

Condensed Consolidated Interim Financial Statements

For the Three Months Ended June 30, 2026 and 2025

(Unaudited - Expressed in Canadian Dollars)

Notice of No Auditor Review of
Condensed Consolidated Interim Financial Statements

The accompanying unaudited condensed consolidated interim financial statements of Kirkland Lake Discoveries Corp. for the three months ended June 30, 2026 and 2025 have been prepared by and are the responsibility of the Company's management ("Management") and have been approved by the Company's audit committee.

The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants.

Kirkland Lake Discoveries Corp.
Condensed Consolidated Interim Statements of Financial Position
(Unaudited - Expressed in Canadian Dollars)

	Note	June 30, 2026 $	March 31, 2026 $
ASSETS			
Current assets			
Cash and cash equivalents		4,256,270	2,428,959
Term deposit		-	6,051,411
Receivables		429,901	427,554
Prepaid expenses and deposits		212,672	382,813
Total current assets		4,898,843	9,290,737
Non-current assets			
Reclamation bond receivable	3 (c)	102,000	102,000
Exploration and evaluation assets	3	19,866,962	19,866,962
Property and equipment	4	954,013	548,353
Deferred transaction costs		30,986	-
Total non-current assets		20,953,961	20,517,315
Total Assets		25,852,804	29,808,052
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	7	854,391	1,870,887
Flow-through share premium liability	5	-	399,960
Total current liabilities		854,391	2,270,847
EQUITY			
Share capital	6	81,672,227	81,200,949
Reserves	6	9,658,590	9,681,751
Deficit		(66,332,404)	(63,345,495)
Total equity		24,998,413	27,537,205
Total Liabilities and Equity		25,852,804	29,808,052

NATURE OF OPERATIONS AND GOING CONCERN (Note 1)
COMMITMENTS (Note 3)

These condensed consolidated interim financial statements are authorized for issue by the Board of Directors on August 12, 2026. They are signed on the Company's behalf by:

"Denis Laviolette" , Director

"*Gary Nassif*" , Director

Kirkland Lake Discoveries Corp.
Condensed Consolidated Interim Statements of Loss and Comprehensive Loss
(Unaudited - Expressed in Canadian Dollars)

	Note	Three Months ended June 30, 2026 $	2025 $
Expenses			
Depreciation	4	20,947	1,452
Exploration and evaluation expenditures	3	2,945,633	116,846
Investor relations and corporate development		265,939	19,242
Office and sundry		28,703	9,669
Professional fees		56,838	-
Salaries and consulting	7	228,212	87,000
Share-based compensation	6	65,752	-
Transfer agent and filing fees		12,223	7,928
Travel		3,608	4,297
Loss before other income (expenses)		(3,627,855)	(246,434)
Other income (expenses)			
Settlement of flow-through share premium liability	5	399,960	28,105
Interest income		31,934	7,583
Exploration grant		215,000	-
Part XII.6 tax expense	5	(4,978)	(9,970)
Foreign exchange loss		(970)	(220)
Total other income		640,946	25,498
Loss and comprehensive loss for the period		(2,986,909)	(220,936)
Loss per share – basic and diluted ($)		(0.01)	(0.00)
Weighted average number of common shares outstanding – basic and diluted		205,094,026	111,655,945

Kirkland Lake Discoveries Corp.
Condensed Consolidated Interim Statements of Cash Flows
(Unaudited - Expressed in Canadian Dollars)

	Three Months ended June 30, 2026 $	2025 $
Cash flows from operating activities		
Loss for the period	(2,986,909)	(220,936)
Adjustments for:		
Depreciation	20,947	1,452
Share-based compensation	65,752	-
Settlement of flow-through share premium liability	(399,960)	(28,105)
	(3,300,170)	(247,589)
Change in non-cash working capital items:		
(Increase) decrease in receivables	(2,347)	16,446
Decrease (increase) in prepaid expenses and deposits	170,141	(23,348)
(Decrease) increase in accounts payable and accrued liabilities	(1,047,482)	12,431
Net cash used in operating activities	(4,179,858)	(242,060)
Cash flows from investing activities		
Redemption of term deposit	6,051,411	-
Purchases of exploration and evaluation assets	-	(11,182)
Purchases of property and equipment	(426,607)	-
Net cash provided by (used in) investing activities	5,624,804	(11,182)
Cash flows from financing activities		
Warrants exercised	382,664	-
Share issue costs	(299)	-
Net cash provided by financing activities	382,365	-
Net increase (decrease) in cash and cash equivalents	1,827,311	(253,242)
Cash and cash equivalents, beginning of period	2,428,959	1,552,711
Cash and cash equivalents, end of period	4,256,270	1,299,469

SUPPLEMENTAL DISCLOSURES WITH RESPECT TO CASH FLOWS

Non-cash investing and financing activities:		
Shares issued to acquire exploration and evaluation assets	-	75,250
Income taxes paid	-	-
Interest received	31,934	7,583
Interest paid	-	-

Kirkland Lake Discoveries Corp.
Condensed Consolidated Interim Statements of Changes in Equity
(Unaudited - Expressed in Canadian Dollars)

	Number of shares	Share capital $	Reserves $	Deficit $	Total equity $
Balance at March 31, 2025	110,427,374	59,964,022	7,258,893	(55,815,968)	11,406,947
Shares issued for exploration and evaluation assets	2,150,000	75,250	-	-	75,250
Total comprehensive loss for the period	-	-	-	(220,936)	(220,936)
Balance at June 30, 2025	112,577,374	60,039,272	7,258,893	(56,036,904)	11,261,261
Private placement	44,886,010	12,721,317	-	-	12,721,317
Share issue costs	-	(574,558)	201,920	-	(372,638)
Shares issued for exploration and evaluation assets and reclamation bond receivable	40,582,767	9,739,864	-	-	9,739,864
Stock options exercised	700,000	115,596	(52,596)	-	63,000
Warrants exercised	5,487,355	659,272	(10,789)	-	648,483
Flow-through share premium	-	(1,499,814)	-	-	(1,499,814)
Share-based compensation	-	-	2,284,323	-	2,284,323
Total comprehensive loss for the period	-	-	-	(7,308,591)	(7,308,591)
Balance at March 31, 2026	204,233,506	81,200,949	9,681,751	(63,345,495)	27,537,205
Warrants exercised	1,395,700	471,577	(88,913)	-	382,664
Share issue costs	-	(299)	-	-	(299)
Share-based compensation	-	-	65,752	-	65,752
Total comprehensive loss for the period	-	-	-	(2,986,909)	(2,986,909)
Balance at June 30, 2026	205,629,206	81,672,227	9,658,590	(66,332,404)	24,998,413

1. NATURE OF OPERATIONS AND GOING CONCERN

Kirkland Lake Discoveries Corp., formerly Warrior Gold Inc. (the "Company" or "Kirkland Lake") was incorporated under the laws of British Columbia on March 6, 1984. The Company is listed on the TSX Venture Exchange ("TSX-V") under the symbol "KLDC", as a Tier 2 mining issuer, and on the U.S. OTCQB under the symbol "KLKLF". The address of the Company's corporate office and principal place of business is 1055 West Georgia Street, Suite 2129, Vancouver, British Columbia, Canada, V6E 3P3.

The Company is a mineral exploration company engaged in the acquisition, exploration and evaluation of resource properties. The Company's exploration and evaluation assets presently have no proven or probable reserves, and on the basis of information to date, it has not yet determined whether these properties contain economically recoverable resources. The recoverability of amounts shown for exploration and evaluation assets are dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of those reserves and upon future profitable production.

These condensed consolidated interim financial statements have been prepared assuming the Company will continue on a going-concern basis and do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations. The ability of the Company to continue as a going concern depends upon its ability to develop profitable operations and to continue to raise adequate financing. As at June 30, 2026, the Company had an accumulated deficit of $66,332,404 and shareholders' equity of $24,998,413. In addition, the Company has working capital of $4,044,452, consisting primarily of cash, and negative cash flow from operating activities of $4,179,858. Management is actively targeting sources of additional financing through alliances with financial, exploration and mining entities, or other business and financial transactions which would assure continuation of the Company's operations and exploration programs. In order for the Company to meet its liabilities as they come due and to continue its operations, the Company is solely dependent upon its ability to generate such financing. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

The Company's business may be affected by changes in political and market conditions, such as interest rates, availability of credit, inflation rates, changes in laws and tariffs, and national and international circumstances. Recent geopolitical events and potential economic global challenges such as the risk of higher inflation and energy crises, may create further uncertainty and risk with respect to the prospects of the Company's business.

2. MATERIAL ACCOUNTING POLICY INFORMATION

The principal accounting policies applied in the preparation of these condensed consolidated interim financial statements are set out below.

a) Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with IFRS Accounting Standards ("IFRS") as applicable to interim financial reports including International Accounting Standards 34 "Interim Financial Reporting" issued by the International Accounting Standards Board ("IASB").

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

a) Statement of compliance (continued)

These condensed consolidated interim financial statements do not include all the information and note disclosures required by IFRS for annual financial statements and should be read in conjunction with the annual consolidated financial statements for the year ended March 31, 2026, which have been prepared in accordance with IFRS, as issued by the IASB.

The policies applied in these condensed consolidated interim financial statements are the same as those applied in the most recent annual consolidated financial statements and were consistently applied to all the periods presented.

b) Basis of presentation

These condensed consolidated interim financial statements are expressed in Canadian dollars and have been prepared on a historical cost basis except for financial instruments classified as subsequently measured at fair value. In addition, these condensed consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The functional currency of the Company and its subsidiary is the Canadian dollar.

c) Principles of consolidation

These condensed consolidated interim financial statements include the accounts of Kirkland Lake Discoveries Corp. and its wholly owned subsidiary, RD Minerals S.A. de C.V.. All significant intercompany transactions have been eliminated.

d) Significant Accounting Estimates and Judgments

The preparation of these condensed consolidated interim financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the condensed consolidated interim financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates.

In preparing these condensed consolidated interim financial statements, the Company applied the critical judgments and estimates disclosed in Note 2 of its audited consolidated financial statements for the year ended March 31, 2026.

e) New and amended IFRS standards not yet effective

Certain new accounting standards or interpretations have been published that are not mandatory for the current period and have not been early adopted. These standards and interpretations are not expected to have a material impact on the Company's financial statements, except for IFRS 18 "Presentation and Disclosure in Financial Statements". IFRS 18 includes requirements for all entities applying IFRS for the presentation and disclosure of information in financial statements and has an effective date of January 1, 2027. The effects of the adoption of IFRS 18 on the Company's condensed consolidated interim financial statements have not yet been determined.

3. EXPLORATION AND EVALUATION ASSETS

The schedules below summarize the carrying costs of acquisition costs and exploration expenditures incurred to date for each exploration and evaluation asset that the Company is continuing to explore as at June 30, 2026 and June 30, 2025:

Three months ended June 30, 2026	KL West Side $	KL East Side $	KL South Side $	Total $
Exploration and evaluation assets				
Balance as at March 31, 2025	5,267,114	4,805,944	-	10,073,058
Acquisition costs	17,224	-	9,707,472	9,724,696
Option payments	69,208	-	-	69,208
Balance as at March 31, 2026 and June 30, 2026	5,353,546	4,805,944	9,707,472	19,866,962
Exploration and evaluation expenditures				
Cumulative exploration expense - March 31, 2026	11,332,103	1,950,342	330,385	13,612,830
Assays	226,491	1,250	222,559	450,300
Camp costs	2,882	-	67,176	70,058
Claims management	3,620	6,881	3,024	13,525
Claim staking	-	1,250	-	1,250
Drilling	35,023	-	1,696,390	1,731,413
Equipment rental	-	-	9,127	9,127
Geology	35,445	-	208,044	243,489
Geotechnical	-	-	354,646	354,646
Other	143	-	4,804	4,947
Travel and accommodations	526	-	66,352	66,878
	304,130	9,381	2,632,122	2,945,633
Cumulative exploration expense – June 30, 2026	11,636,233	1,959,723	2,962,507	16,558,463

3. EXPLORATION AND EVALUATION ASSETS (continued)

Three months ended June 30, 2025	KL West Side $	KL East Side $	Total $
Exploration and evaluation assets			
Balance as at March 31, 2025	5,267,114	4,805,944	10,073,058
Acquisition costs	17,224	-	17,224
Option payments	69,208	-	69,208
Balance as at June 30, 2025	5,353,546	4,805,944	10,159,490
Exploration and evaluation expenditures			
Cumulative exploration expense - March 31, 2025	6,828,996	1,914,797	8,743,793
Assays	891	-	891
Camp costs	3,138	-	3,138
Claims management	12,317	5,831	18,148
Community consultations	2,865	243	3,108
Equipment rental	8,293	-	8,293
Geology	53,632	4,005	57,637
Geophysical survey	14,270	-	14,270
Geotechnical	225	-	225
Other	1,026	1,323	2,349
Transportation	3,228	-	3,228
Travel and accommodations	5,559	-	5,559
	105,444	11,402	116,846
Cumulative exploration expense – June 30, 2025	6,934,440	1,926,199	8,860,639

(a) KL West Side

KL West Side is comprised of the Goodfish-Kirana Project ("Goodfish") and the KL West Land Package.

Goodfish Property

The Company owns a 100% interest in the Goodfish property that was acquired by making payments in cash, common shares of the Company and/or in exchange for a net smelter return ("NSR") between 2018 and 2022. The property comprises 234 cell claims and 30 patented mining claims. The Company wholly owns the property subject to various NSR arrangements.

The KL West Land Package

In August 2021, the Company entered into an option agreement with an arm's length party to acquire a 100% interest in the KL West ("KLW") and KL Central ("KLC") land packages. The KLW land package comprises 107 mining claims and the KLC land package comprises eight mining claims, for an aggregate of 115 claims. Under the terms of the option agreement, the Company paid $70,000 in cash and issued 250,000 common shares over three years.

The option agreement is also subject to the issuance of 250,000 common shares upon the delivery of a Pre-Feasibility Study as defined in accordance with a National Instrument 43-101 technical report prepared by the Company and a 1.5% NSR. The Company has the right to purchase two-thirds of the NSR (or 1%) for $1,000,000.

3. EXPLORATION AND EVALUATION ASSETS (continued)

(a) KL West Side (continued)

The KL West Land Package (continued)

Acquisition costs incurred in connection with the purchase of the KLW and KLC land packages were split evenly between the KL West Side and KL East Side properties (see Note 3(b)).

In March 2022, the Company staked 29 new claims in Melba township. These claims are contiguous to the northern part of the KLW land package and are immediately west of the Barnet Creek Fault Zone, a prominent north-south-trending fault that is considered to be the structural control on nearby gold occurrences.

The KLW land package is contiguous to and west of the Company's Goodfish Project and the KLC land package is contiguous to the Company's Arnold Property (see Note 3(b)).

In February 2023, the Company acquired three separate blocks of claims that are contiguous to the KLW and the KLC ground. The properties acquired include the Winnie Lake claims, Teck-Bernhardt and the Kennedy Lake Property. The Winnie Lake claims were transferred in exchange for payment of the staking and extension costs of $2,520. The Company paid $50,000 in total for the other claims. Acquisition costs incurred were split evenly between the KL West Side and KL East Side properties (see Note 3(b)).

On April 17, 2025, the Company entered into a mineral property option agreement to acquire a 100% interest in the Winnie Lake and Amikougami properties located near Kirkland Lake, Ontario. The properties are adjacent to the Company's existing mineral claims in the KL West area. Under the terms of the option agreement, the Company agreed to issue 1,750,000 common shares upon approval by the TSX Venture Exchange (issued at a deemed value of $61,250) and incur $1,200,000 in exploration expenditures on the properties over four years as follows:

- $150,000 before April 17, 2026 (incurred)
- $250,000 before April 17, 2027
- $350,000 before April 17, 2028
- $450,000 before April 17, 2029.

The option agreement is subject to NSRs ranging from 0.75% to 2.00%. After the third anniversary on April 17, 2028, the annual underlying advanced royalty commitment is $5,000 per year payable on the third, fourth, fifth and sixth anniversaries, and $10,000 per year thereafter. The advance royalty payments shall be applied against the amount owing under NSRs. The Company paid $7,959 in related legal and filing fees.

On April 23 and 28, 2025, the Company also entered into two mineral property purchase agreements to acquire additional claims contiguous with the Company's KL West. Under the terms of each property purchase agreement, the Company agreed to issue 200,000 common shares upon approval by the TSX Venture Exchange (400,000 common shares issued at a deemed value of $14,000). Each purchase agreement is also subject to a 1.0% NSR. The Company has the right to purchase 0.5% of each NSR (or 1%) for $500,000. The Company paid $3,223 in related legal and filing fees.

3. EXPLORATION AND EVALUATION ASSETS (continued)

(b) KL East Side

KL East Side is comprised of the KL Central Land Package, Arnold and Lucky Strike properties.

KL Central Land Package

The KL Central Land Package was acquired along with the KL West Package of claims (see Note 3(a)).

On November 14, 2022, the Company acquired, via staking, an additional 66 cell claims contiguous to the KLC land package.

The Arnold Property

The Company owns a 100% interest in the Arnold property that was acquired by making payments in common shares of the Company. The property comprises 28 claims. The Company wholly owns the property subject to various NSR arrangements.

Lucky Strike Property

On May 25, 2023, the Company acquired from New Found Gold Corp. ("NFG") all of the properties comprising the Lucky Strike Project located immediately to the east of the Company's Goodfish-Kirana Project, in Kirkland Lake, Ontario, and consisting of 645 unpatented mining claims. The Company acquired the Lucky Strike Project by issuing to NFG 28,612,500 common shares with an estimated fair value of $4,657,482, and granting to NFG a 1.0% net smelter return royalty on the Lucky Strike Project pursuant to a royalty agreement. In addition, under the terms of the purchase agreement. The Company incurred $34,702 in legal and regulatory fees in connection with the acquisition.

In September 2022, the Company staked a "bridge" of claims connecting the KL West Side and KL East Side properties so that assessment credits accumulated anywhere on the Company's project areas can be transferred easily avoiding administrative hurdles. The "bridge" is comprised of 49 cell claims.

(c) KL South Side

Mirado Property

On March 2, 2026, the Company completed a purchase agreement with Orecap Invest Corp., pursuant to which the Company acquired a 100% undivided interest in the mineral claims collectively known as the Mirado Property, free and clear of all liens and encumbrances.

As consideration for the acquisition, Kirkland Lake issued 40,582,767 common shares of the Company with a fair value of $0.24 per share for total consideration of $9,739,864. The Company incurred $69,608 in legal and regulatory fees in connection with the acquisition. Of the total purchase consideration of $9,809,472, $9,707,472 was allocated to the Mirado acquisition cost and $102,000 was allocated to the reclamation bond receivable.

As of June 30, 2026, the Company's land position was 1,651 unpatented claims and 51 patented claims (March 31, 2026 - 1,626 claims and 51 patented claims).

3. EXPLORATION AND EVALUATION ASSETS (continued)

Exploration Agreement

On January 1, 2025, the Company entered into an exploration agreement with Apitipi Anicinapek Nations ("Apitipi") to promote a cooperative and mutually respectful relationship concerning exploration of the KL West and KL East projects, which are partially located on the territories traditionally owned by Apitipi. Under the terms of the agreement, the Company agreed to contribute funds to the community fund established by Apitipi. The annual contribution will be equivalent to 2% of all on-site exploration costs incurred by the Company on all KL properties during the year. During the three months ended June 30, 2026 the Company incurred $Nil in contribution costs (June 30 2025 - $3,108). At June 30, 2026, $35,078 in accrued contribution costs is included in accounts payable and accrued liabilities.

4. PROPERTY AND EQUIPMENT

	Land and Buildings	Equipment and Storage	Vehicles	Total
	$	$	$	$
Cost				
Balance at March 31, 2025	-	22,995	10,575	33,570
Additions	381,383	37,458	133,168	552,009
Disposals	-	(7,845)	-	(7,845)
Balance at March 31, 2026	381,383	52,608	143,743	577,734
Additions	261,424	146,495	18,688	426,607
Balance at June 30, 2026	642,807	199,103	162,431	1,004,341
Depreciation				
Balance at March 31, 2025	-	3,462	4,404	7,866
Additions	3,009	3,559	16,320	22,888
Disposals	-	(1,373)	-	(1,373)
Balance at March 31, 2026	3,009	5,648	20,724	29,381
Additions	3,043	4,983	12,921	20,947
Balance at June 30, 2026	6,052	10,631	33,645	50,328
Net book value				
Balance at March 31, 2026	378,374	46,960	123,019	548,353
Balance at June 30, 2026	636,755	188,472	128,786	954,013

5. FLOW-THROUGH SHARE PREMIUM

	Issued May 2023 $	Issued December 2024 $	Issued October 2025 $	Total $
Balance at March 31, 2025	-	244,716	-	244,716
Liability recognized on flow-through shares issued	-	-	1,499,814	1,499,814
Settlement of flow-through share premium on expenditures incurred	-	(244,716)	(1,099,854)	(1,344,570)
Balance at March 31, 2026	-	-	399,960	399,960
Settlement of flow-through share premium on expenditures incurred	-	-	(399,960)	(399,960)
Balance at June 30, 2026	-	-	-	-

Flow-through share arrangements entitle the holder of the flow-through share to a 100% tax deduction in respect of qualifying Canadian exploration expenses as defined in the Income Tax Act, Canada ("Qualifying CEE").

During the three months ended June 30, 2026, the Company incurred $2,399,758 (three months ended June 30, 2025 – $98,367) in Qualifying CEE and amortized a total of $399,960 (three months ended June 30, 2025 – $28,105) of its flow-through liabilities.

The flow-through premium liability does not represent a cash liability to the Company and is to be fully amortized to the statements of loss and comprehensive loss pro-rata with the amount of qualifying expenditures that will be incurred.

The Company has incurred Part XII.6 taxes of $4,978 (three months ended June 30, 2025 – $9,970) during the three months ended June 30, 2026.

6. SHARE CAPITAL AND RESERVES

Authorized Share Capital

At June 30, 2026, the authorized share capital comprised an unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.

Details of Common Shares Issued During the Three Months Ended June 30, 2026

During the three months ended June 30, 2026, the Company issued 1,395,700 common shares pursuant to the exercise of 1,395,700 warrants for gross proceeds of $382,664.

6. SHARE CAPITAL AND RESERVES (continued)

Details of Common Shares Issued During the Year Ended March 31, 2026

On March 2, 2026, the Company issued 40,582,767 common shares of the Company with a value of $9,739,864 pursuant to the acquisition of the Mirado property and reclamation bond receivable (Note 3(c)).

On October 22, 2025, the Company completed a non-brokered private placement offering of 7,600,000 flow-through units at a price of $0.37 per unit, 25,529,727 non-flow-through units at a price of $0.25 per unit, and 11,756,283 flow-through shares at a price of $0.30 per flow-through share, for aggregate gross proceeds of $12,721,317. Each flow-through unit was comprised of one flow-through common share and one half of a common share purchase warrant, with each whole share purchase warrant exercisable to acquire one additional common share at an exercise price of $0.40 until October 22, 2028. Each non-flow-through unit was comprised of one non-flow-through common share and one half of a common share purchase with each whole share purchase warrant exercisable to acquire one additional common share at an exercise price of $0.40 until October 22, 2028. The fair value of the warrants issued as part of the units was determined to be $Nil using the residual value method. The premium received on the flow-through shares and units issued was determined to be $1,499,814. Total share issue costs were $574,558 including cash commissions and other issuance costs of $372,638 and 933,935 brokers' warrants exercisable into common shares of the Company at a price of $0.40 per common share until October 22, 2028.

On May 9, 2025, the Company issued 2,150,000 common shares with a value of $75,250 pursuant to the acquisition of certain mineral interests (Note 3(a)).

During the year ended March 31, 2026, 700,000 stock options were exercised at a weighted average exercise price of $0.09 per share for gross proceeds of $63,000.

During the year ended March 31, 2026, 5,187,356 warrants were exercised at a weighted average exercise price of $0.12 per share for gross proceeds of $612,483 and 299,999 brokers' warrants were exercised at a weighted average exercise price of $0.12 per share for gross proceeds of $36,000.

Share Purchase Option Compensation Plan

In September 2023, the shareholders of the Company re-approved the Company's incentive stock option plan (the "Stock Option Plan") which provides that the aggregate number of common shares of the Company's capital issuable pursuant to options granted may not exceed 10% of the issued and outstanding shares. If the aggregate number of options granted exceeds the maximum allowed under the Stock Option Plan, exercise of the options will require shareholder approval. Options granted under the Plan may have a maximum term of ten years and the exercise price of options granted will not be less than the discounted market price of the common shares as of the award date. The board of directors has the authority to set the vesting terms of options granted, subject to the rules of the TSX-V regarding options granted for investor relations services.

6. SHARE CAPITAL AND RESERVES (continued)

The continuity of share purchase options for the three months ended June 30, 2026 and year ended March 31, 2026 as follows:

	Number of Options	Weighted Average Exercise Price $
March 31, 2025	8,350,000	0.10
Granted	8,230,600	0.38
Exercised	(700,000)	0.09
Expired	(387,500)	0.19
March 31, 2026	15,493,100	0.25
Granted	200,000	0.50
June 30, 2026	15,693,100	0.25

The Company's outstanding and exercisable stock options at June 30, 2026 are as follows:

Expiry Date	Exercise Price ($)	Options Outstanding	Options Exercisable
September 23, 2026	0.26	462,500	462,500
October 31, 2028	0.12	3,800,000	3,800,000
February 4, 2029	0.30	1,250,000	1,250,000
May 7, 2029	0.50	200,000	50,000
November 6, 2029	0.05	3,000,000	3,000,000
October 22, 2030	0.40	480,600	480,600
October 31, 2030	0.40	5,500,000	5,500,000
November 24, 2030	0.40	1,000,000	500,000
		15,693,100	15,043,100
Weighted average remaining life (yrs)		3.45	3.35
Weighted average exercise price		0.25	0.25

The Company uses the Black-Scholes option-pricing model to determine the fair value of stock options issued using the following weighted average assumptions:

Three months ended June 30	2026	2025
Risk-free interest rate	3.02%	-
Expected option life in years	3.00	-
Expected share price volatility[(i)]	153.69%	-
Grant date share price	$0.46	-
Grant date fair value	$0.38	-
Expected forfeiture rate	-	-
Expected dividend yield	Nil	Nil

[(i)] The expected share price volatility is based on the average historical share prices of the Company over the life of the stock option. The period in 2023 when the share trading was halted is excluded from the calculation.

6. SHARE CAPITAL AND RESERVES (continued)

Warrants

The continuity of warrants for the three months ended June 30, 2026 and year ended March 31, 2026 is as follows:

	Number of Financing Warrants	Weighted Average Exercise Price $	Number of Brokers' Warrants	Weighted Average Exercise Price $
March 31, 2025	45,763,725	0.30	2,673,437	0.21
Expired	(30,237,299)	0.40	(1,802,238)	0.25
Issued	16,564,863	0.40	933,935	0.40
Exercised	(5,187,356)	0.12	(299,999)	0.12
March 31, 2026	26,903,933	0.28	1,505,135	0.29
Exercised	(508,500)	0.37	(887,200)	0.22
June 30, 2026	26,395,433	0.28	617,935	0.40

The Company's outstanding warrants at June 30, 2026 are as follows:

Number of Financing Warrants	Exercise Price $	Expiry Date	Number of Brokers' Warrants	Exercise Price $	Expiry Date
9,000,000	0.08	December 23, 2027	-	-	-
1,285,570	0.12	December 23, 2027	-	-	-
16,109,863	0.40	October 22, 2028	617,935	0.40	October 22, 2028

The weighted average remaining life of outstanding warrants as at June 30, 2026 is 1.99 years (March 31, 2026 – 2.24 years) and the weighted average remaining life of outstanding brokers warrants as at June 30, 2026 is 2.32 years (March 31, 2026 – 2.25 years).

7. RELATED PARTY BALANCES AND TRANSACTIONS

All transactions with related parties have occurred in the normal course of operations and are measured at the amount of consideration paid or received.

As at June 30, 2026, $Nil (March 31, 2026 - $5,650) was owed to Earthlabs Inc., a company with a director in common.

Key management personnel compensation

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.

7. RELATED PARTY BALANCES AND TRANSACTIONS (continued)

Three months ended June 30, 2026	Salaries and Consulting Fees $
Stefan Sklepowicz, Chief Executive Officer and Director	56,250
Natalia Samartseva, Chief Financial Officer	15,000
Denis Laviolette, Executive Chairman	40,000
Christina McCarthy, Director	8,000
Gary Nassif, Director	8,000
Vincent Dube-Bourgeois, Director	8,000
Total	135,250

Three months ended June 30, 2025	Salaries and Consulting Fees $
Stefan Sklepowicz, Chief Executive Officer and Director	36,000
Natalia Samartseva, Chief Financial Officer	15,000
Total	51,000

At June 30, 2026, $15,907 was owed to Stefan Sklepowicz, the Company's Chief Executive Officer, for marketing and travel expenditures (March 31, 2026 – $100,743, of which $63,563 was related to compensation and $37,180 was related to marketing and travel expenditures). The amounts are unsecured, non-interest bearing and without fixed terms of repayment.

Under the terms of their management agreements, certain officers of the Company are entitled to 24 months of base pay in the event their contracts are terminated without cause.

8. SEGMENTED INFORMATION

The Company's operations are limited to a single reportable segment, being mineral exploration and evaluation. All of the Company's evaluation and exploration assets are located in Canada.

9. FINANCIAL INSTRUMENTS

(a) Fair Values

The Company's financial instruments include cash and cash equivalents, term deposit, reclamation bond receivable, accounts payable and accrued liabilities. Fair value amounts disclosed in these condensed consolidated interim financial statements represent the Company's estimate of the price at which a financial instrument could be exchanged in a market in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act. These estimates may change in subsequent reporting periods due to market conditions or other factors.

A fair value hierarchy is used to categorize the inputs used to measure fair value. 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 as follows:

9. FINANCIAL INSTRUMENTS (continued)

Level 1 - includes financial assets and liabilities that are measured in whole or in significant part by reference to published quotes in an active market at the measurement date. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's length basis. The Company has no assets or liabilities in this category.

Level 2 - includes financial assets and liabilities using valuation techniques based on assumptions that are supported by prices from observable current market transactions. The Company has no assets or liabilities in this category.

Level 3 - includes financial assets and liabilities measured using valuation techniques based on nonmarket observable inputs. This means that fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. The Company has no assets or liabilities in this category.

(b) Classification of financial assets and liabilities

Amortized cost:

Financial assets that meet the following conditions are measured subsequently at amortized cost:

(i) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and

(ii) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The amortized cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortization using effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. Interest income is recognized using the effective interest method. Interest income is recognized in profit or loss. The Company's financial asset at amortized cost includes cash. The Company's financial liabilities at amortized cost include accounts payable and accrued liabilities. The carrying value of cash and cash equivalents reclamation bond receivable and accounts payable and accrued liabilities approximate their fair value due to the short-term nature and/or limited credit risk of these assets and liabilities.

(c) Financial Instruments Risk Management

The Company has exposure to credit, liquidity and market risks from its use of financial instruments. This note provides information about the Company's exposure to each of these risks, and the Company's objectives, policies and processes for measuring and managing such risks. The board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

9. FINANCIAL INSTRUMENTS (continued)

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company does not have financial instruments that potentially subject the Company to credit risk. Overall, the Company's credit risk has not changed significantly from the prior year. Sales taxes recoverable are due from the Canada Revenue Agency and the Company places its cash and cash equivalents and maintains its term deposit and reclamation bond receivable with financial institutions with high credit ratings, therefore in management's judgment, credit risk is low. There have been no changes in management's methods for managing credit risk since March 31, 2026.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in paying obligations as they come due. The Company's financial liabilities consist of accounts payable and accrued liabilities. Accounts payable consists of invoices payable to trade suppliers for capital expenditures, field operating activities, and general corporate expenses. Substantially all of the Company's financial liabilities have contractual maturities of less than 90 days and are subject to normal trade terms. The Company addresses its liquidity risk through equity financing obtained through sale of common shares and units. While the Company has been successful in securing financing in the past, there is no assurance that it will be able to do so in the future. As at June 30, 2026, the Company has working capital of $4,044,452 (March 31, 2026 - $7,019,890). There have been no changes in management's methods for managing liquidity risk since March 31, 2026.

Market risk

Market risk is the risk that changes in market prices, such as commodity prices, interest rates and foreign exchange rates will affect the Company's net earnings or the value of financial instruments. The Company is not exposed to significant currency risk, interest rate risk or other price risk. There have been no changes to the Company's market risk exposure since March 31, 2026.

10. CAPITAL MANAGEMENT

The Company's objectives when managing capital are:

- To safeguard its ability to continue as a going concern in order to develop and operate its current projects;
- Pursue strategic growth initiatives; and
- To maintain a flexible capital structure which lowers the cost of capital.

In assessing its capital structure, management includes in its assessment the components of equity consisting of common shares, stock options and warrants, and deficit that as at June 30, 2026 totalled $24,998,413 (March 31, 2026 - $27,537,205).

In order to facilitate the management of capital requirements, the Company prepares expenditure budgets and continuously monitors and reviews actual and forecasted cash flows. The budgets are monitored and approved by the Board of Directors. To maintain or adjust the capital structure, the Company may, from time to time, issue new shares, issue new debt, repay debt or dispose of non-core assets. The Company's current capital resources are sufficient to carry out our exploration plans and support operations through the current operating period. The Company is not subject to any capital requirements imposed by a regulator.

There were no changes in the Company's approach to capital management during the period ended June 30, 2026.