KENADYR METALS CORP.

CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTHS ENDED
SEPTEMBER 30, 2025 AND 2024

(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)

MANAGEMENT'S COMMENTS ON
UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM
CONSOLIDATED FINANCIAL STATEMENTS

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

The accompanying unaudited condensed interim consolidated financial statements of Kenadyr Metals Corp. ("Kenadyr" or the "Corporation") have been prepared by and are the responsibility of the Corporation's management. The unaudited condensed interim consolidated financial statements are prepared in accordance with International Financial Reporting Standards and reflect management's best estimates and judgment based on information currently available.

The Corporation's independent auditor, Crowe MacKay LLP Chartered Professional Accountants, has not performed a review of these condensed consolidated interim financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of the condensed consolidated interim financial statements by an entity's auditor.

KENADYR METALS CORP.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2025 (UNAUDITED) AND DECEMBER 31, 2024

(expressed in Canadian Dollars)

		SEPTEMBER 30, 2025		DECEMBER 31, 2024
ASSETS				
Current Assets				
Cash	$	19,753	$	214,058
Subscription receipt proceeds held in escrow (Note 6)		3,024,820		-
Deposits and other current assets		372,515		8,952
Total Assets	$	3,417,088	$	223,010
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current Liabilities				
Accounts payable and accrued liabilities (Note 8)	$	835,152	$	953,653
Loans payable (Note 9)		49,143		47,371
Subscription receipts obligation (Note 6)		3,145,272		-
Total Liabilities		4,029,567		1,001,024
Shareholders' Equity				
Common Shares (Note 10)		21,828,999		20,828,997
Warrant reserve		142,141		63,741
Share based payment reserve (Note 11)		2,417,893		2,417,893
Deficit		(25,001,512)		(24,088,645)
		(612,479)		(778,014)
Total Liabilities and Shareholders' Equity	$	3,417,088	$	223,010

Nature of Operations and Going Concern (Note 2)

Approved on behalf of the Board of Directors on December 1, 2025

/s/ Tim McCutcheon
Tim McCutcheon, Director

/s/ Kevin Ma
Kevin Ma, Director

KENADYR

KENADYR METALS CORP.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024 (UNAUDITED)

(expressed in Canadian Dollars)

	THREE MONTHS ENDED		NINE MONTHS ENDED	
	SEPTEMBER 30, 2025	SEPTEMBER 30, 2024	SEPTEMBER 30, 2025	SEPTEMBER 30, 2024
OPERATING EXPENSES				
Consulting (Note 13 a)	$ 53,281	$ 28,350	$ 304,981	$ 218,611
Foreign exchange gain	(6,155)	627	(2,684)	(7,046)
General and administrative expenses (Note 13 a)	108,478	50,048	205,900	165,841
Legal and professional fees	130,349	2,902	197,997	30,165
Marketing	1,920	-	23,381	-
Property investigation costs	65,757	-	164,808	-
Travel and entertainment	13,572	-	16,689	514
Operating Loss	(367,202)	(81,927)	(911,072)	(408,085)
Other				
Interest expense	(615)	(547)	(1,795)	(1,693)
Net Loss for the period	$ (367,817)	$ (82,474)	$ (912,867)	$ (409,778)
Basic and diluted loss per share (Note 1)	$ (0.04)	$ (0.05)	$ (0.10)	$ (0.03)
Weighted average number of shares outstanding (basic and diluted)	14,468,893	1,967,304	9,645,929	1,967,304

The accompanying notes are integral to these condensed interim consolidated financial statements.

KENADYR

KENADYR METALS CORP.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024 (UNAUDITED)

(expressed in Canadian Dollars)

	NINE MONTHS ENDED	
	SEPTEMBER 30, 2025	**SEPTEMBER 30, 2024**
OPERATING ACTIVITIES		
Net loss	$ (912,867)	$ (409,778)
Adjustments for items not affecting cash		
Interest expense	1,772	1,693
	(911,095)	(408,085)
Changes in non-cash working capital		
Accounts payable and accrued liabilities.	(118,501)	(569,142)
Deposits and other current assets	(285,163)	1,441
Subscription receipt proceeds held in escrow	(3,024,820)	-
Cash Flows used in Operating Activities	(4,339,579)	(975,786)
INVESTING ACTIVITIES		
Proceeds from sale of subsidiary	-	18,578
Cash Flows provided by Investing Activities	-	18,578
FINANCING ACTIVITIES		
Proceeds from issuance of shares net of share issuance costs	1,000,002	-
Proceeds from subscription receipts	3,145,272	-
Repayment of loan	-	(111,799)
Cash Flows from Financing Activities	4,145,274	(111,799)
Total Change in Cash	(194,305)	(1,069,007)
Cash – Beginning	214,058	1,272,990
Cash – Ending	$ 19,753	$ 203,983

KENADYR

KENADYR METALS CORP.

CONDENSED INTERIM STATEMENTS OF CHANGE IN SHAREHOLDERS' EQUITY

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024 (UNAUDITED)

(Expressed in Canadian Dollars)

	Common Shares					
	Number of Shares	Amount	Reserves	Share based payment Reserve	Deficit	Total
Balance – December 31, 2023	1,967,304	$ 20,828,997	$ 63,741	$ 2,417,893	$(23,562,513)	$ (251,882)
Net loss for the period	-	-	-	-	(409,778)	(409,778)
Balance – September 30, 2024	1,967,304	$ 20,828,997	$ 63,741	$ 2,417,893	$ (23,972,291)	$ (661,660)
Net loss for the period					(116,354)	(116,354)
Balance – December 31, 2024	1,967,304	$ 20,828,997	$ 63,741	$ 2,417,893	$ (24,088,645)	$ (778,014)
Shares issued for shares	16,666,700	1,000,002	-	-	-	1,000,002
Warrants issued	-	-	78,400	-	-	78,400
Net loss for the period	-	-	-	-	(912,867)	(912,867)
Balance – September 30, 2025	18,634,004	$ 21,828,999	$ 142,141	$ 2,417,893	$ (25,001,512)	$ (612,479)

(i.) Effective January 13, 2025 the Corporation consolidated its issued and outstanding common shares on a 6 to 1 basis which resulted in 1,967,304 shares outstanding post-consolidation. All references to common shares, stock options and warrants in these consolidated financial statements have been adjusted to reflect this change.

1. General Information

Kenadyr Metals Corp. ("Kenadyr" or the "Corporation") was incorporated on November 2, 2010 under the Business Corporation Act of the Province of British Columbia. The Corporation's common shares are listed on the TSX Venture Exchange ("TSX-V") under the symbol "KEN".

The Corporation's registered and records office is located at 1055 W. Georgia Street, Suite 1500, PO Box 11117, Vancouver, BC V6E 4N7 and its principal business address is #1507 – 1030 W. Georgia Street, Vancouver, BC, V6E 2Y3.

2. Nature of Operations and Going Concern

These condensed interim consolidated financial statements have been prepared on the assumption that the Corporation will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the ordinary course of operations.

As at September 30, 2025, the Corporation is not able to finance day-to-day activities through operations. The Corporation has incurred significant losses since inception and, as of September 30, 2025, had an accumulated deficit of $25,001,512 and its current liabilities exceeded its current assets by $612,479, and management cannot provide assurance that the Corporation will ultimately achieve profitable operations or become cash flow positive or raise additional debt and/or equity capital. If the Corporation is unable to raise additional capital in the future, management expects that the Corporation will need to curtail operations and may seek additional capital on less favorable terms and/or pursue other remedial measures. These material uncertainties cast significant doubt about the Corporation's ability to continue as a going concern. The Corporation's continuation as a going concern is dependent upon the successful results from its mineral property exploration activities and its ability to attain profitable operations and generate funds from and/or raise equity capital or borrowings sufficient to meet current and future obligations.

The condensed interim consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty. Management intends to finance mineral property acquisition, exploration and general administration costs over the next twelve months from proceeds of private placements of its common shares.

3. Basis of Preparation and Statement of Compliance

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB) and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). These condensed interim consolidated financial statements were approved by the Board of Directors on December 1, 2025.

The Corporation's financial statements have been prepared on a historical cost basis except for certain financial instruments which are measured at fair value and are presented in Canadian dollars except where otherwise indicated.

Where fair value is used to measure assets and liabilities in preparing these financial statements, it is estimated at the price at which an orderly transaction to sell the asset or to transfer the liability would take place between market participants at the measurement date under current market conditions. Fair values are determined from inputs that are classified within the fair value hierarchy defined under IFRS as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities
Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
Level 3 – Inputs for the asset or liability that are unobservable

4. Material Accounting Policy Information

The significant accounting policies used in the preparation of these financial statements are summarized below.

(a) 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. Parties are also considered to be related if they are subject to common control. Related parties may be individuals or corporate entities and include key management of the Corporation and its parent. A transaction is considered to be a related party transaction when there is a transfer of resources, services or obligations between related parties.

(b) Financial Instruments

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVOCI") or at amortized cost. The Corporation determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Corporation's business model for managing the financial assets and their contractual cash flow characteristics.

Financial assets

On initial recognition, financial assets are recognized at fair value and are subsequently classified and measured at: (i) amortized cost; (ii) fair value through other comprehensive income ("FVOCI"); or (iii) fair value through profit or loss ("FVTPL"). The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. A financial asset is measured at fair value net of transaction costs that are directly attributable to its acquisition except for financial assets at FVTPL where transaction costs are expensed. Cash is measured at FVTPL.

4. Material Accounting Policy Information (continued)

(b) Financial Instruments (continued)

The Corporation derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity.

Financial liabilities

Financial liabilities are designated as either: (i) fair value through profit or loss; or (ii) other financial liabilities. All financial liabilities are classified and subsequently measured at amortized cost except for financial liabilities at FVTPL. The classification determines the method by which the financial liabilities are carried on the statement of financial position subsequent to inception and how changes in value are recorded. Accounts payable and loans payable are classified under other financial liabilities and carried on the statement of financial position at amortized cost.

The Corporation derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when the terms of the liability are modified such that the terms and / or cash flows of the modified instrument are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

Gains and losses on derecognition are generally recognized in profit or loss.

5. Significant Accounting Judgments and Estimates

The preparation of the Corporation's financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of income and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes may differ significantly from these estimates.

Areas requiring a significant degree of judgment that have the most significant effect on the amounts recognized in the Corporation's condensed interim consolidated financial statements are as follows:

- *Going Concern*

  The assessment of the Corporation's ability to continue as a going concern involves critical judgement based on historical experience and expectations of the Corporation's ability to generate adequate financing. Significant judgements are used in the Corporation's assessment of its ability to continue as a going concern.

(expressed in Canadian dollars)

6. Adelita Project acquisition and subscription receipt offering

On June 20, 2025, the Company announced that it had entered into a definitive share purchase agreement to acquire 100% ownership of the Exploraciones Margarita S.A. de C.V., a private Mexican company that holds 80% interest in the Cerro Grande copper-gold-silver skarn discovery located in Sonora, Mexico, from Inifinitum Copper Corp. ("infinitum") for consideration of $100,000 in cash ($25,000 deposit paid) and 1,842,719 Kenadyr shares (the "Acquisition"). Total value of the consideration payable would be $689,670 in cash and Common shares. In connection to the transaction, the Company committed to an equity financing of up to and totalling $3.5 million.

On September 15, 2025, the Company closed the first tranche of the non-brokered private placement of 6,034,036 subscription receipts at a price of $0.375 per subscription receipt for aggregate gross proceeds of $2,262,374. In connection with the first tranche closing, the Company paid finders fees of $102,865 (recorded under prepaid expenses) and issued 274,307 finders' warrants (Note 11).

On September 26, 2025, the Company closed the second tranche of the non-brokered private placement of 1,959,665 subscription receipts at a price of $0.375 per subscription receipt for gross proceeds of $734,874. In connection with the first tranche closing, the Company paid finders fees of $17,588 (recorded under prepaid expenses) and issued 46,900 finders' warrants (Note 11).

Each subscription receipt will convert into one common share of the Company subject to the satisfaction of certain escrow release conditions, including the completion of the Acquisition and the approval of the TSXV.

The subscription receipt arrangement creates the following separate financial instruments which have been recorded on the unaudited condensed interim consolidate statement of financial position:

- Subscription receipt proceeds held in escrow – a financial asset (non-cash), recorded net of the underwriters' fees and interest earned on the subscription receipt proceeds held in escrow, representing the proceeds that the company expects to receive upon the closing of the Acquisition; and
- Subscription receipts obligation – a financial liability representing the Company's obligation to reimburse the holders of the subscription receipts, pursuant to the subscription receipt agreement.

7. Prepaid expense and other current assets

	September 30, 2025	December 31, 2024
Prepaid expenses and deposits	$ 333,819	$ -
GST Receivables	38,696	8,952
	$ 372,515	$ 8,952

Recorded within prepaid expenses are prepaid finder fees of $120,453 in cash (Note 6), $78,400 of the fair value of finder warrants (Note 11), and $25,000 deposit paid to Infinitum (Note 6).

(expressed in Canadian dollars)

8. Accounts payable and accrued liabilities

	September 30, 2025	December 31, 2024
Accounts Payable	$ 835,152	$ 926,391
Accrued Liabilities	-	27,262
	$ 835,152	$ 953,653

Included in accounts payable are amounts totalling $79,988 (December 31, 2024 - $721,796) due to related parties (see Note 13).

9. Loans payable

	Loans Payable
Balance – December 31, 2023	$ 156,909
Interest accrued	1,671
Repayment	(111,799)
Balance – September 30, 2024	$ 46,781
Interest accrued	590
Balance – December 31, 2024	$ 47,371
Interest accrued	1,772
Balance – September 30, 2025	$ 49,143

The Corporation has loans of $47,955 as at September 30, 2025 (December 31, 2024 - $47,371). The loans are unsecured, have a 5% interest rate and are repayable on demand. The accrued interest on the loan during the nine months ended September 30, 2025 is $1,172 (2024 - $1,124).

10. Share Capital

(a) Authorized Share Capital

The Corporation is authorized to issue an unlimited number of common shares without par value.

(b) Issued Share Capital

During the nine months ended September 30, 2025, the Corporation issued common shares as follows:

On April 25, 2025, the Corporation closed a non-brokered private placement of 16,666,700 common shares at price of $0.06 per share for gross proceeds of $1,000,002. An aggregate of 1,466,667 common shares were issued to an officer and a director of the company for gross proceeds of $88,000.

On January 13, 2025, the Corporation consolidated its issued and outstanding common shares on a 6 to 1 basis. All references to common shares, stock options and warrants in these consolidated financial statements have been adjusted to reflect this change.

During the year ended December 31, 2024, the Corporation did not issue common shares.

(expressed in Canadian dollars)

11. Stock Options

The Corporation adopted a stock option plan (the "Plan") whereby it can grant stock options to directors, officers, employees, and consultants of the Corporation. The maximum number of shares that may be reserved for issuance under the Plan is limited to 10% of the issued common shares of the Corporation at any time.

The changes in incentive share options outstanding are summarized as follows:

	Weighted average exercise price	Number of shares issued or issuable on exercise
Balance – December 31, 2024	$6.00	56,500
Stock options expired	$6.00	(31,500)
Balance – September 30, 2025	$6.00	25,000
Stock options expired	$6.00	(25,000)
Balance - December 31, 2024 and September 30, 2025	-	-

12. Warrants

Details regarding warrants issued and outstanding are summarized as follows:

	Weighted Average exercise price	Number of shares issued or issuable on exercise
Balance – December 31, 2024	$ -	-
Share purchase warrants issued	$0.375	321,207
Balance – August 31, 2025	$0.375	321,207

The expiry of warrants are as follows:

Grant Date	Expiry Date	Number of warrants issued	Weighted Average Exercise Price
September 15, 2025	September 15, 2027	274,307	$0.375
September 15, 2025	September 15, 2027	46,900	$0.375
		321,207	$0.375

Between September 15 to 26, 2025, the Company issued an aggregate of 321,207 share purchase warrants (see Note 6) expiring two years from the issuance have been valued using the Black-Scholes Option Pricing Model, assuming a risk-free interest rate of 2.42% per annum, an expected life of warrants of 2 years, an expected volatility of 130% and no expected dividends. The fair value of the warrants was determined to be $78,400 and has been recorded as a prepaid expense.

(expressed in Canadian dollars)

13. Related Party Transactions

The Corporation's related parties include key management personnel and companies related by way of directors or shareholders in common.

(a) Key Management Personnel Compensation

During the nine months ended September 30, 2025 and 2024, the Corporation paid the following amounts to key management personnel:

	Three months ended		Nine months ended	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
Management	$ 131,635	$ 76,350	$ 364,428	$ 152,700
Directors	-	-	16,429	-
	$ 131,635	$ 76,350	$ 380,857	$ 152,700

Key management includes the Corporation's Board of Directors and members of senior management.

(b) Due to Related Parties

As at September 30, 2025, the Corporation has $79,988 accounts payable due to related parties (December 31, 2024 - $953,653).

14. Financial Instruments

Financial Assets and Liabilities

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

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

As at September 30, 2025, the Corporation believes that the carrying values of accounts payable and accrued liabilities and loans payable approximate their fair values because of their nature and relatively short maturity dates or durations. The fair value of cash is based on level 1 inputs of the fair value hierarchy.

Financial Instrument Risk Exposure

The Corporation's financial instruments expose it to a variety of financial risks: market risk (including price risk, currency risk and interest rate risk), credit risk and liquidity risk. These risks arise from the normal course of operations and all transactions are undertaken to support those operations. Risk management is carried out by management under policies approved by the Board of Directors. Management identifies and evaluates the financial risks in co-operation with the Corporation's operating units. The Corporation's overall risk management program seeks to minimize potential adverse effects on the Corporation's financial performance, in the context of its general capital management objectives as further described in Note 12.

14. Financial Instruments (continued)

Concentration of Credit Risk

Credit risk is the risk of potential loss to the Corporation if the counterparty to a financial instrument fails to meet its contractual obligations. The Corporation's credit risk is primarily attributable to its liquid financial assets including cash and receivables. The Corporation limits exposure to credit risk on liquid financial assets through maintaining its cash with high-credit quality financial institutions.

Liquidity Risk

Liquidity risk is the risk that the Corporation will not be able to meet its obligations associated with financial liabilities. The Corporation has a planning and budgeting process in place by which it anticipates and determines the funds required to support its normal operating requirements.

The Corporation coordinates this planning and budgeting process with its financing activities through the capital management process described in Note 14.

As at September 30, 2025, the Corporation had a cash balance of $19,753 to settle current liabilities of $4,029,567. All of the Corporation's accounts payable and accrued liabilities have contractual maturities of 30 days or due on demand and are subject to normal trade terms.

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Corporation is exposed to interest rate risk of cash balances. The Corporation periodically monitors cash balances and is of the opinion that it has no significant exposure at September 30, 2025 to interest rate risk through its other financial instruments.

Currency Risk

Currency risk is the risk that the Corporation will be subject to foreign currency fluctuations in satisfying obligations related to its foreign activities. The Corporation is exposed to foreign currency risk on fluctuations related to cash, deposits and other current assets, and accounts payable and accrued liabilities that are denominated in U.S Dollars. The Corporation has not used derivative instruments to reduce its exposure to foreign currency risk nor has it entered into foreign exchange contracts to hedge against gains or losses from foreign exchange fluctuations. A 5% change in the USD-CAD foreign exchange rate would affect comprehensive income by approximately $6,437.

15. Management of Capital

The Corporation's primary objectives in capital management are to safeguard the Corporation's ability to continue as a going concern in order to provide returns for shareholders. Capital is comprised of the Corporation's shareholders' equity. The Corporation manages its capital structure to maximize its financial flexibility making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. To maintain or adjust its capital structure, the Corporation may attempt to issue new shares, issue debt, acquire or dispose of assets or adjust the amount of cash. There has been no change in Management of Capital between the nine months ended September 30, 2025 and the year ended December 31, 2024.