
ELECTRIC METALS (USA) LIMITED

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in US Dollars)



Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholders of Electric Metals (USA) Limited

Opinion on the Financial Statements

We have audited the accompanying consolidated statement of financial position of Electric Metals (USA) Limited and its subsidiaries (the Company) as of December 31, 2025, and the related consolidated statements of income (loss) and comprehensive income (loss), of changes in shareholders' equity and of cash flows for the year then ended, including the related notes (collectively referred to as the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025, and its financial performance and its cash flows for the year then ended in conformity with IFRS Accounting Standards as issued by the International Accounting Standards Board.

The consolidated financial statements of the Company as of and for the year ended December 31, 2024 were audited under Canadian generally accepted auditing standards by other auditors whose report dated April 30, 2025 expressed an unqualified opinion and included a paragraph regarding material uncertainty related to going concern.

Substantial Doubt About the Company's Ability to Continue as a Going Concern

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 1 to the consolidated financial statements, the Company has incurred recurring losses from operations and negative cash outflows from operating activities, and has stated that these events or conditions indicate that a material uncertainty exists that may cast significant doubt (or raise substantial doubt as contemplated by PCAOB standards) on the Company's ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 1. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's consolidated financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada.

We conducted our audit of these consolidated financial statements in accordance with the auditing standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud.

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Our audit included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audit provides a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that (i) relates to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Assessment of impairment indicators of the exploration and evaluation (E&E) assets for the North Star Manganese Project

As described in Notes 2, 3 and 5 to the consolidated financial statements, the Company's E&E assets for the North Star Manganese Project are assessed for indications of impairment at each reporting period. The carrying value of the E&E assets for North Star Manganese Project was \$7.9 million as at December 31, 2025. Management applies judgment in assessing whether there are any indicators of impairment relating to the North Star Manganese Project. An impairment assessment is undertaken when indicators of impairment arise. The following factors are assessed when evaluating potential indicators of impairment: (i) the period for which the entity has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed; (ii) substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned; (iii) 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 entity has decided to discontinue such activities in the specific area; and (iv) sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the E&E assets is unlikely to be recovered in full from successful development or by sale.

The principal considerations for our determination that performing procedures relating to the assessment of impairment indicators of the E&E assets for the North Star Manganese Project is a critical audit matter are that there was (i) judgment by management when assessing whether there were indicators of impairment related to the E&E assets for North Star Manganese Project and (ii) a high degree of auditor judgment and subjectivity in performing procedures to evaluate audit evidence relating to the judgment applied by management in its assessment of any potential indicators of impairment that could give rise to the requirement to conduct an impairment assessment.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included, among others, evaluating whether (i) the period for which the entity has the right to explore in the specific area has expired during the year or will expire in the near future and is not expected to be renewed, by inspecting, for a sample of mining claims, government registries, and property lease agreements; (ii) substantive expenditure on further exploration for the evaluation of mineral resources in the specific area is neither budgeted nor planned, by obtaining and reviewing board minutes and approved budgets; (iii) 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 entity has decided to discontinue such activities in the specific area; and iv) sufficient data exist 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 by considering technical reports and third party industry data and evidence obtained in other areas of the audit.

/s/PricewaterhouseCoopers LLP

Chartered Professional Accountants

Vancouver, Canada
April 30, 2026

We have served as the Company's auditor since 2026.

ELECTRIC METALS (USA) LIMITED
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in US Dollars)

As at	Note	December 31, 2025 \$	December 31, 2024 \$
ASSETS			
Current assets			
Cash		2,442,551	53,461
Short-term investments	4	-	97,927
Receivables		141,088	38,382
Prepaid expenses		580,214	208,227
Assets held for sale	5	3,262,372	-
		6,426,225	397,997
Equipment		381	1,129
Reclamation bonds	5	-	96,343
Exploration and evaluation assets	5	7,877,218	7,240,510
Total assets		14,303,824	7,735,979
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	10	953,677	1,589,328
SHAREHOLDERS' EQUITY			
Share capital	7	27,470,338	21,095,316
Share-based payments reserve	7	1,489,730	1,160,111
Warrants reserve	7	695,207	880,938
Foreign currency translation reserve		(192,903)	(224,517)
Deficit		(16,112,225)	(16,765,197)
Total shareholders' equity		13,350,147	6,146,651
Total liabilities and shareholders' equity		14,303,824	7,735,979

Nature of operations and going concern (Note 1)
Subsequent events (Notes 14)

Approved and authorized for issuance on behalf of the Board of Directors on April 30, 2026

“Brian Savage” Director

“Sylvia Chen” Director

ELECTRIC METALS (USA) LIMITED
CONSOLIDATED STATEMENTS OF INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)

For the Years Ended December 31, 2025 and 2024

(Expressed in US Dollars)

	Note	2025 \$	2024 \$
EXPENSES			
Consulting fees	10	883,574	428,484
Depreciation		788	1,911
Directors fees	10	446,740	55,204
Exploration and evaluation costs	5	16,640	-
Filing fees		29,047	31,890
Interest and bank charges		12,129	6,273
Marketing		405,387	381,582
Office expenses		137,890	122,241
Professional fees	10	349,331	507,525
Rent		1,072	2,108
Share-based compensation	7, 10	92,074	191,796
Travel		3,934	40,326
LOSS BEFORE OTHER INCOME (EXPENSES)		(2,378,606)	(1,769,340)
OTHER INCOME (EXPENSES)			
Foreign exchange (loss) gain		(8,744)	9,695
Gain on debt settlement		18,051	-
Interest income		153	4,573
Impairment reversal of exploration and evaluation assets	5	3,022,118	-
Impairment of exploration and evaluation assets	5	-	(5,157,255)
		3,031,578	(5,142,987)
NET INCOME (LOSS) FOR THE YEAR		652,972	(6,912,327)
OTHER COMPREHENSIVE INCOME (LOSS) ITEMS THAT MAY SUBSEQUENTLY BE RECLASSIFIED TO INCOME (LOSS)			
Exchange difference on translation of foreign operations		31,614	(11,570)
COMPREHENSIVE INCOME (LOSS) FOR THE YEAR		684,586	(6,923,897)
NET INCOME (LOSS) PER SHARE – BASIC AND DILUTED		0.00	(0.05)
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING		163,464,410	145,016,527

ELECTRIC METALS (USA) LIMITED
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Expressed in US dollars, except for share figures)

	Note	Number of Shares #	Share Capital \$	Share-based Payments Reserve \$	Warrants Reserve \$	Foreign Currency Translation Reserve \$	Deficit \$	Total \$
Balance, December 31, 2023		144,712,683	20,688,915	968,315	880,938	(212,947)	(9,852,870)	12,472,351
Shares issued pursuant to private placements	7	5,837,000	410,161	-	-	-	-	410,161
Share issuance costs	7	-	(3,760)	-	-	-	-	(3,760)
Share-based compensation	7	-	-	191,796	-	-	-	191,796
Net and comprehensive loss for the year		-	-	-	-	(11,570)	(6,912,327)	(6,923,897)
Balance, December 31, 2024		150,549,683	21,095,316	1,160,111	880,938	(224,517)	(16,765,197)	6,146,651
Units issued pursuant to private placements	7	47,430,330	5,756,216	-	47,560	-	-	5,803,776
Share issuance costs	7	-	(100,041)	-	30,723	-	-	(69,318)
Exercise of warrants	7	1,146,153	300,204	-	(264,014)	-	-	36,190
Exercise of stock options	7	1,632,258	418,643	(127,945)	-	-	-	290,698
Share-based compensation	7	-	-	457,564	-	-	-	457,564
Net and comprehensive income for the year		-	-	-	-	31,614	652,972	684,586
Balance, December 31, 2025		200,758,424	27,470,338	1,489,730	695,207	(192,903)	(16,112,225)	13,350,147

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

ELECTRIC METALS (USA) LIMITED
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2025 and 2024
(Expressed in US Dollars)

	Note	2025 \$	2024 \$
Operating activities:			
Net income (loss) for the year		652,972	(6,912,327)
Items not affecting cash:			
Depreciation		788	1,911
Share-based compensation	7	457,564	191,796
Gain on debt settlement		18,051	-
Accrued interest income		-	(3,448)
Impairment reversal of exploration and evaluation assets	5	(3,022,118)	-
Impairment of exploration and evaluation assets	5	-	5,157,255
Changes in non-cash working capital related to operations:			
Receivables		(102,706)	31,067
Prepaid expenses		(371,987)	(154,316)
Accounts payable and accrued liabilities		(196,975)	283,490
Net cash used in operating activities		(2,564,411)	(1,404,572)
Investing activities:			
Exploration and evaluation assets acquisition and exploration costs	5	(1,210,753)	(655,733)
Purchase of short-term investments	4	-	(100,858)
Redemption of short-term investments	4	98,122	103,664
Net cash used in investing activities		(1,112,631)	(652,927)
Financing activities:			
Shares and units issued for cash, net of issue costs		5,734,458	406,401
Stock option and warrant exercise proceeds	7	326,888	-
Loan received from related party	7	50,000	-
Loan repayments to related parties	6	(50,000)	(80,928)
Net cash provided by financing activities		6,061,346	325,473
Foreign exchange effect on cash		4,786	27,023
Increase (decrease) in cash during the year		2,389,090	(1,705,003)
Cash – beginning of the year		53,461	1,758,464
Cash – end of the year		2,442,551	53,461
Income taxes paid		-	-
Interest received		631	4,615
Interest paid		3,707	191

Non-cash transactions (Note 11)

ELECTRIC METALS (USA) LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Years Ended December 31, 2025 and 2024
(Expressed in US Dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Electric Metals (USA) Limited (“EML” or the “Company”) was incorporated under the Canada Business Corporations Act on March 1, 2018. On October 2, 2025, the Company completed its continuation into British Columbia. On December 30, 2025, the Company completed its continuance to the State of Delaware, USA. The Company’s registered office is located at 109 West 13th Street, Wilmington, DE, USA 19801. The Company’s common shares are listed on the TSX Venture Exchange (the “TSXV”) under the symbol “EML” and the OTCQB under the ticker symbol “EMUS”.

Going concern

References in these consolidated financial statements to matters that may cast significant doubt about the Company’s ability to continue as a going concern also raise substantial doubt as contemplated by PCAOB standards.

These consolidated financial statements have been prepared assuming the Company will continue as a going concern, which contemplates the realization of assets and satisfaction of liabilities in the normal course of business. At December 31, 2025, the Company had accumulated losses of \$16,112,225 since its inception and expects to incur further losses in the development of its business. As at December 31, 2025, the Company had cash of \$2,442,551 and working capital (current assets less current liabilities) of \$5,472,548. During the year ended December 31, 2025, the Company generated net income of \$652,972 and used cash in operating activities of \$2,564,411. The Company has not generated revenue from operations to date, and the continuation of the Company is dependent upon obtaining necessary financing to meet its ongoing operational levels of exploration and corporate overhead. These conditions indicate a material uncertainty exists that may cast significant doubt (or raise substantial doubt as contemplated by PCAOB standards) on our ability to continue as a going concern and that the Company may be unable to realize our assets and discharge our liabilities in the normal course of business.

In recognition of these circumstances, the Company has secured funding via the sale of its Corcoran Canyon Silver Project and Belmont Silver Project in the amount of \$3,500,000 (refer to Note 5 and 14). These undertakings, while significant, are not sufficient in and of themselves to enable the Company to fund all aspects of its operations and, accordingly, management is pursuing other financing. There can be no assurance that pursuit of alternative financing will be successful.

Additional funds will be required to enable the Company to continue its operations and there can be no assurance that financing will be available on terms which are acceptable to the Company. These consolidated financial statements do not give effect to any adjustments to the amounts and classifications of assets and liabilities which might be necessary should the Company be unable to continue its operations as a going concern. Such adjustments could be material.

ELECTRIC METALS (USA) LIMITED
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2. MATERIAL ACCOUNTING POLICIES AND BASIS OF PRESENTATION

a) Statement of compliance

These consolidated financial statements have been presented in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (“IFRS Accounting Standards”).

Consolidation

These consolidated financial statements include the financial statements of the Company and the following subsidiaries subject to control by the Company:

	Incorporated in	Percentage owned	
		December 31, 2025	December 31, 2024
Electric Metals (USA) Pty Limited	Australia	100%	100%
North Star Manganese Inc (“NSM”)	USA	100%	100%
North American Silver Corp. (“NAS”)	USA	100%	100%
Centennial Mining (“CM”)	USA	100%	100%

Control over an entity is achieved when the Company is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is obtained and continue to be consolidated until the date that such control ceases. Intercompany balances, transactions and unrealized intercompany gains and losses are eliminated upon consolidation.

b) Foreign currencies

The functional currency of the Company is the Canadian Dollar and the presentation currency of the Company is the US Dollar. The functional currency of Electric Metals (USA) Pty Limited is the Australia dollar (“AUD”), while the functional currency of NSM, NAS and CM is the US dollar. Those functional currencies are the currencies of the primary economic environments in which each of the entities operate.

Entities whose functional currencies differ from the presentation currency of the Company are translated into US dollars as follows: assets and liabilities – at the closing rate as at the reporting date, and income and expenses – at the average rate of the reporting period. All resulting changes are recognized in other comprehensive income (loss) and accumulated in foreign currency translation reserve.

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Foreign currency transactions are translated into the functional currency using exchange rates prevailing at the dates of the transactions. At the end of each reporting period, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary assets and liabilities are translated using the historical rate on the date of the transaction. All gains and losses on translation of these foreign currency transactions are charged to profit or loss.

When the Company disposes of its entire interest in a foreign operation, or loses control, joint control, or significant influence over a foreign operation, the foreign currency gains or losses accumulated in foreign currency translation reserve related to the foreign operation are recognized in profit or loss. If an entity disposes of part of an interest in a foreign operation which remains a subsidiary, a proportionate amount of foreign currency gains or losses accumulated in foreign currency translation reserve related to the subsidiary are reallocated between controlling and non-controlling interests.

c) Financial instruments

Recognition and classification

The Company recognizes a financial asset or financial liability on the consolidated statement of financial position when it becomes party to the contractual provisions of the financial instrument.

The Company classifies its financial instruments in the following categories: at fair value through profit or loss (“FVTPL”) or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of financial asset debt instruments is driven by the Company’s business model for managing those financial assets and the contractual cash flow characteristics.

Equity instruments that are held for trading are classified as FVTPL. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

Measurement

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in profit or loss in the period in which they arise. Where management has opted to recognize a financial liability at FVTPL, any changes associated with the Company’s own credit risk will be recognized in other comprehensive income (loss).

Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment, using the effective interest method. The effective interest rate is the rate that discounts estimated future cash flows over the expected life of the financial instrument, or where appropriate, a shorter period.

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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 Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition; or the twelve month expected credit losses if the credit risk has not increased significantly since initial recognition. The Company shall recognize in profit or loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

Derecognition

Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in profit or loss.

Financial liabilities

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets, is recognized in profit or loss.

d) Exploration and evaluation assets

Once the legal right to explore a property has been acquired, all costs related to the acquisition, exploration and evaluation of exploration and evaluation assets are capitalized by project. Costs not directly attributed to exploration and evaluation activities, including general administrative overhead costs, are expensed in the period in which they occur.

Exploration and evaluation assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount, which is the higher of value in use and fair value less costs to sell, the asset is written down accordingly with a charge to profit or loss.

Impairment reviews for the Company's exploration and evaluation assets are carried out on a project by project basis, with each project representing a single cash generating unit. At each reporting period, management applies judgment in assessing whether there are any indicators of impairment relating to exploration and evaluation asset, an impairment assessment for an exploration and evaluation asset is undertaken when indicators of impairment arise. Factors when assessing potential indicators of impairment are as follows:

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- the period for which the entity has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed;
- 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 entity has decided to discontinue such activities in the specific area; and
- sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

Impairment losses are evaluated for potential reversals when events or circumstances warrant such consideration. Where an impairment loss is subsequently reversed, the amount of such reversal is limited such that the revised carrying amount of the asset or cash generating unit does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset or cash generating unit in the prior years. A reversal of an impairment loss is recognized in profit or loss.

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 “mine under construction.” Exploration and evaluation assets are tested for impairment before the assets are transferred.

Exploration and evaluation assets are classified as intangible assets.

e) Assets held-for-sale

Assets are classified as held-for-sale if it is highly probable that their value will be recovered primarily through a sale rather than through continued usage. From the date of such initial classification, the assets are no longer depreciated and are presented separately as current assets at the lower of their carrying amount and fair value less costs to sell, and any related liabilities (in the asset group) are separately classified as current liabilities. Impairment losses on the initial classification of held-for-sale and subsequent gains and losses on remeasurement are recognized in profit or loss.

f) Provision for decommissioning and restoration

The Company recognizes provisions for statutory, contractual, constructive or legal obligations associated with the reclamation of mineral properties in the year in which it is probable that an outflow of resources will be required to settle the obligation and when a reliable estimate of the amount can be made. Initially, a provision for a decommissioning liability is recognized based on expected cash flows required to settle the obligation and discounted using a risk-free rate. The capitalized amount is

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depreciated on the same basis as the related asset. Following the initial recognition of the decommissioning liability, the carrying amount of the liability is increased for the passage of time and adjusted for changes to the current market-based discount rate and the amount or timing of the underlying cash flows needed to settle the obligation. The increase in the provision due to passage of time is recognized as interest expense. Significant judgments and estimates are involved in forming expectations of the amounts and timing of future closure and reclamation cash flows. As at December 31, 2025 and 2024, the Company has no known material restoration, rehabilitation or environmental liabilities related to its exploration and evaluation assets.

g) Share capital

Equity instruments are contracts that give a residual interest in the net assets of the Company. Equity-settled common share options and warrants, denominated in the Company's functional currency, issued by the Company are classified as equity instruments.

Costs directly identifiable with the raising of share capital financing are charged against share capital. Share issuance costs incurred in advance of closing a financing are recorded as deferred assets. Share issuance costs related to incomplete financing transactions are charged to profit or loss.

Equity financing transactions may involve the issuance of units. Units comprise common shares and share purchase warrants. The Company allocates unit offering proceeds between common shares and share purchase warrants using the residual value method, with the common shares being valued first, using quoted market prices, and the balance, if any, allocated to the attached warrants.

Warrants issued to agents or brokers on a non-cash basis in connection with share capital financings are recorded at fair value using the Black-Scholes option pricing model and charged against share capital as issue costs with an offsetting increase to warrants reserve.

h) Earnings (loss) per share

Basic earnings (loss) per share represents the earnings (loss) for the period, divided by the weighted average number of common shares outstanding during the period. Diluted earnings (loss) per share represents the earnings (loss) for the period, divided by the weighted average number of common shares outstanding during the period plus the weighted average number of dilutive shares resulting from the exercise of stock options, warrants and other similar instruments where the inclusion of those instruments would not be anti-dilutive. Diluted earnings (loss) per share is equal to basic earnings (loss) per share, as the effect of potentially dilutive instruments would be anti-dilutive.

i) Share-based payments

Where equity-settled share-based payments are awarded to employees, directors or other service providers, the fair value of the options at the date of grant is charged to profit or loss over the vesting

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period. Stock options are fair valued using the Black-Scholes option pricing model and recorded as compensation expense in profit or loss, with a corresponding increase to share-based payments reserve. Deferred share units are awarded to non-employee directors and are redeemable upon the departure of the director for a common share of the Company, a cash payment or a combination of common shares and cash as determined by the Board. Deferred share units are measured based on the fair value of the underlying shares on the date of grant. 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 instruments that eventually vest. Non-vesting conditions and market vesting conditions are factored into the fair value of the equity-settled share-based payments 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. The expected life used in the valuation model is adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioral considerations.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the equity-settled share-based payments, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

Where equity-settled share options are granted to non-employees, they are recorded at the fair value of the goods or services received. Amounts related to the issuance of shares are recorded as a reduction of share capital, amounts related to the acquisition of assets are capitalized to the asset, and current period services are expensed to profit or loss. When the value of goods or services received in exchange for the share-based payment cannot be reliably estimated, the fair value of the equity instrument is measured.

All equity-settled share-based payments are reflected in share-based payments reserve, until exercised. Upon exercise, shares are issued from treasury and the amount originally reflected in share-based payments reserve is credited to share capital, adjusted for any consideration paid. Upon expiry or forfeiture, the amount reflected in share-based payments reserve is not reclassified to another component of equity.

Where a grant of equity-settled share-based payments 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.

For non-cash transactions paid by consideration in the form of the Company's common shares the transaction is measured at the date the Company obtains the goods or the counterparty renders

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services. Where the fair value of the goods or services cannot be estimated reliably, the transaction is measured at the fair value of the common shares by reference to a quoted price.

j) Income tax

Income tax on the profit or loss for the periods presented comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax expense is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous periods.

Deferred tax is provided using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The Company does not provide for temporary differences relating to differences relating to investments in subsidiaries, associates, and joint ventures to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the statement of financial position reporting date applicable to the period of expected realization or settlement.

A deferred tax asset is recognized only to the extent that it is probable that future taxable income will be available against which the asset can be utilized. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

k) New financial reporting standards and interpretations:

The following accounting standards and amendments are for future periods.

Amendments to IFRS 9 and IFRS 7 - Amendments to the Classification and Measurement of Financial Instruments

In May 2024, the IASB issued Amendments to IFRS 9 and IFRS 7 which clarify the date of recognition and derecognition of some financial assets and liabilities with a new exception for some financial liabilities settled through an electronic cash transfer system, clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest criterion, add new disclosures for certain instruments with contractual terms that can change cash flows such as instruments with features linked to the achievement of environment, social and governance targets; and update the disclosures for equity instruments designated at FVOCI.

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Amendments to IFRS 9 and IFRS 7 are effective for reporting periods beginning on or after January 1, 2026. The Company is currently in the process of assessing its impact on future consolidated financial statements.

IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 introduces three sets of new requirements to give investors more transparent and comparable information about companies' financial performance for better investment decisions.

1. Three defined categories for income and expenses (operating, investing and financing) to improve the structure of the income statement, and require all companies to provide new defined subtotals, including operating profit.
2. Requirement for companies to disclose explanations of management-defined performance measures (MPMs) that are related to the income statement.
3. Enhanced guidance on how to organize information and whether to provide it in the primary financial statements or in the notes.

This new standard is effective for reporting periods beginning on or after January 1, 2027. The Company is currently in the process of assessing its impact on future consolidated financial statements.

The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective. The Company has not early adopted any of these standards and is currently evaluating the impact, if any, that these standards might have on its financial statements. Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's consolidated financial statements.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The effect of a change in an accounting estimate is recognized prospectively by including it in profit or loss in the period of the change, if the change affects that period only; or in the period of the change and future periods, if the change affects both.

a) Critical Accounting Estimates and Judgments

Information about critical judgments in applying accounting policies that have the most significant risk of causing material adjustments to the carrying amounts of assets and liabilities recognized in the consolidated financial statements within the next financial year are discussed below:

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Impairment and impairment reversal of exploration and evaluation assets

The carrying value and recoverability of exploration and evaluation assets requires management to make certain estimates, judgments and assumptions about each project. Management considers the economics of the project, including the latest resource prices and the long-term forecasts, and the overall economic viability of the project.

Exploration and evaluation asset impairment indicators

In accordance with the Company's accounting policy for exploration and evaluation assets, exploration and evaluation expenditures are capitalized. There is no certainty that the expenditures made by the Company in the exploration of its property interest will result in discoveries of commercial quantities of minerals. The Company applies judgment to determine whether indicators of impairment exist on these assets.

Management uses several criteria in making this assessment, including the period for which the Company has the right to explore, expected renewals of exploration rights, whether substantive expenditures on further exploration and evaluation of projects are budgeted, and evaluation of the results of exploration and evaluation activities up to the reporting date.

Classification of warrants that may be cashlessly exercised

The classification of the warrants with a cashless exercise feature requires management judgment as to whether the warrants should be classified as equity or as a liability. The cashless exercise feature of the warrants is subject to specific conditions (Note 7). Management considered the probability of occurrence of the contingent events and concluded that the feature is not genuine as the events are extremely rare, highly abnormal, and very unlikely to occur. The warrants have been classified as equity.

b) Key Sources of Estimation Uncertainty

The significant assumptions about the future and other major sources of estimation uncertainty as at the end of the reporting period that have a significant risk of resulting in a material adjustment to the carrying amounts of the Company's assets and liabilities are as follows:

Impairment and impairment reversal of exploration and evaluation assets

The carrying value and recoverability of exploration and evaluation assets requires management to make certain estimates, judgments and assumptions about each project. Calculating the estimated recoverable amount requires management to make estimates and assumptions that include future production levels, reserves and resources, operating and capital costs, future metal prices and discount rates. Changes in any of these assumptions or estimates used in determining the recoverable amount could impact the analysis. Such changes could be material.

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4. SHORT-TERM INVESTMENTS

	\$
Balance, December 31, 2023	101,627
Redemption	(103,664)
Additions	100,858
Interest	3,448
Foreign exchange	(4,342)
Balance, December 31, 2024	97,927
Interest	152
Foreign exchange	43
Redemption	(98,122)
Balance, December 31, 2025	-

During the year ended December 31, 2023, the Company invested CAD\$57,500 and \$57,500 in guaranteed investment certificates (“GICs”) as security for corporate credit cards. The GICs bore interest at prime-2.7% and 3%, respectively, and matured on November 4, 2024.

During the year ended December 31, 2024, the Company renewed the CAD\$57,500 and \$57,500 GICs. The GICs were to mature in 2025 and bore interest at prime-2.95% and 4.1%, respectively. During the year ended December 31, 2025, the Company redeemed the GICs.

5. EXPLORATION AND EVALUATION ASSETS

North Star Manganese Project

The Company’s principal focus is on the exploration and development of the North Star Manganese Project, previously referred to as the Emily Manganese Project. The North Star Manganese Project is a 100% domestic U.S. project, comprising a manganese mine in Emily, Minnesota, and a high-purity manganese sulfate monohydrate (HPMSM) chemical plant in the USA. NSM has a 100% ownership and management interest in the Emily Manganese Deposit established through a series of agreements with Cooperative Mineral Resources, LLC (“CMR”), People’s Security Company, Inc. (“PSC”), and two private landowners. The CMR and PSC agreements establish two general arrangements related to the use of lands owned by CMR and PSC:

1. a contract mining and sales arrangement between NSM and CMR for the extraction of manganese ores from the property whereby NSM has the exclusive right to mine and purchase the manganese ore; and
2. separate property leases and a manganese processing agreement between NSM, CMR and PSC, where CMR and PSC will receive as rent for their properties a portion of NSM’s net distributed profits from downstream sale of processed advanced materials from any ores mined by NSM from the Area of Interest.

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NSM also has an option to purchase all of CMR's and PSC's mineral and surface assets, including all rights and obligations, for \$30,250,000, prior to the initiation of commercial operations, less any net distributable profits paid by NSM.

In January and February 2023, NSM signed lease and purchase option agreements with two private landowners in Emily, Minnesota on two adjacent blocks of land covering approximately 77 acres of surface and mineral rights. Pursuant to the lease and purchase option agreements, NSM will pay each of the private landowners an annual fee of \$6,000 due on closing and on each anniversary date of the agreement. NSM can purchase each of the optioned properties at any time for a mutually agreed market price or a professional appraisal price plus 15%. Each property is subject to a 2.5% net smelter return ("NSR") that can be repurchased for \$500,000 for each 1.25%, at any time.

Corcoran Canyon Silver Project ("Corcoran")

Corcoran is a silver-gold project located northeast of Tonopah, in central Nevada, USA. EML owns 100% of NAS, which owns 100% of CM, resulting in EML's 100% indirect ownership of Corcoran. Corcoran comprises 27 core and 166 adjacent unpatented mineral claims, which are currently subject to an NSR royalty ranging from 0.4% to 3%. CM has staked new and restaked certain historical claims in potential exploration ground and intends to maintain these claims in good standing through payment of the required annual holding fees.

Reclamation bonds of \$82,660, associated with CM's exploration, have been paid towards Corcoran. The termination of liability under the bonds will be permitted only after it is determined there is no outstanding reclamation liability at which time the bonds will be refunded, or until satisfactory replacement bond coverage is furnished.

Belmont Silver Project ("Belmont")

Belmont is a silver-gold project located northeast of Tonopah, in central Nevada, USA. EML owns 100% of NAS, which owns 100% of CM, resulting in EML's 100% indirect ownership of Belmont. Belmont is a historic silver mining district (late-1800s), and the project consists of multiple leases of patented mining claims (246 hectares) and 88 unpatented mineral claims that surround or cover the majority of old silver workings of the Belmont silver mining camp. CM intends to maintain these claims and leases in good standing through payment of the required annual holding fees.

A reclamation bond of \$13,683, associated with CM's exploration, has been paid towards Belmont. The termination of liability under the bond will be permitted only after it is determined there is no outstanding reclamation liability at which time the bond will be refunded, or until satisfactory replacement bond coverage is furnished.

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During the year ended December 31, 2024, the Company recorded an impairment of \$5,157,255 due to a write-down of the carrying value of the Corcoran and Belmont projects, which are considered non-core assets. Limited exploration activity was undertaken on these projects during the year ended December 31, 2024.

During the year ended December 31, 2025, the Company restaked claims for the Corcoran and Belmont projects. Subsequent to December 31, 2025, the Company entered into a definitive purchase and sale agreement (the “Agreement”) with Ameerex Corporation (“Ameerex”), pursuant to which the Company has agreed to sell its wholly-owned subsidiaries, NAS and CM together with their respective assets in Nevada which include the Corcoran and Belmont Project (Note 14). As at December 31, 2025, NAS and CM met the criteria to be classified for held as sale. All assets and liabilities for NAS and CM have been classified as current assets and current liabilities held for sale at December 31, 2025.

Immediately prior to its reclassification as held for sale, the Company is required to assess the Corcoran and Belmont projects for impairment or impairment reversal. On December 31, 2025, the recoverable amount of the Corcoran and Belmont projects exceeded its carrying value and the Company recognized a partial impairment reversal of \$2,465,071 and \$557,047, respectively. The recoverable amount was based on consideration as established by the Agreement less costs to sell and discounted using a 10% discount rate.

Assets Held For Sale	\$
Reclamation bonds	96,343
Exploration and evaluation assets	3,166,029
Balance, December 31, 2025	3,262,372

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Summary of Expenditures

Below is a summary of the changes in the exploration and evaluation assets during the years ended December 31, 2025 and 2024.

	North Star Manganese Project \$	Corcoran Canyon Silver Project \$	Belmont Silver Project \$	Total \$
Balance, December 31, 2023	6,565,703	4,193,930	939,202	11,698,835
Land fees and staking	13,752	4,139	3,803	21,694
Consulting – Geological	217,766	7,411	7,411	232,588
Consulting – Environmental	121,042	983	-	122,025
Consulting - Other	231,347	-	-	231,347
Permitting, sampling, assays and surveys	90,727	188	188	91,103
Field supplies	173	-	-	173
Impairment	-	(4,206,651)	(950,604)	(5,157,255)
Balance, December 31, 2024	7,240,510	-	-	7,240,510
Land fees and staking	14,495	94,460	47,398	156,353
Consulting – Geological	316,558	127	127	316,812
Consulting – Environmental	9,593	-	-	9,593
Consulting - Other	24,244	-	-	24,244
Drilling	73,110	-	-	73,110
Permitting, sampling, assays and surveys	29,175	1,800	-	30,975
Field supplies	169,532	-	-	169,532
Impairment reversal	-	2,465,071	557,047	3,022,118
Balance, December 31, 2025	7,877,217	2,561,458	604,572	11,043,247

6. LOAN FROM RELATED PARTY

As at December 31, 2023, the Company had an outstanding loan of \$83,774 under a loan agreement with a company owned by the former CEO of the Company. The loan was non-interest bearing and due on demand. During the year ended December 31, 2024, the Company fully repaid the loan.

During the year ended December 31, 2025, the Company received a loan of \$50,000 from a company owned by a director of the Company. The loan accrued interest at a rate of 8% per annum, and was due on the earlier of March 3, 2026, or within 10 business days of the Company receiving financing via equity, debt, or some combination thereof, in excess of \$1,000,000.

During the year ended December 31, 2025, the Company repaid the loan. The accrued interest on the loan was forgiven, and the Company recognized a gain on debt settlement of \$921.

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During the year ended December 31, 2025, the Company incurred interest expense of \$921 (2024 - \$nil).

	\$
Balance, December 31, 2023	83,774
Loan repayments	(80,928)
Foreign exchange	(2,846)
Balance, December 31, 2024	-
Loan received	50,000
Interest	921
Gain on debt settlement	(921)
Loan repayment	(50,000)
Balance, December 31, 2025	-

7. SHARE CAPITAL

a) Authorized – Unlimited common shares without par value.

b) Share Issuances

On April 29, 2025, the Company closed a non-brokered private placement of 25,000,331 units at a price of CAD\$0.12 per unit for gross proceeds of \$2,166,563 (CAD\$3,000,040). Each unit consisted of one common share and one-half of one common share purchase warrant. Each whole warrant is exercisable to acquire one additional common share at an exercise price of CAD\$0.20 per share for a period of 18 months from the date of issuance. In connection with the non-brokered private placement, the Company paid cash transaction costs of \$3,882, paid finders fees of \$26,879 and issued 310,169 finders warrants. Each finders warrant entitles the holder to acquire one common share of the Company at a price of CAD\$0.20 per share for a period of 18 months. The fair value of the finders warrants has been estimated to be \$28,844 using the Black-Scholes option pricing model using the following assumptions: share price at the time of issuance of CAD\$0.20; risk-free interest rate of 2.54%; expected life of 1.5 years; dividend yield of 0% and annualized volatility of 149%. Using the residual method, proceeds of \$2,166,563 were attributed to common shares with \$nil attributed to warrants. A related party of the Company purchased 333,333 units.

On May 20, 2025, the Company closed a non-brokered private placement, issuing 9,099,999 units at a price of CAD\$0.12 per unit for gross proceeds of \$783,638 (CAD\$1,092,000). Each unit consisted of one common share and one-half of one common share purchase warrant. Each whole warrant is exercisable to acquire one additional common share at an exercise price of CAD\$0.20 per share for a period of 18 months from the date of issuance. In connection with the non-brokered private placement, the Company paid cash transaction costs of \$19,424, paid finders fees of \$2,368 and issued 27,500 finders warrants. Each finders warrant entitles the holder to acquire one common share of the Company at a price of CAD\$0.20 per share for a period of 18 months. The fair value of the finders warrants has been estimated to be \$1,879 using the Black-Scholes option pricing model using the following assumptions: share price at the time of issuance of CAD\$0.16; risk-

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free interest rate of 2.63%; expected life of 1.5 years; dividend yield of 0% and annualized volatility of 146 %. Using the residual method, proceeds of \$783,638 were attributed to common shares with \$nil attributed to warrants.

On October 24, 2025, the Company closed a non-brokered private placement, issuing 13,330,000 units at a price of CAD\$0.30 per unit for gross proceeds of \$2,853,575 (CAD\$3,999,000). Each unit consisted of one common share and one-half of one common share purchase warrant. Each whole warrant is exercisable to acquire one additional common share at an exercise price of CAD\$0.45 per share for a period of 18 months from the date of issuance. In connection with the non-brokered private placement, the Company paid cash transaction costs of \$16,765. Using the residual method, proceeds of \$2,806,015 were attributed to common shares with \$47,560 attributed to warrants.

During the year ended December 31, 2025, 249,999 warrants were exercised for gross proceeds of \$36,190 (CAD\$50,000). 14,225,319 warrants were exercised cashlessly for the issuance of 896,154 common shares. The Company transferred \$264,014 from warrants reserve to share capital. The weighted average share price on the date of exercise was CAD\$0.35 per share.

During the year ended December 31, 2025, 1,600,000 stock options were exercised for gross proceeds of \$290,698 (CAD\$400,000) and 32,258 stock options were exercised cashlessly upon the surrender of 67,742 stock options. The Company transferred \$127,945 from share-based payments reserve to share capital. The weighted average share price on the date of exercise was CAD\$0.40 per share.

On December 13, 2024, the Company closed a non-brokered private placement of 5,837,000 common shares of the Company for gross proceeds of \$410,161 (CAD\$583,700). Total cash share issue costs of \$3,760 were incurred in connection with the private placement. Related parties of the Company purchased 3,737,000 common shares.

c) Stock Options

In June 2024, at the Annual and Special Meeting of Shareholders, a new Omnibus Equity Incentive Plan (“the Omnibus Equity Incentive Plan”) was approved. The following awards may be granted pursuant to the Omnibus Equity Incentive Plan: (i) Options; (ii) restricted share units (“RSUs”); (iii) deferred share units (“DSUs”); (iv) performance share units (“PSUs”); and (v) other share-based awards (the “Other Share-Based Awards”, and together with the Options, RSUs, DSUs and PSUs, the “Awards”). The total number of common shares that may be reserved and available for grant and issuance pursuant to stock options is equal to 10% of the then outstanding common shares. In addition the total number of common shares reserved and available for grant and issuance as RSUs, DSUs, PSUs and Other Share-based Awards shall not exceed 10,000,000 common shares. The Board of Directors of the Company administers the Omnibus Equity Incentive Plan.

The Company’s policy is to not have an exercise price of each option granted under the Omnibus Equity Incentive Plan less than the market price of a common share on the date of the grant. The vesting terms of

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the stock options are in the sole discretion of the Board of Directors. Options may be granted for a maximum term of ten years from the date of the grant.

On June 26, 2024, the Company granted an aggregate of 1,600,000 stock options with a fair value of \$120,918 to certain former directors of the Company. Each stock option entitles the holder to purchase one common share of the Company at an exercise price of CAD\$0.25 per share for a 10-year period. The stock options vested immediately. As a result of the resignations of these former directors from the board of the Company, the expiry date of these stock options was accelerated to September 20, 2025. During the year ended December 31, 2025, 1,600,000 of these stock options were exercised.

On October 23, 2024, the Company granted 500,000 stock options with a fair value of \$16,772 to a director of the Company. Each stock option entitles the holder to purchase one common share of the Company at an exercise price of CAD\$0.35 per share for a 5-year period. The stock options vested immediately.

On October 23, 2024, the Company granted an aggregate of 7,000,000 stock options with a fair value of \$197,815 to an officer and director of the Company. Each stock option entitles the holder to purchase one common share of the Company at an exercise price of CAD\$0.25 per share for a 5-year period. 1,000,000 of the stock options vested on February 1, 2025, while 4,000,000 of the stock options vest based on key performance metrics, and the remaining 2,000,000 will vest based on market conditions, 1,000,000 upon the stock price reaching CAD\$7.50 and 1,000,000 upon the stock price reaching CAD\$10.00, in each case for a period of at least 10 consecutive trading days.

On October 28, 2024, the Company granted 200,000 stock options with a fair value of \$7,350 to a former consultant of the Company. Each stock option entitled the holder to purchase one common share of the Company at an exercise price of CAD\$0.25 per share for a 5-year period. 100,000 of the stock options vested on June 19, 2025, 50,000 of the stock options was to vest in the event that the VWAP of the Company's common shares exceed CAD\$0.50 for any 20 consecutive trading days and 50,000 of the stock options was to vest in the event that the VWAP of the Company's common shares exceed CAD\$1.00 for any 20 consecutive trading days. As a result of the termination of the consulting agreement, 100,000 of these options were forfeited, and the expiry date of the 100,000 vested options was accelerated to October 10, 2025. During the year ended December 31, 2025, 32,258 of these stock options were exercised cashlessly upon the surrender of 67,742 stock options

On April 11, 2025, the Company granted 250,000 stock options to a former consultant of the Company. Each stock option entitled the holder to purchase one common share of the Company at an exercise price of CAD\$0.20 per share for an 18-month period. On May 27, 2025, these options were forfeited as a result of the termination of the consulting agreement with the consultant.

Share-based compensation expense related to stock options of \$54,321 was recorded during the year ended December 31, 2025 (2024 - \$183,920).

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The fair value of the options granted was estimated on the grant date using the Black-Scholes option pricing model with the following weighted average assumptions:

	2025	2024
Stock price (CAD\$)	\$0.10	\$0.09
Exercise price (CAD\$)	\$0.20	\$0.26
Risk-free interest rate	2.68%	3.09%
Expected life	1.50 years	5.86 years
Expected volatility	146%	100%
Expected dividend yield	Nil	Nil
Expected forfeiture rate	Nil	Nil
Fair value	\$0.04	\$0.05

A summary of stock option activity is as follows:

	Options #	Weighted average exercise price CAD\$
Balance outstanding, December 31, 2023	5,750,000	0.27
Granted	9,300,000	0.26
Expired	(3,250,000)	0.26
Balance outstanding, December 31, 2024	11,800,000	0.26
Granted	250,000	0.20
Exercised	(1,632,258)	0.25
Surrendered	(67,742)	0.25
Forfeited	(350,000)	0.21
Balance outstanding, December 31, 2025	10,000,000	0.26

As at December 31, 2025, the Company had the following options outstanding:

Expiry Date	Exercise Price CAD\$	Remaining Life (Years)	Options Outstanding #	Options Exercisable #
January 13, 2028	0.25	2.04	150,000	150,000
October 12, 2028	0.25	2.78	1,500,000	1,000,000
October 23, 2029	0.25	3.81	7,000,000	1,000,000
October 23, 2029	0.35	3.81	500,000	500,000
May 6, 2031	0.33	5.35	850,000	850,000
			10,000,000	3,500,000

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d) DSUs

The Omnibus Equity Incentive Plan allows for the granting of DSUs to non-employee directors. The Board of Directors have the authority to determine the vesting terms of the DSUs, except that, at all times when the Company is listed on the TSXV, no DSU granted may vest before the date that is one year following the grant date. A DSU shall be settled upon the departure of the non-employee director.

On October 29, 2024, the Company granted an aggregate of 793,376 DSUs with a fair value of \$45,629 to certain directors of the Company. The fair value is measured by the closing share price of CAD\$0.08 on the grant date. The DSUs vested on October 29, 2025.

On July 24, 2025, the Company granted an aggregate of 3,939,740 DSUs with a fair value of \$284,240 to certain directors of the Company. The DSUs were granted in lieu of cash directors fees incurred during the year ended December 31, 2025. The fair value was measured by the closing share price of CAD\$0.11 on the grant date. The DSUs vest on July 24, 2026.

On September 30, 2025, the Company granted an aggregate of 310,849 DSUs with a fair value of \$81,250 to certain directors of the Company. The DSUs were granted in lieu of cash directors fees incurred during the year ended December 31, 2025. The fair value was measured by the closing share price of CAD\$0.36 on the grant date. The DSUs vest on September 30, 2026.

Share-based compensation expense related to DSUs of \$403,243 was recorded during the year ended December 31, 2025 (2024 - \$7,876) with a corresponding increase to share-based payments reserve, \$365,490 of which was classified as directors fees (2024 - \$nil).

A summary of DSU activity is as follows:

	DSUs #
Balance outstanding, December 31, 2023	-
Granted	793,376
Balance outstanding, December 31, 2024	793,376
Granted	4,250,589
Balance outstanding, December 31, 2025	5,043,965

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As at December 31, 2025, the Company had the following DSUs outstanding:

Grant Date	DSUS Outstanding #
October 29, 2024	793,376
July 24, 2025	3,939,740
September 30, 2025	310,849
	5,043,965

e) Warrants

A summary of warrant activity is as follows:

	Warrants #	Weighted average exercise price CAD\$
Balance outstanding, December 31, 2023	36,501,240	0.34
Expired	(3,335,000)	0.45
Balance outstanding, December 31, 2024	33,166,240	0.33
Issued	23,715,169	0.27
Exercised	(14,255,319)	0.35
Expired	(18,910,921)	0.32
Balance outstanding, December 31, 2025	23,715,169	0.27

As at December 31, 2025, the Company had the following warrants outstanding:

Expiry Date	Exercise Price CAD\$	Remaining Life (Years)	Warrants Outstanding #
October 29, 2026	0.20	0.83	12,500,167
November 20, 2026	0.20	0.89	4,550,000
April 24, 2027	0.45	1.31	6,665,002
			23,715,169

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f) Finders Warrants

A summary of finders warrants activity is as follows:

	Finders warrants #	Weighted average exercise price CAD\$
Balance outstanding, December 31, 2023 and 2024	1,394,750	0.165
Issued	337,669	0.20
Exercised	(249,999)	0.20
Expired	(1,394,750)	0.165
Balance outstanding, December 31, 2025	87,670	0.20

As at December 31, 2025, the Company had the following finders warrants outstanding:

Expiry Date	Exercise Price CAD\$	Remaining Life (Years)	Warrants Outstanding #
October 29, 2026	0.20	0.83	60,170
November 20, 2026	0.20	0.89	27,500
			87,670

8. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern and to maintain a flexible capital structure which optimizes the cost of capital within a framework of acceptable risk. In the management of capital, the Company includes the components of shareholders' equity, which was \$13,350,147 at December 31, 2025 (2024 - \$6,146,651).

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust its capital structure, the Company may issue new shares, issue debt, acquire or dispose of assets. The Company is dependent on the capital markets as its primary source of operating capital and the Company's capital resources are largely determined by its ability to compete for investor support of its projects. There were no changes in the Company's approach to capital management during the year.

The Company is not subject to any external capital requirements.

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9. FINANCIAL INSTRUMENTS

For financial instruments held by the Company, management classifies cash and short-term investments at FVTPL and reclamation bonds and accounts payable and accrued liabilities at amortized cost.

a) Fair value of financial instruments

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

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3 – Inputs that are not based on observable market data.

As at December 31, 2025, the Company believes that the carrying amounts of accounts payable and accrued liabilities approximate their fair values because of their relatively short maturity dates or durations. Cash is measured at fair value based on level 1 inputs of the fair value hierarchy.

b) Management of risks arising from financial instruments

Discussion of risks associated with financial assets and liabilities are detailed below:

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk arises from cash held with banks and financial institutions. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The Company's cash is held with federally regulated institutions with deposit insurance and the reclamation bonds are paid to US governments. The credit risk related to cash and reclamation bonds is considered minimal. The Company's management of credit risk has not changed materially from that of the prior year.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company manages liquidity risk by monitoring the Company's contractual obligations to anticipate any investing and financing activities. The Company's accounts payable and accrued liabilities are due within the 12 months. The Company's management of liquidity risk has not changed materially from that of the prior year. Please refer to Note 1 for going concern considerations.

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As at December 31, 2025, the Company had a cash balance of \$2,442,551 to settle current liabilities of \$953,677.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity prices.

a) Interest rate risk

Interest rate risk is the risk that the future cash flows or fair value of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have any borrowings that are subject to fluctuations in market interest rates. Interest rate risk is limited to potential decreases on the interest rate offered on cash and short-term investments held with federally regulated institutions. The Company is also exposed to the risk of variation in the fair value of financial instruments resulting from fluctuations in interest rates, however the impact is not material.

b) Foreign currency risk

Foreign currency risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company operates internationally, which gives rise to the risk that cash flows may be adversely impacted by exchange rate fluctuations. Amounts subject to currency risk is primarily cash, offset by accounts payable and accrued liabilities denominated in foreign currencies. The Company primarily spends funds in US dollars. The Company is exposed to currency risk primarily on settlements of purchases that were denominated in currencies other than the US dollar. In order to reduce the Company's exposure to currency risk, the Company periodically increases or decreases the amount of funds held in foreign currencies.

The Company is exposed to movements in the US dollar against the Australian dollar and Canadian dollar. Sensitivity analysis has been performed to indicate how the profit or loss would have been affected by changes in the US dollar and each of these currencies.

As at December 31, 2025, the Company's Australian dollar functional currency entity had accounts payable and accrued liabilities of AUD\$67,670 (USD\$45,200). A 10% strengthening in the Australian dollar relative to the US dollar would result in an increase of approximately \$4,500 in the Company's net loss.

As at December 31, 2025, the Company's Canadian dollar functional currency entity held cash denominated in US dollars of USD\$16,619 and accounts payable and accrued liabilities of USD\$174,368. A 10% strengthening in the Canadian dollar relative to the US dollar would result in a decrease of approximately \$21,600 in the Company's net loss.

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10. RELATED PARTY TRANSACTIONS

Related party transactions are comprised of services rendered by key management personnel of the Company or by a company with a director and/or officer in common.

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 members of the Board of Directors.

The Company incurred charges to Directors and Officers, or to companies associated with these individuals, during the years ended December 31, 2025 and 2024:

	Note	2025 \$	2024 \$
Capitalized exploration and evaluation asset expenditures	5	-	6,615
Consulting fees		380,000	396,019
Directors fees		446,740	55,204
Professional fees		72,905	161,674
Share-based compensation	7	89,405	190,781
Termination benefits		-	27,376
		989,050	837,669

The amounts due to related parties at December 31, 2025 are \$538,523 (2024 - \$386,319) owing to directors of the Company and a company in which the CFO of the Company is a shareholder. These amounts are unsecured, non-interest bearing and due on demand. The amounts due to related parties are included in accounts payable and accrued liabilities.

On May 3, 2021, the Company entered into a consulting agreement with a company owned by the former CEO of the Company for annual fees of CAD\$240,000. During the year ended December 31, 2024, the consulting agreement was terminated and the Company entered into a separation agreement with the company owned by the former CEO of the Company for a lump sum payment of CAD\$149,200 paid in cash.

On May 3, 2021, the Company entered into a consulting agreement with a company owned by a former officer of the Company for annual fees of CAD\$150,000. During the year ended December 31, 2024, the Company terminated the consulting agreement without cause for a lump sum payment of CAD\$37,500 paid in cash.

On February 1, 2024, the Company entered into a consulting agreement with a company owned by a director and CEO of the Company for monthly fees of \$20,000 with an initial term of one year which is automatically renewable for subsequent one-year terms unless terminated earlier by either party. If the Company completes one or more equity or debt financings for aggregate net proceeds of at least \$5,000,000, then,

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commencing in the month immediately following, the monthly fee shall automatically increase to \$30,000. In November 2025, the monthly fee was increased to \$30,000 following the October 24, 2025 non-brokered private placement. As further consideration, the Company granted to the director and CEO of the Company 7,000,000 share options which vest in accordance with certain vesting criteria. (Note 7).

On June 24, 2024, the Company entered into agreements with two former directors of the Company whereby the Company agreed to pay CAD\$37,500 representing the stipend owed as a director of the Company upon the earlier of (i) the completion of a financing of the Company for aggregate gross proceeds of a minimum of \$1,500,000 and (ii) December 31, 2024. During the year ended December 31, 2025, the Company paid a \$40,000 stipend to each former director.

Other related party transactions are disclosed in Notes 6 and 7.

11. NON-CASH TRANSACTIONS

Investing and financing activities that do not have a direct impact on current cash flows are excluded from the consolidated statements of cash flows.

During the year ended December 31, 2025, the following transactions were excluded from the consolidated statement of cash flows:

- the Company issued 337,669 finders warrants as finders' fees at a fair value of \$30,723 (Note 7); and
- capitalized exploration and evaluation costs of \$89,556 included in accounts payable and accrued liabilities as of December 31, 2025.

During the year ended December 31, 2024, the following transactions were excluded from the consolidated statement of cash flows:

- capitalized exploration and evaluation costs of \$519,690 included in accounts payable and accrued liabilities as of December 31, 2024.

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12. INCOME TAXES

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

	Year Ended December 31, 2025	Year Ended December 31, 2024
Statutory tax rate	21%	26.5%
	\$	\$
Income (loss) before income taxes	652,972	(6,912,327)
Expected income tax expense (recovery) at statutory rate	137,124	(1,831,767)
Difference in tax rates and foreign exchange	(375,101)	426,089
Tax effect of non-deductible expenses	850,327	96,807
Expiry of tax attributes	1,615,586	-
Deferred tax expense from temporary differences	-	(1,035)
Deferred tax asset not recognized	(2,227,936)	1,309,906
Income tax recovery	-	-

The significant components of the Company's deferred income tax assets as at December 31, 2025 and 2024 are as follows:

	2025	2024
	\$	\$
Carried forward tax losses	877,288	3,090,367
Financing and share issuance costs	-	105,997
Exploration and evaluation assets	91,140	-
Unrecognized deferred tax assets	(968,428)	(3,196,364)
Net deferred tax asset	-	-

As at December 31, 2025, the Company has tax losses in the USA of approximately of \$3,169,000. The tax losses in the USA may be carried forward indefinitely and applied against future assessable income. Deferred tax benefits, which may arise as a result of these losses have not been recognized in these consolidated financial statements.

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13. SEGMENT INFORMATION

During the year ended December 31, 2025, the Company had one reportable operating segment, being the acquisition and exploration of interests in mineral properties. The Company has operations located in three geographical segments, Canada, USA and Australia. Geographic information is as follows:

	Total non-current assets as at December 31, 2025	Total non-current assets as at December 31, 2024
	\$	\$
USA	7,877,599	7,337,982
Total non-current assets	7,877,599	7,337,982

	Income (loss) for the year ended December 31, 2025	(Loss) for the year ended December 31, 2024
	\$	\$
Canada	(1,872,798)	(1,460,339)
USA	2,538,646	(5,448,101)
Australia	(12,876)	(3,887)
Total net loss	652,972	(6,912,327)

14. SUBSEQUENT EVENTS

On January 29, 2026, the Company granted an aggregate of 269,808 DSUs to certain directors of the Company. The DSUs were granted in lieu of cash directors fees incurred during the quarter ended December 31, 2025.

On January 30, 2026, the Company entered into a definitive purchase and sale agreement with Ameerex Corporation pursuant to which the Company has agreed to sell its wholly-owned subsidiaries, NAS and CM together with their respective assets in Nevada which include the Corcoran and Belmont Project.

Under the terms of the Agreement, Ameerex has agreed to acquire 100% of the issued and outstanding shares of NAS and CM for total consideration of \$3,500,000, payable in staged cash payments as follows:

- \$300,000 upon execution of the Agreement (received subsequent to December 31, 2025);
- \$1,000,000 payable 90 days after execution; and
- \$2,100,000 payable 180 days after execution.

The Company will retain a 2.5% net smelter return (“NSR”) royalty on production from each of the Corcoran and Belmont properties, subject to a 3.0% total royalty cap inclusive of existing third-party royalties. The Agreement also provides Ameerex with certain options to repurchase all or a portion of the retained NSR royalties on defined terms.

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Subsequent to December 31, 2025, 1,125,000 warrants were exercised for gross proceeds of CAD\$225,000.

On March 31, 2026, the Company granted an aggregate of 318,429 DSUs to certain directors of the Company. The DSUs were granted in lieu of cash directors fees incurred during the quarter ended March 31, 2026.