Alternative Reporting Standard: Disclosure Guidelines for the Pink® Market

Federal and state securities laws require issuers to provide *current information* to the public markets. With a view to facilitating compliance with these laws, OTC Markets Group has created these Disclosure Guidelines ("Guidelines")[1] that set forth the disclosure obligations that make up the "Alternative Reporting Standard" for Pink companies. Companies on the Pink Market that do not make disclosure directly to the SEC (via EDGAR), a banking regulator, or a non-U.S. regulatory authority may provide disclosure under our "Alternative Reporting Standard." We use information provided by companies under these Guidelines to designate the appropriate tier in the Pink Market: Current Information or Limited Information.[2]

Pink Current Information Tier

To qualify for the Current Information Tier:

1. **Subscribe to the OTC Disclosure & News Service**: To submit an application, visit Gateway to sign in or create a new account. Allow OTC Markets Group 2-4 weeks to process your application and provide authorized user credentials to OTCIQ.

2. **Publish Initial Disclosure**: Upload the following documents through OTCIQ:

   - *Annual Report* for the most recently completed fiscal year.

   - *All Quarterly Reports* for the Current Fiscal Year.

     Annual or Quarterly Reports are composed of:
     - ***Disclosure Statements:*** Disclosure information pursuant to these Guidelines for the applicable period. Available as a fillable form beginning on page 4 of these Guidelines.
     - ***Financial Statements:*** Qualifying Financial Statements in accordance with the Financial Statement Requirements specified in Item 9 of these Guidelines.

     Qualifying Financial Statements include:
     - Audit Letter, if audited
     - Balance Sheet
     - Statement of Income
     - Statement of Cash Flows
     - Statement of Retained Earnings (Statement of Changes in Stockholders' Equity)
     - Notes to Financial Statements

3. **Publish the annual Management Certification:** Companies must certify basic company information initially and annually within forty five (45) days of a company's annual report due date.

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[1] These Guidelines have been designed to encompass the "current information" requirements under state and federal securities laws, such as Rules 10b-5 and 15c2-11 of the Securities Exchange Act of 1934 ("Exchange Act") as well as Rule 144 of the Securities Act of 1933 ("Securities Act"), and state Blue Sky laws. However, these Guidelines have not been reviewed by the U.S. Securities and Exchange Commission or any state securities regulator. These Guidelines do not constitute legal advice, and OTC Markets Group makes no assurance that compliance with our disclosure requirements will satisfy any legal requirements. These Guidelines may be amended from time to time, in the sole and absolute discretion of OTC Markets Group, with or without notice.

[2] OTC Markets Group may require companies with securities designated as "Caveat Emptor" or other compliance flags to make additional disclosures to qualify for the Pink Current Information tier.

4. **Verify Profile:** Verify the Company Profile through OTCIQ. This includes the complete list of current officers, directors, and service providers; outstanding shares; a business description; contact information; and the names of all company insiders and beneficial owners of 10% or more of the outstanding units or shares of any class of any equity security of the issuer.

5. **OTC Markets Group Processing of Reports**: Allow OTC Markets Group to process the posted documents (typically three to five business days) and provide any comments. Companies will only be evaluated for Current Information once all required documentation has been submitted.

6. **Ongoing Requirements**: To qualify for Current Information on an ongoing basis, companies must:
   - Publish reports through OTCIQ on the following schedule:
     - Quarterly Report within **45 days** of the quarter end
     - Annual Report within **90 days** of the fiscal year end
   - Complete an annual Management Certification within **45 days** of the annual report due date.
   - Maintain a Verified Profile. At least once every six months, review and verify the Company Profile through OTCIQ.
   - Maintain Transfer Agent Verified share data. If your transfer agent participates in the Transfer Agent Verified Shares Program, then your securities must have current share data verified by the transfer agent.
   - Maintain an Active standing in the Company's State of Incorporation.

Pink Limited Information Tier

Companies that do not meet the requirements of the Pink Current Information tier set forth above may still qualify for the Pink Limited Information Tier by meeting the following minimum disclosure requirements.

1. **Annual Financial Statements:** Publish one set of Qualifying Annual Financial Statements which cover the past 2 completed fiscal years, provided the most recently completed fiscal year is within the past 16 months.

2. **Verified Profile:** The Company must verify the Company Profile through OTCIQ, including, but not limited to, a complete list of officers, directors, and service providers; outstanding shares; a business description; contact information; and the name of all company insiders. "Company Insiders" shall include the beneficial owner of 10% or more of the outstanding units or shares of any class of any equity security of the issuer.

3. **Ongoing Requirements:** To qualify for Limited Information on an ongoing basis, companies must:
   - Publish reports on the following schedule:
     - Annual Financial Statements as outlined in Item 9 within 120 days of the fiscal year end. Should a change in FYE occur, no more than 16 months may elapse from the fiscal year end of the prior Annual Financial Statement.
   - Review and Verify the Company's profile information through OTCIQ at least once every 12 months.
   - Maintain Transfer Agent Verified share data. If your transfer agent participates in the Transfer Agent Verified Shares Program, then your securities must have current share data verified by the transfer agent.

Current Reporting of Material Corporate Events

In addition to the disclosure requirements above, all companies on the Pink market are expected to promptly release to the public any news or information regarding corporate events that may be material to the issuer and its securities (including adverse information). Persons with knowledge of such events are considered to be in possession of material nonpublic information and may not buy or sell the issuer's securities until or unless such information is made public. If not included in the issuer's previous public disclosure documents, or if the material events occurs after the publication of such disclosure documents, the issuer shall publicly disclose such events by disseminating a news release **within four (4) business days** following their occurrence and posting such news release through an Integrated Newswire or the OTC Disclosure & News Service.[3]

Material corporate events may include:

- Changes to the company's shell status. Please refer to our FAQ on Shell Companies
- Changes in control of issuer
- Departure of directors or principal officers; election of directors; appointment of principal officers
- Entry into or termination of a material definitive agreement or material agreement not made in the ordinary course of business
- Completion of an acquisition or disposition of assets, including but not limited to merger transactions
- Creation of a direct financial obligation or an obligation under an off-balance sheet arrangement of an issuer
- Triggering events that accelerate or increase a direct or contingent financial obligation including any default or acceleration of an obligation or an obligation under an off-balance sheet arrangement
- Costs associated with exit or disposal activities including material write-offs and restructuring; Material impairments
- Unregistered sales of equity securities
- Material modification to rights of security holders
- Changes in issuer's certifying accountant
- Non-reliance on previously issued financial statements or a related audit report or completed interim review
- Change in a company's fiscal year; Amendments to articles of incorporation or bylaws that were not previously disclosed in a proxy statement or other such disclosure statement.
- Amendments to the issuer's code of ethics, or waiver of a provision of the code of ethics
- Any changes to litigation the issuer may be involved in, or any new litigation surrounding the issuer
- Officer, director, or insider transactions in the issuer's securities
- Disclosure of investor relations, marketing, brand awareness, and stock promotion activities which might reasonably be expected to materially affect the market for its securities or otherwise deemed material by the issuer
- A company's bankruptcy or receivership
- Termination or reduction of a business relationship with a customer that constitutes a specified amount of the company's revenues
- Any material limitation, restriction, or prohibition, including the beginning and end of lock-out periods, regarding the company's employee benefits, retirement and stock ownership plan
- Earnings releases
- Other materially different information regarding key financial or operation trends from that set forth in periodic reports
- Other events the issuer determines to be material

[3] "Integrated Newswire" shall mean a newswire service that is integrated with the OTC Disclosure & News Service and is included on OTC Markets Group's list of Integrated Newswires, as published on https://www.otcmarkets.com/corporate-services/ir-tools-services

Sidney Resources Corporation

101 Mill Street, Warren, ID 83671

509-552-9858
https://sidneyresources.com/
Info@sdrccorp.com

Quarterly Report

For the period ending June 30, 2026 (the "Reporting Period")

Outstanding Shares
The number of shares outstanding of our Common Stock was:

376,252,467 as of June 30, 2026 (*Current Reporting Period Date or More Recent Date)*

376,752,467 as of December 31, 2025 *(Most Recent Completed Fiscal Year End)*

Shell Status
Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933, Rule 12b-2 of the Exchange Act of 1934 and Rule 15c2-11 of the Exchange Act of 1934):

Yes: ☐ No: ☒

Indicate by check mark whether the company's shell status has changed since the previous reporting period:

Yes: ☐ No: ☒

Change in Control
Indicate by check mark whether a Change in Control[4] of the company has occurred during this reporting period:

Yes: ☐ No: ☒

[4] "Change in Control" shall mean any events resulting in:

(i) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company's then outstanding voting securities;
(ii) The consummation of the sale or disposition by the Company of all or substantially all of the Company's assets;
(iii) A change in the composition of the Board occurring within a two (2)-year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or
(iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

1) Name and address(es) of the issuer and its predecessors (if any)

In answering this item, provide the current name of the issuer and names used by predecessor entities, along with the dates of the name changes.

NA

Current State and Date of Incorporation or Registration: Sidney Resources Corporation – August 25, 2009, Idaho.
Standing in this jurisdiction: (e.g. active, default, inactive): Active

Prior Incorporation Information for the issuer and any predecessors during the past five years:
None

Describe any trading suspension or halt orders issued by the SEC or FINRA concerning the issuer or its predecessors since inception:

None

List any stock split, dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:

None

Address of the issuer's principal executive office:

101 Mill Street, Warren, Idaho 83671

Address of the issuer's principal place of business:
X *Check if principal executive office and principal place of business are the same address:*

Mailing Address: 11806 NE 54th CT, Vancouver, WA 98686.

Has the issuer or any of its predecessors been in bankruptcy, receivership, or any similar proceeding in the past five years?

No: ☒ Yes: ☐ If Yes, provide additional details below:

2) Security Information

Transfer Agent

Name: Pacific Stock Transfer
Phone: 800-785-7782
Email: ipstc@pacificstocktransfer.com
Address: 6725 Via Austi Pkwy, Ste 300, Las Vegas, NV 89119

Publicly Quoted or Traded Securities:

The goal of this section is to provide a clear understanding of the share information for its publicly quoted or traded equity securities. Use the fields below to provide the information, as applicable, for all outstanding classes of securities that are publicly traded/quoted.

Trading symbol: SDRC
Exact title and class of securities outstanding: Common
CUSIP: 826151102
Par or stated value: 0.0001
Total shares authorized: 570,000,000 as of date: June 30, 2026
Total shares outstanding: 376,252,467 as of date: June 30, 2026
Total number of shareholders of record: 1738 as of date: June 30, 2026

Please provide the above-referenced information for all other publicly quoted or traded securities of the issuer.

Other classes of authorized or outstanding equity securities that do not have a trading symbol:

The goal of this section is to provide a clear understanding of the share information for its other classes of authorized or outstanding equity securities (e.g., preferred shares that do not have a trading symbol). Use the fields below to provide the information, as applicable, for all other authorized or outstanding equity securities.

Exact title and class of the security: Serial Preferred Class
Par or stated value: 0.0001
Total shares authorized: 60,000,000 as of date: June 30, 2026
Total shares outstanding: 56,666,695 as of date: June 30, 2026
Total number of shareholders of record: 85 as of date: June 30, 2026

Please provide the above-referenced information for all other classes of authorized or outstanding equity securities.

Security Description:

The goal of this section is to provide a clear understanding of the material rights and privileges of the securities issued by the company. Please provide the below information for each class of the company's equity securities, as applicable:

1. **For common equity, describe any dividend, voting and preemption rights.** The holders of Common Stock are entitled at all times to vote for each share and to such dividends as the Board of Directors may in its sole discretion, from time to time, legally declare, subject, however to the voting and dividend rights if any of the holders of the Serial Preferred Stock. In the event or any liquidation, dissolution or winding up of the Corporation, the remaining assets of the Corporation after the payment of all debts and necessary expenses, subject, however, to the rights of the holders of the Serial Preferred Stock then outstanding, if any, shall be distributed among the holders of the Common Stock pro rata in accordance with their respective holdings. The Common Stock is subject to all of the terms and provisions of the Serial Preferred Stock as fixed by the Board of Directors as hereinafter provided.

2. **For preferred stock, describe the dividend, voting, conversion, and liquidation rights as well as redemption or sinking fund provisions.** The Serial Preferred Stock may be issued, from time to time, in one or more series with such distinctive serial designations as the Board of Directors may establish and such Serial Preferred Stock: (a) may have such voting powers, full or limited, or may be without voting powers; (b) may be subject to redemption at such time or times and at such prices; (c) may be entitled to receive dividends (which may be cumulative or non-cumulative) at such rate or rates, on such conditions, and at such times and payable in preference to, or in such relation to, the dividends payable on any other class or

classes or series of stock; (d) may have such rights upon the dissolution of, or upon any distribution of the assets of, the Corporation; (e) may be made convertible into, or exchangeable for, shares of any other class or classes or of any other series of the same or any other class or classes of stock of the Corporation, at such price or prices or at such rates of exchange, and with such adjustments; and (f) shall have such other relative, participating, optional or special rights, qualifications, limitations or restrictions thereof, all as shall hereafter be stated and expressed in the resolution or resolutions providing for Directors pursuant of the authority to do so which is hereby vested in the Board.

3. **Describe any other material rights of common or preferred stockholders.** The shares of all classes of stock of this corporation are non-assessable.

4. **Describe any material modifications to rights of holders of the company's securities that have occurred over the reporting period covered by this report.** None.

3) Issuance History

The goal of this section is to provide disclosure with respect to each event that resulted in any changes to the total shares outstanding of any class of the issuer's securities ***in the past two completed fiscal years and any subsequent interim period****.*

Disclosure under this item shall include, in chronological order, all offerings and issuances of securities, including debt convertible into equity securities, whether private or public, and all shares, or any other securities or options to acquire such securities, issued for services. Using the tabular format below, please describe these events.

A. Changes to the Number of Outstanding Shares for the two most recently completed fiscal years and any subsequent period.

Indicate by check mark whether there were any changes to the number of outstanding shares within the past two completed fiscal years:
No: ☐ Yes: X (If yes, you must complete the table below)

Shares Outstanding Opening Balance: Date 01/01/2023 Common: 309,177,293 Preferred: 0			*Right-click the rows below and select "Insert" to add rows as needed.						
Date of Transaction	**Transaction type (e.g., new issuance, cancellation, shares returned to treasury)**	**Number of Shares Issued (or cancelled)**	**Class of Securities**	**Value of shares issued ($/per share) at Issuance**	**Were the shares issued at a discount to market price at the time of issuance? (Yes/No)**	**Individual/ Entity Shares were issued to.** *****You must disclose the control person(s) for any entities listed.**	**Reason for share issuance (e.g. for cash or debt conversion) -OR- Nature of Services Provided**	**Restricted or Unrestricted as of this filing.**	**Exemption or Registration Type.**

01/10/2023	NEW	250,000	Common	0.1000	YES	Timothy Powers	CASH	Restricted	Exempt
01/10/2023	NEW	100,000	Common	0.1000	YES	Lowell Jay and Donna Holmes	CASH	Restricted	Exempt
01/23/2023	NEW	200,000	Common	0.1000	YES	Guy Tiede	CASH	Restricted	Exempt
02/07/2023	NEW	21,786	Common	0.0001	YES	*Robert Girardi & Mary Girardi	CASH	Restricted	Exempt
02/28/2023	NEW	62,500	Common	0.0001	YES	*John Shortsleeve	CASH	Restricted	Exempt
02/23/2023	NEW	108,980	Common	0.0001	YES	*Suzanne Konicke	CASH	Restricted	Exempt
03/03/2023	NEW	5,000,000	Common	0.1000	YES	Corey Schram	CASH	Restricted	Exempt
03/03/2023	NEW	50,000	Common	0.1000	YES	Philip Foley & Gretchen Foley	CASH	Restricted	Exempt
03/06/2023	NEW	1,000,000	Common	0.1000	YES	Daniel Kavemeier	CASH	Restricted	Exempt
03/10/2023	NEW	10,000,000	Common	0.1355	NO	*Michael Irish & Rachel Irish	Acquisition	Restricted	Exempt
04/10/2023	NEW	12,000,000	Common	0.1000	YES	F & H Mining LLC Roy Sterns	Acquisition	Restricted	Exempt
04/11/2023	NEW	200,000	Common	0.1000	YES	Robert & Ellen Borst	CASH	Restricted	Exempt
04/21/2023	NEW	32,694	Common	0.0001	YES	Barbara Hale Richlen & Matthew Richlen	CASH	Restricted	Exempt
05/01/2023	NEW	150,000	Common	0.1000	YES	John Shortsleeve	CASH	Restricted	Exempt
06/29/2023	NEW	100,000	Common	0.1000	YES	Edward & Kristen Maas	CASH	Restricted	Exempt
07/06/2023	NEW	638,000	Common	0.1000	YES	ROBERT BORST & ELLEN BORST	CASH	Restricted	Exempt
07/17/2023	NEW	50,000	Common	0.1000	YES	Equity Trust Company FBO Amelia Rigel IRA Blake Rigel	CASH	Restricted	Exempt
07/17/2023	NEW	50,000	Common	0.1000	YES	Equity Trust Company Cust FBO Eli Rigel IRA Blake Rigel	CASH	Restricted	Exempt
07/17/2023	NEW	1,000,000	Common	0.1000	YES	Equity Trust Company Cust FBO Eli Rigel IRA Blake Rigel	CASH	Restricted	Exempt
8/09/2023	NEW	1,000,000	Common	0.1000	YES	JACOB SUTHERLUN	CASH	Restricted	Exempt
08/09/2023	NEW	5,000,000	Common	0.1000	YES	Scott Hall	CASH	Restricted	Exempt

09/05/2023	NEW	2,500,000	Common	0.1000	YES	Natalia Myers	CASH	Restricted	Exempt
09/05/2000	NEW	25,000	Common	0.1000	YES	DP ARTIST 401K PSP Todd Petty	CASH	Restricted	Exempt
09/14/2023	NEW	7,500,000	Common	0.1000	YES	Corey Schram	CASH	Restricted	Exempt
09/14/2023	NEW	200,000	Common	0.1000	YES	MERRY HARDY & STEVE AMBROSE	CASH	Restricted	Exempt
09/21/2023	NEW	500,000	Common	0.1000	YES	Sean Rae Zalewski	CASH	Restricted	Exempt
10/05/2023	NEW	500,000	Common	0.1000	YES	Blake & Sarah Rigel	CASH	Restricted	Exempt
10/06/2023	NEW	500,000	Common	0.1000	YES	Michael Reisel	CASH	Restricted	Exempt
10/13/2023	NEW	800,000	Common	0.1000	YES	Roy & Stephanie Sternes	CASH	Restricted	Exempt
10/20/2023	NEW	68,750	Common	0.1000	YES	Bryce Petty	Services	Restricted	Exempt
10/20/2023	NEW	68,750	Common	0.1000	YES	Connor Fuchs	Services	Restricted	Exempt
10/20/2023	NEW	50,000	Common	0.1000	YES	Brent Wyland*	CASH	Restricted	Exempt
10/20/2023	NEW	250,000	Common	0.1000	YES	Edward & Kristin Maas	CASH	Restricted	Exempt
11/21/2023	NEW	1,666,667	Common	0.1000	YES	Robert Rynders	CASH	Restricted	Exempt
12/01/2023	NEW	225,000	Common	0.1000	YES	DP Artist 401K PSP Todd Petty	CASH	Restricted	Exempt
12/01/2023	NEW	666,667	Common	0.1500	YES	Victor Ratiu	CASH	Restricted	Exempt
12/12/2023	NEW	1,333,334	Common	0.1500	YES	James M Boland Revocable Trust James Boland	CASH	Restricted	Exempt
12/12/2023	NEW	900,000	Common	$0.01	YES	Brent Wyland*	CASH	Restricted	Exempt
12/12/2023	NEW	1,350,000	Common	$0.01	YES	Mary Wyland*	CASH	Restricted	Exempt
12/12/2023	NEW	450,000	Common	$0.01	YES	Michael Wyland*	CASH	Restricted	Exempt
12/12/2023	NEW	750,000	Common	$0.01	YES	Joseph Haak*	CASH	Restricted	Exempt
12/13/2023	NEW	1,850,000	Common	$0.01	YES	Wesley Cathcart*	CASH	Restricted	Exempt
12/28/2023	NEW	4,500	Common	$0.30	YES	Blake Rigel Cust Amelia UWI* Blake Rigel	CASH	Restricted	Exempt

12/28/2023	NEW	15,000	Common	$0.30	YES	Blake Rigel Cust Eli * UWI* Blake Rigel	CASH	Restricted	Exempt
12/28/2023	NEW	250,000	Common	$0.30	YES	Blake & Sarah Rigel*	CASH	Restricted	Exempt
01/18/2024	NEW	1,000,000	Common	$0.10	YES	Red Beryl Mining Company Alex Sunderland	SERVICES	Restricted	Exempt
01/29/2024	NEW	10,500	Common	$0.30	YES	Blake Rigel Cust Amelia	CASH	Restricted	Exempt
01/29/2024	NEW	450,000	Common	$0.01	YES	Kim Thomas*	CASH	Restricted	Exempt
01/29/2024	NEW	450,000	Common	$0.01	YES	James & Lori Heinen*	CASH	Restricted	Exempt
02/05/2024	NEW	300,000	Common	0.10	YES	Merry Hardy & Steve Ambrose*	CASH	Restricted	Exempt
03/07/2024	NEW	450,000	Common	$0.01	YES	Tom & Jeanne Binder*	CASH	Restricted	Exempt
03/07/2024	NEW	450,000	Common	$0.01	YES	Robert & Lorraine Schaff*	CASH	Restricted	Exempt
04/05/2024	NEW	1,087,430	Common	$0.2299	YES	Amy Guerra	CASH	Restricted	Exempt
04/08/2024	NEW	650,000	Common	$0.10	YES	William Thomas Baker*	SERVICES	Restricted	Exempt
04/26/2024	NEW	650,000	Common	$0.10	YES	William Thomas Baker*	SERVICES	Restricted	Exempt
05/01/2024	NEW	1,000,000	Preferred	$0.2500	YES	Corey Schram	CASH	Restricted	Exempt
05/03/2024	NEW	800,000	Preferred	$0.2500	YES	Boland Charitable Trust of 2018 James Boland	CASH	Restricted	Exempt
07/15/2024	NEW	1,000,000	Preferred	$0.2500	YES	Scott Hall	CASH	Restricted	Exempt
09/05/2024	NEW	400,000	Preferred	$0.2500	YES	National Bureau of Mines Inc Steven Cryos	CASH	Restricted	Exempt
10/05/2024	Cancelled	650,000	Common	NA	NA	*William Thomas Baker	NA	NA	NA
10/18/2024	New	46,862	Common	$0.0001	Yes	*Robert Borst & Ellen Borst	CASH	Restricted	Exempt
10/18/2024	New	1,000,000	Common	$0.0001	Yes	*Michael J Reisel	Services	Restricted	Exempt
10/18/2024	Cancelled	10,000,000	Common	NA	NA	Michael G Irish & Rachel L. Irish JT TEN	NA	NA	NA
10/23/2024	New	500,000	Common	$0.2500	No	Don Jones Associates LLC Don Jones	Services	Restricted	Exempt

10/23/2024	New	1,000,000	Common	$0.2500	No	Firnal Inc Adam Syed	Services	Restricted	Exempt
10/23/2024	New	326,087	Common	$0.2300	No	*National Bureau of Mines Inc Steven Cryos	Services	Restricted	Exempt
10/28/2024	New	1,666,667	Preferred	$0.1500	Yes	The Maas Revocable Trust of October 2023 Steve & Sue Maas	Cash	Restricted	Exempt
12/05/2024	New	280,000	Preferred	$0.1500	Yes	Blake Alan Rigel & Sarah Lynn Rigel	Cash	Restricted	Exempt
12/05/2024	New	26,667	Preferred	$0.1500	Yes	Blake Rigel Cust Eli C Rigel Blake Rigel	Cash	Restricted	Exempt
12/05/2024	New	26,667	Preferred	$0.1500	Yes	Blake Rigel Cust Amelia M Rigel Blake Rigel	Cash	Restricted	Exempt
12/05/2024	New	500,000	Preferred	$0.1500	Yes	Equity Trust Company Cust FBO Blake Rigel IRA Blake Rigel	Cash	Restricted	Exempt
12/05/2024	New	466,667	Preferred	$0.1500	Yes	Aaron Dentz	Cash	Restricted	Exempt
12/09/2024	New	33,334	Preferred	$0.1500	Yes	Bryan R Neilsen	Cash	Restricted	Exempt
12/09/2024	New	666,667	Preferred	$0.1500	Yes	Brett A. Estes & Deborah L. Estes Jt Ten	Cash	Restricted	Exempt
12/09/2024	New	1,000,000	Preferred	$0.1500	Yes	Scherrer Const Co 401K PSP Benjamin S Templin	Cash	Restricted	Exempt
12/09/2024	New	500,000	Preferred	$0.1500	Yes	Andrew T. Novotny	Cash	Restricted	Exempt
12/16/2024	New	606,667	Preferred	$0.1500	Yes	Dion Kampa	Cash	Restricted	Exempt
12/16/2024	New	1,666,667	Preferred	$0.1500	Yes	David V Durand	Cash	Restricted	Exempt
12/16/2024	New	1,000,000	Preferred	$0.1500	Yes	Christopher T Draeger	Cash	Restricted	Exempt
12/16/2024	New	1,000,000	Preferred	$0.1500	Yes	Jeffrey J Wojtkiewicz & Gabrielle C Wojtkiewicz	Cash	Restricted	Exempt
12/16/2024	New	333,334	Preferred	$0.1500	Yes	Brian Wroblewski	Cash	Restricted	Exempt
12/17/2024	New	460,000	Preferred	$0.1500	Yes	Charles Schwab Cust FBO Dion Kampa IRA Dion Kampa	Cash	Restricted	Exempt
12/17/2024	New	200,000	Preferred	$0.1500	Yes	Charles Schwab Cust FBO Douglas Will IRA Douglas Will	Cash	Restricted	Exempt

12/17/2024	New	200,000	Preferred	$0.1500	Yes	Charles Schwab Cust FBO Carrie Will IRA Carrie Will	Cash	Restricted	Exempt
12/17/2024	New	333,334	Preferred	$0.1500	Yes	Daniel J Losby Trust UA DTD 02-03-2006 Daniel J Losby	Cash	Restricted	Exempt
12/17/2024	New	333,334	Preferred	$0.1500	Yes	Charles Schwab Cust FBO David Larson IRA David Larson	Cash	Restricted	Exempt
12/18/2024	New	666,667	Preferred	$0.1500	Yes	Charles Schwab Cust FBO James Deckert IRA James Deckert	Cash	Restricted	Exempt
12/18/2024	New	333,334	Preferred	$0.1500	Yes	Mary Deckert & James Deckert Trustees Deckert Living Trust Mary Deckert	Cash	Restricted	Exempt
12/18/2024	New	333,334	Preferred	$0.1500	Yes	J Paul Perri & Amy E Perri Trust	Cash	Restricted	Exempt
12/18/2024	New	2,000,000	Preferred	$0.1500	Yes	Scherrer Const Co 401K PSP James E Scherrer	Cash	Restricted	Exempt
12/18/2024	New	666,667	Preferred	$0.1500	Yes	James V Scherrer & Holly S Scherrer	Cash	Restricted	Exempt
12/19/2024	New	500,000	Preferred	$0.1500	Yes	Charles Schwab Cust FBO Amy B Gunderson IRA Amy B Gunderson	Cash	Restricted	Exempt
12/19/2024	New	500,000	Preferred	$0.1500	Yes	Jeffrey T Gunderson	Cash	Restricted	Exempt
12/19/2024	New	333,334	Preferred	$0.1500	Yes	Living Assistance Waukesha LLC Jeremy Chapman	Cash	Restricted	Exempt
12/19/2024	New	666,667	Preferred	$0.1500	Yes	Top Tech Temporaries Incorporated Jeremy Chapman	Cash	Restricted	Exempt
12/19/2024	New	500,000	Preferred	$0.1500	Yes	Jacob & Maureen A Van Der Kooy RVT Jacob Van Der Kooy	Cash	Restricted	Exempt
12/19/2024	New	333,334	Preferred	$0.1500	Yes	John R Ireland 2018 Trust John R Ireland	Cash	Restricted	Exempt
12/19/2024	New	333,334	Preferred	$0.1500	Yes	Charles Schwab CUST FBO Jon Teraoka Jon Teraoka	Cash	Restricted	Exempt
12/19/2024	New	2,333,334	Preferred	$0.1500	Yes	Toni Garsombke	Cash	Restricted	Exempt
12/19/2024	New	500,000	Preferred	$0.1500	Yes	Joseph & Erin Van Der Kooy RLT Joseph Van Der Kooy	Cash	Restricted	Exempt
12/19/2024	New	266,667	Preferred	$0.1500	Yes	Charles Schwab Cust FBO Joseph A Rhodes Jr Joseph A Rhodes Jr	Cash	Restricted	Exempt

12/23/2024	New	400,000	Preferred	$0.1500	Yes	Joseph A Rhodes Jr	Cash	Restricted	Exempt
12/23/2024	New	200,000	Preferred	$0.1500	Yes	Charles Schwab Cust Katherine L Durand Roth IRA Katherine Durand	Cash	Restricted	Exempt
12/23/2024	New	500,000	Preferred	$0.1500	Yes	Katherine L. Durand	Cash	Restricted	Exempt
12/23/2024	New	333,334	Preferred	$0.1500	Yes	Charles Schwab Cust FBO Kevin Doherty Kevin Doherty	Cash	Restricted	Exempt
12/23/2024	New	333,334	Preferred	$0.1500	Yes	Charles Schwab Cust FBO Lee C Stock Lee C Stock	Cash	Restricted	Exempt
01/06/2025	New	166,667	Preferred	$0.1500	Yes	Michael J Stawicki	Cash	Restricted	Exempt
01/02/2025	New	333,334	Preferred	$0.1500	Yes	Lynn & Tina Corazzi Joint Ten	Cash	Restricted	Exempt
01/07/2025	New	333,334	Preferred	$0.1500	Yes	Scott G Jankowski	Cash	Restricted	Exempt
01/09/2025	New	133,334	Preferred	$0.1500	Yes	Roy A Chmiel	Cash	Restricted	Exempt
01/09/2025	New	533,334	Preferred	$0.1500	Yes	Susan J Chmiel	Cash	Restricted	Exempt
01/02/2025	New	666,667	Preferred	$0.1500	Yes	Lynn M Corazzi	Cash	Restricted	Exempt
01/02/2025	New	1,000,000	Preferred	$0.1500	Yes	Bryan Neilsen	Cash	Restricted	Exempt
01/13/2025	New	33,334	Preferred	$0.1500	Yes	Bryan Neilsen*	Cash	Restricted	Exempt
01/06/2025	New	166,667	Preferred	$0.1500	Yes	Rebecca A Stawicki	Cash	Restricted	Exempt
01/06/2025	New	700,000	Preferred	$0.1500	Yes	Michael J Kusch	Cash	Restricted	Exempt
01/07/2025	New	1,333,334	Preferred	$0.1500	Yes	Joseph O Neil	Cash	Restricted	Exempt
01/06/2025	New	366,667	Preferred	$0.1500	Yes	Rebecca A Stawicki	Cash	Restricted	Exempt
01/09/2025	New	833,334	Preferred	$0.1500	Yes	Douglas Niemuth	Cash	Restricted	Exempt
01/07/2025	New	2,000,000	Preferred	$0.1500	Yes	James E Scherrer*	Cash	Restricted	Exempt
01/03/2025	New	500,000	Preferred	$0.1500	Yes	Jason P van der kooy	Cash	Restricted	Exempt
01/08/2025	New	1,000,000	Preferred	$0.1500	Yes	Steven J Abrahamson	Cash	Restricted	Exempt
01/02/2025	New	166,667	Preferred	$0.1500	Yes	Luke EJ Will	Cash	Restricted	Exempt
01/13/2025	New	3,333,334	Preferred	$0.1500	Yes	Trae W Hoeponer	Cash	Restricted	Exempt
01/09/2025	New	333,334	Preferred	$0.1500	Yes	Todd Blazei	Cash	Restricted	Exempt
01/08/2025	New	400,000	Preferred	$0.1500	Yes	Scott W Heindel	Cash	Restricted	Exempt

01/07/2025	New	1,333,334	Preferred	$0.1500	Yes	Scherrer Construction Co Inc Jim Scherrer	Cash	Restricted	Exempt
01/15/2025	New	333,334	Preferred	$0.1500	Yes	Lawrence Kress	Cash	Restricted	Exempt
01/07/2025	New	666,667	Preferred	$0.1500	Yes	Richard D Knabe	Cash	Restricted	Exempt
01/06/2025	New	3,000,000	Preferred	$0.1500	Yes	Kristopher Kiefer	Cash	Restricted	Exempt
01/13/2025	New	333,334	Preferred	$0.1500	Yes	James Noltner	Cash	Restricted	Exempt
01/23/2025	New	166,667	Common	$0.1500	Yes	Roy Sterns	Cash	Restricted	Exempt
01/02/2025	New	166,667	Preferred	$0.1500	Yes	Luke EJ Will	Cash	Restricted	Exempt
01/13/2025	New	333,334	Preferred	$0.1500	Yes	Kurt W Zipp	Cash	Restricted	Exempt
01/13/2025	New	166,667	Preferred	$0.1500	Yes	Joseph H Dittmann	Cash	Restricted	Exempt
01/13/2025	New	333,334	Preferred	$0.1500	Yes	Laurie A Sullivan	Cash	Restricted	Exempt
01/13/2025	New	166,667	Preferred	$0.1500	Yes	Laurie A Sullivan	Cash	Restricted	Exempt
01/13/2025	New	333,334	Preferred	$0.1500	Yes	John C Winkelman	Cash	Restricted	Exempt
01/13/2025	New	1,333,334	Preferred	$0.1500	Yes	Kevin Kiefer	Cash	Restricted	Exempt
01/14/2025	New	1,000,000	Preferred	$0.1500	Yes	Kevin A Kavemeier	Cash	Restricted	Exempt
01/14/2025	New	73,334	Preferred	$0.1500	Yes	Joseph H Dittmann	Cash	Restricted	Exempt
01/13/2025	New	260,000	Preferred	$0.1500	Yes	Corinne R Dittmann	Cash	Restricted	Exempt
01/13/2025	New	3,333,334	Preferred	$0.1500	Yes	LouAnn Davis	Cash	Restricted	Exempt
01/08/2025	New	333,334	Preferred	$0.1500	Yes	Shane Devine	Cash	Restricted	Exempt
01/08/2025	New	666,667	Preferred	$0.1500	Yes	Steven Richard	Cash	Restricted	Exempt
01/23/2025	New	600,000	Preferred	$0.1500	Yes	Douglas Will	Cash	Restricted	Exempt
02/26/2025	New	2,400,000	Preferred	$0.0001	Yes	Michael Reisel	Services	Restricted	Exempt
01/23/2025	New	166,666	Common	$0.1500	Yes	Connor Fuchs	Services	Restricted	Exempt
02/12/2025	New	2,250,000	Common	NA	NA	The Alfred & Jody Eckhart Revocable Trust. Jody Eckhart*	NA	Restricted	Exempt
04/08/2025	New	8,000,000	Common	$0.2500	Yes	Unity GoldSilver Mines Inc No Control Person	Asset Purchase	Restricted	Exempt
04/08/2025	New	200,000	Common	$0.2600	No	CEDRIC J CLARK	Services	Restricted	Exempt
04/01/2025	Cancelled	500,000	Common	NA	NA	*Don Jones Associates Don Jones	Services	Restricted	Exempt

04/01/2025	Cancelled	1,000,000	Common	NA	NA	*Firnal Inc Adam Syed	Services	Restricted	Exempt
05/02/2025	New	333,334	Preferred	$0.1500	Yes	James Bolland	Cash	Restricted	Exempt
08/26/2025	New	200,000	Common	$0.39	No	Bryce Petty	Services	Restricted	Exempt
09/11/2025	New	500,000	Common	NA	NA	***Julie B Konicke**	NA	Restricted	Exempt
10/09/2025	New	100,000	Common	$0.25	No	Baum Shelter Too Carol Lungren	Asset Purchase	Restricted	Exempt
02/25/2026	Cancelled	500,000	Common	NA	NA	*Julie B Konicke	NA	Restricted	Exempt
02/25/2026	Cancelled	2,000,000	Preferred	NA	NA	*James E Scherrer	NA	Restricted	Exempt
Shares Outstanding on Date of This Report: Ending Balance: Date 06/30/2026 Common: 376,252,467 Preferred: 56,666,695									

Example: A company with a fiscal year end of December 31st, 2024, in addressing this item for its Annual Report, would include any events that resulted in changes to any class of its outstanding shares from the period beginning on January 1, 2023, through December 31, 2024 pursuant to the tabular format above.

Any additional material details, including footnotes to the table are below:

The 21,786 shares issued to Robert Girardi & Mary Girardi were discounted to the price of $0.0001 as warrant shares that were included in a previous private offering with the overall share price for the total investment was $0.15000. The 62,500 shares issued to John Shortsleeve were discounted to the price of $0.0001 as warrant shares that were included in a previous private offering with the overall share price for the total investment was $0.15000. The 108,980 shares issued to Suzanne Konicke were discounted to the price of $0.0001 as warrant shares that were included in a previous private offering with the overall share price for the total investment was $0.15000. The 10,000,000 shares of restricted common stock issued to Michael and Rachel Irish were issued in exchange for 100 percent ownership for the company Irish Metals LLC. The 50,000 shares of restricted common stock issued to Brent Wyland on 10/20/2023 were shares issued in exchange for a cash investment in 2014 as part of a revenue share agreement that has since been converted to shares of restricted common stock at the average of the share price at the time the investment was made. The shares issued on 12/12/2023 to Brent Wyland, Mary Wyland, Michael Wyland, and Joseph Haak were shares issued in exchange for a cash investment in 2014 as part of a revenue share agreement that has since been converted to shares of restricted common stock at the average of the share price at the time the investment was made. The shares issued on 12/13/2023 to Joseph Cathcart were shares issued in exchange for a cash investment in 2014 as part of a revenue share agreement that has since been converted to shares of restricted common stock at the average of the share price at the time the investment was made. The 450,000 shares of restricted common stock issued on 01/29/2024 to Kim Thomas were issued in exchange for a cash investment in 2014 as part of a revenue share agreement that has since been converted to shares of restricted common stock at the average of the share price at the time the investment was made. The 450,000 shares of restricted common stock issued on 01/29/2024 to James & Lori Heinen were issued in exchange for a cash investment in 2014 as part of a revenue share agreement that has since been converted to shares of restricted common stock at the average of the share price at the time the investment was made. The 300,000 shares issued to Merry Hardy & Steve Ambrose on 2/5/2024 were purchased in October of 2023, but due to a communication error the issuance of the shares was delayed. The 450,000 shares of restricted common stock issued on 03/07/2024 to Tom & Jeanne Binder were issued in exchange for a cash investment in 2014 as part of a revenue share agreement that has since been converted to shares of restricted common stock at the average of the share price at the time the investment was made. The 450,000 shares of restricted common stock issued on 03/07/2024 to Robert & Lorraine Schaff were issued in exchange for a cash investment in 2014 as part of a revenue share agreement that has since been converted to shares of restricted common stock at the average of the share price at the time the investment was made. The 650,000 shares of common stock issued on 4/8/2024 to William Thomas Baker were from William Thomas Baker exercising his warrant options for accounting services valued at $65,000 over a period of 8 years under the previous President and CEO Bill Brown. The 650,000 shares of common stock issued on 4/26/2024 to William Thomas Baker were issued in error by Pacific Stock Transfer when initiating the cancellation of warrant shares in the same amount requested by Sidney Resources Corporation after the original warrants were exercised by William Thomas Baker. A request has been submitted for the 650,000 shares issued in error to be cancelled. The adjustment will be made in the third quarter reporting. The shares issued on 10/18/2024 were issued to Robert & Ellen Borst upon the exercise of their warrant shares made available through a previous investment. The 650,000 common shares cancelled on 10/5/2025 were issued as duplicate shares by PST in error and were returned to Sidney Resources Corporation. Common shares issued on 10/18/2024 to Michael J Reisel were issued upon the execution of warrant shares issued for prior services. Date of acquisition for Reisel's shares was 10/06/2023. Shares issued on 10/23/2024 to National Bureau of Mines share price was determined by the date of the stock market price on the date of invoicing for services was received which was $0.23 on 09/03/2024. The 33,334 shares issued on 01/13/2025 were issued in error. The shares were previously issued in the 4th QTR of 2025. A request to cancel said shares and return them to the corporate treasury has been submitted and will be updated in the 2nd quarter of 2025. The 2,000,000 shares of preferred class shares issued on01/07/2025 to James E Scherrer were a duplicate issuance in error and a request to cancel the shares and have them returned to the corporate treasury has been issued. This item will be updated in the 2nd Quarter report. The 2,250,000 common restricted shares issued on 02/12/2025 by Pacific Stock Transfer were issued in error. The shareholder had initiated a transfer of shares to a trust account and instead of coding them as a transfer they were coded as a new issuance. The error will be corrected in the 2nd QTR and the shares will be returned to the corporate treasury. The 500,000 shares of common stock that was cancelled after having been issued to Don Jones Associates was cancelled and returned to the corporate treasury due to failure to perform. The 1,000,000 shares of common stock that was cancelled after having been issued to Firnal Inc was cancelled and returned to the corporate treasury for failure to perform. The 500,000 shares issued to Julie B Konicke were issued in error. A request to transfer shares to Julie B Konicke was made by a shareholder as a gift. Our Stock Transfer Agent issued the shares as new shares in error. A written request has been made to our Stock Transfer Agent to cancel the 500,000 shares issued in this transaction and correct the error by transferring shares as requested by the shareholder. Our Transfer Agent cancelled the common shares that were issued in error to Julie B Konicke. The 2,000,000 preferred shares that were issued to James E Scherrer as part of a duplicate issuance have been cancelled.

B. Convertible Debt

The following is a complete list of the Company's Convertible Debt which includes all promissory notes, convertible notes, convertible debentures, or any other debt instruments convertible into a class of the issuer's equity securities. The table includes all issued or outstanding convertible debt at any time during the last complete fiscal year and any interim period between the last fiscal year end and the date of this Certification.

[☐] Check this box to confirm the Company had no Convertible Debt issued or outstanding at any point during this period.

Date of Note Issuance	Principal Amount at Issuance ($)	Outstanding Balance ($) (include accrued interest)	Maturity Date	Conversion Terms (e.g., pricing mechanism for determining conversion of instrument to shares)	# Shares Converted to Date	# of Potential Shares to be Issued Upon Conversion[5]	Name of Noteholder (entities must have individual with voting / investment control disclosed).	Reason for Issuance (e.g., Loan, Services, etc.)
07/13/2023	$35,000.00	$35,000.00	07/13/2027	The share price was set as the market price on date of issuance. Price per share $0.1265	0	276,679	Daniel S. Hally	Loan

[5] The total number of shares that can be issued upon full conversion of the Outstanding Balance. The number should not factor any "blockers" or limitations on the percentage of outstanding shares that can be owned by the Noteholder at a particular time. For purposes of this calculation, please use the current market pricing (e.g. most recent closing price, bid, etc.) of the security if conversion is based on a variable market rate.

07/17/2023	$150,000.00	$150,000.00	07/17/2027	The share price was set as the market price on date of issuance. Price per share $0.1289.	0	1,163,693	Gregg R. Lindner	Loan
07/13/2023	$200,000.00	$200,000.00	07/13/2027	The share price was set as the market price on date of issuance. Price per share $0.1265	0	1,581,028	James M. Boland Revocable Trust	Loan
07/13/2023	$100,000.00	$100,000.00	07/13/2027	The share price was set as the market price on date of issuance. Price per share $0.1265.	0	790,514	Sean Rae Zalewski	Loan
07/14/2023	$350,000.00	$350,000.00	07/14/2027	The share price was set as the market price on date of issuance. Price per share $0.1295	0	2,702,703	Sue & Stephen Maas	Loan
Total Outstanding Balance:		$835,000.00		**Total Shares:**	0	6,514,617		

Any additional material details, including footnotes to the table are below:

1. Interest Payment. Interest payments shall be paid within thirty (30) days following the conclusion of each quarter, commencing from the end of the fourth quarter for fiscal year 2023.

2**. Interest Rate**. The Company promises to pay simple interest on the outstanding principal amount hereof from the date hereof until payment in full, which interest shall be payable at the rate of 12% per annum or the maximum rate permissible by law, whichever is less. Interest shall be due and payable on the Maturity Date and shall be calculated on the basis of a 365-day year for the actual number of days elapsed.

3. Repayment: The Company hereby agrees to repay the holder of the convertible note in accordance with the following terms: On each anniversary date of this Note, the Company shall make a payment to the holder equal to 8% of the interest accrued during the preceding twelve (12) months. Additionally, a payment in kind of 4% shall be made. All payments, including interest and principal, shall be made in lawful money of the United States of America, and distributed pro rata among all Holders. Payments shall be applied firstly towards accrued interest, and thereafter towards principal.

4) Issuer's Business, Products and Services

The purpose of this section is to provide a clear description of the issuer's current operations.
Ensure that these descriptions are updated on the Company's Profile on www.OTCMarkets.com.

A. Summarize the issuer's business operations (If the issuer does not have current operations, state "no operations")

Executive Summary

During the second quarter of Fiscal Year 2026, Sidney Resources Corporation ("Sidney," "SDRC," or the "Company") advanced a broad program of underground exploration, infrastructure construction, permitting, corporate governance, risk management, technical reporting, and commercial development activities across the Warren Mining District in Idaho County, Idaho. Activity during the quarter reflected the Company's continued transition from early-stage exploration toward structured, permitted, and operationally supported development, with substantial effort directed toward the systems, documentation, and physical infrastructure required to sustain long-term underground work and eventual production.

Much of the work completed during the quarter was foundational rather than headline-generating. Insurance programs were expanded to match the Company's enlarged operational footprint and land position; emergency operations planning and standard operating procedures were completed and adopted; access roads were maintained, upgrade requests submitted, and agreements executed with two counties to open the Warren Wagon Road corridor early through snow removal; and underground infrastructure was constructed to support continued advancement toward the Company's primary Lucky Ben target. In parallel, the Company added former Idaho Governor C.L. "Butch" Otter to its Board of Directors as Chairman, engaged an independent firm to prepare a NI 43-101 technical report covering its Warren District holdings, advanced multiple off-take negotiations, and completed extensive geological and three-dimensional modeling work supporting a proposed plan of operations for the Unity–Charity mine system.

Management believes the cumulative effect of these activities materially strengthens the Company's operational readiness, regulatory standing, governance structure, and technical foundation as it continues to advance the Warren District Project.

Corporate Governance — Appointment of Governor C.L. "Butch" Otter as Chairman of the Board

During the second quarter, the Company completed an extended recruitment, diligence, and negotiation process resulting in the agreement of former Idaho Governor C.L. "Butch" Otter to join the Board of Directors of Sidney Resources Corporation. Governor Otter agreed to join the Board on June 29, 2026, and further agreed to serve as Chairman of the Board. The appointment was publicly announced by the Company on July 1, 2026.

Governor Otter served three terms as Governor of Idaho (2007–2019) and previously represented Idaho in the United States Congress (2001–2007). His private-sector career spans more than three decades with the J.R. Simplot Company, one of Idaho's most recognized enterprises, where he served as President of the Food Products Division, President of Simplot Livestock, President of Simplot International, and as a member of that company's Board of Directors. Since leaving public office, Governor Otter has advised and served on the boards of companies advancing mining and critical mineral projects, including Integra Resources and First Cobalt (now Electra Battery Materials).

Management believes the addition of Governor Otter as Chairman strengthens the Company's governance structure at a pivotal stage in its development. His relationships across Idaho's congressional delegation, state agencies, the U.S. Forest Service, the Bureau of Land Management, the Department of Energy, the Department of Defense, and the strategic investor and family office community are expected to support the Company as it advances permitting, financing, strategic partnerships, and future production. His experience navigating complex federal and state regulatory environments is of particular relevance given the multi-year permitting timelines associated with operations on and adjacent to National Forest System lands.

The Company views the appointment as a meaningful signal of institutional confidence in the Warren Mining District and in the Company's strategy of developing the district as a diversified polymetallic mining center capable of producing precious metals alongside strategic critical minerals relevant to United States supply-chain security.

Risk Management, Insurance, and Corporate Protection

During the quarter, management negotiated and secured a materially expanded insurance program designed to align coverage with the Company's enlarged operational footprint, expanded land holdings, growing equipment fleet, and increasing underground and surface activity levels. The expansion of coverage was undertaken proactively in advance of the increased activity levels anticipated during the summer and fall field seasons.

Coverage expansion activities completed during the quarter included:

- Expansion of general liability and operational coverages to reflect increased underground development, surface construction, and equipment operations across the project area.
- Expansion of property and land-holding coverages to reflect the Company's enlarged patented and unpatented claim position within the Warren Mining District.
- Securing of pollution legal liability coverage for the project, providing protection against environmental release, contamination, and remediation exposures associated with fuel storage, equipment operation, underground water management, and material handling activities.
- Alignment of coverage terms, limits, and endorsements with the requirements and design features contained in the Company's Plan of Operations, Spill Prevention, Control, and Countermeasure planning, and Emergency Response Plan.

Management considers the addition of dedicated pollution coverage to be a significant risk-management milestone. Environmental liability protection of this nature is frequently a prerequisite for institutional financing, off-take counterparty diligence, surety and bonding arrangements, and federal permitting confidence. Securing this coverage in advance of expanded operations reduces a category of risk that has historically constrained development-stage mining companies operating on and adjacent to federal lands.

Emergency Operations Planning, Standard Operating Procedures, and Policy Documentation

The Company completed a comprehensive suite of operational, safety, and emergency management documents during the quarter. These documents establish enforceable and auditable procedures governing site activity and provide the framework required to safely scale operations as underground development and surface construction expand.

Warren District Project Emergency Response Plan

The Company completed its Emergency Response Plan ("ERP") for the Warren District Project. The ERP establishes a unified command and response structure based on the Incident Command System ("ICS") and is designed to ensure effective coordination with local, state, and federal emergency response agencies. The plan defines roles, responsibilities, communication protocols, and operational procedures for the full range of foreseeable emergency conditions at the project, including wildland fire, hazardous materials incidents, medical emergencies and remote-site evacuation, severe weather and access limitation events, and other natural hazards affecting personnel safety or operational continuity.

The ERP establishes a defined chain of command for incident command authority based on physical presence on site, operational responsibility, and availability at the time of an incident, with clearly identified primary, secondary, and alternate Incident Commanders and defined protocols for transfer of command to unified command with responding agencies. The plan further designates the Unity Mine property as the secondary command and communications location for the project, to be activated in the event of communication system failure, wildland fire or other hazard affecting the Lucky Ben project site, unsafe conditions preventing continued operations at the primary site, or at the direction of the Incident Commander.

The ERP incorporates standard operating procedures governing hazardous materials management, including labeling, storage, secondary containment, segregation of incompatible materials, and disposal in accordance with applicable regulations. Specific provisions govern the safe storage and handling of petroleum products, including diesel fuel, gasoline, and lubricants, with fire prevention measures, spill response readiness, and environmental protection controls. Where explosives are utilized by qualified contractors, the plan requires strict regulatory adherence, secure storage, controlled access, and coordination with site management, and requires contractors to maintain their own compliant explosives management plans aligned with and incorporated into the ERP. The ERP is designated a living document subject to review at least annually.

Standard Operating Procedures Manual

The Company completed a Standard Operating Procedures Manual for the Warren Project covering hazardous materials management, fuel storage and transfer, spill response, fire prevention, equipment operation, communications, medical response, and winter operations. Each procedure defines purpose, scope, responsibilities, required personal protective equipment, step-by-step procedures, inspection frequency, documentation requirements, stop-work authority, and emergency actions. Stop-work authority is vested in all personnel for any unsafe condition, and all incidents are required to be reported within twenty-four hours.

Wildland Fire Emergency Response Plan

The Company completed an update to its Wildland Fire Emergency Response Plan ("WERP") for the Warren District Exploration Project. The WERP addresses the site-specific fire environment, which was materially altered by the 2007 fire event that consumed much of the dense timber in the area without loss of structures, leaving current risk concentrated in grass, brush, and downed timber. The plan assigns responsibility to an Emergency Plan Manager, site-level Emergency Coordinators, a Field Operations Lead, and Fire Watch teams; establishes monitoring protocols using InciWeb, National Weather Service alerts, and subscribed emergency notification systems; and requires designated assembly points with at least two escape routes per site, two-way radio carriage by all staff, and satellite communications where cellular coverage is unavailable.

Property preservation measures under the WERP include structural hardening, non-combustible storage of flammable materials, diesel pumps and water tanks, distributed fire extinguishers and hand tools, maintenance of one hundred feet of defensible space at active sites, removal of ladder fuels, and weekly fuel load inspections during fire season. The plan is coordinated with the Warren, Idaho Volunteer Fire Department and the Secesh Meadows Volunteer Fire Department, and requires annual and mid-season training, with no untrained employee permitted to engage in manual fire suppression.

Copies of the Emergency Response Plan, the Standard Operating Procedures Manual, and the Wildland Fire Emergency Response Plan have been placed in the Company's document repository and are available to personnel, contractors, and reviewing agencies.

Lucky Ben Project — Underground Exploration, Geology, and Infrastructure

Exploration and development work at the Lucky Ben project continued throughout the second quarter. Activity during the period was divided between continued advancement along the vein and a substantial program of underground infrastructure construction intended to support sustained exploration and, ultimately, production activity in the target area.

Continued Geological Work and Sampling

A significant amount of additional geological work was completed at the Lucky Ben project site during the quarter, including additional assay sampling and testing along the vein system. Samples were collected as advancement proceeded, with material submitted to multiple independent laboratories for analysis. Results from a portion of this work remained pending as of the end of the quarter. The Company continues to compile geological, structural, historical mining, and assay information into a comprehensive technical database intended to support future mineral resource estimation work, resource modeling, and ongoing underground development planning.

Advancement Toward the Primary Target

Exploration work along the vein continued during the quarter, with the Company moving progressively closer to its primary underground target — the zone located beneath the previously mined areas and the historical winze. The Company has placed supporting historical documentation regarding this target into its document repository, and management believes the technical basis for the target is well supported by the historical record.

A 1984 geological report on the Lucky Ben Group describes a relatively narrow but persistent quartz vein occupying a joint or fracture plane within quartz monzonite. The Lucky Ben vein can be traced along an east–west strike by the surface expression of caved stopes, dumps, pits, and float for a distance of approximately 1,200 feet. The vein dips from 75 to 80 degrees south, averages approximately 12 to 18 inches in width, and where mineralized contains free gold with minor tetrahedrite. Sampling of vein material in the old workings and portal dump reportedly returned assay values ranging from 0.2 to 10.4 ounces per ton silver and from 0.1 up to 13.05 ounces per ton gold. That report concluded that development of the mine by the Czizek family between 1908 and 1915 had been a highly profitable operation, that the mine had been developed along only one level, and that the mine was believed to be in ore at the time mining ceased. It further concluded, on the basis of trenching results, that the stopes exposed toward the eastern edge of the vein had been developed along a high-grade zone, and recommended a diamond drill program to test the downward extension of the vein.

The historical interview transcript of J.A. Czizek, Jr., recorded in October 1979, provides direct first-person context for the target. In that interview, Mr. Czizek describes a shaft sunk on the dip of the vein below the tunnel level to a depth of roughly twenty feet, at which point the workings encountered water that the operation had no practical means of pumping. He states plainly that the operators knew the ground below was rich, because sufficient ore had been recovered from it to establish that mineralization continued downward, and describes the next intended project as a crosscut driven in from lower on the hill in order to intercept the vein beneath the flooded workings and stope the ground above it. The historical record therefore indicates not that the downward extension was tested and found wanting, but that it was left untested for want of dewatering capability, and that the operators' own development plan was to approach it from below.

Subsequent work in the 1980s reinforced the grade potential of the system. A 1987 report by Goldstone Minerals Resource Corp. describes sampling completed near the portal of the 6570 level adit, which revealed a 1.5-foot wide quartz vein grading 2.12 ounces per ton gold, filling a steeply dipping fracture within quartz monzonite that is strongly altered for two to three feet on either side of the vein where it assays 0.056 ounces per ton gold. That report calculated a weighted average grade of 0.57 ounces per ton over a mined width of 6.0 feet.

Management believes the Company's current underground advancement strategy closely mirrors the geological concept originally contemplated by the property's prior operators more than a century ago, with the material difference that modern ventilation, dewatering, ground support, and power infrastructure make the approach practicable today. The Company is advancing toward that zone with the benefit of modern equipment and engineering, and with the historical record providing the targeting rationale.

Underground Infrastructure Construction

A substantial portion of the quarter's underground effort was directed not to linear advance but to the construction of the permanent infrastructure required to support continued exploration and eventual production in the target area. This work necessarily slows the rate of headway along the vein, but management considers it critical to the long-term operations plan and to the safe, efficient conduct of sustained underground work.

Underground infrastructure designed, completed, or advanced during the quarter includes:

- Construction of underground storage bays for materials, consumables, and equipment.
- Construction of sumps for underground water collection, management, and controlled handling.
- Escape rooms and refuge areas supporting underground life safety and emergency response requirements.
- Expansion of underground electrical infrastructure to support lighting, pumping, ventilation, and equipment operation.
- Installation and expansion of air management and ventilation systems supporting sustained underground working conditions.
- Drill bays configured to support underground diamond drilling programs.

- Associated ground support, access, and utility work required for ongoing mine operations.

The construction of dedicated underground drill bays is of particular significance. Underground drilling platforms positioned in proximity to the target zone allow the Company to test the downward continuation of the vein system at substantially shorter hole lengths, higher directional precision, and lower cost per foot than would be achievable from surface, and are expected to materially improve the quality and density of the data available to support future resource work.

Management believes the infrastructure completed during the quarter converts the Lucky Ben workings from a linear exploration heading into a functioning underground operating platform capable of supporting continuous, year-round, multi-activity work.

Lucky Ben Operations Area Design and Fuel Storage Infrastructure

During the quarter, the Company undertook detailed design work for the Lucky Ben operations area, including layout of the surface working areas, equipment staging, material handling, and support infrastructure required for expanded operations.

A central component of this design work is an upgraded fuel storage capability. The Company is designing a modern fuel storage system utilizing double-walled storage tanks with a targeted aggregate capacity of approximately 30,000 gallons, together with the environmental protection designs necessary to support that capacity. Design elements under development include secondary containment, spill prevention and response provisions, dispensing and transfer controls, fire prevention measures, inspection and monitoring protocols, and integration with the Company's Spill Prevention, Control, and Countermeasure planning and Standard Operating Procedures.

The Company's existing operational protocols require that all fuel, lubricants, and chemicals associated with project equipment be stored on the Company's patented mining claims on private land, in compliance with applicable spill prevention and secondary containment requirements, with no hazardous materials stored on National Forest System lands. The upgraded storage design is intended to consolidate and modernize this capability.

Expanded on-site fuel capacity is an operational necessity in a location of this remoteness and seasonality. Winter access limitations, road closures, and the distance to bulk supply mean that operational continuity depends materially on the ability to store adequate fuel volumes on site. Modern double-walled tankage with engineered containment provides that capacity while reducing environmental risk relative to legacy storage arrangements, and supports the pollution liability coverage secured during the quarter.

Road Maintenance, Access Improvements, and Heavy Equipment Mobilization

The Company conducted significant road maintenance operations during the quarter and submitted multiple requests for approval of road improvements and upgrades associated with access to the project area.

Requested and completed work includes:

- Hauling in rock to armor rolling dips, improving drainage performance and reducing erosion and sediment transport.
- Filling and repairing ruts created by runoff events, restoring running surface within existing road templates.
- Replacement of outdated and failing culverts.
- General surface grading, smoothing, and maintenance within existing road prisms.

All maintenance work is conducted consistent with the Company's permitting commitments, including travel under dry and suitable conditions when road surfaces are snow-free and unsaturated to prevent rutting or damage, blading limited to the minimum necessary and confined within existing road prisms without widening, reinstallation of any affected water bars to pre-existing conditions, and coordination with and approval by the U.S. Forest Service where work occurs on National Forest System lands.

These improvements are expected to significantly improve the Company's ability to move heavy equipment to the Lucky Ben site, including water well drilling equipment. Completion of the planned water well remains an important infrastructure objective; mobilization of drilling equipment had previously been constrained by road condition, grade, and seasonal access limitations. The armoring, rut repair, and culvert replacement work undertaken during the quarter is directed specifically at removing those constraints and at improving year-round transportation reliability for the heavier equipment classes associated with expanded underground and surface operations.

Management notes that road and access work of this nature also carries environmental benefit. Armored rolling dips, functional culverts, and stabilized running surfaces reduce chronic sediment transport into the Arlise Creek, Warren Creek, and greater Salmon River watershed systems, consistent with the water quality best management practices adopted in the Company's permitting documents.

Warren Wagon Road — County Agreements and Early Season Snow Removal

During the second quarter, the Company converted the seasonal access discussions initiated with county officials during the prior quarter into executed arrangements and completed field work. Sidney Resources Corporation entered into a memorandum of understanding and related agreements with Valley County and Idaho County providing for the early opening of the Warren Wagon Road by snow removal.

Under those arrangements, the Company plowed approximately 23 miles of paved road over Secesh Summit, providing two clear lanes of travel into the Secesh Meadows area and through to Warren, Idaho. The work opened the corridor materially in advance of the historical seasonal opening date.

The Warren Wagon Road is the sole practical vehicular access to Warren and to the Company's project area. Its opening date each spring governs the start of the Company's effective field season, the timing of heavy equipment and drill rig mobilization, the delivery of fuel and consumables, and the practical availability of emergency medical and fire response to the community and to the project. In prior years, mobilization of equipment — including the water well drilling equipment required to complete planned infrastructure — has been delayed by road condition and seasonal access limitations. Early opening of the corridor directly addresses that constraint.

The Company received tremendous support from the local communities in connection with this work. Beyond the Company's own operational benefit, early opening of the corridor restores access for residents, property owners, recreational users, service providers, and emergency responders serving the Secesh Meadows and Warren areas, and extends the period during which local businesses can operate.

Toward a Long-Term Maintenance Agreement

The Company is working with both the Valley County and Idaho County Road Departments on the development of a long-term road maintenance agreement for the Warren Wagon Road corridor. The intent of the agreement is to replace ad hoc, year-by-year determinations with a documented standard that all parties can plan against.

The framework under development is expected to address:

- Established standards governing the condition to which the Warren Wagon Road is to be plowed and maintained.
- Defined target dates for the road to be plowed open each year, providing predictable seasonal access for the Company, the counties, residents, and emergency services.
- Snow stake marker readings — including measurements at Secesh Summit — used as an objective trigger for early snow removal when low snow level events occur, allowing the opening date to advance in light snow years rather than defaulting to a fixed calendar date.
- Allocation of responsibilities, coordination protocols, and cost-sharing arrangements among the Company and the two county road departments.
- Coordination with the winter snow recreation season and the interests of other corridor users.

Management believes a formalized, snowpack-triggered opening standard represents a meaningful improvement in operational predictability for the Company and a durable benefit to the Warren and Secesh Meadows communities. It converts the length of the Company's working season from a variable outside its control into a planning input, which in turn improves the reliability of construction, drilling, and permitting schedules that depend on seasonal windows. The Company regards the collaborative relationship established with both county road departments during this work as a significant asset in its own right.

The long-term maintenance agreement remains under development and has not been finalized. There can be no assurance that a definitive long-term agreement will be executed or that any particular opening standard or trigger mechanism will be adopted.

Permitting — Plan of Operations, Section 106 Consultation, and Programmatic Agreement

The Company worked throughout the quarter toward finalization of the Plan of Operations governing the removal of historic ore piles from National Forest System lands for processing on the Company's adjacent private property. This process has been under way with the U.S. Forest Service for approximately two years, and management offers it as a representative illustration of the timelines associated with permitting activities of this type — a point of practical importance for shareholders assessing project schedules.

The Lucky Ben Mine Plan of Operations addresses excavation and removal of historic waste rock piles located on National Forest System lands within the Warren Mining District of the Payette National Forest, accessed via existing roads and spurs extending south from the Company's privately owned patented mining claims. Primary target minerals identified in the stockpiled material include gold, silver, and platinum group elements — platinum, iridium, palladium, rhodium, ruthenium, and osmium — with additional metallic elements of interest including copper, tungsten, titanium, and iron. Rare earth elements have also been identified in the material, including cerium, lanthanum, neodymium, praseodymium, and yttrium, based on site-specific assay results and mineralogical testing.

The Plan incorporates an extensive set of environmental protection measures, including erosion and sediment control best management practices using straw wattles, silt fences, and sediment traps; road grading confined to existing alignments without widening; suspension of operations during precipitation events when runoff is likely; routine inspection of stormwater controls; controlled refueling conducted away from water bodies in accordance with spill prevention protocols; and post-removal grading and site stabilization. No hazardous materials are stored on National Forest System lands, and no solid wastes are produced or disposed of on federal land. All processing occurs on private property within an enclosed structure containing a small-scale test processing circuit, with no chemicals stored or used inside that structure.

Section 106 Consultation and Memorandum of Agreement

During the second quarter, the Company conducted extensive work in support of the National Historic Preservation Act Section 106 consultation process associated with the Plan of Operations, directed toward producing an executed Memorandum of Agreement between the USDA Forest Service — Payette National Forest and the Idaho State Historic Preservation Officer. The undertaking involves road maintenance and access-related activities, including removal of historic waste rock piles adjacent to existing roads within the Delaware Mining Camp archaeological site (10IH2700/PY-1460), a property eligible for listing in the National Register of Historic Places.

Work completed by the Company during the quarter in support of this process included retention of a cultural resource management firm, preparation of documentation supporting the consultation, development of monitoring and mitigation commitments, and coordination with the Forest Service on the stipulations to be carried into the agreement. The measures developed through this process include archaeological implementation monitoring by a qualified archaeologist meeting the Secretary of the Interior's Professional Qualification Standards; confinement of all activities to the existing road prism and approved work areas with no expansion of horizontal or vertical footprint absent further Section 106 review; installation of temporary fencing or other clearly marked exclusion measures to identify approved limits of disturbance; implementation of the Payette National Forest Inadvertent Discovery Plan and stop-work criteria; and documentation, evaluation, cataloging, and curation of any recovered materials in accordance with federal curation standards. Collected artifacts are to be catalogued and displayed, together with interpretive signage, at the public library in McCall, Idaho.

In addition, all personnel are required to receive Worker Environmental Awareness Program training prior to ground-disturbing activities, including instruction on identification of cultural materials and implementation of the Inadvertent Discovery Protocol.

Management believes the Company's approach to this consultation — proactive retention of qualified professionals, voluntary commitment to monitoring and mitigation, and public interpretation of recovered materials — reflects the standard of conduct the Company intends to maintain across its permitting activities, and establishes a constructive working relationship with the Forest Service and the State Historic Preservation Office that is expected to benefit subsequent permitting efforts within the district.

Technical Reporting — NI 43-101 Program

During the quarter, the Company engaged Janus Mineral Strategy to prepare a technical report on the Company's Warren District holdings prepared in accordance with National Instrument 43-101, Standards of Disclosure for Mineral Projects.

The report is a document in progress. The Company intends to incorporate drill data into the report as that data becomes available from both the Lucky Ben project and the Unity and Charity locations. The Company's current underground infrastructure program — and in particular the construction of underground drill bays — is directly supportive of this objective, as is the plan of operations work under way for the Unity system.

Preparation of a technical report to NI 43-101 standards represents an important step in the Company's progression toward institutional-grade disclosure. Such a report requires independent qualified persons to review and validate property description and location, geological setting and mineralization, exploration history, drilling, sample preparation and security, data verification, mineral processing and metallurgical testing, and adjacent property information, among other matters. Historical information referenced by the Company to date, including nineteenth- and twentieth-century production records, historical sampling, and prior operator reports, has not been verified to modern standards and does not constitute a mineral resource. The engagement of an independent firm to conduct this work is intended to begin the process of bringing the Company's technical disclosure into conformity with modern reporting standards.

Assay Programs, XRF Data, and Off-Take Negotiations

The Company's management team engaged in numerous negotiations with several companies regarding potential off-take agreements during the quarter. These discussions relate to future concentrate and mineral production associated with the Warren District Project, including gold and silver concentrates, platinum group metals, rare earth element concentrates, and other strategic mineral products.

In support of these discussions, samples were shipped to multiple assay laboratories during the quarter, with results pending as of quarter end. The Company shared assay results and extensive X-ray fluorescence data with multiple potential off-take counterparties. The use of multiple independent laboratories is intended to provide cross-validation of results and to satisfy the diligence requirements of counterparties evaluating the material.

Off-take discussions remain preliminary and no definitive agreements have been executed. There can be no assurance that definitive agreements or long-term commercial arrangements will be completed. Management notes, however, that off-take structures represent a potential source of project funding that limits or eliminates dilution to existing shareholders, and the Company is pursuing them in that context as well as for their commercial merit.

Federal Grant Programs

Department of Energy — DE-FOA-0003583, Mines & Metals Capacity Expansion

The Company continues to await a decision on its Department of Energy grant application submitted under Funding Opportunity Announcement DE-FOA-0003583, IIJA Mines & Metals Capacity Expansion. No award decisions had been made under this announcement as of June 30, 2026.

The application, assigned Control Number 3583-1693, was submitted under Topic Area 2 — Mines & Metals Pilots (All Industries), Subtopic 2b — Prior Pilot-Scale Facilities, with a proposed period of performance of forty-eight months. The project is titled "Large Pilot-Scale Demonstration of Domestic Critical Mineral Recovery from Legacy Mine Materials."

The purpose of the proposed project is to upgrade, operate, and validate the Company's existing pilot-scale mineral processing facility as a large, right-sized pilot capable of processing up to 100 tons per day of representative feedstocks from the Warren Mining District. The project is designed to advance the technology from Technology Readiness Level 6–7 to TRL 7–8 by generating the technical, operational, and economic data required to support near-term commercial deployment of domestic critical mineral recovery systems. Primary objectives include demonstrating sustained pilot-scale operation at increased throughput; improving recovery of rare earth elements, platinum group metals, tungsten, gold, and silver; producing market-relevant concentrates with defined impurity profiles; developing defensible mass and energy balances; and reducing technical and economic risk for commercialization.

The proposed scope covers engineering design, facility upgrades, commissioning, sustained pilot operations, data collection, and technoeconomic evaluation, organized across five tasks: engineering design and planning; pilot facility upgrades and commissioning; large pilot operations and optimization; data analysis and technoeconomic evaluation; and project management and reporting. Annual go/no-go decision points are incorporated at the end of Budget Periods 1 through 3, based on specific, measurable technical milestones. Notably, project activities focus exclusively on byproduct recovery from existing materials and do not include new mining.

Under the proposed structure, Sidney Resources Corporation would serve as Prime Recipient and Project Manager, with independent analytical verification provided by PTOE Services LLC and academic oversight provided by the University of Alaska Fairbanks. Quality assurance provisions include standardized sampling, independent laboratory analysis, data reconciliation, and routine performance reviews. The expected outcome is a validated TRL 8 large pilot-scale system supporting domestic critical mineral supply chains.

EMRTAI — Environmental Monitoring, Remediation Technology & Assessment Initiative

The Company continued active engagement with its grant initiative advanced through the Environmental Monitoring, Remediation Technology and Assessment Initiative ("EMRTAI") during the quarter. The Company provided additional information at the request of the funding reviewer and is working on an updated program timeline as requested. The Company remains under consideration for an award.

The EMRTAI submission is supported by a five-year implementation plan that scales the Company's environmental remediation and critical-minerals recovery program from Technology Readiness Level 3 to TRL 9 across five seasonal field campaigns conducted within an annual July-through-November field window. The program integrates three technology streams: the Company's laser rock-spalling technology, Redstone Innovations' biomining and bioremediation workflow, and Mycleanium's mycoremediation platform.

The plan is structured across five phases:

- Year 1 — Pilot and Lab Validation (TRL 3 to 5): bench-scale 500-litre sample work and optics validation at the Colorado School of Mines, permitting submissions for bio-inoculants, soil transport, and excavation, establishment of CAD/CAE optics simulation environments, microbial consortium deployment, pregnant leach solution segregation, and a Phase 1 audit and gate authorization. Initial phase funding is identified at approximately $7.386 million.
- Year 2 — Prototype and Field Pilot (TRL 5 to 6): assembly of a teleoperated 100 kW laser chassis, full-scale field inoculation using validated mycelium strains to depths of up to five metres, continuous bio-leaching circuits, multi-stage biosorption columns, and live field demonstration to agency observers. Phase 2 authorization is identified at approximately $12.996 million.
- Year 3 — District Commercial Scaling (TRL 6 to 7): commercial-scale deployment of blast-free laser spalling in underground drifts, deep soil treatment beyond five metres, active bioleaching heap operation, closed-loop water recirculation, and commercial electrowinning and concentrate harvest.
- Year 4 — Optimization and Fleet Expansion (TRL 7 to 8): automated multi-head laser spalling, multi-site tailings and mining-influenced water treatment, regional expansion to adjacent legacy sites, and standardization of field operating procedures across participating sites.
- Year 5 — Maturity and Technology Transfer (TRL 8 to 9): full ecological restoration and certification, final commercial off-take delivery, decommissioning of temporary surface infrastructure, and publication of the EMRTAI technology assessment framework to enable national deployment across Superfund and legacy hard-rock mine sites.

The environmental case underlying the program rests on three propositions: that blast-free laser rock spalling eliminates shockwaves and arrests acid rock drainage formation at the source; that ambient-temperature biomining replaces high-carbon smelting with biological metabolic oxidation; and that mycelium networks can penetrate to five meters without surface excavation, restoring soil-biome structure while concentrating critical minerals into harvestable biomass.

Applications submitted to the U.S. Department of Energy and other agencies remain competitive and uncertain. No assurance can be given that grant funding, strategic awards, or pilot programs will be approved or completed, and program figures described above reflect the Company's proposed structure rather than committed funding.

Bioremediation Work Plan — Warren District

Extensive work was completed during the quarter on the bioremediation work plan for the Warren District. This work is directed at the development of environmentally responsible approaches to legacy mine material handling, mineral recovery, and reclamation within the district, and is closely integrated with the EMRTAI program described above.

The work plan addresses target site characterization and contaminant profiling, microbial and fungal strain selection, application and inoculation methodology, containment and segregation of pregnant leach solution, metal recovery from solution through biosorption, bio-precipitation, and low-energy electrowinning, water treatment and recirculation, soil structure and biodiversity restoration, and the monitoring and verification protocols required to demonstrate outcomes to regulatory and funding stakeholders.

Management believes that a district in which historical mining occurred for more than a century, and in which legacy material remains present across multiple sites, is well suited to an integrated approach in which remediation and mineral recovery are pursued as a single program rather than as competing objectives. Bioremediation and biomining technologies remain in development, and results to date are laboratory- and bench-scale in nature.

Unity–Charity Mine System — Plan of Operations Development and Review of the 1933 Unity Gold Production Company Report

During the quarter, the Company advanced work on a plan of operations for the exploration and development of the Unity Mine system, including the Charity. As part of that work, the Company undertook a detailed technical review of the First Annual Report of the Unity Gold Production Company, published in 1933, and constructed a set of three-dimensional digital models to translate the report's drawings into a modern spatial framework.

The 1933 report is, in management's assessment, an unusually complete historical technical document. It contains a full geological description of the property, a detailed account of the underground development completed, tabulated vein intercepts with distances and depths, six engineered drawings depicting the position of the veins relative to the controlling dikes and fault planes, a description of the mill and its comparative metallurgical performance, cost estimates, and an independent engineer's report. It describes a property on which the principal capital-intensive work — the driving of a 5,200-foot haulage tunnel to gain depth and gravity drainage on a series of parallel veins — had already been completed, and which was arrested not by geological failure but by exhaustion of capital and the financial conditions of 1929.

Cautionary note regarding historical information. *The historical production figures, sampling results, tonnages, grades, development records, and estimates described in this section were prepared by prior operators between the 1870s and 1933 and have not been verified by the Company or by an independent qualified person. They are not compliant with National Instrument 43-101 or SEC Regulation S-K 1300, do not constitute a mineral resource or mineral reserve, and should not be relied upon as an indication of what the Company may encounter. They are presented because management believes they provide material geological and structural context for the Company's current exploration and planning work.*

PANORAMIC VIEW OF PROPERTY

Looking south on line of tunnel from Warren Creek to top of Range, showing effects of step-faulting on dikes and fault planes.

Figure A — Panoramic view of the Unity property from the 1933 Annual Report, looking south on the line of the tunnel from Warren Creek to the top of the range, showing the effects of step-faulting on the dikes and fault planes.

District History and Production Context

The Warren district was discovered in 1862, shortly after the discovery of the Florence placers, by a party of prospectors headed by James Warren, for whom the camp was named. Crossing the Salmon Canyon and exploring the granite plateau to the south, the party discovered the placers of Warren Creek and its tributaries. The 1933 report estimates that these placers yielded more than $60 million in placer gold, and attributes the enrichment of the gravel beds largely to erosion of the gold quartz veins embraced within the company's properties — the yield of placer gold from a comparatively small eroded area being offered as an index of the value of the original ores in place.

The quartz veins were opened and worked as early as 1870, when the camp was 180 miles from railroad communication and all work was performed by primitive means. The report notes that quartz as milled had to yield $50 per ton or more to cover the cost of operation. The principal veins known and worked up to 1900 included the Little Giant, Charity, Rescue, Mammoth, and Goodenough of the Unity group and their extensions to the west. Early developments were not extensive; segments of the veins were opened by tunnels driven from shallow gulches or by shafts sunk to water level, and the greatest depth attained was not over 200 feet. Production from these shallow workings is estimated at approximately $2 million.

The report emphasizes that the limiting factor on the early operations was water. Every ore shoot discovered was stoped to the surface, which the independent engineer's report offers as adequate proof that the ore must have been high grade to have permitted a profit; but the cost of pumping the lower workings with the facilities then available became prohibitive. Drainage, transportation, and cheap power were identified as the three requirements for profitable mining of the ores at depth.

In 1916, the principal productive claim groups — known as the Rescue, Giant, Banner, Mammoth, and Charity — were consolidated into a single operation undertaken by the Unity Gold Mines Company, of which the 1933 company was a reorganization. With an outlay of over $750,000, that company addressed the drainage and development problems and reached the point of actual production when its capital was exhausted. The financial crash of 1929 and the subsequent depression delayed reorganization until 1932.

Geology and Ore Deposits

The 1933 report describes the formation as a granite batholith of great thickness embracing an area many square miles in extent, of an acidic biotite type, which in cooling was fissured along a wide zone extending several miles east and west of the property. The vein filling is described as a banded quartz resulting from successive reopenings during early periods of crustal disturbance. Gold is described as both primary and crystalline in the early quartz and also derived from decomposition of subsequent sulphide enrichment; much of it coarse and visible to the naked eye, high grade, ranging in value from $5 to $100 per ton, and recoverable by ordinary amalgamation and concentration methods.

The independent report by Arthur L. Flagg, the mining engineer who supervised the mill's conversion from stamps to ball mill and flotation during the three years preceding 1930, adds that the quartz veins are of the filled-fissure type, often strikingly banded and made up of more than one generation of quartz; that much of the gold is very coarse and some of it crystallized; that the bullion recovered ranges from 500 to nearly 700 fine; and that accessory minerals, all occurring sparingly, are tetrahedrite, galena, sphalerite, arsenopyrite, and pyrite, with scheelite — calcium tungstate — occurring in one vein.

The structural framework is the central feature of the property and the organizing principle of all six drawings. A series of grano-dioritic dikes of great width and steep dip were intruded co-incident with early disturbance, extending several miles across the formation at an acute angle to the strike of the veins. These dikes strike approximately N. 70 degrees W. and dip 60 degrees to the northeast, occurring at intervals of 1,000 feet or less. Deposits of scheelite are common in the veins near the dike intersections. The formation was step-faulted in the final uplift of the range, with sections of the original plateau settling down on these planes and offsetting the veins on their strike. Two planes of faulting extend entirely through the property at a slightly different angle to the strike of the dikes and dip 48 degrees to the northeast, above which sections of the formation have settled several hundred feet in elevation from the level of the original plateau.

Critically, the report concludes that while these displacements affect the upper horizon of veins Nos. 2, 4, 5, and 6, they do not materially affect the ore bodies, which lie between the dikes underneath the fault, in the ore zone proper. The ore bodies occur in the sections between the dikes and conform to the dip of the dikes at depth. The ore zone itself is described as a band approximately 750 feet wide lying between two parallel dikes, extending diagonally through the property, dipping to the south and raking to the east.

The Unity Tunnel and Vein Intercepts

The Unity Tunnel is the main operating tunnel of the property, driven in from the base of the mountain on a course almost due south — that is, at a right angle to the strike of the veins, so as to intercept them on their dip. It had been driven 5,200 feet from the portal as of the date of the report, with the ultimate objective of intercepting the Charity vein at 6,800 feet, or 1,500 feet beyond the then-current face. By means of this tunnel, all of the several mines could be worked as one operation. The upper, or Charity Tunnel, had been driven 300 feet and connected with a raise and drift on the No. 6 vein from the lower tunnel, furnishing complete ventilation to the lower workings, an outlet for waste, a means of delivering timber, and utilization of auxiliary power and air supply.

Total new development completed under the Unity Gold Mines Company program is stated at in excess of fifteen thousand feet, exclusive of stopes. The following table reproduces the report's tabulation of the veins intercepted by the main tunnel, the distance from the portal at which each was cut, and the depth below surface at that point.

Vein	Distance from Portal	Depth Below Surface
No. 1 — Otto Lode	575 ft	150 ft
No. 2 — Banner Lode	1,325 ft	250 ft
No. 3 — Gunmetal Lode	1,785 ft	450 ft
No. 4 — Little Giant	2,425 ft	500 ft
No. 5 — South Giant	2,845 ft	550 ft
No. 6 — Morning Lode	3,820 ft	600 ft
No. 7 — Mammoth Lode	4,800 ft	1,050 ft
No. 8 — Blind Lode	5,100 ft	1,100 ft

Table 1 — Veins intercepted by the Unity Tunnel, with distance from portal and depth below surface, as tabulated in the 1933 Annual Report.

The main fault plane was penetrated at 2,200 feet, at a depth of 400 feet below the collar of the Little Giant shaft. After penetrating that plane, the tunnel encountered the veins in place on their dip, and lateral drifts driven from the tunnel showed the ore bodies to be persistent and to improve in width and value as depth was gained below the fault plane. Four separate ore measures of commercial importance were proven in the then-present and earlier workings, to a depth of 400 to 600 feet below the surface, or over 1,000 feet below the level of the original plateau. Two further veins, Nos. 7 and 10, were to be opened at depths of 1,000 to 1,200 feet below the surface workings by extension of the tunnel.

The ore measures are described as 600 to 700 feet long, representing the horizontal distance on the strike of the veins between the diorite dikes, pitching or raking to the east with the dip of the dikes. The veins are described as normally two to six feet wide in the horizons above and below the fault zone, with irregularities in width and value in the upper faulted area where wall rock had been crushed and recemented with vein quartz by the drag of the fault movement. Total past production from the various workings is estimated in the report at close to $1,000,000, obtained from a very small area compared with the area opened for continued operations above and below the tunnel level.

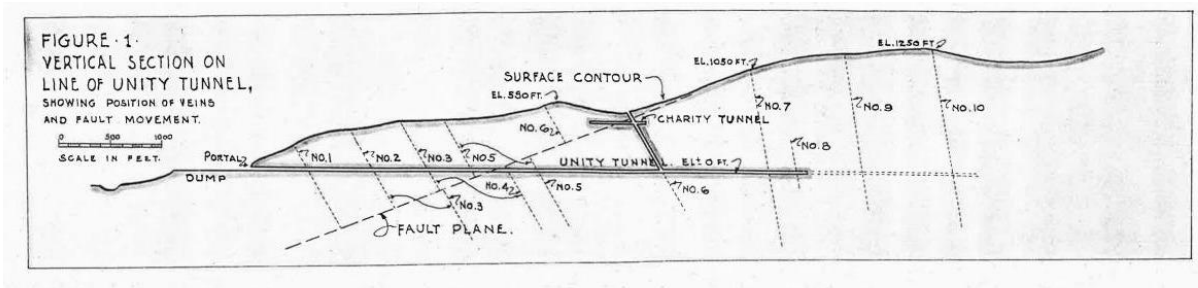

Figure 1 (1933 Report) — Vertical section on the line of the Unity Tunnel, showing the position of the veins and the fault movement, from the portal at the base of the mountain to the projected extension beneath the upper veins.

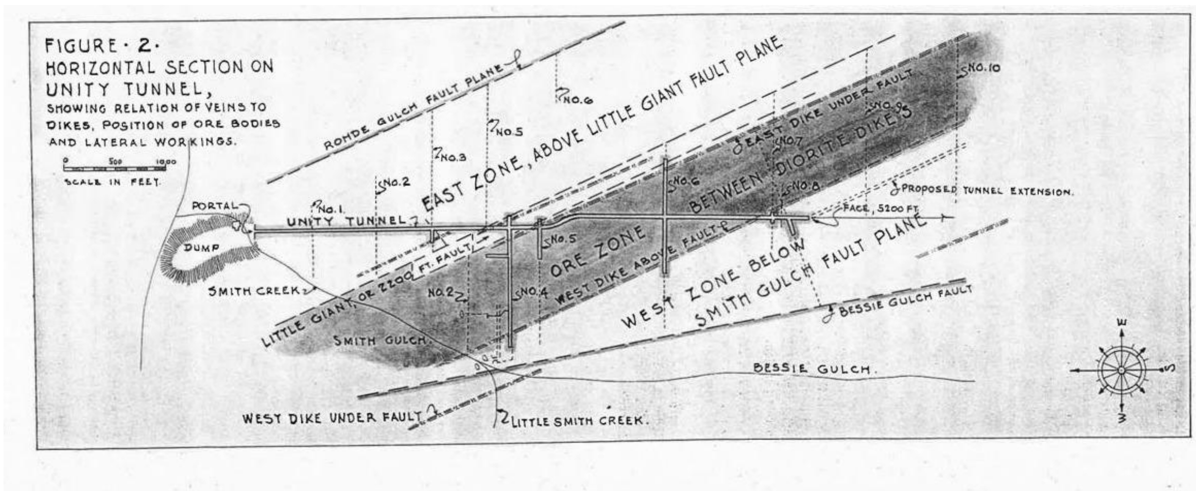

Figure 2 (1933 Report) — Horizontal section on the Unity Tunnel, showing the relation of the veins to the dikes, the position of the ore bodies, and the lateral workings. The shaded band between the two dike traces is the ore zone; note the east zone above the Little Giant fault plane, the ore zone between the diorite dikes, and the west zone below the Smith Gulch fault plane.

Unity Tunnel at Intersection of No. 6 Vein.

Figure B — The Unity Tunnel at its intersection with the No. 6 vein, as photographed for the 1933 Annual Report.

The Ore Measures

Vein No. 4 — Little Giant

The No. 4 or Little Giant vein has been the most productive of the series, and the report attributes the district's early fame to the uniformity of its high-grade gold ore. Total production to 1910 is estimated at $365,000, which the report characterizes as remarkable given that most of the mining was done by hand with crude surface and milling equipment carried a long distance on the backs of mules, and that not more than half the value of the ore was recovered in treatment.

The early workings consisted of an adit driven on the vein from the hillside, gaining less than 150 feet of depth, and an incline shaft which reached a depth of 200 feet on the vein where it was lost by a horizontal fault movement subsequently proven to be 42 feet to the north. Being unable to handle the water encountered, further depth was not attainable.

The vein as worked constitutes one single ore shoot 700 feet long, defining the ore zone between the grano-dioritic dikes which outcrop boldly at the surface. A raise made at a point 750 feet west of the tunnel to connect with the old shaft above disclosed 18 inches of quartz of the same character as that of the upper workings, showing high-grade visible coarse gold. The vein was stoped back to the east dike 300 feet; that ore was put through the stamp mill and yielded $55,000 with a recovery of 60 percent. The report records that the vein in the floor of the drift is strong and the ore persistent, as shown in a winze, and that sinking was deferred pending construction of power plant and equipment.

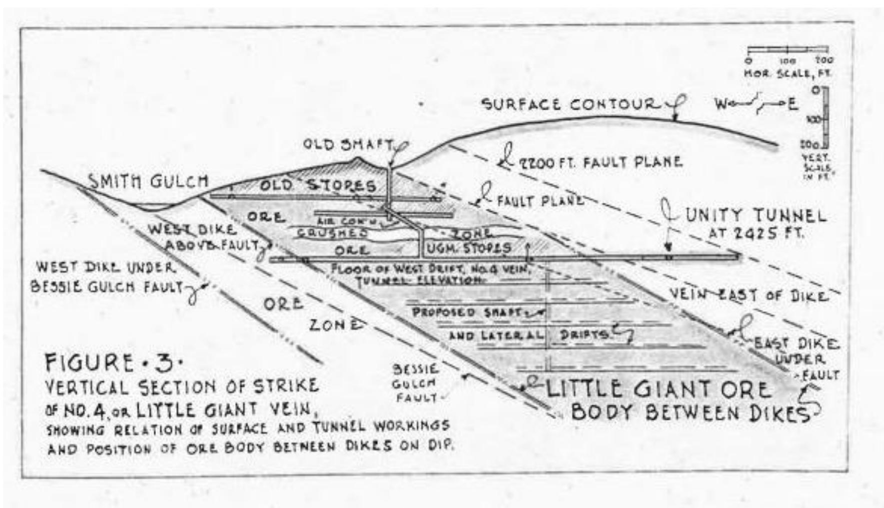

Figure 3 (1933 Report) — Vertical section on the strike of the No. 4, or Little Giant, vein, showing the relation of surface and tunnel workings and the position of the ore body between the dikes on dip. The old shaft and old stopes above are shown together with the proposed shaft and lateral drifts below the tunnel elevation.

Vein No. 6 — Morning

The No. 6, or Morning vein — formerly worked as the Goodenough to the west — is described as the true position of the Rescue vein, the top of which in the original formation was carried down by the fault movement to the east for a considerable distance, where it was extensively worked and produced a large revenue.

The tunnel cut the No. 6 vein in place midway in the ore zone at 3,820 feet, and 500 feet below the present outcrop. Drifts east and west for a total of 1,000 feet disclosed an ore shoot 650 feet long in high-grade ore. A raise was made on the vein to the surface to connect with the Charity Tunnel 480 feet above. Stope levels were driven from the raise and a considerable portion of the ore was stoped out, yielding $145,000 gross with a saving of about 70 percent in the old mill. The report states that as much or more remains to be stoped. In the floor of the tunnel level the vein is strong and persistent and shows increase in width and value, with a complete sampling showing an average of over $30 per ton for the length of the ore shoot.

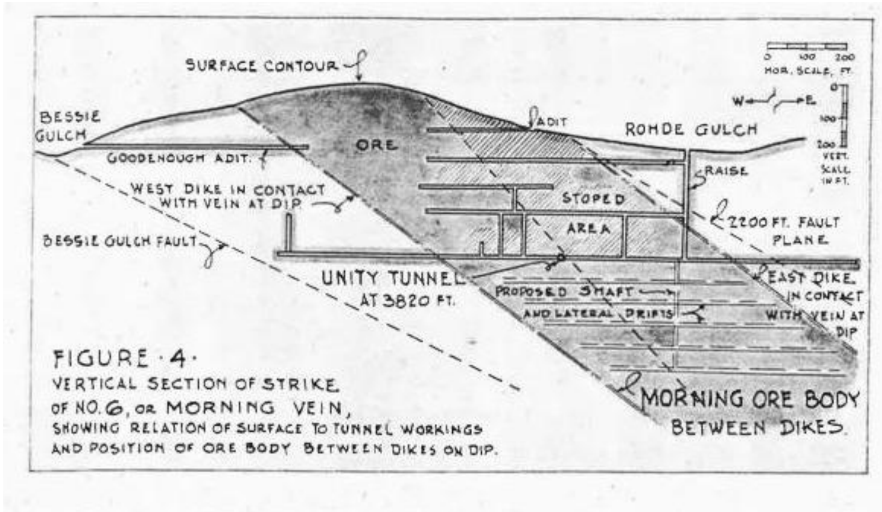

Figure 4 (1933 Report) — Vertical section on the strike of the No. 6, or Morning, vein, showing the relation of the surface to the tunnel workings and the position of the ore body between the dikes on dip. The stoped area and the proposed shaft and lateral drifts below the Unity Tunnel at 3,820 feet are indicated.

Vein No. 7 — Mammoth

The No. 7, or Mammoth lode, is by comparison the largest vein in the series. Its apex is 500 feet above the outcrop of Nos. 4 and 6, and it exposes the vein in the ore zone beneath the fault plane. A shaft 60 feet deep shows a six-foot vein of good milling ore, not rich enough to mine in the early days of the camp; an adit driven several hundred feet on the vein from the hillside did not reach the ore zone under the shaft, the importance of which was not then understood.

The tunnel cut the vein at 4,800 feet at a depth of 1,050 feet below the old shaft, but outside the ore zone, owing to the rake of the ore shoot to the east between the dikes. The report states that a drift of a few hundred feet would open the vein in the ore zone, and that should conditions prove the same as shown in the shaft above, this vein would be a most important factor in tonnage and yield owing to the large area that could be mined above the tunnel level.

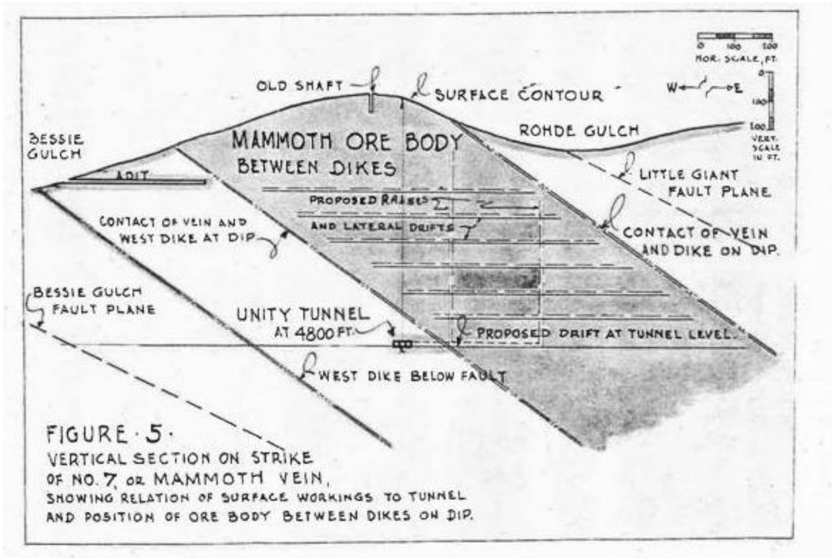

Figure 5 (1933 Report) — Vertical section on the strike of the No. 7, or Mammoth, vein, showing the relation of surface workings to the tunnel and the position of the ore body between the dikes on dip, with the proposed drift at tunnel level at 4,800 feet.

Vein No. 10 — Charity

The No. 10, or Charity vein, was the first to be opened and operated in the district. Its apex lies at the level of the original plateau, 1,500 feet above the tunnel level. It was worked through two tunnels on the vein from the gulch eroded on the east dike, which was placer mined in the early days. The tunnels opened the vein in the ore zone, a part of which was scored out and formed the rich placer. The entire vein was worked to a depth of 200 feet.

By continuing the main tunnel, the report projects that this vein would be reached within 1,600 feet at a depth of 1,500 feet below the old workings. Recovery from the early operations is stated at $30 per ton, which was probably about 50 percent of gross value. The report concludes that the probable tonnage in the ground thus to be opened is large, that continuation of values at depth is conclusively established in the other lodes, and that the vein's importance as a factor of longevity to the workings is apparent.

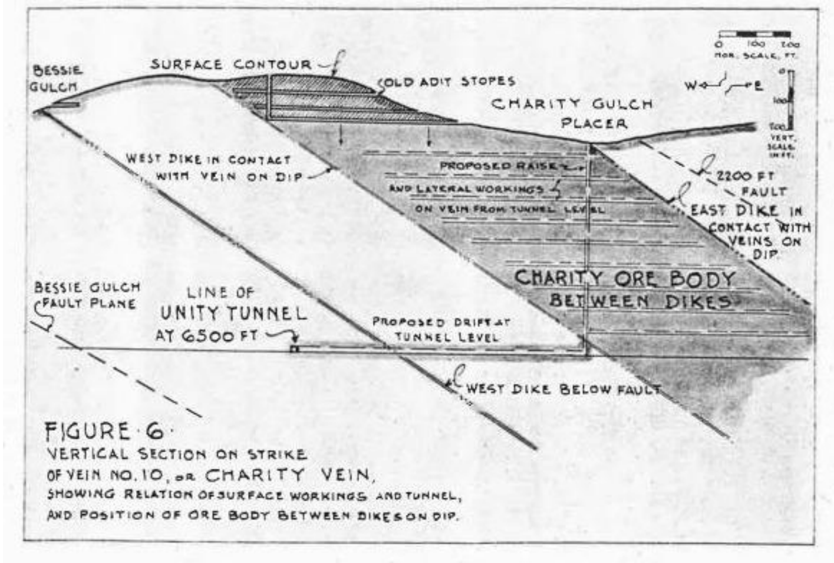

Figure 6 (1933 Report) — Vertical section on the strike of the No. 10, or Charity, vein, showing the relation of surface workings and tunnel and the position of the ore body between the dikes on dip, with the proposed drift at tunnel level at 6,500 feet.

Veins Nos. 8 and 9 had not been explored in the ore zone, either at surface or from the tunnel, as of the date of the report. Veins Nos. 1 and 2, where cut in the main tunnel, are displaced sections above the fault plane lying outside the ore zone, carried down several hundred feet from their original position by the fault movement, and were therefore considered of little promise in that position. Vein No. 3, intercepted at 1,785 feet, is described as a segment of the down-thrown portion of the No. 4 vein lying over the fault plane, which originally formed the outcrop of the Little Giant above the rich ore body disclosed in the surface workings; a further section of this vein west of the fault at 2,000 feet was developed at surface and produced a large sum from ores averaging $50 per ton.

Milling and Metallurgy

The ore in the several veins is described as of the same general character. The early method of treatment was by stamps and plate amalgamation, from which loss in the tailings was close to 40 percent. Tests conducted by the Southwestern Engineering Company led to the recommendation that the stamps and tables be discarded and a ball mill in closed circuit substituted, with a flotation unit added. The flow sheet then adopted consisted of crushing to one-inch mesh; grinding to 60 mesh in the ball mill in closed circuit with a classifier; amalgamation of the free gold by a simple process within the circuit; and treatment of the overflow tailings with oil and flotation reagents through flotation cells. Bullion recovered from the plates was retorted and sent to the branch mint at Boise; flotation concentrates were shipped to the smelter at Salt Lake.

The comparative mill results reported show the improvement achieved: total recovery of gold increased from 77.34 percent under stamp milling to 94.50 percent under ball mill and flotation, and total silver recovery increased from 13.29 percent to 72.30 percent, with loss in tailings falling from $6,759.31 to $1,563.48 on comparable head values. The plant was designed to handle 50 tons per 24 hours, with additional units to be added as development advanced. The mill is located at the mouth of the tunnel below the haulage level, so that ore is delivered by gravity and water drainage from the tunnel is adequate for mill purposes.

Management regards the metallurgical record as one of the more directly relevant elements of the historical file. The improvement from approximately 60 percent to approximately 94.5 percent gold recovery through the substitution of fine grinding and flotation for stamp amalgamation indicates that a substantial fraction of the contained value in this ore was never recovered by the historical operators, and that recovery is responsive to process design. The presence of scheelite in the vein system, noted independently by both the company report and the Flagg report, is also of contemporary interest given tungsten's current designation as a critical mineral.

The 1933 Development Plan

The report sets out a specific and limited development program. As a basis for determining the probable results of sinking on the No. 4 and No. 6 veins and opening the ore bodies below tunnel level, the vein in the floor of the No. 6 drift was under-stoped for the full 650-foot length of the ore shoot, and the entire sample of 17 tons was run through the mill. This gave a bullion recovery of $521.93 by amalgamation, plus concentrates estimated at $50, for a total recovery of $33.50 per ton with gold at $20.67 per ounce. The report notes that these results show a marked increase in the width and value of the quartz as depth is gained, and check more closely with the value of ore mined in the upper horizon above the fault zone. A winze was sunk in the ore 40 feet below the drift but was discontinued for lack of hoisting and pumping equipment. The same conditions were stated to prevail on the No. 4 vein.

The estimated cost of sinking 300 feet and drifting a total of 600 feet on each of three levels, with necessary equipment, was $50,000, to be accomplished within six months with adequate force, opening a block of ground 300 by 600 feet. The report states that the elements of risk had been so largely eliminated by the work already accomplished as to offer reasonable assurance of success, and that with sufficient working capital the property could be brought to a productive basis with a comparatively small amount of preliminary ore development.

That capital was never raised. The property was not developed on the plan set out in the report, and the ore measures described below the tunnel level were, so far as the historical record indicates, never opened.

Present Condition of the Unity Workings

Company personnel conducted site examinations of the Unity workings during the quarter. The photographs below record present conditions at the adit and within the tunnel.

Figure C — The Unity adit at present. Water discharges from the portal, consistent with the gravity drainage function for which the tunnel was originally driven.

Figure D — Timbered section within the Unity Tunnel, showing original square-set timbering, ventilation line, and the drainage ditch carrying water outbound along the tunnel invert.

Figure E — Unity Tunnel in competent granitic ground beyond the timbered section. The tunnel remains open and walkable over substantial distances, with original timber sets and rail-era steel still in place.

The condition of the workings is materially relevant to the Company's planning. A 5,200-foot haulage tunnel that remains open, self-draining, and accessible represents infrastructure of very substantial replacement cost, driven at a time when it was the single largest capital undertaking on the property. Its continued existence is the principal reason the Unity system can be considered for exploration and development on a schedule and at a cost that would otherwise be prohibitive.

Three-Dimensional Digital Reconstruction

To make the 1933 report usable for modern planning, the Company constructed a set of three-dimensional digital models during the quarter. The models take the original engineered drawings — which are internally consistent, drawn to stated scales, and tied to identifiable surface features including Smith Creek, Little Smith Creek, Smith Gulch, Rohde Gulch, Bessie Gulch, and the tunnel portal — and register them in three-dimensional space against modern surface topography. The vein and ore-shoot geometries described in the report are then rendered as solids within that framework, together with the mapped fault planes, dike traces, historical workings, and the tunnel alignment.

Figure F — Wide-angle view of the Unity 3D model. Four modeled ore-shoot solids are shown in red in their interpreted positions between the controlling dikes, with modern surface topography traces in tan, the Unity Tunnel alignment in orange, historical workings in cyan and violet, and the portal and dump area at right.

The value of the exercise lies in what a two-dimensional section cannot convey. The 1933 drawings depict the ore shoots individually, each on its own vertical section, and the relationship among them — the consistent rake to the east, the confinement between the two dikes, the systematic increase in depth from the portal southward — must be assembled mentally by the reader. In three dimensions the geometry is immediate: four parallel tabular bodies, similarly oriented, similarly raked, occupying the same structural corridor at progressively greater depth.

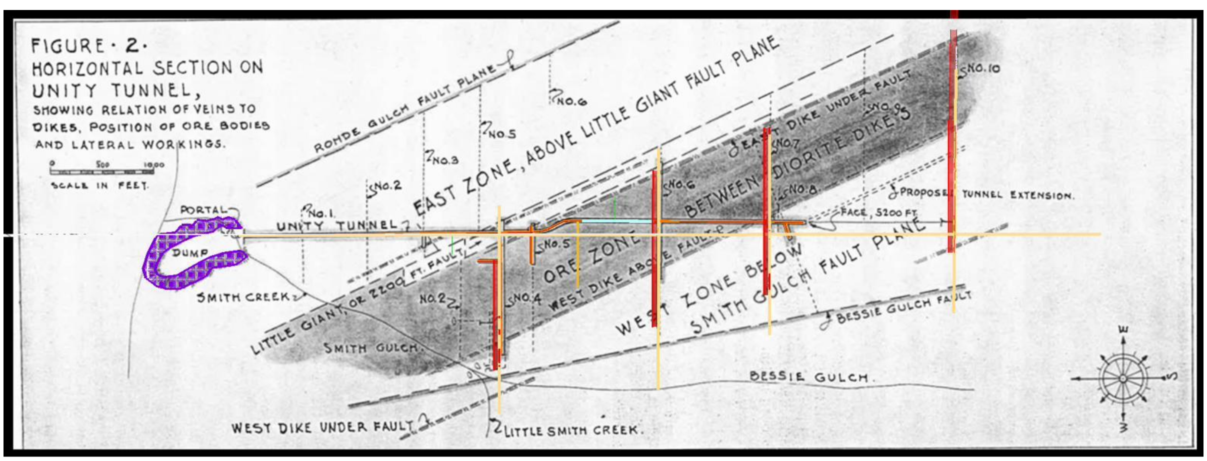

Figure G — Plan view of the 3D model registered against Figure 2 of the 1933 report. The modeled vein and working geometries are shown in position over the original horizontal section, demonstrating the spatial correspondence between the historical survey and the modern reconstruction.

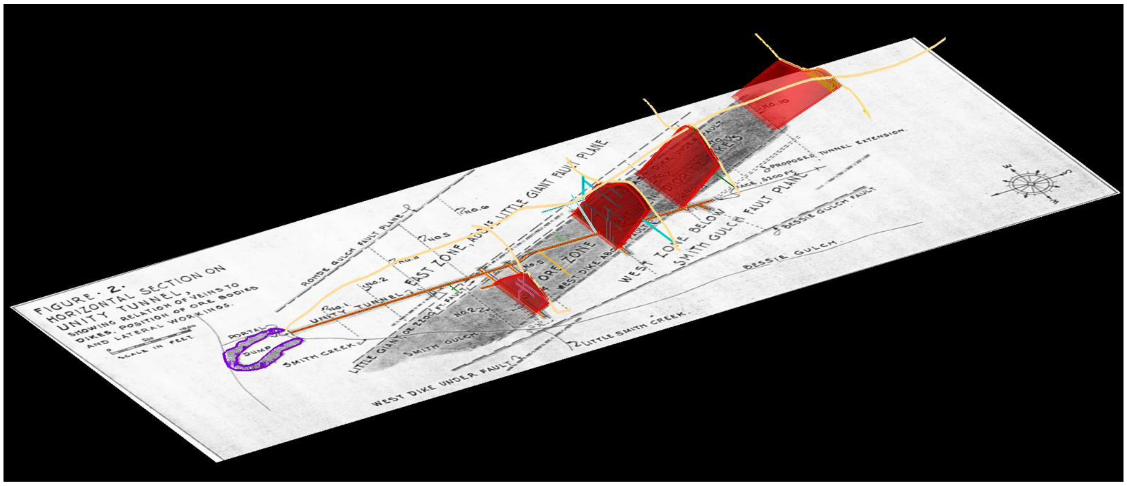

Figure H — Oblique view of the model with the 1933 horizontal section rendered in place as a georeferenced surface. The modeled ore bodies (red) are shown rising from the plane of the original drawing, illustrating how the historical two-dimensional mapping constrains the three-dimensional geometry.

The models also allow drill targeting to be evaluated directly. The images below show conceptual underground drill fans designed to test the modeled ore shoots on the No. 4 and No. 6 veins below the historical workings — the zones the 1933 report identified as the immediate point of attack and which were never opened.

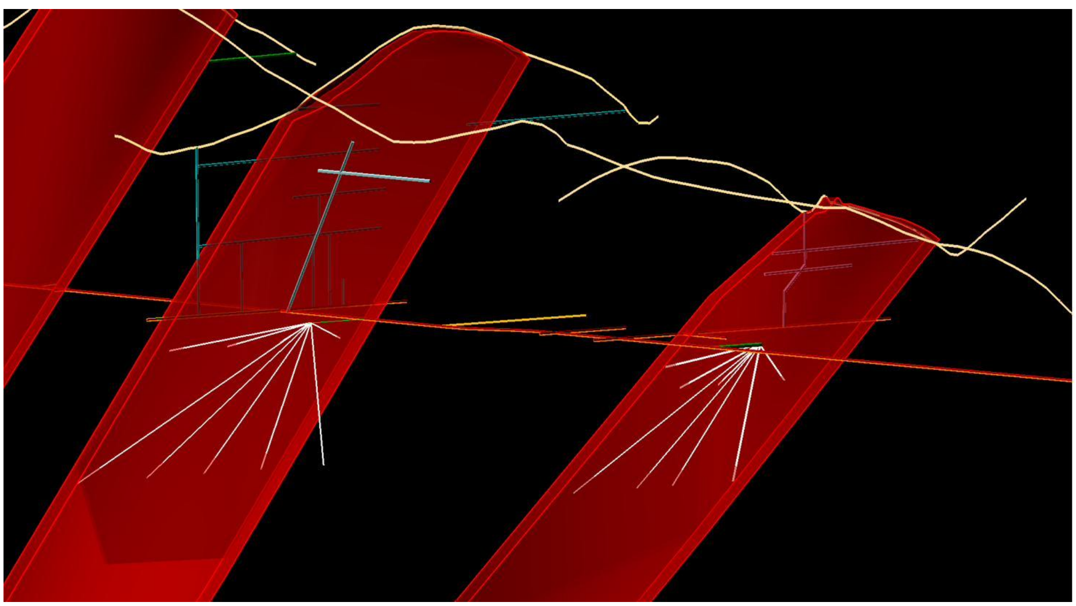

Figure I — Modeled No. 4 (Little Giant) and No. 6 (Morning) ore shoots with conceptual underground drill fans (white) designed to test the down-dip continuation of each shoot below the historical workings. Historical stope and drift geometries are shown in cyan and violet; the Unity Tunnel alignment is shown in orange.

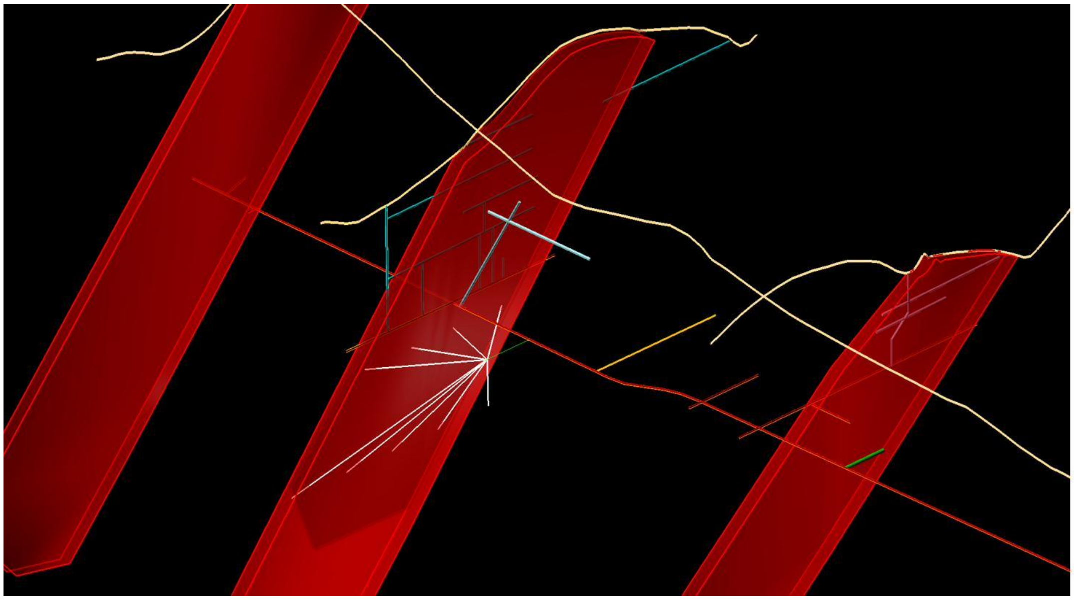

Figure J — Detail view of the modeled No. 6 (Morning) ore shoot showing the conceptual drill fan radiating from a proposed underground station, together with the historical raise and stope levels connecting the Unity Tunnel to the Charity Tunnel above.

These drill layouts are conceptual and are presented to illustrate the targeting logic supported by the model. They do not constitute a permitted or funded drill program, and no drilling has been conducted on the modeled targets.

Application to the Unity Plan of Operations

The Company is using this work to support development of a plan of operations for exploration and development of the Unity Mine system including the Charity. The three-dimensional model provides the technical basis for defining proposed work areas, access requirements, drill station locations, and surface disturbance associated with any proposed program, and allows those elements to be described to reviewing agencies with spatial precision rather than by reference to century-old drawings.

Management's assessment of the Unity system, on the basis of the historical record and the modeling work completed, may be summarized as follows. The property was developed to the point of production by a well-capitalized operator using competent engineering, and the principal capital work — the haulage tunnel providing both depth and gravity drainage — was completed and remains in place. The ore measures identified below the tunnel level were sampled, described, and drawn, but never opened, and the reason they were never opened is documented and financial. The metallurgical record indicates that recovery is responsive to process design and that historical recoveries were substantially incomplete. The structural controls on mineralization — the confinement of ore bodies between two dikes, and their consistent rake to the east — are clearly described and internally consistent across six independent drawings and two independent reports.

The Company intends to advance the Unity system on that basis, and to incorporate data developed from it into the NI 43-101 technical report in progress. Management cautions that historical descriptions of ore bodies, however detailed, are not a substitute for modern sampling and drilling, and that the Company's work at Unity remains at the exploration and planning stage.

Corporate Finance and Strategic Alternatives

From a management perspective, the Company continued during the quarter to develop funding resources in addition to off-take arrangements, with an explicit objective of limiting or eliminating dilution to shareholders wherever possible. Management regards the avoidance of unnecessary dilution as a governing constraint on financing decisions rather than a secondary consideration.

Funding structures under active discussion and design during the quarter include:

- Municipal bond structures.
- EB-5 immigrant investor program funding.
- Direct investment from numerous family offices.
- Structured debt financing.
- Off-take-linked prepayment and financing arrangements.
- Federal grant funding through the programs described above.

In addition, the Company has been in extensive discussions with a family office that has expressed strong interest in the purchase of Sidney Resources Corporation. Those discussions are ongoing as of the date of this summary.

No definitive agreements have been entered into with respect to any of the financing structures or transaction discussions described above. Discussions of this nature are preliminary and there can be no assurance that any transaction, financing, or acquisition will be completed, or that any such transaction would be completed on terms acceptable to the Company or its shareholders. The Company will disclose material developments as and when they occur in accordance with applicable requirements.

Forward-Looking Statements and Risk Factors

This activities summary contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements include, but are not limited to, statements regarding underground development activities, exploration targets, geological interpretations, three-dimensional modeling and targeting work, metallurgical testing, pilot-scale operations, infrastructure development, fuel storage and operations area design, road improvements, permitting efforts, Section 106 consultation outcomes, off-take discussions, grant applications, technical reporting, resource evaluation work, financing structures, potential corporate transactions, commercialization initiatives, and future operational plans.

These statements are based on current expectations, assumptions, historical information, and management's current beliefs regarding future development activities. Forward-looking statements are inherently subject to significant business, economic, geological, technical, operational, regulatory, and competitive uncertainties and contingencies, many of which are beyond the Company's control. Actual results may differ materially from those expressed or implied in such statements.

Key risks and uncertainties include, but are not limited to:

- Exploration and Geological Risks — Mineral exploration is inherently uncertain. There can be no assurance that historical mineralization, underground workings, geophysical anomalies, modeled ore geometries, or sampling results will result in the discovery or definition of economically recoverable mineral resources or reserves.
- Historical Data Risks — Historical production figures, sampling data, geological reports, engineered drawings, metallurgical studies, and exploration records referenced in this report, including the 1933 Unity Gold Production Company Annual Report, the 1984 Lucky Ben geology report, the 1987 Goldstone Minerals report, and the 1979 Czizek interview transcript, were prepared by prior operators and third parties. While management believes these materials provide important geological context, they have not been verified by the Company or by an independent qualified person and additional work is required to validate historical information under current NI 43-101 and SEC S-K 1300 standards. Three-dimensional models constructed from historical drawings inherit the limitations of the underlying source material.
- Metallurgical and Processing Risks — Preliminary metallurgical and laboratory-scale testing may not be indicative of commercial-scale performance. Ore variability, recovery rates, processing complexity, scaling challenges, permitting constraints, reagent costs, equipment limitations, and operational efficiencies may materially impact future economic outcomes.
- Permitting and Environmental Risks — Mining, road construction, water usage, cultural resource protection, reclamation, and processing activities are subject to extensive federal, state, and local permitting requirements. Delays, modifications, environmental review outcomes, consultation results, litigation, or regulatory actions could materially impact project timelines and costs. The Company's experience with the ore pile Plan of Operations, which has been in process for approximately two years, is illustrative of these timelines.
- Infrastructure and Operational Risks — Underground mining and remote infrastructure development involve significant operational risks, including ground conditions, flooding and water inflow, weather impacts, access limitations, equipment failures, contractor availability, wildfire risk, fuel storage and handling hazards, and

seasonal transportation constraints. Seasonal access to the project area depends on the Warren Wagon Road corridor; the long-term maintenance agreement under development with Valley County and Idaho County has not been finalized, and there can be no assurance that a definitive agreement, opening standard, or snowpack trigger mechanism will be adopted.

- Funding and Liquidity Risks — The Company may require additional capital to continue exploration, development, infrastructure construction, and operational activities. There can be no assurance that financing, strategic partnerships, off-take agreements, municipal bond structures, EB-5 funding, family office investment, structured debt, or government funding opportunities will be available on acceptable terms or at all.
- Grant and Strategic Initiative Risks — Applications submitted to the U.S. Department of Energy and other agencies, including under DE-FOA-0003583 and through the EMRTAI program, remain competitive and uncertain. No assurance can be given that grant funding, strategic awards, pilot programs, or commercialization initiatives will be approved or completed. Program budgets described reflect proposed structures rather than committed funding.
- Corporate Transaction Risks — Discussions regarding a potential acquisition of the Company are preliminary, non-binding, and ongoing. There can be no assurance that any transaction will be proposed, agreed, or completed, or that any transaction would be on terms favorable to shareholders.
- Commodity Price and Market Risks — Fluctuations in the prices of gold, silver, platinum group metals, rare earth elements, tungsten, and other strategic minerals may significantly impact project economics, investor sentiment, financing opportunities, and future operational viability.
- Commercialization and Off-Take Risks — Discussions involving potential off-take agreements, processing arrangements, and strategic commercial relationships are preliminary in nature. There can be no assurance that definitive agreements or long-term commercial arrangements will be completed.
- OTC Market and Securities Risks — As an OTC-listed company (OTCID: SDRC), the Company's securities may experience limited liquidity, price volatility, market fluctuations, dilution risk, and reduced institutional participation. The Company is not currently an SEC reporting issuer.

The Company undertakes no obligation to update forward-looking statements except as required by applicable law.

Closing Perspective

Sidney Resources exits the second quarter of Fiscal Year 2026 having materially strengthened the operational, governance, regulatory, and technical foundation on which its development program depends.

During the quarter, the Company secured the agreement of former Idaho Governor C.L. "Butch" Otter to join its Board of Directors as Chairman; expanded its insurance program to match its enlarged footprint and secured pollution liability coverage for the project; completed and adopted its Emergency Response Plan, Standard Operating Procedures Manual, and updated Wildland Fire Emergency Response Plan; continued underground exploration and sampling at Lucky Ben while constructing the storage bays, sumps, escape rooms, electrical infrastructure, air management systems, and drill bays required to sustain that work; designed an upgraded operations area and modern fuel storage capability; conducted substantial road maintenance and submitted upgrade requests supporting heavy equipment access; entered into agreements with Valley County and Idaho County and plowed approximately 23 miles of the Warren Wagon Road over

Secesh Summit to open the corridor early; advanced the ore pile Plan of Operations and the associated Section 106 consultation toward an executed agreement; engaged Janus Mineral Strategy to prepare a NI 43-101 technical report; shipped samples to multiple laboratories and shared assay and XRF data with multiple potential off-take counterparties; advanced its Department of Energy and EMRTAI grant initiatives; completed extensive bioremediation work planning; and produced a detailed technical reconstruction of the Unity–Charity system in support of a proposed plan of operations.

Management is conscious that a quarter weighted toward infrastructure, documentation, and permitting produces fewer headlines than a quarter weighted toward drilling results. The Company nonetheless regards this work as the necessary precondition for everything that follows. Underground exploration cannot be sustained without ventilation, dewatering, power, and refuge; drilling cannot be conducted efficiently without drill bays; heavy equipment cannot reach the site without roads; federal permits cannot be obtained without documented compliance programs; and institutional capital cannot be attracted without governance, insurance, and technical reporting to modern standards. Each of these was advanced during the quarter.

The Company enters the second half of 2026 focused on continued advancement toward its primary Lucky Ben target, execution of the Unity plan of operations work, receipt and integration of pending assay results, progression of the NI 43-101 technical report, resolution of its federal grant applications, and continued development of non-dilutive funding pathways — subject in each case to the risks and uncertainties described above.

B. List any subsidiaries, parent company, or affiliated companies.

None

C. Describe the issuers' principal products or services.

Exploration and development of mineral deposits. Research and development of mining equipment and technology. Development of partnerships for the advancement of clean energy projects and clean water projects focused on mine water discharges from operating and abandoned mines. Testing of ore and ore concentrates and the development of refining and precious metal recovery systems for gold, silver, platinum group metals, and rare earth elements.

5) Issuer's Facilities

The goal of this section is to provide investors with a clear understanding of all assets, properties or facilities owned, used or leased by the issuer and the extent in which the facilities are utilized.

In responding to this item, please clearly describe the assets, properties or facilities of the issuer. Describe the location of office space, data centers, principal plants, and other property of the issuer and describe the condition of the properties. Specify if the assets, properties, or facilities are owned or leased and the terms of their leases. If the issuer does not have complete ownership or control of the property, describe the limitations on the ownership.

Sidney Resources Corporation currently leases the patented mining claims known the Lucky Ben Claim, Lucky Ben Extension, Hornet Claim, and the unpatented mining claims known as the Lucky Ben Extension West Claim and the Lucky Ben Extension South Claim, the Lucky Leland Claim, the Royal Richard Claim and the Dandy Don Claim. All of these claims are located in the historical mining district of Idaho known as the Warren Mining District. The Lucky Ben Claim was in previous production that ended in 1921. Sidney Resources paid $60,000.00 for a five-year lease with an option to renew the lease for 5 additional years. The Board of Directors has signed a lease amendment extending the lease for the Lucky Ben Properties an additional 5 years beyond when the lease that was scheduled to expire at the end of 2019 and with the option to renew the lease an additional 5 years as long as work on the properties remains active. Under the terms of the Lease Amendment, Lessor will be issued 20,000,000 shares of restricted common stock as payment for the lease amendment. Under the terms of the new lease amendment, Sidney Resources Corporation has the option to continue to lease the properties for an indefinite period of time with the condition that development work continues each year.

The company owns 47 unpatented mining claims known as the Walla Walla Claim group. The claims are located in the Marshal Lake Mining District of central Idaho. The claim group covers 980 +/- acres. the Walla Walla Mine is a high-grade gold vein located near the historic Kimberly and Warren Mining Districts. This acquisition adds 1.61 square miles to SDRC's holdings in Idaho. Sidney Resources Corporation has 3 portable storage buildings located on the property. We own 2 38' x 40' steel buildings that will be assembled on the Lucky Ben Property. We own a Caterpillar 470B Excavator. A Starlink Satellite Communication System. In addition, 3 above ground fuel storage tanks are located on the above properties. A large supply of mining timbers are now being stored on the Lucky Ben Claim. An ore pulverizer, sluice box, electrical generators, water tanks, water pumps and miscellaneous equipment and supplies are stored on site. A 12-foot heavy duty trailer. Sidney Resources Corporation issued 7 million shares of restricted common stock to Gary Mladjan for his designs of the Graduated Optical Collimator. Sidney Resources Corporation issued 750,000 shares of restricted common stock to Merger Mines Corporation for all patents and intellectual properties related to the Graduated Optical Collimator and all historic mine records and maps held which included over 200 maps and records of mines with a history of production of valuable minerals.

The Company owns 40 acres of land previously known as the Silver Monarch mines. We also acquired 168 acres of private land known as the Charity Claim and the Unity Claims. As part of the acquisition of the Unity GoldSilver Mining Company assets we acquired an additional 1256 acres of mining claims. We not have mineral rights to over 23 know production ore veins.

The Company owns 469 unpatented lode claims and 1 unpatented placer claim that are located adjacent to the Hornet Claim near Warren, Idaho. All Bureau of Land Management filing requirements have been satisfied, further strengthening district-scale control (now over 12,000 acres total).

The company has stored at the Warren District Project site over 4000 pounds of concentrates at that are available for leaching and the recovery precious metals once the metallurgy testing is complete and the leach process has been identified. In excess of 14 tons #3 concentrate and over 500 tons of tailings are prepared for sale in offtake agreements. We are awaiting chemical analysis testing to confirm the estimated values of the concentrates.

6) All Officers, Directors, and Control Persons of the Company

Using the table below, please provide information, as of the period end date of this report, regarding all officers and directors of the company, or any person that performs a similar function, regardless of the number of shares they own.

In addition, list all individuals or entities controlling 5% or more of any class of the issuer's securities.
If any insiders listed are corporate shareholders or entities, provide the name and address of the person(s) beneficially owning or controlling such corporate shareholders, or the name and contact information (City, State) of an individual representing the corporation or entity. Include Company Insiders who own any outstanding units or shares of any class of any equity security of the issuer.

The goal of this section is to provide investors with a clear understanding of the identity of all the persons or entities that are involved in managing, controlling or advising the operations, business development and disclosure of the issuer, as well as the identity of any significant or beneficial owners.

Individual Name (First, Last) or **Entity Name** (Include names of control person(s) if a corporate entity)	**Position/Company Affiliation** (ex: CEO, 5% Control person)	**City and State** (Include Country if outside U.S.)	**Number of Shares Owned** (List common, preferred, warrants and options separately)	**Class of Shares Owned**	**Percentage of Class of Shares Owned** (undiluted)
Sean Rae Zalewski	CEO	Hartland, WI	2,750,000	Common	.47
Gregg Lindner	Director	Minoqua, WI	19,950,000	Common	3.5

Daniel Hally	COO	Clarkston, WA	3,806,016	Common	.66
Sue Maas	Secretary	Delafield, WI	19,900,000 1,666,667	Common Preferred	5.4 3.5
Ryan Norman	Director	Cocoa Beach, FL	0	NA	NA
Chantel Greene	President	Lapwai, ID	0	NA	NA
Corey Schram	Director	Ripon, WI	14,185,920 1,000,000	Common Preferred	3.8 1.7
James E Scherrer	Director	Burlington, WI	1,060,920 4,000,000	Common Preferred	.7 6.818
Joseph Maier	Director	Hartland, WI	0	NA	NA

Confirm that the information in this table matches your public company profile on www.OTCMarkets.com. If any updates are needed to your public company profile, log in to www.OTCIQ.com to update your company profile.

7) Legal/Disciplinary History

A. Identify and provide a brief explanation as to whether any of the persons or entities listed above in Section 6 have, in the past 10 years:

1. Been the subject of an indictment or conviction in a criminal proceeding or plea agreement or named as a defendant in a pending criminal proceeding (excluding minor traffic violations);

Gregg R. Lindner, Director, Dunn County Case Number 2024CM000218 State of Wisconsin vs. Gregg Richard Lindner. Count 1, Wisconsin 943.01(1) Criminal Damage to Property Misd. A. Count 2 Wisconsin 943.15(1) Entry into/onto Bldg/Constuct.Site/Room Misd. A Case status as of 06/30/2026 is Closed.

6

2. Been the subject of the entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, financial- or investment-related, insurance or banking activities;

None

3. Been the subject of a finding, disciplinary order or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, a state securities regulator of a violation of federal or state securities or commodities law, or a foreign regulatory body or court, which finding or judgment has not been reversed, suspended, or vacated;

None

4. Named as a defendant or a respondent in a regulatory complaint or proceeding that could result in a "yes" answer to part 3 above; or

None

5. Been the subject of an order by a self-regulatory organization that permanently or temporarily barred, suspended, or otherwise limited such person's involvement in any type of business or securities activities.

None

6. Been the subject of a U.S Postal Service false representation order, or a temporary restraining order, or preliminary injunction with respect to conduct alleged to have violated the false representation statute that applies to U.S mail.

None

B. Describe briefly any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the issuer or any of its subsidiaries is a party to or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities.

None

8) Third Party Service Providers

Provide the name, address, telephone number and email address of each of the following outside providers. You may add additional space as needed.
Confirm that the information in this table matches your public company profile on www.OTCMarkets.com. If any updates are needed to your public company profile, update your company profile.
Securities Counsel

Name: Morgan E. Petitti, Esq
Address 1: 118 W Streetsboro Road #317
Address 2: Hudson, OH 44236
Phone: 330-697-8548
Email: PetittiLaw@gmail.com

Accountant or Auditor
Name: Chris Shipley
Firm: CDA/CPA Group
Address 1: 618 N 4th Street
Address 2: Coeur d' Alene, ID 83814
Phone: 208-765-1091
Email: admin@cdacpas.com

Investor Relations

Name: ______
Firm: ______
Address 1: ______
Address 2: ______
Phone: ______
Email: ______

All other means of Investor Communication:

Twitter: https://twitter.com/SDRCMINING
Discord: None
LinkedIn https://www.linkedin.com/company/sidney-resources-corp/
Facebook: https://www.facebook.com/sidneyresourcescorporation
Instagram: https://www.instagram.com/sidney_resources_corp/
Website; http://sidneyresources.com/

Other Service Providers
Provide the name of any other service provider(s) that **that assisted, advised, prepared, or provided information with respect to this disclosure statement**. This includes counsel, broker-dealer(s), advisor(s), consultant(s) or any entity/individual that provided assistance or services to the issuer during the reporting period.

Name: William A. Jeckle
Firm: Randall-Danskin
Nature of Services: Patent Counsel
Address 1: Bank of America Financial Center
Address 2: 601 West Riverside Avenue #1500 Spokane, WA 99201-0626
Phone: 509-747-2052
Email: waj@randalldanskin.com

Name: Matthew Dailey
Firm: Western Frontier Exploration & Mining
Nature of Services: Mining Engineering, Operational Planning, Construction, Safety Planning, Geological Services, Explosives & Blasting, and Milling Operations
Address 1: 640 Juniper Street Suite 4,
Address 2: Elko, NV 89801
Phone: (530) 574-4280
Email: matt@wfmining.com

Name: Gabriel Achenbach
Firm: Achenbach Designs, LLC
Nature of Services: Mechanical Engineering, Hardware Design, Prototyping in Plastics, Drafting, 3-D Cad, 3-D Printing, Molds, Castings, Extrusions, Machining, Project Setup, Manufacturability, Testing, And Ruggedization.
Address 1: 2408 E 60th
Address 2: Spokane, WA 99223
Phone: 509-993-3317
Email: gachenbach@comcast.net

9) Disclosure & Financial Information

A. This Disclosure Statement was prepared by (name of individual):

Name: **Daniel S. Hally**
Title: **Chief Operations Officer & Treasurer**
Relationship to Issuer: **Officer & Director**

B. The following financial statements were prepared in accordance with:

☐ IFRS
X U.S. GAAP

C. The following financial statements were prepared by (name of individual):

Name: **Chris Shipley, CDA/CPA Group**
Title: **Certified Public Accountant**
Relationship to Issuer: **Consultant**

Describe the qualifications of the person or persons who prepared the financial statements:[6] Practice and Industry Specializations: Financial accounting and reporting, Income tax planning and preparation for business and individuals. Audit and attest (Governmental, nonprofit and private), Outsourced CFO, Accounting system design and internal controls. Professional Activities: An active member in American Institute of Public accountants (AICPA) and Idaho Society of Public Accountants (ISCPA), Past Board member of ISCPA, Past Treasurer, Coeur d'Alene Public Library Foundation, Past President of Leadership Coeur d'Alene class of 2011. Certifications: CPA – Idaho. Education: The University of Idaho - B.S., Finance, 1998, The University of Idaho - B.S., Economics, 1998

Provide the following qualifying financial statements:

- Audit letter, if audited;
- Balance Sheet;
- Statement of Income;
- Statement of Cash Flows;
- Statement of Retained Earnings (Statement of Changes in Stockholders' Equity)
- Financial Notes

Financial Statement Requirements:

- Financial statements must be published together with this disclosure statement as one document.
- Financial statements must be "machine readable". Do not publish images/scans of financial statements.
- Financial statements must be presented with comparative financials against the prior FYE or period, as applicable.
- Financial statements must be prepared in accordance with U.S. GAAP or International Financial Reporting Standards (IFRS) but are not required to be audited.

[6] The financial statements requested pursuant to this item must be prepared in accordance with US GAAP or IFRS and by persons with sufficient financial skills.

Sidney Resources Corporation

(An Exploration Stage Company)

Compiled Financial Statements

For the Periods Ended June 30, 2026 and December 31, 2025

Table of Contents

Independent Accountants' Compilation Report

To the Board of Directors
Sidney Resources Corporation
Lewiston, Idaho

Management is responsible for the accompanying financial statements of Sidney Resources Corporation (An Exploration Stage Company) which comprise the balance sheets as of June 30, 2026 and December 31, 2025 and the related statements of income for the three months and the six months ended June 30, 2026 and June 30, 2025 and for the period beginning March 4, 2003 (inception) through June 30, 2026, statements of cash flows for the six months ended June 30, 2026 and June 30, 2025 and for the period beginning March 4, 2003 (inception) through June 30, 2026 and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. We have performed compilation engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements, nor were we required to perform any procedures to verify the accuracy or the completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

CDA-CPA Group, PLLP

Coeur d'Alene, ID

July 31, 2026

SIDNEY RESOURCES CORPORATION
(An Exploration Stage Company)
BALANCE SHEETS
JUNE 30, 2026 AND DECEMBER 31 2025

	06/30/26	12/31/25
Assets		
Current Assets:		
Cash	$ 70,686	$ 1,493,424
Total Current Assets	70,686	1,493,424
Property and equipment, at cost:		
Land	449,428	449,428
Equipment	454,006	454,006
Vehicles	264,692	264,692
Building	381,198	381,198
	1,549,324	1,549,324
Less accumulated depreciation	(192,244)	(136,489)
Net property and equipment	1,357,080	1,412,835
Other Assets:		
Prepaid mine lease - net of amortization	1,250,000	1,250,000
Mineral property acquisition costs	292,239	292,239
Intangible assets - net of amortization	2,975,000	2,975,000
Security deposit	22,695	22,695
Lease acquisition costs	281,050	281,050
	4,820,984	4,820,984
Total Assets	$ 6,248,750	$ 7,727,243

See independent accountants' compilation report and notes to the financial statements.

SIDNEY RESOURCES CORPORATION		
(An Exploration Stage Company)		
BALANCE SHEETS		
JUNE 30, 2026 AND DECEMBER 31 2025		
	06/30/26	**12/31/25**
Liabilities and stockholders' equity		
Current liabilities:		
Credit cards due	$ 25,878	$ 35,988
Stock subscription deposits	1,065,522	115,522
Accrued interest	162,120	89,112
Total current liabilities	1,253,520	240,622
Longterm liabilities:		
Convertable promissory notes	1,475,000	1,450,000
Total liabilities	2,728,520	1,690,622
Stockholders' equity:		
Revenue sharing agreement	-	-
Warrants - 2,013,012 .0001 per warrant	56,551	56,551
Preferred stock - .0001 par value, 60,000,000 shares authorized, 56,633,360 and 56,533,345 shares issued and outstanding, respectively	8,455,240	8,455,240
Common stock - .0001 par value, 570,000,000 shares authorized, 375,502,467 and 375,502,467 shares issued and outstanding, respectively	7,858,215	7,858,215
Paid in capital	9,388,207	9,388,207
Deficit adccumulated during the exploration period	(22,237,983)	(19,721,592)
Total stockholders' equity	3,520,230	6,036,621
Total liabilities and stockholders' equity	$ 6,248,750	$ 7,727,243

See independent accountants’ compilation report and notes to the financial statements.

SIDNEY RESOURCES CORPORATION
(An Exploration Stage Company)
STATEMENTS OF INCOME
FOR THE THREE MONTHS AND SIX MONTHS ENDED JUNE 30, 2026 AND 2025
AND FOR THE PERIOD BEGINNING 3/4/2003 (INCEPTION) THROUGH JUNE 30, 2026

	Three Months Ended		Six Months Ended		Since
	6/30/2026	6/30/2025	6/30/2026	6/30/2025	Inception
GROSS REVENUE	$ -	$ -	$ -	$ -	$ -
EXPENSES					
Advertising	$ 27,274	$ 2,692	$ 48,233	$ 42,439	$ -
Bank charges	909	1,099	1,989	1,780	
Computer and internet	975	1,079	2,494	2,368	-
Exploration costs	702,245	277,774	1,226,744	669,509	8,054,526
Amortization land lease	-	70,000	-	140,000	1,460,000
Fuel and equipment rent	162,881	90,002	284,685	190,118	-
Depreciation	27,877	17,466	55,755	34,932	229,163
Licenses and fees	398	121	493	216	-
Interest and finance charges	80,732	22,438	103,588	45,004	-
Insurance	44,344	32,380	44,344	32,532	-
Janitorial	-	6,300	-	20,800	-
Legal and accounting	365	5,012	724	5,378	-
Dues and subscriptions	1,501	3,434	8,713	9,716	-
Printing and postage	751	331	822	558	-
Office expenses	-	29	1,355	87	-
Officer wages	219,000	333,000	468,000	666,000	2,806,144
Rent	14,170	27,770	37,281	56,419	-
Professional fees	86,221	81,111	148,095	124,777	-
Repairs	2,000	-	2,338	2,000	-
Research and development	-	-	-	-	154,649
Supplies	898	508	898	1,067	-
Meals and entertainment	746	2,140	2,479	2,917	-
Taxes	4	-	364	-	-
Taxes - payroll	6,697	10,960	14,492	18,609	-
Telephone	343	317	691	684	-
Travel	9,043	16,711	17,016	28,499	-
Wages	230	4,532	450	4,844	-
Administrative costs	-	-	-	-	11,938,176
Consulting	30,425	5,504	47,925	7,004	-
Miscellaneous	(2,719)	171	(3,550)	7,965	-
Total expenses	1,417,310	1,012,881	2,516,418	2,116,222	24,642,658
Net loss before other income (expeneses)	(1,417,310)	(1,012,881)	(2,516,418)	(2,116,222)	(24,642,658)
OTHER INCOME (EXPENSES)					
Relief of debt	-	-	-	-	808,589
Gain (loss) on sale of assets	-	-	-	-	756
Cancelled stock for service	-	-	-	-	1,480,500
Interest income	3	55,901	30	105,617	190,830
Cancelled Conversion Aggreement	-	-	-	-	(76,000)
NET (LOSS) INCOME	$ (1,417,307)	$ (956,980)	$ (2,516,388)	$ (2,010,605)	$ (22,237,983)

See independent accountants' compilation report and notes to the financial statements.

SIDNEY RESOURCES CORPORATION
(An Exploration Stage Company)
STATEMENTS OF CASH FLOWS
FOR THE PERIODS ENDED JUNE 30, 2026 AND 2025
AND FOR THE PERIOD BEGINNING 3/4/2003 (INCEPTION) THROUGH JUNE 30, 2026

	Six Months 6/30/2026	Six Months 6/30/2025	Since Inception
Cash flows from operating activities			
Net Income (Loss)	$(2,516,388)	$ (2,010,605)	$ (22,237,981)
Adjustments to reconcile net income to net cash provided by operating activities			
Stock exchange from revenue sharing agreement	-	-	(77,000)
Stock for services	-	77,240	552,411
Stock for services cancelled	-	-	(912,500)
Stock errors in prior periods	-	-	(2,000)
Interest	73,008	14,688	162,119
Depreciation and amortization	55,755	174,932	1,599,088
(Increase) decrease in prepaid expenses	-	-	2,111
Increase (decrease) in accounts payable	-	-	3,336
Increase (decrease) in accrued liabilities	(10,113)	19,943	7,806
Increase (decrease) in deposits	950,000	-	1,102,073
Total Adjustments	1,068,650	286,803	2,437,444
Net cash provided (used) by operating activities	(1,447,738)	(1,723,802)	(19,800,537)
Cash flow from investing activities			
Purchase of Intangible Assets	-	-	(2,896,050)
Gross proceeds on sale of equipment	-	-	30,683
Cash payments for the purchase of property	-	(314,721)	(1,227,773)
Cash payments for building in progress	-	(46,035)	(371,388)
Net cash provided (used) by investing activities	-	(360,756)	(4,464,528)
Cash flow from financing activities			
Proceeds from issuance of common stock	-	-	14,280,500
Proceeds from issuance of preferred stock	-	140,000	8,455,000
Proceeds from issuance of warrants	-	-	251
Proceeds from revenue sharing agreement	-	-	125,000
Proceeds from convertible promissory notes	25,000	-	1,475,000
Net cash provided (used) by financing activities	25,000	140,000	24,335,751
Net increase (decrease) in cash and equivalents	(1,422,738)	(1,944,558)	70,686
Cash and equivalents, beginning of year	1,493,424	7,131,999	-
Cash and equivalents, end period	$ 70,686	$ 5,187,441	$ 70,686
Supplemental disclosures of cash flow information:			
Interest Expense	$ 14,793	$ 29,943	$ 132,986
Taxes	$ -	$ -	$ -

See independent accountants' compilation report and notes to the financial statements.

SIDNEY RESOURCES CORPORATION								
(An Exploration Stage Company)								
STATEMENT OF SHAREHOLDERS' EQUITY							Deficit	
For the Period Beginning March 4, 2003 (Inception) through June 30, 2026							Accumulated	
						Additional	During	
	Revenue Sharing	Warrants	Preferred	Common Stock		Contributed	Exploration	
	Agreement		Stock	Shares	Amount	Capital	Period	Total
March 4, 2003 Initial								
Captialization	$-	$-	$-	8,000,000	$8,000	$2,292,322	$ (2,353,286)	$ (52,964)
Quasi reorganization	-	-	-	-	-	(2,292,322)	2,292,322	-
Stock sales	-	-	-	6,852,500	6,852	644,584	-	651,436
Stock for services	-	-	-	1,212,647	1,213	120,052	-	121,265
Stock for Lease acquistion	-	-	-	500,000	500	49,500	-	50,000
Net loss for the period	-	-	-	-	-	-	(396,261)	(396,261)
Balances at December 31, 2003	-	-	-	16,565,147	16,565	814,136	(457,225)	373,476
Stock sales	-	-	-	785,000	785	97,290	-	98,075
Stock for services	-	-	-	2,514,000	2,514	213,886	-	216,400
Stock for equipment	-	-	-	93,750	94	9,281	-	9,375
Stock warrants exercised	-	-	-	400,000	400	99,600	-	100,000
Net loss for the year ended	-	-	-	-	-	-	(558,876)	(558,876)
Balance at December 31, 2004	-	-	-	20,357,897	20,358	1,234,193	(1,016,101)	238,450
Stock sales	-	-	-	8,550,000	8,550	408,950	-	417,500
Stock for services	-	-	-	1,750,000	1,750	173,250	-	175,000
Net loss for the year ended	-	-	-	-	-	-	(516,401)	(516,401)
Balance at December 31, 2005	-	-	-	30,657,897	30,658	1,816,393	(1,532,502)	314,549
Stock sales	-	-	-	1,420,220	1,420	69,580	-	71,000
Stock for services	-	-	-	660,000	660	32,340	-	33,000
Net loss for the year ended	-	-	-	-	-	-	(250,394)	(250,394)
Balance at December 31, 2006	-	-	-	32,738,117	32,738	1,918,313	(1,782,896)	168,155
Stock sales	-	-	-	2,353,216	2,353	110,337	-	112,690
Stock for services	-	-	-	12,109,000	12,109	593,341	-	605,450
Net loss for the year ended	-	-	-	-	-	-	(764,334)	(764,334)
Balances at December 31, 2007	-	-	-	47,200,333	47,200	2,621,991	(2,547,230)	121,961
Stock sales	-	-	-	2,010,800	2,011	55,584	-	57,595
Stock for services	-	-	-	7,823,000	7,823	226,867	-	234,690
Stock for supplies	-	-	-	275,000	275	7,975	-	8,250
Net loss for the year ended	-	-	-	-	-	-	(425,014)	(425,014)
Balance at December 31, 2008	-	-	-	57,309,133	57,309	2,912,417	(2,972,244)	(2,518)
Stock sales	-	-	-	2,710,000	2,710	34,128	-	36,838
Stock for services	-	-	-	4,440,000	4,440	173,160	-	177,600
Change of Domicile/par value	-	-	-	-	(58,013)	58,013	-	-
Net loss for the year ended	-	-	-	-	-	-	(541,972)	(541,972)
Balance at December 31, 2009	-	-	-	64,459,133	6,446	3,177,718	(3,514,216)	(330,052)
Stock sales	-	-	-	2,862,500	286	52,014	-	52,300
Stock for services	-	-	-	-	-	-	-	-
Net loss for the year ended	-	-	-	-	-	-	(161,122)	(161,122)
Balance at December 31, 2010	-	-	-	67,321,633	6,732	3,229,732	(3,675,338)	(438,874)
Stock sales	-	-	-	14,995,197	1,500	72,623	-	74,123
Stock for services	-	-	-	9,000,000	900	179,100	-	180,000
Net loss for the year ended	-	-	-	-	-	-	(335,842)	(335,842)
Balance at December 31, 2011	-	-	-	91,316,830	9,132	3,481,455	(4,011,180)	(520,593)
Stock sales	-	-	-	-	-	-	-	-
Stock for services	-	-	-	-	-	-	-	-
Net loss for the year ended	-	-	-	-	-	-	(34,086)	(34,086)
Balance at December 31, 2012	-	-	-	91,316,830	9,132	3,481,455	(4,045,266)	(554,679)
Stock sales	-	-	-	600,000	60	5,940	-	6,000
Stock for services	-	-	-	-	-	-	-	-
Net gain for the year ended	-	-	-	-	-	-	780,507	780,507
Balance at December 31, 2013	-	-	-	91,916,830	9,192	3,487,395	(3,264,759)	231,828

See independent accountants' compilation report and notes to the financial statements.

SIDNEY RESOURCES CORPORATION								
(An Exploration Stage Company)								
STATEMENT OF SHAREHOLDERS' EQUITY (Continued)							Deficit	
For the Period Beginning March 4, 2003 (Inception) through June 30, 2026							Accumulated	
						Additional	During	
	Revenue Sharing	Warrants	Preferred	Common Stock		Contributed	Exploration	
	Agreement	Shares	Stock	Shares	Amount	Capital	Period	Total
Balance at December 31, 2013	$ -	-	-	91,916,830	$ 9,192	$ 3,487,395	$ (3,264,759)	$ 231,828
Revenue Sharing	105,000	-	-	-	-	-	-	105,000
Stock sales	-	-	-	700,000	70	6,930	-	7,000
Stock for services	-	-	-	13,500,000	1,350	113,400	-	114,750
Net Loss for the year ended	-	-	-	-	-	-	(134,759)	(134,759)
Balance at December 31, 2014	105,000	-	-	106,116,830	10,612	3,607,725	(3,399,518)	323,819
Revenue Sharing	20,000	-	-	-	-	-	-	20,000
Stock sales	-	-	-	-	-	-	-	-
Stock for services	-	-	-	-	-	-	-	-
Net loss for the year ended	-	-	-	-	-	-	(75,588)	(75,588)
Balance at December 31, 2015	$ 125,000	-	-	106,116,830	$ 10,612	$ 3,607,725	$ (3,475,106)	$ 268,231
Revenue Sharing	-	-	-	-	-	-	-	-
Stock sales	-	-	-	-	-	-	-	-
Stock for services	-	-	-	-	-	-	-	-
Net loss for the year ended	-	-	-	-	-	-	(15,848)	(15,848)
Balance at December 31, 2016	$ 125,000	-	-	106,116,830	$ 10,612	$ 3,607,725	$ (3,490,954)	$ 252,383
Revenue Sharing	-	-	-	-	-	-	-	-
Stock sales	-	-	-	24,000,000	2,400	57,600	-	60,000
Stock for services	-	-	-	-	-	-	-	-
Net loss for the year ended	-	-	-	-	-	-	(42,654)	(42,654)
Balance at December 31, 2017	$ 125,000	-	-	130,116,830	$ 13,012	$ 3,665,325	$ (3,533,608)	$ 269,729
Revenue Sharing	-	-	-	-	-	-	-	-
Stock sales	-	-	-	24,570,000	2,457	58,968	-	61,425.00
Stock for services	-	-	-	76,000,000	7,600	459,200	-	466,800.00
Net loss for the year ended	-	-	-	-	-	-	(534,126)	(534,126)
Balance at December 31, 2018	$ 125,000	-	-	230,686,830	$ 23,069	$ 4,183,493	$ (4,067,737)	$ 263,828
Revenue Sharing	-	-	-	-	-	-	-	-
Stock sales	-	-	-	-	-	-	-	-
Stock for services	-	-	-	-	-	-	-	-
Net loss for the year ended	-	-	-	-	-	-	(32,436)	(32,436)
Balance at December 31, 2019	$ 125,000	-	-	230,686,830	$ 23,069	$ 4,183,493	$ (4,100,173)	$ 231,389
Revenue Sharing	-	-	-	-	-	-	-	-
Stock sales	-	-	-	8,000,000	800	199,200	-	200,000
Error in 2017 Stock issue	-	-	-	(1,000,000)	100	100	-	-
Stock for services	-	-	-	30,600,000	3,060	1,951,940	-	1,955,000
Net loss for the year ended	-	-	-	-	-	-	(940,278)	(940,278)
Balance at December 31, 2020	$ 125,000	-	-	268,286,830	$ 26,829	$ 6,334,733	$ (5,040,451)	$ 1,446,111
Revenue Sharing	-	-	-	-	-	-	-	-
Stock sales	(5,000)	-	-	20,632,858	2,063	713,286	-	710,350
Error in Prior Year Stock Issue	5,000	-	-	3,000,000	300	(300)	-	5,000
Stock for services	-	-	-	28,000,000	2,800	2,608,200	-	2,611,000
Net loss for the year ended	-	-	-	-	-	-	(2,113,977)	(2,113,978)
Balance at December 31, 2021	$ 125,000	-	-	319,919,688	$ 31,992	$ 9,655,919	$ (7,154,428)	$ 2,658,483
Revenue Sharing	-	-	-	-	-	-	-	-
Stock sales	(135,000)	136	-	6,655,173	428	939,612	-	805,176
Error in Prior Year Stock Issue	-	-	-	(40,500)	(4)	4	-	-
Stock errors in prior periods	10,000	-	-	-	-	(12,000)	-	(2,000)
Stock for services	-	-	-	1,942,932	179	283,242	-	283,421
Stock for services cancelled	-	-	-	(19,300,000)	(1,930)	(1,478,570)	-	(1,480,500)
Net loss for the year ended	-	-	-	-	-	-	(3,641,781)	(3,641,781)
Balance at December 31, 2022	$ -	$ 136	-	309,177,293	$ 30,665	$ 9,388,207	$ (10,796,209)	$ (1,377,201)

See independent accountants’ compilation report and notes to the financial statements.

SIDNEY RESOURCES CORPORATION								
(An Exploration Stage Company)								
STATEMENT OF SHAREHOLDERS' EQUITY (Continued)							Deficit	
For the Period Beginning March 4, 2003 (Inception) through June 30, 2026							Accumulated	
						Additional	During	
	Warrants	Preferred Stock		Common Stock		Contributed	Exploration	
	Shares	Shares	Amount	Shares	Amount	Capital	Period	Total
Balance at December 31, 2022	$ 136	-	$ -	309,177,293	$ 30,665	$ 9,388,207	$ (7,325,735)	$ 2,093,273
Stock sales	115	-	-	31,950,128	3,399,650	-	-	3,399,765
Stock for acquisitions	-	-	-	22,000,000	2,585,000	-	-	2,585,000
Stock for services	-	-	-	137,500	13,750	-	-	13,750
Stock for conversion	-	-	-	5,350,000	58,000	-	-	58,000
Net loss for the 12 months ended	-	-	-	-	-	-	(3,641,781)	(3,641,781)
*	-	-	-	-	-	-	4	4
Balance at December 31, 2023	$ 251	-	$ -	368,614,921	$ 6,087,065	$ 9,388,207	$ (10,967,512)	$ 4,508,011
Stock sales	$ -	26,533,345	$ 4,300,000	1,397,930	$ 283,150	$ -	$ -	$ 4,583,150
Stock warrants for services	56,300	-	-	650,000	-	-	-	56,300
Stock for services	-	-	-	2,826,087	550,000	-	-	550,000
Stock for conversion	-	-	-	2,846,862	18,000	-	-	18,000
Return of stock (rescission)				(10,000,000)	(1,385,000)			(1,385,000)
Net loss for the 12 months ended	-	-	-	-	-	-	(3,447,481)	(3,447,481)
Balance at December 31, 2024	$ 56,551	26,533,345	$ 4,300,000	366,335,800	$ 5,553,215	$ 9,388,207	$ (14,414,993)	$ 4,882,980
Stock sales	$ -	27,700,015	$ 4,155,000	166,667	$ 25,000	$ -	$ -	$ 4,180,000
Stock for acquisitions	-	-	-	8,100,000	2,025,000	-	-	2,025,000
Stock for services	-	2,400,000	240	900,000	255,000	-	-	255,240
Net loss for the 12 months ended	-	-	-	-	-	-	(5,306,600)	(5,306,600)
*	-	-	-	-	-	-	1	1
Balance at December 31, 2025	$ 56,551	56,633,360	$ 8,455,240	375,502,467	$ 7,858,215	$ 9,388,207	$ (19,721,592)	$ 6,036,621
Stock sales	$ -	-	$ -	-	$ -	$ -	$ -	$ -
Net loss for the 6 months ended	-	-	-	-	-	-	(2,516,388)	(2,516,388)
*	-	-	-	-	-	-	(3)	(3)
Balance at June 30, 2026	$ 56,551	56,633,360	$ 8,455,240	375,502,467	$ 7,858,215	$ 9,388,207	$ (22,237,983)	$ 3,520,230

[Remaining section intentionally blank]

See independent accountants' compilation report and notes to the financial statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

History

The company was formed in 1896 and incorporated in Idaho on June 10, 1910 as Sidney Mining company. The purpose of the Company was to develop and mine mineral properties in Idaho State. In the past the Company mined and processed zinc ore and related minerals in the Yreka Mining District in Shoshone County, Idaho.

On March 4, 2003, the Company merged with its wholly-owned subsidiary Sidney Resources corporation. The Company then changed its name to Sidney Resources Corporation.

In 2003, the company sold 6,852,500 shares common stock at $.095 per share. The Company also issued 1,212,647 shares of Common stock for services and 500,000 shares for Lease acquisition costs. These shares were valued at $.10 per share, reflecting the share sales during the year.

In 2004, the Company sold 785,000 shares common stock at $.125 per share. It issued 400,000 shares of common stock for the exercise of warrants that were issued during 2004. The warrants were exercised at $.25 per share. It also issued 93,750 shares of common stock for the purchase of equipment and 2,514,000 shares of Common stock for services. These shares were valued at $.10 per share, reflecting the share sales during the year.

In 2005, the Company sold 8,550,000 shares common stock at $.05 per share. It also issued 1,750,000 shares of Common stock for services. These shares were valued at $.05 per share, reflecting their issue early in the year and share sales during the previous year.

In 2006, the Company sold 1,420,220 shares common stock at $.05 per share. It also issued 660,000 shares of Common stock for services. These shares were valued at $.05 per share, reflecting the share sales during the year.

In 2007, the Company sold 2,353,216 shares common stock at $.048 per share. It also issued 12,109,000 shares of Common stock for services. These shares were valued at $.05 per share, reflecting the share sales during the year.

In 2008, the Company sold 2,010,800 shares common stock at $.03 per share. It also issued 7,823,000 shares of Common stock for services and 275,000 shares for supplies. These shares were valued at $.03 per share, reflecting the share sales during the year.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In 2009, the Company sold 2,710,000 shares common stock at $.04 per share. It also issued 4,440,000 shares of Common stock for services. These shares were valued at $.04 per share, reflecting the share sales during the year.

In 2010 as of December 31, the Company sold 2,862,500 shares common stock at $.02 per share. It issued no shares of Common stock for services.

In 2011, the Company sold 14,995,197 shares common stock at Market value. It also issued 9,000,000 shares of Common stock for services. These shares were valued at $.02 per share, reflecting the share sales during the period issued.

For the year ended December 31, 2012 there were no stock transactions for the Company.

In 2013, the Company sold 600,000 shares common stock at $.01 per share. It issued no other stock.

For the year ended December 31, 2014, the Company sold 700,000 shares common stock at $.01 per shares. It also issued 13,500,000 shares of Common stock for services valued at $.0085 per share, reflecting the share price at the time of issue.

For the year ended December 31, 2015 the Company had no stock transactions.

For the year ended December 31, 2016 the Company had no stock transactions.

For the year ended December 31, 2017, the Company issued 24,000,000 shares of common stock at $.0025.

For the year ended December 31, 2018 the Company issued 24,570,000 shares of common stock at $.0025 and 76,000,000 shares of common stock for services valued at market.

For the year ended December 31, 2019 the Company had no stock transactions.

For the year ended December 31, 2020 the Company issued 8,000,0000 shares of common stock and 30,600,000 shares of common stock for services and prepaid lease valued at market.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

For the year ended December 31, 2021 the Company issued 23,632,858 shares of common stock and 28,000,000 shares of common stock for services, equipment and Mining Technology valued at market.

For the year ended December 31, 2022 the Company Issued 6,655,173 shares of common stock and 750,000 shares of common stock for Patents and mine records valued at market and 1,192,932 of common stock for services and cancelled 19,300,000 shares of common stock.

For the year ended December 31, 2023 the Company Issued 31,950,128 shares of common stock and 22,000,000 shares of common stock for acquisitions 137,500 of common stock for services, and 5,350,000 shares of common stock through conversion. In total the shares were valued at $6,056,400.

For the year ended December 31, 2024 the Company issued 1,397,930 shares of common stock valued at $283,150; 2,826,087 shares of common stock issued for services valued at $550,000; 2,846,862 shares valued at $18,000 through conversion and issued 26,533,345 of preferred stock valued at $4,300,000.

In exchange for accrued accounting services totaling $56,300, warrants were issued. Subsequently, these warrants were exchanged for 650,000 common stock shares.

For the 12 months ended December 31, 2025 the Company issued 166,667 shares of common stock valued at $25,000; 900,000 shares of common stock issued for services valued at $255,000; 7,040,000 shares of common stock for unpatented claims valued at $1,760,000; 960,000 shares of common stock for land valued at $240,000; 100,000 shares of common stock issued for equipment valued at $25,000 and issued 27,700,015 of preferred stock valued at $4,155,000; 2,400,000 shares of preferred stock issued for services valued at par value of $.0001 for $240.

For the six months ended June 30, 2026 the Company had no stock transactions.

An Exploration Stage Company – Basis of Presentation

The acquisition was treated as a reverse merger whereby the acquired company is treated as the acquiring company for accounting purposes.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

An Exploration Stage Company – Basis of Presentation (continued)

The Company is a corporation engaged in the acquisition and exploration of mineral properties and is in the process of establishing the existence of proven or probable mineral reserves in order to begin mine development or production. The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") applicable to exploration stage mining entities. The Company expenses all mineral exploration costs, including geological, geophysical, and related exploration expenditures, as incurred. Costs incurred to acquire legal interests in mineral properties, including claim staking, governmental filing fees, surveying, mapping and related legal or consulting costs, are capitalized as mineral property acquisition costs and classified as long-lived assets. Capitalized mineral property acquisition costs are assessed for impairment when events or changes in circumstances indicate that their carrying amounts may not be recoverable.

The accompanying financial statements have been prepared on a going-concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business; see Note 10 for further discussion of conditions and management's plans related to the Company's ability to continue as a going concern.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Company considers all short-term debt securities purchased with a maturity of three months or less to be cash equivalents.

Property and Equipment

Property and equipment are carried at cost. Maintenance, repairs and renewals are expensed as incurred. Depreciation of property and equipment is provided for over their estimated useful lives, which range from five, seven and ten years, using the straight-line method.

Lease Acquisition Costs

Lease acquisition cost of $281,050 at June 30, 2026 and December 31, 2025, primarily includes costs incurred to build and improve the road on the leased land. Since mining has not commenced, no amortization expense has been recognized for the periods presented. Amortization will be recorded using the units-of-production method when mining begins.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Environmental Liabilities

The Company is subject to a variety of federal and state environmental regulations and agencies. The Company will only accrue liabilities for environmental claims and damages when it is probable, and the costs are estimable.

Use of Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Revenue Recognition

In May 2014, the FASB issued ASU No. 2014-09, "Revenue from Contracts with Customers (Topic 606)" (ASU 2014-09) as modified by ASU No. 2015-14, "Revenue from Contracts with Customers (Topic 606): Deferral of the Effective Date," ASU2016-08, "Revenue from Contracts with Customers (Topic 606): Principal versus Agent Considerations (Reporting Revenue Gross versus Net)," ASU No. 2016-10, "Revenue from Contracts with Customers (Topic 606): Identifying Performance Obligations and Licensing," and ASU No. 2016-12, "Revenue from Contracts with Customers (Topic 606): Narrow-Scope Improvements and Practical Expedients." The revenue recognition principle in ASU 2014-09 is that an entity should recognize revenue to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

In addition, new and enhanced disclosures will be required. Companies may adopt the new standard either using the full retrospective approach, a modified retrospective approach with practical expedients, or a cumulative effect upon adoption approach. The Company adopted ASU 2014-09 on January 1, 2018, using the modified retrospective approach. Because the Company doesn't have any customer contracts as of January 1, 2018, the adoption of ASU 2014-09 did not have a material impact on the Company's financial position, results of operations, equity or cash flows.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deposits for Common and Preferred Stock

Nature of Deposits
The Company records certain proceeds received for common and preferred stock as deposits prior to the issuance of stock certificates. This accounting treatment represents a timing difference between the receipt of funds and the formal issuance of shares.

Accounting Policy
Management's policy is to initially recognize proceeds received for common and preferred stock as deposits. These deposits are subsequently reclassified and recorded as common or preferred stock in the Company's equity accounts upon the issuance of the corresponding stock certificates.

Management believes this treatment provides users of the financial statements with transparent and relevant information regarding the Company's capital raising activities and equity structure.

NOTE 2 – INCOME TAXES

The Company Accounts for Income taxes under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statements carrying amounts of existing assets and liabilities and their respective tax bases and operating losses, and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the results of the operations in the period that includes the enactment date. Deferred income tax expense (benefit) represents the change during the period in the deferred tax assets and deferred tax liabilities.

The components of the deferred tax assets and liabilities are individually classified as current and noncurrent based on their characteristics. Deferred tax assets are reduced by a valuation allowance when it is more likely than not that some portion of the deferred tax assets will not be realized.

NOTE 2 – INCOME TAXES (continued)

The Company evaluates and accounts for uncertain tax positions in accordance with Accounting Standards Codification (ASC) 740, Income Taxes. ASC 740 prescribes a recognition threshold and a measurement attribute for the financial statement recognition and measurement of tax positions taken or expected to be taken in a tax return as well as guidance on de-recognition, classification, interest and penalties and financial statement reporting disclosures. For these benefits to be recognized, a tax position must be more-likely-than-not to be sustained upon examination by taxing authorities. The amount recognized is measured as the largest amount of benefit that is greater than fifty percent likely of being realized upon ultimate settlement.

The Company is subject to routine audits by taxing jurisdictions, however, there are currently no audits in progress. The Company remains subject to examinations by U.S. Federal and various state authorities for years ending after December 31, 2019.

The Company has no significant differences between book and tax accounting. At June 30, 2026 and December 30, 2025, the Company had an estimated tax loss carry-forward of approximately $20,000,000 and $19,000,000. Due to uncertainties as to future profitability, the value of the net operating loss carry forward is fully reserved and no valuation allowance has been booked.

NOTE 3 – PREPAID MINE LEASE

The Company has a 5-year lease with an option to renew for an unlimited term as long as the Company is conducting underground mining work producing ore. The lease will expire at the end of the five-year period starting the 3rd quarter of 2020, or if the Company fails to do major mining work by the end of December 31 in any year where mining work was not completed. The lease was paid with the issue of 20,000,000 shares of restricted stock. There will be a royalty payment that will be 6% of net smelter returns. The value of the stock is be reflected in prepaid expenses.

The lease guarantees Sidney Resources Corporation the exclusive rights and options to lease the Lucky Ben Mine Group Properties and mineral rights located within the Warren Mine District of Idaho. The lease will be amortized over 60 months. Amortization for the three months ended June 30, 2026 was $0 and for the twelve months ended March 31, 2026 was $70,000 and accumulated amortization was $1,400,000 at June 30, 2026 and $1,400,000 at December 31, 2025.

NOTE 3 – PREPAID MINE LEASE (continued)

During the first quarter of 2023, the Company successfully acquired the Walla Walla Project in the Marshall Lake Mining District of Idaho County. The purchase included 100% ownership of the property in exchange for 1,200,000 shares issued at a discounted price of $0.1000 per share. In addition, $500,000 in royalties will be paid, which represents 50% of the first $1,000,000 net profit generated from the property.

NOTE 4 – MINERAL PROPERTY

During the second quarter of 2025, the Company acquired 1,900 acres of unpatented claims along with 168 acres of private land in exchange for 8,200,000 common shares valued at $0.26 per share.

During the fourth quarter of 2025, the Company incurred expenditures related to the acquisition and staking of mineral claims. These costs are capitalized and presented in the balance sheet under Mineral Property Acquisition Costs in accordance with the Company's accounting policy for exploration and evaluation assets.

The Company paid $101,380 in claim assessment fees to the Bureau of Land Management (BLM). These fees represent payments required to maintain and secure ownership rights to the mineral interests associated with each claim. A total of 371 mineral claims were filed, each providing mineral rights to approximately 20.66 acres of land.

Additionally, the Company paid $142,719 to the Department of Land Transfer for services associated with the physical staking of claim boundaries, preparation of required documentation and mapping, and the filing of each claim with the BLM. These expenditures are directly attributable to the acquisition of mineral property interests and have been capitalized accordingly.

NOTE 5 – INTANGIBLE ASSETS

In the second quarter 2021 the Company acquired certain mining technology from Gary Mladjan for 7,000,000 shares of restricted stock valued at $.15 per share. Amortization will begin when the technology is put into service.

In the first quarter 2022 the Company acquired patents and mine records from Merger Mines for 750,000 shares of stock valued at $.22 per share. Amortization will begin when put into use.

NOTE 6 – REVENUE SHARING AGREEMENT

During the 4th quarter of 2014 the Company entered into agreements with investors whereby the investor will receive a share of the Company's profit. The investors were limited to $5,000 investment and a maximum of 140 investors. In exchange for the cash injection the investors will receive .143% of the profits annually that are specific to the Lucky Ben Mine Project. The Company collected no money for the year ended June 30, 2026 and none during the year ended December 31, 2022. In 2021 A deposit was moved to Revenue Sharing after determining the deposit was for the Revenue Sharing program, and a revenue sharing agreement for $5,000 was converted into 50,000 shares of common stock. For the year ended December 31, 2022 revenue sharing amounts of $115,000 was converted into 1,150,000 shares of common stock.

NOTE 7 – STOCKHOLDERS' EQUITY

Revenue Sharing Agreement

See note 7 for information concerning this arrangement.

Common Stock

The Company is authorized at 500,000,000 shares of Common stock, with a par value of $.0001 per share, authorized as of June 30, 2026 and as of December 31, 2025. An error was corrected decreasing the shares issued by 40,500 for the period ended March 31, 2022 and an error increasing the shares issued by 3,000,000 shares during the year ended December 31, 2021.

During the second period ended June 30, 2022 19,300,000 shares of stock for services was cancelled valued at $1,480,500 and recorded as an increase in other income along with decreases in capital stock and paid in capital of $1,930 and $1,478,570 respectively.

Since inception the Company has issued 146,081,833 shares valued at $3,941,926 for services, 32,500,000 shares valued at $2,650,000 for lease acquisition, 393,750 shares valued at $46,375 for equipment which was capitalized, 275,000 shares valued at $8,250 for supplies, 7,000,000 shares valued at $1,050,000 for mining technology, and 7,790,000 shares valued at $1,925,000 for patents and mining records, and 960,000 shares valued at $240,000 for land.

There were 375,502,467 shares outstanding as of June 30, 2026 and 375,502,467 outstanding at December 31, 2025.

NOTE 7 – STOCKHOLDERS' EQUITY (continued)

Preferred Stock

The Company is authorized at 60,000,000 shares of Preferred stock, with a par value of $.0001 per share, authorized as of June 30, 2026 and December 31, 2025. The unissued shares of Preferred stock may be divided into and issued in designated series from time to time by one or more resolutions adopted by the Board of Directors.

Since its inception, the Company has issued 2,400,000 shares valued at $240 for services.

There were 56,633,360 shares outstanding as of June 30, 2026 and 56,633,360 outstanding at December 31, 2025.

Warrants and Options

In 2004, the Company as part of a Private Placement Offer issued 400,000 warrants with an exercisable price of $0.25 per share. The warrants were exercised in 2004 for $100,000. All other warrants issued in connection with this offering have expired. In September 2006, the Board of Directors eliminated the issuance of warrants and options by the Company. In the six months 2022 the Board of Directors issued warrants as part of stock purchases in the amount of 1,363,012 for a value of .0001 per warrant. The warrants were issued one for every two shares purchased in the first quarter. In the second quarter of 2024 in exchange for accrued accounting services totaling $56,300, warrants were issued. Subsequently, these warrants were exchanged for 650,000 common stock shares.

NOTE 8 – COMMITMENTS

On November 7, 2025, the Company entered into a lease for crew housing, with fixed monthly rent of $5,300 and tenant responsibility for utilities, while the landlord is responsible for water and sewer. The noncancellable term begins September 1, 2026 and ends September 1, 2027, after which the lease may, at the landlord's option, convert to a month-to-month arrangement on the same terms and conditions if the Company does not provide timely written notice of nonrenewal.

For the year ended December 31, 2025, the Company evaluated this arrangement under U.S. GAAP lease guidance and determined that, because the lease term begins on September 1, 2026, no right-of-use asset, lease liability, lease expense, or related quantitative lease disclosures are recognized in the accompanying financial statements. Qualitative information regarding this lease and the related future cash obligations beginning in 2026 is presented because the agreement represents a significant commitment for crew housing.

NOTE 9 – COMPENSATED ABSENCES AND PROPERTY TAX ACCRUALS

The Company does not compensate for absences and does not have significant personal or real estate property taxes to accrue.

NOTE 10 - GOING CONCERN

The Company has not generated significant revenues or profits to date. This factor among others may indicate the Company will be unable to continue as a going concern. The Company's continuation as a going concern depends upon its ability to generate sufficient cash flow to conduct its operations and its ability to obtain additional sources of capital and financing. Management continues to look for additional capital through stock sales and/or minimum royalty payments on production, minimizing debt load to meet its working capital obligations in 2026 and beyond. The accompanying financial statements do not include any adjustments that might result from the outcome of this uncertainty.

NOTE 11 – STOCK-BASED COMPENSATION

At various times during the life of the company it has issued stock for services, supplies and other costs. The company recorded an expense as of average trading value of the stock at the time of issue and an increase in the value of stock. The stock is restricted for one year but has no vesting requirements.

During the second quarter of 2022 19,300,000 shares issued to officers & directors was cancelled.

NOTE 12 – RESCISSION

On October 11, 2024, Sidney Resources Corporation entered into a Mutual Rescission Agreement with Irish Metals, LLC to terminate a previous agreement dated February 22, 2023.

The rescission resulted in the return of 10,000,000 shares of Sidney Resources common stock previously issued to Mike Irish. Both parties mutually released each other from any claims, liabilities, or obligations related to the original agreement. Mike Irish will retain compensation for one year of service as a board member but will receive no further compensation or benefits related to board service.

The financial impact of this rescission includes: a decrease in goodwill and common stock of $1,385,000, no effect on the statement of income or cash flow.

NOTE 14 – CONVERTIBLE PROMISSORY NOTES

In connection with its ongoing capital raising activities, the Company has issued convertible promissory notes to various holders on an individual basis. As of June 30, 2026, the following notes were outstanding:

Holder	Principal	Issuance Date	Interest Rate	Interest Terms	Conversion Terms
Sean-Rae Zalewski	$100,000	July 13, 2023	12% per annum	8% cash / 4% PIK, paid annually	Converts into Common Stock upon Qualified Financing (≥$15,000,000) at the lower of the private share price at signing or an Alternate Conversion Price based on a valuation cap formula
James Bolland; Sue & Steve Maas; Gregg Lindner (aggregate)	$650,000	July 13, 2023	12% per annum	8% cash / 4% PIK, paid annually	Same as above
The James E. Scherrer Living Trust	$700,000	November 15, 2024	Applicable Federal Rate (AFR)	100% PIK, paid annually in Preferred Stock	Converts into Preferred Stock upon Qualified Financing (≥$15,000,000) at the more favorable of $0.15 per share or an Alternate Conversion Price based on a valuation cap formula
Unrelated investor	$25,000	March 17, 2026	12% per annum	100% PIK for Years 1–2, then cash-pay if a defined revenue milestone is met	Fixed conversion price of $0.25 per share of Common Stock; automatic conversion upon Qualified Financing (≥$20,000,000), an uplisting, or maturity; 20% bonus shares upon a change of control

NOTE 14 – CONVERTIBLE PROMISSORY NOTES (continued)

Each note is a senior unsecured obligation of the Company. While the notes are each described in their governing agreements as part of a series of "similar" notes, the terms above reflect meaningful differences among certain holders' notes in interest rate, payment mechanics, conversion price methodology, and the class of stock issuable upon conversion, and are accordingly presented individually or in like-term groupings rather than as a single homogeneous instrument.

Prepayment of each note prior to maturity is prohibited without the consent of the Requisite Holders, except for the mandatory annual payments described above. Each note is subject to customary events of default, including nonpayment, breach of covenant, and bankruptcy-related events, upon which the Requisite Holders may accelerate amounts due.

NOTE 15 – RELATED PARTY TRANSACTIONS

Several of the Company's outstanding convertible promissory notes (see Note 14) are held by related parties:

- Sean-Rae Zalewski, the Company's Chief Executive Officer, holds a note with an outstanding principal balance of $100,000, issued July 13, 2023. The note was executed on the Company's behalf by Daniel Hally, Chief Operations Officer, rather than Mr. Zalewski, in light of his position as counterparty.
- James Bolland, Sue Maas (director) and her spouse Steve Maas, and Gregg Lindner (director) hold notes totaling $650,000 in aggregate principal, issued July 13, 2023, on the same terms as the Zalewski note described above.
- The James E. Scherrer Living Trust, of which James E. Scherrer, a member of the Company's Board of Directors, is trustee, holds a note with an outstanding principal balance of $700,000, issued November 15, 2024.

No PIK interest was issued in shares under any related-party note during the period, and any such amounts that may have accrued are not material to the financial statements.

NOTE 15 – RELATED PARTY TRANSACTIONS (continued)

The officers and members of the Board of Directors have received stock and cash as compensation. The amounts paid to date include those paid to past Directors and Officers.

		Cash	Stock Shares	Stock Value
Balance	12/31/2025	$ 151,000	79,825,953	$ 1,034,145
	Additions	-	-	-
	Cancelled	-	-	-
Balance	30/06/2026	$ 151,000	79,825,953	$ 1,034,145

NOTE 16 – SUBSEQUENT EVENTS

Sidney Resources Corporation
Second Quarter FY 2026 Operations and Activities Summary

During the second quarter, Sidney Resources continued to advance exploration and development activities at the Lucky Ben Project in the Warren Mining District. The Company continued to oversee and support ongoing exploration and mine development efforts while expanding its geological evaluation of the district. An extensive technical review of the historic 1933 Unity Mine Report was completed to evaluate historical geological data, mine workings, structural interpretations, and exploration potential. Based on that review, geological surface investigations were initiated at Unity Mine to verify structures, mineralization trends, and other geological features identified in the historical report. The Company also began surface evaluations of the Charity Property and developed preliminary exploration and operational plans to guide future activities at that location. Significant infrastructure improvements were completed on the Unity Mine property, including extensive road clearing and access improvements through the removal of hundreds of wind-felled trees, providing improved access for future exploration, drilling, and development work. During the quarter, the Company also continued coordination and discussions with the U.S. Forest Service regarding the proposed Operations Plan to relocate the Knott ore stockpiles from National Forest lands to the Company's private property for future processing. In addition, ongoing project planning, geological analysis, permitting activities, and operational evaluations were conducted throughout the quarter to support the continued advancement of the Warren Project toward future exploration, development, and production objectives.

10) Issuer Certification
Principal Executive Officer:

The issuer shall include certifications by the chief executive officer and chief financial officer of the issuer (or any other persons with different titles but having the same responsibilities) in each Quarterly Report or Annual Report.

The certifications shall follow the format below:

I, Sean-Rae Zalewski, certify that:

1. I have reviewed this Disclosure Statement for Sidney Resources Corporation;

2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and

3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

August 12, 2026 [Date]

/s/ Sean-Rae Zalewski [CEO's Signature]

(Digital Signatures should appear as "/s/ [OFFICER NAME]")

Principal Financial Officer:

I, Daniel S. Hally, certify that:

1. I have reviewed this Disclosure Statement for Sidney Resources Corporation;

2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and

3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

August 12, 2026 [Date]

/s/ Daniel S Hally [CFO’s Signature]

(Digital Signatures should appear as “/s/ [OFFICER NAME]”)