CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

(Expressed in Canadian dollars)

For the Six Months Ended June 30, 2026 and 2025

The accompanying unaudited interim condensed consolidated financial statements of Temas Resources Corp. have been prepared by and are the responsibility of the Company's management. The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditors.

TEMAS RESOURCES CORP.

Condensed Consolidated Statements of Financial Position

(Expressed in Canadian Dollars)

	Note	June 30, 2026	December 31, 2025
ASSETS			
Current Assets			
Cash		$ **3,388,888**	$ 4,704,835
Taxes receivable		**188,935**	233,657
		3,577,823	4,938,492
Non-Current Assets			
Intangible Asset	*5*	**598,582**	598,582
Exploration and evaluation assets	*4*	**6,837,173**	6,712,173
Total Assets		**11,013,578**	12,249,247
LIABILITIES			
Current Liabilities			
Accounts payable & accrued liabilities	*7*	**552,044**	755,704
Taxes payable	*8*	**933,940**	933,940
Flow-through premium liability	*8*	**50,109**	-
Total Liabilities		**1,536,093**	1,689,644
SHAREHOLDERS' EQUITY			
Share capital *(net of issuance costs)*	*6*	**26,399,281**	24,854,987
Reserves	*6*	**2,546,710**	2,546,710
Deficit		**(19,468,506)**	(16,842,094)
		9,477,485	10,559,603
Total Liabilities and Shareholders' Equity		$ **11,013,578**	$ 12,249,247

Nature of Operations and Going Concern	*1*
Subsequent Events	*11*

Approved on behalf of the Board:

"Tim Fernback", *CEO & Director*
Tim Fernback

"Kyler Hardy", *Director*
Kyler Hardy

The accompanying notes are an integral part of these financial statements

TEMAS RESOURCES CORP.

Condensed Consolidated Statements of Loss and Comprehensive Loss

For the periods ended June 30, 2026 and 2025

Condensed Consolidated Statements of Financial Position

	Note	**For the Three Months Ended June 30, 2026**	For the Three Months Ended June 30, 2025	**For the Six Months Ended June 30, 2026**	For the Six Months Ended June 30, 2025
Revenue					
RCL Sales	*10*	**$ 27,041**	-	**59,681**	-
Total sales		**27,041**	-	**59,681**	-
General and Administrative Expenses					
Consulting	*7*	**$ 259,810**	109,171	**569,393**	240,812
Exploration expenditures		**$ 673,464**	40,437	**1,717,831**	40,498
General and administrative		**$ 1,123**	6,337	**2,173**	8,879
Insurance		**$ -**	-	**-**	12,825
Interest and bank charges		**$ 356**	445	**3,525**	859
Investor Relations	*6*	**$ 112,528**	420,156	**249,642**	443,706
Patents		**$ -**	-	**13,435**	-
Professional Fees		**$ 34,780**	162,352	**44,191**	184,902
Share-based payments	*7*	**$ -**	-	**-**	127,077
Transfer agent and filing fees		**$ 46,955**	47,489	**56,844**	52,585
Travel		**$ 34,715**	7,478	**104,717**	28,722
Total expenses		**1,163,731**	793,865	**2,761,751**	1,140,865
Other items					
Impairment of investment and loan		**$ -**	7,600	**-**	10,475
Realized gain on debt settlement		**$ -**	(159,645)	**-**	(159,645)
Interest income		**$ (13,470)**	-	**(24,564)**	-
Foreign exchange		**$ (40,312)**	-	**(26,203)**	-
Recovery of flow-through premium liability	*8*	**$ (24,891)**	-	**(24,891)**	-
Total other items		**$ (78,673)**	$ (152,045)	**$ (75,658)**	$ (149,170)
Net and comprehensive loss for the year		**$ (1,058,017)**	$ (641,820)	**$ (2,626,412)**	$ (991,695)
Basic and diluted loss per share		**$ (0.01)**	$ (0.02)	**$ (0.03)**	$ (0.01)
Weighted average number of common shares outstanding		**101,808,558**	33,906,626	**101,526,690**	29,415,172

The accompanying notes are an integral part of these financial statements

TEMAS RESOURCES CORP.

Condensed Consolidated Statements of Changes in Shareholders' Equity

For the periods ended June 30, 2026 and 2025

(Expressed in Canadian Dollars)

		Share Capital				
	Note	Number of shares	Amount	Reserves	Deficit	Total Shareholders' Equity
Balance December 31, 2024		**26,658,118**	**$13,819,786**	**$2,307,335**	**($10,901,228)**	**$5,225,893**
New common shares - Warrant exercise	*6*	1,181,100	177,165	-	-	177,165
New common shares - Private Placement	*6*	7,006,669	525,500	-	-	525,500
New common shares - Exploration and evaluation asset	*4,6*	370,370	50,000	-	-	50,000
Share-based payments	*6*	-	-	127,077	-	127,077
Net loss for the period		-	-	-	(991,695)	(991,695)
Balance June 30, 2025		**35,216,257**	**14,572,451**	**2,434,412**	**(11,892,915)**	**5,113,948**
Balance December 31, 2025		**99,154,257**	**24,854,987**	**2,546,710**	**(16,842,094)**	**10,559,603**
New common shares - Private Placement	*6*	8,333,334	1,500,000	-	-	1,500,000
New common shares - CDI's	*6*	450,000	69,294	-	-	69,294
New common shares - Exploration and evaluation asset	*4,6*	322,580	50,000	-	-	50,000
Flow-through premium liability	*8*	-	(75,000)	-	-	(75,000)
Net loss for the period		-	-	-	(2,626,412)	(2,626,412)
Balance June 30, 2026		**108,260,171**	**$26,399,281**	**2,546,710**	**($19,468,506)**	**9,477,485**

The accompanying notes are an integral part of these financial statements

TEMAS RESOURCES CORP.

Condensed Consolidated Statements of Cash Flows

For the periods ended June 30, 2026 and 2025

(Expressed in Canadian Dollars)

Cash Provided By (Used In):		**For the Six Months Ended June 30, 2026**		For the Six Months Ended June 30, 2025
Operating Activities				
Net loss for the period	**$**	**(2,626,412)**	$	(991,695)
Non-cash items				
Impairment of investment and loan, net		**-**		2,874
Recovery of flow-through premium liability		**(24,891)**		-
Investor relations		**69,294**		-
Share-based payments		**-**		127,077
Changes in non-cash working capital				
Prepaids		**-**		67,500
Taxes receivable		**44,722**		(6,166)
Accounts payable and accrued liabilities		**(203,660)**		9,321
Cash flows used in operating activities	**$**	**(2,740,947)**	$	(791,089)
Investing Activities				
Exploration and evaluation assets		**(75,000)**		(87,453)
Loans receivable		**-**		(2,874)
Cash flows used in investing activities	**$**	**(75,000)**	$	(90,327)
Financing Activities				
Loan payable		**-**		120,000
Issuance of new shares, net		**1,500,000**		702,665
Net cash from financing activities	**$**	**1,500,000**	$	822,665
Increase (decrease) in cash		**(1,315,947)**		(58,751)
Cash, beginning of year		**4,704,835**		76,562
Cash, end of period	**$**	**3,388,888**	$	17,811

The accompanying notes are an integral part of these financial statements

1. Nature and Continuance of Operations

Temas Resources Corp. (the "Company") was incorporated pursuant to the provisions of the British Columbia Business Corporations Act on June 25, 2018, under the name "Clean Earth Chemical Corp." On August 12, 2019, the Company changed its name to Temas Resources Corp.

The Company's head office and registered office is located at 309 – 2912 West Broadway, Vancouver, British Columbia, V6K 0E9. The Company's principal business activity is the acquisition, development and exploration of mineral properties. The Company trades on the Australian Stock Exchange (TIO), Canadian Stock Exchange (TMAS) and the OTCQB (TMASF).

The June 30, 2026, financial report has been prepared on the going concern basis that contemplates the continuity of normal business activities and the realization of assets and extinguishment of liabilities in the ordinary course of business. The Company incurred a loss for the period ended June 30, 2026 of $2,626,412 (2025 - $991,695 loss) and a net cash outflow from operating, investing, and financing activities of $1,315,947 (2025 - $58,751). As at June 30, 2026, the Company had a working capital surplus of $2,041,731 (December 31, 2025 - $3,248,848 deficit).

The Directors, in their consideration of the appropriateness of the going concern basis for the preparation of the financial report, have prepared a cash flow forecast for the next 12 months from the date of signing. The cash flow forecast reflects that further funding will be required, including the Company being able to secure additional funding by Q4 2026, in order to meet the Company's ongoing working and investing capital requirements. At the date of signing this report, the Directors have reasonable grounds to believe that the Company will be able to achieve the matters above and that it is appropriate to prepare the financial report on the going concern basis based on the following:

- As at June 30, 2026, the Company had $3,388,888 cash on hand and a working capital surplus of $2,041,731
- The Company's historic ability to raise funds from external sources to meet ongoing working and investing capital requirements, as demonstrated by the successful completion of the recent fundraises
- The Group's ability to reduce expenditure on non-essential activities and manage the timing of cash flows to meet the committed obligations of the business as and when they fall due.

Should the Company be unsuccessful in achieving the matters set out above, a material uncertainty exists that may cast significant doubt about the Company's ability to continue as a going concern and, therefore, whether it will realise its assets and extinguish its liabilities in the normal course of business at the amounts stated in the financial report.

These financial statements were authorized by the Board of Directors on August 14, 2026.

2. Basis of Presentation

Statement of Compliance

The quarterly financial report is a general-purpose financial report prepared in accordance with AASB 134 'Interim Financial Reporting'. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'. The interim report does not include notes of the type normally included in an annual financial report and shall be read in conjunction with the most recent annual financial statements.

Basis of Measurement

These condensed consolidated financial statements have been prepared on a historical cost basis, except for financial instruments classified in accordance with measurement standards under AASB. All dollar amounts presented are in Canadian dollars unless otherwise specified. These condensed consolidated financial statements have been prepared using AASB principles applicable to a going concern, which contemplate the realization of assets and settlement of liabilities in the normal course of business as they come due.

Basis of Consolidation

These condensed consolidated financial statements include the accounts of the Company and its wholly owned Canadian subsidiary ORF Technologies Inc. ("ORF"). The accounts of ORF have been included from October 30, 2025. Intercompany balances and transactions are eliminated in preparing the consolidated financial statements.

Revenue Recognition

Revenue is recognized when control of the promised services is transferred to the customer, in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services.

The Company derives revenue primarily from the licensing of its Regenerative Chloride Leaching ("RCL") mineral extraction technology. Revenue from service contracts is recognized over time as the services are performed, as the customer simultaneously receives and consumes the benefits provided by the Company's performance.

The stage of completion is determined based on the proportion of contract costs incurred to date relative to total estimated contract costs. Any anticipated losses on contracts are recognized immediately when identified.

Amounts billed in advance of services performed are recorded as deferred revenue, while unbilled amounts for services performed but not yet invoiced are recorded as contract assets or accounts receivable, as applicable.

3. Material Accounting Policy Information

The Company's significant accounting policies can be read in Note 3 to the Company's annual audited financial statements at and for the year ended December 31, 2025.

(Expressed in Canadian dollars)

4. Exploration and Evaluation Assets

The carrying value of the Company's mineral properties is as follows:

	Lac Brule	La Blache	Total
December 31, 2024	**$ 51,850**	**$ 6,525,015**	**$ 6,576,865**
Renew claims	2,853	7,455	10,308
Acquisition costs	-	125,000	125,000
December 31, 2025	**$ 54,703**	**$ 6,657,470**	**$ 6,712,173**
Acquisition costs	-	125,000	125,000
June 30, 2026	**$ 54,703**	**$ 6,782,470**	**$ 6,837,173**

Title to exploration and evaluation assets involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as for problems arising from the frequently ambiguous conveyance history characteristic of many mineral properties. The Company has investigated the title to its exploration and evaluation assets and, to the best of its knowledge, the title is in good standing.

La Blache Property, Quebec, Canada

On June 18, 2020, the Company entered into a Purchase Agreement to purchase a 100% interest in the La Blache property in Core-Nord, Quebec from Cloudbreak Discovery Corp. and Cronin Services Ltd. (collectively known as "Vendors") for an aggregate of 2,222,222 common shares (issued) of the Company, $60,000 (paid) in cash payments and the delivery of an NSR royalty of 2%. The Company has the right to repurchase one-half of the NSR royalty (1%) for $2,500,000 at any time. The Vendors have common directors with the Company.

On March 27, 2024, the Company entered into an option agreement to earn 100% interest in the La Blache Lake Extension Property. Pursuant to the option agreement, the Company must issue an aggregate of $275,000 in common shares and pay an aggregate of $350,000 in cash over a 48th month period. On April 11, 2024 the Company paid $50,000 in cash and issued 357,142 common shares at a deemed price of $0.21 in accordance with the option agreement ($75,000 deemed value). On April 10, 2025 the Company paid $75,000 in cash and issued 370,370 common shares at a deemed price of $0.14 in accordance with the option agreement ($50,000 deemed value). On April 8, 2026 the Company paid $75,000 in cash and issued 322,580 common shares at a deemed price of $0.155 in accordance with the option agreement ($50,000 deemed value).

DAB Property, Quebec, Canada

On January 15, 2020, the Company entered into an option agreement with Contigo Resources Ltd. ("Contigo") to acquire a 100% interest in the 124 claims comprising the DAB property. Under the terms of the option agreement, the Company needs to undertake the following to exercise its option:

- make cash payments of $25,000 on January 15, 2020 (paid) and $50,000 (paid) on January 15, 2021; and
- issue 1,111,111 common shares of the Company to Contigo on January 15, 2020 (issued).

Per the terms of the option agreement, Contigo retains a 2% net smelter royalty ("NSR") on the DAB property. The Company can purchase 50% of the NSR at any time for a cash payment of $1,500,000.

(Expressed in Canadian dollars)

4. Exploration and Evaluation Assets (Continued)

The DAB and La Blache properties were historically one project. As such, the Company operates and references to the two purchases as “La Blache”.

Lac Brule, Quebec, Canada

To augment the Company’s claims acquired through staking, on August 19, 2021, the Company had entered into a purchase agreement to acquire a 100% interest in an additional mineral claim comprising the Lac Brule property. Under the terms of the agreement, the Company made a cash payment of $10,000 and issued 5,555 common shares of the Company to the seller at a value of $19,000. Per the terms of the option agreement, the seller retains a 1% net smelter royalty (“NSR”) on the additional mineral claim. The Company can purchase 50% of the NSR at any time for a cash payment of $500,000.

5. Intangible Asset

On March 26, 2021, the Company purchased a 50% interest in ORF Technologies Inc. (“ORF”) for $600,000. ORF is an early-stage Canadian Company with a focus on mineral extraction technologies and holds several patents. The Company previously measured its investment in ORF using the equity method. For the years ended December 31, 2025 and 2024, the Company did not record any equity loss relating to this investment. Due to minimal activity and the lack of necessary cash flow, the Company recorded an impairment of $563,116 during the year ended December 31, 2023. During the Dec 31, 2025 year, a loan of $95,770 (2024 - $12,087) was advanced to ORF and fully impaired at year-end.

On July 8, 2025, the Company entered into an option agreement to acquire the remaining 50% of ORF for $600,000 cash. Upon grant of the option the Company had to pay $70,000 to ORF, which was used as repayment of shareholder loans. This option was exercised on October 30, 2025, and the Company became the sole 100% owner of ORF ($600,000 paid). Upon the acquisition of ORF, an intangible asset of $598,582 was recorded and will be amortized straight-line over the life of the patents that ORF holds (patents expire between 2032 and 2036). As of June 30, 2026, the patents are generating cash flows through RCL sales (Note 10). Purchase price allocation of ORF is as follows:

Purchase Price Allocation of ORF	
Cash paid	$600,000
Assets acquired (cash and taxes receivable)	($1,418)
Intangible Asset	**($598,582)**

6. Share Capital

Authorized

The Company’s authorized share capital consisted of an unlimited number of common shares without par value. As at June 30, 2026, the Company had 108,260,171 (99,154,257 - December 31, 2025) common shares outstanding.

6. Share Capital (Continued)

Issued and outstanding common shares

Fiscal 2026

On April 22, 2026, the Company completed a non-brokered flow-through private placement whereby the Company issued 8,333,334 flow-through common shares at a price of $0.18 per common share for gross proceeds of $1,500,000.

On April 8, 2026, the Company issued 322,580 common shares at a deemed price of $0.155 in accordance with the La Blache option agreement dated March 27, 2024 ($50,000 deemed value).

On March 20, 2026 the Company issued 450,000 Chess Depository Interests (CDIs) at an issue price of $0.16 AUD for a deemed cost of $72,000 AUD ($69,295 CAD) for investor relations services.

Fiscal 2025
During the year ended December 31, 2025, the Company issued 3,879,100 common shares for gross proceeds of $581,865 in connection with the exercise of warrants at $0.15 per common share.

During the year ended December 31, 2025, the Company issued 40,000 common shares for gross proceeds of $4,200 in connection with the exercise of options at $0.105 per common share.

On October 20, 2025, the Company issued 55,000,000 CHESS Depository Interests (CDIs) at an issue price of $0.20 AUD for gross proceeds of $11,000,000 AUD ($10,024,683 CAD) in conjunction with the Company listing on the Australian Stock Exchange (“ASX”). Each CDI represents one underlying common share of the Company. A cash finder’s fee of $660,000 AUD ($601,402 CAD) was paid in connection with the financing along with the issuance of an additional 4,500,000 CDI’s at a deemed value of $0.20 AUD ($900,000 AUD, $822,780 CAD).

On July 7, 2025, the Company completed a non-brokered flow-through private placement whereby the Company issued 1,700,000 flow-through common shares at a price of $0.30 per common share for gross proceeds of $510,000. A cash finder’s fee of $30,600 was paid in connection with the financing.

On April 10, 2025, the Company issued 370,370 common shares at a deemed price of $0.135 in accordance with the La Blache option agreement dated March 27, 2024 ($50,000 deemed value).

On March 24, 2025, the Company completed a non-brokered private placement whereby the Company issued 7,006,669 units at a price of $0.075 per unit for gross proceeds of $525,500. Each unit is comprised of one common share and one common share purchase warrant. Each warrant will be exercisable into one common share at an exercise price of $0.18 expiring on March 24, 2026.

(Expressed in Canadian dollars)

6. Share Capital (Continued)

Stock Options

As at June 30, 2026, the Company has 3,471,500 stock options outstanding (December 31, 2025: 3,471,500) with 3,471,500 stock options exercisable. A summary of the status of the stock options as of June 30, 2026, and December 31, 2025 and changes during the periods then ended is presented below:

	Number	Weighted Average Exercise Price
Balance at December 31, 2024	**2,011,500**	**$0.13**
Expired/Cancelled	(300,000)	0.125
Exercised	(40,000)	0.105
Granted	1,800,000	0.12
Balance at December 31, 2025	**3,471,500**	**$0.13**
Balance at June 30, 2026	**3,471,500**	**$0.13**

Stock options outstanding as at June 30, 2026 were as follows:

Number of Options	Weighted Average Exercise Price		Remaining Life (In Years)	Expiry Date
495,000	$	0.11	0.09	Sunday, August 2, 2026
401,500	$	0.20	2.42	Wednesday, November 29, 2028
125,000	$	0.29	1.96	Tuesday, June 13, 2028
150,000	$	0.09	1.44	Thursday, December 9, 2027
200,000	$	0.09	2.45	Saturday, December 9, 2028
300,000	$	0.09	3.45	Sunday, December 9, 2029
100,000	$	0.08	1.75	Friday, March 31, 2028
1,300,000	$	0.08	3.75	Sunday, March 31, 2030
400,000	$	0.26	1.99	Tuesday, June 27, 2028
3,471,500	**$**	**0.13**	**2.32**	

On November 4, 2025, the Company issued 25,000 common shares for gross proceeds of $2,625 in connection with the exercise of options at $0.105 per common share.

On September 15, 2025, the Company issued 15,000 common shares for gross proceeds of $1,575 in connection with the exercise of options at $0.105 per common share.

On June 27, 2025, the Company granted 400,000 stock options to a consultant of the Company exercisable at $0.26 per option for a period of 3 years. The options vest over one year from issuance (fully vested by June 27, 2026). The options were fair valued using Black-Scholes Option Pricing Model using the following assumptions: risk-free rate – 2.63%; expected life – 3 years; expected volatility – 184.28%; forfeiture rate - Nil and expected dividends – Nil.

On March 31, 2025, the Company granted 1,400,000 stock options to directors and consultants of the Company exercisable at $0.08 per option for a periods ranging from 3 to 5 years. The options vest immediately. The options were fair valued using Black-Scholes Option Pricing Model using the following assumptions: average risk-free rate – 2.57%; expected life – 3 to 5 years; expected volatility – 100.00%; forfeiture rate - Nil and expected dividends – Nil.

(Expressed in Canadian dollars)

6. Share Capital (Continued)

Share Purchase Warrants

As at June 30, 2026, the Company has Nil warrants outstanding (December 31, 2025: 11,318,614). A summary of the status of the warrants as of June 30, 2026 and changes during the periods then ended is presented below:

	Number	Weighted Average Exercise Price
Balance at December 31, 2024	**9,876,323**	**$0.33**
Issued	7,006,669	$0.18
Exercised	(3,879,100)	$0.15
Expired/Cancelled	(1,685,278)	$0.54
Balance at December 31, 2025	**11,318,614**	**$0.26**
Expired	(11,318,614)	$0.18
Balance at June 30, 2025	**-**	**$0.00**

7. Related Party Transactions

Key management personnel at the Company are the directors and officers of the Company.

During the period ended June 30, 2026, the Company incurred:

- Consulting fees of $Nil (2025 - $48,000) to a company owned by directors of the Company
- Consulting fees of $131,250 (2025 - $62,500) to a company owned by the CEO
- Consulting fees of $128,542 (2025 - $42,614) to a company owned by the COO
- Consulting fees of $112,500 (2025 - $24,000) to a company owned by the Chairman
- Consulting fees of $66,625 (2025 - $24,000) to a company owned by the CFO
- Consulting fees of $20,000 (2025 - $Nil) to a company owned by a director of the Company
- Consulting fees of $26,700 (2025 - $Nil) to a company owned by a director of the Company
- Consulting fees of $41,125 (2025 - $Nil) to a company owned by a director of the Company
- Consulting fees of $9,000 (2025 - $Nil) to an individual related to the CEO of the Company
- Share-based payments of $Nil (2025 - $119,090) to officers, directors and companies with common officers and directors.

As of June 30, 2026, loans and receivable includes:

- $Nil (December 31, 2025 – $11,485) is due to a company owned by the CEO of the Company
- $Nil (December 31, 2025 – $139,160) is due to a company owned by the COO of the Company.
- $Nil (December 31, 2025 – $5,000) is due to a company owned by a director of the Company

All related party transactions are in the normal course of operations and have been measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

8. Liability and Income Tax Effect on Flow-through Shares

Funds raised through the issuance of flow-through common shares are expected to be expended on qualified Canadian mineral exploration expenditures, as defined pursuant to Canadian income tax legislation. The flow-through gross proceeds less the qualified expenditures made to date represent the funds received from flow-through share issuances that have not been spent and are held by the Company for such expenditures.

During the 2022 year, the Company issued 1,541,666 flow-through common shares at an average price of $0.72 for gross proceeds of $1,110,000 and recognized an initial liability for flow-through shares of $143,750. The $1,110,000 flow-through funds were required to be incurred by December 31, 2023. As at December 31, 2023, the Company had spent $405,185 of the $1,110,000 flow-through obligation leaving a shortfall of $704,815. The Company will incur income tax and penalties associated with this shortfall for itself and for investors. During the year ended December 31, 2025, an additional tax accrual of $368,759 was recorded to account for a further shortfall of flow-through funds. As of June 30, 2026, the Company accrued $933,940 (December 31, 2025 - $933,940) in estimated taxes payable.

In July 2025, the Company issued 1,700,000 flow-through common shares at $0.30 per share for gross proceeds of $510,000 and recognized an initial liability for flow-through shares of $30,600. During the year ended December 31, 2025, the Company completed its flow-through spending obligations and has recognized a flow-through recovery of $30,600.

In April 2026, the Company issued 8,333,334 flow-through common shares at $0.18 per share for gross proceeds of $1,500,000 and recognized an initial liability for flow-through shares of $75,000. During the period ended June 30, 2026, the Company completed some of its flow-through spending obligations and has recognized a flow-through recovery of $24,891.

9. Financial and Capital Risk Management

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

Level 1 - unadjusted quoted prices in active markets for identical assets or liabilities.
Level 2 - inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
Level 3 - inputs that are not based on observable market data.

The Company enters into financial instruments to finance its operations in the normal course of business. The Company has no financial instruments carried at fair value. The Company's cash, accounts receivable, loan receivable, accounts payable and accrued liabilities and loan payable are recorded at subsequently measured at amortized cost.

The Company is exposed to varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes. The type of risk exposure and the way in way in which such exposure in managed is provided as follows:

<u>Foreign exchange risk</u>
The Company's functional and reporting currency is the Canadian dollar and major purchases are transacted in Canadian dollars. As a result, the Company's exposure to foreign currency risk is minimal.

9. Financial and Capital Risk Management (continued)

Credit risk

The Company's cash is largely held in large Canadian financial institutions. The Company does not have any asset-backed commercial paper. The Company maintains cash deposits with Schedule A financial institution, which from time to time may exceed federally insured limits. The Company has not experienced any significant credit losses and believes it is not exposed to any significant credit risk.

Interest rate risk

Interest rate risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Financial assets and liabilities with variable interest rates expose the Company to cash flow interest rate risk. The Company does not hold any financial liabilities with variable interest rates. The Company does maintain bank accounts which earn interest at variable rates, but it does not believe it is currently subject to any significant interest rate risk.

Liquidity risk

The Company's ability to continue as a going concern is dependent on management's ability to raise the required funding through future equity issuances and through short-term borrowing. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments.

Price risk

The ability of the Company to explore its mineral properties and the future profitability of the Company are directly related to the market price of precious metals. The Company monitors precious metals prices to determine the appropriate course of action to be taken by the Company.

10. Operating Segments

Reportable segments are those operations whose operating results are reviewed by the chief operating decision maker, being the individual at the Company making decisions about resources to be allocated to a particular segment, and assessing performance provided those operations pass certain quantitative thresholds.

The Company undertakes administrative activities in Canada and is engaged in the acquisition and potential exploration and evaluation of mineral property interests and in the licensing of its Regenerative Chloride Leaching ("RCL") mineral extraction technology. The Company's operations are in one geographic area, Canada.

Revenues from its RCL operating segment for the period ended June 30, 2026, was $59,681 (2025 - $Nil) and its net loss for the period ended June 30, 2026, was $116,123 (2025 - $Nil).

The net loss for the period ended June 30, 2026, and the total assets attributable to the geographical locations, as at June 30, 2026, relate only to operations in Canada.

11. Subsequent Events

There are no subsequent events after the reporting date.