Surge Battery Metals Inc.

Condensed Interim Consolidated Financial Statements
For Three Months Ended March 31, 2026, and 2025
(Unaudited)

(Expressed in Canadian dollars)

NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3 (3) (a), if an auditor has not performed a review of the condensed interim consolidated financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim consolidated financial statements of the Company 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 condensed interim financial statements by an entity's auditor.

Surge Battery Metals Inc.
Condensed Interim Consolidated Statements of Financial Position
(Expressed in Canadian dollars)

	Note	March 31, 2026	December 31, 2025
		$	$
ASSETS			
Current assets			
Cash		**4,005,114**	2,693,871
Short-term investments	5	**26,002,397**	3,000,000
Sales taxes receivable		**78,983**	56,624
Prepaid expenses and deposits		**87,912**	58,381
		30,174,407	5,808,876
Non-current assets			
Exploration and evaluation assets	6	**951,837**	910,793
Investment in joint venture	7	**10,861,743**	10,892,853
		11,813,580	11,803,646
Total Assets		**41,987,986**	17,612,522
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current			
Accrued liabilities	9	**139,460**	180,481
Trade and other payables		**19,026**	18,363
		158,486	198,844
Shareholders' equity			
Share capital	8	**71,777,732**	46,064,310
Reserves	8	**24,628,389**	21,275,914
Deficit		**(54,576,621)**	(49,926,546)
		41,829,500	17,413,678
Total liabilities and shareholders’ equity		**41,987,986**	17,612,522

Nature of operations and going concern (Note 1)
Subsequent events (Note 15)

APPROVED BY THE BOARD:

“Greg Reimer”	*“Graham Harris”*
Greg Reimer	Graham Harris

Surge Battery Metals Inc.
Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian dollars)

		For the three months ended March 31,	
	Note	2026	2025
		$	$
OPERATING EXPENSES			
Consulting and management fees	9	1,045,651	359,505
Marketing		498,570	79,701
Office and administrative	9	46,332	33,451
Professional fees	9	88,200	89,868
Share-based compensation	8,9	2,814,816	475,225
Transfer agent and regulatory fees		95,982	15,525
Travel, lodging, and food		121,608	27,978
		4,711,158	**1,081,252**
Interest income		88,749	4,518
Foreign exchange gain		3,443	2,629
Loss on sale of exploration and evaluation assets		-	-
Gain on write-off of accounts payable		-	-
Share of loss of joint venture	7	(31,110)	-
		61,083	**7,147**
Loss and comprehensive loss for the period		**(4,650,075)**	**(1,074,105)**
Loss per share - basic and diluted		$ (0.02)	$ (0.01)
Weighted average number of common shares outstanding		222,996,009	165,023,658

Surge Battery Metals Inc.
Condensed Interim Consolidated Statements of Cash Flows
(Expressed in Canadian dollars)

	For the three months ended March 31, 2026	2025
	$	**$**
Operating Activities		
Net loss for the period	**(4,650,075)**	(1,074,105)
Items not affecting cash:		
Accrued interest receivable	**(2,397)**	(4,518)
Share of loss of joint venture	**31,110**	-
Share-based compensation	**2,814,816**	475,225
Changes in non-cash working capital items:		
Sales taxes receivable	**(22,358)**	(3,543)
Prepaid expenses and deposits	**(29,532)**	(15,556)
Accrued liabilities	**(41,021)**	(307)
Trade and other payables	**662**	(73,192)
Cash used in operating activities	**(1,898,795)**	(695,996)
Investing Activities		
Acquisition of short-term investments	**(26,000,000)**	-
Redemption of short-term investments	**3,000,000**	1,008,225
Exploration asset expenditures	**(41,044)**	(449,089)
Cash provided by (used in) investing activities	**(23,041,044)**	(559,136)
Financing Activities		
Proceeds from issuance of units	**24,999,986**	-
Proceeds from exercise of share options	**130,000**	-
Proceeds from exercise of warrants	**2,510,527**	-
Share subscriptions received	**-**	-
Share issuance costs	**(1,389,432)**	-
Cash provided by financing activities	**26,251,082**	**-**
Change in cash during the period	**1,311,243**	(136,860)
Cash, beginning of the period	**2,693,871**	914,069
Cash, end of the period	**4,005,114**	777,209

Supplemental cash flow information (Note 13)

Surge Battery Metals Inc.
Condensed Interim Consolidated Statements of Changes in Equity
(Expressed in Canadian dollars)

		Share Capital				
	Notes	Number of shares	Amount	Reserves	Deficit	Total
			$	$	$	$
Balance at December 31, 2024		**165,023,658**	**37,465,925**	**17,667,849**	**(43,270,829)**	**11,862,945**
Share-based compensation	8			475,225		475,225
Net and comprehensive loss for the period					(1,074,105)	(1,074,105)
Balance at March 31, 2025		**165,023,658**	**37,465,925**	**18,143,074**	**(44,344,935)**	**11,264,065**
Proceeds from issuance of units for cash	8	32,203,519	8,002,790	207,034	-	8,209,824
Warrants exercised for cash	8	1,265,000	539,750	-	-	539,750
Options exercised for cash	8	100,000	55,000	-	-	55,000
Shares issued for exploration and evaluation assets	6,8	1,200,000	300,000		-	300,000
Warrants issued as finders fees	8		(299,155)	299,155		-
Share-based compensation	8,9	-	-	2,626,651	-	2,626,651
Net and comprehensive loss for the period		-	-	-	(5,581,612)	(5,581,612)
Balance at December 31, 2025		**199,792,177**	**46,064,310**	**21,275,914**	**(49,926,546)**	**17,413,678**
Units issued for cash	8	27,777,780	24,999,986	-	-	24,999,986
Warrants exercised for cash	8	7,816,980	2,510,527	-	-	2,510,527
Options exercised for cash	8	300,000	130,000	-	-	130,000
Share issue costs	8	-	(1,389,432)	-	-	(1,389,432)
Warrants issued as finders fees	8	-	(537,659)	537,659	-	-
Share-based compensation	8,9	-	-	2,814,816	-	2,814,816
Net and comprehensive loss for the period		-	-	-	(4,650,075)	(4,650,075)
Balance at March 31, 2026		**235,686,937**	**71,777,732**	**24,628,389**	**(54,576,621)**	**41,829,500**

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Surge Battery Metals Inc., ("Surge" or the "Company") was incorporated under the Company Act (British Columbia) on June 19, 1987 and continued to the jurisdiction of the Canada Business Corporation Act on August 13, 1997. The Company is an exploration stage company engaged in the acquisition, exploration and development of mineral properties and trades on the TSX Venture Exchange (the "Exchange") under the symbol NILI and the OTCQX Best Market under the symbol NILIF.

The Company's principal place of business is located at 300 – 1455 Bellevue Avenue, West Vancouver, BC, V7T 1C3 and the registered and records office is located at Suite 501, 3292 Production Way, Burnaby, British Columbia, V5A 4R4.

Going Concern

These condensed interim consolidated financial statements for the three months ended March 31, 2026 and 2025 (the "Financial Statements") have been prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") on a going concern basis, which assumes that the Company will continue its operations for the foreseeable future and will realize its assets and discharge its liabilities in the normal course of business. As at March 31, 2026, the Company had cash of $4,005,114 and had accumulated losses of $54,576,621 since inception. Management cannot provide assurance that the Company will ultimately achieve profitable operations or secure additional debt or equity financing.

The Company is in the process of exploring its mineral property interests and has not yet determined whether they contain mineral reserves that are economically recoverable. The Company's continuing operations and the underlying value and recoverability of the carrying amounts for exploration and evaluation property interests and related deferred exploration and development costs are entirely dependent upon the discovery of economically recoverable mineral reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its mineral property interests, and achievement of future profitable production from or proceeds from the disposition of its mineral property interests. The Company will require additional financing to continue operations and there can be no assurance that such financing will be available on terms acceptable to the Company

These condensed interim consolidated financial statements do not include adjustments to the recoverability and classification of recorded asset amounts, the classification of liabilities, or reported expenses that may be necessary should the Company be unable to continue as a going concern, and such adjustments could be material.

2. BASIS OF PREPARATION

Statement of Compliance

These condensed interim consolidated financial statements of the Company and its subsidiaries have been prepared in accordance with IFRS and International Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The condensed interim financial statements of the Company for the three months ended March 31, 2026 were approved and authorized for issue by the Board of Directors on May 26, 2026.

2. BASIS OF PREPARATION (continued)

Basis of Presentation

These condensed interim consolidated financial statements have been prepared on a historical cost basis except for certain financial instruments, which are measured at fair value. In addition, these condensed interim financial statements have been prepared using the accrual basis of accounting except for cash flow disclosure.

These condensed interim consolidated financial statements are presented in Canadian dollars, which is also the Company's functional currency, except where otherwise indicated and all values are rounded to the nearest dollar.

Basis of consolidation

The condensed interim consolidated financial statements include the financial statements of the Company and its subsidiaries as follows:

		% Equity interest at	
Name	Country of Incorporation	March 31, 2026	December 31, 2025
Surge Battery Metals USA Inc.	Nevada, USA	100%	100%

Subsidiaries are those entities controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The condensed interim financial statements of the subsidiaries are included in the condensed interim consolidated financial statements from the date that control is obtained to the date control ceases. All inter-company transactions, balances, income and expenses are eliminated upon consolidation. The functional currency of the subsidiaries is the Canadian dollar.

3. MATERIAL ACCOUNTING POLICY INFORMATION

Foreign Currency Transactions

These condensed interim consolidated financial statements are presented in Canadian dollars, which is the Company's and its subsidiaries' functional currency. Transactions in foreign currencies during the period were translated at the then-average exchange rate for the period, and period-end balance sheet amounts for monetary assets and liabilities were converted at the exchange rate as at that date, and non-monetary assets and liabilities and equity balances are translated at historical rates.

Cash and Cash Equivalents

The Company considers cash to include currency on hand and demand deposits with banks or other financial institutions. The Company considers cash equivalents to include term deposits, certificates of deposit, and all highly liquid instruments with original maturities of three months or less.

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Exploration and Evaluation Properties

Following the acquisition of a legal right to explore a property, all direct costs related to the acquisition and exploration of the property are capitalized until the property to which they relate is placed into production, sold, allowed to lapse or abandoned. Mineral property acquisition costs include cash consideration and the fair market value of common shares issued for mineral property interests based on the trading price of the shares. These costs will be amortized over the estimated life of the property following commencement of commercial production, or written off if the property is sold, allowed to lapse or abandoned. Once commercial production has commenced, the net costs of the applicable property, will be charged to operations using the unit-of-production method based on reserves. Proceeds received from the sale of any interest in a property are first credited against the carrying value of the property, with any excess included in the condensed interim consolidated statements of loss and comprehensive loss for the period. On an ongoing basis, the Company evaluates each property based on results to date to determine the nature of exploration work that is warranted in the future. Impairment may occur in the carrying value of mineral interests when one of the following conditions exists:

- The Company's work program on a property has significantly changed, so that previously identified resource targets or work programs are no longer being pursued;
- Exploration results are not promising, and no more work is being planned in the foreseeable future; or
- The remaining lease terms are insufficient to conduct necessary studies or exploration work.

The carrying value of all categories of E&E assets are reviewed at least annually by management for indicators that the recoverable amount may be less than the carrying value. When a project is deemed to no longer have commercially viable prospects to the Company, E&E expenditures in respect of that project are deemed to be impaired. As a result, those E&E expenditures, in excess of estimated recoveries, are written off to the consolidated statement of comprehensive loss.

The Company may occasionally enter into property option agreements, whereby the Company will transfer part of a mineral interest, as consideration for the incurring of certain exploration and evaluation expenditures by the optionee which would otherwise have been undertaken by the Company. The Company does not record any expenditures made by the optionee on its behalf. Any cash consideration received from the agreement is credited against the costs previously capitalized to the property, with any excess cash accounted for as a gain on disposal.

Impairment of Long-Lived Assets

The recoverability of long-lived assets is assessed when an event occurs that indicates impairment. Recoverability is based on factors such as future asset utilization and the future discounted cash flows expected to result from the use or sale of the related assets. An impairment loss is recognized in the period when it is determined that the carrying amount of the asset will not be recoverable. At that time, the carrying amount is written down to the recoverable amount, which equals the higher of fair value less costs to sell and value in use. Impairment losses are recognized in profit or loss.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognized.

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Investment in Joint Venture

The Company's investment in its joint venture, Nevada North Lithium LLC is accounted for using the equity method in accordance with IAS 28. A joint venture is an arrangement in which the Company and one or more parties have joint control, established by contractual agreement, and the parties have rights to the net assets of the arrangement.

Under the equity method, the investment is initially recognized at cost. The carrying amount of the investment is subsequently adjusted for the Company's share of the profit or loss and other comprehensive income of the joint venture.

Contributions of assets to the joint venture that are under joint control are accounted for at the carrying amount of the assets contributed, and no gain or loss is recognized upon contribution.

The financial statements of the joint venture are prepared for the same reporting period as the Company, and adjustments are made where necessary to align accounting policies with those of the Company.

Financial Instruments

Financial Assets

At initial recognition, financial assets are classified and subsequently measured at amortized cost, fair value through other comprehensive income ("FVTOCI") or fair value through profit or loss ("FVTPL"). Financial assets are recognized initially at fair value, unless they are trade receivables that do not contain a significant financing component in accordance with IFRS 15, which shall be measured at their transaction price. The subsequent measurement of financial assets depends on their classification based on both the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets as follows:

Financial assets at amortized cost

The financial asset is subsequently measured at amortized cost if the financial asset is held within a business model whose objective is to hold the financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Such assets are carried at amortized cost using the effective interest rate method. Gains and losses are recognized in profit or loss when the financial assets are derecognized or impaired, as well as through the amortization process. Transaction costs are included in the initial carrying amount of the asset.

Financial assets at FVTPL

A financial asset shall be measured at FVTPL if it is not measured at amortized cost or at FVTOCI. If the financial asset that would otherwise be measured at FVTPL is not acquired or incurred principally for the purpose of selling or repurchasing it in the near term, not part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking or a derivative, the Company may make an irrevocable election at initial recognition to present subsequent fair value changes of the equity instrument in OCI. Transaction costs associated with financial assets at FVTPL are expensed as incurred. These assets are carried at fair value with gains or losses recognized in profit or loss. Cash and short-term investments are included in this category of financial assets. The Company does not hold or have any exposure to derivative instruments.

Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets measured at amortized cost. If the credit risk on the financial instrument has increased significantly since initial recognition, the loss allowance shall be measured at an amount equal to the lifetime expected credit losses, otherwise, it shall be measured at an amount equal to the 12-month expected credit losses.

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Financial Liabilities

At initial recognition, financial liabilities are classified as financial liabilities measured at amortized cost unless they are financial liabilities at FVTPL (including derivatives that are liabilities). Financial liabilities are recognized initially at fair value. Transaction costs directly attributable to the issue of a financial liability are included in the initial carrying value of financial liabilities if they are not measured at FVTPL. The subsequent measurement of financial liabilities depends on their classification, as follows:

Financial liabilities measured at amortized cost

Financial liabilities are initially recognized at fair value, net of transaction costs. After initial recognition, other financial liabilities are subsequently measured at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any issue costs, and any discount or premium on settlement. Gains and losses arising on the repurchase, settlement or cancellation of liabilities are recognized respectively in interest, other revenues and finance costs. Trade and other payables are included in this category of financial liabilities.

De-Recognition of Financial Assets and Liabilities

Financial assets are derecognized when the contractual rights to the cash flows from the assets expire or, the financial assets are transferred, and the Company has transferred substantially all the risks and rewards of ownership of the financial assets. On de-recognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received (including any new asset obtained less any new liability assumed) is recognized in profit or loss. Where a transfer does not result in a derecognition due to continuing involvement, the Company shall continue to recognize the transferred asset and recognize a financial liability of the consideration received.

For financial liabilities, they are derecognized when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognized and the consideration paid, including any non-cash assets transferred or liabilities assumed is recognized in profit or loss.

Decommissioning, Restoration and Similar Liabilities

The Company recognizes provisions for statutory, contractual, constructive or legal obligations associated with the reclamation of exploration and evaluation properties and retirement of long-term assets, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future cost estimates arising from the decommissioning of plant, site restoration work and other similar retirement activities is added to the carrying amount of the related asset and depreciated on the same basis as the related asset, along with a corresponding increase in the provision in the period incurred. Discount rates using a pre-tax rate that reflect the current market assessments of the time value of money are used to calculate the net present value.

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to the related asset with a corresponding entry to the provision.

Income Taxes

Income tax expense is comprised of current and deferred tax. Current tax and deferred tax are recognized in net income except to the extent that they relate to items recognized directly in equity or in other comprehensive loss/income.

Current income taxes are recognized for the estimated income taxes payable or receivable on taxable income or loss for the current year and any adjustment to income taxes payable in respect of previous years. Current income

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Income Taxes (continued)

taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the year-end date.

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax base, except temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss.

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. At the end of each reporting period the Company reassesses unrecognized deferred tax assets. The Company recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Share Capital

Equity instruments are contracts that give a residual interest in the net assets of the Company. Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability. The Company's common shares, share warrants and options are classified as equity instruments.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from proceeds.

Valuation of equity units issued in private placements

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. Under the residual method, one component is measured first, and the residual amount is allocated to the remaining component. The Company measures the value of the common shares first. The balance, if any, is allocated to the warrants. Any residual value attributed to the warrants is recorded as reserves.

Flow-Through Shares

Resource expenditures for income tax purposes related to exploration and development activities funded by flow-through share arrangements are renounced to investors in accordance with income tax legislation. A liability is recognized for the premium on the flow-through shares and is subsequently reversed as the Company incurs qualifying Canadian exploration expenses.

Loss per Share

Basic loss per share is computed by dividing the net loss applicable to common shares of the Company by the weighted average number of common shares outstanding for the relevant period. Diluted loss per common share is computed by dividing the net loss applicable to common shares by the sum of the weighted average number of common shares issued and outstanding and all additional common shares that would have been outstanding if potentially any dilutive instruments were converted.

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Share-Based Payments

Where equity-settled share options, restricted share units ("RSUs"), and performance share units ("PSUs") are awarded to employees, the fair value of the instrument at the date of grant is charged to the condensed interim consolidated statements of loss and comprehensive loss over the vesting period. Performance vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognized over the vesting period is based on the number of instruments that eventually vest. Non- vesting conditions and market vesting conditions are factored into the fair value of the share options granted.

Where the terms and conditions of options are modified before they vest, any increase in the fair value of the options, measured immediately before and after the modification, is also charged to the condensed interim consolidated statements of loss and comprehensive loss over the remaining vesting period.

Where equity instruments are granted to employees, they are recorded at the fair value of the equity instrument granted at the grant date. The grant date fair value is recognized in comprehensive loss over the vesting period, described as the period during which all the vesting conditions are to be satisfied.

Where equity instruments are granted to non-employees, they are recorded at the fair value of the goods or services received in the condensed interim consolidated statements of loss and comprehensive loss, unless they are related to the issuance of shares, in which case they are recorded as a reduction of share capital.

When the value of goods or services received in exchange for the share-based payment cannot be reliably estimated, the fair value is measured by use of a valuation model. The expected life used in the model is adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioral considerations.

Where a grant of options is cancelled or settled during the vesting period, excluding forfeitures when vesting conditions are not satisfied, the Company accounts for the cancellation as an acceleration of vesting and recognizes the amount that otherwise would have been recognized for services received over the remainder of the vesting period. Any payment made to the employee on the cancellation is accounted for as the repurchase of an equity interest except to the extent the payment exceeds the fair value of the equity instrument granted, measured at the repurchase date. Any such excess is recognized as an expense.

New Accounting Standards Issued and Not Yet Effective

IFRS 18 Presentation and Disclosure in Financial Statements, which will replace IAS 1, Presentation of Financial Statements aims to improve how companies communicate in their financial statements, with a focus on information about financial performance in the statement of profit or loss, in particular additional defined subtotals, disclosures about management-defined performance measures and new principles for aggregation and disaggregation of information. IFRS 18 is accompanied by limited amendments to the requirements in IAS 7. Statement of Cash Flows. IFRS 18 is effective from January 1, 2027. Companies are permitted to apply IFRS 18 before that date.

The Company has not yet determined the impact of this amendment on its condensed interim financial statements.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The Company makes estimates about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. Information about critical judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in these condensed interim financial statements within the next financial year are discussed below:

Going Concern

The assessment of the Company's ability to continue as a going concern and whether there exists material uncertainties that may cast significant doubt involves management judgment about the Company's resources and future prospects (Note 1).

Exploration and Evaluation Expenditures

The application of the Company's accounting policy for exploration and evaluation expenditure requires judgment in determining the point at which a property has economically recoverable resources, in which case subsequent exploration costs and the costs incurred to develop the property are capitalized into development assets. The determination may be based on assumptions about future events or circumstances. Estimates and assumptions may change if new information becomes available. If, after expenditure is capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in profit or loss in the year when new information becomes available.

Determining whether to test for impairment of mineral exploration properties and deferred exploration assets requires management's judgment regarding the following factors, among others: the period for which the entity has the right to explore in the specific area has expired or will expire in the near future, and is not expected to be renewed; substantive expenditure on further exploration and evaluation of mineral resources in a specific area is neither budgeted nor planned; exploration for and evaluation of mineral resources in a specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; or sufficient data exists to indicate that, although a development in a specific area is likely to proceed, the carrying amounts of the exploration assets are unlikely to be recovered in full from successful development or by sale.

When an indication of impairment loss or a reversal of an impairment loss exists, the recoverable amount of the individual asset must be estimated. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs must be determined. Identifying the cash-generating units requires management judgment. In testing an individual asset or cash-generating unit for impairment and identifying a reversal of impairment losses, management estimates the recoverable amount of the asset or the cash-generating unit. This requires management to make several assumptions as to future events or circumstances. These assumptions and estimates are subject to change if new information becomes available.

Impairment of Financial Assets

At each reporting date the Company assesses financial assets not carried at fair value through profit or loss to determine whether there is objective evidence of impairment. A financial asset is impaired if objective evidence indicates that one or more events occurred during the period that negatively affected the estimated future cash flows of the financial asset.

Objective evidence that financial assets are impaired can include significant financial difficulty of the issuer or debtor, default or the disappearance of an active market for a security. If the Company determines that a financial asset is impaired, judgment is required in assessing the available information in regard to the amount of impairment; however, the final outcome may be materially different than the amount recorded as a financial asset.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (continued)

Decommissioning and Restoration Costs

Management is not aware of any material restoration, rehabilitation and environmental provisions as at March 31, 2026. Decommissioning, restoration and similar liabilities are estimated based on the Company's interpretation of current regulatory requirements, constructive obligations and are measured at fair value and these estimates are updated annually. Fair value is determined based on the net present value of estimated future cash expenditures for the settlement of decommissioning, restoration or similar liabilities that may occur upon decommissioning of the exploration and evaluation property. Such estimates are subject to change based on laws, regulators and negotiations with regulatory authorities.

Share Based Payments

Management assesses the fair value of stock options, RSUs, and PSUs granted in accordance with its adopted accounting policy. The fair value of the instruments granted using valuation models is only an estimate of their potential value and requires the use of estimates and assumptions.

Deferred Income Taxes

Judgment is required in determining whether deferred tax assets are recognized on the condensed interim consolidated statements of financial position. Deferred tax assets, including those arising from unutilized tax losses require management to assess the likelihood that the Company will generate taxable earnings in future periods, in order to utilize recognized deferred tax assets. Estimates of future taxable income are based on forecasted cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that the cash flows and taxable income differ significantly from estimates, the ability of the Company to realize the net deferred tax assets recorded at the statement of financial position date, if any, could be impacted. Additionally, future changes in tax laws in the jurisdictions in which the Company and its subsidiaries operate could limit the ability of the Company to obtain tax deductions in future periods.

Functional and Presentation Currency

The functional currency of the Company and its wholly owned subsidiaries is the Canadian dollar; however, determination of functional currency may involve certain judgments to determine the primary economic environment which is re-evaluated for each entity or if conditions change.

5. SHORT-TERM INVESTMENT

Short-term investments consist of Guaranteed Investment Certificates (GICs) held with a Canadian financial institution. These investments are recorded at fair value plus accrued interest and have original maturities of less than one year.

During the three months ended March 31, 2026, the Company held the following GICs:

- A $3,000,000 GIC invested on October 17, 2025 bearing interest at 2.25% per annum, which matured on January 15, 2026 and was redeemed during the period.

(Expressed in Canadian dollars)

5. SHORT-TERM INVESTMENT (continued)

- A $1,000,000 GIC invested on January 5, 2026 bearing interest at 1.90% per annum with a 90-day term maturing on April 4, 2026.
- A $25,000,000 GIC invested on March 30, 2026 bearing interest at 3.50% per annum with a one-year term maturing on March 30, 2027.

During the three months ended March 31, 2026, the Company recognized $19,041 (March 31, 2025 – $4,518) in interest income from short-term investments.

6. EXPLORATION AND EVALUATION PROPERTIES

Exploration and evaluation properties include the following amounts for the three months ended March 31, 2026:

	Nevada North Lithium Project	**San Emidio Lithium Project**	
	USA	**USA**	**Total**
	$	**$**	**$**
Balance, December 31, 2025	**-**	**910,793**	**910,793**
Acquisition Costs:			
Additions	-	-	-
	-	**-**	**-**
EXPLORATION AND EVALUATION COSTS			
Field expenses	26,692	-	26,692
Land and water use, claims and concessions	14,351	-	14,351
	41,044	**-**	**41,044**
Balance, March 31, 2026	**41,044**	**910,793**	**951,837**

Following the formation of Nevada North Lithium LLC (the "JV") in December 2025, certain exploration, evaluation and development expenditures related to the Nevada North Lithium Project have been incurred through the JV and therefore are not included in the Company's recorded exploration and evaluation asset balances.

(Expressed in Canadian dollars)

6. EXPLORATION AND EVALUATION PROPERTIES (continued)

Exploration and evaluation properties include the following amounts for the year ended December 31, 2025:

	Nevada North Lithium Project	San Emidio Lithium Project	
	USA	USA	Total
	$	$	$
Balance, December 31, 2024	**9,247,682**	**896,491**	**10,144,173**
Acquisition Costs:			
Additions	300,000	14,302	314,302
	300,000	**14,302**	**314,302**
EXPLORATION AND EVALUATION COSTS			
Assaying	162,707	-	162,707
Drilling	35,162	-	35,162
Engineering and consulting	801,438	-	801,438
Field expenses	27,533	-	27,533
Geophysics	2,000	-	2,000
Land and water use, claims and concessions	245,539	-	245,539
Site development	67,175	-	67,175
Travel	4,619	-	4,619
	1,346,173	**14,302**	**1,360,475**
Assets transferred to joint venture	(10,893,855)	-	(10,893,855)
Balance, December 31, 2025	**-**	**910,793**	**910,793**

Nevada North Lithium Project

On June 28, 2021, the Company acquired 38 mineral claims in Northern Nevada. The terms of the mineral claim acquisition was:

- Make a cash payment to the vendor in the amount of $15,129 (US$12,000) (paid) upon signing of the agreement; and
- Issue to the vendor 250,000 common shares of the Company upon acceptance of the agreement by the Exchange (issued with a fair value of $63,750).

On July 26, 2023, the Company entered into a mineral property option and joint venture agreement (the "M3M Agreement") with M3 Metals Corp. ("M3M"), an Exchange listed company. The M3M Agreement grants the Company the option to earn up to an 80% interest in and to 254 mineral claims held by M3M ("M3M Claims") that are contiguous with the Company's Nevada North Lithium Project. In accordance with the M3M Agreement, the Company can earn the 80% interest by making the following option payments:

6. EXPLORATION AND EVALUATION PROPERTIES (continued)

- to earn a 50% interest – pay $500,000 (paid) and issue 2,000,000 common shares of the Company (issued with a fair value of $1,180,000);
- to earn a further 20% interest – pay $250,000, issue 2,000,000 common shares of the Company, and incur $250,000 in exploration expenditures (incurred); and
- to earn the remaining 10% interest – pay $500,000 and issue 1,000,000 common shares of the Company.

The M3M Agreement has a term of five years and requires, upon its termination, that the Company and M3M enter into a joint venture should the Company earn the minimum 50% interest.

The Company has become aware of a subsequent dispute regarding the ownership of some M3M Claims (approximately 800 acres of the total 12,890 acres). In September 2023, the Company and M3M entered into an amendment of the M3M Agreement which provides that the M3M Agreement continues to be of full force and effect with M3M being obligated to defend title to a number of M3M Claims. The Company does not view the disputed claims as material to the overall M3M Claims.

In August 2024, the Company entered into a mineral property option purchase and sale agreement (the "M3M Purchase Agreement") with M3M to acquire the remaining 50% interest in the M3M Texas Springs Claims (the "Claims") in exchange for 1,200,000 common shares of the Company. The M3M Purchase Agreement superseded the previous agreement with M3 Metals and was subject to shareholder approval, which was obtained at the subsequent Annual General Meeting.

On August 27, 2025, the Company completed the acquisition by issuing 1,200,000 common shares with a fair value of $300,000 to M3M, thereby obtaining a 100% ownership interest in the Claims. The Company and M3M are in the process of filing the necessary quitclaim deeds and related documentation with Elko County, Nevada, to formally record the updated ownership.

In October 2023, the Company entered into two mineral property purchase agreements to purchase a total of 25% of the mineral rights to private lands, comprised of four parcels totaling 880 acres, situated in the Company's existing Nevada North Lithium Project ("Private Lands").

The first agreement (the "Wilkins Family Agreement") requires the Company to make the following cash payments and share issuances:

- a cash deposit of US$50,000 (paid $67,130);
- issuance of 1,250,000 common shares of the Company upon Exchange approval of the agreement (issued with a fair value of $587,500); and
- a cash payment of US$150,000 upon the Company entering into an agreement to purchase the surface rights to the Private Lands ("Surface Agreement").

The second agreement (the "Y3-II Agreement") requires the Company to make the following cash payments and share issuances:

- a cash deposit of US$8,250 (paid $11,154);
- issuance of 300,000 common shares of the Company upon Exchange approval of the agreement (issued with a fair value of $147,000); and
- a cash payment of US$24,750 upon the Company entering into a Surface Agreement.

(Expressed in Canadian dollars)

6. EXPLORATION AND EVALUATION PROPERTIES (continued)

The vendors of the Wilkins Family Agreements and the Y3-II Agreement will retain a 3% royalty on production on the Private Lands which is not payable until the Company enters into the Surface Agreement. The Company has the right for five years to purchase one-half of the royalty for US$975,000.

San Emidio Lithium Project

During the year ended December 31, 2022, the Company entered into a property option agreement with Paul Lechler, John Van de Sand, David White and Darren Howe, whereby the Company may earn an undivided 80% interest in 16 mineral claims comprising 640 acres located within Nevada's San Emidio desert. These lithium exploration claims adjoin the Company's previously held San Emidio desert lithium claims.

The proposed consideration for the undivided 80% interest in the San Emidio Lithium Project is as follows:

- Pay $25,464 (US$20,000) (paid) upon Exchange approval which was obtained in March 2022;
- Issue 1,000,000 restricted common shares of the Company upon Exchange approval, which shares shall vest and be released as follows: 25% released upon exchange approval and 25 per cent released each three-month period thereafter (issued with a fair value of $130,000);
- Issue 4,000,000 warrants, whereby each warrant will entitle the optionors to purchase one additional common share of the Company with an exercise price of $0.30 per share for a period of five years from exchange approval and vesting on the same schedule as the restricted shares (issued with a fair value of $459,160); and
- Pay US$10,000 each year on the anniversary of Exchange approval of the transaction for five years. As at December 31, 2025, the Company has paid $41,443 (US$30,000) (December 31, 2024 - $27,141 (US$20,000)).

7. JOINT VENTURE INVESTMENT

On November 4, 2025, the Company contributed certain exploration and evaluation ("E&E") assets of Nevada North Lithium Project (Note 6) to a joint venture with Rubicon Nevada Lithium Corp., establishing Nevada North Lithium LLC (the "JV"). The JV is jointly controlled pursuant to a contractual arrangement that requires unanimous consent of the parties for decisions over relevant activities.

At formation, the Company held a 77% interest in the JV. Under the terms of the operating agreement, Rubicon Nevada Lithium Corp. may earn up to an additional 9.5% interest through staged capital contributions of up to $10,000,000. As at March 31, 2026, Rubicon Nevada Lithium Corp. has contributed $4,700,000, resulting in the Company holding a 72.5% interest and Rubicon Nevada Lithium Corp. holding a 27.5% interest in the JV.

The summarized financial information of the JV's financial statements as at March 31, 2026 (100% basis, translated into CAD) is as follows:

	March 31, 2026	December 31, 2025
	$	$
Total assets	75,733,277	72,827,506
Total liabilities	242,959	258,753
Net assets	75,490,319	72,568,753
Loss for the period	(42,889)	(1,343)

(Expressed in Canadian dollars)

7. JOINT VENTURE INVESTMENT (continued)

The JV's accounting policy for the value the E&E contributed is based on fair value which is not aligned with the Company's accounting policy. The effect of the fair value adjustment was reversed and the carrying value of the joint venture investment is as follows:

Investment in Joint Venture

	$
Balance, December 31, 2025	10,892,853
Company's share of loss in joint venture	(31,110)
Closing balance, March 31, 2026	**10,861,743**

8. SHARE CAPITAL

Authorized Share Capital

The Company has an authorized share capital of an unlimited number of common shares with no par value.

As at March 31, 2026, the Company had 235,686,937 (December 31, 2025 – 199,792,177) common shares issued and outstanding.

Share Issuances

Transaction during the three months ended March 31, 2026

In January 2026, the Company received proceeds of $2,110,350 from the exercise of 6,530,600 share purchase warrants. As a result, the Company issued 6,530,600 common shares in accordance with the terms of the warrant agreement.

In January 2026, the Company received proceeds of $130,000 from the exercise of 300,000 stock options. As a result of the exercise, the Company issued 300,000 common shares in accordance with the terms of the stock option agreement

In February 2026, the Company received proceeds of $400,177 from the exercise of 1,286,380 share purchase warrants. In connection with the exercise, the Company issued 1,286,380 common shares in accordance with the terms of the warrant agreement

On February 4, 2026, the Company completed a non-brokered private placement financing for aggregate gross proceeds of $25,000,002 through the issuance of 27,777,780 units at a price of $0.90 per unit. Each unit consisted of one common share and one-half of one common share purchase warrant. Each whole warrant entitles the holder to acquire one additional common share at an exercise price of $1.35 per share, exercisable commencing 60 days after the date of issuance and expiring on February 3, 2029.

In connection with the financing, the Company paid cash finder's fees of $1,389,432 and issued 1,331,003 finder's warrants. Each finder's warrant is exercisable into one unit at an exercise price of $1.35 per unit, expiring on February 3, 2029. The finder's warrants were valued at $537,659 using the Black-Scholes option pricing model.

On February 5, 2026, Company approved the issuance of equity-based awards to certain persons and/or executives. Specifically, the Company granted a total of 881,250 Restricted Stock Units (RSUs) and 293,750 Performance Stock Units (PSUs) under its equity incentive plan.

8. SHARE CAPITAL (continued)

Share Issuances

Transaction during the year ended December 31, 2025:

On April 10, 2025, the Company issued 10,351,667 units at $0.30 per unit for gross proceeds of $3,105,500. Each unit is comprised of one common share and one share purchase warrant with each warrant entitling the holder to purchase one additional common share at $0.45 per share until April 10, 2028. The Company also incurred finder fees of $36,840 in cash. The company allocated the fair value of $207,033 to the share purchase warrants issued.

On August 27, 2025, the company issued 1,200,000 shares at the fair value of $300,000 for exploration and evaluation assets (Note 6)

On October 8, 2025, the Company completed a non-brokered private placement financing, issuing 20,000,000 units ("Units") at a price of $0.25 per Unit for gross proceeds of $5,000,000. Each Unit consists of one common share and one share purchase warrant ("Warrant"), with each Warrant exercisable to acquire one additional common share at $0.40 per share until October 8, 2028. In connection with the private placement, the Company incurred a finder's fee totaling $358,836. In addition, the Company issued 1,058,600 finder's warrants, each exercisable to acquire one Unit at a price of $0.25 per Unit with a fair value of $299,155.

On October 15, 2025, the Company completed a non-brokered private placement financing, issuing 1,851,852 units ("Units") at a price of $0.27 per Unit for gross proceeds of $500,000. Each Unit consists of one common share and one share purchase warrant ("Warrant"), with each Warrant exercisable to acquire one additional common share at $0.37 per share until October 15, 2028.

Between October 27 and December 29, 2025, the Company issued 1,365,000 common shares pursuant to the exercise of warrants and stock options at exercise prices ranging from $0.40 to $0.55 per share, for aggregate cash proceeds of $594,750.

Share Options

In July 2023, the Company adopted a new Equity Incentive Plan whereby the Company can grant options to employees, consultants, officers and directors providing the number of shares that may be purchased under the option plan and all previously granted options, does not exceed 5% (previously 10%) of the issued and outstanding share capital at the date of grant. The exercise price of the options granted will be no less than the market price of the Company's shares and the maximum term of the options is ten years. The aggregate number of options granted to any one consultant or investor relation service provider in a 12-month period is limited to 2% of the issued shares of the Company.

Transactions during the three months ended March 31, 2026:

Granted 500,000 share options exercisable at $0.87 with an expiry date of January 7, 2031 (vested immediately). The options were valued at $366,803 using the Black-Scholes Option Pricing Model based on the following assumptions: risk-free interest rate of 2.93%, forfeiture rate of 0%, no annual dividends, term of 5 years, and expected volatility of 108.64%.

Granted 5,000,000 share options exercisable at $0.60 with an expiry date of March 17, 2031 (vested immediately). The options were valued at $2,218,797 using the Black-Scholes Option Pricing Model based on the following assumptions: risk-free interest rate of 2.95%, forfeiture rate of 0%, no annual dividends, term of 5 years, and expected volatility of 106.82%.

(Expressed in Canadian dollars)

8. SHARE CAPITAL (continued)

Share Options

Transactions during the year ended December 31, 2025:

Granted 250,000 share options exercisable at $0.30 with an expiry date of April 16, 2030 (vested immediately). The options were valued at $52,924 using the Black-Scholes Option Pricing Model based on the following assumptions: risk-free interest rate of 2.70%, forfeiture rate of 0%, no annual dividends, term of 5 years, and expected volatility of 118.57%.

Granted 300,000 share options exercisable at $0.30 with an expiry date of May 21, 2028 (vested immediately). The options were valued at $53,726 using the Black-Scholes Option Pricing Model based on the following assumptions: risk-free interest rate of 2.97%, forfeiture rate of 0%, no annual dividends, term of 3 years, and expected volatility of 118.97%.

Granted 300,000 share options exercisable at $0.30 with an expiry date of May 21, 2029 (vested immediately). The options were valued at $59,504 using the Black-Scholes Option Pricing Model based on the following assumptions: risk-free interest rate of 2.17%, forfeiture rate of 0%, no annual dividends, term of 4 years, and expected volatility of 118.97%.

Granted 750,000 share options exercisable at $0.30 with an expiry date of May 21, 2030 (vested immediately). The options were valued at $159,297 using the Black-Scholes Option Pricing Model based on the following assumptions: risk-free interest rate of 2.97%, forfeiture rate of 0%, no annual dividends, term of 5 years, and expected volatility of 118.97%.

Granted 3,200,000 share options exercisable at $0.60 with an expiry date of December 2, 2030 (vested immediately). The options were valued at $1,443,416 using the Black-Scholes Option Pricing Model based on the following assumptions: risk-free interest rate of 2.81%, forfeiture rate of 0%, no annual dividends, term of 5 years, and expected volatility of 110.15%.

The following is a continuity schedule of the Company's share option activities:

	Number of Options	Weighted average exercise price
		$
Balance, December 31, 2024	10,453,000	0.44
Granted	4,800,000	0.50
Exercised	(100,000)	0.55
Balance, December 31, 2025	15,153,000	0.45
Granted	5,500,000	0.62
Exercised	(300,000)	0.43
Balance, March 31, 2026	20,353,000	0.50

(Expressed in Canadian dollars)

8. SHARE CAPITAL (continued)

Share Options

The following table summarizes the share options outstanding and exercisable as at March 31, 2026:

Number of options outstanding and exercisable	Exercise price	Remaining life (years)	Expiry date
	$		
500,000	0.30	1.76	January 3, 2028
1,500,000	0.25	2.06	April 21, 2028
600,000	0.27	2.09	May 1, 2028
300,000	0.30	2.15	May 21, 2028
2,400,000	0.55	2.32	July 25, 2028
1,500,000	0.60	2.38	August 15, 2028
903,000	0.52	2.71	December 12, 2028
300,000	0.30	3.15	May 21, 2029
2,700,000	0.40	3.41	August 26, 2029
250,000	0.30	4.05	April 16, 2030
700,000	0.30	4.15	May 21, 2030
3,200,000	0.60	4.68	December 2, 2030
500,000	0.87	4.78	January 7, 2031
5,000,000	0.60	4.97	March 17, 2031
20,353,000			

Share Purchase Warrants

Transaction during the three months ended March 31, 2026:

On February 4, 2026 the Company granted 1,331,003 warrants as finder's fees in connection with financing activities. The warrants were measured at a total fair value of $537,659 on the grant date. The fair value of the warrants was calculated using the Black-Scholes Option Pricing Model based on the following assumptions: risk-free interest rate of 2.95%, forfeiture rate of 0%, no annual dividends, term of 3 years, and expected volatility of 107.89%.

A total of 7,816,980 outstanding warrants were exercised for cash proceeds of $2,510,527 with an average exercise price of $0.32 per unit

Transaction during the year ended December 31, 2025:

On October 8, 2025 the Company granted 1,058,600 warrants as finder's fees in connection with financing activities. The warrants were measured at a total fair value of these warrants was $299,155 on the grant date. The fair value of the warrants was calculated using the Black-Scholes Option Pricing Model based on the following assumptions: risk-free interest rate of 2.74%, forfeiture rate of 0%, no annual dividends, term of 3 years, and expected volatility of 111.34%.

A total of 1,265,000 outstanding warrants were exercised for cash proceeds of $539,750 with an average exercise price of $0.43 per unit

(Expressed in Canadian dollars)

8. SHARE CAPITAL (continued)

Share Purchase Warrants

The following is a continuity schedule of the Company's share purchase warrant activities:

	Number of warrants	Weighted average exercise price
		$
Balance, December 31, 2024	29,744,688	0.45
Issued	33,262,119	0.41
Exercised	(1,265,000)	0.43
Balance, December 31, 2025	**61,741,807**	**0.42**
Issued	15,219,896	0.41
Exercised	(7,816,980)	0.32
Expired	(500,000)	0.08
Balance, March 31, 2026	**68,644,723**	**0.42**

The following table summarizes the share purchase warrants outstanding and exercisable as at March 31, 2026

Number of warrants outstanding	Exercise price	Remaining life	Expiry date
	$	(years)	
13,400,000	0.55	0.19	June 9,2026
3,784,900	0.55	0.22	June 19, 2026
1,700,000	0.30	0.98	March 25, 2027
1,232,360	0.30	1.80	January 17, 2028
612,328	0.30	1.99	March 27, 2028
10,351,667	0.45	2.03	April 11, 2028
1,750,000	0.24	2.05	April 18, 2028
17,683,120	0.40	2.52	October 8, 2028
1,058,600	0.25	2.52	October 8, 2028
1,851,852	0.37	2.54	October 15, 2028
15,219,896	1.35	2.84	February 3, 2029
68,644,723			

Restricted Share Units ("RSUs")

In July 2023, the Company adopted an equity incentive plan for its directors, officers, and employees, pursuant to which the Company may grant RSUs and PSUs. The aggregate number of RSUs and PSUs issuable under the incentive plan shall not exceed 14,218,000 common shares.

Upon vesting, at the Company's discretion, the holder of an RSU award may receive: (i) one common share; (ii) a cash payment equal to the market price of a common share on the settlement date; or (iii) a combination of common shares and cash.

<u>*Transaction during the three months ended March 31, 2026:*</u>

During the three months ended March 31, 2026, the Company granted 881,250 RSUs to certain directors, officers and consultants of the Company with an aggregate grant date fair value of $599,250. Fifty percent (50%) of the RSUs vest on the first anniversary of the grant date, and the remaining fifty percent (50%) vest on the second anniversary of the grant date. Upon vesting, each RSU entitles the holder to receive one common share of the Company for no additional consideration

(Expressed in Canadian dollars)

8. SHARE CAPITAL (continued)

Restricted Share Units ("RSUs")

Transaction during the year ended December 31, 2025:

No transactions during the year ended December 31,2025.

The following is a continuity schedule of the Company's RSU activities:

	Number of RSUs
Balance, December 31, 2025	6,609,000
Granted	881,250
Forfeited/cancelled	(87,500)
Balance, March 31, 2026	**7,402,750**

The following table summarizes the RSUs outstanding (unvested and vested where applicable) as at March 31, 2026:

Number of RSUs Outstanding	Remaining life (years)	Vesting Date
6,521,500	0.38	August 15, 2026
440,625	0.85	February 5, 2027
440,625	1.85	February 5, 2028
7,402,750		

During the three months ended March 31, 2026, the Company recorded share-based compensation of $140,207 (March 31, 2025 - $239,631) in relation to RSUs.

Performance Share Units ("PSUs")

In July 2023, the Company adopted an equity incentive plan for its directors, officers, and employees, pursuant to which the Company may grant RSUs and PSUs. The aggregate number of RSUs and PSUs issuable under the incentive plan shall not exceed 14,218,000 common shares.

Upon vesting, at the Company's discretion, the holder of an PSU award may receive: (i) one common share; (ii) a cash payment equal to the market price of a common share on the settlement date; or (iii) a combination of common shares and cash.

Transaction during the three months ended March 31, 2026:

During the three months ended March 31, 2026, the Company granted 293,750 PSUs to certain directors, officers and consultants of the Company with an aggregate grant date fair value of $199,750. Fifty percent (50%) of the PSUs vest on the first anniversary of the grant date, and the remaining fifty percent (50%) vest on the second anniversary of the grant date. Upon vesting, each PSU entitles the holder to receive one common share of the Company for no additional consideration

During the three months ended March 31, 2026, the Company recorded share-based compensation of $89,009 (March 31, 2025 - $235,595) in relation to PSUs.

(Expressed in Canadian dollars)

8. SHARE CAPITAL (continued)

The following is a continuity schedule of the Company's PSU activities:

	Number of PSUs
Balance, December 31, 2025	6,609,000
Granted	293,750
Forfeited/cancelled	(87,500)
Balance, March 31, 2026	**6,815,250**

The following table summarizes the PSUs outstanding (unvested and vested where applicable) as at March 31, 2026:

Number of PSUs Outstanding	Remaining life (years)	Vesting Date
6,521,500	0.38	August 15, 2026
146,875	0.85	February 5, 2027
146,875	1.85	February 5, 2028
6,815,250		

Reserve

Reserve includes items recognized as share-based payments and the value allocated to share purchase warrants and contributed surplus related to the joint venture.

9. RELATED PARTY TRANSACTIONS

Key management personnel are the persons responsible for the planning, directing, and controlling of the activities of the Company and include both executives and non-executive directors, and entities controlled by such persons. The Company considers all directors and officers of the Company to be key management personnel. All related party transactions are recorded at the amount agreed to by the Company and the related party.

In accordance with applicable accounting standards, parties are considered to be related if one party has the ability to control or exercise significant influence over the other, or if they are subject to common control. Close family members of key management personnel are also considered related parties.

As at March 31, 2026, the Company owed $38,882 (March 31, 2025 - $133) to directors, officers, and companies with common directors and officers of the Company for reimbursement of expenses and accrued fees which are included in accrued liabilities and trade and other payables.

During the three months ended March 31, 2026, the Company incurred bonuses of $836,000, including $781,000 was paid to key management personnel.

A summary of key management personnel compensation is as follows:

	For the three months ended March 31,	
	2026	**2025**
	$	$
Consulting and management fee	**1,113,651**	357,408
Share-based compensation	**1,952,425**	420,649
Finders Fees	**88,120**	-
	3,154,195	778,057

10. FINANCIAL INSTRUMENTS & 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:

- 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's financial instruments consist of cash, short-term investments, and trade and other payables. The fair value of short-term investments and trade and other payables approximates their carrying values. Cash and short-term investment are measured at fair value using level 1 inputs.

The Company is exposed to risks of varying degrees of significance from its use of financial instruments which could affect its ability to achieve its strategic objectives for growth and stakeholder returns. The principal risks to which the Company is exposed, and the actions taken to manage them, are described below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

The risks associated with the Company's financial instruments and the policies on how to mitigate these risks are set out below.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices such as interest rate risk. The Company has no marketable securities and accordingly the risk is low.

Interest rate risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Company's short-term investments earn fixed rates of interest and the Company does not have any borrowings. Interest rate risk is limited to potential decreases on the interest rate offered on cash and short-term investments, when renewed, held with chartered Canadian financial institutions. This risk is considered minimal.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its cash and short-term investments. The Company limits exposure to credit risk by maintaining its cash and its short-term investments with large financial institutions. This risk is considered minimal.

Currency risk

The Company's exposure to foreign currency risk arises primarily from cash balances denominated in U.S. dollars. At March 31, 2026, the Company held no material U.S. dollar-denominated monetary assets or liabilities other than cash balances, which are translated into Canadian dollars at period end. Accordingly, a 10% change in USD/CAD would not have a material impact on net income or equity. Management assesses the Company's currency risk exposure as low.

(Expressed in Canadian dollars)

11. CAPITAL DISCLOSURES

The Company's objectives when managing capital are to maintain an appropriate capital base in order to:

- Advance the Company's corporate strategies to create long-term value for its stakeholders;
- Sustain the Company's operations and growth throughout metals and materials cycles; and
- Ensure compliance with the covenants of any applicable credit facility and other financing facilities used from time to time.

The Company monitors its capital and capital structure on an ongoing basis to ensure it is sufficient to achieve the Company's short-term and long-term strategic objectives. Management primarily funds the Company's exploration by issuing share capital, rather than using other capital sources that require fixed repayments of principal and interest. Management closely monitors its cash balance. The balance of cash as at March 31, 2026 was $4,005,114 (March 31, 2025 - $777,209) and short-term investment of $26,000,000 (March 31, 2025 - $NIL). The Company does not currently have significant debt outstanding and there are presently no formal capital requirements with which the Company has not complied.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is appropriate. There were no changes in the Company's approach to capital management during the three months ended March 31, 2026.

12. SUPPLEMENTAL DISCLOSURES WITH RESPECT TO CASH FLOWS

	For the three months ended March 31,	
	2026	**2025**
	$	$
Supplemental non-cash disclosure:		
Shares issued for exploration and evaluation assets	**-**	-
Shares issued for finder's fees	**-**	-
Warrants issued for exploration and evaluation assets	**-**	-
Warrants issued for finder's fees	**537,659**	-
Reclassification of due to related party to trade payables	**-**	-
Exploration and evaluation expenditures in accrued liabilities and trade and other payables	**-**	-

13. SEGMENTED INFORMATION

The Company's only business activity is exploration and development of exploration and evaluation properties carried out in USA (Note 6).

14. COMMITMENTS

In May 2023, the Company entered into Independent Contractor Services Agreements with the GKM Holdings Ltd., a company controlled by the Chairman and director of the Company, to provide management consulting services to the Company. The agreement requires monthly payments of $20,000. Included in the agreement is a provision for a one-year pay-out ($240,000) in the event of a termination without notice and a provision for a two-year pay-out ($480,000) in the event of a change of control. In August 2023, the Company amended the agreements to increase the monthly fees to $30,000 resulting in the one-year payout increasing to $360,000 and the two-year payout increasing to $720,000. In December 2024, the Company amended the agreements to increase the monthly fees to $40,000 resulting in the one-year payout increasing to $480,000 and the two-year payout increasing to $960,000.

In May 2023, the Company entered into Independent Contractor Services Agreements with the President, CEO and director of the Company to provide management consulting services to the Company. The agreement requires monthly payments of $20,000. Included in the agreement is a provision for a one-year pay-out ($240,000) in the event of a termination without notice and a provision for a two-year pay-out ($480,000) in the event of a change of control. In August 2023, the Company amended the agreements to increase the monthly fees to $30,000 resulting in the one-year payout increasing to $360,000 and the two-year payout increasing to $720,000. In December 2024, the Company amended the agreements to increase the monthly fees to $40,000 resulting in the one-year payout increasing to $480,000 and the two-year payout increasing to $960,000.

In May 2023, the Company entered into an Independent Contractor Services Agreement with IMEX Consultants Inc., a company controlled by a director of the Company, to provide management consulting services to the Company. The agreement requires quarterly payments of US$25,000. Included in the agreement is a provision for a one-year pay-out (US$100,000) in the event of a termination without notice and a provision for a two-year pay-out (US$200,000) in the event of a change of control.

In July 2023, the Company entered into a consulting agreement with a director of the Company to assist the Company in the exploration of the Nevada North Lithium Project. The base fee for the service is US$25,000 every three months, payable in arrears at the end of every three months. Included in the agreement is a provision for a one-year pay-out (US$100,000) in the event of a termination without notice and a provision for a two-year pay-out (US$200,000) in the event of a change of control.

In September 2023, the Company entered into a consulting agreement with the corporate secretary of the Company to provide management consulting services to the Company. The agreement requires monthly payments of $7,000. Included in the agreement is a provision for a one-year pay-out ($84,000) in the event of a termination without notice and a provision for a two-year pay-out ($168,000) in the event of a change of control.

In November 2024, the Company entered into an independent contractor services agreement with Tu Hoang Lieu ("Lieu") to provide management consulting services to the Company. The agreement required monthly payments of $5,000. Included in the agreement is a provision for twelve months' pay out ($60,000) in the event of a termination without cause and a cash payment equal to the value of any then vested equity compensation held by Lieu. In the event of change in control, the Company is liable to pay a lump sum payment equivalent to 24 months fee ($120,000), and a payment equal to all cash bonuses paid to Lieu in the 24 months prior to the change in control.

In December 2025, the Company entered into an independent contractor services agreement with Steffen Ball ("Ball") to provide management consulting services to the Company. The agreement requires monthly payments of US$13,333. Included in the agreement is a provision for twelve months' pay out (US$160,000) in the event of a termination without cause and a cash payment equal to the value of any then vested equity compensation held by Ball. In the event of change in control, the Company is liable to pay a lump sum payment equivalent to 24 months fee (US$320,000), and a payment equal to all cash bonuses paid to Ball in the 24 months prior to the change in control.

15. SUBSEQUENT EVENTS

On April 15, 2026, Nevada North Lithium LLC (“NNL”), the joint venture between subsidiaries of the Company and Rubicon Nevada Lithium Corp., received an additional capital contribution of CA$2,100,000 from Rubicon Nevada Lithium Corp. pursuant to the amended and restated operating agreement. The advance will be used to fund ongoing preliminary feasibility study (“PFS”) activities and related development work. This follows prior advances totaling CA$4,700,000, which were used to support the 2025 infill drilling program, mineral resource estimation, metallurgical testing, PFS engineering, and mine planning activities.

In April 2026, a total of 556,660 outstanding warrants were exercised for gross proceeds of $232,900, at a weighted average exercise price of $0.42 per warrant.

On May 5, 2026, the Company received proceeds of $23,960 from the exercise of 63,000 stock options. In connection with the exercise, the Company issued 63,000 common shares in accordance with the terms of the stock option plan.

On May 6, 2026, the Company submitted an initial application to list its common shares on the Nasdaq Capital Market (“Nasdaq”). The proposed listing is intended to support the Company’s long-term capital markets strategy by enhancing visibility among U.S. investors, broadening the Company’s shareholder base, and improving trading liquidity. The application remains subject to Nasdaq review and approval.

In May 2026, a total of 14,860,500 outstanding warrants were exercised for gross proceeds of $8,167,275, at a weighted average exercise price of $0.55 per warrant.