

Audited Consolidated Financial Statements For the

Years Ended March 31, 2026 and 2025

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Independent Auditor's Report

To the Shareholders of Kirkland Lake Discoveries Corp.

Opinion

We have audited the consolidated financial statements of Kirkland Lake Discoveries Corp. (the "Group"), which comprise the consolidated statements of financial position as at March 31, 2026 and March 31, 2025 and the consolidated statements of loss and comprehensive loss, cash flows and changes in equity for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at March 31, 2026 and March 31, 2025, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 to the consolidated financial statements which describes the material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Other than the matter described in the Material Uncertainty Related to Going Concern section, we have determined there are no key audit matters to be communicated in our report.

Other Information

Management is responsible for the other information. The other information comprises:

- Management's Discussion and Analysis

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our

opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Pejman Mahlooji.

Crowe Mackay LLP

Chartered Professional Accountants
Vancouver, Canada
June 25, 2026

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

	Note	March 31, 2026 $	March 31, 2025 $
ASSETS			
Current assets			
Cash and cash equivalents		2,428,959	1,552,711
Term deposit		6,051,411	-
Receivables		427,554	56,177
Prepaid expenses and deposits		382,813	21,381
Total current assets		9,290,737	1,630,269
Non-current assets			
Reclamation bond receivable	3	102,000	-
Exploration and evaluation assets	3	19,866,962	10,073,058
Property and equipment	4	548,353	25,704
Total non-current assets		20,517,315	10,098,762
Total Assets		29,808,052	11,729,031
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	7	1,870,887	77,368
Flow-through share premium liability	5	399,960	244,716
Total current liabilities		2,270,847	322,084
EQUITY			
Share capital	6	81,200,949	59,964,022
Reserves	6	9,681,751	7,258,893
Deficit		(63,345,495)	(55,815,968)
Total equity		27,537,205	11,406,947
Total Liabilities and Equity		29,808,052	11,729,031

NATURE OF OPERATIONS AND GOING CONCERN (Note 1)
COMMITMENTS (Notes 3 and 5)
SUBSEQUENT EVENTS (Note 13)

These consolidated financial statements are authorized for issue by the Board of Directors on June 25, 2026. They are signed on the Company's behalf by:

"Denis Laviolette" , Director

"*Gary Nassif*" , Director

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

	Note	Year ended March 31, 2026 $	2025 $
Expenses			
Depreciation	4	22,888	5,824
Exploration and evaluation expenditures	3	4,869,037	2,110,029
Investor relations and corporate development		665,835	74,140
Office and sundry		56,389	78,846
Professional fees		54,873	93,297
Salaries and consulting	7	918,630	650,146
Share-based compensation	6,7	2,284,323	128,525
Transfer agent and filing fees		31,197	11,566
Travel		25,006	13,089
Loss before other income (expenses)		(8,928,178)	(3,165,462)
Other income (expenses)			
Settlement of flow-through share premium liability	5	1,344,570	172,458
Interest income		95,407	6,959
Exploration grant		-	201,000
Part XII.6 tax recovery (expense)	5	(30,223)	397
Loss on disposal of equipment	4	(6,472)	-
Foreign exchange loss		(4,631)	(955)
Interest and penalties		-	(441)
Total other income		1,398,651	379,418
Loss and comprehensive loss for the year		(7,529,527)	(2,786,044)
Loss per share – basic and diluted ($)		(0.05)	(0.03)
Weighted average number of common shares outstanding – basic and diluted		137,834,475	94,494,521

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

	Year ended March 31, 2026 $	2025 $
Cash flows from operating activities		
Loss for the year	(7,529,527)	(2,786,044)
Adjustments for:		
Interest accrued on term deposit	(51,411)	-
Depreciation	22,888	5,824
Share-based compensation	2,284,323	128,525
Settlement of flow-through share premium liability	(1,344,570)	(172,458)
Loss on disposal of equipment	6,472	-
	(6,611,825)	(2,824,153)
Change in non-cash working capital items:		
(Increase) / decrease in receivables	(371,377)	77,461
(Increase) / decrease in prepaid expenses and deposits	(361,432)	13,427
Increase / (decrease) in accounts payable and accrued liabilities	1,793,519	(173,754)
Net cash used in operating activities	(5,551,115)	(2,907,019)
Cash flows from investing activities		
Term deposit	(6,000,000)	-
Purchases of exploration and evaluation assets	(80,790)	(37,094)
Purchases of property and equipment	(552,009)	-
Net cash used in investing activities	(6,632,799)	(37,094)
Cash flows from financing activities		
Shares issued in private placement	12,721,317	1,341,200
Share issue costs	(372,638)	(90,721)
Brokers' warrants exercised	36,000	-
Warrants exercised	612,483	-
Stock options exercised	63,000	-
Net cash generated from financing activities	13,060,162	1,250,479
Net increase (decrease) in cash and cash equivalents	876,248	(1,693,634)
Cash and cash equivalents, beginning of year	1,552,711	3,246,345
Cash and cash equivalents, end of year	2,428,959	1,552,711

SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS (Note 8)

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

	Number of shares	Share capital $	Reserves $	Deficit $	Total equity $
Balance at March 31, 2024	88,624,522	58,995,971	7,098,997	(53,029,924)	13,065,044
Private placement	21,802,852	1,341,200	-	-	1,341,200
Share issue costs	-	(122,092)	31,371	-	(90,721)
Flow-through share premium	-	(251,057)	-	-	(251,057)
Share-based compensation	-	-	128,525	-	128,525
Total comprehensive loss for the year	-	-	-	(2,786,044)	(2,786,044)
Balance at March 31, 2025	110,427,374	59,964,022	7,258,893	(55,815,968)	11,406,947
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	42,732,767	9,815,114	-	-	9,815,114
Stock options exercised	700,000	115,596	(52,596)	-	63,000
Warrants exercised	5,187,356	612,483	-	-	612,483
Brokers' warrants exercised	299,999	46,789	(10,789)	-	36,000
Flow-through share premium	-	(1,499,814)	-	-	(1,499,814)
Share-based compensation	-	-	2,284,323	-	2,284,323
Total comprehensive loss for the year	-	-	-	(7,529,527)	(7,529,527)
Balance at March 31, 2026	**204,233,506**	**81,200,949**	**9,681,751**	**(63,345,495)**	**27,537,205**

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

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, 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 consolidated 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 March 31, 2026, the Company had an accumulated deficit of $63,345,495 and shareholders' equity of $27,537,205. In addition, the Company has working capital of $7,019,890, consisting primarily of a term deposit and cash, and negative cash flow from operating activities of $5,551,115. 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.

These consolidated financial statements were approved by the Board of Directors of the Company on June 25, 2026.

2. MATERIAL ACCOUNTING POLICY INFORMATION

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

a) Statement of compliance

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

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

b) Basis of presentation

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

d) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and investments in redeemable guaranteed investment certificates ("GIC"s).

e) Term deposit

Term deposit includes a non-redeemable GIC with a fixed term of 6 months and maturity date of May 11, 2026. It is measured at amortized cost, which is the amount at initial recognition, plus accrued interest using the effective interest method, minus any repayments. At March 31, 2026, included in term deposit is principal of $6,000,000 and accrued interest of $51,411.

f) Mineral exploration and evaluation expenditures

Exploration and evaluation costs include the costs associated with exploration and evaluation activity (e.g., geological, geophysical studies, exploratory drilling and sampling), and the fair value (at acquisition date) of exploration and evaluation assets acquired in a business combination or asset purchase. The Company follows the practice of capitalizing all costs related to the acquisition of mineral claims, and expensing all costs related to the exploration and evaluation of mineral claims and staking costs.

Once the technical feasibility and commercial viability of extracting the mineral resource has been determined, the property is considered to be a mine under development and is classified as 'mines under construction'. Exploration and evaluation assets are tested for impairment before the assets are transferred to development properties. Recoverability of the carrying amount of the exploration and evaluation assets is dependent on successful development and commercial exploration, or alternatively, sale of the respective areas of interest.

g) Property and equipment

Property and equipment is recorded at cost less accumulated depreciation calculated using the straight-line method over the estimated useful lives as follows:

Buildings and Property	25 years
Equipment and Storage	3-10 years
Vehicles	3 year

Depreciation of an asset begins once it is available for use.

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

h) Impairment and impairment reversal of long-lived assets

(i) Exploration and evaluation assets ("E&E assets")

Exploration and evaluation assets are assessed for impairment in accordance with IFRS 6, *Exploration for and Evaluation of Mineral Resources*. At the end of each reporting period, the Company reviews facts and circumstances to determine whether indicators of impairment exist for its E&E assets. Indicators of impairment under IFRS 6 include, but are not limited to: the period for which the Company has the right to explore in a specific area has expired or will expire in the near future with no expectation of renewal; substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned; exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the Company has decided to discontinue such activities in the area; or sufficient data exists to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the E&E asset is unlikely to be recovered in full from successful development or by sale. Where an indicator of impairment is identified, the Company performs an impairment test in accordance with IAS 36, Impairment of Assets. For the purposes of assessing impairment, E&E assets are allocated to cash-generating units ("CGUs"), or groups of CGUs that are expected to benefit from the exploration activity. The recoverable amount of the CGU is determined as the higher of its fair value less costs of disposal and its value in use. An impairment loss is recognized for any excess of the carrying amount over the recoverable amount and is recorded in the consolidated statements of income in the period in which it occurs. A previously recognized impairment loss on E&E assets is reversed in a subsequent period if there is an indication that the impairment loss may no longer exist or may have decreased, and the recoverable amount of the asset or CGU exceeds its carrying amount. The amount of the reversal is limited to the carrying amount that would have been determined had no impairment loss been recognized in prior periods. Impairment reversals are recorded in the consolidated statements of income in the period in which they occur.

(ii) Property and equipment

At the end of each reporting period, the Company assesses whether there is any indication that its property and equipment may be impaired. Where it is not possible to estimate the recoverable amount of an individual asset, the Company groups assets into CGUs, being the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets, for the purpose of assessing the recoverable amount. Where an indicator of impairment exists, the recoverable amount of the asset or CGU is determined as the higher of its fair value less costs of disposal and its value in use. Fair value less costs of disposal is determined based on available data from arm's length transactions for similar assets or using appropriate valuation models. Value in use is determined by estimating the present value of the future cash flows expected to be derived from the continued use of the asset or CGU. An impairment loss is recognized for any excess of the carrying amount of the asset or CGU over its recoverable amount. At the end of each reporting period, the Company assesses whether there is any indication that a previously recognized impairment loss on property and equipment may no longer exist or may have decreased. If such an indication exists, the recoverable amount of the asset or CGU is estimated in order to determine whether a reversal is required. An impairment reversal is recognized to the extent that the recoverable amount of the asset or CGU exceeds its carrying amount. The amount of the reversal is limited to the carrying amount that would have been determined, net of depreciation or amortization, had no impairment loss been recognized in prior periods. The impairment reversal is allocated on a pro rata basis to the long-lived assets of the CGU based on their carrying amounts. Impairment losses and impairment loss reversals are recognized in the consolidated statements of income or loss in the period in which they occur.

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

i) Financial instruments

Financial assets

The Company classifies its financial assets in the following categories: at fair value through profit or loss ("FVTPL"), at fair value through other comprehensive income ("FVTOCI") or at amortized cost. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

- Financial assets at amortized cost

Financial assets at amortized cost are initially recognized at fair value and subsequently carried at amortized cost less any impairment. They are classified as current assets or non-current assets based on their maturity date.

- Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the loss allowance for the financial asset is measured at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the loss allowance is measured for the financial asset at an amount equal to twelve month expected credit losses. For trade receivables the Company applies the simplified approach to providing for expected credit losses, which allows the use of a lifetime expected loss provision. Impairment losses on financial assets carried at amortized cost are reversed in subsequent periods if the amount of the loss decreases and the decrease can be objectively related to an event occurring after the impairment was recognized.

- Derecognition of financial assets

Financial assets are derecognized when they mature or are sold, and substantially all the risks and rewards of ownership have been transferred. Gains and losses on derecognition of financial assets classified as FVTPL or amortized costs are recognized in profit or loss. Gains or losses on financial assets classified as FVTOCI remain within accumulated other comprehensive income.

Financial liabilities

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

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

j) Provisions

The Company is subject to various government laws or regulations relating to environmental disturbances caused by exploration and evaluation activities. If applicable or warranted, the Company records the present value of the estimated costs of legal or constructive obligations required to restore the exploration sites in the period in which the obligation is incurred. The nature of the rehabilitation activities includes restoration, reclamation and revegetation of the affected exploration sites.

The rehabilitation provision generally arises when the environmental disturbance is subject to government laws and regulations. When the liability is recognized, the present value of the estimated costs is expensed as part of exploration and evaluation costs. Over time, the discounted liability is increased for the changes in present value based on current market discount rates and liability specific risks.

Additional environment disturbances or changes in rehabilitation costs will be recognized as exploration and evaluation costs in the period in which they occur.

Other provisions

Provisions are recognized for liabilities of uncertain timing or amount that have arisen as a result of past transactions, including legal or constructive obligations. The provision is measured at the best estimate of the expenditure required to settle the obligation at the reporting date.

k) Income taxes

Income tax expense comprises current and deferred tax. Current income taxes are recognized for the estimated income taxes payable or receivable on taxable income or loss for the current year and any adjustment to income taxes payable in respect of previous years. Current income taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the period-end date.

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax base, except for taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable or deductible differences.

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. At the end of each reporting period the Company reassesses unrecognized deferred tax assets. The Company recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

l) Share capital

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares, options, and share warrants are classified as equity instruments. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Warrants that are part of units are valued using a residual value method which involves comparing the selling price of the units to the Company's share price on the announcement date. The market value is then applied to the common share and any residual amount is assigned to the warrant. In case trading is halted and no share price is available, the share price is estimated based on weighted-average prices of shares during the period when trading is resumed.

If the warrants are exercised, the related amount is reclassified as share capital. If the warrants expire unexercised, the related amount remains in reserves.

m) Flow-through shares

The proceeds from the offering of flow-through shares are allocated between the shares and the sale of tax benefits when the shares are offered. The allocation is made based on the difference between the market value of the shares and the amount the investors pay for the flow-through shares. Proceeds from flow-through issuances are allocated between the offering of shares and the sale of tax benefits based on the difference between the price of the flow-through financing and concurrent non-flow-through financing. If there is no concurrent non-flow-through financing, the proceeds from flow-through issuances are allocated between the market price of the shares and the price paid by the investors for the flow-through shares.

A liability is recognized for this difference and is extinguished by crediting other income when the Company has made the required expenditures and there is a reasonable expectation of the renunciation of these expenditures to the tax authorities. If the flow-through shares are not issued at a premium, a liability is not established.

The tax effect of the renunciation is recorded at the time the Company makes the renunciation to its subscribers – which may differ from the effective date of renunciation.

The flow-through share program requires the Company to spend an amount equivalent to the proceeds of the issued flow-through common shares on Canadian qualifying exploration expenditures within the timeline specified by the Government of Canada flow-through regulations. If this deadline has passed, the Company would need to amend the tax forms for any unspent exploration expenditures renounced and the related flow-through premium will be reversed to share capital. The Company may be required to indemnify the flow-through shareholders for any tax and other costs payable by them if the required exploration expenditures are not incurred before the deadline. The Company may also be subject to a Part XII.6 tax on flow-through proceeds renounced under the Government of Canada flow-through regulations. The related interest and penalties for the Part XII.6 tax and any potential costs to indemnify the shareholders are recorded in other expenses on the consolidated statements of loss and comprehensive loss.

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

n) Share-based payments

Where equity-settled share options are awarded to employees, the fair value of the options at the date of grant is charged to profit or loss over the vesting period. Performance-vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognized over the vesting period is based on the number of options that eventually vest. Non-vesting conditions and market-vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether these vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market-vesting condition or where a non-vesting condition is not satisfied. Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

Where equity instruments are granted to non-employees, they are recorded at the fair value of the goods or services received in profit or loss, unless they are related to the issuance of shares. Vesting conditions, other than market conditions, are not taken into account when estimating the fair value of the shares or share options at the measurement date. Instead, vesting conditions are taken into account by adjusting the number of equity instruments included in the measurement of the transaction amount so that, ultimately, the amount recognized for goods or services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest. The Company takes into account the terms of the shares/options issued including any trading restrictions, and if considered appropriate, applies a discount when determining the fair value of the equity instruments granted. Amounts related to the issuance of shares are recorded as a reduction of share capital.

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

All equity-settled share-based payments are reflected in share-based payment reserve, until exercised. Upon exercise, shares are issued from treasury and the amount reflected in reserves is credited to share capital, adjusted for any consideration paid. If the options expire unexercised, there is no adjustment made to the share-based payment reserve. Where a grant of options is cancelled or settled during the vesting period, excluding forfeitures when vesting conditions are not satisfied, the Company immediately accounts for the cancellation as an acceleration of vesting and recognizes the amount that otherwise would have been recognized for services received over the remainder of the vesting period. Any payment made to the employee on the cancellation is accounted for as the repurchase of an equity interest except to the extent the payment exceeds the fair value of the equity instrument granted, measured at the repurchase date. Any such excess is recognized as an expense.

o) Government grants

Government grants are recognized as other income when there is reasonable assurance that the Company will comply with the relevant conditions and the grant will be received or approved.

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

p) Significant Accounting Estimates and Judgments

The preparation of these consolidated 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 financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These consolidated financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates may be pervasive throughout the financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at year end that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made relate to the following:

(i) Critical accounting estimates

Valuation of options granted and warrants issued

The fair value of common share purchase options granted and warrants issued as part of share issuance costs is determined at the issue date using the Black-Scholes option pricing model. The Black-Scholes model involves six key inputs to determine the fair value of an option, which are: risk-free interest rate, exercise price, market price at the grant date, expected dividend yield, expected life, and expected volatility. Certain of the inputs are estimates that involve considerable judgment and are or could be affected by significant factors that are out of the Company's control. The Company is also required to estimate the future forfeiture rate of options based on historical information in its calculation of share-based payments expense. These estimates impact the values of stock-based compensation expense, share capital, and reserves.

Valuation of flow-through premium

The determination of the valuation of flow-through premium is subject to significant judgment and estimates. The flow-through premium is valued as the estimated premium that investors pay for the flow-through feature, being the portion in excess of the market value of shares without the flow-through feature.

(ii) Critical accounting judgments

Impairment of exploration and evaluation assets

Management is required to assess impairment in respect to the Company's intangible mineral property interests. The triggering events are defined in IFRS 6. In making the assessment, management is required to make judgments on the status of each project and the future plans to find commercial reserves. The carrying value of each exploration and evaluation asset is reviewed regularly for conditions that may suggest impairment. This review requires significant judgment.

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

p) Significant Accounting Estimates and Judgments (continued)

(ii) Critical accounting judgments (continued)

Factors considered in the assessment of asset impairment include, but are not limited to, whether there has been a significant adverse change in the legal, regulatory, accessibility, title, environmental or political factors that could affect the property's value; whether there has been an accumulation of costs significantly in excess of the amounts originally expected for the property's acquisition, development or cost of holding; and whether exploration activities produced results that are not promising such that no more work is being planned in the foreseeable future. If impairment is determined to exist, a formal estimate of the recoverable amount is performed and an impairment loss is recognized to the extent that the carrying amount exceeds the recoverable amount.

Management has determined that there were no indicators of impairment as at March 31, 2026.

Presentation of financial statements as a going concern

Presentation of the consolidated financial statements as a going concern assumes that the Company will continue in operation for the foreseeable future, obtain additional financing as required, and will be able to realize its assets and discharge its liabilities in the normal course of operations as they come due involves significant judgment by management.

q) Initial application of standards, interpretations and amendments to standards and interpretations in the reporting period

The IASB issued certain new accounting standards or amendments that are mandatory for accounting periods on or after January 1, 2025. The effect of such new accounting standards or amendments did not have a material impact on the Company and therefore the Company did not record any adjustments to the consolidated financial statements.

r) 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 consolidated 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 consolidated 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 March 31, 2026 and 2025:

Year ended March 31, 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	5,353,546	4,805,944	9,707,472	19,866,962
Exploration and evaluation expenditures				
Cumulative exploration expense - March 31, 2025	6,828,996	1,914,797	-	8,743,793
Assays	614,744	5,000	5,158	624,902
Camp costs	48,473	-	3,193	51,666
Claims management	41,765	26,743	2,085	70,593
Community consultations	43,869	-	5,242	49,111
Drilling	2,769,523	-	292,220	3,061,743
Equipment rental	17,860	-	-	17,860
Geology	492,639	4,005	19,302	515,946
Geotechnical	362,255	540	1,818	364,613
Other	4,574	(912)	274	3,936
Permits	2,810	-	-	2,810
Travel and accommodations	104,595	169	1,093	105,857
	4,503,107	35,545	330,385	4,869,037
Cumulative exploration expense – March 31, 2026	11,332,103	1,950,342	330,385	13,612,830

3. EXPLORATION AND EVALUATION ASSETS (continued)

Year ended March 31, 2025	KL West Side $	KL East Side $	Total $
Exploration and evaluation assets			
Balance as at March 31, 2024	5,230,020	4,805,944	10,035,964
Additions			
Acquisition costs	12,094	-	12,094
Option payments	25,000	-	25,000
Balance as at March 31, 2025	5,267,114	4,805,944	10,073,058
Exploration and evaluation expenditures			
Cumulative exploration expense - March 31, 2024	5,098,947	1,534,817	6,633,764
Assays	338,564	60,619	399,183
Camp costs	42,755	9,813	52,568
Claims management	28,592	25,214	53,806
Community consultations	12,706	-	12,706
Drilling	181,307	13,069	194,376
Equipment rental	80,059	7,040	87,099
Geology	925,829	154,225	1,080,054
Geophysical survey	47,116	47,116	94,232
Geotechnical	24,084	39,237	63,321
Mapping	-	8,150	8,150
Other	4,715	1,395	6,110
Permits	4,912	-	4,912
Transportation	30,988	9,160	40,148
Travel and accommodations	8,422	4,942	13,364
	1,730,049	379,980	2,110,029
Cumulative exploration expense – March 31, 2025	6,828,996	1,914,797	8,743,793

(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.

3. EXPLORATION AND EVALUATION ASSETS (continued)

(a) KL West Side (continued)

The KL West Land Package (continued)

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.

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 the first annual anniversary (incurred), $250,000 before the second anniversary, $350,000 before the third anniversary, and $450,000 before the fourth anniversary. The option agreement is subject to NSRs ranging from 0.75% to 2.00%. After the third anniversary, 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, NFG agreed to use commercially reasonable efforts to distribute all the common shares of the Company that it holds to its shareholders, pro rata, within one year following the completion of the acquisition. 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. Out of the total purchase consideration of $9,809,472, $9,707,472 was allocated to Mirado acquisition cost and $102,000 was allocated to reclamation bond receivable.

As of March 31, 2026, the Company's land position was 1,626 unpatented claims and 51 patented claims (March 31, 2025 - 1,376 claims and 30 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 current year, the Company incurred $49,111 in contribution costs, of which $35,078 is included in accounts payable and accrued liabilities at March 31, 2026. The Company also agreed to spend up to $20,000 on the archeological study of the property.

4. PROPERTY AND EQUIPMENT

	Building and Property	Equipment and Storage	Vehicles	Total
	$	$	$	$
Cost				
Balance at March 31, 2024	-	22,995	10,575	33,570
Additions	-	-	-	-
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
Depreciation				
Balance at March 31, 2024	-	1,163	879	2,042
Additions	-	2,299	3,525	5,824
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
Net book value				
Balance at March 31, 2025	-	19,533	6,171	25,704
Balance at March 31, 2026	378,374	46,960	123,019	548,353

During the year ended March 31, 2026, the Company wrote-off storage equipment with a net book value of $6,472. The net amount of $6,472 has been recorded as loss on disposal of equipment in the consolidated statement of loss and comprehensive loss for the year ended March 31, 2026.

5. FLOW-THROUGH SHARE PREMIUM

	Issued May 2023 $	Issued December 2024 $	Issued October 2025 $	Total $
Balance at March 31, 2024	166,117	-	-	166,117
Liability recognized on flow-through shares issued	-	251,057	-	251,057
Settlement of flow-through share premium on expenditures incurred	(166,117)	(6,341)	-	(172,458)
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

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 year ended March 31, 2026, the Company incurred $4,795,634 (year ended March 31, 2025 – $2,049,486) in Qualifying CEE and amortized a total of $1,344,570 (year ended March 31, 2025 – $172,458) 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.

As at March 31, 2026, the Company must spend another $2,399,758 of Qualifying CEE by December 31, 2026, to satisfy its remaining current flow-through liability of $399,960.

The Company has until February of the following year after the renunciation is completed under the look-back rule to incur eligible flow-through funds otherwise, the Company will be subject to the Part XII.6 tax. The Company has incurred Part XII.6 taxes of $30,223 during the year ended March 31, 2026 (year ended March 31, 2025 – net recovery of $397).

6. SHARE CAPITAL AND RESERVES

Authorized Share Capital

At March 31, 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.

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 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.

Details of Common Shares Issued During the Year Ended March 31, 2025

On December 23, 2024, the Company completed a non-brokered private placement offering of 12,552,852 flow-through units at a price of $0.07 per unit, and 9,250,000 non-flow-through units at a price of $0.05 per unit, for aggregate gross proceeds of $1,341,200. Each flow-through unit is 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 $0.12 until December 23, 2027. Each non-flow-through unit is comprised of one non-flow-through common share and one common share purchase warrant exercisable to acquire one additional common share at an exercise price of $0.08 until December 23, 2027. 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 units issued was determined to be $251,057. The Company incurred share issuance costs of $90,721, of which $60,634 was incurred for cash commissions and $30,087 was incurred for professional and regulatory fees. The Company also issued 853,699 brokers' warrants with a fair value of $30,701 exercisable into common shares of the Company at a price of $0.12 per common share until December 23, 2027, and 17,500 brokers' warrants with a fair value of $670 exercisable into common shares of the Company at a price of $0.08 per common share until December 23, 2027.

6. SHARE CAPITAL AND RESERVES (continued)

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.

The continuity of share purchase options for the years ended March 31, 2026 and 2025 is as follows:

	Number of Options	Weighted Average Exercise Price $
March 31, 2024	5,950,000	0.16
Issued	3,300,000	0.05
Expired	(900,000)	0.25
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

The Company's outstanding and exercisable stock options at March 31, 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
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
Weighted average remaining life (yrs)		3.70	3.60
Weighted average exercise price		0.25	0.25

The weighted average fair value of stock options exercised during the year ended March 31, 2026 was $0.08 and the weighted-average closing share price at the date of exercise was $0.24.

6. SHARE CAPITAL AND RESERVES (continued)

Share Purchase Option Compensation Plan (continued)

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

Year ended March 31	2026	2025
Risk-free interest rate	2.69%	3.12%
Expected option life in years	4.58	5.00
Expected share price volatility[(i)]	144.80%	133.67%
Grant date share price	$0.33	$0.045
Grant date fair value	$0.25	$0.04
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.

Warrants

The continuity of warrants for the years ended March 31, 2026 and 2025 is as follows:

	Number of Financing Warrants	Weighted Average Exercise Price $	Number of Brokers' Warrants	Weighted Average Exercise Price $
March 31, 2024	30,237,299	0.40	1,802,238	0.25
Issued	15,526,426	0.10	871,199	0.12
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

The Company's outstanding warrants at March 31, 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	17,500	0.08	December 23, 2027
1,339,070	0.12	December 23, 2027	553,700	0.12	December 23, 2027
16,564,863	0.40	October 22, 2028	933,935	0.40	October 22, 2028

The weighted average remaining life of outstanding warrants as at March 31, 2026 is 2.24 years (March 31, 2025 – 1.04 years) and the weighted average remaining life of outstanding brokers warrants as at March 31, 2026 is 2.25 years (March 31, 2025 – 0.99 years).

6. SHARE CAPITAL AND RESERVES (continued)

Warrants (continued)

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

Year ended March 31	2026	2025
Risk-free interest rate	2.39%	2.97%
Expected warrant life in years	3.00	3.00
Expected share price volatility[(i)]	164%	150%
Exercise price	$0.40	$0.12
Grant date share price	$0.27	$0.05
Grant date fair value	$0.29	$0.04
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 warrant. The period in 2023 when the share trading was halted is excluded from the calculation.

The fair value of brokers' warrants issued during the year ended March 31, 2026 was determined to be $201,920 (2025 - $31,371).

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 March 31, 2026, $5,650 (March 31, 2025 - $Nil) was owed to Earthlabs, 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.

Year ended March 31, 2026	Salaries and Consulting Fees $	Bonuses $	Share-based Compensation $	Total $
Stefan Sklepowicz, Chief Executive Officer and Director	172,688	100,000	464,424	737,112
Natalia Samartseva, Chief Financial Officer	60,000	-	-	60,000
Denis Laviolette, Executive Chairman	56,444	65,000	309,616	431,060
Christina McCarthy, Director	28,000	-	216,731	244,731
Gary Nassif, Director	28,000	-	216,731	244,731
Vincent Dube-Bourgeois, Director	28,000	-	216,731	244,731
Total	373,132	165,000	1,424,233	1,962,365

7. RELATED PARTY BALANCES AND TRANSACTIONS (continued)

Year ended March 31, 2025	Salaries and Consulting fees $	Share-based compensation $	Total $
Stefan Sklepowicz, Chief Executive Officer and Director	115,000	46,736	161,736
Daniele Spethmann, Former President, Chief Executive Officer and Director[(i)]	328,043	-	328,043
Natalia Samartseva, Chief Financial Officer	59,188	-	59,188
Denis Laviolette, Director	-	11,684	11,684
Gary Nassif, Director	-	11,684	11,684
Christina McCarthy, Director	-	11,684	11,684
Vincent Dube-Bourgeois, Director	-	11,684	11,684
Total	502,231	93,472	595,703

[(i)] Upon the former Chief Executive Officer's resignation in May 2024, the Company paid $300,000 in fees and $5,543 in car expense reimbursements to the former Chief Executive Officer.

As at March 31, 2026, there was $100,743 owed to Stefan Sklepowicz, the Company's Chief Executive Officer, in respect of compensation of $63,563, and management expenditures of $37,180 (March 31, 2025 – $13,560 in respect of compensation and $3,812 for marketing 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 of their agreements being terminated without cause.

8. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

	Year ended March 31, 2026 $	2025 $
Non-cash investing and financing activities:		
Shares issued to acquire exploration and evaluation assets	9,713,114	-
Shares issued to acquire reclamation bond receivable	102,000	-
Fair value of brokers' warrants	201,920	31,371
Cash paid for income taxes	-	-
Cash paid for interest	-	-
Cash received for interest	50,510	-

9. 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.

10. 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 consolidated 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:

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 investment income (loss) in profit or loss. The Company's financial assets at amortized cost include cash and cash equivalents and term deposit. The Company's financial liabilities at amortized cost include accounts payable and accrued liabilities. The carrying value of cash and cash equivalents, term deposit, 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.

10. FINANCIAL INSTRUMENTS (continued)

(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.

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, 2025.

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 March 31, 2026, the Company has working capital of $7,019,890 (March 31, 2025 - $1,308,185). There have been no changes in management's methods for managing liquidity risk since March 31, 2025.

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 objective of the Company is to manage and mitigate market risk exposures within acceptable limits, while maximizing returns.

(i) Currency risk

Financial instruments that impact the Company's net earnings or other comprehensive income due to currency fluctuation include cash accounts denominated in US dollars. Fluctuations in the exchange rate between the US dollar and the Canadian dollar at March 31, 2026 would not have a material impact on the Company's profit or loss.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company is not exposed to interest rate risk as it does not hold any funds in accounts that are subject to variable interest rates.

10. FINANCIAL INSTRUMENTS (continued)

***Market risk** (continued)*

(iii) Commodity price risk

Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company's property has exposure to predominantly gold. Commodity prices, especially gold, greatly affect the value of the Company and the potential value of its property and investments.

(iv) Equity price risk

Equity price risk is the risk that the fair value of or future cash flows from financial instruments will significantly fluctuate because of changes in market prices. The Company does not have any investments in equity instruments at March 31, 2026 or 2025 and therefore is not exposed to equity price risk.

11. 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 March 31, 2026 totalled $27,537,205 (March 31, 2025 - $11,406,947).

In order to facilitate the management of capital requirements, the Company prepares annual expenditure budgets and continuously monitors and reviews actual and forecasted cash flows. The annual and updated 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 year ended March 31, 2026.

12. INCOME TAX

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

Year ended March 31	2026 $	2025 $
Loss before income taxes	(7,529,527)	(2,786,044)
Statutory Canadian corporate tax rate	27.00%	27.00%
Income tax recovery at statutory rates	(2,033,000)	(752,000)
Flow-through renunciations	1,537,000	237,000
Non-deductible (non-taxable) items for tax purposes	255,000	(12,000)
Change in tax benefits not recognized	241,000	527,000
Income tax recovery	-	-

The unrecognized deductible temporary differences as at March 31, 2026 and 2025 are comprised of the following:

As at March 31	2026 $	Expiry	2025 $
Exploration and evaluation assets	3,872,465	None	4,696,375
Property and equipment	97,548	None	76,033
Financing costs	681,764	2026 to 2030	579,315
Non-capital losses	16,671,891	2028 to 2046	14,913,186
Total	21,323,668		20,264,909

The Company has not recognized deferred tax assets due to the uncertainty of future taxable income.

13. SUBSEQUENT EVENTS

Options issued

Subsequent to March 31, 2026, the Company issued 200,000 stock options to an employee. The options are exercisable at a price of $0.50 per share until May 7, 2029.

Warrants exercised

Subsequent to March 31, 2026, 508,500 warrants with a weighted-average exercise price of $0.37 per share were exercised for gross proceeds of $188,420.

Subsequent to March 31, 2026, 887,200 brokers' warrants with an exercise price of $0.22 per share were exercised for gross proceeds of $194,244.