

TORCHLIGHT INNOVATIONS INC.

**Unaudited Condensed Consolidated Interim Financial Statements
For The Three and Nine Months Ended September 30, 2025 and 2024
(Expressed in Canadian dollars)**

NOTICE TO READER

The accompanying unaudited condensed consolidated interim financial statements of Torchlight Innovations Inc. for the three and nine months ended September 30, 2025 and 2024 have been prepared by management and approved by the Board of Directors of the Company.

As required by National Instrument 51-102 subsection 4.3(3)(a), readers are advised that an auditor has not performed a review of these unaudited condensed consolidated interim financial statements.

TORCHLIGHT INNOVATIONS INC.

Condensed Consolidated Interim Statements of Financial Position

(Expressed in Canadian dollars)

(Unaudited)

	September 30, 2025	December 31, 2024
Assets		
Current assets		
Cash	\$ 19,654	\$ 70,008
Receivable	1,522	-
Prepays	1,793	20,125
Total assets	\$ 22,969	\$ 90,133
Liabilities and shareholders' equity		
Current liabilities		
Accounts payable and accrued liabilities	\$ 21,677	\$ 9,499
Shareholders' equity		
Share capital (note 4)	246,777	246,777
Contributed surplus (note 4)	51,200	51,200
Deficit	(296,685)	(217,343)
	1,292	80,634
Total liabilities and shareholders' equity	\$ 22,969	\$ 90,133

Nature of operations and going concern (note 1)

Approved on behalf of the Board of Directors:

"Duane Nelson"
Duane Nelson
Chief Executive Officer ("CEO") and Director

"Darryl Yea"
Darryl Yea
Director

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

TORCHLIGHT INNOVATIONS INC.

Condensed Consolidated Interim Statements of Loss and Comprehensive Loss

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

(Expressed in Canadian dollars)

(Unaudited)

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Expenses				
Office and administration	\$ 40	\$ 686	\$ 296	\$ 2,132
Promotion	-	-	2,478	-
Filing fee	2,278	4,284	8,183	6,380
Professional fees (note 7)	35,066	5,740	68,385	35,916
Loss and comprehensive loss for the period	\$ 37,384	\$ 10,710	\$ 79,342	\$ 44,428
Weighted average number of common shares outstanding – basic and diluted (note 5)	1,560,062	1,560,062	1,560,062	1,560,062
Loss per share – basic and diluted (note 5)	\$ (0.02)	\$ (0.01)	\$ (0.05)	\$ (0.03)

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

TORCHLIGHT INNOVATIONS INC.

Condensed Consolidated Interim Statements of Changes in Shareholders' Equity

For the nine months ended September 30, 2025 and 2024

(Expressed in Canadian dollars)

(Unaudited)

	Share capital		Contributed	Deficit	Total
	Number	Amount	surplus		shareholders'
	(note 4)				equity
Balance, December 31, 2023	2,860,114	\$ 246,777	\$ 51,200	\$ (162,321)	\$ 135,656
Loss for the period	-	-	-	(44,428)	(44,428)
Balance, September 30, 2024	2,860,114	\$ 246,777	\$ 51,200	\$ (206,749)	\$ 91,228
Balance, December 31, 2024	2,860,114	\$ 246,777	\$ 51,200	\$ (217,343)	\$ 80,634
Loss for the period	-	-	-	(79,342)	(79,342)
Balance, September 30, 2025	2,860,114	\$ 246,777	\$ 51,200	\$ (296,685)	\$ 1,292

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

TORCHLIGHT INNOVATIONS INC.

Condensed Consolidated Interim Statements of Cash Flows

For the nine months ended September 30, 2025 and 2024

(Expressed in Canadian dollars)

(Unaudited)

	Nine months ended September 30, 2025	Nine months ended September 30, 2024
Cash generated by (used in):		
Operating activities:		
Loss for the period	\$ (79,342)	\$ (44,428)
Items not involving cash:		
Changes in working capital items:		
Prepays	18,332	(18,161)
Receivable	(1,522)	-
Accounts payable and accrued liabilities	12,178	(3,287)
Net cash used in operating activities	(50,354)	(65,876)
Change in cash during the period	(50,354)	(65,876)
Cash, beginning of the period	70,008	136,860
Cash, end of the period	\$ 19,654	\$ 70,984
Supplemental information:		
Interest paid	-	-
Income taxes	-	-

The Company did not have cash flows generated by (used in) investing and financing activities during the nine months ended September 30, 2025 and 2024.

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

TORCHLIGHT INNOVATIONS INC.

Notes to the Condensed Consolidated Interim Financial Statements
For the three and nine months ended September 30, 2025 and 2024
(Expressed in Canadian dollars)
(Unaudited)

1. NATURE OF OPERATIONS AND GOING CONCERN

(a) Nature of operations

Torchlight Innovations Inc. (the “Company”) was incorporated on October 8, 2021, under the laws of British Columbia (“BC”). The Company completed an Initial Public Offering (“IPO”) and is classified as a Capital Pool Company (“CPC”) as defined in the TSX Venture Exchange (“Exchange”) Policy 2.4. The Company’s corporate head office is 119 – 998 Harbourside Drive, North Vancouver, BC, Canada V7P 3T2.

Since incorporation on October 8, 2021, the Company has no active business operations. As a CPC, the Company’s business objective is to identify and evaluate assets or businesses with a view of potential acquisition or participation by completing a Qualifying Transaction (“QT”), as defined in Exchange Policy 2.4 subject, in certain cases, to shareholder approval and acceptance by the Exchange.

On August 8, 2022, the Company completed its IPO raising gross proceeds of \$300,000 pursuant to the Company’s prospectus dated May 12, 2022, by issuing an aggregate of 1,560,062 common shares in the capital of the Company at a price of \$0.19 per share (note 4e).

The Company used the net proceeds of the IPO to identify and evaluate assets or businesses for acquisition with a view to completing a QT under the policies of the Exchange. On August 4, 2022, the Exchange issued a bulletin announcing the listing of the common shares as of market open on August 8, 2022, and immediately halted trading pending completion of the IPO. The shares resumed trading under the trading symbol “TLX.P” on August 10, 2022.

Prior to completing a QT, the Company, as a CPC, used the proceeds raised from the issuance of share capital to identify and evaluate assets or businesses for future investment, with the exception that up to \$3,000 per month may be used for reasonable general and administrative expenses of the Company. These restrictions applied until completion of a QT by the Company as defined under the policies of the Exchange.

(b) Going concern assumption

These condensed consolidated interim financial statements are prepared on a going concern basis, which contemplates that the Company will be able to meet its commitments, continue operations and realize its assets and discharge its liabilities in the normal course of business for at least twelve months from September 30, 2025. For the nine months ended September 30, 2025, the Company incurred a net loss of \$79,342 and used cash in operating activities of \$50,354. As at September 30, 2025, the Company had cash of \$19,654, a positive working capital (current assets less current liabilities) of \$1,292 and an accumulated deficit of \$296,685.

Subsequent to September 30, 2025, on October 10, 2025, the Company completed the Transaction (defined below) with Innovation Mining Inc. (“Innovation”) and commenced trading on the Exchange on October 22, 2025 under the trading symbol “RZL” (refer to note 3).

1. NATURE OF OPERATIONS AND GOING CONCERN (Continued)

The Company has incurred losses, has limited financial resources and has no current source of revenue or cash flow generated from operating activities. The Company's ability to continue its operations is dependent upon obtaining additional financing sufficient to cover its operating costs and finance any identified business acquisition. The Company will require additional financing to accomplish its long-term strategic objectives. However, there is no assurance that such financing will be available. If adequate financing is not available or cannot be obtained on a timely basis, the Company may be required to adjust its business plans.

The above factors give rise to material uncertainties that may cast significant doubt on the Company's ability to continue as a going concern. If the going concern assumption were not appropriate for these condensed consolidated interim financial statements, then adjustments would be necessary to the carrying values of assets, liabilities, the reported expenses and the statement of financial position classifications. Such adjustments could be material.

2. MATERIAL ACCOUNTING POLICY INFORMATION

(a) Statement of compliance and basis of presentation

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34, Interim Financial Reporting using accounting policies consistent with International Financial Reporting Standards and IAS as issued by the International Accounting Standards Board ("IASB") and Interpretations (collectively "IFRS Accounting Standards").

The Company's material accounting policies applied in these condensed consolidated interim financial statements are the same as those disclosed in note 4 of the Company's audited annual financial statements for the year ended December 31, 2024 and 2023. These condensed consolidated interim financial statements should be read in conjunction with the Company's most recent audited annual financial statements.

The condensed consolidated interim financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit or loss, which are stated at their fair value.

The functional currency of the Company and its subsidiary are the Canadian dollar ("CAD"). The presentation currency of the condensed consolidated interim financial statements is CAD.

On October 10, 2025, pursuant to the Amalgamation Agreement (refer to note 3), the Company completed a share consolidation on a 1.923:1 basis. All references to the numbers of shares, share options, warrants and per share amounts have been retroactively restated to reflect the share consolidation.

These condensed consolidated interim financial statements were authorized for issuance by the Board of Directors on November 26, 2025.

2. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

(b) Consolidation

These condensed consolidated interim financial statements include accounts of the Company and its subsidiary:

Name of subsidiary	Country of incorporation	Percentage ownership	Functional currency
1535261 B.C. Ltd.	Canada	100%	CAD

The condensed consolidated interim financial statements include the financial statements of the Company and the entity controlled by the Company. 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. The financial statements of the subsidiary are included in the condensed consolidated interim financial statements from the date that control commences until the date that control ceases. All intercompany transactions and balances have been eliminated.

(c) Critical accounting estimates and judgments

The preparation of financial statements requires the use of accounting estimates. It also requires management to exercise judgment in the process of applying its accounting policies. Estimates and policy judgments are regularly evaluated and are based on management's experience and other factors, including expectations about future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The following discusses the most significant accounting judgments and accounting estimates that the Company has made in the preparation of the condensed consolidated interim financial statements including those that could result in material changes within the next twelve months in the carrying amounts of assets and liabilities:

Key instances of accounting policy judgment

- The assessment of the Company's ability to continue as a going concern requires judgment related to future funding available to continue efforts to identify and evaluate assets or businesses for future investment and meet working capital requirements, the outcome of which is uncertain (refer to note 1b).

2. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

(d) New accounting standards and recent pronouncements

The following standards, amendments and interpretations have been issued but are not yet effective:

- In May 2024, the IASB issued Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7). These amendments updated classification and measurement requirements in IFRS 9 *Financial Instruments* and related disclosure requirements in IFRS 7 *Financial Instruments: Disclosures*. The IASB clarified the recognition and derecognition date of certain financial assets and liabilities, and amended the requirements related to settling financial liabilities using an electronic payment system. It also clarified how to assess the contractual cash flow characteristics of financial assets in determining whether they meet the solely payments of principal and interest criterion, including financial assets that have environmental, social and corporate governance (“ESG”)-linked features and other similar contingent features. The IASB added disclosure requirements for financial instruments with contingent features that do not relate directly to basic lending risks and costs, and amended disclosures relating to equity instruments designated at fair value through other comprehensive income. The amendments are effective for annual periods beginning on or after January 1, 2026 with early adoption permitted. This amendment is not expected to have a material impact on the Company.
- In April 2024, the IASB issued IFRS 18 – *Presentation and Disclosure in Financial Statements* which will replace IAS 1, *Presentation of Financial Statements*. The new standard on presentation and disclosure in financial statements focuses on updates to the statement of earnings (loss). The key new concepts introduced in IFRS 18 relate to the structure of the statement of earnings (loss), required disclosures in the financial statements for certain earnings or loss performance measures that are reported outside an entity’s financial statements and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general. Many of the other existing principles in IAS 1 are retained, with limited changes. IFRS 18 will apply for reporting periods beginning on or after January 1, 2027 and also applies to comparative information. The Company is in the process of assessing the impact of this standard.

There are no other IFRS Accounting Standards or International Financial Reporting Interpretations Committee interpretations that are not yet effective or early adopted that are expected to have any impact on the Company.

3. AMALGAMATION AGREEMENT – INNOVATION MINING INC.

On April 11, 2025, the Company and its wholly owned subsidiary 1535261 BC Ltd. (“Subco”) entered into an amalgamation agreement (the “Amalgamation Agreement”) with Innovation pursuant to which the Company will, by way of a “three-cornered amalgamation,” acquire all of the issued and outstanding securities of Innovation (together with the related transactions and corporate procedures set forth in the Amalgamation Agreement, the “Transaction”).

3. AMALGAMATION AGREEMENT – INNOVATION MINING INC. (Continued)

The Transaction constituted the Company's QT in accordance with Exchange Policy 2.4. The Company, after giving effect to the Transaction and upon receiving final approval from the Exchange, will hereinafter be referred to as the "Resulting Issuer".

Subsequent to September 30, 2025, on October 10, 2025, the Transaction closed with the filing of the Exchange Filing Statement and on October 20, 2025, final Exchange approval was received.

Pursuant to the terms of the Amalgamation Agreement, and subject to certain conditions, including receipt of applicable regulatory and shareholder approvals, on the closing date of the Transaction, Innovation amalgamated with Subco pursuant to the provisions of the Business Corporations Act (British Columbia) (the "Amalgamation"). The amalgamated entity will be a wholly-owned subsidiary of the Company.

The Amalgamation was approved by the shareholders of Innovation at a meeting of shareholders on August 7, 2025.

On September 19, 2025, Innovation completed a share split on a 1:1.24 basis prior to completion of the SR Financing (defined below) and the Transaction (the "Share Split"). Pursuant to the Transaction, the Company will then issue one (1) post-Consolidation common share to Innovation shareholders for every one (1) common share of the Innovation held. Outstanding options, warrants and broker warrants of Innovation will also be replaced with options, warrants and broker warrants of the Resulting Issuer exercisable on equivalent terms.

In connection with the Transaction and following the Share Split, on September 25, 2025, Innovation completed a non-brokered private placement of 5,686,562 subscription receipts (each a "Subscription Receipt") at a price of \$0.50 per Subscription Receipt for aggregate gross proceeds of \$2,843,281 (the "SR Financing"). Each Subscription Receipt will be exchanged for one common share (a "Share") in the capital of Innovation and one common share purchase warrant of Innovation (a "Warrant") (exercisable at a price of \$0.75) prior to completion of the Transaction. The underlying Innovation Shares and Warrants will subsequently be exchanged for common shares and warrants of the Resulting Issuer on a one-for-one basis, in accordance with the exchange ratio, at the time of completion of the Transaction.

In connection with the Transaction, on October 10, 2025, the Company consolidated its common shares on a 1.923:1 basis (the "Consolidation").

No finder's fee is payable in connection with the Transaction.

There are no common control persons of both the Company and Innovation. The Transaction will not constitute a "Non-Arm's Length QT" (as such term is defined in Policy 2.4) or a related party transaction pursuant to the policies of the Exchange and applicable securities laws.

Subsequent to September 30, 2025, on November 10, 2025, the Company changed its name from "Torchlight Innovations Inc." to "RZOLV Technologies Inc."

4. SHARE CAPITAL

(a) Authorized

Unlimited number of common shares without par value.

(b) Issued and outstanding

The Company did not issue common shares during the nine months ended September 30, 2025 and year ended December 31, 2024.

(c) Escrowed shares

In connection with the Company's IPO transaction (refer to note 1a), 1,300,052 seed common shares issued at \$0.10 per share are held in escrow pursuant to the requirements of the Exchange. Twenty five percent of the escrowed common shares will be released from escrow on the issuance of the Final Exchange Bulletin (as defined in the policies of the Exchange) (the "Initial Release") and an additional twenty five percent will be released on each of the dates which are six, twelve and eighteen months following the Initial Release.

All common shares acquired on exercise of stock options granted to directors and officers of the Company prior to completion of the QT, must also be deposited in escrow until the Final Exchange Bulletin is issued. All common shares acquired in the secondary market prior to completion of a QT by a Control Person (as defined in the policies of the Exchange), are required to be deposited in escrow. Subject to certain permitted exemptions, all securities of the Company held by principals of the resulting issuer will also be subject to escrow.

(d) Stock options

During the year ended December 31, 2022, the Company's Board of Directors adopted a stock option plan (the "Stock Option Plan") whereby it can grant incentive stock options to directors, officers, employees, and technical consultants of the Company. The maximum number of shares that may be reserved for issuance under the Stock Option Plan is limited to 10% of the issued common shares of the Company at any time. The vesting period for all options is at the discretion of the Board of Directors. The exercise price will be set by the Board of Directors at the time of grant and cannot be less than the discounted market price of the Company's common shares.

The Stock Option Plan provides that the number of common shares that may be reserved for the issuance to any one individual upon exercise of all stock options held by such an individual may not exceed 5% of the issued common shares, if the individual is a director or officer, or 2% of the issued common shares, if the individual is a consultant or engaged in providing investor relations services, on a yearly basis. All options granted under the Stock Option Plan will expire not later than the date that is ten years from the date that such options are granted. Options terminate earlier as follows: (i) immediately in the event of dismissal with cause; (ii) 90 days from date of termination other than for cause; or (iii) one year from the date of death or disability.

4. SHARE CAPITAL (Continued)

Options granted under the Stock Option Plan are not transferable or assignable other than by will or other testamentary instrument or pursuant to the laws of succession. All common shares acquired on exercise of stock options granted to directors and officers prior to the completion of a QT must be deposited in escrow until the Final Exchange Bulletin relating to a QT is issued.

No stock options were granted during the nine months ended September 30, 2025 and 2024.

As at September 30, 2025, the Company had 286,011 (December 31, 2024 – 286,011) exercisable stock options with the life of 6.86 years outstanding. The stock options are exercisable at \$0.19 each.

(e) Share purchase warrants

No warrants were issued during the nine months ended September 30, 2025 and 2024.

As at September 30, 2025, the Company does not have warrants outstanding. During the year ended December 31, 2024, 156,006 warrants expired.

5. LOSS PER SHARE – BASIC AND DILUTED

The calculation of basic and diluted loss per share for the nine months ended September 30, 2025, was based on the loss attributable to common shareholders of \$79,342 (September 30, 2024 - \$44,428) and the weighted average number of common shares outstanding of 1,560,062 (December 31, 2024 – 1,560,062).

The 1,300,052 seed common shares held in escrow are considered contingently issuable on the completion of the QT and, accordingly, they are not considered to be outstanding shares for purposes of loss per share calculations for the three and nine months ended September 30, 2025 and 2024.

6. RELATED PARTY TRANSACTIONS

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. 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.

As of September 30, 2025, \$nil (December 31, 2024 - \$nil) was due to related parties.

Key management personnel include persons having the authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has identified its directors and officers as its key management personnel and the compensation costs for key management personnel and companies related to them are recorded at their exchange amounts as agreed upon by transacting parties.

6. RELATED PARTY TRANSACTIONS (Continued)

During the nine months ended September 30, 2025, \$nil (2024 – \$nil) was recorded as compensation costs for key management personnel and companies related to them.

7. PROFESSIONAL FEES

During the nine months ended September 30, 2025, the Company incurred \$68,385 (2024 – \$35,916) in professional fees, which consisted of \$19,768 (2024 – \$13,622) in accounting and audit fees and \$48,617 (2024 – \$22,294) in legal fees.

8. MANAGEMENT OF CAPITAL

Capital is comprised of the Company's shareholders' equity and any debt that it may issue. The Company's objectives when managing capital are to maintain financial strength and to protect its ability to meet its ongoing liabilities, to continue as a going concern, to maintain creditworthiness and to maximize returns for shareholders over the long term. Protecting the ability to pay current and future liabilities includes maintaining capital above minimum regulatory levels, current financial strength rating requirements and internally determined capital guidelines and calculated risk management levels.

The proceeds raised from the issuance of share capital may only be used to identify and evaluate assets or businesses for future investment, with the exception that up to \$3,000 per month may be used for reasonable general and administrative expenses of the Company. These restrictions apply until completion of a QT by the Company as defined under the policies of the Exchange. The Company's approach to capital management has not changed from the prior year.

9. FINANCIAL INSTRUMENTS

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Market risk

Market risk is the risk that the fair value or future cash flows from a financial instrument will fluctuate because of changes in market prices or prevailing conditions. Market risk comprises three types of risk: currency risk, interest rate risk and price risk and are disclosed as follows:

(i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company holds no financial instruments that are denominated in a currency other than Canadian dollars. As at September 30, 2025 the Company is not exposed to currency risk.

9. FINANCIAL INSTRUMENTS (Continued)

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in market risk. The Company's sensitivity to interest rates relative to its cash balances is currently immaterial. The Company also has no long-term debt with variable interest rates, so it has no negative exposure to changes in the market interest rate.

(iii) Price risk

Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. The Company is not exposed to significant price risk.

Credit risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its financial assets including cash.

The Company mitigates its exposure to credit risk on financial assets through investing its cash with Canadian Tier 1 chartered financial institutions. Management believes there is a nominal expected credit loss associated with its financial assets.

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 manages liquidity risk by monitoring actual and projected cash flows and matching the maturity profile of financial assets and liabilities.

The Company remains dependent upon the financial support of its shareholders and debtholders. All the Company's financial liabilities have contractual maturities of 30 days and subject to normal trade terms. Additionally, the Company has insufficient funds from which to finance any identified business acquisition and as such will require additional financing to accomplish the Company's long-term strategic objectives. Future funding may be obtained by means of issuing share capital or debt financing. There can be no certainty of the Company's ability to raise additional financing through these means. If the Company is unable to continue financing itself through these means, it is possible that the Company will be unable to continue as a going concern (refer to note 1b).

Fair value measurements

The Company's financial assets and liabilities are initially measured and recognized according to a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets and liabilities and the lowest priority to unobservable inputs.

9. FINANCIAL INSTRUMENTS (Continued)

The three levels of fair value hierarchy are as follows:

- Level 1: Quoted prices in active markets for identical assets or liabilities that the Company has the ability to access at the measurement date.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data.

The carrying values of cash, receivable, prepaids and accounts payable and accrued liabilities approximate their fair values due to the short-term maturity of these financial instruments.