

SKYHARBOUR RESOURCES LTD.

FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)

FOR THE YEARS ENDED MARCH 31, 2026 AND 2025

To the Shareholders of Skyharbour Resources Ltd.:

Opinion

We have audited the financial statements of Skyharbour Resources Ltd. (the "Company"), which comprise the statements of financial position as at March 31, 2026 and March 31, 2025, and the statements of income (loss) and other comprehensive income (loss), changes in shareholders' equity, and cash flows for the years then ended, and notes to the financial statements, including material accounting policy information.

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

Basis for Opinion

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial statements, which indicates that the Company experienced negative cashflows from operations during the year and has an accumulated deficit as at March 31, 2026. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Except for the matter described in the Material Uncertainty Related to Going Concern section, we have determined that there are no other key audit matters to communicate in our report.

Other Information

Management is responsible for the other information. The other information comprises Management's Discussion and Analysis.

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

In connection with our audits of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audits or otherwise appears to be materially misstated. We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Vancouver, British Columbia

July 29, 2026

MNP LLP
Chartered Professional Accountants

SKYHARBOUR RESOURCES LTD.
STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)
AS AT MARCH 31

	2026	2025
ASSETS		
Current		
Cash and cash equivalents (Note 4)	\$ 1,502,008	\$ 3,360,170
Short-term investment (Note 5)	-	3,000,000
Investments (Note 6, 13)	9,849,100	1,360,756
Receivables	333,945	300,243
Due from related party (Note 10)	33,975	2,098
Prepaid expenses	<u>741,865</u>	<u>405,958</u>
	12,460,893	8,429,225
Equipment	5,192	3,467
Exploration and evaluation assets (Note 7)	<u>32,435,611</u>	<u>33,033,501</u>
	<u>\$ 44,901,696</u>	<u>\$ 41,466,193</u>

LIABILITIES AND SHAREHOLDERS' EQUITY

Current		
Accounts payable and accrued liabilities	\$ 1,716,536	\$ 368,976
Due to related parties (Note 10)	13,468	-
Flow-through premium liability (Note 8)	<u>-</u>	<u>969,940</u>
	<u>1,730,004</u>	<u>1,338,916</u>
Non-current liability		
Deferred income tax liability	<u>718,000</u>	<u>-</u>
Shareholders' equity		
Capital stock (Note 8)	87,242,757	84,662,431
Reserves (Note 8)	9,025,859	9,299,663
Deficit	<u>(53,814,924)</u>	<u>(53,834,817)</u>
	<u>42,453,692</u>	<u>40,127,277</u>
	<u>\$44,901,696</u>	<u>\$ 41,466,193</u>

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

Approved and authorized by the Board of Directors on July 29, 2026.

<u>"Jordan Trimble"</u>	Director	<u>"Jim Pettit"</u>	Director
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The accompanying notes are an integral part of these financial statements.

SKYHARBOUR RESOURCES LTD.
STATEMENTS OF INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)
(Expressed in Canadian Dollars)
YEAR ENDED MARCH 31

	2026	2025
GENERAL AND ADMINISTRATIVE EXPENSES		
Accounting and audit	\$ 131,881	\$ 107,850
Administrative	66,198	50,315
Community investment	168,737	-
Consulting fees (Note 10)	1,688,555	1,195,203
Conventions, promotion, food and entertainment	299,068	285,639
Depreciation	1,528	1,486
Legal	127,524	61,082
Marketing and advertising	971,095	726,798
Office and sundry	276,612	230,710
Rent	71,137	91,292
Shareholder information	147,321	174,086
Share-based payments (Note 9)	74,352	751,644
Transfer agent and filing fees	26,612	24,274
Travel	122,335	151,721
	<u>(4,172,955)</u>	<u>(3,852,100)</u>
Operator administration income	34,328	-
Dividend income	-	17,496
Interest income	63,715	140,678
Other income - camp rental	669,344	324,100
Other income - services and wages	9,875	-
Other income - flow-through premium liability (Note 8)	1,324,814	2,277,740
Other income - payments received in excess of costs (Note 7)	500,340	1,545,257
Gain on sale of exploration and evaluation asset	-	58,871
Realized loss on sale of investments (Note 6)	(916,517)	(646,944)
Unrealized gain on investments (Note 6)	3,224,949	27,919
	<u>4,910,848</u>	<u>3,745,117</u>
Income (loss) and comprehensive income (loss) before income taxes	<u>737,893</u>	<u>(106,983)</u>
Deferred income tax expense	<u>(718,000)</u>	<u>-</u>
Income (loss) and comprehensive income (loss) for the year	<u>\$ 19,893</u>	<u>\$ (106,983)</u>
Basic income (loss) per common share	<u>\$ 0.00</u>	<u>\$ (0.00)</u>
Diluted income (loss) per common share	<u>\$ 0.00</u>	<u>\$ (0.00)</u>
Weighted average number of common shares outstanding - basic	<u>206,791,022</u>	<u>188,550,582</u>
Weighted average number of common shares outstanding - diluted	<u>233,247,214</u>	<u>188,550,582</u>

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

SKYHARBOUR RESOURCES LTD.
STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)
YEAR ENDED MARCH 31

	2026	2025
CASH FLOWS FROM OPERATING ACTIVITIES		
Income (loss) for the year	\$ 19,893	\$ (106,983)
Items not affecting cash:		
Deferred income tax expense	718,000	-
Depreciation	1,528	1,485
Share-based payments	74,352	751,644
Gain on sale of exploration and evaluation asset	-	(58,871)
Other income - flow-through premium liability	(1,324,814)	(2,277,740)
Realized loss on sale of investments	916,517	646,944
Unrealized gain on investments	(3,224,949)	(27,919)
Changes in non-cash working capital items:		
Increase in receivables	(33,702)	(48,828)
Decrease in due from related party	15,565	39,768
Increase in prepaid expenses	(369,882)	(31,068)
Increase (decrease) in accounts payable and accrued liabilities	350,429	(58,684)
Cash and cash equivalents used in operating activities	<u>(2,857,063)</u>	<u>(1,170,252)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of investments	683,442	182,769
Maturity (purchase) of short-term investment	3,000,000	(3,000,000)
Option payments received	12,125,000	400,500
Purchase of equipment	(3,253)	-
Expenditures on exploration and evaluation assets	(16,892,992)	(7,360,209)
Other income - payments received in excess of costs	<u>(500,340)</u>	<u>(1,545,257)</u>
Cash and cash equivalents used in investing activities	<u>(1,588,143)</u>	<u>(11,322,197)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from capital stock issued for private placements	2,103,899	10,020,000
Proceeds from capital stock issued for options exercised	615,200	-
Proceeds from capital stock issued for warrants exercised	-	684,231
Share issuance costs	<u>(132,055)</u>	<u>(757,538)</u>
Cash and cash equivalents provided by financing activities	<u>2,587,044</u>	<u>9,946,693</u>
Decrease in cash and cash equivalents during the year	(1,858,162)	(2,545,756)
Cash and cash equivalents, beginning of year	<u>3,360,170</u>	<u>5,905,926</u>
Cash and cash equivalents, end of year	\$ 1,502,008	\$ 3,360,170

Supplemental disclosure with respect to cash flows (Note 12)

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

SKYHARBOUR RESOURCES LTD.
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Expressed in Canadian Dollars)

Capital Stock					
	Number	Amount	Reserves	Deficit	Total
Balance, as at March 31, 2024	181,159,228	\$76,576,270	\$ 8,406,446	\$(53,727,834)	\$31,254,882
Private placements	21,928,490	10,020,000	-	-	10,020,000
Flow-through share premium	-	(1,718,959)	-	-	(1,718,959)
Share issuance costs - cash	-	(757,538)	-	-	(757,538)
Share issuance costs - finder's warrants	-	(155,627)	155,627	-	-
Warrants exercised	1,368,461	698,285	(14,054)	-	684,231
Share-based payments	-	-	751,644	-	751,644
Loss for the year	-	-	-	(106,983)	(106,983)
Balance, as at March 31, 2025	204,456,179	84,662,431	9,299,663	(53,834,817)	40,127,277
Private placements	5,069,636	2,103,899	-	-	2,103,899
Flow-through share premium	-	(354,874)	-	-	(354,874)
Share issuance costs - cash	-	(132,055)	-	-	(132,055)
Options exercised	2,570,000	963,356	(348,156)	-	615,200
Share-based payments	-	-	74,352	-	74,352
Income for the year	-	-	-	19,893	19,893
Balance, as at March 31, 2026	212,095,815	\$ 87,242,757	\$ 9,025,859	\$(53,814,924)	\$42,453,692

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

SKYHARBOUR RESOURCES LTD.
NOTES TO THE FINANCIAL STATEMENTS
 (Expressed in Canadian Dollars)
 MARCH 31, 2026 and 2025

1. NATURE AND CONTINUANCE OF OPERATIONS AND GOING CONCERN

Skyharbour Resources Ltd. (the "Company") was incorporated pursuant to the provisions of the *British Columbia Business Corporations Act* on July 24, 1970. The Company trades on the TSX Venture Exchange ("TSX-V") and the OTCQX® Best Market and is principally engaged in the acquisition, exploration and evaluation of resource properties.

The head office and records office of the Company are located at Suite #1030 - 505 Burrard Street, Vancouver, British Columbia, Canada. The registered office is located at Suite #1710 - 1177 West Hastings Street, Vancouver, British Columbia, Canada.

The Company's principal business activity is the acquisition and exploration of mineral property interests, at the present, principally in Saskatchewan, Canada. The Company is considered to be in the exploration stage and substantially all of the Company's efforts are devoted to financing and exploring these property interests. There has been no determination whether the Company's interests in unproven mineral properties contain mineral reserves which are economically recoverable.

The Company experienced negative cash flows from operations during the year and has a deficit of \$53,814,924 as at March 31, 2026. The Company continues to be dependent upon its ability to finance its operations and exploration programs through financing activities that may include issuances of additional debt or equity securities. The recoverability of the carrying value of exploration projects, and ultimately, the Company's ability to continue as a going concern, is dependent upon the existence and economic recovery of reserves, the ability to raise financing to complete the development of the properties, and upon future profitable production or, alternatively, upon the Company's ability to dispose of its interest on an advantageous basis, all of which are uncertain. These matters indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. The 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. These adjustments could be material.

2. BASIS OF PRESENTATION

Statement of Compliance

These financial statements, including comparatives, have been prepared in accordance with IFRS® Accounting Standards issued by the International Accounting Standards Board ("IASB, IFRS"). These financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit and loss, which are stated at their fair value. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information.

3. MATERIAL ACCOUNTING POLICY INFORMATION

Significant accounting estimates

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

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting period, that could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

SKYHARBOUR RESOURCES LTD.
NOTES TO THE FINANCIAL STATEMENTS
 (Expressed in Canadian Dollars)
 MARCH 31, 2026 and 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION (cont'd...)

Significant accounting estimates (cont'd...)

- i) The inputs used in calculating the fair value for share-based payments expense included in profit or loss and share-based share issuance costs included in shareholders' equity. The share-based payments expense is estimated using the Black-Scholes options-pricing model as measured on the grant date to estimate the fair value of stock options. This model involves the input of highly subjective assumptions, including the expected price volatility of the Company's common shares, the expected life of the options, and the estimated forfeiture rate.
- ii) The valuation of shares issued in non-cash transactions. Generally, the valuation of non-cash transactions is based on the value of the goods or services received. When this cannot be determined, it is based on the fair value of the non-cash consideration. When non-cash transactions are entered into with employees and those providing similar services, the non-cash transactions are measured at the fair value of the consideration given up using market prices.

Significant accounting judgments

- iii) The recognition of deferred tax assets. The Company considers whether the realization of deferred tax assets is probable in determining whether or not to recognize these deferred tax assets.
- iv) Title to exploration and evaluation assets involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral properties. The Company has investigated title to all of its mineral properties and, to the best of its knowledge, title to all of its properties are in good standing.
- v) Management requires to apply judgment in the assessment with respect to evaluating the Company's ability to continue as a going concern and to ensure that disclosures relating to liquidity are appropriate. The Company manages liquidity risk by maintaining an adequate level of cash to meet its short-term ongoing obligations, ensuring access to credit facilities and reviews its actual expenditures and forecast cash flows on a regular basis.

Cash and cash equivalents

Cash and cash equivalents include cash on hand and other short-term, highly liquid investments with maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Exploration and evaluation assets

Pre-exploration costs are expensed as incurred. Costs related to the acquisition and exploration of mineral properties are capitalized by property until the commencement of commercial production. If commercially profitable ore reserves are developed, capitalized costs of the related property are reclassified as mining assets after an impairment test and amortized using the unit of production method. If, after management review, it is determined that capitalized acquisition, exploration and evaluation costs are not recoverable over the estimated economic life of the property, or the property is abandoned, or management deems there to be an impairment in value, the property is written down to its recoverable amount.

SKYHARBOUR RESOURCES LTD.
NOTES TO THE FINANCIAL STATEMENTS
 (Expressed in Canadian Dollars)
 MARCH 31, 2026 and 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION (cont'd...)

Exploration and evaluation assets (cont'd...)

Any option payments received by the Company from third parties or tax credits refunded to the Company are credited to the capitalized cost of the exploration and evaluation asset. If payments received exceed the capitalized cost of the exploration and evaluation asset, the excess is recognized as income in the year received. The amounts shown for exploration and evaluation assets do not necessarily represent present or future values. Their recoverability is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development, and future profitable production or proceeds from the disposition thereof.

Impairment of long-lived assets

At the end of each reporting period, the Company's assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period.

For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that 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 prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

Provision for environmental rehabilitation

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of mineral properties and equipment, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future rehabilitation cost estimates arising from the decommissioning of plant and other site preparation work is capitalized to mining assets along with a corresponding increase in the rehabilitation provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. The rehabilitation asset is depreciated on the same basis as mining assets.

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to mining assets with a corresponding entry to the rehabilitation provision. The Company's estimates are reviewed annually for changes in regulatory requirements, discount rates, effects of inflation and changes in estimates.

Changes in the net present value, excluding changes in the Company's estimates of reclamation costs, are charged to income (loss) and comprehensive income (loss) for the year. The Company had no provisions for environmental rehabilitation as at March 31, 2026 or 2025.

SKYHARBOUR RESOURCES LTD.
NOTES TO THE FINANCIAL STATEMENTS
 (Expressed in Canadian Dollars)
 MARCH 31, 2026 and 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION (cont'd...)

Joint arrangements

A portion of the Company's exploration, development and production activities are conducted jointly with others through unincorporated joint operations. These financial statements reflect only the Company's proportionate interest of these joint operations and the proportionate share of the relevant revenue and related costs.

Income (loss) per share

The Company presents basic income (loss) per share for its common shares, calculated by dividing the income (loss) attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the year. Diluted income (loss) per share does not adjust the income (loss) attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

Share-based payments

The Company grants stock options to acquire common shares of the Company to directors, officers, employees and consultants. An individual is classified as an employee when the individual is an employee for legal or tax purposes, or provides services similar to those performed by an employee.

The fair value of stock options is measured on the date of grant, using the Black-Scholes option pricing model, and is recognized over the vesting period. A corresponding increase in reserves is recorded when stock options are expensed. When stock options are exercised, capital stock is credited by the sum of the consideration paid and the related portion of share-based payments previously recorded in reserves. Consideration paid for the shares on the exercise of stock options is credited to capital stock.

In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at fair value of the share-based payment. Otherwise, share-based payments are measured at the fair value of goods or services received.

Flow-through common shares

Resource expenditure deductions for income tax purposes related to exploration activities funded by flow-through share arrangements are renounced to investors in accordance with Canadian income tax legislation. On issuance, the Company bifurcates the flow-through share into i) a flow-through share premium, equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognized as a liability and ii) share capital. Upon expenses being incurred, the Company derecognizes the flow-through premium liability for the amount of tax reduction renounced to the shareholders. The premium is recognized as other income.

Proceeds received from the issuance of flow-through shares are restricted to be used for only Canadian resource property exploration expenditures within a two-year period. The Company may also be subject to a Part XII.6 tax on flow-through proceeds renounced under the "Look-back" Rule, in accordance with the Government of Canada flow-through regulations. When applicable, this tax is accrued as an expense until paid.

SKYHARBOUR RESOURCES LTD.
NOTES TO THE FINANCIAL STATEMENTS
 (Expressed in Canadian Dollars)
 MARCH 31, 2026 and 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION (cont'd...)

Capital stock

Proceeds from unit placements are allocated between common shares and warrants issued using the residual method. The proceeds are first attributed to the common shares according to the fair market value at the time of issuance with the residual amount allocated to the warrants.

Incremental costs directly attributable to the issue of ordinary shares, net of any tax effects are recognized as deduction from equity.

When warrants are granted as compensation in an equity transaction, the Company uses the Black-Scholes pricing model to determine the fair value of the warrants issued.

Income taxes

Income tax on the profit or loss for the years presented comprises current and deferred tax. Income tax is recognized in income (loss) and comprehensive income (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 year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes; the initial recognition of assets or liabilities that affect neither accounting or taxable loss and differences relating to investments in subsidiaries 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 date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Additional income taxes that arise from the distribution of dividends are recognized at the same time as the liability to pay the related dividend. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off 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.

Financial instruments

IFRS 9 establishes three primary measurement categories for financial assets: fair value through profit and loss ("FVTPL"), fair value through other comprehensive income ("FVOCI") and amortized cost. The basis for classification depends on the entity's business model and the contractual cash flow characteristics of the instrument.

Classification

The Company determines the classification of its financial instruments at initial recognition. Upon initial recognition, a financial asset is classified as measured at: amortized cost, FVTPL or FVOCI. The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. A financial liability is classified as measured at amortized cost or FVTPL.

SKYHARBOUR RESOURCES LTD.
NOTES TO THE FINANCIAL STATEMENTS
 (Expressed in Canadian Dollars)
 MARCH 31, 2026 and 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION (cont'd...)

Financial instruments (cont'd...)

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

An equity investment that is held for trading is measured at FVTPL. For other equity investments that are not held for trading, the Company may irrevocably elect to designate them as FVOCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

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 the Company has elected to measure them at FVTPL.

The Company classifies its financial instruments as follows:

Asset or Liability	IFRS 9 classification
Cash and cash equivalents	Amortized cost
Short-term investments	Amortized cost
Investments	FVTPL
Receivables	Amortized cost
Due from related party	Amortized cost

Measurement

Initial measurement

On initial recognition, all financial assets and financial liabilities are measured at fair value adjusted for directly attributable transaction costs except for financial assets and liabilities classified as FVTPL, in which case the transaction costs are expensed as incurred.

SKYHARBOUR RESOURCES LTD.
NOTES TO THE FINANCIAL STATEMENTS
 (Expressed in Canadian Dollars)
 MARCH 31, 2026 and 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION (cont'd...)

Financial instruments (cont'd...)

Subsequent measurement

The following accounting policies apply to the subsequent measurement of financial instruments:

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

Financial assets at amortized cost

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest income is calculated using the effective interest rate method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Impairment of financial instruments

The Company assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired.

For financial assets measured at amortized cost, and debt investments at FVOCI, the Company applies the expected credit loss impairment model.

The Company assesses all information available, including on a forward-looking basis, the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the asset as the reporting date with the risk of default as at the date of initial recognition, based on all information available, and reasonable and supportive forward-looking information.

Financial instrument disclosures

The Company provides disclosures that enable users to evaluate (a) the significance of financial instruments for the entity's financial position and performance; and (b) the nature and extent of risks arising from financial instruments to which the entity is exposed during the year and at the date of the statement of financial position, and how the entity manages these risks.

SKYHARBOUR RESOURCES LTD.
NOTES TO THE FINANCIAL STATEMENTS
 (Expressed in Canadian Dollars)
 MARCH 31, 2026 and 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION (cont'd...)

Financial instruments (cont'd...)

The Company provides information about its financial instruments measured at fair value at one of three levels according to the relative reliability of the inputs used to estimate the fair value:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

New accounting standards issued but not yet effective

The IASB issued certain new accounting standards or amendments as follow:

In May 2024, the IASB issued Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7). The key changes included clarification on the recognition and derecognition date of certain financial assets and liabilities, and amended the requirements related to financial liabilities settled through electronic payment system, including an option to utilize an accounting policy for early derecognition. It also clarified how to assess the contractual cash flow characteristics of financial assets in determining whether they meet the solely payments of principal and interest criterion, including financial assets that have environmental, social and corporate governance (ESG)-linked features and other similar contingent features. The IASB also added disclosure requirements to provide additional transparency regarding equity investments designated at fair value through other comprehensive income and financial instruments with contingent features, such as those related to ESG requirements. The amendments are effective for annual periods beginning on or after January 1, 2026 with early application permitted. The Company is assessing the impact of these amendments on the financial statements.

IFRS 18, "Presentation and Disclosure in Financial Statements," is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. This new standard maintains many of the current requirements for the presentation of financial statements and adds new requirements concerning the statement of profit or loss, management-defined performance measures, and the principles of aggregation and disaggregation of information. The new requirements concerning the statement of profit or loss include requiring entities to classify income and expenses included in the statement of profit or loss in one of five categories (operating, investing, financing, income taxes, discontinued operations) and prescribing that subtotals for operating profit or loss and profit or loss before financing and income taxes are presented. The new requirements concerning management-defined performance measures involve explanation of the purpose, calculation of and reconciliation to the most closely related performance measure prescribed in an IFRS accounting standard performance measures used in public communications by entities outside of the financial statements that are not a measure specifically required to be presented or disclosed by an IFRS accounting standard. The Company is currently evaluating the effect of these pronouncements on its financial statements and related disclosures.

4. CASH AND CASH EQUIVALENTS

	2026	2025
Cash	\$ 1,502,008	\$ 3,360,170

At March 31, 2026, the Company did not have any cash equivalents in the form of Guaranteed Investment Certificates ("GIC") (2025 - \$Nil).

SKYHARBOUR RESOURCES LTD.
NOTES TO THE FINANCIAL STATEMENTS
 (Expressed in Canadian Dollars)
 MARCH 31, 2026 and 2025

5. SHORT-TERM INVESTMENT

The Company invests some of its financial resources in interest bearing securities, mainly GICs, with varying maturity dates.

	2026	2025
GIC	\$ -	\$ 3,000,000

During the current year, the Company held a short-term investment in the form of Guaranteed Investment Certificate, with a market value of \$3,000,000 (2025 - \$3,000,000). The GIC matured on August 5, 2025, was non-cashable and bore annual interest at 3.30%.

The Company's GIC was held at one financial institution and as such the Company was exposed to the risk of that financial institution.

The Company's short-term investment matured in early August, at which time it converted to cash and cash equivalents.

6. INVESTMENTS

During the year ended March 31, 2026, the Company sold shares in publicly traded companies for proceeds of \$683,442 (2025 - \$182,769), resulting in a realized loss on sale of investments of \$916,517 (2025 - \$646,944). An unrealized gain on investments of \$3,224,949 (2025 - \$27,919) was also recorded in income (loss) and comprehensive income (loss) with respect to remaining shares previously received pursuant to option agreements (Note 7).

SKYHARBOUR RESOURCES LTD.
NOTES TO THE FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)
MARCH 31, 2026 and 2025

7. EXPLORATION AND EVALUATION ASSETS

March 31, 2026 <i>(12 months)</i>	Yurchison, Sask.	South Dufferin, Sask.	Moore Lake, Sask.	East Preston, Sask.	Preston, Sask.	South Falcon, Sask.	Mann Lake, Sask.	South Falcon, East, Sask.	Russell Lake, Sask.	914W Uranium	Highway Uranium, Sask.	Other Claims, Sask.	Denison Joint Ventures Sask.	Total
Acquisition costs:														
Balance, beginning of year	\$ 44,988	\$2,511,091	\$2,210,000	\$520,000	\$ -	\$ -	\$ -	\$ -	\$1,879,511	\$ -	\$ -	\$242,708	\$ -	\$7,408,298
Additions	-	1,666	1,491	-	25,263	-	-	-	10,000,000	-	-	36,948	23,981,270	34,046,638
Reallocated	-	-	-	-	-	-	-	-	(11,879,511)	-	-	-	-	(11,879,511)
Balance, end of year	44,988	2,512,757	2,211,491	520,000	25,263	-	-	-	-	-	-	279,656	23,981,270	29,575,425
Exploration costs/recoveries:														
Balance, beginning of year	(11,500)	(129,003)	14,557,255	330,829	318,862	-	1,892	-	10,549,368	-	-	7,500	-	25,625,203
Additions														
Accommodation/food	-	-	156,058	-	-	-	-	-	76,898	-	-	585	23,701	257,242
Advances (reallocated)	-	(13,833)	5,000	(268)	-	-	-	-	-	-	-	7,456	-	(1,645)
Assaying	-	-	160,196	-	-	-	-	-	111,799	-	-	-	-	271,995
Camp	-	-	377,546	-	-	-	-	-	257,900	-	-	-	271,452	906,898
Consulting & geologist	-	-	305,671	-	-	-	-	-	33,675	-	-	10,557	7,000	356,903
Drilling	-	-	1,770,423	-	498,990	-	-	-	23,140	-	-	-	-	2,292,553
Dues, fees, permits, licenses	-	-	4,072	-	-	-	-	-	700	-	-	-	2,782	7,554
Equipment & other rentals	-	-	409,905	-	-	-	-	-	153,663	-	-	-	21,181	584,749
GIS/technical/logistics	-	-	43,910	-	-	-	-	-	13,200	-	-	-	-	57,110
Line-cutting/staking	14,854	-	-	-	-	-	-	-	-	-	-	-	-	14,854
Mileage/gas/propane	-	-	96,628	-	-	-	-	-	99,315	-	-	107	23,911	219,961
Mobilization/demobilization	-	-	338,945	-	-	-	-	-	5,390	-	-	-	-	344,335
Office/miscellaneous	-	-	52,230	977	88	-	-	-	16,997	-	-	-	9,998	80,290
PST rebates	-	-	(126,370)	-	-	-	-	-	(33,017)	-	-	-	-	(159,387)
Reports/maps	-	-	2,772	-	-	-	-	-	6,750	-	-	-	2,772	12,294
Shipping/transportation/airfare	-	-	163,258	-	-	-	-	-	54,149	-	-	-	8,268	225,675
Supplies	-	-	68,702	-	-	-	-	-	40,285	-	-	-	-	108,987

Surveys	-	-	448,133	-	-	-	-	-	27,572	-	-	-	442,359	918,064
Trail building	-	-	280,327	-	-	-	-	-	-	-	-	-	-	280,327
Travel	-	-	139,971	-	-	-	-	-	6,701	-	-	-	-	146,672
Wages	-	-	525,793	-	885	-	-	-	67,274	-	-	4,800	53,855	652,607
	14,854	(13,833)	5,223,170	709	499,963	-	-	-	962,391	-	-	23,505	867,279	7,578,038
Reallocated	-	-	-	-	-	-	-	-	(11,511,759)	-	-	-	-	(11,511,759)
Received from joint venture partners	-	-	-	-	-	-	-	-	-	-	-	-	(343,283)	(343,283)
	14,854	(13,833)	5,223,170	709	499,963	-	-	-	(10,549,368)	-	-	23,505	523,996	(4,277,004)
Option payments received	-	(380,000)	-	-	-	(67,500)	-	(269,434)	-	(113,406)	(50,000)	-	(18,108,013)	(18,988,353)
Payments in excess of costs	-	-	-	-	-	67,500	-	269,434	-	113,406	50,000	-	-	500,340
Sub-total for the current year	14,854	(393,833)	5,223,170	709	499,963	-	-	-	(10,549,368)	-	-	23,505	(17,584,017)	(22,765,017)
Balance, end of year	3,354	(522,836)	19,780,425	331,538	818,825	-	1,892	-	-	-	-	31,005	(17,584,017)	2,860,186
Total costs, March 31, 2026	\$ 48,342	\$1,989,921	\$21,991,916	\$851,538	\$844,088	\$ -	\$ 1,892	\$ -	\$ -	\$ -	\$ -	\$310,661	\$6,397,253	\$32,435,611

SKYHARB/OUR RESOURCES LTD.
NOTES TO THE FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)
MARCH 31, 2026 and 2025

7. EXPLORATION AND EVALUATION ASSETS

March 31, 2025 <i>(12 months)</i>	Yurchison, Sask.	South Dufferin, Sask.	Moore Lake, Sask.	East Preston, Sask.	Preston, Sask.	Other Claims, Sask.	South Falcon, Sask.	Mann Lake, Sask.	Russell Lake, Sask.	South Falcon, East, Sask.	914W Uranium	Genie, Usam, CBX Sask.	Highway Uranium, Sask.	Total
Acquisition costs:														
Balance, beginning of year	\$ -	\$2,495,046	\$2,210,000	\$520,000	\$ -	\$220,183	\$ -	\$ -	\$1,870,125	\$ -	\$ -	\$ -	\$ -	\$7,315,354
Additions	44,988	16,045	-	-	-	26,154	-	-	9,386	-	-	-	-	96,573
Dispositions	-	-	-	-	-	(3,629)	-	-	-	-	-	-	-	(3,629)
Balance, end of year	<u>44,988</u>	<u>2,511,091</u>	<u>2,210,000</u>	<u>520,000</u>	<u>-</u>	<u>242,708</u>	<u>-</u>	<u>-</u>	<u>1,879,511</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,408,298</u>
Exploration costs/recoveries:														
Balance, beginning of year	-	13,834	12,925,093	330,829	145,497	7,500	-	-	5,368,205	-	-	-	-	18,790,958
Additions														
Accommodation/food	-	2,043	37,773	-	-	-	-	-	151,296	-	-	-	-	191,112
Advances	-	13,802	-	(148,476)	-	-	-	-	-	-	-	-	-	(134,674)
Assaying	-	-	45,400	-	20,179	-	-	-	24,064	-	-	-	-	89,643
Camp	-	-	81,354	22,698	3,015	-	-	-	382,620	-	-	-	-	489,687
Consulting & geologist	-	8,403	164,805	-	-	-	-	-	389,072	-	-	-	-	562,280
Drilling	-	-	438,393	50,753	-	-	-	-	1,979,540	-	-	-	-	2,468,686
Dues, fees, permits, licenses	-	-	905	-	142	-	-	1,892	866	-	-	-	-	3,805
Equipment & other rentals	-	6,015	211,308	7,106	802	-	-	-	383,384	-	-	-	-	608,615
GIS/technical/logistics	-	4,025	19,200	-	-	-	-	-	55,600	-	-	-	-	78,825
Helicopter	-	-	-	47,880	-	-	-	-	7,740	-	-	-	-	55,620
Line-cutting/staking	-	-	-	-	18,814	-	-	-	109,893	-	-	-	-	128,707
Mileage/gas/propane	-	729	75,603	-	-	-	-	-	293,365	-	-	-	-	369,697
Mobilization/demobilization	-	-	51,422	-	-	-	-	-	85,997	-	-	-	-	137,419
Office/miscellaneous	1,000	-	8,750	-	15,770	-	-	-	23,547	-	-	-	-	49,067
Property service	-	-	-	-	-	-	-	-	28,353	-	-	-	-	28,353
PST rebates	-	-	(24,761)	-	-	-	-	-	(42,362)	-	-	-	-	(67,123)
Reports/maps	-	-	183	-	-	-	-	-	2,461	-	-	-	-	2,644

Shipping/transportation/airfare	-	6,739	94,725	-	16,465	-	-	-	154,698	-	-	-	-	272,627
Supplies	-	-	135,575	-	779	-	-	-	229,619	-	-	-	-	365,973
Surveys	-	-	105,310	19,069	80,084	-	-	-	538,654	-	-	-	-	743,117
Travel	-	15,407	13,623	970	-	-	-	-	34,965	-	-	-	-	64,965
Wages	-	-	<u>172,594</u>	-	<u>17,315</u>	-	-	-	<u>347,791</u>	-	-	-	-	<u>537,700</u>
	1,000	57,163	1,632,162	-	173,365	-	-	1,892	5,181,163	-	-	-	-	7,046,745
Option payments received	(184,000)	(200,000)	-	-	-	-	(183,333)	-	-	(400,000)	(45,938)	(736,486)	(8,000)	(1,757,757)
Option payments in excess of costs	<u>171,500</u>	-	-	-	-	-	<u>183,333</u>	-	-	<u>400,000</u>	<u>45,938</u>	<u>736,486</u>	<u>8,000</u>	<u>1,545,257</u>
	<u>(11,500)</u>	<u>(142,837)</u>	<u>1,632,162</u>	-	<u>173,365</u>	-	-	<u>1,892</u>	<u>5,181,163</u>	-	-	-	-	<u>6,834,245</u>
Balance, end of year	<u>(11,500)</u>	<u>(129,003)</u>	<u>14,557,255</u>	<u>330,829</u>	<u>318,862</u>	<u>7,500</u>	-	<u>1,892</u>	<u>10,549,368</u>	-	-	-	-	<u>25,625,203</u>
Total costs, March 31, 2025	\$ 33,488	\$2,382,088	\$16,767,255	\$850,829	\$318,862	\$250,208	\$ -	\$ 1,892	\$12,428,879	\$ -	\$ -	\$ -	\$ -	\$33,033,501

7. EXPLORATION AND EVALUATION ASSETS (cont'd...)

Yurchison Project, Saskatchewan:

The Company holds 100% interest in certain claims located on the eastern flank of the Athabasca Basin, Saskatchewan.

The Company entered into an option agreement on November 1, 2021 with Medaro Mining Corp. ("Medaro") which provided Medaro an earn-in option to acquire an initial 70% interest and up to a 100% interest in the Yurchison Property. On October 28, 2024, the Company amended its Yurchison Project option agreement to update the initial mineral claim list of 12 mineral claims totaling approximately 55,934 hectares to 7 mineral claims totalling approximately 20,440 hectares. The option agreement was terminated on January 13, 2025.

During fiscal 2025, the Company recognized \$171,500 through income (loss) and comprehensive (loss) as option payments received exceeded expenditures on the property (2026 - \$Nil).

The Company received a notice of termination dated January 13, 2025 from Medaro.

South Dufferin Project, Saskatchewan:

On April 25, 2023, Skyharbour acquired a 100% interest in and to the claims comprising the South Dufferin Project. As consideration, the Company made a \$125,000 cash payment, issued 6,000,000 common shares valued at \$2,250,000 and issued 1,000,000 non-transferable share purchase warrants at an exercise price of \$0.60 per share.

On October 3, 2024, Skyharbour announced that it entered into an option agreement with a private arm's-length company, UraEx Resources Inc. ("UraEx"), whereby UraEx may acquire up to a 100% interest in the Company's South Dufferin and Bolt Uranium Projects (collectively, the "Property"). The Property consists of a total of twelve mineral claims totalling approximately 18,000 hectares located in the Athabasca Basin, northern Saskatchewan. UraEx can earn an initial 51% in the Property through \$4,600,000 in combined project consideration and up to 100% through \$9,800,000 in combined project consideration consisting of cash and share payments as well as exploration expenditures over a five-year period.

Pursuant to the agreement, UraEx may acquire an initial 51% interest in the Property by (i) issuing common shares in the capital of the Optionee ("Shares") having an aggregate value of \$1,150,000; (ii) making aggregate cash payments of \$450,000; and (iii) incurring an aggregate of \$3,000,000 in exploration expenditures over a three-year period.

Schedule to earn an initial 51% interest:

Date	Cash Payments	Exploration Expenditures	Value of Shares Issued
On Closing	\$50,000 (received)	\$Nil	\$150,000 ⁽¹⁾ (received)
On or before first anniversary of closing	\$50,000 (received)	\$500,000 ⁽²⁾ (incurred)	\$250,000 ⁽³⁾ (received)
On or before second anniversary of closing	\$150,000	\$1,000,000	\$250,000 ⁽³⁾
On or before third anniversary of closing	\$200,000	\$1,500,000	\$500,000 ⁽³⁾
Total	\$450,000	\$3,000,000	\$1,150,000

(1) Deemed pricing of shares is \$0.20

(2) The first anniversary expenditure date is one year after the first permit is granted

(3) Deemed pricing of Shares is based on the five (5) day volume weighted average price on a Canadian stock exchange ("Deemed Price") or the last sale price, if not listed on a stock exchange at the time of issuance

SKYHARBOUR RESOURCES LTD.
NOTES TO THE FINANCIAL STATEMENTS
 (Expressed in Canadian Dollars)
 MARCH 31, 2026 and 2025

7. EXPLORATION AND EVALUATION ASSETS (cont'd...)

South Dufferin Project, Saskatchewan: (cont'd...)

Once UraEx has earned an initial 51% interest in the Property, they may acquire an additional 24% interest by (i) issuing shares having a value of \$500,000 at the deemed price on or before the fourth anniversary date, (ii) making a cash payment of \$200,000 to Skyharbour and (iii) completing an additional \$1,500,000 of exploration expenditures on the property. If UraEx does not elect to acquire the additional 24% interest, a joint venture will be formed with Skyharbour holding a 49% participating interest and UraEx 51%, respectfully. Once UraEx has earned a 75% interest in the Property, they may acquire the remaining 25% interest by (i) issuing shares having a value of \$2,000,000 at the deemed price on the fifth anniversary date, and (ii) making a cash payment of \$1,000,000 to Skyharbour. If UraEx does not elect to acquire the remaining 25% interest, a joint venture will be formed with Skyharbour holding a 25% participating interest and UraEx 75%, respectfully. There is a 2% NSR on one of the claims at the South Dufferin Project. UraEx will retain operatorship during the earn-in and thereafter once an interest has been earned.

During the current year, the Company received a \$30,000 cash payment and 500,000 shares valued at \$100,000 pursuant to an amending agreement dated May 6, 2025, under which additional claims were included. The Company also received 1,250,000 shares valued at \$250,000 from UraEx for additional staked claims.

During fiscal 2025, the Company received a \$50,000 cash payment and 750,000 shares valued at \$150,000 from UraEx.

Moore Lake Uranium Project, Saskatchewan:

In August 2018, the Company acquired a 100% interest in the Moore Lake uranium project located in the eastern Athabasca Basin, in Saskatchewan, Canada from Denison Mines Corp. ("Denison"). Under the terms of the Option Agreement, Skyharbour could acquire a 100% interest in the Moore Lake project in consideration for the issuance of 4,500,000 shares (issued at a fair value of \$1,710,000) and staged cash payments totaling \$500,000 (paid) over the next five years until July 31, 2021. Skyharbour also agreed to fund \$3,500,000 in exploration expenditures (completed) on the Moore Lake Project over the same five-year period and is the project operator.

Denison elected not to exercise a buyback option ("Buyback Option") to repurchase a 51% interest in the property by making a cash payment of \$200,000 and spending \$6,750,000 in exploration expenditures on the property over the following three-year period. Given that this first Buyback Option was not exercised by Denison, Skyharbour had an additional five-year period to incur an additional \$3,000,000 in exploration expenditures on the project (completed). On April 27, 2023, Denison elected not to exercise a second buyback option to repurchase a 51% interest in the property by making a cash payment of \$500,000 and spending \$16,500,000 in exploration expenditures on the property over the four-year period. Skyharbour holds a 100% ownership in the property.

East Preston Uranium Project, Saskatchewan:

On March 27, 2017, the Company and Dixie Gold Inc. ("Dixie") entered into an option agreement which allowed the optionee, Azincourt Energy Corp. ("Azincourt"), to acquire a 70% working interest in the East Preston Uranium Project. During fiscal 2021, Azincourt fulfilled its requirements and earned a 70% working interest. Skyharbour retained a minority interest in the project. During fiscal 2022, the Company received \$91,170 in cash from Azincourt. During the 2022 fiscal year, Dixie elected to not participate in any exploration programs, therefore its interest of 15% has been diluted to 4%.

On August 15, 2023, the Company, Azincourt and Dixie Gold Inc. entered into an amending agreement. The Company paid \$150,000 and issued 1,000,000 common shares valued at \$370,000 to Azincourt in lieu of approximately \$543,000 in exploration expenditures. The Company's interest decreased from 15% to 9.5%, pursuant to the agreement, with Azincourt now holding an 86.5% interest.

SKYHARBOUR RESOURCES LTD.
NOTES TO THE FINANCIAL STATEMENTS
 (Expressed in Canadian Dollars)
 MARCH 31, 2026 and 2025

7. EXPLORATION AND EVALUATION ASSETS (cont'd...)

Preston Uranium Project, Saskatchewan:

The Company and Dixie Gold Inc. entered into an option agreement on March 7, 2017 whereby the optionee, Orano Canada Inc. ("Orano"), could earn an initial 51% and up to a 70% working interest in the Preston Uranium Project. During fiscal 2021, Orano fulfilled their first earn-in option interest and formed a joint venture with Skyharbour and Dixie for future advancement and development of the project. In October of 2025, Dixie sold its minority interest in Preston to Orano and Skyharbour resulting in Orano owning a 74.7% interest in the joint venture and Skyharbour owning 25.3%.

South Falcon Project, Saskatchewan:

The Company entered into an option agreement on May 29, 2023, with North Shore Energy Metals Ltd. ("North Shore") which provides North Shore an earn-in option to acquire an initial 80% interest and up to a 100% interest in the South Falcon Property located in Saskatchewan, Canada. The Project was a portion of the previous Falcon Point Project.

Under the option agreement, North Shore may acquire an initial 80% interest in the property by (i) issuing common shares of North Shore having an aggregate value of \$1,225,000; (ii) making aggregate cash payments of \$525,000; and (iii) incurring an aggregate of \$3,550,000 in exploration expenditures on the property over a three-year period. North Shore has the option of making a cash payment of \$1,075,000 in lieu of the first, second, and third anniversary share issuances.

Once North Shore has earned an initial 80% interest in the property, North Shore may acquire the remaining 20% interest in the property within 90 business days by (i) issuing shares having a value of \$5,000,000, and (ii) making a cash payment of \$5,000,000 to the Company. If North Shore does not elect to acquire the remaining 20% interest, a joint venture will be formed with the Company holding a 20% participating interest.

North Shore will be the operator during the earn-in stage and for the joint venture if formed. Two claims are subject to a 1% NSR royalty payable to the Company. The remaining nine are subject to a 2% NSR royalty payable to Denison with North Shore having the right to purchase 1% of the royalty from Denison at any time by paying \$1 million.

In October 2023, North Shore completed its qualifying transaction and the Company received \$25,000 cash and 500,000 shares.

During fiscal 2025, the Company received \$50,000 in cash payments and 2,666,666 shares of North Shore resulting in recognition of \$183,333 through income (loss) and comprehensive income (loss).

During the current year, the Company received a cash payment of \$50,000 and 500,000 shares of North Shore valued at \$17,500 resulting in recognition of \$67,500 through income (loss) and comprehensive income (loss).

SKYHARBOUR RESOURCES LTD.
NOTES TO THE FINANCIAL STATEMENTS
 (Expressed in Canadian Dollars)
 MARCH 31, 2026 and 2025

7. EXPLORATION AND EVALUATION ASSETS (cont'd...)

South Falcon Project, Saskatchewan: (cont'd...)

Schedule to earn an initial 80% interest:

Date	Cash Payments	Exploration Expenditures	Value of Shares Issued
On Signing	\$25,000 (received)	\$Nil	\$Nil
On Closing ⁽¹⁾	\$25,000 ⁽¹⁾ (received)	\$Nil	\$150,000 (received)
By December 31 st , 2023	\$Nil	\$250,000 (incurred)	\$Nil
On or before 13 months after the closing date	\$Nil	\$250,000 (incurred)	\$200,000 ⁽²⁾ (received 2,666,666 shares)
On or before 15 months after the closing date	\$25,000 (received)	\$Nil	\$Nil
Deficiency deposit refund funds by 15 months after the closing date or 5 days after receipt if after 15 months	\$50,000 (received)		
On or before the third anniversary of the closing date - November 1, 2026	\$150,000	\$1,300,000 (incurred)	\$350,000 ⁽²⁾
On or before the fourth anniversary of the closing date – November 1, 2027	\$225,000	\$1,750,000	\$525,000 ⁽²⁾
TOTAL	\$500,000	\$3,550,000	\$1,225,000

(1) North Shore's qualifying transaction closed in October 2023

(2) Cash or shares at North Shore's option at a price per share using the five (5) VWAP at the time of issuance, subject to the minimum pricing rules of the TSX Venture Exchange.

On May 26, 2025, the Company entered into a third amending agreement requiring the optionee to make a \$50,000 cash payment within five days of completion of a financing and the deficiency deposit refund payment was changed to \$50,000 (received). The second and third anniversary cash payments, share requirements and exploration expenditures were extended for an additional year. As consideration for the amendment, the Company received 500,000 shares of North Shore.

SKYHARBOUR RESOURCES LTD.
NOTES TO THE FINANCIAL STATEMENTS
 (Expressed in Canadian Dollars)
 MARCH 31, 2026 and 2025

7. EXPLORATION AND EVALUATION ASSETS (cont'd...)

Mann Lake in the Athabasca Region, Saskatchewan:

The Company holds a 100% interest in the Mann Lake uranium project. In October 2021, the Company entered into an agreement with Black Shield Metals Corp. (now renamed to Nexus Uranium Corp.) ("Nexus") which provides Nexus an earn-in option to acquire a 75% interest in the Mann Lake Uranium Project. The agreement was later amended on November 7, 2022.

The Company entered into an amendment letter dated August 21, 2025 to extend the due date for the \$300,000 cash payment and \$500,000 share issuance, from July 31, 2025 to November 30, 2025.

The Company entered into an amendment letter dated March 26, 2026, requiring Nexus to pay \$625,000 and issue shares equivalent to \$1,000,000 by July 1, 2026. Nexus is also required to incur an additional \$2,000,000 in exploration expenditures on or before the second anniversary of signing the agreement and an additional \$1,000,000 in exploration expenditures on or before July 1, 2026.

As consideration to acquire a 100% interest, Nexus is required to make cash payments, share issuances and incur exploration expenditures in stages based on the following schedule inclusive of amendments:

Date for Completion	Cash Payments	Number of Common Shares to be Issued	Minimum Exploration Expenditures to be Incurred
Within five days of signing the agreement	\$100,000 (received)	Shares equivalent to \$250,000 (received)	
On the first anniversary of the signing (November 13, 2022)	\$125,000 (received)	Shares equivalent to \$500,000 (received)	\$1,000,000 (completed)
On the second anniversary of the signing of the agreement	\$Nil	Nil	Additional \$2,000,000 (completed)
On or before July 1, 2026	\$625,000	Shares equivalent to \$1,000,000	Additional \$1,000,000
TOTAL	\$850,000	\$1,750,000	\$4,000,000

South Falcon East Project, Saskatchewan:

The Company holds 100% interest in a series of mineral claims located on the eastern flank of the Athabasca Basin, in northern Saskatchewan.

Skyharbour entered into an option agreement on October 19, 2022 with Tisdale Clean Energy Corp. ("Tisdale") which provides Tisdale an earn-in option to acquire an initial 51% interest and up to a 75% interest in the South Falcon East Project. The Project is a uranium exploration project in the southeast Athabasca Basin and is a portion of the previous Falcon Point Project. The Company and Tisdale entered into an amending agreement dated February 7, 2024, whereby the net smelter returns royalty payable to the Company shall be re-allocated to Denison in accordance with the provisions set out in the underlying option agreement dated May 22, 2024 made between the Company and Denison Mines Corp.

SKYHARBOUR RESOURCES LTD.
NOTES TO THE FINANCIAL STATEMENTS
 (Expressed in Canadian Dollars)
 MARCH 31, 2026 and 2025

7. EXPLORATION AND EVALUATION ASSETS (cont'd...)

South Falcon East Project, Saskatchewan: (cont'd...)

On October 3, 2024, Tisdale consolidated its share capital on a one new for four old basis and changed its name to Terra Clean Energy Corp. ("Terra").

The Company and Terra entered into an amending agreement dated December 30, 2024. As consideration to acquire an initial 51% interest, and an additional 24% interest (total 75%), Terra is now required to make cash payments, share issuances and incur exploration expenditures in stages based on the following schedule:

The following table indicates Terra's requirements to earn an initial 51% as per the April 29, 2026 amending agreement.

Date for Completion	Cash Payments	Number of Common Shares to be Issued	Minimum Exploration Expenditures to be Incurred
On the closing date (January 2023)	\$350,000 (received)	1,111,111 (received)	\$Nil
On or before August 30, 2024	\$Nil	2,500,000 (received)	\$Nil
On or before December 30, 2024 Date of amending agreement			\$750,000 (completed)
On or before February 28, 2025	\$250,000 (received)	Nil	\$Nil
On or before May 31, 2025	\$Nil	Shares valued at \$323,320 (1)	Additional \$1,600,000 (completed)
On or before five business days from signing of the April 29, 2026 amending agreement	\$100,000 (subsequently received)	2,650,000 (subsequently received)	\$Nil
On or before October 31, 2026	\$Nil	\$Nil	\$75,000
On or before July 31, 2027	\$Nil	\$Nil	\$1,325,000
On or before July 31, 2028	\$1,700,000	Shares valued at \$1,770,000 (1)	\$1,000,000
On or before January 1, 2029 To earn an additional 24% (total 75%)	\$Nil	Nil	Additional \$2,500,000
On or before January 1, 2030 To earn an additional 24% (total 75%)	\$2,000,000	Shares valued at \$4,500,000 (1)	Additional \$3,500,000
TOTAL	\$4,400,000		\$10,750,000

(1) Deemed pricing of Shares is based on the five (5) day volume weighted average price on a Canadian stock exchange

SKYHARBOUR RESOURCES LTD.
NOTES TO THE FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)
MARCH 31, 2026 and 2025

7. EXPLORATION AND EVALUATION ASSETS (cont'd...)

South Falcon East Project, Saskatchewan: (cont'd...)

Subsequent to March 31, 2026, the Company and Terra entered into an amending agreement dated April 29, 2026.

During the current year, the Company received 2,694,335 shares of Terra valued at \$269,434 resulting in recognition of \$269,434 through income (loss) and comprehensive income (loss).

Subsequent to the current year, the Company received 2,650,000 shares of Terra valued at \$331,250 with respect to the amending agreement dated April 29, 2026.

During fiscal 2025, the Company received a cash payment of \$250,000 and 2,500,000 pre-consolidation shares (625,000 post consolidation shares) of Terra, resulting in recognition of \$400,000 through income (loss) and comprehensive income (loss).

Russell Lake Uranium Project, Saskatchewan:

On May 10, 2022, the Company entered into an option agreement with Rio Tinto Exploration Canada Inc. ("RTEC"), a wholly owned subsidiary of Rio Tinto Limited ("Rio Tinto"), to acquire an initial 51% interest and up to a 100% interest in the Russell Lake Uranium Project. Skyharbour became operator of the project during the earn-in period and afterwards when a joint venture was formed. The Company received exchange approval on July 20, 2022.

If the Company acquired 100%, the property would become subject to a 1% NSR payable to the optionor. The royalty may be reduced to 0.5% by payment of USD \$750,000. The claims comprising the property are subject to various existing underlying royalties to other parties.

Schedule of earn-in for 51%:

Date for Completion	Cash Payments	Number of Common Shares to be Issued	Exploration Expenditures to be Incurred
For 51% interest: Within 30 days of the effective date May 10, 2022	\$508,200 (paid)	-	-
For 51% interest: Within 18 months of the effective date	-	3,584,014 shares (issued)	\$1,905,750 (inclusive of a 10% management fee) (incurred)
For 51% interest: On or before the third anniversary of the effective date	-	-	\$3,811,500 (inclusive of a 10% management fee) (incurred)

The Company and RTEC entered into a First Amendment Agreement dated January 15, 2024, whereby mineral disposition nos. S-106426, S-107161 and S-107162 were divided into nos. S-113278, S-113279, S-113280 and S-113281 on October 31, 2023. The companies wished to amend the Option Agreement to reflect RTEC as the holder of the property and to reflect the division of the original claims.

In October 2024, pursuant to the agreement, the Company completed its earn-in requirements. The Company and Rio Tinto formed a joint venture with the Company holding a 51% ownership interest and Rio Tinto holding a 49% ownership interest. Subsequently Skyharbour interest increased to 57.7% with Rio owning 42.3% after dilution of their interest.

SKYHARBOUR RESOURCES LTD.
NOTES TO THE FINANCIAL STATEMENTS
 (Expressed in Canadian Dollars)
 MARCH 31, 2026 and 2025

7. EXPLORATION AND EVALUATION ASSETS (cont'd...)

Russell Lake Uranium Project, Saskatchewan: (cont'd...)

In November, 2025, the Company entered into a definitive and binding purchase agreement with RTEC to increase and consolidate its ownership interest in the Russell Lake Uranium Project through the acquisition of RTEC's 42.3% minority interest in the project.

The Company acquired RTEC's minority interest in exchange for cash consideration of \$10 million. The purchase price consisted of a \$2 million deposit payable within five business days of the date of execution of the purchase agreement (paid) and an \$8 million cash payment at closing (paid). The Company acquired a 100% interest in the project, subject to several other net smelter return royalties held by third parties. The Company granted RTEC a 0.25% net smelter returns royalty over Russell Lake.

Four New Joint Ventures at Russell Lake Uranium Project, Saskatchewan:

In November 2025, the Company entered into a definitive repurchase agreement (the "Strategic Agreement") with Denison Mines whereby Denison will acquire an initial project interest in the Company's Russell Lake Uranium Project ("Russell") and the parties have agreed to enter into four separate joint venture agreements on various claims making up Russell. The Strategic Agreement represents combined total project consideration of up to \$61.5 million consisting of cash or share payments to Skyharbour totalling up to \$21.5 million plus expenditures totalling up to \$40 million for Denison to acquire between a 20% and 70% ownership interest over seven years in the claims making up Russell, with Skyharbour owning the remaining interests.

Denison will earn an initial project interest in each of the four new Russell exploration projects including a 49% interest in the Wheeler North claims, a 20% interest in the RL claims, a 30% interest in the Getty East claims, and a 70% interest in the Wheeler River Inlier claims. Consideration consisted of a \$2 million cash payment upon execution of the Strategic Agreement and deferred consideration of \$16 million payable in cash or shares of Denison by December 31, 2025 (paid). The Company received \$12 million in cash, which includes the \$2 million execution payment and 1,607,372 shares valued at \$6,108,013 on December 22, 2025.

The current exploration camp at McGowan Lake on the Project will continue to be operated by Skyharbour and an administrative fee will be payable by Denison to Skyharbour. The transaction received TSX Venture Exchange approval and closed in December 2025.

SKYHARBOUR RESOURCES LTD.
NOTES TO THE FINANCIAL STATEMENTS
 (Expressed in Canadian Dollars)
 MARCH 31, 2026 and 2025

7. EXPLORATION AND EVALUATION ASSETS (cont'd...)

Hook Lake Uranium Project, Saskatchewan:

On December 8, 2020, the Company entered into an option agreement with the optionee, Pitchblend Energy Pty Ltd., which became Valor Resources Limited and now Thunderbird Resources, to acquire an 80% working interest in the Company's Hook Lake Project consisting of mineral claims in the eastern Athabasca Basin area of Saskatchewan. The Project was a portion of the previous Falcon Point Project. The Company also received \$20,000 pursuant to a previously signed letter of intent during fiscal 2021. As the Company had fully recovered the project in fiscal 2021, the additional recovery of \$75,000 was recognized through income (loss) and comprehensive income (loss) in fiscal 2022.

As consideration, the optionee made cash payments, a share issuance and incurred exploration expenditures in stages to complete the earn-in. The Company entered into an amending agreement dated February 4, 2024, whereby the net smelter returns royalty payable to the Company shall be re-allocated to Denison in accordance with the provisions set out in the underlying option agreement dated May 22, 2024 made between the Company and Denison Mines Corp. Thunderbird Resources has now earned its 80% with Skyharbour owning 20% of the project.

914W Uranium Project, Saskatchewan:

On November 11, 2024, the Company entered into an option with Mustang Energy Corp. ("Mustang"), whereby Mustang may acquire a 75% interest in the Company's 914W Uranium Project. The Property consists of a total of one mineral claim covering approximately 1,260 hectares located in the Athabasca Basin, northern Saskatchewan. As per an amending agreement dated September 24, 2025, one additional mineral claim was included.

As consideration to earn a 75% interest, the optionee is required to make cash payments, share issuances and incur exploration expenditures over a three-year period. Skyharbour will retain a 2% NSR royalty whereby Mustang shall have the right at any time to purchase one-half (1/2) of the NSR royalty (1%) for \$1,000,000. Once the 75% is earned, the Optionor and Optionee shall enter into a single purpose joint venture agreement.

Schedule to earn an initial 75% interest:

Date	Cash Payments	Exploration Expenditures	Value of Shares Issued
On closing date	\$15,000 (received)	\$Nil	\$30,000 ⁽¹⁾ (received)
On or before first anniversary of closing date	\$20,000 (received)	\$100,000 ⁽²⁾ (incurred)	\$100,000 ⁽¹⁾ (received)
On or before second anniversary of closing date	\$40,000	\$200,000 ⁽²⁾	\$150,000 ⁽¹⁾
On or before third anniversary of closing date	\$200,000	\$500,000	\$200,000
TOTAL	\$275,000	\$800,000	\$480,000

(1) Deemed pricing of Shares is based on the five (5) day volume weighted average price on a Canadian stock exchange

(2) Subsequent to March 31, 2026, the exploration expenditures were amended to \$80,000 by the first anniversary of closing date and \$220,000 by the second anniversary of closing date.

During the current year, the Company received a cash payment of \$20,000 and 1,098,901 shares of Mustang valued at \$93,406, resulting in recognition of \$113,406 through income (loss) and comprehensive income (loss).

During fiscal 2025, the Company received a cash payment of \$15,000 and 93,750 shares of Mustang valued at \$30,938 resulting in recognition of \$45,938 through income (loss) and comprehensive income (loss).

SKYHARBOUR RESOURCES LTD.
NOTES TO THE FINANCIAL STATEMENTS
 (Expressed in Canadian Dollars)
 MARCH 31, 2026 and 2025

7. EXPLORATION AND EVALUATION ASSETS (cont'd...)

Genie, Usam and CBX/Shoe Uranium Projects, Saskatchewan:

On October 29, 2024, the Company entered into a property acquisition agreement with a private arm's-length company, Hatchet Uranium Corp. ("Hatchet"), to acquire up to 100% interest in and to twenty-five mineral claims, comprising approximately 66,358 hectares located in Saskatchewan, Canada, and known as the Genie, Usam and CBX/Shoe Uranium Projects.

Hatchet may acquire a 100% interest in the property by, on the closing date, paying the Company \$25,000 (received) and issuing to the Company such number of units in the capital of Hatchet equal to 9.9% of the issued and outstanding shares immediately following issuance. Each Hatchet unit shall be comprised of one share and one share purchase warrant, entitling the Company to purchase one additional share for a period of three years at a price that is a 25% premium to the deemed value of the shares in both years one and two, and then increases to a 50% premium to the issuance value of the shares in year three.

The Company shall retain a claw-back provision whereby, within 90 days after the 3rd anniversary of the Closing Date, the Company may elect by written notice to Hatchet, of its intention to purchase back a 25% interest in the property by, within 90 days of delivery of such notice, incurring exploration expenditures or paying cash in lieu of to fund future exploration, equivalent to 50% of the total amount that Hatchet had spent during the term that is three years from the closing date in exploration expenditures on the property. If Hatchet has not incurred any exploration expenditures during the three years following the closing date, then Skyharbour shall automatically receive the 25% interest in the property. The Company shall also retain a 2% net smelter returns royalty of which Hatchet may purchase one-half, being 1%, at any time for \$2,000,000.

The obligation of Hatchet to acquire the property is subject to the following conditions (i) Hatchet completing a financing for minimum gross proceeds of \$1,500,000, (ii) the closing of the Option of the Highway Uranium Property from Skyharbour to Hatchet, and (iii) Hatchet having listed the Hatchet Shares on the TSX Venture Exchange or the Canadian Securities Exchange or having sold its interest to or combined with a similarly listed issuer. If the conditions listed in items (i) and (iii) above are not completed within 18 months, Hatchet's right to acquire the purchased property will terminate. If, after 12 months, the conditions listed in items (i) and (iii) above are not satisfied, Hatchet shall pay Skyharbour a monthly fee of \$10,000 until such conditions are satisfied or an aggregate of \$60,000 has been paid, whichever occurs first.

During fiscal 2025, the Company received a cash payment of \$25,000 and 1,452,013 shares of Hatchet valued at \$711,486 resulting in recognition of \$736,486 through income (loss) and comprehensive income (loss).

An amendment dated January 21, 2026 required Hatchet to list its shares on the TSX-V exchange on or before April 30, 2026.

As per an amending agreement dated February 19, 2026, both parties agreed that the acquisition of the property by Hatchet closed effectively on February 19, 2026, and that the purchaser is now owner of the property.

Highway Uranium Project, Saskatchewan:

On October 29, 2024, the Company entered into an option agreement with Hatchet to acquire an 80% interest in the Highway Uranium Project. The property consists of four mineral claims comprising approximately 9,339 hectares. On February 7, 2025, the option agreement with Hatchet was amended to include an additional five mineral claims. The optioned property now consists of nine (9) mineral claims comprising approximately 17,606 hectares. As consideration, the Company received a cash payment of \$8,000 resulting in recognition of \$8,000 through income (loss) and comprehensive income (loss) in fiscal 2025.

SKYHARBOUR RESOURCES LTD.
NOTES TO THE FINANCIAL STATEMENTS
 (Expressed in Canadian Dollars)
 MARCH 31, 2026 and 2025

7. EXPLORATION AND EVALUATION ASSETS (cont'd...)

Highway Uranium Project, Saskatchewan: (cont'd...)

The obligations of Hatchet under the option agreement are subject to the following conditions (i) Hatchet completing a financing for minimum gross proceeds of \$1,500,000, (ii) the sale of the of the Genie, Usam and CBX/Shoe Uranium Projects to Hatchet, and (iii) Hatchet having listed the Hatchet shares on the TSX Venture Exchange or the Canadian Securities Exchange or having sold its interest to or combined with a similarly listed issuer.

Hatchet may acquire an 80% interest in the optioned property by (i) issuing common shares in the capital of Hatchet having an aggregate value of \$1,050,000; (ii) making aggregate cash payments of \$245,000; and (iii) incurring an aggregate of \$2,050,000 in exploration expenditures on the optioned property over a three-year period, as follows:

Date	Cash Payments	Exploration Expenditures	Value of Shares Issued
On or before the first anniversary of the Effective Date	\$25,000 (received)	\$250,000 (incurred)	\$25,000 ⁽¹⁾ (received)
On or before the second anniversary of the Effective Date	\$20,000	\$300,000	\$25,000 ⁽¹⁾
On or before the third anniversary of the Effective Date	\$200,000	\$1,500,000	\$1,000,000 ⁽¹⁾
Total	\$245,000	\$2,050,000	\$1,050,000

⁽¹⁾Deemed pricing of Shares is based on the twenty (20) day volume weighted average price on the stock exchange in which Hatchet shall list its Shares for trading, being either the TSX Venture Exchange or the Canadian Securities Exchange ("Deemed Price") or the last sale price, if not listed on a stock exchange at the time of issuance.

In the event that the issuance of any shares pursuant to the above would result in the Company holding 10% or more of the outstanding shares of Hatchet, Hatchet will issue that number of shares which would result in the Company receiving 9.9% of the issued and outstanding shares post-issuance and will pay cash in lieu of the shares for the difference.

The Company shall retain a 2% net smelter returns royalty from minerals mined and removed from the Optioned Property, of which Hatchet may purchase one-half, being 1%, at any time for \$1,000,000.

During the current year, the Company received a cash payment of \$25,000 and 51,020 shares valued at \$25,000 resulting in recognition of \$50,000 through income (loss) and comprehensive income (loss).

Other Claims, Athabasca Region, Saskatchewan:

The Company has been acquiring by staking additional uranium exploration properties within and proximal to the Athabasca Basin of northern Saskatchewan. During the current year, the Company staked additional claims in the amount of \$36,948.

SKYHARBOUR RESOURCES LTD.
NOTES TO THE FINANCIAL STATEMENTS
 (Expressed in Canadian Dollars)
 MARCH 31, 2026 and 2025

8. CAPITAL STOCK AND RESERVES

Authorized

An unlimited number of common shares without par value.

Private placements

During the current year, the Company issued capital stock as follows:

On December 5, 2025, the Company raised gross proceeds of \$2,103,899 from a brokered private placement of 5,069,636 flow-through ("FT") shares at a price of \$0.415 per FT share.

The Company paid share issuance costs of \$132,055.

The Company recognized a FT premium liability of \$354,874 as a result of the premium price on the FT shares.

As at March 31, 2026 the Company incurred \$2,103,899 (2025 - \$7,608,791) in FT eligible expenditures resulting in other income of \$1,324,814 (2025 - \$2,277,740) and a remaining FT premium liability of \$Nil (2025 - \$969,940).

During fiscal 2025, the Company issued capital stock as follows:

On December 20, 2024, the Company raised gross proceeds of \$2,500,000 from a non-brokered private placement of 6,250,000 units at a price of \$0.40 per unit. Each unit consists of one common share and one-half of one transferable common share purchase warrant. Each warrant will entitle the holder to purchase one non-flow through common share for a period of two and one half years at a price of \$0.55 per common share.

On December 20, 2024, the Company raised gross proceeds of \$1,397,368 from a charity brokered private placement of 2,368,420 flow-through ("FT") shares at a price of \$0.59 per FT share. The Company also raised gross proceeds of \$6,122,632 from a brokered private placement of 13,310,070 FT shares at a price of \$0.46 per FT share.

The Company issued 1,294,525 finders' warrants valued at \$155,627 with an exercise price of \$0.55 expiring in two and one half years and paid cash finders' fees of \$589,550 with respect to the private placements and other share issuance costs of \$167,988.

The 1,294,525 finder's warrants were valued at \$155,627 using the Black-Scholes option pricing model using an expected life of 2.5 years, volatility of 64.97%, a dividend rate of 0% and risk free interest rate of 2.99%.

The Company recognized a FT premium liability of \$1,718,959 as a result of the premium price on FT shares.

As at March 31, 2025, the Company incurred \$7,608,791 in FT eligible expenditures resulting in other income of \$2,277,740 and a remaining FT premium liability of \$969,940.

SKYHARBOUR RESOURCES LTD.
NOTES TO THE FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)
MARCH 31, 2026 and 2025

9. STOCK OPTIONS AND WARRANTS

The Company has a stock option plan approved by shareholders to grant options to directors, officers, employees and consultants to acquire up to 10% of issued and outstanding common stock. The exercise price of each option equals the market price of the Company's stock as calculated on the date of grant. The options can be granted for a maximum term of 10 years and vest at the discretion of the board of directors.

The following incentive stock options were outstanding at March 31, 2026:

	Number of Shares	Exercise Price	Expiry Date	Exercisable	Remaining Life
Stock options:	3,450,000	0.56	January 7, 2027	3,450,000	.77 year
	3,500,000	0.45	January 24, 2028	3,500,000	1.82 years
	4,000,000	0.59	February 2, 2029	4,000,000	2.84 years
	3,500,000	0.40	February 10, 2030	3,500,000	3.87 years
	<u>300,000</u>	0.45	March 24, 2031	<u>300,000</u>	4.98 years
	14,750,000			14,750,000	

The following share purchase warrants were outstanding at March 31, 2026:

	Number of Shares	Exercise Price	Expiry Date
Warrants:	1,166,667	0.90	December 15, 2026
	6,420,000	0.80	December 15, 2026
	3,125,000	0.55	June 20, 2027
	<u>1,294,525</u>	0.50	June 20, 2027
	12,006,192		

Stock option and share purchase warrant transactions are summarized as follows:

	Warrants		Stock Options	
	Number	Weighted Average Exercise Price	Number	Weighted Average Exercise Price
Outstanding March 31, 2024	17,235,070	\$ 0.68	13,520,000	\$ 0.48
Granted	4,419,525	0.54	3,500,000	0.40
Exercised	(1,368,461)	0.50	-	-
Expired	<u>(3,529,576)</u>	<u>0.54</u>	<u>-</u>	<u>-</u>
Outstanding March 31, 2025	16,756,558	\$ 0.69	17,020,000	\$ 0.46
Granted	-	-	300,000	0.45
Exercised	-	-	(2,570,000)	0.24
Expired	<u>(4,750,366)</u>	<u>0.64</u>	<u>-</u>	<u>-</u>
Outstanding March 31, 2026	12,006,192	\$ 0.71	14,750,000	\$ 0.50
Number currently exercisable	12,006,192	\$ 0.71	14,750,000	\$ 0.50

SKYHARBOUR RESOURCES LTD.
NOTES TO THE FINANCIAL STATEMENTS
 (Expressed in Canadian Dollars)
 MARCH 31, 2026 and 2025

9. STOCK OPTIONS AND WARRANTS (cont'd...)

Share-based payments

During the current year, the Company granted 300,000 (2025 – 3,500,000) stock options to directors, officers, employees and consultants resulting in share-based payments expense using the Black-Scholes option-pricing model of \$74,352 (2025 - \$751,644). This amount was also recorded as reserves on the statement of financial position. The weighted average fair value of the stock options granted during the current year was \$0.248 (2025 - \$0.215) per option. The options fully vested upon grant date.

The following weighted average assumptions were used for the Black-Scholes valuation of stock options granted during the year:

	2026	2025
Risk-free interest rate	3.09%	2.74%
Expected life	5 years	5 years
Annualized volatility	72.47%	77.39%
Estimated forfeiture rate	-	-
Dividend rate	-	-

10. RELATED PARTY TRANSACTIONS

The key management personnel of the Company are the Directors, Chief Executive Officer, and the Chief Financial Officer.

Compensation of the Company's key management personnel is comprised of the following:

	2026	2025
Charged to income (loss) and comprehensive income (loss) for consulting fees	\$ 787,000	\$ 526,000
Salaries and wages charged to exploration and evaluation assets	185,000	107,917
Consulting fees charged to exploration and evaluation assets	75,000	-
Share-based payments	<u>74,353</u>	<u>446,691</u>
Total expense	\$ 1,121,353	\$ 1,080,608

Included in accounts payable and accrued liabilities at March 31, 2026, is \$281,183 (2025 - \$842) due to directors and/or their companies.

The Company has prepaid expenses in the amount of \$33,975 to related parties as at March 31, 2026 (2025 - \$2,098) which are non-interest bearing with no specific terms of repayment.

Included in due to related parties at March 31, 2026, is \$782 (2025 - \$Nil) due to a company with a related director

SKYHARBOUR RESOURCES LTD.
NOTES TO THE FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)
MARCH 31, 2026 and 2025

10. RELATED PARTY TRANSACTIONS (cont'd...)

Administrative agreement

The Company operates from the premises of a private company that provides office and administrative services to the Company and various other public companies on a short-term contract basis. The private company incurs costs which are reimbursed by the Company. No administrative fees are charged for this service. The private company is owned by one of the Company's directors. Included in due to related parties at March 31, 2026 is \$12,686 (2025 - \$Nil) owing to the private company.

11. INCOME TAXES

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

	2026	2025
Income (loss) for the year	\$ 737,893	\$ (106,983)
Combined Canadian federal and provincial statutory rate	27%	27%
Expected income tax expense (recovery) at statutory tax rates	\$ 199,000	\$ (29,000)
Change in statutory, foreign tax, foreign exchange rates and other	2,000	-
Permanent differences	78,700	304,990
Impact of flow-through shares	1,022,300	1,439,010
Share issue cost	(36,000)	(205,000)
Change in unrecognized deductible temporary differences	(551,000)	(1,642,000)
Adjustment to prior years provision and other	<u>3,000</u>	<u>132,000</u>
Total income tax expense (recovery)	\$ 718,000	\$ -

Significant components of the Company's deferred tax assets and liabilities are as follows:

	2026	2025
Deferred tax assets (liabilities)		
Share issue costs	\$ 189,000	\$ -
Allowable Capital losses	-	-
Non-Capital losses	6,185,000	6,144,000
Property and equipment	20,000	-
Right-of-Use Assets/Lease liability	-	-
Exploration and evaluation assets	(7,267,000)	(6,144,000)
Marketable Securities	-	-
Federal. SRED ITC	<u>155,000</u>	<u>-</u>
Net deferred tax liability	\$ (718,000)	\$ -

SKYHARBOUR RESOURCES LTD.
NOTES TO THE FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)
MARCH 31, 2026 and 2025

11. INCOME TAXES (cont'd...)

Significant components of deductible and taxable temporary differences, unused tax losses and unused tax credits that have not been included on the financial position are as follows:

	2026	Expiry dates	2025
Share issue costs	\$ -	2046 to 2049	\$ 858,000
Non-Capital losses	-	2045	345,000
Investments	-	No expiry	1,672,000
Capital assets	-	No expiry	72,000
ITC	-	2027 to 2033	212,000
Allowable capital losses	<u>3,870,000</u>	No expiry	<u>3,411,000</u>
	\$ 3,870,000		\$ 6,570,000

12. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

	2026	2025
Cash received or accrued during the year for interest	\$ 63,715	\$ 140,678
Cash paid or accrued during the year for interest	-	-
Cash paid during the year for income taxes	\$ -	\$ -

During the current year, the Company:

- Accrued \$1,316,134 in exploration and evaluation assets through accounts payable and accrued liabilities.
- Received 5,900,608 shares of public companies, valued at \$6,488,353 pursuant to exploration and evaluation option agreements. (Note 7)
- Received 1,801,020 shares of private companies, valued at \$375,000 pursuant to an exploration and evaluation option agreement (Note 7).
- Recognized a flow-through premium liability of \$354,874.

During the year ended March 31, 2025, the Company:

- Accrued \$319,003 in exploration and evaluation assets through accounts payable and accrued liabilities.
- Received 6,335,416 shares of a public company, valued at \$558,271 pursuant to exploration and evaluation claim dispositions. (Note 7)
- Received 2,202,013 shares of private companies, valued at \$861,486 pursuant to exploration and evaluation option agreements (Note 7).

SKYHARBOUR RESOURCES LTD.
NOTES TO THE FINANCIAL STATEMENTS
 (Expressed in Canadian Dollars)
 MARCH 31, 2026 and 2025

12. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS (cont'd...)

- Issued 1,294,525 finder warrants valued at \$155,626 with respect to a private placement.
- Recognized a flow-through premium liability of \$1,718,959.

13. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

Investments are carried at fair value using a level 1 fair value measurement. The fair values of cash, short-term investments, due from related party, receivables and accounts payable and accrued liabilities approximate their book values due to the short-term nature of the instruments.

Investments in private companies are carried at fair value using a level 3 fair value measurement.

The Company continues to be dependent upon its ability to finance its operations and exploration programs through financing activities that may include issuances of additional debt or equity securities. The recoverability of the carrying value of exploration and evaluation assets, and ultimately, the Company's ability to continue as a going concern, is dependent upon the existence and economic recovery of reserves, the ability to raise financing to complete the development of the properties, and upon future profitable production or, alternatively, upon the Company's ability to dispose of its interest on an advantageous basis, all of which are uncertain.

The Company has been successful in obtaining sufficient cash through its financings during the years ended March 31, 2026 and 2025 (Note 8) to meet its financial obligations for the next twelve months.

Financial risk factors

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and cash equivalents and receivables. Management believes that the credit risk concentration with respect to financial instruments included in receivables is remote because these instruments are due primarily from government agencies and cash and cash equivalents is held with reputable financial institutions.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when they come due. At March 31, 2026, the Company had a cash balance of \$1,502,008 to settle current liabilities of \$1,730,004. The Company raised proceeds of \$5,250,389 from a brokered private placement subsequent to March 31, 2026 (Note 14).

SKYHARBOUR RESOURCES LTD.
NOTES TO THE FINANCIAL STATEMENTS
 (Expressed in Canadian Dollars)
 MARCH 31, 2026 and 2025

13. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (cont'd...)

Financial risk factors (cont'd...)

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 and equity prices. These fluctuations may be significant. The Company's investments are exposed to market risk.

(a) Interest rate risk

The Company has cash balances held with financial institutions. The Company's current policy is to invest excess cash in short-term guaranteed investment certificates at its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks.

(b) Foreign currency risk

The Company is not currently exposed to significant foreign currency risk as most transactions are denominated in Canadian dollars.

(c) Price risk

The Company is exposed to price risk with respect to commodity prices. Changes in commodity prices will impact the economics of development of the Company's mineral properties. The Company closely monitors commodity prices to determine the appropriate course of action to be taken.

Capital Management

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition and exploration of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management but rather relies on the expertise of the Company's management to sustain future development of the business. The Company defines capital that it manages as shareholders' equity.

The properties in which the Company currently has an interest are in the exploration stage; as such the Company has historically relied on the equity markets to fund its activities. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company is not subject to any externally imposed capital restrictions. There have been no changes to the Company's approach to capital management during the year ended March 31, 2026.

Fair value of financial instruments

The fair value of a financial instrument is the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants which takes place in the principal (or most advantageous) market at the measurement date. The fair value of a liability reflects its non-performing risk. Assets and liabilities recorded at fair value in the consolidated statements of financial position are measured and classified in a hierarchy consisting of three levels for disclosure purposes. The three levels are based on the priority of the inputs to the respective valuation technique.

SKYHARBOUR RESOURCES LTD.
NOTES TO THE FINANCIAL STATEMENTS
 (Expressed in Canadian Dollars)
 MARCH 31, 2026 and 2025

13. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (cont'd...)

Fair value of financial instruments (cont'd...)

The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). An asset or liability's classification within the fair value hierarchy is based on the lowest level of significant input to its valuation. The input levels are defined as follows:

Level 1: Unadjusted quoted prices in an active market for identical assets and liabilities.

Level 2: Quoted prices in markets that are not active or inputs that are derived from quoted prices of similar (but not identical) assets or liabilities in active markets.

Level 3: Unobservable inputs that are supported by little or no market activity and are significant to the estimated fair value of the assets or liabilities.

a) Valuation process

The Company maximizes the use of quoted prices from active markets, when available. A market is regarded as active if transactions take place with sufficient frequency and volume to provide pricing information on an ongoing basis. Where independent quoted market prices are not available, the Company uses quoted market prices for similar instruments, other third-party evidence or valuation techniques.

The fair value of financial instruments determined using valuation techniques include the use of recent arm's length transactions and discounted cash flow analysis for investments in unquoted securities, discounted cash flow analysis for derivatives, third-party pricing models or other valuation techniques commonly used by market participants and utilize independent observable market inputs to the maximum extent possible.

The use of valuation techniques to determine the fair value of a financial instrument requires management to make assumptions such as the amount and timing of future cash flows and discount rates and incorporate the Company's estimate of assumptions that a market participant would make when valuing the instruments.

b) Accounting classifications and fair values

The following table shows the carrying amount and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. During the years ended March 31, 2026 and 2025, there have not been any transfers between fair value hierarchy levels.

SKYHARBOUR RESOURCES LTD.
NOTES TO THE FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)
MARCH 31, 2026 and 2025

13. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (cont'd...)

Fair value of financial instruments (cont'd...)

		Carrying amount				Fair value			
			Financial asset at amortized cost	Other Financial liabilities	Total	Level 1	Level 2	Level 3	Total
Note	FVTPL								
As at March 31, 2026									
Financial assets measured at fair value									
Marketable securities	6	8,808,614	-	-	8,808,614	8,808,614	-	-	8,808,614
Private company securities	6	<u>1,040,486</u>	-	-	<u>1,040,486</u>	-	-	1,040,486	1,040,486
		<u>9,849,100</u>	-	-	<u>9,849,100</u>				
Financial assets not measured at fair value									
Cash and cash equivalents	4	-	1,502,008	-	1,502,008	1,502,008	-	-	1,502,008
Short-term investment	5	-	-	-	-	-	-	-	-
		-	<u>1,502,008</u>	-	<u>1,502,008</u>				
Financial liabilities not measured at fair value									
Accounts payable and accrued liabilities		-	-	<u>1,716,536</u>	<u>1,716,536</u>		1,716,536	-	1,716,536
As at March 31, 2025									
			Financial asset at amortized cost	Other Financial liabilities	Total	Level 1	Level 2	Level 3	Total
Note	FVTPL								
Financial assets measured at fair value									
Marketable securities	5	499,270	-	-	499,270	499,270	-	-	499,270
Private company securities	5	<u>861,486</u>	-	-	<u>861,486</u>	-	-	861,486	861,486
		<u>1,360,756</u>	-	-	<u>1,360,756</u>				
Financial assets not measured at fair value									
Cash and cash equivalents	6	-	3,360,170	-	3,360,170	3,360,170	-	-	3,360,170
Short-term investment	4	-	<u>3,000,000</u>	-	<u>3,000,000</u>	3,000,000	-	-	3,000,000
		-	<u>6,360,170</u>	-	<u>6,360,170</u>				
Financial liabilities not measured at fair value									
Accounts payable and accrued liabilities		-	-	368,976	368,976	-	368,976	-	368,976

c) Measurement of fair values:

The valuation techniques used in measuring Level 3 fair values for financial instruments in the statements of financial position was the price of recent investments in the investee company.

d) Sensitivity analysis

For the fair value of equity securities, a 5% increase in price would adjust the fair market value by \$492,455 (2025 - \$68,038).

SKYHARBOUR RESOURCES LTD.
NOTES TO THE FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)
MARCH 31, 2026 and 2025

14. SUBSEQUENT EVENTS

Flow-Through private Placement

On May 11, 2026, the Company raised gross proceeds of \$5,250,389 from a brokered private placement of 9,052,395 flow-through shares at a price of \$0.58 per FT share. The Company paid cash finders' fees of \$300,023 with respect to the private placement.

Highway Uranium Project, Saskatchewan

The Company entered into a letter agreement with Hatchet Uranium Corp. and received 1,104,743 share purchase warrants of Future Fuels Inc. as consideration with respect to the April 16, 2026 letter agreement. The letter agreement addresses the February 25, 2026 amalgamation agreement of Hatchet Uranium Corp. with Future Fuels Inc. and 1564470 B.C. Ltd., a wholly owned subsidiary of Future Fuels Inc.

Option of Yurchison Uranium Property

The Company entered into a non-binding letter of intent on July 15, 2026 with Purecore Metals Inc. to option up to a 100% interest in the Yurchison uranium property located in the Wollaston Domain of Northern Saskatchewan, Canada. The parties have agreed to enter into a Definitive Agreement which is subject to regulatory approval.