through units, \$173,000 was allocated to share capital and \$46,000 was allocated to warrants based on their relative fair value.

- (ii) On July 15, 2025, the Company completed a first tranche of a non-brokered private placement consisting of 2,333,332 flow-through units at \$0.09 per unit and 5,888,321 non flow-through units at \$0.09 per unit for gross proceeds of \$739,949. Each flow-through unit is comprised of one flow-through common share and one warrant and each non flow-through unit is comprised of one common share and one warrant. Each warrant is exercisable at a price of \$0.30 per share until July 15, 2028. In connection with the private placement, the Company paid finders' fees of \$44,895 and issued 498,833 finders' fee warrants valued at \$24,000. Each finders' fee warrant is exercisable into one common share at \$0.30 per share until July 15, 2028. Share issue costs of \$5,000 were paid in connection to the private placement.

Of the proceeds from non flow-through units, \$376,000 was allocated to share capital and \$153,949 was allocated to warrants based on their relative fair value. Of the proceeds from flow-through units, \$149,000 was allocated to share capital and \$61,000 was allocated to warrants based on their relative fair value.

- (iii) On August 11, 2025, the Company completed a second tranche of a non-brokered private placement consisting of 638,888 flow-through units at \$0.09 per unit and 183,333 non flow-through units at \$0.09 per unit for gross proceeds of \$74,000. Each flow-through unit is comprised of one flow-through common share and one warrant and each non flow-through unit is comprised of one common share and one warrant. Each warrant is exercisable at a price of \$0.30 per share until Aug 11, 2028. In connection with the private placement, the Company paid finders' fees of \$2,200 and issued 24,445 finders' fee warrants valued at \$1,000. Each finders' fee warrant is exercisable into one common share at \$0.30 per share until August 11, 2028. Share issue costs of \$6,797 were paid in connection to the private placement.

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7. Shareholders' Equity - Continued

b) Issued Share Capital - Continued

Share transactions for the year ended September 30, 2025 (Continued):

Of the proceeds from non flow-through units, \$12,000 was allocated to share capital and \$4,500 was allocated to warrants based on their relative fair value. Of the proceeds from flow-through units, \$41,000 was allocated to share capital and \$16,500 was allocated to warrants based on their relative fair value.

- (iv) During the year ended September 30, 2025, the Company issued 5,000,000 common shares to BR as part of the property option agreement (Note 6), valued at \$675,000. The Company also issued 475,000 common shares as finders' fee, valued at \$63,084, in connection to the agreement.
- (v) During the year ended September 30, 2025, the Company issued 2,083,332 common shares valued at \$312,500 and 258,332 finders' fee shares valued at \$38,750 in connection with the Harrier project (Note 6).
- (vi) Total costs associated with the issuance of shares in relation shares issued for mineral properties was \$580 during the year ended September 30, 2025.

Share transactions for the year ended September 30, 2024:

- (vii) On December 21, 2023, the Company completed a first tranche of a non-brokered private placement consisting of 4,857,225 flow-through units at \$0.21 per unit and 111,666 non flow-through units at \$0.18 per unit for gross proceeds of \$1,040,117. Each flow-through unit is comprised of one flow-through common share and one warrant and each non flow-through unit is comprised of one common share and one warrant. Each warrant is exercisable at a price of \$0.30 per share until December 21, 2026. The Company paid \$81,901 as finders' fees and issued 390,004 finders' fee warrants valued at \$47,000 in connection with the private placement. Each finders' fee warrant is exercisable into one common share at \$0.30 per share until December 21, 2026.

Of the proceeds from non flow-through units, \$13,000 was allocated to share capital and \$7,100 was allocated to warrants based on their relative fair value. The amount of the flow-through share liability associated with the flow-through shares was determined to be \$145,717 based on the difference between the fair value price per share of the flow-through and the non flow-through shares. The remaining proceeds from the flow-through shares, after deducting the flow-through share liability was \$874,300, of which \$556,000 was allocated to share capital and \$318,300 was allocated to warrants based on their relative fair value.

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7. Shareholders' Equity - Continued

b) Issued Share Capital - Continued

Share transactions for the year ended September 30, 2024 (Continued):

- (viii) On December 29, 2023, the Company completed a second tranche of a non-brokered private placement consisting of 952,381 flow-through units at \$0.21 per unit and 83,333 non flow-through units at \$0.18 per unit for gross proceeds of \$215,000. Each flow-through unit is comprised of one flow-through common share and one warrant and each non flow-through unit is comprised of one common share and one warrant. Each warrant is exercisable at a price of \$0.30 per share until December 29, 2026. The Company paid \$15,050 as finders' fees and issued 72,500 finders' fee warrants valued at \$9,000 in connection with the private placement. Each finders' fee warrant is exercisable into one common share at \$0.30 per share until December 29, 2026.

Of the proceeds from non flow-through units, \$10,000 was allocated to share capital and \$5,000 was allocated to warrants based on their relative fair value. The amount of the flow-through share liability associated with the flow-through shares was determined to be \$28,571 based on the difference between the fair value price per share of the flow-through and the non flow-through shares. The remaining proceeds from the flow-through shares, after deducting the flow-through share liability was \$171,429, of which \$109,000 was allocated to share capital and \$62,429 was allocated to warrants based on their relative fair value.

- (ix) On April 22, 2024, the Company closed a non-brokered private placement consisting of 1,785,726 flow-through units at \$0.21 per unit for gross proceeds of \$375,002. Each flow-through unit is comprised of one flow-through common share and one warrant. Each warrant is exercisable at a price of \$0.30 per share until April 22, 2027. In connection with the private placement, the Company paid finders' fees of \$21,000 and issued 100,000 finders' fee warrants. Each finders' fee warrant is exercisable into one common share at \$0.30 per share until April 22, 2027.

The amount of the flow-through share liability associated with the flow-through shares was determined to be \$107,144 based on the difference between the fair value price per share of the flow-through and the closing trading price of the Company's shares. The remaining proceeds from the flow-through shares, after deducting the flow-through share liability was \$267,859, of which \$193,000 was allocated to share capital and \$74,859 was allocated to warrants based on their relative fair value.

- (x) During the year ended September 30, 2024, the Company issued 1,583,333 common shares to Atlantis as part of a purchase agreement (Note 6), valued at \$262,500. The Company also issued 83,333 common shares as finders' fee, valued at \$15,000, in connection to the purchase.

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7. Shareholders' Equity - Continued

c) Flow-through Share Liability

The following is a continuity of the liability portion of the flow-through share issuances:

Balance, September 30, 2023	\$	281,432
Settlement of flow-through premium liability pursuant to qualifying expenditures		(254,088)
Balance, September 30, 2024		27,344
Settlement of flow-through premium liability pursuant to qualifying expenditures		(27,344)
Balance, September 30, 2025	\$	-

As at September 30, 2025, there are \$189,365 (2024: \$95,522) of committed flow-through expenditures.

d) Options

The Company has a rolling stock option plan, which authorizes the Board of Directors to grant options to directors, officers, employees and consultants to acquire up to 10% of the issued and outstanding common shares of the Company. Under the plan, the exercise price of each option may not be less than market price of the Company's stock calculated on the date of the grant less the applicable discount. The options can be granted for a maximum term of 10 years. The Company's stock option plan contains no vesting requirements but permits the Board of Directors to specify a vesting schedule in its discretion.

Details of activity in stock options for the year ended September 30, 2025 and 2024 are as follows:

	Number of options outstanding	Weighted average exercise price
Balance, September 30, 2023	2,691,332	\$0.666
Expired unexercised	(847,999)	\$0.670
Balance, September 30, 2024 and 2025	1,843,333	\$0.665

The following stock options were outstanding and exercisable at September 30, 2025:

Expiry Date	Number of options outstanding	Weighted average exercise price
January 5, 2026*	200,000	\$0.75
August 5, 2026	83,333	\$0.75
December 24, 2026	726,667	\$1.05
July 15, 2027	833,333	\$0.30
	1,834,333	\$0.665

*expired unexercised subsequent to September 30, 2025

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7. Shareholders' Equity - Continued

e) Warrants

Warrant transactions are summarized as follows:

	Number of warrants outstanding	Weighted average exercise price
Balance, September 30, 2023	28,267,758	\$1.256
Issued	8,352,835	\$0.300
Expired unexercised	(14,092,460)	\$1.380
Balance, September 30, 2024	22,528,133	\$0.824
Issued	19,433,874	\$0.300
Expired unexercised	(6,199,640)	\$1.238
Balance, September 30, 2025	35,762,367	\$0.467

The following warrants were outstanding and exercisable at September 30, 2025:

Expiry Date	Number of warrants outstanding	Weighted average exercise price
January 19, 2026*	2,085,393	\$1.05
January 26, 2026*	1,185,199	\$1.05
March 3, 2026	4,705,066	\$1.05
December 21, 2026	5,358,895	\$0.30
December 29, 2026	1,108,214	\$0.30
April 22, 2027	1,885,726	\$0.30
November 25, 2027	9,866,721	\$0.30
July 15, 2028	8,720,487	\$0.30
August 11, 2028	846,666	\$0.30
	35,762,367	\$0.467

*expired unexercised subsequent to September 30, 2025

The following weighted average assumptions were used in calculating the fair value of warrants issued in the years ended September 30, 2025 and 2024:

	2025	2024
Stock price volatility	88.01%	97.30%
Risk-free interest rate	3.03%	3.81%
Expected life of warrants	3.00 years	3.00 years
Expected dividend yield	0.00%	0.00%

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7. Shareholders' Equity - Continued

f) RSU's

A summary of the status of the Company's restricted stock units ("RSU's") at September 30, 2025 is as follows:

	Number of RSU's outstanding
Balance, September 30, 2023 and 2024	-
Granted	3,083,332
Balance, September 30, 2025	3,083,332

On October 30, 2024, the Company issued 2,583,333 RSU's under the Company's omnibus incentive plan dated February 21, 2024 to consultants, officers and directors of the Company. 100% of the RSU's will vest on October 30, 2025. The fair value of \$213,443 booked to share-based compensation expense based on the vesting term and the fair value of the Company's shares on the grant date.

On December 3, 2024, the Company issued 333,333 RSU's to an officer of the Company. 100% of the RSU's will vest on December 3, 2025. The fair value of \$16,503 was booked to share-based compensation expense based on the vesting term and the fair value of the Company's shares on the grant date.

On June 17, 2025, the Company issued 166,666 RSU's to an officer of the Company. 100% of the RSU's will vest on June 17, 2026. The fair value of \$5,791 was booked to share-based compensation expense based on the vesting term and the fair value of the Company's shares on the grant date.

8. Segmented Information

The Company's operations are primarily directed towards the acquisition of mineral properties and exploration for metals in Canada and formerly in Peru.

The Company's geographic information of assets for years ended September 30, 2025 and 2024 are as follows:

	September 30, 2025	September 30, 2024
Canada	\$ 6,813,245	\$ 7,138,115
Peru	6,254	6,254
Total	\$ 6,819,499	\$ 7,144,369

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9. Related Party Transactions

Related parties include the Board of Directors, Executive Officers, and any companies owned or controlled by them or their family members.

During the year ended September 30, 2025, the Company incurred \$38,000 (2024: \$42,000) in communication and media expenses and \$34,000 (2024: \$42,000) of consulting fees for services provided by companies controlled by family members of an officer and director of the Company.

Key management personnel consist of current and former directors and senior management including the Chief Executive Officer, Chief Financial Officer, directors and former President and Chief Executive Officer. Key management personnel compensation includes:

	2025	2024
Consulting and directors' fees	\$ 246,000	\$ 294,000
Exploration and evaluation costs	147,302	150,228
Property investigation costs	27,300	33,572
Share-based compensation	114,683	-
	<u>\$ 535,285</u>	<u>\$ 477,800</u>

The accounts payable and accrued liabilities of the Company include amounts due to related parties. The amounts owing are interest free, unsecured, current and without fixed terms and are as follows:

	September 30, 2025	September 30, 2024
Key management personnel	\$ 43,200	\$ 62,856

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10. Income Taxes

a) A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

	2025	2024
Loss for the year	\$ (3,175,751)	\$ (2,569,528)
Expected income tax (recovery)	\$ (857,000)	\$ (694,000)
Change in statutory, foreign tax, foreign exchange rates and other	(44,000)	(26,000)
Permanent differences	69,000	(51,000)
Impact of flow-through shares	160,000	329,000
Share issue costs	(34,000)	(42,000)
Adjustment to prior years provision versus statutory tax returns and expiry	84,000	151,000
Change in unrecognized deductible temporary differences	622,000	333,000
Total income tax expense (recovery)	\$ -	\$ -
Current income taxes	\$ -	\$ -
Deferred tax recovery	\$ -	\$ -

b) The significant components of the Company's deferred tax assets that have not been included on the consolidated statement of financial position are as follows:

	2025	2024
Deferred tax assets (liabilities)		
Mineral properties	\$ 930,000	\$ 873,000
Share issue costs	99,000	163,000
Allowable capital losses	1,000	-
Non-capital losses available for future period	5,435,000	4,807,000
	6,465,000	5,843,000
Unrecognized deferred tax assets	(6,465,000)	(5,843,000)
Net deferred tax assets	\$ -	\$ -

The significant components of the Company's temporary differences, unused tax credits and unused tax losses that have not been included on the consolidated statement of financial position are as follows:

	2025	Expiry Date Range	2024	Expiry Date Range
Temporary Differences				
Mineral properties	\$ 3,343,000	No expiry date	\$ 3,133,000	No expiry date
Investment tax credit	\$ 37,000	2033 to 2035	\$ 37,000	2032 to 2034
Allowable capital losses	\$ 5,000	No expiry date	\$ -	No expiry date
Share issue costs	\$ 367,000	2026 to 2049	\$ 604,000	2025 to 2048
Non-capital losses	\$ 20,128,000	2031 to 2045	\$ 17,785,000	2030 to 2044

Tax attributes are subject to review, and potential adjustment, by tax authorities.

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11. Capital Management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders.

The Company depends on external financing to fund its activities. The capital structure of the Company currently consists of equity comprised of share capital, reserves and deficit. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets, being mineral properties. In order to maintain or adjust the capital structure, the Company may issue new shares through private placements, or sell assets to fund operations. Management reviews its capital management approach on a regular basis. The Company is not subject to externally imposed capital requirements and there were no changes in approach during fiscal 2024.

The Company invests capital that is surplus to its immediate operational needs in short-term, liquid and highly-rated financial instruments, such as cash and cash equivalents, and other demand deposits, all held with major financial institutions.

12. Financial Instruments

a) Fair Value of Financial Instruments

The Company has classified fair value measurements of its financial instruments using a fair value hierarchy that reflects the significance of inputs used in making the measurements as follows:

Level 1: Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and value to provide pricing information on an ongoing basis.

Level 2: Pricing inputs are other than quoted prices in active markets included in level 1. Prices in level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the market place.

Level 3: Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

The fair value of cash and cash equivalents, amounts receivable, and accounts payables and accrued liabilities approximates their carrying value due to their short term maturity. The fair value of marketable securities is measured on the consolidated statement of financial position using Level 1 of the fair value hierarchy.

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12. Financial Instruments – Continued

b) Management of Risks Arising From Financial Instruments

The Company is exposed to various types of market risks including credit risk, liquidity risk, interest rate risk and commodity price risk. This is not an exhaustive list of all risks, nor will the mitigation strategies eliminate all risks listed.

(i) Credit Risk – Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Financial instruments that potentially subject the Company to a concentration of credit risk consist primarily of cash and cash equivalents, short-term investments, marketable securities and amounts receivable. Cash and cash equivalents and short-term investments are held with a major Canadian financial institution and the receivables are due from Government entities. Management is of the view that these amounts are fully collectible.

(ii) Liquidity Risk – Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company currently settles its financial obligations out of cash. The ability to do this relies on the Company raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs. The Company's financial obligations are limited to accounts payable and accrued liabilities, all of which have contractual maturities of less than a year.

(iii) 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. If interest rates decrease, the Company will generate smaller interest income. Presently, the Company is not at risk of realizing a loss as a result of a decline in the fair value of its financial instruments as the Company has no interest-bearing debt and due to the short-term nature of cash investments.

(iv) Commodity Price Risk – The Company's future success is linked to the price of minerals, because the value of mineral resources and the Company's future potential revenues are tied to prices of minerals. Worldwide production levels also affect the prices. The prices of minerals are occasionally subject to rapid short-term changes due to speculative activities.

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13. Subsequent Events

- a) On November 21, 2025, the Company closed a non-brokered private placement consisting of 6,666,666 flow-through units at \$0.15 per unit for gross proceeds of \$1,000,000. Each flow-through unit consists of one flow-through common share and one warrant. Each warrant is exercisable at \$0.30 per share into one non flow-through share until November 21, 2028.

In connection with the private placement, the Company paid \$70,000 of finders' fees and issued 466,667 of finders' fee warrants exercisable at \$0.30 per share until November 21, 2028.

- b) On December 23, 2025, the Company closed a non-brokered private placement consisting of 20,620,000 non flow-through units at \$0.05 per unit for gross proceeds of \$1,031,000. Each non flow-through unit consists of one non flow-through common share and one warrant. Each warrant is exercisable at \$0.07 per share into one non flow-through share until December 23, 2028.

In connection with the private placement, the Company paid \$53,500 of finders' fees and issued 1,070,000 of finders' fee warrants exercisable at \$0.07 per share until December 23, 2028.

- c) Subsequent to September 30, 2025, 2,916,666 RSUs had vested and were settled with common shares.