



ENDURO METALS CORPORATION

Consolidated Financial Statements

For the years ended September 30, 2025, and 2024

(Expressed in Canadian Dollars)

INDEPENDENT AUDITORS' REPORT

To the Shareholders and Directors of Enduro Metals Corporation

Opinion

We have audited the consolidated financial statements of Enduro Metals Corporation and its subsidiaries (the "Company") which comprise:

- the consolidated statements of financial position as at September 30, 2025 and 2024;
- the consolidated statements of loss and comprehensive loss for the years ended September 30, 2025 and 2024;
- the consolidated statements of changes in equity for the years ended September 30, 2025 and 2024;
- the consolidated statements of cash flow for the years ended September 30, 2025 and 2024; and
- the notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at September 30, 2025 and 2024, its consolidated 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 *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Material Uncertainty Related to Going Concern

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended September 30, 2025. 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.

In addition to the matter described in *Material Uncertainty Related to Going Concern* section, the key audit matters are communicated in our auditors' report as follows:

Evaluation of Impairment Indicators for Exploration and Evaluation Assets***Key Audit Matter Description***

Refer to Note 2 Material Accounting Policies – Critical Judgments – Exploration and evaluation assets valuation, Note 2 Material Accounting Policies – Critical Estimates - Exploration and Evaluation Assets, and Note 8 – Exploration and Evaluation Assets. The Company has exploration and evaluation assets with a carrying value of \$ 33,298,282 as at September 30, 2025.

We identified the evaluation of impairment indicators for exploration and evaluation assets as a key audit matter due to:

- The magnitude of exploration and evaluation assets and significance to the Company,
- The judgement in determining whether factors exist that indicate impairment, and
- The effort in performing procedures related to the evaluation of the existence of impairment indicators for exploration and evaluation assets.

Audit Response

Our approach to addressing the matter included the following procedures:

- We assessed the status of the Company's rights to explore by inspecting government mineral claim registries and inquiring with management if any rights were not expected to be renewed,
- We assessed whether exploration and evaluation of the mineral property involved substantive expenditures and inquired to management on the Company's plans to continue with such expenditures on its mineral property, and
- We evaluated management's assessment of potential impairment indicators and determined whether management's assessment was consistent with:
 - Information included in the Company's news releases, management's discussion and analysis, and other public filings
 - Evidence obtained in other areas of the audit, including the results of exploration activities
 - Information obtained from reading internal communications to management and the Board of Directors meeting minutes and resolutions

Other Information

Management is responsible for the other information. The other information comprises the Company's Management Discussion and Analysis to be filed with the relevant Canadian securities commissions.

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 identified above 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.

If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

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

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

Auditors' 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 auditors' 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 auditors' 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 auditors' 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 period and are, therefore, the key audit matters. We describe these matters in our auditors' 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 auditors' report is Joseph Bonvillain.

Manning Elliott LLP

CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, British Columbia
January 28, 2026

ENDURO METALS CORPORATION

Consolidated Statements of Financial Position

(Expressed in Canadian Dollars)

As at September 30,

	Note	2025	2024
ASSETS			
Current assets			
Cash		\$ 3,087,751	\$ 148,243
Taxes receivable		143,123	88,051
Marketable securities	4	83,000	-
Leased assets – current	6	101,599	85,860
Prepaid expenses and deposits		17,628	4,998
Total current assets		3,433,101	327,152
Property and equipment	5	22,493	13,149
Leased assets – long term	6	28,025	129,624
Exploration advances and deposits	7	165,033	50,000
Reclamation bonds	8	228,000	200,000
Exploration and evaluation assets	8	33,298,282	30,893,179
Total Assets		\$ 37,174,934	\$ 31,613,104
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		\$ 791,723	\$ 588,265
Due to related parties	10	107,074	658,011
Flow-Through Liability	12	30,731	-
Lease liabilities – current	6	101,599	85,860
Reclamation provision	13	130,739	130,739
Total current liabilities		1,161,866	1,462,875
Lease liabilities – long term	6	28,025	129,624
Total Liabilities		1,189,891	1,592,499
Equity			
Share capital	9	65,831,708	58,619,128
Equity reserves	9	5,947,921	5,837,014
Accumulated deficit		(35,794,586)	(34,435,537)
Total Equity		35,985,043	30,020,605
Total Liabilities and Equity		\$ 37,174,934	\$ 31,613,104

Nature and continuance of operations (Note 1)

Subsequent events (Note 19)

Approved by the Board of Directors on January 28, 2026:*“Susanne Hermans”*

Susanne Hermans, Director

“Robert Cameron”

Robert Cameron, Director

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

ENDURO METALS CORPORATION

Consolidated Statements of Loss and Comprehensive Loss

(Expressed in Canadian Dollars)

For the Years Ended September 30,

	Note	2025	2024
EXPENSES			
Amortization and depreciation	5&6	\$ 18,875	\$ 83,530
Corporate communications		92,994	72,009
Director's fees	10	51,453	-
Interest expense		43,602	80,915
Interest expense on lease	6	28,563	40,780
Management and consulting fees	10	594,805	552,000
Office and miscellaneous		65,808	56,361
Professional fees		261,812	211,915
Regulatory and compliance fees		82,721	39,453
Salary	10	127,114	-
Share-based payments	9&10	44,407	358,433
Travel		42,407	40,731
Loss before other items		(1,454,561)	(1,536,127)
OTHER ITEMS			
Recovery of flow-through premium	12	47,495	587,112
Loss on disposal of equipment		-	(20,652)
Gain on disposal of debt		-	20,000
Other income		28,920	3,801
Unrealized gain on marketable securities	4	46,000	-
Gain on recognition of lease assets		-	45,351
Write-off of account payable		-	86,964
Finance income		-	2,958
Impairment of VAT		(26,903)	-
Net loss and comprehensive loss		\$ (1,359,049)	\$ (810,593)
Basic and diluted loss per common share		\$ (0.04)	\$ (0.03)
Weighted average number of common shares outstanding – basic and diluted		38,621,067	26,638,126

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

ENDURO METALS CORPORATION

Consolidated Statements of Changes in Equity

(Expressed in Canadian Dollars)

For the Years Ended September 30,

	Number of Shares	Share Capital	Equity Reserves	Accumulated Deficit	Total Equity
Balance, September 30, 2023	24,099,494	\$ 57,516,115	\$ 4,946,094	\$ (33,624,944)	\$ 28,837,265
Private placement	4,093,125	1,105,144	532,106	-	1,637,250
Share issuance costs	-	(2,131)	381	-	(1,750)
Share-based payments	-	-	358,433	-	358,433
Net and comprehensive loss for the year	-	-	-	(810,593)	(810,593)
Balance, September 30, 2024	28,192,619	\$ 58,619,128	\$ 5,837,014	\$ (34,435,537)	\$ 30,020,605
Acquisition of Commander (Note 3)	23,692,393	3,790,783	41,200	-	3,831,983
Private placements	23,619,347	3,621,128	-	-	3,621,128
Share issuance costs	-	(121,105)	25,300	-	(95,805)
Flow-through share premium	-	(78,226)	-	-	(78,226)
Share-based payments	-	-	44,407	-	44,407
Net and comprehensive loss for the year	-	-	-	(1,359,049)	(1,359,049)
Balance, September 30, 2025	75,504,359	\$ 65,831,708	\$ 5,947,921	\$ (35,794,586)	\$ 35,985,043

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

ENDURO METALS CORPORATION
Consolidated Statements of Cash Flow
(Expressed in Canadian Dollars)
For the Years Ended September 30,

	2025	2024
Cash generated by (used in):		
OPERATING ACTIVITIES		
Net loss for the year	\$ (1,359,049)	\$ (810,593)
Items not affecting cash:		
Amortization and depreciation	18,875	83,530
Write-off of accounts payable	-	(86,694)
Loss on disposal of equipment	-	20,652
Gain on disposal of debt	-	(20,000)
Interest expense on lease	19,420	40,780
Interest on loans	21,173	-
Finance income	(28,411)	(2,958)
Gain on recognition of debt	-	(45,351)
Recovery of flow-through premium	(47,495)	(587,112)
Share-based payments	44,407	358,433
Unrealized gain on marketable securities	(46,000)	-
Changes in non-cash working capital items:		
Decrease (increase) in taxes receivables	19,825	(59,318)
Decrease (increase) in prepaids expenses and deposits	2,807	38,206
Increase (decrease) in accounts payable and accrued liabilities	218,682	(108,615)
Increase (decrease) in due from related parties	(550,937)	699,525
Net cash used in operating activities	(1,686,702)	(479,785)
FINANCING ACTIVITIES		
Proceeds from issuance of common shares – net	3,525,323	1,635,500
Lease payments – net	-	(71,397)
Loan repayments	-	(40,000)
Loan proceeds	400,000	-
Net cash provided by financing activities	3,925,323	1,524,103
INVESTING ACTIVITIES		
Exploration and evaluation assets expenditures	(1,326,376)	(1,433,573)
Proceeds from sale of equipment	-	50,000
Purchase of equipment	(2,979)	-
Cash received in acquisition of Commander (Note 3)	2,145,275	-
Exploration and evaluation advances	(115,033)	-
Net cash provided by (used in) investing activities	700,887	(1,383,573)
Change in cash for the year	2,939,508	(339,255)
Cash, beginning of year	148,243	487,498
Cash, end of year	\$ 3,087,751	\$ 148,243
Cash paid during the year for interest	\$ 31,572	\$ 40,780
Cash paid during the year for income taxes	\$ -	\$ -

Supplemental disclosure with respect to cash flows (Note 16)

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

ENDURO METALS CORPORATION

Notes to the Consolidated Financial Statements

(Expressed in Canadian Dollars)

For the Year Ended September 30, 2025

1. NATURE AND CONTINUANCE OF OPERATIONS

Enduro Metals Corporation (the "Company") was incorporated under the Business Corporations Act (British Columbia) on July 20, 2009 and is publicly listed and traded on the TSX Venture Exchange ("TSX-V") under the symbol ENDR and on the OTC Markets Group Inc under the ticker symbol "ENDMF", and the Frankfurt Stock Exchange ("FSE") under the ticker symbol "SOG0". The Company is currently engaged in the identification, acquisition and exploration of precious metal resources in Canada. The Company's head office and principal place of business is suite 1100-1111 Melville St, Vancouver BC V6E 2V6.

The continued operations of the Company are dependent on its ability to develop a sufficient financing plan, receiving the continued financial support from related parties, completing sufficient equity financings or generating profitable operations in the future. The Company has not generated revenue from operations, has an accumulated deficit of \$35,794,586 as at September 30, 2025 and expects to incur further losses in the exploration and evaluation of its mineral properties. These conditions indicate the existence of a material uncertainty which may cast significant doubt on the Company's ability to continue as a going concern. These consolidated financial statements do not include any adjustments to the amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue its business. Such adjustments could be material.

These consolidated financial statements have been prepared in accordance with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The operations of the Company are primarily funded from financing activities and the issuance of capital stock.

2. MATERIAL ACCOUNTING POLICIES

Statement of Compliance

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

Basis of Presentation

The policies applied in the consolidated financial statements are presented below as of January 28, 2026, the date the Board of Directors approved the consolidated financial statements.

The consolidated financial statements have been prepared on a historical cost basis except for certain financial assets measured at fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

These consolidated financial statements include the accounts of the Company's wholly owned dormant subsidiaries. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. All significant inter-company transactions and balances have been eliminated upon consolidation.

ENDURO METALS CORPORATION

Notes to the Consolidated Financial Statements

(Expressed in Canadian Dollars)

For the Year Ended September 30, 2025

2. MATERIAL ACCOUNTING POLICIES (continued)

Subsidiary	September 30, 2025 % Ownership	September 30, 2024 % Ownership	Jurisdiction	Nature of Operations
Minera Sierra Gioc SA	100 %	100 %	Mexico	Dormant
Enduro Gold Corporation	100 %	100 %	Canada	Dormant
Enduro Silver Corporation	100 %	100 %	Canada	Dormant
Enduro Copper Corporation	100 %	100 %	Canada	Dormant
Enduro Mining Corporation	100 %	0 %	Canada	Dormant
Commander Resources Ltd.	100 %	0 %	Canada	Mining Exploration
BRZ Mex Holding Ltd.	100 %	0 %	Canada	Mining Exploration
Minera BRG SA de CV	100 %	0 %	Mexico	Dormant

Critical Estimates, Judgments and Assumptions

The Company's management makes judgments in its process of applying the Company's accounting policies to the preparation of its consolidated financial statements. In addition, the preparation of financial data requires that the Company's management make assumptions and estimates of the impacts on the carrying amounts of the Company's assets and liabilities at the end of the reporting period from uncertain future events and on the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates as the estimation process is inherently uncertain. Estimates are reviewed on an ongoing basis based on historical experience and other factors that are considered to be relevant under the circumstances. Revisions to estimates and the resulting impacts on the carrying amounts of the Company's assets and liabilities are accounted for prospectively.

The areas which require management to make critical significant judgments, estimates and assumptions in determining carrying values include, but are not limited to:

Critical Judgments*Deferred taxes*

The Company recognizes the deferred tax benefit related to deferred income and resource tax assets to the extent recovery is probable. Assessing the recoverability of deferred tax assets requires management to make significant estimates of future taxable profit. In addition, future changes in tax laws could limit the ability of the Company to obtain tax deductions from deferred income and resource tax assets.

Functional currency

The determination of a subsidiary's functional currency often requires significant judgment where the primary economic environment in which they operate may not be clear. This can have a significant impact on the consolidated results of the Company based on the foreign currency translation method.

Exploration and evaluation assets valuation

The application of the Company's accounting policy for exploration and evaluation assets requires judgment in determining whether it is likely that costs incurred will be recovered through successful exploration and development or sale. At the end of each reporting period, management applies judgment in assessing whether there are any indicators of impairment relating to exploration and evaluation assets. If there are indicators of impairment, the recoverable amount of the related asset is estimated in order to determine the extent of impairment, if any. Indicators of impairment may include (i) the period for which the Company has the right to explore in the specific area has expired during the year or will expire in the near future and is not expected to be renewed; (ii) substantive expenditure on further exploration for and evaluation of mineral

ENDURO METALS CORPORATION

Notes to the Consolidated Financial Statements

(Expressed in Canadian Dollars)

For the Year Ended September 30, 2025

2. MATERIAL ACCOUNTING POLICIES (continued)

resources in the specific area is neither budgeted nor planned; (iii) exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; and (iv) sufficient data exists to indicate that the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale. No impairment indicators were identified by management as at September 30, 2025.

Acquisition of a business or assets

The determination of whether a corporate entity or set of assets acquired, and liabilities assumed, constitute a business or assets reflects management's judgement, taking into account all facts and circumstances. The acquisition of Commander Resources Ltd. (and its exploration and evaluation assets) is determined to constitute an acquisition of assets (Note 3).

Critical Estimates

Share-based payments

Share-based payments are determined using the Black-Scholes option pricing model based on the estimated fair value of all share-based awards at the date of grant and is expensed to the statement of loss and comprehensive loss over each award's vesting period. The Black-Scholes option pricing model utilizes subjective assumptions such as expected price volatility and expected life of the option. Changes in these input assumptions can significantly affect the fair value estimate.

Reclamation provision

The Company's provision for reclamation represents management's best estimate of the present value of the future cash outflows required to settle estimated reclamation costs at the Newmont Lake property. The provision reflects estimates of future reclamation costs, inflation and the applicable risk-free interest rates for discounting the future cash outflows. Changes in the above factors could result in a change to the provision recognized by the Company.

Foreign Exchange

The functional currency is the currency of the primary economic environment in which the entity operates and has been determined for each entity within the Company. The functional currency for all entities within the Company is the Canadian dollar. The functional currency determinations were conducted through an analysis of the consideration factors identified in IAS 21, The Effects of Changes in Foreign Exchange Rates. Transactions in currencies other than the Canadian dollar are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, the monetary assets and liabilities of the Company that are denominated in foreign currencies are translated at the rate of exchange at the statement of financial position date while non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are reflected in profit or loss for the year.

ENDURO METALS CORPORATION

Notes to the Consolidated Financial Statements

(Expressed in Canadian Dollars)

For the Year Ended September 30, 2025

2. MATERIAL ACCOUNTING POLICIES (continued)**Exploration and Evaluation Assets**

Upon acquiring the legal right to explore a property, costs related to acquisition and exploration are capitalized by property until the commencement of commercial production. If commercially profitable ore reserves are developed, capitalized costs of the related exploration and evaluation assets are reclassified as mining assets and amortized using the unit of production method. If, after management review, it is determined that capitalized acquisition and exploration costs are not recoverable over the estimated economic life of the exploration and evaluation assets, or the exploration and evaluation assets are abandoned, or management deems there to be an impairment in value, the exploration and evaluation assets are written down to their net realizable value. Any option payments received by the Company from third parties or tax credits refunded to the Company are credited to the capitalized cost of the exploration and evaluation assets. If payments received exceed the capitalized cost of the exploration and evaluation assets, the excess is recognized as income in the year received. The amounts shown for exploration and evaluation assets do not necessarily represent present or future values. Their recoverability is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development, and future profitable production or proceeds from the disposition thereof.

Impairment

At the end of each reporting period, the Company's assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

Decommissioning and Restoration Provision

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of exploration and evaluation assets and equipment, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future rehabilitation cost estimates arising from the decommissioning of plant and other site preparation work is capitalized to mining assets along with a corresponding increase in the rehabilitation provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. The rehabilitation asset is depreciated on the same basis as mining assets.

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to mining assets with a corresponding entry to the rehabilitation provision. The Company's estimates are reviewed annually for changes in regulatory requirements, discount rates, effects of inflation and changes in estimates. Changes in the net present value, excluding changes in the Company's estimates of reclamation costs, are charged to profit and loss for the year.

ENDURO METALS CORPORATION

Notes to the Consolidated Financial Statements

(Expressed in Canadian Dollars)

For the Year Ended September 30, 2025

2. MATERIAL ACCOUNTING POLICIES (continued)**Property and Equipment**

Property and equipment is recorded at cost and amortized using the declining balance method at the following rates per annum.

Computer equipment	55% to 100% per annum
Furniture and equipment	20% per annum
Machinery and equipment	30% per annum
Vehicles	30% per annum
Building	4% per annum
Leasehold improvements	Straight-line method
Right of use asset	Straight-line method

Property and equipment that is withdrawn from use or has no reasonable prospect of being recovered through use or sale, are regularly identified and written off. Current year additions are amortized at half of the normal rate. The assets' residual values, depreciation methods and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Subsequent expenditures relating to an item of property and equipment are capitalized when it is probable that future economic benefits from the use of the assets will be increased. All other subsequent expenditures are recognized as repairs and maintenance.

Share-based Payments

Where equity-settled share options are awarded to employees, the fair value of the options at the date of grant measured using the Black-Scholes option pricing model are charged to profit or loss over the vesting period. Performance vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognized over the vesting period is based on the number of options that eventually vest.

Non-vesting conditions and market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether these vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition or where a non-vesting condition is not satisfied.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

Where equity instruments are granted to non-employees, they are recorded at the fair value of the goods or services received in profit or loss, unless they are related to the issuance of shares. Amounts related to the issuance of shares are recorded as a reduction of share capital.

When the value of goods or services received in exchange for the share-based payment cannot be reliably estimated, the fair value is measured by use of a valuation model. The expected life used in the model is adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioral considerations.

All equity-settled share-based payments are reflected in reserves, until exercised. Upon exercise, shares are issued from treasury and the amount reflected in reserves is credited to share capital, adjusted for any consideration paid. If the options expire unexercised, the share-based payments remain in share-based payment reserve.

ENDURO METALS CORPORATION

Notes to the Consolidated Financial Statements

(Expressed in Canadian Dollars)

For the Year Ended September 30, 2025

2. MATERIAL ACCOUNTING POLICIES (continued)

Where a grant of options is cancelled or settled during the vesting period, excluding forfeitures when vesting conditions are not satisfied, the Company immediately accounts for the cancellation as an acceleration of vesting and recognizes the amount that otherwise would have been recognized for services received over the remainder of the vesting period. Any payment made to the employee on the cancellation is accounted for as the repurchase of an equity interest except to the extent the payment exceeds the fair value of the equity instrument granted, measured at the repurchase date. Any such excess is recognized as an expense.

Financial Instruments

Recognition

The Company recognizes a financial asset or financial liability on the statement of financial position when it becomes party to the contractual provisions of the financial instrument. Financial assets are initially measured at fair value, and are derecognized either when the Company has transferred substantially all the risks and rewards of ownership of the financial asset, or when cash flows expire. Financial liabilities are initially measured at fair value and are derecognized when the obligation specified in the contract is discharged, cancelled or expired.

Classification and Measurement

The Company determines the classification of its financial instruments at initial recognition. Financial assets and financial liabilities are classified according to the following measurement categories. Those to be measured subsequently at fair value, either through profit or loss ("FVTPL") or through other comprehensive income ("FVTOCI").

The classification and measurement of financial assets after initial recognition at fair value depends on the business model for managing the financial asset and the contractual terms of the cash flows.

Financial assets that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding, are generally measured at amortized cost at each subsequent reporting period. All other financial assets are measured at their fair values at each subsequent reporting period, with any changes recorded through profit or loss or through other comprehensive income (which designation is made as an irrevocable election at the time of recognition).

The classification and measurement bases of the Company's financial instruments are as follows:

	IFRS 9 Classification
Cash	FVTPL
Marketable securities	FVTPL
Lease assets	Amortized cost
Accounts payable	Amortized cost
Due to related parties	Amortized cost
Lease liabilities	Amortized cost
Loans payable	Amortized cost

After initial recognition at fair value, financial liabilities are classified and measured at either:

- i) amortized cost;
- ii) FVTPL, if the Company has made an irrevocable election at the time of recognition, or when required for items such as instruments held for trading or derivatives; or,
- iii) FVTOCI, when the change in fair value is attributable to changes in the Company's credit risk.

ENDURO METALS CORPORATION

Notes to the Consolidated Financial Statements

(Expressed in Canadian Dollars)

For the Year Ended September 30, 2025

2. MATERIAL ACCOUNTING POLICIES (continued)

The Company reclassifies financial assets when and only when its business model for managing those assets changes. Financial liabilities are not reclassified.

Transaction costs for all classifications of financial instruments, other than those at FVTPL, that are directly attributable to the acquisition or issuance of a financial asset or financial liability are included in the fair value of the instrument on initial recognition. Transaction costs for financial assets and financial liabilities classified at FVTPL are expensed in profit or loss.

Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the loss allowance for the financial asset is measured at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the expected credit loss has not increased significantly since initial recognition, the loss allowance is measured for the financial asset at an amount equal to twelve month expected credit losses.

For trade receivables the Company applies the simplified approach to providing for expected credit losses, which allows the use of a lifetime expected loss provision. Impairment losses on financial assets carried at amortized cost are reversed in subsequent periods if the amount of the loss decreases and the decrease can be objectively related to an event occurring after the impairment was recognized. Given the nature and balances of the Company's receivables, the Company has no material loss allowance as at September 30, 2025.

The Company is required to disclose the inputs used in fair value measurements, including their classification within a hierarchy that prioritizes the inputs to fair value measurement.

The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets and 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.

Income Taxes

Income tax expense comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity. Current tax expense is the expected tax payable on 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 recorded using the liability method, providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Temporary differences are not provided for goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affects neither accounting nor taxable loss, or differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

ENDURO METALS CORPORATION

Notes to the Consolidated Financial Statements

(Expressed in Canadian Dollars)

For the Year Ended September 30, 2025

2. MATERIAL ACCOUNTING POLICIES (continued)

Additional income taxes that arise from the distribution of dividends are recognized at the same time as the liability to pay the related dividend. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Loss per Share

The Company presents basic loss per share for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share is calculated by adjusting the weighted average number of common shares outstanding for dilutive instruments. The number of shares included with respect to options, warrants and similar instruments is computed by assuming that outstanding options, warrants, and similar instruments were exercised and that the proceeds from such exercises were used to acquire common stock at the average market price during the reporting period. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

Leases

Under IFRS 16 Leases ("IFRS 16"), the Company assesses whether a contract to rent an item of property and equipment is, or contains, a lease. For contracts that are, or contain, leases, the Company recognizes a right-of-use asset and a lease liability at the commencement date.

Pursuant to the IFRS 16 lessee accounting model, the right-of-use asset is initially measured at cost, which includes the initial amount of the liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and estimates of costs to remove or dismantle the underlying asset or to restore the underlying asset or site on which the asset is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method over the term of the lease. The lease liability is initially measured at the present value of the lease payments that are not paid as of the lease commencement date, discounted using the rate implicit in the lease or, if the implicit rate cannot be readily determined, the Company's incremental borrowing rate.

The measurement of lease liabilities includes the following types of lease payments:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate as of the commencement date;
- Amounts expected to be payable under any residual value guarantees; and
- Exercise price for options that the Company is reasonably certain to exercise for an extension or option to buy, and penalties for early termination of a lease unless the Company is reasonably certain that it will not terminate the lease early. The lease liability is measured at amortized cost using the effective interest method.

The lease liability is remeasured in the following circumstances:

- If there is a change in the future lease payments resulting from a change in index or rate;
- If there is a change in the Company's estimation of the amount expected to be payable under a residual value guarantee; and
- If the Company changes its assessment of whether it will exercise an option to purchase, extend or terminate.

ENDURO METALS CORPORATION

Notes to the Consolidated Financial Statements

(Expressed in Canadian Dollars)

For the Year Ended September 30, 2025

2. MATERIAL ACCOUNTING POLICIES (continued)

If an underlying asset is re-leased by a lessee to a third party and the original lessee retains the primary obligation under the original lease, the transaction is a sublease and the original lessee continues to account for the original lease (the head lease) as a lessee and accounts for the sublease as the lessor. When the head lease is a short-term lease, the sublease is classified as an operating lease. Otherwise, the sublease is classified using the classification criteria by reference to the right-of-use asset arising from the head lease.

Flow-through Shares

The Company has financed a portion of its exploration expenditures through the issuance of flow-through shares. Canadian income tax law permits the Company to transfer the tax deductibility of qualifying resource expenditures financed by such shares to the flow-through shareholders, resulting in no exploration deductions for tax purposes to the Company. The shares are usually issued at a premium to the trading price of the Company's shares.

On issuance, the Company allocates the flow-through share proceeds to i) share capital, ii) warrants, and iii) a flow-through share premium, if any, using the residual value method. The premium is a reflection of the value of the income tax benefits that the Company must pass on to the flow-through shareholders. Any premium is recorded as a flow-through share premium liability which is reversed into profit or loss as other income when the eligible expenditures are incurred.

At the end of a period, the flow-through share premium liability consists of the portion of the premium on flow-through shares that corresponds to the portion of qualifying exploration expenditures that have not yet been incurred.

Proceeds received from the issuance of flow-through shares are restricted to be used only for Canadian resource property exploration expenditures within a prescribed year. The Company may also be subject to a Part XII.6 tax on flow-through proceeds renounced under the Lookback Rule, in accordance with Government of Canada flow-through regulations. When applicable, this tax is accrued as a financial expense until paid.

Government Assistance

The Company records government assistance provided there is reasonable assurance that the Company has complied and will continue to comply with all conditions of the government funding. Government assistance relating to current expenses is recognized in profit or loss and is included as a decrease to the related line item in the consolidated statements of loss and comprehensive loss.

Future Accounting Pronouncements

In April 2024, the IASB issued IFRS 18, *Presentation and Disclosure in Financial Statements*. Key changes would impact the structure of the consolidated statements of loss and comprehensive loss and amendments to requirements for certain profit or loss performance measures. IFRS 18 will replace IAS 1, *Presentation of Financial Statements* effective for reporting periods beginning on or after January 1, 2027 and will also impact comparative information at the point of adoption. Management is currently assessing the effect of the standard on the Company's consolidated financial statements.

ENDURO METALS CORPORATION

Notes to the Consolidated Financial Statements

(Expressed in Canadian Dollars)

For the Year Ended September 30, 2025

3. ACQUISITION OF COMMANDER RESOURCES LTD.

On May 30, 2025, the Company completed the acquisition of Commander Resources Ltd. ("Commander") pursuant to a court-approved Plan of Arrangement. The Plan of Arrangement was implemented pursuant to the terms and conditions of an arrangement agreement dated February 25, 2025 between Enduro and Commander, and has resulted in the acquisition by Enduro of all of the issued and outstanding shares of Commander (the "Commander Shares") in exchange for consideration of 0.535 of a common share of Enduro (each full share, a "Enduro Share") for each Commander Share (the "Exchange Ratio"). In connection with the Plan of Arrangement, Robert Cameron and Brandon MacDonald each joined the board of directors of Enduro and Lawrence Roulston resigned as a director of Enduro.

In connection with the closing, a total of 23,692,393 Enduro Shares were issued to the former holders of Commander, resulting in former Commander shareholders holding approximately 45.65% of the total number of issued and outstanding Enduro Shares (based on 51,885,012 Enduro Shares issued and outstanding immediately after closing). In addition, the outstanding options to purchase Commander Shares have been replaced with options to purchase Enduro Shares on the same terms and conditions ("Replacement Options"), other than necessary adjustments to take into account the Exchange Ratio, as set out in the Plan of Arrangement.

The transaction does not constitute a business combination, as Commander does not meet the definition of a business under IFRS 3 – Business Combinations. As a result, the acquisition of Commander has been accounted for as an asset acquisition, whereby all of the assets acquired and liabilities assumed are recorded at fair value reflecting purchase consideration. Upon closing of the transaction, Commander and its subsidiaries became wholly-owned subsidiaries of the Company. The net assets acquired pursuant to the acquisition are as follows:

Purchase consideration:

Fair value of shares *	\$	3,790,783
Fair value of replacement options **		41,200
Transaction costs		51,863
Less: pre-existing loan from Commander		(521,173)
Total consideration	\$	3,362,673

Net assets acquired

Cash	\$	2,145,275
Taxes receivable		74,897
Marketable securities		37,000
Prepaid expenses		15,437
Reclamation bond		28,000
Equipment		16,570
Right of use asset, net		8,670
Exploration and evaluation assets ***		1,062,916
Accounts payable and accrued liabilities		(17,101)
Lease liabilities		(8,991)
Total of net assets	\$	3,362,673

* Fair value of the Company's shares was calculated using the closing price of \$0.16 on the date of issuance.

** The Company issued replacement options to the holders of the Commander securities. The fair value of the stock options issued was determined using the Black-Scholes option pricing model with the following key assumptions:

- Expected life: 1.30 years
- Stock price volatility: 87.87%
- Discount rate: 2.58%.

ENDURO METALS CORPORATION

Notes to the Consolidated Financial Statements

(Expressed in Canadian Dollars)

For the Year Ended September 30, 2025

3. ACQUISITION OF COMMANDER RESOURCES LTD. (continued)

*** The fair value of the exploration and evaluation assets was estimated by management and reflects relevant exploration expenditures incurred by Commander over the past two years on properties of merit which consist of the Burn and Sabin properties.

4. MARKETABLE SECURITIES

During the year ended September 30, 2025, the Company through the acquisition of Commander:

- acquired 1,500,000 shares (valued at \$15,000) of Fjordland Exploration Inc. ("Fjordland").
- acquired 1,100,000 shares (valued at \$22,000) of Southern Empire Resources Corp. ("South Empire").

The Company's marketable securities are as follows:

	Fjordland	Southern Empire	Value Total
As of September 30, 2024 and 2023	\$ -	\$ -	\$ -
Additions from acquisition of Commander	15,000	22,000	37,000
Change in fair value	7,500	38,500	46,000
As of September 30, 2025	\$ 22,500	\$ 60,500	\$ 83,000

5. PROPERTY AND EQUIPMENT

	Computer Equipment \$	Exploration Equipment \$	Leasehold Improvement \$	Total \$
Cost:				
Balance, September 30, 2023	4,552	165,030	30,681	200,263
Disposals	-	(165,030)	-	(165,030)
Balance, September 30, 2024	4,552	-	30,681	35,233
Additions	2,979	-	-	2,979
Acquisition of Commander	-	16,570	-	16,570
Balance September 30, 2025	7,531	16,570	30,681	54,782
Accumulated depreciation:				
Balance, September 30, 2023	1,930	88,649	11,688	102,267
Additions	2,622	5,729	5,844	14,195
Disposals	-	(94,378)	-	(94,378)
Balance, September 30, 2024	4,552	-	17,532	22,084
Additions	2,979	1,382	5,844	10,205
Balance, September 30, 2025	7,531	1,382	23,376	32,289
Net Book Value, September 30, 2024	-	-	13,149	13,149
Net Book Value, September 30, 2025	-	15,188	7,305	22,493

ENDURO METALS CORPORATION

Notes to the Consolidated Financial Statements

(Expressed in Canadian Dollars)

For the Year Ended September 30, 2025

6. RIGHT OF USE ASSET AND LEASE LIABILITIES

On October 1, 2021, the Company entered into a 63-month office lease agreement. In analysing the identified agreement, the Company applied the lease accounting model pursuant to IFRS 16 and considered all the facts and circumstances surrounding the inception of the agreement. The lease term matures on December 31, 2026.

On September 1, 2024, the Company sublet its office premises and entered into a 28-month office lease agreements with two tenants. The lease terms mature on December 31, 2026. In analyzing the identified agreements, the Company applied the lease accounting model pursuant to IFRS 16 and continues to account for the original office lease as a lessee and for the subleases as the lessor. On the sublease commencement date, the Company derecognized the right of use asset and recognized lease assets for the net investment in the subleases.

On May 30, 2025, the Company acquired an office lease that was recognized as an right of use asset and lease liabilities from the acquisition of Commander (Note 3).

For the year ended September 30, 2025, depreciation of the right of use asset was \$8,670 (2024 - \$69,335).

Right of use asset, September 30, 2023	\$ 245,825
Depreciation of right of use asset	(69,335)
De-recognition of right of use asset	(176,490)
Right of use asset September 30, 2024	-
Additions	8,670
Depreciation of right of use asset	(8,670)
Right of use asset September 30, 2025	\$ -

For the year ended September 30, 2025, finance charges on the lease liability were \$19,420 (2024 - \$40,780).

Lease liabilities, September 30, 2023	\$ 286,486
Accretion	40,780
Payments	(111,782)
Lease liabilities, September 30, 2024	215,484
Additions	8,991
Accretion	19,420
Payments	(114,271)
Lease liabilities, September 30, 2025	\$ 129,624
Current lease liabilities	101,599
Long-term lease liabilities	28,025
Total lease liabilities at September 30, 2025	\$ 129,624

ENDURO METALS CORPORATION

Notes to the Consolidated Financial Statements

(Expressed in Canadian Dollars)

For the Year Ended September 30, 2025

6. RIGHT OF USE ASSET AND LEASE LIABILITIES (continued)

Leased assets, September 30, 2023	\$	-
Recognition of leased assets		221,841
Finance income		2,958
Payments		(9,315)
Leased assets, September 30, 2024		215,484
Finance income		28,411
Payments		(114,271)
Leased assets, September 30, 2025	\$	129,624
Current leased assets		101,599
Long-term leased assets		28,025
Total leased assets at September 30, 2025	\$	129,624

7. EXPLORATION ADVANCES AND DEPOSITS

Exploration advances and deposits represent amounts paid in advance to drilling contractors, geological and technical consultants, Indigenous groups, regulatory authorities, and other service providers in connection with planned exploration and evaluation activities on the Company's mineral properties. These amounts are recorded at cost and are not depreciated or amortized.

Exploration advances and deposits are not classified as exploration and evaluation assets until the related goods or services have been received and the expenditures meet the Company's capitalization criteria under its accounting policy for exploration and evaluation assets. Until such time, these amounts are presented as non-current assets.

When the related exploration activities are undertaken and the services are received, exploration advances and deposits are either:

- capitalized to exploration and evaluation assets; or
- expensed to profit or loss, where the expenditures do not meet the criteria for capitalization.

The transactions during the year ended September 30, 2025 were as follows:

Balance, September 30, 2023 and 2024	\$	50,000
Net advances for exploration and evaluation activities		115,033
Balance, September 30, 2025	\$	165,033

ENDURO METALS CORPORATION

Notes to the Consolidated Financial Statements

(Expressed in Canadian Dollars)

For the Year Ended September 30, 2025

8. EXPLORATION AND EVALUATION ASSETS

Year Ended September 30, 2025	Newmont Lake British Columbia, Canada	Burn British Columbia, Canada	Sabin Ontario, Canada	Total
Acquisition Costs:				
Balance, beginning of year	\$ 5,048,269	\$ -	\$ -	\$ 5,048,269
Other	4,071	-	-	4,071
Acquisition of Commander (Note 3)	-	840,261	222,655	1,062,916
Balance, end of year	5,052,340	840,261	222,655	6,115,256
Exploration Costs:				
Balance, beginning of year	25,844,910	-	-	25,844,910
Assay	3,000	-	-	3,000
Geological consulting and related services	166,365	-	-	166,365
Drilling, exploration, and camp costs	1,179,956	-	-	1,179,956
Travel	18,204	-	-	18,204
BC METC Recovery	(29,409)	-	-	(29,409)
Balance, end of year	27,183,026	-	-	27,183,026
Total	\$ 32,235,366	\$ 840,261	\$ 222,655	\$ 33,298,282

Year Ended September 30, 2024	Newmont Lake British Columbia, Canada
Acquisition Costs:	
Balance, beginning of year	\$ 5,038,023
Other	10,246
Balance, end of year	5,048,269
Exploration Costs:	
Balance, beginning of year	23,815,325
Assay	108,035
Geological consulting and related services	115,000
Drilling, exploration, and camp costs	1,800,928
Travel	5,622
Balance, end of year	25,844,910
Total	\$ 30,893,179

ENDURO METALS CORPORATION

Notes to the Consolidated Financial Statements

(Expressed in Canadian Dollars)

For the Year Ended September 30, 2025

8. EXPLORATION AND EVALUATION ASSETS (continued)

Newmont Lake Claims, British Columbia

The Company owns a 100% interest in the Newmont Lake mineral property after satisfying all the option terms in the year ended September 30, 2022. The following information is the historical option terms which were completed.

In September 2018, the Company entered into a letter agreement for an option to acquire a 100% interest in the Newmont Lake mineral property from Romios Gold Resources Inc. ("Romios"). Pursuant to the agreement, the Company acquired a 100% interest in the property by completing the following:

Completed:

- pay \$250,000 immediately upon signing.
- pay \$250,000 at 90 days following the regulatory approval.
- pay \$250,000 at 180 days following the regulatory approval.
- pay \$250,000 at 270 days following the regulatory approval.
- issue 4,000,000 shares upon the regulatory approval.
- issue 4,000,000 shares on November 29th, 2020.
- issue 4,000,000 shares on November 29th, 2021.
- incur approximately \$3,000,000 of exploration expenditures by February 22nd, 2020.
- incur approximately \$2,500,000 of exploration expenditures by February 22nd, 2021.
- incur approximately \$2,500,000 of exploration expenditures by February 22nd, 2022.
- incur an underlying annual payment of \$30,000.
- pay \$1,000,000 concurrently with the Company vesting 100% interest in the Romios Claims by February 22, 2022.

The claims are subject to a 2% Net Smelter Royalty ("NSR") held by Romios. Up to 1% of the Net Smelter Royalty ("NSR") can be bought back by the Company in increments of 0.5% for \$2,000,000 per 0.5% (gross total \$4,000,000 for 1%) for a period of two years upon 100% earn-in of the Romios Claims. The Company will issue 2,000,000 shares to Romios in the event a NI 43-101 compliant resource estimate which exceeds 1,000,000 ounces of gold equivalent resources (being the sum of indicated and inferred) is confirmed/executed. An additional 1,000,000 shares of the Company will be issued to Romios for each additional 1,000,000 ounces of gold equivalent resources (being the sum of indicated and inferred). The shares represent contingent consideration and the Company has assessed the fair value of the contingent consideration to be \$Nil as at the acquisition date and September 30, 2025.

On May 30, 2025, the Company acquired a number of properties through the acquisition of Commander, which are listed as follows:

Burn, BC

The Burn property was acquired as part of the Company's acquisition of Commander. In July 2019, Commander entered into an earn-in agreement (the "Freeport Agreement") with Freeport-McMoRan Mineral Properties Canada Inc. ("Freeport") granting Freeport the right to earn up to a 75% interest in the Burn property. The terms of the Freeport Agreement comprised cash considerations of \$560,000 and exploration expenditures of \$2,500,000.

In August 2023, Freeport fulfilled both of the option terms and earned a 75% vested interest in the Burn property. This resulted in a joint arrangement of 75% Freeport and 25% Commander.

ENDURO METALS CORPORATION

Notes to the Consolidated Financial Statements

(Expressed in Canadian Dollars)

For the Year Ended September 30, 2025

8. EXPLORATION AND EVALUATION ASSETS (continued)

Burn, BC (continued)

In August 2024, Freeport transferred its 75% vested interest in the Burn property back to Commander. In consideration of the transfer, Freeport was granted two net smelter return royalties ("NSR"):

- (i) a 2% NSR over the majority of the property; and
- (ii) a 1% NSR over the inner claims which comprise two mineral claims totaling 127 hectares optioned from a third party (the "Inner Claims").

Freeport was also granted a buy-down option of 1% NSR over the majority of the property for US \$5,000,000.

As at the May 30, 2025 acquisition date of Commander there was one remaining cash payment and one share issuance remaining to be paid and issued as follows:

- i) \$150,000 on or before October 3, 2025 (paid subsequent to September 30, 2025).
- ii) on or before October 3, 2025 shares valued at \$80,000 based on the market price (20-day volume-weighted average price) (issued subsequent to September 30, 2025).

The Vendors retain a 2% NSR and granted a buy-down provision of the first 1% for \$1,000,000 and the remaining 1% for \$5,000,000.

Henry Lee, BC

The Henry Lee copper project was acquired as part of the Company's purchase of Commander (Note 3) and was valued at \$nil. The vendor retains a 1% NSR royalty and is entitled to receive a one-time advance royalty payment of \$1,000,000 upon the commencement of commercial production.

Sabin, Ontario

Commander's ownership interest on the Sabin base-precious metal property varies from 58.5% to 100%.

Pedro, Mexico

The Pedro, Mexico properties were acquired as part of the Company's purchase of Commander (Note 3) and was valued at \$nil.

Reclamation bonds

As of September 30, 2025, the Company had \$200,000 (2024 - \$200,000) as a deposit with the Ministry of Energy & Mines in connection with future camp reclamation at Newmont Lake.

Pursuant to the acquisition of Commander, the Company acquired reclamation bonds that were previously owned by Commander, which includes:

- a. rights to the reclamation bonds with the BC Government on previously owned properties (the October Dome and Mt. Polley properties) for cash consideration of \$18,000.
- b. a security bond of \$10,000 on an application for Mines Act Permit with the BC Ministry of Energy and Mines and Petroleum Resources on the October Dome property. The bond is hypothecated with an automatic annual renewal upon maturity.

ENDURO METALS CORPORATION

Notes to the Consolidated Financial Statements

(Expressed in Canadian Dollars)

For the Year Ended September 30, 2025

9. SHARE CAPITAL AND EQUITY RESERVES

During the year ended September 30, 2025, the Company:

- I. closed a non-brokered private placement and issued 21,384,332 units at \$0.15 per unit for gross proceeds of \$3,207,650. Each unit consisted of one common share and one-half common share purchase warrant. Each warrant may be exercised by the holder to purchase an additional common share at a price of \$0.22 for a period of two years from the issuance date. The Company issued 623,092 finder's warrants. Each finder's warrant may be exercised to purchase a common share at a price of \$0.18 for a period of one year from the issuance date. The fair value of the finders warrants was \$25,300 which was determined using the Black-Scholes option pricing model with an expected life of one year, a stock price volatility of 73%, a discount rate of 2.70% and a dividend yield of 0%. The Company paid share issuance costs of \$95,805.
- II. issued 2,235,015 flow-through shares at \$0.185 per share for gross proceeds of \$413,478. A value of \$78,226 was attributed to the flow-through premium liability in connection with the financing. During the year ended September 30, 2025, the Company expended all of the flow-through proceeds and recorded \$78,226 as reversal of flow-through premium (Note 12).
- III. issued 23,692,393 common shares valued at \$3,790,783 in the acquisition of Commander pursuant to the Plan of Arrangement (Note 3).

During the year ended September 30, 2024, the Company closed a non-brokered private placement of 4,093,125 units at a purchase price of \$0.40 per unit for gross proceeds of \$1,637,250. Each unit is comprised of one common share of the Company and one-half common share purchase warrant. Each warrant entitles the holder to acquire an additional common share at a purchase price of \$0.80 per share for a period of three years. Using the residual value method, the Company allocated \$1,105,144 of the proceeds to the common shares and \$532,106 of the proceeds to the share purchase warrants. The Company paid aggregate finders' fees of \$1,750 and issued an aggregate of 4,375 finders warrants upon closing the offering. Each finder warrant entitles the holder to acquire one common share at a purchase price of \$0.40 per share for a period of three years from the date of issuance.

Stock Options

The Company has a stock option plan under which it is authorized to grant options to executive officers and directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common stock of the Company. Under the plan, the exercise price of each option equals the market price of the Company's stock, less an applicable discount, as calculated on the date of grant. The options can be granted for a maximum term of 5 years and vest at the discretion of the board of directors.

ENDURO METALS CORPORATION

Notes to the Consolidated Financial Statements

(Expressed in Canadian Dollars)

For the Year Ended September 30, 2025

9. SHARE CAPITAL AND EQUITY RESERVES (continued)

A summary of changes in options is as follows:

	Number of options	Weighted average exercise price
Outstanding September 30, 2023	1,062,000	\$ 1.50
Issued	1,400,000	0.40
Cancelled/Expired	(47,000)	3.50
Outstanding September 30, 2024	2,415,000	0.79
Issued (Note 3)	1,211,775	0.29
Cancelled/Expired	(865,000)	1.26
Outstanding September 30, 2025	2,761,775	\$ 0.42

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

Expiry Date	Exercise Price	Number of Options	Number of Options Exercisable
November 15, 2025	\$ 0.26	283,550	283,550
October 29, 2026	\$ 0.32	781,100	781,100
September 8, 2027	\$ 0.19	147,125	147,125
November 15, 2027	\$ 1.70	150,000	150,000
April 4, 2029	\$ 0.40	1,400,000	1,400,000
		2,761,775	2,761,775

Share-based payments

During the year ended September 30, 2025, the Company granted 1,211,775 replacement options in the acquisition of Commander pursuant to the Plan of Arrangement (Note 3) as follows:

- i) 283,550 stock options valued at \$3,000, exercisable at \$0.26 until November 15, 2025.
- ii) 781,100 stock options valued at \$19,000, exercisable at \$0.32 until October 29, 2026.
- iii) 147,125 stock options valued at \$19,200, exercisable at \$0.19 until September 8, 2027.

During the year ended September 30, 2025, the Company recognized \$Nil (2024 - \$328,929) on options that vested throughout the year but issued in prior years.

	Year ended September 30, 2025	Year ended September 30, 2024
Volatility	87.87%	95.37%
Risk-free interest rate	2.58%	3.62%
Dividend yield	0.00%	0.00%
Expected life	1.30 years	5.00 years
Expected forfeiture rate	0.00%	0.00%

ENDURO METALS CORPORATION

Notes to the Consolidated Financial Statements

(Expressed in Canadian Dollars)

For the Year Ended September 30, 2025

9. SHARE CAPITAL AND EQUITY RESERVES (continued)**Warrants**

A summary of changes in warrants is as follows:

	Number of warrants	Weighted average exercise price
Outstanding September 30, 2023	2,221,900	\$ 1.50
Granted	2,050,938	0.80
Outstanding September 30, 2024	4,272,838	1.25
Granted	11,315,258	0.22
Expired	(2,221,900)	1.50
Outstanding September 30, 2025	13,366,196	\$ 0.31

The following warrants were outstanding at September 30, 2025:

Number of Warrants	Exercise Price	Expiry Date
2,050,938	\$ 0.80	February 26, 2027
7,901,666	\$0.22	August 19, 2027
599,741	\$0.18	August 19, 2026
2,790,500	\$0.22	September 5, 2027
23,351	\$0.18	September 5, 2026
13,366,196		

Restricted Share Units

On December 14, 2023, the Company's Restricted Share Unit ("RSU") Plan was approved by its shareholders. The RSU Plan is administered by the Compensation Committee under the supervision of the Board of Directors as compensation to officers, directors, consultants, and employees. The Compensation Committee determines the terms and conditions upon which a grant is made, including any performance criteria or vesting period.

Upon vesting, each RSU entitles the participant to receive one common share, provided that the participant is continuously employed with or providing services to the Company. RSUs track the value of the underlying common shares, but do not entitle the recipient to the underlying common shares until such RSUs vest, nor do they entitle a holder to exercise voting rights or any other rights attached to ownership or control of the common shares, until the RSU vests and the RSU participant receives common shares.

A summary of changes in restricted share units is as follows:

Outstanding September 30, 2023,	-
Granted	300,000
Outstanding September 30, 2024 and September 30, 2025	300,000

As at September 30, 2025 100,000 RSUs had vested and were issuable.

ENDURO METALS CORPORATION

Notes to the Consolidated Financial Statements

(Expressed in Canadian Dollars)

For the Year Ended September 30, 2025

9. SHARE CAPITAL AND EQUITY RESERVES (continued)**Restricted Share Units (continued)**

During the year ended September 30, 2025, the Company recognized \$44,407 (2024 - \$29,505) in share-based payment expense for the vesting of RSUs that were granted in 2024. During the year ended September 30, 2024, the Company granted 300,000 RSUs and the weighted average fair value at the measurement date was \$0.33, based on the TSX market price of the Company's shares on the date the RSUs were granted. The RSUs vest in tranches with one-third of the RSUs vesting on each one-year anniversary from the grant date.

10. RELATED PARTY TRANSACTIONS AND BALANCES

All related party transactions are recorded at the exchange amount which is the amount agreed to by the Company and the related party.

a) Key management personnel

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers and companies controlled by them. The Company also transacts with corporations controlled by officers of the Company for the primary purpose of acquiring exploration and evaluation services. The remuneration of directors and other members of key management personnel during the years ended September 30, 2025 and 2024 were as follows:

	2025	2024
Consulting fees	\$ 554,000	\$ 483,000
Director's fees	51,453	-
Salary	63,333	-
Share-based payments	44,407	329,063
	<u>\$ 713,193</u>	<u>\$ 812,063</u>

During the year ended September 30, 2025, pursuant to the Plan of Arrangement (Note 3), the Company granted 425,325 replacement options with a value of \$14,041 to officers and directors of the Company.

- b) The Company also transacts with corporations controlled by officers or former officers of the Company for the primary purpose of acquiring exploration and evaluation services. The remuneration paid to related parties for exploration and evaluation activities during year ended September 30, 2025 and 2024 were as follows:

	2025	2024
Exploration and evaluation expenditures	\$ 183,312	\$ 1,155,381

ENDURO METALS CORPORATION

Notes to the Consolidated Financial Statements

(Expressed in Canadian Dollars)

For the Year Ended September 30, 2025

10. RELATED PARTIES TRANSACTION AND BALANCES (continued)

c) Amounts due to/from related parties

In the normal course of operations, the Company transacts with corporations controlled by directors or officers of the Company. All amounts payable and receivable are non-interest bearing, unsecured and due on demand. The following table summarizes the amounts due to related parties:

	September 30, 2025	September 30, 2024
HEG & Associates Exploration Services	\$ -	\$ 281,391
Catalina Discovery Ltd.	-	110,250
William Slack	796	2,432
WJWS Advisory Ltd.	24,000	96,000
LHC Mine Finance Ltd.	3,000	24,000
Malcolm Davidson, CPA, Inc.	-	73,500
Dylan Hunko	-	70,438
Robert Cameron	11,392	-
Steven Wetherup	43,556	-
Napoli Technical Services	3	-
Susanne A Hermans	21,453	-
Brandon Macdonald	2,874	-
	<u>\$ 107,074</u>	<u>\$ 658,011</u>

11. LOAN PAYABLE

During the year ended September 30, 2025, the Company received \$400,000 pursuant to the terms of a loan agreement (the "Loan") with Commander Resources Ltd. which has been approved by the TSX. The Loan bears interest at the rate of 12% per annum and is payable on April 30th, 2026. The Loan is secured by a security interest over Enduro's "Chachi" claims, an 8 x 4 kilometer area on the eastern side of the Newmont Lake Property. An additional \$100,000 was advanced by Commander as a payment to a vendor of the Company.

Pursuant to the completion of the acquisition of Commander, the loan, advance and interest payable, was recorded as a reduction to the purchase consideration (see Note 3).

12. FLOW-THROUGH PREMIUM LIABILITY

Flow-through shares are issued at a premium, calculated as the difference between the price of a flow-through share and the price of a share at issuance date, as tax deductions generated by the eligible expenditures are passed through to the shareholders of the flow-through shares once the eligible expenditures are incurred and renounced.

Funds raised through the issuance of flow-through shares are required to be expended on qualifying Canadian mineral exploration expenditures, as defined pursuant to Canadian income tax legislation. The flow-through gross proceeds less the qualified expenditures made to date represent the funds received from flow-through share issuances that have not been spent and are held by the Company for such expenditures.

During the year ended September 30, 2025, the Company issued 2,235,015 flow-through units at \$0.185 per unit for gross proceeds of \$413,478. The flow-through shares were issued at a premium of \$0.035 per share as determined based upon a concurrent non-flow-through share placement. As a result, a flow-through premium liability of \$78,226 was recorded on issuance

ENDURO METALS CORPORATION

Notes to the Consolidated Financial Statements

(Expressed in Canadian Dollars)

For the Year Ended September 30, 2025

12. FLOW-THROUGH PREMIUM LIABILITY (continued)

The following table is a continuity of the flow-through share funding and expenditures along with the corresponding impact on the flow-through share premium liability:

	Flow-through funding and expenditure requirements	Flow-through premium liability
Balance, September 30, 2023	\$ 2,037,200	\$ 587,112
Flow-through expenditures incurred and reduction of liability	(2,037,200)	(587,112)
Balance, September 30, 2024	-	-
Flow-through funds raised and premium recorded as liability	413,478	78,226
Flow-through expenditures incurred and reduction of liability	(251,044)	(47,495)
Balance, September 30, 2025	\$ 162,434	\$ 30,731

The reduction in the flow-through share premium liability is recorded in other income upon incurring flow through eligible expenditures.

13. RECLAMATION PROVISION

During the year ended September 30, 2022, the Company incurred a reclamation liability in connection with the completion of the option agreement with Romios Gold Resources Inc. (Note 7). The initial undiscounted value of the obligation was \$232,653 and during the year ended September 30, 2022, the Company completed \$101,914 of work reducing the estimated balance to \$130,739. No additional reclamation work was completed during the year ended September 30, 2025.

A reconciliation of the changes in the Company's reclamation provision is as follows:

Balance at September 30, 2023	\$232,653
Reclamation work completed during the year	(101,914)
Balance at September 30, 2024 and September 30, 2025	\$130,739

14. CAPITAL MANAGEMENT

The Company's primary objectives in capital management is to safeguard the Company's ability to continue as a going concern in order to provide a return for shareholders and to maintain sufficient funds to finance its exploration and evaluation interests. Capital is comprised of the Company's shareholders' equity. As at September 30, 2025, the Company's shareholders' equity was \$35,985,043 (September 30, 2024 – \$30,020,605).

The Company manages its capital structure to maximize its financial flexibility by making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities.

The Company does not presently utilize any quantitative measures to monitor its capital and is not subject to externally imposed capital requirements. There were no changes in the Company's approach to capital management during the year ended September 30, 2025.

ENDURO METALS CORPORATION

Notes to the Consolidated Financial Statements

(Expressed in Canadian Dollars)

For the Year Ended September 30, 2025

15. FINANCIAL RISK FACTORS

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

The carrying value of the Company's receivables, accounts payable and accrued liabilities, due to related parties, and loans payable approximate their fair value because of the short-term nature of these instruments. Cash and marketable securities are carried at a fair value using a level 1 fair value measurement. Loans payable are accounted for using the effective interest rate method.

Credit risk

Credit risk is the risk of loss associated with counterparty's inability to fulfil its payment obligations. The Company's management believes it has no significant credit risk.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. At September 30, 2025 the Company had a cash balance of \$3,087,751 (September 30, 2024 - \$148,243) to settle current liabilities of \$1,161,866 (September 30, 2024 - \$1,462,875).

All of the Company's accounts payable and accrued liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms. The Company expects to fund these liabilities through the use of existing cash resources and additional equity financing.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

a) Interest rate risk

The Company is not exposed to any significant interest rate risk.

b) Foreign currency risk

The Company is exposed to foreign currency risk on fluctuations related to cash and accounts payable and accrued liabilities that are denominated in a foreign currency.

As at September 30, 2025, the Company had minimal cash amounts in foreign currencies and considers foreign currency risk insignificant.

c) Price risk

The Company's net income or loss, and ability to raise capital to fund exploration and evaluation activities is subject to risks associated with fluctuations in mineral prices. Management closely monitors commodity prices, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

ENDURO METALS CORPORATION

Notes to the Consolidated Financial Statements

(Expressed in Canadian Dollars)

For the Year Ended September 30, 2025

16. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

Significant non-cash transactions during the year ended September 30, 2025, include the Company:

- i) had an accounts payable balance of \$347,205 related to exploration and evaluation asset expenditures.

Significant non-cash transactions during the year ended September 30, 2024, include the Company:

- ii) had an accounts payable balance of \$431,394 related to exploration and evaluation asset expenditures.
- iii) had a loss of \$20,652 in the disposition of equipment.
- iv) de-recognized \$86,964 of accounts payable.

17. SEGMENTED INFORMATION

The Company has one operating segment, being the exploration of exploration and evaluation assets in Canada.

As of September 30, 2025, the carrying values of the Company's and evaluation assets:

- \$33,298,282 (September 30, 2024 - \$30,893,179) located in Canada.

ENDURO METALS CORPORATION

Notes to the Consolidated Financial Statements

(Expressed in Canadian Dollars)

For the Year Ended September 30, 2025

18. INCOME TAXES

A reconciliation of income taxes at statutory rate with the reported taxes is as follows:

	2025	2024
Loss for the year	\$ (1,359,049)	\$ (810,593)
Expected income tax (recovery)	\$ (367,000)	\$ (219,000)
Change in statutory, foreign tax, foreign exchange rates and other	(10,000)	-
Permanent difference	(8,000)	(56,000)
Impact of flow-through shares	112,000	509,000
Share issue cost	(26,000)	-
Adjustment to prior year's estimates	1,000	19,000
Impact of acquisition of control	(955,000)	-
Change in unrecognized deductible temporary difference	1,253,000	(253,000)
Total income tax expense (recovery)	\$ -	\$ -

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

	2025	2024
Deferred Tax Assets (liabilities)		
Exploration and evaluation assets	\$ (1,605,000)	\$ (1,540,000)
Share issue cost	27,000	11,000
Property and equipment	3,000	35,000
Asset retirement obligation	35,000	35,000
Lease liability	-	10,000
Marketable securities	(6,000)	-
Allowable capital losses	898,000	898,000
Non-capital losses	6,345,000	4,995,000
	5,697,000	4,444,000
Unrecognized deferred tax asset	(5,697,000)	(4,444,000)
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				
Exploration and evaluation assets	\$ (5,945,000)	No expiry date	\$ (5,716,000)	No expiry date
Investment tax credit	4,000	2020 to 2035	4,000	2020 to 2034
Property and equipment	11,000	No expiry date	130,000	No expiry date
Share issue costs	102,000	2026 to 2029	41,000	2025 to 2028
Lease liability	-	No expiry date	39,000	No expiry date
Marketable securities	(22,000)	No expiry date	-	No expiry date
Asset retirement obligation	131,000	No expiry date	131,000	No expiry date
Allowable capital losses	3,326,000	No expiry date	3,326,000	No expiry date
Non-capital losses available for future years	23,500,000	2031 to 2045	18,501,000	2031 to 2044

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

ENDURO METALS CORPORATION

Notes to the Consolidated Financial Statements

(Expressed in Canadian Dollars)

For the Year Ended September 30, 2025

19. SUBSEQUENT EVENTS

- a) On January 15, 2025, the Company closed the sale of 100% interest in the 1,750-hectare Pedro Gold Project ("Pedro") in Durango State, Mexico to Southern Empire Resources Corp. ("Southern Empire") (SMP:TSX-V).

Pursuant to amendments of the original Option Southern Empire has issued to Enduro 2,000,000 common shares and agreed to a future milestone payment of \$2,000,000 upon commencement of commercial production from the Pedro Gold Project. Enduro retains a 2% net smelter return (NSR) royalty interest from future Pedro production with no buydown provision. The shares issued to Enduro are subject to restrictions on resale for a period of four months from the date of issuance. Southern Empire has acquired its 100% interest in the Pedro mineral tenements by acquiring a 100% beneficial interest in Minera BRG, S.A. de C.V. (the Mexican subsidiary of Enduro that owns Pedro).

- b) On October 1, 2025 the Company granted 3,690,000 stock options with an exercise price of \$0.155 exercisable to October 1, 2030. On November 15, 2025, 283,550 options with an exercise price of \$0.26 expired unexercised.
- c) On November 10, 2025, the Company entered into a purchase agreement with Romios Gold Resources Inc. to acquire a package of mineral claims located immediately north of the Company's Andrei porphyry copper gold target on its Newmont Lake property. Under the terms of the agreement, the Company acquired a 100% interest in the 12 km² claim block for cash consideration of \$300,000. The claims remain subject to the existing Net Smelter Return royalty currently in place between the Company and Romios. Newmont Lake is a 700 km² property located in the heart of British Columbia's Golden Triangle.
- d) On October 3, 2025, the Company made a cash payment of \$150,000 and issued 533,400 common shares in satisfaction of the last option payment for the Burn property (Note 8).