

**LEXSTON MINING CORPORATION**

(An Exploration and Evaluation Stage Company)

MANAGEMENT DISCUSSION AND ANALYSIS – FORM 51-102F1

For the three and six-month periods ended November 30, 2025

*This Management Discussion and Analysis for Lexston Mining Corporation (the “Company”) provides analysis of the Company’s unaudited condensed interim consolidated financial statements for the three and six-month periods ended November 30, 2025. The following information should be read in conjunction with the accompanying unaudited condensed interim consolidated financial statements and related notes for the three and six-month periods ended November 30, 2025.*

## 1.1 Date of Report

The following Management Discussion and Analysis (“**MD&A**”) for Lexston Mining Corporation (the “**Company**” or “**Lexston**”) is prepared as of January 14, 2026 and should be read in conjunction with the Company’s unaudited condensed interim consolidated financial statements for the three and six -month periods ended November 30, 2025 and the Company’s audited consolidated financial statements for the years ended May 31, 2025 and 2024 which were prepared in accordance with International Financial Reporting Standards (“**IFRS**”), as issued by the International Accounting Standards Board (“**IASB**”). Except as noted, all dollar amounts contained in this MD&A and in the unaudited condensed interim consolidated financial statements are in Canadian dollars.

### Forward-Looking Statements

This MD&A contains forward-looking statements within the meaning of applicable securities laws. All statements contained herein that are not clearly historical in nature are forward-looking, and the words “anticipate”, “believe”, “expect”, “estimate”, “may”, “will”, “could”, “leading”, “intend”, “contemplate”, “shall” and similar expressions are generally intended to identify forward-looking statements. Forward-looking statements in this MD&A include, but are not limited to, statements with respect to:

- our expected future loss and accumulated deficit levels;
- our projected financial position and estimated cash burn rate;
- our requirements for, and the ability to obtain, future funding on favourable terms or at all;
- our projections for development plans and progress of each of our mineral exploration and evaluations;
- our expectations about our mineral exploration and evaluation’s safety and efficacy;
- our expectations regarding our ability to arrange for and scale up of our mineral exploration and evaluations;
- our expectations regarding the progress, and the successful and timely completion, of the various stages of the regulatory approval process;
- our expectations about the timing of achieving milestones and the cost of our exploration and evaluation programs;
- our expectations regarding the acceptance of our resources by the market;
- our ability to access and retain appropriate staff, management and expert advisers and consultants;
- our expectations about whether various regulatory milestones will be achieved;
- our strategy to acquire and develop new mineral explorations and to enhance the safety and efficacy of existing mineral exploration and evaluations;
- our expectations with respect to existing and future corporate alliances with third parties, and the receipt and timing of any payments to be made by us or to us in respect of such arrangements; and
- our strategy with respect to the protection of our intellectual property and mineral claims.

All forward-looking statements reflect our beliefs and assumptions based on information available at the time the assumption was made. These forward-looking statements are not based on historical facts but rather on management’s expectations regarding future activities, results of operations, performance, future capital and other expenditures (including the amount, nature and sources of funding thereof), competitive advantages, business prospects and opportunities. By its nature, forward-looking information involves numerous assumptions, inherent risks and uncertainties, both general and specific, known and unknown, that contribute to the possibility that the predictions, forecasts, projections or other forward-looking statements will not occur. In evaluating forward-looking statements, readers should specifically consider various factors, including the risks outlined under the heading “**Risk Factors**” in this MD&A. Some of these risks and assumptions include, among others:

- substantial fluctuation of losses from quarter to quarter and year to year due to numerous external risk factors, and anticipation that we will continue to incur significant losses in the future;

- uncertainty as to our ability to raise additional funding to support future operations;
- our ability to generate revenue to maintain our operations without additional funding;
- the risks associated with the exploration and evaluation of our mineral properties which are at early stages of development;
- our reliance on the capabilities and experience of our key executives and technical consultants and the resulting loss of any of these individuals;
- competition from other mineral resource companies;
- our ability to fully realize the benefits of acquisitions;
- our ability to adequately protect and maintain our exploration and evaluation assets; and
- our ability to source and maintain permits from regulatory authorities.

Although the forward-looking statements contained in this MD&A are based upon what our management believes to be reasonable assumptions, we cannot assure readers that actual results will be consistent with these forward-looking statements. Any forward-looking statements represent our estimates only as of the date of this MD&A and should not be relied upon as representing our estimates as of any subsequent date. We undertake no obligation to update any forward-looking statement or statements to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events, except as may be required by securities legislation.

### **Management's Responsibility for Financial Statements**

The information provided in this report, including the unaudited condensed interim consolidated financial statements, is the responsibility of management. In the preparation of these statements, estimates are sometimes necessary to make a determination of the future values for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been properly reflected in the accompanying unaudited condensed interim consolidated financial statements.

Management of the Company is continuously developing, reviewing and updating its internal controls as required given the changes and growth of the Company's business operations in order to provide reasonable assurance that the Company's assets are safeguarded and to facilitate the preparation of relevant and timely information.

## **1.2 Nature of Business and Overall Performance**

Lexston Mining Corporation (the "Company") was incorporated on January 3, 2020 under the laws of the province of British Columbia. The address of the Company's registered and records of is 1150 – 789 West Pender Street, Vancouver, BC, V6C 1H2 and its principal place of business is 929 Mainland Street, Vancouver, BC, V6B 1S3.

During the six-month period ended November 30, 2025, the following transactions and events occurred:

- On June 23, 2025, the Company announced the termination of its Nunavut mineral property option agreement for Project 176 and Project Itza;
- On June 27, 2025, the Company granted 730,000 incentive stock options to directors, officers and consultants of the Company exercisable at \$0.14 per common share for a period of five years with a deemed value of \$79,450; The Company also announced a proposed private placement financing of up to 7,355,000 common shares at a price of \$0.085 per share;
- On July 21, 2025, the Company closed a non-brokered private placement and raised gross proceeds of \$625,235 through the issuance of 7,355,704 common shares at a price of \$0.085 per share. Of the total, 589,118 shares were issued as flow-through shares and legal costs associated with the financing were \$10,825;

- On July 22, 2025, the Company granted 700,000 incentive stock options to directors, officers and consultants of the Company exercisable at \$0.155 per common share for a period of five years with a deemed value of \$95,400;
- On August 7, 2025, the Company issued 75,000 common shares pursuant to the Dory property amended mineral property option agreement with a deemed value of \$11,250;
- On October 20, 2025, the Company announced its intention to initiate fieldwork on the Dory Property. The Company also announced that a total of 2,137,500 common share purchase warrants were exercised at \$0.10 each for total proceeds of \$213,750. The Company announced that it had extended its Online Marketing Agreement with i2i Marketing Group located in Key West, Florida for the provision of corporate marketing and investor awareness services. The term of this agreement is 12 months for a total cost of US\$300,000. The Company also announced that it was entering into a Digital Marketing Agreement with Danayi Capital Corp. to provide certain investor relations and digital marketing services. This agreement did not proceed as announced October 30, 2025.
- On October 30, 2025, the Company announced that it had entered into a Marketing Consulting Services Agreement with Spark Newswire Inc. Spark Newswire Inc., which operated out of Vancouver, BC, provides consulting and capital market advisory services to public companies. Spark's goal is to integrate with its clients' values and core brand narratives, becoming an extension of the overall corporate and capital markets team, assisting in building shareholder equity, brand equity and overall market awareness. The estimated cost for these services is \$100,000.
- On November 11, 2025, the Company announced the entering into a memorandum of understanding regarding an option to acquire 128 mineral claims located in Mineral County, Nevada, known as the Garfield Hills Property.
- On November 18, 2025, the Company announced that it had entered into a definitive Assignment Agreement to earn a 100% interest in the Garfield Hills Property. Pursuant to Assignment Agreement, the Company issued 1,600,000 common shares of the Company at a deemed value of \$0.26 per common share and will pay \$45,000. To earn a 100% interest in the Garfield Hills Property, pursuant to an option agreement, the Company will be required to make total cash payments of \$130,000 and the issuance of common shares valued at \$90,000 over a period of three years from August 31, 2025. Please refer to Mineral Exploration and Evaluation Assets for details of the option agreement.

Subsequent to November 30, 2025, the Company:

- On December 17, 2025, the Company announced the appointment of Buddy Doyle to its newly established Advisory Board. Mr. Doyle is a Fellow of Australia Institute of Mining and Metallurgy and 40 years experience in mineral exploration where he was Vice President of Kennecott Canada and 23 years at Rio Tinto PLC. The Company also announced the grant of 400,000 incentive stock options to certain directors, officers and consultants to purchase up to and aggregate of 400,000 common shares of the Company exercisable for a period of five years at a price of \$0.115 per share.
- On December 24, 2025, the Company announced a non-brokered private placement to raise gross proceeds of up to \$500,000 through the issuance of up to 6,250,000 units at a price of \$0.08 per unit. Each unit will consist of one common share and one common share purchase warrant entitling the holder to purchase one common share at a price of \$0.10 for five years from the date of issuance. The Company plans to use the proceeds for general working capital purposes and exploration expenditures. The financing is subject to approval by the Canadian Securities Exchange and a four-month statutory hold period.

#### Going Concern Assumption

During the six-month period ended November 30, 2025, the Company used cash flows in operating activities of \$780,632 (November 30, 2024 - \$1,021,425) from operating activities and has an accumulated deficit of

\$6,462,333 (May 31, 2025 - \$5,716,639). The Company expects to incur further losses and the ability of the Company to continue as a going concern depends upon the ability to develop profitable operations and to continue to raise adequate financing. The Company's ability to continue its operations and to realize its assets at their carrying values is dependent upon obtaining additional financing and generating revenues to cover its operating costs and proposed mineral exploration and evaluation activities. These factors indicate the existence of material uncertainties that may cast significant doubt on the Company's ability to continue as a going concern.

The unaudited condensed interim consolidated financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and thus be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these unaudited condensed interim consolidated financial statements.

There can be no assurance that the Company will be able to continue to raise funds in which case the Company may be unable to meet its obligations. Should the Company be unable to realize its assets and discharge its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts recorded in the unaudited condensed interim consolidated financial statements.

## **MINERAL EXPLORATION AND EVALUATION ASSETS**

### **1. Dory Project – Vancouver Island**

#### **Option Terms**

The Company entered into a mineral property option agreement dated January 18, 2023 and amended May 31, 2023 and February 20, 2025. The Dory Property consists of four mineral claims (claim #1098125, #1098126, #1098127 and #1098419) covering approximately 1,348 hectares located 25 km west of Port Alberni, Vancouver Island in British Columbia. In order to exercise the option and earn a 51% interest, the Company must, within six months from the date of acceptance by the Canadian Securities Exchange (the "Exchange") of the option agreement and the change of business of the Company:

- a) pay to the Optionor \$85,000 (paid); and
- b) issue to the Optionor a total of 25,000 (issued) common shares of the Company.

The Company will earn a further 49% interest in the Dory Property making the total interest of the Company in the Property 100% by:

- a) making a cash payment to the Optionor in the amount of \$10,000 (paid) within one year from the date of the acceptance of the Option Agreement;
- b) incurring expenditures on the Dory Property in the amount of \$100,000 within one year (amended to two years from the date of the acceptance of the second amended Option Agreement); and
- c) issuing to the Optionor a total of 25,000 common shares (amended to 75,000 common shares – issued) of the Company within one year from the date of the acceptance of the second amended Option Agreement.

The option is subject to 2% net smelter return royalty in favour of the Optionor, 1/2 of which can be purchased by the Company for \$1,000,000.

#### **Description and Geological Summary**

The Dory Property consists of four non-surveyed contiguous mineral claims totalling 1,348 hectares located on Vancouver Island within the Alberni Mining Division of British Columbia. The Property is easily accessed by a series of paved and gravel roads branching from the Pacific Rim Highway (Provincial Highway No. 4

also known as River Road), that runs west from Port Alberni past Sproat Lake to the west coast of Vancouver Island.

The highly complex geology of Vancouver Island and the Port Alberni area specifically has resulted in the discovery of diverse mineral deposit types containing varied metallic, industrial, and energy minerals. According to the B.C. Ministry of Energy Mines MINFILE database, mineral deposits of economic significance on Vancouver Island are as follows: Porphyry copper- molybdenum-gold-silver, Volcanic massive sulphide copper-zinc-lead-silver-gold, Gold-silver Skarns, and Gold-silver-copper quartz veins.

Helicopter borne geophysics performed in 1996 identified a conductive/resistive low anomaly coincident with one outcrop which was subsequently drilled in 1999. The conclusion was that the anomaly may have been the result of underlying copper sulphide mineralization. In 2007, Perovic Enterprises Inc. reported the collection of 34 grab rock samples. The exact location of these samples is not clear in the assessment report (Perovic, 2007). One reported float sample (06-SK-C1) returned 12.73 % Cu.

The NI 43-101 Technical Report prepared for the Dory Property dated March 13, 2023 authored by Derrick Strickland, P. Geo. filed on SEDAR+ June 2, 2023. On October 20, 2025, the Company announced its intention to initiate a Phase One work program which includes the compilation of all historical geological, geophysical, and geochemical data available for the Property and the rendering of this data into a digital database in GIS formats for further interpretation. He also recommends the Company undertake a property wide mapping program focusing on previous areas interesting anomalous mineralization. In addition, it is recommended to extend the Nora grid to the north to possibly expand the copper and zinc soil anomalies. As a result of recent logging activity, there are new areas of exposure that should be investigated. The estimated cost of Phase One is approximately \$130,000 which is anticipated to be completed during the fiscal year ended May 31, 2026.

## 2. Garfield Hills Property – Mineral County, Nevada

### Option Terms

The Company entered into an assignment agreement dated November 18, 2025 with 2730573 Alberta Ltd., and Imperium Mine Supply Corp. (a Nevada company and a wholly owned subsidiary of 2730573 Alberta Ltd.) and three individual optionors (the “**Assignment Agreement**”). The Company will pay \$45,000 (payable) and will issue 1,600,000 shares (issued) to 2730573 Alberta Ltd. as consideration for the Assignment Agreement.

The Company was assigned the option to acquire the Garfield Hills Property Definitive Option Agreement (the “**Option Agreement**”). The Garfield Hills Property consists of 128 mineral claims located in Mineral County, Nevada, USA. To earn 100% interest in the Garfield Property, pursuant to the Option Agreement, the Company will make cash payments in the amount of \$130,000 and will issue shares valued at \$90,000 for the total consideration of \$220,000 to three optionors as follows:

- a. within six months from August 31, 2025, \$10,000 payable in cash and \$15,000 in shares;
- b. within 12 months from August 31, 2025, \$25,000 payable in cash and \$20,000 in shares;
- c. within 24 months from August 31, 2025, \$40,000 payable in cash and \$25,000 in shares; and
- d. within 36 months from August 31, 2025, \$55,000 payable in cash and \$30,000 in shares.

The optionors have a right to receive 1.5% of net smelter returns on all mineral products produced from all claims comprising the Garfield Property. The Company will have the right to repurchase 1.0% of the 1.5% net smelter returns for a one-time payment of \$150,000.

## **Description and Geological Summary**

The Garfield Hills property consists of 128 unpatented mineral claims comprised of 2,880 acres located 12 kilometres East of Hawthorne in Mineral County, Nevada. The site is accessible from Highway 95 on county roads. The claims are located in the prolific Walker Lane mineral belt which hosts several world class gold-silver epithermal (Comstock Lode, Tonopah), copper-gold porphyry (Anaconda) and iron oxide-copper-gold deposits (Pumpkin Hollow).

### **1.3 Selected Annual Information**

N/A

### **1.4 Results of Operations**

During the six-month period ended November 30, 2025, the Company's net loss and comprehensive loss was \$745,694 (November 30, 2024 – \$909,161). The Company's total operating expenses were \$706,684 for the six-month period ended November 30, 2025 (November 30, 2024 – \$873,470). The loss per share was \$0.04 for the six-month period ended November 30, 2025 (November 30, 2024 – \$0.20). Operating expenses were mainly attributable to:

- a. Advertising and promotion for the six-month period ended November 30, 2025 was \$206,035 (November 30, 2024 – \$256,841). The Company announced on October 20, 2025 that it had reappointed i2i Marketing Group LLC to continue to provide corporate marketing and investor awareness services for a further twelve-month period for total compensation of US\$300,000 (2024 – US\$400,000).
- b. Consulting fees for the six-month period ended November 30, 2025 was \$180,470 (November 30, 2024 – \$121,426). During the prior six-month period, the Company retained business, geological and finance consultants to facilitate introductions to as part of its property exploration and evaluation program. During the current and prior six-month period, the Company employed consultants to perform due diligence on capital financing structures, cash flow requirements and to assist with public disclosure documentation and corporate administration. The Company also engaged Spark Newswire for a fee of \$100,000 to assist in building shareholder and brand equity and overall market awareness.
- c. Exploration and evaluation expenditures for the six-month period ended November 30, 2025 was \$Nil (November 30, 2024 – \$114,832). In the prior comparable six-month period, the Company sent its geological exploration team to its Nunavut properties during the period June 26 to July 3, 2024. The crew assessed targets which were prospected and mapped to confirm the probable source of historic results. The Company is currently preparing a work program for its mineral properties which will be ongoing over the next few months.
- d. Management fees for the six-month period ended November 30, 2025 was \$70,000 (November 30, 2024 – \$76,720). During the current six-month period, the Company incurred approximately \$10,000 (November 30, 2024 - \$11,120) per month for the management and capital financing of the Company and its subsidiaries performed by Jagdip Bal, CEO and President. In the current three-month period, the Company also incurred \$10,000 (2024 – \$10,000) to the CFO, Jatinder "Jesse" Manhas for financial consulting services which included review of the Company's interim and annual financial statements, potential financing opportunities and capital financing structures.
- e. Professional fees for the six-month period ended November 30, 2025 was \$44,906 (November 30, 2024 – \$40,501). Professional fees include legal fees for general corporate matters, quarterly accrual of its annual audit of its year-end financial statements and interim accounting and financial reporting.

- f. Regulatory and transfer agent fees for the six-month period ended November 30, 2025 was \$29,498 (November 30, 2025 – \$26,311). In the current and prior comparable year, the Company incurred additional regulatory fees due to the Company’s capital financing.
- g. Share-based compensation expense for the six-month period ended A November 30, 2025 was \$174,850 (November 30, 2024 – \$233,750). During the six-month period ended November 30, 2025, the Company granted a total of 1,430,000 stock options to consultants that are exercisable at \$0.14 and \$0.155 per share for a period of five years which are subject to a statutory hold period of 4 months (November 30, 2024 – 3,400,000 stock options exercisable at \$0.80 - \$0.90 per share for a period of five years). The granting of stock-based compensation allows the Company to preserve cash flows for operations whiling employing, retaining and motivating current officers, directors, employees and consultants. Stock-based compensation is a non-cash expense and is attributable to the number of options granted and vested during the period and the assumptions used for the Black-Scholes option pricing model.
- h. Loss from discontinued operations for the six-month period ended November 30, 2025 was \$39,010 (November 30, 2024 – \$35,691). During the year ended May 31, 2024, the Company discontinued its research and development of pharmaceutical products, biosciences research and cannabis testing from its two wholly owned subsidiaries, Egret Bioscience Ltd. (“Egret”) and Zenalytic Laboratories Ltd. (“Zen”). Consequently, as at November 30, 2025 and 2024, assets and liabilities allocable to Egret and Zen were classified as a disposal group. Revenue and expenses, gains and losses relating to the discontinuation of the business line have been eliminated from the Company’s continuing operations and are shown as a single line item in the consolidated statements of operations and comprehensive loss.

A summary of the Company’s net loss from discontinued operations for the three-month period ended November 30, 2025 and 2024 is as follows:

	<b>Three-month period ended November 30, 2025</b>	Three-month period ended November 30, 2024	<b>Six-month period ended November 30, 2025</b>	Six-month period ended November 30, 2024
	\$	\$	\$	\$
Management fees	<b>7,500</b>	7,500	<b>15,000</b>	15,000
Office	<b>2,485</b>	47	<b>4,185</b>	1,688
Rent	<b>9,900</b>	9,501	<b>19,825</b>	19,003
	<b>19,885</b>	17,048	<b>39,010</b>	35,691

There can be no assurance that the Company will be able to continue to raise funds, in which case the Company may be unable to meet its obligations. Should the Company be unable to realize its assets and discharge its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts recorded in the unaudited condensed interim consolidated financial statements.

There are no legal proceedings, contingent liabilities, defaults under debt or other contractual obligations, breach of any laws or special resolutions during the six-month period ended November 30, 2025 and 2024 or as of the date of this MD&A.

As at November 30, 2025, the Company had a working capital surplus of \$247,100 (May 31, 2025 – working capital deficiency of \$41,831). During the six-month period ended November 30, 2025, the Company closed a non-brokered private placement and raised gross proceeds of \$625,235 through the issuance of 7,355,704

common shares at a price of \$0.085 per share. The Company recorded \$10,460 in legal fees associated with the financing. The Company also issued a total of 2,450,000 common shares for the exercise of 2,450,000 warrants at \$0.10 for total proceeds of \$245,000.

The Company anticipates that additional funding will be in the form of equity financing from the sale of common shares or exercise of outstanding warrants and/or options. The Company may also seek to obtain short term loans from directors of the Company.

## 1.5 Summary of Quarterly Results

The following is a summary of the Company's financial results for the eight most recently completed quarters:

	Q2 Nov. 30, 2025 \$	Q1 Aug. 31, 2025 \$	Q4 May 31, 2025 \$	Q3 Feb. 28, 2025 \$	Q2 Nov. 30, 2024 \$	Q1 Aug. 31, 2024 \$	Q4 May 31, 2024 \$	Q3 Feb 29, 2024 \$
Total revenues	–	–	–	–	–	–	–	–
Exploration and evaluation expenditures	–	–	–	1,600	4,782	110,050	5,938	–
Net loss and comprehensive loss	(308,661)	(437,033)	(437,116)	(270,539)	(410,829)	(498,332)	(244,438)	(372,678)
Loss per share	(0.02)	(0.04)	(0.09)	(0.05)	(0.09)	(0.11)	(0.09)	(0.12)

The expenses incurred by the Company are those typical of early-stage companies in the mineral exploration and evaluation business. In some quarters, more expenses are incurred than in others as a result of non-recurring activities or events.

## 1.6 Liquidity

The unaudited condensed interim consolidated financial statements have been prepared assuming the Company will continue on a going-concern basis. The Company has incurred losses since inception and 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. 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.

There can be no assurance that the Company will be able to continue to raise funds in which case the Company may be unable to meet its obligations. Should the Company be unable to realize its assets and discharge its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts recorded in the unaudited condensed interim consolidated financial statements.

The unaudited condensed interim consolidated financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations.

- a) The Company had cash of \$17,465 as of November 30, 2025 (May 31, 2025 – \$2,322) and has a working capital surplus of \$247,100 (May 31, 2025 – working capital deficiency of \$41,831).

### Cash Flows from Operating Activities

During the six-month period ended November 30, 2025, the Company used cash in operating activities of \$780,632 (November 30, 2024 – \$1,021,425) for operating activities which was primarily related to general operating costs which includes advertising, consulting which included due diligence on capital financing structures, cash flow requirements and to assist with public disclosure documentation and corporate administration, management fees and professional, regulatory and transfer agent fees.

### Cash Flows from Financing Activities

During six-month period ended November 30, 2025, the Company:

- repaid loans payable \$4,000 (2024 - \$Nil) to a shareholder of the Company;
- repaid due to related party \$60,000 (2024 - \$Nil) to Clinton Sharples, a director of the Company;
- completion of a non-brokered private placement to raise gross proceeds of up to \$625,235 (year ended May 31, 2025 - \$196,000) through the issuance of 7,355,704 common shares at a price of \$0.085. Jagdip Bal, the CEO and a director of the Company subscribed to 120,000 (year ended May 31, 2025 - \$Nil) common shares of the private placement. Of the total issuance, 598,118 common shares were issued as flow-through shares. Share issuance costs associated to the non-brokered private placement financing was \$10,460 (year ended May 31, 2025 - \$4,831);
- issued a total of 2,450,000 common shares for the exercise of 2,450,000 warrants at \$0.10 for total proceeds of \$245,000.

As of November 30, 2025, the Company has the following financial obligations:

	< 1 year	1 - 5 years	> 5 years	Total
Accounts payable	\$ 131,014	\$ –	\$ –	\$ 131,014
Loan payable	8,000	–	–	8,000
	<u>\$ 139,014</u>	<u>\$ –</u>	<u>\$ –</u>	<u>\$ 139,014</u>

The Company currently has a “burn” rate of approximately \$70,000 per month for operating activities.

## **1.7 Capital Resources**

The Company is not subject to any externally imposed capital requirements.

The Company manages its capital structure and adjusts it considering changes in economic conditions and the risk characteristics of the underlying assets. As a mineral exploration and evaluation company and formerly an emerging growth company, issuance of equity has been the primary source of capital to date. Debt and/or equity financing may be pursued in the future as deemed appropriate to balance debt and equity. To maintain or adjust the capital structure, our Company may issue new shares, take on debt or sell assets to reduce debt.

While management plans to generate positive cash flows by the continuation of financing our Company through the issuances of additional equity securities or debt instruments, there can be no assurance that enough revenue or financing will occur to meet our cash needs for the next 12 months. If we are unable to identify, acquire and develop a viable mineral resource, our liquidity could be adversely impacted, and we may need to seek additional sources of financing. Our operating results could adversely affect our ability to raise additional capital to fund our operations and there is no assurance that sufficient debt or equity financing will be available, on acceptable terms, or on a timely basis.

## **1.8 Off-Balance Sheet Arrangements**

There are no off-balance sheet arrangements to which the Company is committed.

## **1.9 Transactions with Related Parties**

### Key Management Compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company’s executive officers and Board of Director members. All related party transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

	<b>Three-month period ended November 30, 2025</b>	Three-month period ended November 30, 2024	<b>Six-month period ended November 30, 2025</b>	Six-month period ended November 30, 2024
	\$	\$	\$	\$
Management/salaries and short-term benefits				
Jagdish Bal, President, CEO and director	<b>30,000</b>	25,720	<b>60,000</b>	66,720
Jatinder Manhas, CFO and director	–	–	<b>10,000</b>	10,000
Clinton Sharples, director	–	–	–	20,000
Share-based compensation				
Jagdish Bal, President, CEO and director	–	–	<b>17,958</b>	–
Jatinder Manhas, CFO and director	–	–	<b>17,958</b>	–
Clinton Sharples, director	–	–	<b>17,697</b>	–
Richard Walker, director	–	18,150	<b>10,883</b>	18,150

- a) During six-month period ended November 30, 2025, the Company incurred \$60,000 (November 30, 2024 – \$66,720) of management fees to Jagdish Bal, the Chief Executive Officer of the Company.
- b) During the six-month period ended November 30, 2025, the Company incurred \$10,000 (November 30, 2024 – \$10,000) of management fees to Jatinder “Jesse” Manhas, the Chief Financial Officer of the Company.
- c) During the six-month period ended November 30, 2025, the Company incurred \$Nil (November 30, 2024 – \$20,000) of consulting fees to Clinton Sharples, director of the Company.
- d) During the six-month period ended November 30, 2025, the Company granted 580,000 (2024 – 30,000) incentive stock options to officers and directors of the Company valued at \$64,996 (2024 – \$18,150) at exercise prices of \$0.14 and \$0.155 per option (November 30, 2024 - \$0.61), which was recorded as share-based compensation.

### Due to Related Party

As at November 30, 2025, the Company owed \$Nil (May 31, 2025 - \$60,000) to a company controlled by Clint Sharples, a director of the Company. The balance owing is unsecured, non-interest bearing and due on demand.

### Insider Participation in Private Placements

A summary of insider participation in the Company’s private placements for the six-month period ended November 30, 2025 is as follows:

	Number of Units	Price \$	Proceeds \$
<b>July 2025 Private Placement</b>			
Jagdish Bal	120,000	0.085	10,200

No insiders participated in the Company's private placement for the six-month period ended November 30, 2024.

## 1.10 Second Quarter

During the three-month period ended November 30, 2025, the Company's net loss and comprehensive loss was \$308,6661 (three-month period ended November 30, 2024 - \$410,829). The Company's operating expenses were \$288,776 for the three-month period ended November 30, 2025 (three-month period ended November 30, 2024 - \$393,781). The loss per share was \$0.02 for the three-month period ended November 30, 2025 (three-month period ended November 30, 2024 - \$0.09). Operating expenses were mainly attributable to:

- a. Advertising and promotion for the three-month period ended November 30, 2025 was \$70,000 (three-month period ended November 30, 2024 - \$196,045). The Company announced on October 20, 2025 that it had reappointed i2i Marketing Group LLC to continue to provide corporate marketing and investor awareness services for a further twelve-month period for total compensation of US\$300,000 (2024 - US\$400,000).
- b. Consulting fees for the three-month period ended November 30, 2025 was \$147,400 (three-month period ended November 30, 2024 - \$35,000). During the current fiscal three-month period, the Company retained corporate consultants to perform due diligence on capital financing structures and cash flow requirements. The Company also engaged Spark Newswire for a fee of \$100,000 to assist in building shareholder and brand equity and overall market awareness.
- c. Exploration and evaluation expenditures for the three-month period ended November 30, 2025 was \$Nil (three-month period ended November 30, 2024 - \$4,782). The Company received and analyzed assay results from its Nunavut work program during the prior three-month period.
- d. Management fees for the three-month period ended November 30, 2025 was \$30,000 (three-month period ended November 30, 2024 - \$25,720). During the current fiscal three-month period, the Company incurred \$10,000 per month for the management of Lexston performed by Jag, Bal, CEO and President. These services included identification, due diligence and acquisition of the Garfield Hills mineral exploration and evaluation property, review and analysis of corporate financing options and determine Lexston's investor and public relation goals (awareness, leads, thought leadership), initiation of a solid brand narrative, defined budget, and a shortlist of firms with proven industry expertise and strong media ties, then evaluate their fit, communication style, and proposed strategy via case studies and references before finalizing a clear contract detailing scope and key performance indicators.
- e. Professional fees for the three-month period ended November 30, 2025 was \$26,627 (three-month period ended November 30, 2024 - \$24,083). Professional fees for the current three-month period included legal services for the acquisition of the Garfield Hills property assignment and option agreements, the i2i Marketing agreement. The current and prior comparable period includes quarterly accounting services which includes interim and quarterly accrual of annual audited financial statement preparation and legal fees required for public company filing requirements.
- f. Share-based compensation expense for the three-month period ended November 30, 2025 was \$Nil (three-month period ended November 30, 2024 - \$88,973). During the three-month period ended November 30, 2025, the Company granted Nil (2024 - 1,400,000) incentive-based compensation to consultants that are exercisable at N/A (2024 - \$0.80) per share for a period of five years which vest immediately. The granting of stock-based compensation allows the Company to preserve cash flows for operations while employing, retaining and motivating current officers, directors, employees and consultants. Stock-based compensation is a non-cash expense and is attributable to the number of options granted and vested during the period and the assumptions used for the Black-Scholes option pricing model.

- g. Loss from discontinued operations for the three-month period ended November 30, 2025 was \$19,885 (three-month period ended November 30, 2024 – \$17,048). Expenses relating to the discontinuation of the business line have been eliminated from the Company’s continuing operations and are shown as a single line item in the consolidated statements of operations and comprehensive loss. The Company is searching for opportunities to market its subsidiaries to get the most value for our shareholders.

### **1.11 Proposed Transactions**

In the normal course of business, the Company evaluates business acquisition transactions, mineral property exploration and evaluation projects and, in some cases, makes proposals to acquire such businesses and mineral exploration and evaluation projects. These proposals, which are usually subject to Board, regulatory and, sometimes, shareholder and CSE approvals, may involve future payments, share issuances and financing. These future obligations are usually contingent in nature and generally the Company is only required to incur the obligation if it wishes to continue with the transaction. As of this date, management of the Company continues to examine viable transactions that would potentially generate positive cash flow and increase shareholder value. Management is uncertain whether any of these proposals will ultimately be completed.

### **1.12 Critical Accounting Estimates and Judgments**

The preparation of the condensed interim consolidated financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the condensed interim consolidated financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The condensed interim consolidated financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the condensed interim consolidated 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 the revision affects both the current and future periods.

Significant areas requiring the use of management estimates include the collectability of accounts receivable, carrying value of investment, the useful lives and carrying value of property and equipment and intangible assets, fair value of share-based compensation, and recoverability of unrecognized deferred income tax assets.

Significant judgments include the following:

- Assessment of whether the going concern assumption is appropriate which requires management to take into account all available information about the future, which is at least, but not limited to, 12 months from the end of the reporting period;
- Determining whether the acquisitions of Egret and Zen are a business combination or an asset acquisition. In a business combination, all identifiable assets, liabilities, and contingent liabilities acquired are recorded at their fair values. In determining the allocation of the purchase price in a business combination, including any acquisition related contingent consideration, estimates including market based and appraisal values are used. The contingent consideration is measured at its acquisition date fair value and included as part of the consideration transferred in the acquisition transaction. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity; and
- Judgment with respect to the assessment of fair value of investment in a private company. The fair value of common shares in a private company is determined by valuation techniques such as recent arm’s length transactions, option pricing models, or other valuation techniques commonly used by market participants.

### 1.13 Changes in Accounting Standards including Initial Adoption

The Company adopted the following amendments to accounting standards, which are effective for annual periods beginning on or after January 1, 2025:

Disclosure of accounting policies - amendments to IAS 1 and IFRS Practice Statement 2

The amendments to IAS 1 Presentation of financial statements and IFRS Practice Statement 2 Making materiality judgments provide guidance and examples to help entities apply materiality judgments to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their ‘significant’ accounting policies with a requirement to disclose their ‘material’ accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. The amendments have had an impact on the Company’s disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Company’s unaudited condensed interim consolidated financial statements.

### 1.14 Financial Instruments and Risk Management

The Company is exposed to various financial instrument risks and assesses the impact and likelihood of these exposures. These risks include liquidity risk, credit risk, price risk, currency risk and interest rate risk. Where material, these risks are reviewed and monitored by the Board of Directors.

#### Credit risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company’s credit risk is primarily attributable to its liquid financial assets which is primarily cash. The Company limits exposure to credit risk on liquid financial assets through maintaining its cash with high-credit quality financial institutions. The Company’s cash is held with a major Canadian-based financial institution. The carrying amount of financial assets represents the maximum credit exposure.

#### Fair values

Assets and liabilities measured at fair value on a recurring basis were presented on the Company’s unaudited condensed interim consolidated statement of financial position as of November 30, 2025 as follows:

	Fair Value Measurements Using			Carrying Amount
	Quoted prices in active markets for identical instruments (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
	\$	\$	\$	\$
Investment	–	1	–	1

Fair value measurements of financial instruments are required to be classified using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The levels of the fair value hierarchy are defined as follows:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 - Inputs for assets or liabilities that are not based on observable market data.

The fair values of other financial instruments, which include cash, accounts receivable, accounts payable and accrued liabilities and amounts due to related parties approximate their carrying values due to the relatively short-term maturity of these instruments.

### **Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company currently settles its financial obligations out of cash. The ability to do this relies on the Company raising debt and equity financing in a timely manner and by maintaining sufficient cash more than its anticipated needs. The Company has cash of \$17,465 as of November 30, 2025 (May 31, 2025 – \$2,322) in order to meet short-term liabilities of \$139,014 (May 31, 2025 – \$208,816).

Subsequent to November 30, 2025, the Company announced a non-brokered private placement to raise gross proceeds of up to \$500,000 through the issuance of up to 6,250,000 units at a price of \$0.08 per unit. Each unit will consist of one common share and one common share purchase warrant entitling the holder to purchase one common share at a price of \$0.10 for five years from the date of issuance. The Company plans to use the proceeds for general working capital purposes and exploration expenditures. The financing is subject to approval by the Canadian Securities Exchange and a four-month statutory hold period.

There is no assurance that financing will be available or, if available, that such financing will be on terms acceptable to the Company. The Company monitors its risk of shortage of funds by monitoring the maturity dates of its existing liabilities. The Company's accounts payable are all due within one year.

### **Foreign exchange rate and interest rate risk**

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

### **Capital management**

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders.

The Company depends on external financing to fund its activities. The capital structure of the Company currently consists of cash and equity comprised of issued share capital. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares through private placements, or sell assets to fund operations. Management reviews its capital management approach on a regular basis. The Company is not subject to externally imposed capital requirements.

## 1.15 Other MD&A Requirements

### Disclosure of Outstanding Share Capital

a) Authorized:

Unlimited number of common shares without par value.

Issued and Outstanding:

There is a total of 18,843,304 common shares issued and outstanding as of November 30, 2025 as described in detail in Note 8 to the unaudited condensed interim consolidated financial statements for the six-month period ended November 30, 2025.

	SHARE CAPITAL	
	NUMBER	AMOUNT (\$)
Balance, May 31, 2024	4,193,350	\$ 4,963,050
Issued shares for cash:		
Shares issued for non-brokered private placement	2,450,000	196,000
Share issue costs	–	(4,831)
Shares issued for exercise of warrants	644,250	493,988
Shares issued for the exercise of stock options	75,000	104,521
Balance, May 31, 2025	7,362,600	\$ 5,752,728
Issued shares for cash:		
Shares issued for non-brokered private placement	7,355,704	625,235
Share issue costs	–	(10,460)
Shares issued for exercise of warrants	2,450,000	245,000
Shares issued for property option payment	75,000	11,250
Shares issued for property assignment agreement	1,600,000	416,000
<b>Balance, November 30, 2025 and January 14, 2026</b>	<b>18,843,304</b>	<b>\$ 7,039,753</b>

On January 28, 2025, the Company completed a 10 common shares for 1 consolidated common share. Unless otherwise noted, all shares, options and warrants have been retroactively adjusted to reflect the consolidation.

During the six-month period ended November 30, 2025, the Company issued a total of 9,030,704 common shares as follows:

- i. the Company completed a non-brokered private placement for proceeds of \$625,235 through the issuance of 7,355,704 units at a price of \$0.085 per share. Of the total, 589,118 shares were issued as flow-through shares. The securities issued in connection to the private placement are a four-month statutory hold period. The Company recorded \$10,460 in legal fees associated with the financing.
- ii. the Company issued 2,450,000 common shares at \$0.10 per common share for proceeds of \$245,000 pursuant to the exercise of share purchase warrants.
- iii. issued 75,000 common shares at a deemed price of \$0.15 per common share pursuant to the amended Dory property option agreement.
- iv. Issued 1,600,000 common shares at a deemed price of \$0.26 per common share pursuant to the assignment agreement to acquire the Garfield Hills property option agreement.

During the year ended May 31, 2025, the Company issued a total of 3,169,250 common shares as follows:

- i. the Company completed a non-brokered private placement for proceeds of \$196,000 through the issuance of 2,450,000 units at a price of \$0.08 per unit. Each unit consists of one common share and one common share purchase warrant at a price of \$0.10 per common share for a period of five years from the date of issuance. The Company recorded \$4,831 in legal fees associated with the financing.
  - ii. the Company issued 428,250 common shares at \$0.75 per common share for proceeds of \$321,188 pursuant to the exercise of share purchase warrants.
  - iii. the Company issued 216,000 common shares at \$0.80 per common share for proceeds of \$172,800 pursuant to the exercise of share purchase warrants.
  - iv. the Company issued a total of 25,000 common shares at \$0.50 per common share for proceeds of \$12,500 pursuant to the exercise of stock options which resulted in a transfer from share-based payments reserve to share capital of \$10,825.
  - v. the Company issued a total of 50,000 common shares at \$0.90 per common share for proceeds of \$45,000 pursuant to the exercise of stock options which resulted in a transfer from share-based payments reserve to share capital of \$39,196.
- b) Share Purchase Warrants:

The continuity of share purchase warrants is summarized below:

	Weighted average exercise price \$	Number of warrants
Balance, May 31, 2024	0.80	2,523,665
Exercised	0.80	(644,250)
Issued pursuant to private placement	0.10	2,450,000
Balance, May 31, 2025	0.39	4,329,415
Exercised	0.10	(2,450,000)
<b>Balance, November 30, 2025 and January 14, 2026</b>	<b>0.76</b>	<b>1,879,415</b>

The following table summarizes the warrants outstanding and exercisable on November 30, 2025 and January 14, 2026:

Expiry date	Weighted average remaining contractual life (years)	Exercise price	Number of warrants
May 15, 2026	0.21	\$0.80	501,661
July 4, 2027	0.55	\$0.75	1,377,754
	<b>0.76</b>		<b>1,879,415</b>

c) Stock Options:

The Company has a Stock Option Plan whereby stock options are granted in accordance with the policies of regulatory authorities at an exercise price equal to the market price of the Company's stock on the date of the grant and, unless otherwise stated, vest on the grant date and with a term not to exceed five years. Under the plan, the board of directors may grant up to 10% of the issued number of shares outstanding as at the date of the stock option grant.

	Weighted average exercise price \$	Number of stock options
Outstanding and exercisable, May 31, 2024	0.70	177,500
Granted	0.90	340,000
Exercised	0.70	(75,000)
Cancelled	0.90	(442,500)
Outstanding and exercisable, May 31, 2025	–	–
Granted	0.15	1,430,000
<b>Outstanding and exercisable, November 30, 2025</b>	<b>0.15</b>	<b>1,430,000</b>
Granted	0.115	400,000
<b>Outstanding and exercisable, January 14, 2026</b>	<b>0.14</b>	<b>1,830,000</b>

During the six-month period ended November 30, 2025, the Company recognized share-based compensation of \$174,850 (year ended May 31, 2025 - \$233,750) on the vesting of stock options to directors, officers, and consultants, of which \$64,496 (year ended May 31, 2025 - \$18,150) pertains to officers and directors of the Company. The weighted average fair value of options granted during the six-month period ended November 30, 2025, was \$0.15 (year ended May 31, 2025 - \$0.90) per option. The fair value of the share price for stock options exercised for the six-month period ended November 30, 2025 was \$nil (year ended May 31, 2025 - \$0.77) per share.

The following table summarizes the options outstanding and exercisable on November 30, 2025:

Expiry date	Weighted average remaining contractual life (years)	Exercise price	Number of options
June 27, 2030	4.58	\$0.14	730,000
July 22, 2030	4.64	\$0.155	700,000
	<b>4.61</b>		<b>1,430,000</b>

Subsequent to November 30, 2025, the Company granted 400,000 incentive stock options to certain directors, officers and consultants to purchase up to and aggregate of 400,000 common shares of the Company exercisable for a period of five years at a price of \$0.115 per share.

Share-based compensation is determined using the Black-Scholes option pricing model with the following assumptions and assuming no expected dividends or forfeiture rates:

	<b>Period ended November 30, 2025</b>	Year ended May 31, 2025
Annualized volatility	<b>135%</b>	109 - 111%
Risk-free interest rate	<b>2.86 – 3.04%</b>	3.06 - 3.41%
Expected life	<b>5 years</b>	5 years

## **Internal Control over Financial Reporting**

National Instrument 52-109 requires the CEO and CFO to certify that they are responsible for establishing and maintaining internal control over financial reporting (“ICFR”) for the Company and that those internal controls have been designed and are effective in providing reasonable assurance regarding the reliability of financial reporting and the preparation of interim and year end financial statements in accordance with IFRS. The CEO and CFO are also responsible for disclosing any changes to the Company’s internal controls during the most recent period that have materially affected, or are reasonably likely to materially affect, its internal control over financial reporting.

The Company is continuously developing, reviewing and updating its internal controls as required given the changes and growth of the Company’s business operations in order to provide reasonable assurance that the Company’s assets are safeguarded and to facilitate the preparation of relevant and timely information.

## **Disclosure Controls**

Management is also responsible for the design and operation of disclosure controls and procedures to provide reasonable assurance that material information related to the Company, including its consolidated subsidiaries, is made known to the Company’s certifying officers. Jagdip Bal and Jatinder Manhas, the Company’s Chief Executive Officer and Chief Financial Officer respectively, continue to work with the Board of Directors and consultants to design and improve its financial reporting disclosure controls and procedures.

## **RISK FACTORS**

Much of the information included in this report includes or is based upon estimates, projections or other forward-looking statements. Such forward-looking statements include any projections or estimates made by the Company and its management in connection with the Company’s business operations. While these forward-looking statements, and any assumptions upon which they are based, are made in good faith and reflect the Company’s current judgment regarding the direction of its business, actual results will almost always vary, sometimes materially, from any estimates, predictions, projections, assumptions, or other future performance suggested herein. Except as required by the law, the Company undertakes no obligation to update forward-looking statements to reflect events or circumstances occurring after the date of such statements.

Such estimates, projections or other forward-looking statements involve various risks and uncertainties as outlined below. The Company cautions readers of this report that important factors in some cases have affected and, in the future, could materially affect actual results and cause actual results to differ materially from the results expressed in any such estimates, projections or other forward-looking statements. In evaluating the Company, its business and any investment in its business, readers should carefully consider the following factors:

### **Risks Related to the Company’s Business**

*The Company’s future is dependent upon its ability to obtain financing and if the Company does not obtain such financing, the Company may have to cease its activities and investors could lose their entire investment.*

There is no assurance that the Company will operate profitably or will generate positive cash flow in the future. The Company will require additional financing to sustain its business operations if it is not successful in earning revenues in the future. The Company currently does not have any arrangements for further financing and it may not be able to obtain financing when required. The Company’s future is dependent upon its ability to obtain financing. If the Company does not obtain such financing, its business could fail and investors could lose their entire investment.

### *Unlimited Number of Authorized but Unissued Shares*

The Company has an unlimited number of Common Shares that may be issued by its Board of Directors without further action or approval of the shareholders. While the Board of Directors is required to fulfill its fiduciary obligations in connection with the issuance of such shares, the shares may be issued in transactions with which not all shareholders agree, and the issuance of such shares will cause dilution to the ownership interests of the shareholders of the Company.

### *Dilution*

The financial risk of the future activities of the Company will be borne to a significant degree by purchasers of their Common Shares and other securities. If the Company issue securities from its treasury for financing purposes, control of the Company may change and purchasers may suffer additional dilution.

*The Company's directors and officers are engaged in other business activities and accordingly may not devote sufficient time to the Company's business affairs, which may affect its ability to conduct operations and generate revenues.*

The Company's directors and officers are involved in other business activities. As a result of their other business endeavours, the directors and officers may not be able to devote sufficient time to the Company's business affairs, which may negatively affect its ability to conduct its ongoing operations and its ability to generate revenues. In addition, the management of the Company may be periodically interrupted or delayed as a result of its officers' other business interests.

### *The Company has limited operating history*

The Company has limited operating history and may not succeed. The Company is subject to all risks inherent in a developing business enterprise or acquiring, exploring, evaluating and potentially developing a viable mineral resource. The Company's likelihood of continued success must be considered in light of the problems, expenses, difficulties, undercapitalization, cash shortages, limitations with respect to personnel, financial and other resources, lack of revenues, complications, and delays frequently encountered in connection with the competitive and regulatory environment in which it operates. There is no assurance that the Company will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of the early stage of operations.

### *History of Losses*

The Company has incurred losses in operations for the six-month period ended November 30, 2025 of \$745,694 (November 30, 2024 – \$909,161) and has a deficit of \$6,462,333 (May 31, 2025 – \$5,716,639). The Company may not be able to achieve or maintain profitability and may continue to incur significant losses in the future. In addition, the Company expects to continue to increase operating expenses as it implements initiatives to continue to grow its business. If the Company's is unable to develop its mineral interests to economic viability and revenues do not increase to offset these expected increases in costs and operating expenses, it will not be profitable.

### *Reliance on Management*

The Company is currently in good standing with all former management and believes that with well managed practices will remain in good standing. The success of the Company will be dependent upon the ability, expertise, judgment, discretion and good faith of its senior management and key consultants. Any loss of the services of such individuals could have a material adverse effect on the Company's business, operating results or financial condition.

### *Uninsured Risks*

The Company's business is subject to a number of risks and hazards including accidents, labour disputes and changes in the regulatory environment. Such occurrences could result in damage to assets, personal injury or death, delays in operations, monetary losses and possible legal liability.

The Company, as a participant in exploration and mining programs, may become subject to liability for hazards such as unusual geological or unexpected operating conditions that cannot be insured against or against which it may elect not to be so insured because of high premium costs or other reasons. The Company is currently uninsured against all such risks as such insurance is either unavailable or uneconomic at this time. The Company also currently has no key person insurance or property insurance as such insurance is uneconomical at this time. The Company may obtain such insurance once it is available and, in the opinion of their directors, economical to do so. The Company may incur a liability to third parties (in excess of any insurance coverage) arising from pollution or other damage or injury.

The Company is not insured against environmental risks. Insurance against environmental risks has not been generally available to junior venture companies within the mining and exploration industry. Without such insurance, and if the Company does not become subject to environmental liabilities, the costs of such liabilities would reduce or eliminate the available funds of the Company or could result in bankruptcy. Should the Company be unable to fully fund the remedial costs of an environmental problem, they may be required to enter into interim compliance measures pending completion of the required remedy.

### *Dependence on Suppliers and Skilled Labour*

The ability of the Company to compete and grow will be dependent on it having access, at a reasonable cost and in a timely manner, to skilled labour, equipment, parts and components. No assurances can be given that the Company will be successful in maintaining its required supply of skilled labour, equipment, parts and components. This could have an adverse effect on the financial results of the Company.

### *Managing Growth*

In order to manage growth and changes in strategy effectively, the Company must: (a) maintain adequate systems to meet customer demand; (b) expand sales and marketing and administrative functions; (c) expand the skills and capabilities of its current management team; and (d) attract and retain qualified employees. While it intends to focus on managing its costs and expenses over the long term, the Company expects to invest its earnings and capital to support its growth but may incur additional unexpected costs. If the Company incurs unexpected costs, it may not be able to expand quickly enough to capitalize on potential market opportunities.

### *Exploration, Mining and Operational Risks*

The business of exploring for and mining minerals involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines. At present, the Dory Property or the Garfield Hills does not have any known mineral resources or reserves and any exploration and drilling programs are an exploratory search for such mineral resources or reserves.

The operations of the Company are subject to all the hazards and risks normally associated with the exploration, development and mining of minerals, any of which could result in risk to life, to property, or to the environment. These operations may be subject to disruptions caused by unusual or unexpected formations, formation pressures, fires, power failures and labour disputes, flooding, explosions, cave-ins, landslides, the inability to obtain suitable or adequate equipment, machinery, labour or adverse weather conditions. The availability of insurance for such hazards and risks is extremely limited or uneconomical at this time.

In the event the Company is fortunate enough to discover a mineral deposit, the economics of commercial production depend on many factors, including the cost of operations, the size and quality of the mineral deposit, proximity to infrastructure, financing costs and Government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting minerals and environmental protection. The effects of these factors cannot be accurately predicted, but any combination of these factors could adversely affect the economics of commencement or continuation of commercial mineral production.

#### *Mining Claims*

The prospecting activities of the Company are dependent upon the grant of appropriate mineral tenures and regulatory comments, which may be withdrawn or made subject to limitations. Mineral claims are renewable subject to certain expenditure requirements. Although the Company believes that it will obtain the necessary prospecting licenses and permits, including but not limited to drill permits, there can be no assurance that they will be granted or as to the terms of any such grant. Furthermore, the Company is required to expend required amounts on the mineral claims of the Dory Property and Garfield Hills Property in order to maintain them in good standing. If the Company is unable to expend these amounts on their properties, they may lose its title to this property on the expiry date of the relevant mineral claims. There is no assurance that, in the event of losing their title to mineral claims, the Company will be able to register the mineral claims in their names without a third party registering its interest first.

#### *Aboriginal Land Claims*

Aboriginal rights may be claimed on Crown properties or other types of tenure with respect to which mining rights have been conferred. The Supreme Court of Canada's recent decision in *Tsilhqot'in Nation v. British Columbia* marked the first time in Canadian history that a court has declared Aboriginal title to lands outside of a reserve. No assurance can be given that a broad recognition of aboriginal rights by way of a negotiated settlement or judicial pronouncement would not have an adverse effect on the activities of the Company of its mineral properties. Such impact could be marked and, in certain circumstances, could delay or even prevent the exploration or mining activities of the Company.

#### *Assurance of Title*

The Company has taken all reasonable steps to attempt to ensure that proper title to its mineral properties has been obtained and that all grants of such rights thereunder, if any, have been registered with the appropriate public offices. Despite the due diligence conducted by the Company, there is no guarantee that title to the properties of the Company will not be challenged or impugned. The mineral property interests of the Company may be subject to prior unregistered agreements or transfers or aboriginal land claims and title may be affected by undetected defects.

#### *Possible Failure to Obtain Mining Licenses*

Even if the Company does complete the required exploration activities on their respective mineral properties, they may not be able to obtain the necessary licenses or permits to conduct mining operations, and thus would realize no benefit from such exploration activities.

#### *Volatility of Commodity Prices*

The market prices of commodities are volatile and are affected by numerous factors, which are beyond the control of the Company. These factors include international supply and demand, consumer product demand, international economic trends, currency exchange rate fluctuations, interest rates, inflation, global or regional political events, as well as a range of other market forces. Sustained downward movements in commodity prices, including gold, silver and rare earth deposits could render less economic, or uneconomic, some or all of the exploration activities to be undertaken by the Company.

### *Environmental Risks and Other Regulatory Requirements*

Inherent with mining operations is an environmental risk. The current or future operations of the Company require permits from various governmental authorities. Such operations are governed by laws and regulations that govern prospecting, mining, development, production, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety, and other matters. There can be no assurance that all permits that the Company require for future exploration and development of mining facilities will be obtainable on reasonable terms or that such laws and regulations would not have an adverse effect on the operations of the Company.

The legal framework governing this area is constantly developing, therefore the Company is unable to fully ascertain any future liability that may arise from the implementation of any new laws or regulations, although such laws and regulations are typically strict and may impose severe penalties (financial or otherwise). The proposed activities of the Company, as with any exploration, may have an environmental impact which may result in unbudgeted delays, damage, loss and other costs and obligations including, without limitation, rehabilitation and/or compensation. There is also a risk that the operations of the Company and financial position may be adversely affected by the actions of environmental groups or any other group or person opposed in general to the activities of the Company.

### *Internal Controls*

Effective internal controls are necessary for the Company to provide reliable financial reports and to help prevent fraud. Although the Company undertakes a number of procedures and implements a number of safeguards, in each case, in order to help ensure the reliability of its financial reports, including those imposed on the Company under Canadian securities law, the Company cannot be certain that such measures will ensure that the Company will maintain adequate control over financial processes and reporting. Failure to implement required new or improved controls, or difficulties encountered in their implementation, could harm the Company's results of operations or cause it to fail to meet its reporting obligations. If the Company or its auditors discover a material weakness, the disclosure of that fact, even if quickly remedied, could reduce the market's confidence in the Company's financial statements and materially adversely affect the trading price of the Company's shares.

### *Liquidity*

The Company cannot predict at what prices the Company will trade and there can be no assurance that an active trading market will develop or be sustained. There is a significant liquidity risk associated with an investment in the Company.

### *Negative Cash Flow from Operating Activities*

The Company has no earnings at this time and had negative cash flow from operating activities since inception. The Company's mineral properties are in the early exploration stage and there are no known mineral resources or reserves and the exploration program on the Dory Property is exploratory in nature. Significant capital investment will be required to achieve commercial production. There is no assurance that the Company's mineral properties will generate earnings, operate profitably or provide a return on investment in the future. Accordingly, the Company will be required to obtain additional financing to meet its future cash commitments.

### *Litigation*

The Company may become party to litigation from time to time in the ordinary course of business which could adversely affect its business. Should any litigation in which the Company becomes involved be determined against the Company such a decision could adversely affect the Company's ability to continue operating and the market price for the Company's shares and could use significant resources. Even if the Company is involved in litigation and wins, litigation can redirect significant resources.

## Directors and Officers

Jagdip Bal	Director, President and CEO
Jatinder Manhas	Director, CFO and Secretary
Clinton Sharples	Director
Richard Walker, Jr., P. Geo.	Director

The Company is dependent on a small number of key directors and officers. Loss of any one of those persons could have an adverse effect on the Company. The Company does not maintain “key-person” insurance with respect to any of its management.

## Conflicts of Interest

Certain officers and directors of the Company are officers and/or directors of Egret Bioscience or Zen Labs or are associated with other companies that acquire interests in businesses. Such associations may give rise to conflicts of interest. The directors are required by law, however, to act honestly and in good faith with a view to the best interests of the Company and its shareholders and to disclose any personal interest which they may have in any material transaction which is proposed to be entered into with the Company and to abstain from voting as a director for the approval of any such transaction.

## Outlook

The Company is currently preparing for its upcoming fall mineral exploration program which will be limited by current and future share capital financings, if any. The Company is also evaluating other viable transactions that could potentially generate positive cash flow and create shareholder value. Management is uncertain whether any of these proposals will ultimately be completed.

## Other Information

Additional information is available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) or the Company’s website at [www.lexston.ca](http://www.lexston.ca).

## BY ORDER OF THE BOARD

*“Jagdip Bal”*

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Jagdip Bal  
President & CEO

*“Jatinder Manhas”*

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Jatinder Manhas  
CFO & Secretary

January 14, 2026