

ST. JAMES GOLD CORP.

CONDENSED INTERIM FINANCIAL STATEMENTS
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

FOR THE THREE MONTHS ENDED DECEMBER 31, 2025

NOTICE OF NO AUDITOR REVIEW

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

The accompanying unaudited condensed interim financial statements of St. James Gold Corp. have been prepared by and are the responsibility of management.

The Company's independent auditor has not performed a review of these condensed interim consolidated financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of condensed interim consolidated financial statements by an entity's auditor.

ST. JAMES GOLD CORP.
CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

AS AT	December 31, 2025	September 30, 2025
ASSETS		
Current		
Cash	\$ 143,233	\$ 241,949
Amounts receivable	31,608	31,519
Prepays	20,806	40,151
Current assets	195,647	313,619
Non-current assets		
Exploration and evaluation assets (Note 4)	10,000	10,000
TOTAL ASSETS	\$ 205,647	\$ 323,619
LIABILITIES AND SHAREHOLDERS' DEFICIENCY		
Current		
Accounts payable and accrued liabilities (Notes 6 and 7)	\$ 86,387	\$ 143,269
Current liabilities	86,387	143,269
Non-current liabilities		
Promissory notes (Notes 4, 5, and 7)	3,063,478	2,919,808
Total Liabilities	3,149,865	3,063,077
Shareholders' deficiency		
Share capital (Note 8)	39,520,678	39,520,678
Reserves (Note 8)	4,846,020	4,846,020
Subscriptions received in advance	137,381	137,381
Deficit	(47,447,297)	(47,243,537)
Total Shareholders' Deficiency	(2,943,218)	(2,739,458)
TOTAL LIABILITIES AND SHAREHOLDERS' DEFICIENCY	\$ 206,647	\$ 323,619

Nature and continuance of operations (Note 1)
Commitments and contingencies (Notes 4 and 10)
Subsequent event (Note 15)

Approved and authorized by the Board on March 2, 2026

<u>"Tsun Yee Law"</u>	Director	<u>"Nicolas Lin Kuan Liang"</u>	Director
Tsun Yee Law		Nicolas Lin Kuan Liang	

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

ST. JAMES GOLD CORP.**CONDENSED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS**

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

	Three months ended December 31, 2025	Three months ended December 31, 2024
ADMINISTRATIVE EXPENSES		
Administrative services	\$ 11,468	\$ 7,820
Audit and accounting	17,625	12,625
Consulting fees (Note 7)	30,000	30,955
Foreign exchange loss	884	3,124
Interest and penalty	-	10,237
Interest and accretion on promissory notes (Note 5)	78,482	44,307
Legal	-	54,422
Management fees (Note 7)	45,000	60,000
Marketing and promotion	-	2,063
Regulatory fees	30,113	7,266
Loss before other items	(213,572)	(232,819)
OTHER ITEMS:		
Gain on debt extinguishment (Note 6)	9,812	-
Loss and comprehensive loss for the period	\$ (203,760)	\$ (232,819)
Basic loss per common share	\$ (0.01)	\$ (0.01)
Diluted loss per common share	\$ (0.01)	\$ (0.01)
Weighted average number of common shares outstanding	37,862,902	33,914,706

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

ST. JAMES GOLD CORP.
CONDENSED INTERIM STATEMENTS OF CASH FLOWS
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

	Three Months Ended December 31, 2025	Three Months Ended December 31, 2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the period	\$ (203,760)	\$ (232,819)
Items not affecting operating cash:		
Gain on debt extinguishment	(9,812)	-
Interest and accretion on promissory notes	78,482	44,307
Changes in non-cash working capital items:		
Amounts receivable	(89)	(3,115)
Prepays	18,345	11,185
Accounts payable and accrued liabilities	18,118	172,614
Net cash used in operating activities	(98,716)	(7,828)
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest payments	-	(9,832)
Net cash provided by financing activities	-	(9,832)
Change in cash for the period	(98,716)	(17,660)
Cash, beginning of period	241,949	46,162
Cash, end of period	\$ 143,233	\$ 28,502
Supplementary disclosure with respect to cash flows		
Cash paid during the period for interest	\$ -	\$ 44,307
Reclassification of accounts payables and accrued liabilities to promissory notes	\$ 75,000	\$ -

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ST. JAMES GOLD CORP.

CONDENSED INTERIM STATEMENTS OF SHAREHOLDERS' DEFICIENCY

(Expressed in Canadian Dollars)

(Unaudited – Prepared by Management)

	Share Capital		Subscriptions received in advance	Reserves	Deficit	Total
	Number	Amount				
Balance at September 30, 2024	33,914,706	\$ 39,146,964	\$ 137,381	\$ 4,846,020	\$ (46,733,478)	\$ (2,603,113)
Loss for the period	-	-	-	-	(232,819)	(232,819)
Balance at December 31, 2024	33,914,706	39,146,964	137,381	4,846,020	(46,966,297)	(2,935,932)
Private placement	1,842,932	175,079	-	-	-	175,079
Share issuance costs – cash	-	(1,365)	-	-	-	(1,365)
Shares issued for settlement of debt	2,105,264	200,000	-	-	-	200,000
Loss for the period	-	-	-	-	(510,059)	(510,059)
Balance at September 30, 2025	37,862,902	39,520,678	137,381	4,846,020	(47,243,537)	(2,739,458)
Loss for the period	-	-	-	-	(203,760)	(203,760)
Balance at December 31, 2025	37,862,902	\$ 39,520,678	\$ 137,381	\$ 4,846,020	\$ (47,447,297)	\$ (2,943,218)

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

ST. JAMES GOLD CORP.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

FOR THE THREE MONTHS ENDED DECEMBER 31, 2025

1. NATURE AND CONTINUANCE OF OPERATIONS

St. James Gold Corp. (the “Company”), is incorporated under the Business Corporations Act, (British Columbia). The Company is engaged in the acquisition, exploration and development of mineral resource properties located in Canada. On October 14, 2020, the Company changed its name from Bard Ventures Ltd. to St. James Gold Corp. and began trading on the TSX Venture Exchange under the new symbol TSXV: LORD.

The Company’s head office and principal address is Suite 704 – 595 Howe Street, Vancouver, British Columbia, Canada, V6C 2T5. The Company’s registered and records office is Suite 600 - 777 Hornby Street, Vancouver, British Columbia, V6Z 1S4.

On February 5, 2025, the Company suspended trading in the Company’s securities as a result of a Cease Trade Order (“CTO”) issued by the British Columbia Securities Commission for failure to file required annual financial statements and management’s discussion and analysis. On July 29, 2025, the Company reinstated trading in the Company’s securities as the TSX Venture Exchange has completed its review.

The recovery of the amounts comprising exploration and evaluation assets is dependent upon the confirmation of economically recoverable reserves, the ability of the Company to obtain necessary financing to successfully complete their exploration and development, and upon future profitable production.

These condensed interim financial statements have been prepared by management on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. At December 31, 2025, the Company had not yet achieved profitable operations, had accumulated losses of \$47,447,297 (September 30, 2025 - \$47,243,537) since its inception, and expects to incur further losses in the development of its business, all of which casts significant doubt about the Company’s ability to continue as a going concern. A number of alternatives including, but not limited to selling an interest in one or more of its properties or completing a financing, are being evaluated with the objective of funding ongoing activities and obtaining working capital. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future and repay its liabilities arising from normal business operations as they become due. These material uncertainties may raise substantial doubt about the Company’s ability to continue as a going concern.

The Company’s business may be affected by changes in political and market conditions, such as interest rates, availability of credit, inflation rates, changes in laws, tariffs and national and international circumstances. Recent geopolitical events and potential economic global challenges such as the risk of higher inflation and energy crises, may create further uncertainty and risk with respect to the prospects of the Company’s business.

The condensed interim financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence.

2. BASIS OF PREPARATION

Statement of Compliance

The condensed interim financial statements of the Company have been prepared in accordance with IFRS Accounting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”). Therefore, these condensed interim financial statements comply with International Accounting Standard (“IAS”) 34 “Interim Financial Reporting”.

ST. JAMES GOLD CORP.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
(Unaudited – Prepared by Management
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FOR THE THREE MONTHS ENDED DECEMBER 31, 2025

2. BASIS OF PREPARATION (CONT'D)

Basis of Presentation

The condensed interim financial statements have been prepared on a historical cost basis except for certain financial assets measured at fair value. All dollar amounts presented are in Canadian Dollars unless otherwise specified.

Significant accounting judgments and estimates

The preparation of condensed interim financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities as at the date of the financial statements and the reported revenues and expenses during the year. Although management uses historical experience and its best knowledge of the amount, events or actions to form the basis for judgments and estimates, actual results may differ from these estimates.

Critical judgments exercised in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are as follows:

Impairment of Exploration and Evaluation Assets

Management is required to assess impairment in respect to the Company's intangible mineral property interests. The triggering events are defined in IFRS 6. In making the assessment, management is required to make judgments on the status of each project and the future plans towards finding commercial reserves. The carrying value of each exploration and evaluation asset is reviewed regularly for conditions that may suggest impairment. This review requires significant judgment. Factors considered in the assessment of asset impairment include, but are not limited to, whether there has been a significant adverse change in the legal, regulatory, accessibility, title, environmental or political factors that could affect the property's value; whether there has been an accumulation of costs significantly in excess of the amounts originally expected for the property's acquisition, development or cost of holding; and whether exploration activities produced results that are not promising such that no more work is being planned in the foreseeable future. If impairment is determined to exist, a formal estimate of the recoverable amount is performed, and an impairment loss is recognized to the extent that the carrying amount exceeds the recoverable amount.

Financial Liabilities Modification and Fair Value Determination

Management exercises significant judgment in assessing whether modifications to financial liabilities are substantial under IFRS 9 and therefore result in derecognition of the original liability. This assessment requires evaluating quantitative and qualitative factors, including the comparison of discounted cash flows under the original and revised terms and the determination of an appropriate effective interest rate.

Estimation uncertainty arises in determining the fair value of newly recognized financial liabilities following a substantial modification, as this requires judgment regarding discount rates and future cash flows. Changes in these judgments and estimates could result in different accounting outcomes, including the recognition of gains or losses on extinguishment.

3. MATERIAL ACCOUNTING POLICIES

Exploration and evaluation assets

The Company charges to operations all exploration and evaluation expenses incurred prior to the determination of economically recoverable reserves. These costs would also include periodic fees such as license and maintenance fees.

ST. JAMES GOLD CORP.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
(Unaudited – Prepared by Management
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FOR THE THREE MONTHS ENDED DECEMBER 31, 2025

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

Exploration and evaluation assets (cont'd)

The Company capitalizes direct mineral property acquisition costs and those expenditures incurred following the determination that the property has economically recoverable reserves. Mineral property acquisition costs include cash consideration and the fair value of common shares issued for mineral property interests, pursuant to the terms of the relevant agreement. These costs are 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, or when impairment in value has been determined to have occurred. A mineral property is reviewed for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. Indirect administrative costs and costs of surveying, exploratory drilling, sampling, materials, fuel, equipment rentals or payments to contractors are expensed as incurred.

Although the Company has taken steps to verify the title to mineral properties in which it has an interest, in accordance with industry practice for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements or transfers and title may be affected by undetected defects.

Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. The Company may be subject to litigation claims from suppliers, former employees, parties to contracts and others. A provision is recognized when the Company determines the probability that the event will occur is greater than the probability that it will not. The Company regularly reviews any outstanding claims it may have to see if they meet the criteria. A provision is calculated based on management's best estimate of a probable outflow of economic resources.

Provision for environmental rehabilitation

The Company recognizes liabilities for legal or constructive obligations associated with the retirement of mineral properties and equipment. The net present value of future rehabilitation costs is capitalized to the related asset along with a corresponding increase in the rehabilitation provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value.

The 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 assets with a corresponding entry to the rehabilitation provision. The increase in the provision due to the passage of time is recognized as interest expense.

As at December 31, 2025, the Company, given the early stage of exploration on its mineral properties, has no reclamation costs and therefore no provision for environmental rehabilitation has been made.

Financial instruments

The Company recognizes a financial asset or financial liability on the statement of financial position when it becomes party to the contractual provisions of the financial instrument except for trade receivables which are initially recognized when they are originated. Financial assets are initially measured at fair value and are derecognized either when the Company has transferred substantially all the risks and rewards of ownership of the financial asset, or when cash flows expire. Financial liabilities are initially measured at fair value and are derecognized when the obligation specified in the contract is discharged, cancelled or expired.

ST. JAMES GOLD CORP.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
(Unaudited – Prepared by Management
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FOR THE THREE MONTHS ENDED DECEMBER 31, 2025

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

Financial instruments (cont'd)

When the terms of an existing financial liability are modified or exchanged with the same lender, the Company assesses whether the modification is substantial based on quantitative and qualitative factors. A modification is considered substantial if the discounted present value of the cash flows under the new terms, including fees paid or received, differs by 10% or more from the discounted present value of the remaining cash flows of the original liability. If the modification is substantial, the original liability is derecognized, and a new financial liability is recognized at fair value. The difference between the carrying amount of the extinguished liability and the fair value of the new liability is recognized in profit or loss. If the modification is not substantial, the carrying amount of the liability is adjusted for any fees or costs incurred, and the modified effective interest rate is recalculated to reflect the revised cash flows. Any gain or loss arising from the modification that does not result in derecognition is recognized in profit or loss over the remaining term of the liability through the revised effective interest rate. Transaction costs directly attributable to the modification or extinguishment are recognized as part of the gain or loss on extinguishment.

A write-off of a financial asset (or a portion thereof) constitutes a derecognition event. Write-off occurs when the Company has no reasonable expectation of recovering the contractual cash flows on a financial asset.

Classification and measurement

The Company determines the classification of its financial instruments at initial recognition. Financial assets and financial liabilities are classified according to the following measurement categories: (i) those to be measured subsequently at fair value, either through profit or loss ("FVTPL") or through other comprehensive income ("FVTOCI"); or (ii) those to be measured subsequently at amortized cost.

The classification and measurement of financial assets after initial recognition at fair value depends on the business model for managing the financial asset and the contractual terms of the cash flows. Financial assets that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding, are generally measured at amortized cost at each subsequent reporting period. All other financial assets are measured at their fair values at each subsequent reporting period, with any changes recorded through profit or loss or through other comprehensive income (which designation is made as an irrevocable election at the time of recognition).

Financial instruments classified at fair value through profit or loss ("FVTPL") are measured of fair value.

Financial instruments classified at amortized cost are initially measured at fair value and subsequently measured at amortized cost using the effective interest rate method.

A summary of the classification and measurement of the Company's financial instruments is set out below.

Financial Assets and Liabilities	Classification and measurement
Cash	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Promissory notes	Amortized cost

ST. JAMES GOLD CORP.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
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FOR THE THREE MONTHS ENDED DECEMBER 31, 2025

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

Impairment of non-financial assets

At each statement of financial position date, the Company reviews the carrying amounts of its non-financial assets to determine whether there is an indication that those assets have suffered an impairment loss. If such an indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. The recoverable amount is the higher of the fair value less costs of disposal and the value in use. If the recoverable amount is less than the carrying amount of the asset, the carrying amount is reduced to the recoverable amount and the impairment loss is recognized in profit or loss. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

Valuation of equity units issued in private placements

The Company records proceeds from issuances of equity net of issue costs and any related tax effects. The Company has adopted the residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first attributes value to the shares based on their quoted trading price at issuance, and the residual amount, if any, is attributed to the value of the warrants. Any fair value attributed to the warrants is recorded within the warrant reserve.

Share-based payment

The fair value of stock options granted to employees is recognized as an expense over the vesting period with a corresponding increase in the equity settled share-based payments reserve account. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee, including directors of the Company. The fair value includes a forfeiture estimate, which is revised for actual forfeitures in subsequent periods.

The fair value is measured at the grant date using the Black-Scholes option-pricing model, taking into account the terms and conditions upon which the options were granted. At each statement of financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of stock options that are expected to vest.

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

All share options and warrants are included in reserves, a component of shareholders' equity, until exercised. Upon exercise, the consideration received plus the amounts in reserves attributable to the options and/or warrants being exercised are credited to share capital.

Where the terms of an equity-settled award are modified, the minimum expense recognized is the expense as if the terms had not been modified. An additional expense is recognized for any modification which increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee as measured at the date of modification. If the options expire or are cancelled, the corresponding amount previously recorded remains in reserves.

ST. JAMES GOLD CORP.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
(Unaudited – Prepared by Management
(Expressed in Canadian Dollars)
FOR THE THREE MONTHS ENDED DECEMBER 31, 2025

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

Loss per share

The Company recognizes the dilutive effect on loss per share based on the use of the proceeds that could be obtained upon exercise of options, warrants and similar instruments. It assumes that the proceeds would be used to purchase common shares at the average market price during the period. Basic loss per share is calculated using the weighted average number of common shares outstanding during the period. As at December 31, 2025, 1,880,000 (September 30, 2025– 1,880,000) options and Nil (September 30, 2025 – 1,816,667) warrants were not included in the calculation of dilutive earnings per share as their inclusion was anti-dilutive.

Share-issuance costs

Share issue costs are deferred and charged directly to share capital on completion of the related equity financing. If the financing is not completed, share issue costs are charged to profit or loss. Costs directly identifiable with the raising of capital will be charged against share capital.

Income taxes

Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at year end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded by providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes; the initial recognition of assets or liabilities that affect neither accounting or taxable loss and does not give rise to equal taxable and deductible temporary differences; and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the statement of financial position date.

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

Additional income taxes that arise from the distribution of dividends are recognized at the same time as the liability to pay the related dividend. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Adoption of New and Future Accounting Standards

A number of new standards, and amendments to standards and interpretations, are not effective and have not been early adopted in preparing these financial statements. The following accounting standards and amendments are effective for future periods:

- i) Classification of Liabilities as Current or Non-current (Amendments to IAS 1) – The amendments to IAS 1 provide a more general approach to the classification of liabilities based on the contractual arrangements in place at the reporting date.

This amended standard is effective for reporting periods beginning on or after January 1, 2024. The Company has assessed and determined it did not have a material impact on the Company in the current reporting period.

ST. JAMES GOLD CORP.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)
FOR THE THREE MONTHS ENDED DECEMBER 31, 2025

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

Adoption of New and Future Accounting Standards (cont'd)

- ii) IFRS 18 - Presentation and Disclosure in Financial Statements - IFRS 18 introduces three sets of new requirements to give investors more transparent and comparable information about companies' financial performance for better investment decisions.
- a) Three defined categories for income and expenses – operating, investing or financing – to improve the structure of the income statements, and require all companies to provide new defined subtotals, including operating profit;
 - b) Requirement for companies to disclose explanations of management-defined performance measures (MPMs) that are related to the income statement; and
 - c) Enhanced guidance on how to organize information and whether to provide it in the primary financial statements or in the notes.

This new standard is effective for reporting periods beginning on or after January 1, 2027. The Company will be evaluating the impact of the above standard on its financial statements.

4. EXPLORATION AND EVALUATION ASSETS

The Company's mineral property interests are comprised of properties located in Canada.

Mineral properties	Grub Line	Quinn Lake	Total
Balance, September 30, 2024	\$ 10,000	\$ -	\$ 10,000
Acquisition cost capitalized			
Cash	-	10,000	10,000
Shares	-	10,500	10,500
Impairment	(121,250)	(234,250)	(355,500)
Balance, September 30, 2025 and December 31, 2025	\$ 10,000	\$ -	\$ 10,000

Grub Line Property

On December 11, 2020, the Company entered into an option agreement to acquire a 100% interest in 29 claims covering 1,791 acres in the Gander Gold District in North Central Newfoundland Island (the "Grub Line Option Agreement"). Pursuant to the terms of the Grub Line Option Agreement, total aggregate consideration payable by the Company is an aggregate of \$50,000 cash over three years, exploration totaling not less than \$50,000 over three years, and the issuance of an aggregate of 200,000 common shares of the Company to the optionor as follows:

Cash payments

- \$20,000 on the approval of the Option Agreement by the Exchange (paid);
- \$10,000 on the first anniversary of Exchange approval (paid);
- \$10,000 on the second anniversary of Exchange approval (requirement amended, see below); and
- \$10,000 on the third anniversary of Exchange approval (requirement amended, see below).

ST. JAMES GOLD CORP.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

FOR THE THREE MONTHS ENDED DECEMBER 31, 2025

4. EXPLORATION AND EVALUATION ASSETS (CONT'D)

Grub Line Property (cont'd)

Share issuances

- 50,000 common shares on the approval of the Option Agreement by the Exchange (issued and valued at \$34,000);
- 50,000 common shares on the first anniversary of Exchange approval (issued and valued at \$60,000);
- 50,000 common shares on the second anniversary of Exchange approval (requirement amended, see below); and
- 50,000 common shares on the third anniversary of Exchange approval (requirement amended, see below).

Exploration expenditures

- incur \$50,000 of exploration expenditures within a period of 36-months (requirement amended, see below).

On March 1, 2022, the Company amended the agreement to acquire 100% interest of the property as the optionor agreed to the remove all remaining obligations in consideration of cash payment of \$7,250 (paid) and payable amount of \$605 (paid) related to exploration expenditures.

The optionor retains a royalty of 2% net smelter returns (“NSR”) on production from the Grub Line Option Agreement. Additionally, the Company will be required to issue an additional 500,000 common shares to the Optionor if at any time before or after exercise of the option the Company obtains a 43-101 Report estimating an inferred mineral resource of not less than 100,000 ounces of gold. The requirement was waived as part of the March 1, 2022 amendment.

Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral properties. The Company has investigated title to all of its mineral properties, and, to the best of its knowledge, title to all of its properties, are properly registered and in good standing.

During the year ended September 30, 2024, the Company had no immediate plans to explore the property which is an indicator of impairment under IFRS 6, resulting in an assessment of the property’s recoverable amount. Due to uncertainty in recoverability, the Company has impaired the property, recognizing an impairment loss of \$121,250 during the year ended September 30, 2024.

During the year ended September 30, 2025, the Company renewed its focus on the Grub Line property and commenced further exploration activities. Exploration and evaluation costs incurred during the year have been expensed.

Although the property was impaired in prior periods, no reversal of the impairment has been recognized, as the fair value of the Grub Line property is not determinable at this time.

Quinn Lake

On January 7, 2021, the Company entered into an option agreement to acquire a 100% interest in Quinn Lake Claims in consideration of \$65,000 cash, exploration expenditures of \$100,000, and issuance of 300,000 common shares over three years. Exchange approval was received on January 29, 2021.

On March 1, 2022, the Company agreed to buyout one of the optionors and removed their portion of obligations in consideration of cash payment of \$2,250 (paid) and payable amount of \$3,204 (paid) related to exploration expenditures. The obligations been amended as such:

ST. JAMES GOLD CORP.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

FOR THE THREE MONTHS ENDED DECEMBER 31, 2025

4. EXPLORATION AND EVALUATION ASSETS (CONT'D)

Quinn Lake (cont'd)

Cash payments

- \$20,000 on the approval of the option agreement by the TSX Venture Exchange (paid);
- \$10,000 on the first anniversary of Exchange approval (paid);
- \$10,000 on the second anniversary of Exchange approval (paid); and
- \$10,000 on the third anniversary of Exchange approval (paid).

Share issuances

- 75,000 common shares on the approval of the option agreement by the TSX Venture Exchange (issued and valued at \$138,750);
- 50,000 common shares on the first anniversary of Exchange approval (issued and valued at \$25,500);
- 50,000 common shares on the second anniversary of Exchange approval (issued and valued at \$7,250); and
- 50,000 common shares on the third anniversary of Exchange approval (issued and valued at \$10,500).

The vendors retain a royalty of 2% net smelter returns on production from the Quinn Lake claims with one half of the total royalty purchasable for \$666,667 pre-production. Additionally, the Company will be required to issue an additional 333,333 common shares to the Optionor if at any time before or after exercise of the option the Company obtains a 43-101 Report estimating an inferred mineral resource of not less than 750,000 ounces of gold.

During the year ended September 30, 2024, the Company had no immediate plans to explore the property which is an indicator of impairment under IFRS 6, resulting in an assessment of the property's recoverable amount. Due to uncertainty in recoverability, the Company has impaired the property, recognizing an impairment loss of \$234,250 during the year ended September 30, 2024.

During the year ended September 30, 2025, the Company's interest in Quinn Lake was transferred to Florin as part of the Final Release Settlement Agreement.

Florin Gold

On March 12, 2021, the Company signed a letter of intent to acquire Florin Gold Property, and paid a \$200,000 non-refundable deposit toward the transaction.

On April 6, 2021, the Company entered into an option agreement with Florin Resources Inc. ("Florin") to acquire 85% of the Florin Gold Property in Yukon Territory, Canada.

On July 5, 2021, (the "Effective Date") the Company received final acceptance from the TSX Venture Exchange.

The agreement is a 3 phase exploration agreement. Completion of all the phases under the agreement is subject to a staged cash payment of \$8,400,000, issuance of 6,200,000 common shares, exploration expenditures of \$20,000,000 over a 4-year period, and funding and completing a bankable feasibility study on the property. Additionally, Florin would have the right to appoint a director on the Board of the Company. The agreement was amended in April 2021 and June 2021 to revise the amount and timing on certain option payments.

Florin agreed to be the operator of the property and will be paid 10% of the exploration expenditures as operating fee, of which the Company recorded an amount of \$211,904 during the year ended September 30, 2022.

Phase I – First Option

The First Option of the agreement grants the Company an option to acquire an initial undivided 51% interest in the property by making the following option payments:

ST. JAMES GOLD CORP.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

FOR THE THREE MONTHS ENDED DECEMBER 31, 2025

4. EXPLORATION AND EVALUATION ASSETS (CONT'D)**Florin Gold (cont'd)**

Date	Amount	Number of Common Shares
Within 5 days of the Effective Date	\$2,100,000 (the "First Cash Payment") (Paid)	1,050,000 (the "First Share Issuance") (Issued)
On the one-year anniversary of the Effective Date	\$2,100,000** (the "Second Cash Payment")	850,000*** (the "Second Share Issuance")
Within 5 days from the Top-Up Condition	-	200,000* (the "Top-Up Share Issuance")
On the two-year anniversary of the Effective Date	\$2,100,000 (the "Third Cash Payment")	1,050,000*** (the "Third Share Issuance")
On the three-year anniversary of the Effective Date	\$2,100,000 (the "Fourth Cash Payment")	1,050,000*** (the "Fourth Share Issuance")

* Top-Up Condition – in the event that Florin holds less than 10% of the issued and outstanding common shares of the Company, and delivers a written notice regarding its top-up option, the Company would be required to issue Top-Up Shares to Florin.

** The Company entered into an amendment agreement where the Company can pay the Second Cash Payment in common shares ("Second Cash Payment Shares") priced at an 15% discount to the closing price of the common shares on the TSXV immediately preceding the day on which the announcement is made. If, on or before the one year anniversary of the Effective Date, the Company closes one or more debt or equity financings for gross proceeds equal to or greater than \$8,610,000 ("Qualified Financing"), then Florin's agreement to accept common shares in lieu of the cash amount of the Second Cash Payment automatically becomes null and void.

*** Upon 60 days written notice from Florin, Florin has the option to request that the Second Share Issuance, Third Share Issuance or Fourth Share Issuance can be satisfied by receiving a \$3,150,000 cash payment from the Company in lieu of the shares.

Pursuant to the terms of the option agreement, the First Cash Payment, First Share Issuance, Second Cash Payment, Second Share Issuance and Top-Up Share Issuance (\$4,200,000 in cash and 2,100,000 common shares) are firm commitments and are not optional payments once the Effective Date has occurred, of which the "Second Cash Payment" of \$2,100,000, and the "Second Share Payment" for which Florin has exercised its right to receive \$3,150,000 cash in lieu of shares, have been recorded as other liabilities.

The Company is required to complete 5,000 meters of drilling, which is a firm commitment. As of September 30, 2022, the Company has completed 4,464 meters of drilling.

Pursuant to the terms of the option agreement, the Company shall pay to Florin advance royalty payments of \$100,000 per year, commencing on the effective date and ending on the earlier of the commencement of commercial production or termination of the option agreement. As of September 30, 2022, the first advance royalty payment has been paid, and the second advanced royalty payment in the amount of \$100,000 has been recorded as an accrual in other liabilities. As of September 30, 2023, the Company paid the second advanced royalty payment from the funds released in an escrow account as agreed to in the Settlement Agreement (as defined below).

Concurrent with the execution of this agreement, the Company and Florin have entered into the Escrow Agreement where the Company will deposit the following into an escrow account: an irrevocable treasury direction representing \$2,100,000 common shares associated with the Second Cash Payment Shares, \$100,000 payable on the first anniversary of the Effective Date (the "Second Advance Royalty Payment"), and 850,000 common shares associated with the Second Share Issuance. As of September 30, 2022, the Company held \$100,000 in escrow and is classified as a deposit, an irrevocable treasury direction, and 850,000 common shares issued and in escrow. A discount of \$941,943 was applied to the value of shares placed in escrow as part of the Second Share Issuance. The discount applied to the Second Share Issuance was determined based on the escrow hold period, using a Put Option model with a stock price of \$3.49, expected period of 12 months, and a volatility of 230%.

ST. JAMES GOLD CORP.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

FOR THE THREE MONTHS ENDED DECEMBER 31, 2025

4. EXPLORATION AND EVALUATION ASSETS (CONT'D)

Florin Gold (cont'd)

The Escrow Agreement shall provide for the Company to deposit in escrow an executed irrevocable treasury direction to issue to Florin the number of common shares of the Company issuable in satisfaction of the Second Cash Payment, subject to receipt of approval of the TSX-V to issue such shares. If the Company completes a Qualified Financing then the Company will immediately be required to deposit \$2,100,000 to be held under the terms of the Escrow Agreement to satisfy the Second Cash Payment, and the treasury direction shall be returned to the Company for cancellation.

On May 3, 2022 Florin exercised its right to receive \$3,150,000 in cash to satisfy the Second Share Issuance. As the liability is to be settled in cash and not in shares, the value previously allocated in the amount of \$2,024,557 has been reclassified from share capital to other liabilities and increased to \$3,150,000 to represent the cash amount owed. The 850,000 shares remain issued and in escrow until returned to treasury.

If the Top-Up Condition is satisfied prior to the one-year anniversary of the Effective Date, the Company shall deposit the common shares representing the Top-Up Share Issuance into escrow, which did not occur prior to the one year anniversary.

Other than the First Cash Payment, the Second Cash Payment, the First Share Issuance and the Second Share Issuance, the cash payments and the share issuances required to exercise the First Option shall be at the Company sole discretion. If the Company decides not to make the optional Cash Payments and Share Issuances and to make the First Option Expenditures, this Agreement shall be terminated and Florin shall retain its interest in the Property. Upon the termination of this agreement, the Company shall have no further obligation to Florin for the committed cash payments and share issuances as described in the foregoing.

Upon completing First Option, the Company will have 90 days to decide whether it wants to earn the Second Option. The Second Option grants the Company an option to acquire an additional undivided 34% interest in the Florin Gold Property by issuing an additional 2,000,000 common shares of the Company and producing a Bankable Feasibility Study within 3 years of the exercise of the original 51% option.

As part of the Escrow Agreement, the Company is obligated to pay 629281 B.C. Ltd. (“629281”) a payment of \$250,000 in cash or shares at Florin’s option at any time it’s assessed that at least 2,000,000 ounces of gold exists on the property (“Ounces Bonus”).

During the year ended September 30, 2022, the Ounces Bonus was amended where the Company would satisfy the Ounces Bonus by making the following cash payments: \$125,000 within 10 days of the signing of the amended agreement (paid) and \$125,000 (unpaid and written off due to lapse of statute of limitations) within 10 days of the Company raising aggregate gross proceeds of \$1,000,000.

On September 21, 2022, the Company was unable to successfully negotiate an assignment or change in the terms of the option agreement within the extension period with Florin, as a result, Florin terminated the option and the Company wrote-off exploration and evaluation assets of \$11,549,000.

On February 24, 2023, the Company entered into a settlement agreement (“Settlement Agreement”) with Florin in connection with the Company’s failure to perform its obligations.

ST. JAMES GOLD CORP.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)
FOR THE THREE MONTHS ENDED DECEMBER 31, 2025

4. EXPLORATION AND EVALUATION ASSETS (CONT'D)

Florin Gold (cont'd)

Pursuant to the Settlement Agreement, all outstanding debts and commitments to Florin were extinguished by meeting the terms as follows:

- i) granted a secured promissory note in favor of Florin in the principal amount of \$500,000 (valued at \$330,838), bearing interest at a rate of 5% per annum and maturing three years after the date of grant (the “Cash Payment Promissory Note”) (Note 6).
- ii) issued 1,800,000 (valued at \$270,000) common shares of the Company to Florin (Note 9).
- iii) paid \$100,000 in cash to Florin.
- iv) granted a secured promissory note in favor of Florin in the principal amount of \$36,894, bearing interest at a rate of 5% per annum and maturing 120 days after the date of grant, (the “Disclosure Expense Promissory Note”) (Note 6). The note was repaid in full during year ended September 30, 2023.
- v) granted a secured promissory note in favor of Florin in the principal amount of \$676,599 (valued at \$447,690), bearing interest at a rate of 5% per annum and maturing three years after the date of grant (the “Operator Expense Promissory Note”) (Note 6).

In connection with the Settlement Agreement, the Company paid \$33,600 in legal fees to Florin.

For each aggregate net proceeds of \$1,000,000 raised by the Company through financings completed during the term of the Cash Payment Promissory Note and Operator Expense Promissory Note, the Company will repay \$100,000 of the outstanding principal amount owing on each of the Cash Payment Promissory Note and Operator Expense Promissory Note. The Company will repay the Disclosure Expense Promissory Note in full out of the proceeds raised by the Company in its next financing.

During the year ended September 30, 2023, the Company recorded the gain on debt settlement as follows:

Accounts payable and accrued liabilities settled	\$	720,765
Other liabilities settled		5,350,000
<i>Total liabilities and commitments settled</i>		6,070,765
Cash		(100,000)
1,800,000 common shares		(270,000)
Cash payment promissory note		(330,838)
Disclosure expense promissory note		(36,894)
Operator expense promissory note		(447,690)
Legal fees		(33,600)
<i>Terms of settlement</i>		(1,219,022)
Gain on settlement of debt	\$	4,851,743

ST. JAMES GOLD CORP.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
(Unaudited – Prepared by Management
(Expressed in Canadian Dollars)
FOR THE THREE MONTHS ENDED DECEMBER 31, 2025

4. EXPLORATION AND EVALUATION ASSETS (CONT'D)

Florin Gold (cont'd)

On March 28, 2025, the Company entered into a final release settlement agreement (the “Final Release Settlement Agreement”) whereby the Company agreed to terms in considerations of release from all outstanding claims listed in the settlement agreement above. The settlement agreement was closed on August 21, 2025.

The considerations for the Final Release Settlement Agreement as follows:

- i) cash payment of \$435,000 (paid by third parties who were assigned the unpaid liability balance that was due to Florin) (Note 6);
- ii) issuance of 2,105,264 common shares for debt at a fair value of \$0.095 per share that closed concurrently with the Settlement Agreement (issued and valued at \$200,000) (Note 9);
- iii) release of the 850,000 common shares of the Company that were held in escrow (released); and
- iv) transfer of the Quinn Lake Property (transferred).

As part of the Final Release Settlement Agreement, Florin agreed to participate as to 1,052,632 common shares in the Company’s private placement announced on December 27, 2024 at \$0.095 per share, which closed concurrently with the closing of the Settlement Agreement (Note 8).

5. PROMISSORY NOTES

During the year ended September 30, 2025, the Company:

- i) entered into debt settlement agreements with certain individuals and two officers of the Company whereby the outstanding balances of \$1,362,113 were converted to non-interest bearing unsecured promissory notes that maturing on December 31, 2026 (Note 7). During the period ended December 31, 2025, an additional balance of \$75,000 were converted to non-interest bearing unsecured promissory notes and the maturity date was amended to April 30, 2027.
- ii) entered into a debt settlement agreement with an arm’s length vendor whereby the outstanding amount of \$396,138 was converted to an unsecured promissory note, bearing an interest rate of 10% per annum and maturing on December 31, 2026. The modification of the terms to the outstanding payable to the vendor was substantial based on the application of IFRS 9 and therefore constituted an extinguishment of the original financial liability. The original liability was derecognized and a new financial liability as recognized at its fair value at modification date. The Company accretes the carrying value of the promissory note by recognizing an accretion expense in profit or loss and a credit to promissory note. The fair value of the new liability was determined by discounting the principal amount using an effective interest rate of 20% over the term of the loan. The derecognition and re-recognition of the liability resulted in a gain on extinguishment of debt of \$43,866.

On December 31, 2025, the maturity date of the debt settlement agreement was amended to April 30, 2027, which resulted in derecognition and re-recognition of the liability resulted in a gain on extinguishment of debt of \$9,812. During the period ended December 31, 2025, the Company recorded \$17,448 of interest expense and \$7,464 of accretion expense from the debt discount.

- iii) entered into promissory notes with certain individuals for total proceeds \$302,498, bearing an interest rate of 10% per annum and maturing on December 31, 2026. During the year ended September 30, 2025, the Company recorded \$1,877 interest expense. During the year ended December 31, 2025, the Company recorded \$7,643 interest expense.

ST. JAMES GOLD CORP.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

FOR THE THREE MONTHS ENDED DECEMBER 31, 2025

5. PROMISSORY NOTES (CONT'D)

- iv) entered into debt assignment agreements with certain individuals and an officer of the Company whereby the unpaid liability balance (Note 4) owed to Florin as of August 21, 2025 (\$1,073,469) was assigned to unsecured promissory notes, bearing an interest rate of 5% per annum and maturing on December 31, 2026. The modification of the terms to the outstanding payable to the Florin was substantial based on the application of IFRS 9 and therefore constituted an extinguishment of the original financial liability. The original liability was derecognized and a new financial liability as recognized at its fair value at modification date. The fair value of the new liability was determined by discounting the principal amount using an effective interest rate of 20% over the term of the loan. The Company accretes the carrying value of the promissory note by recognizing an accretion expense in profit or loss and a credit to promissory note. The fair value of the promissory note was determined to be \$881,581 and the Company recorded \$69,320 in gain on debt extinguishment, net of transaction costs \$69,880. During the year ended September 30, 2025, the Company recorded \$5,882 of interest expense and \$13,585 of accretion expense from the debt discount. During the period ended December 31, 2025, the Company recorded \$13,529 of interest expense and \$32,398 of accretion expense from the debt discount.

During the year ended September 30, 2023, the Company:

- i) granted a secured promissory note in favor of Florin in the principal amount of \$500,000, bearing interest at a rate of 5% per annum, payable monthly, and maturing on February 20, 2026. The fair value of the note at the time of issue was calculated by discounting the principal amount using an effective interest rate of 20% and an expected term of 36 months. The Company accretes the carrying value of the promissory note by recognizing an accretion expense in profit or loss and a credit to promissory note. The fair value of the promissory note was determined to be \$330,838. During the year ended September 30, 2024, the Company recorded \$24,876 of interest expense and \$51,493 of accretion expense from the debt discount. During the year ended September 30, 2025, the Company recorded \$47,410 of interest expense and \$53,752 of accretion expense up to August 31, 2025 (date of re-assignment). On August 21, 2025, the promissory note was assigned to certain individuals and an officer of the Company (see above).
- ii) granted a secured promissory note in favor of Florin in the principal amount of \$676,599, bearing interest at a rate of 5% per annum and maturing on February 20, 2026. The fair value of the note at the time of issue was calculated by discounting the principal amount using an effective interest rate of 20% and an expected term of 36 months. The Company accretes the carrying value of the promissory note by recognizing an accretion expense in profit or loss and a credit to promissory note. The fair value of the promissory note was determined to be \$447,690. During the year ended September 30, 2024, the Company recorded \$33,663 of interest expense and \$69,681 of accretion expense from the debt discount. During the year ended September 30, 2025, the Company recorded \$64,155 of interest expense and \$72,737 of accretion expense up to August 31, 2025 (date of re-assignment). On August 21, 2025, the promissory note was assigned to certain individuals and an officer of the Company (see above).

These promissory notes related to the Florin Settlement Agreement are secured by a general security agreement over all of the Company's assets.

ST. JAMES GOLD CORP.**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

FOR THE THREE MONTHS ENDED DECEMBER 31, 2025

5. PROMISSORY NOTES (CONT'D)

Continuity of the promissory notes is as follows:

Balance at September 30, 2024	\$ 961,142
Repayment in shares	(200,000)
Accretion of up to extinguishment date	126,489
Interests accrued up to extinguishment date	111,565
Interests paid	(14,829)
Carrying value of Florin loan on the date of extinguishment	984,367
Re-assignment of Florin promissory notes:	
Derecognition of Florin promissory note (extinguishment)	(984,367)
Recognition at fair value due to re-assignment	881,581
Accretion	13,585
Interest	5,882
Carrying value September 30, 2025	901,048
Other additional promissory notes	
Reclassification of accounts payables to promissory notes (modification of terms)	1,362,113
Reclassification of accounts payable and re-recognition as promissory note at fair value	352,272
New promissory notes with cash proceeds	302,498
Interest	1,877
Balance at September 30, 2025	2,919,808
Accretion	39,862
Interest	38,620
Reclassification of accounts payables to promissory notes	75,000
Reclassification of accounts payable and re-recognition as promissory note at fair value	(9,812)
Balance at September 30, 2025	\$ 3,063,478

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The Company's accounts payable and accrued liabilities are as follows:

	December 31, 2025	September 30, 2025
Trade payables	\$ 8,208	\$ 82,715
Accrued liabilities	78,179	60,554
Total	\$ 86,387	\$ 143,269

ST. JAMES GOLD CORP.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

FOR THE THREE MONTHS ENDED DECEMBER 31, 2025

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES (CONT'D)

During the year ended September 30, 2025, the Company:

- i) wrote off outstanding payable of \$309,837 as it was determined that these payables were no longer legally enforceable as a result of the expiration of the applicable statute of limitation.
- ii) settlement of outstanding payable of \$36,416 pursuant to the Florin Final Settlement (Note 4).
- iii) modified outstanding payable of \$1,758,251 pursuant to the debt settlement agreements entered into by the Company (Note 5).

7. RELATED PARTY TRANSACTIONS

The remuneration of directors and key management personnel during the period ended December 31, 2025 and 2024 are as follows:

	December 31, 2025	December 31, 2024
Management fees	\$ 45,000	\$ 60,000
	\$ 45,000	\$ 60,000

For the period ended December 31, 2025, the Company had the following transactions with key management, being related parties:

- i) paid or accrued \$Nil (2024 - \$30,000) for management services provided by the former President and CEO of the Company.
- ii) paid or accrued \$Nil (2024 - \$5,000) for management services provided by the former CFO of the Company.
- iii) paid or accrued \$15,000 (2024 - \$25,000) for management services provided by the CEO of the Company.
- iv) paid or accrued \$30,000 (2024 - \$Nil) for management services provided by the CFO of the Company.

The amounts due to other related parties and key management personnel are as follows:

	December 31, 2025	September 30, 2025
Accounts payable and accrued liabilities *	\$ 180	\$ 180
Promissory notes **	1,408,512	1,363,512
Total	\$ 1,408,692	\$ 1,363,692

* Amounts due to related parties have no specific terms of repayment, are unsecured and non-interest bearing.

** During the year ended September 30, 2025, the Company entered into debt modification agreements with the CEO and former officers of the Company whereby the outstanding balances of \$1,251,855 were converted to non-interest bearing long term payable that matures on December 31, 2026. In addition, the Company entered into an unsecured promissory note with its former CFO, in which a portion of the outstanding liability to Florin as of August 21, 2025—amounting to \$111,048—was re-assigned to the former CFO. By September 30, 2025, the interest accrued on this promissory note totalled \$609 (Note 6). During the period ended December 31, 2025, the Company amended the maturity date of the debt modification agreements from December 31, 2026 to April 30, 2027, and also included the additional balance of \$75,000 incurred by the CEO and CFO.

ST. JAMES GOLD CORP.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)
FOR THE THREE MONTHS ENDED DECEMBER 31, 2025

7. RELATED PARTY TRANSACTIONS (CONT'D)

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

8. SHARE CAPITAL AND RESERVES

a) Authorized share capital

As at December 31, 2025, the authorized share capital of the Company is an unlimited number of common shares without par value. All issued shares, consisting only of common shares are fully paid.

b) Issued share capital

During the year ended September 30, 2025, the Company:

- i) closed non-brokered private placement and issued 1,842,932 common shares at a price of \$0.095 per share for gross proceeds of \$175,079. The Company paid \$1,365 in share issuance costs. Florin purchased 1,052,632 common shares (valued at \$100,000) pursuant to the Final Release Settlement Agreement (Note 4).
- ii) issuance of 2,105,264 common shares to Florin for debt at a fair value price of \$0.095 per share (valued at \$200,000) that closed concurrently with the Final Release Settlement Agreement (Note 4).

c) Share options

The Company's share option plan (the "Plan") provides that the board of directors may from time to time, in its discretion, and in accordance with the Exchange requirements, grant to Directors, Officers, employees and technical consultants of the Company, non-transferable options to purchase the Company's shares. The exercise price of options granted under the Plan will not be less than the closing price of the Company's shares on the Exchange on the trading day immediately before the date of grant, less the discount permitted under the Exchange's policies and expire no later than 10 years from the grant date. The aggregate number of common shares reserved for issuance under the stock option plan is 10% of the number of issued and outstanding common shares.

As at December 31, 2025 and September 30, 2025, the Company had outstanding and exercisable stock options, enabling the holders to acquire further common shares as follows:

c) Share options (cont'd)

December 31, 2025	September 30, 2025	Exercise Price	Expiry Date
705,000	705,000	\$0.10	March 20, 2027
250,000	250,000	\$0.115	March 20, 2027
925,000	925,000	\$0.18	December 18, 2027
1,880,000	1,880,000		

ST. JAMES GOLD CORP.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

FOR THE THREE MONTHS ENDED DECEMBER 31, 2025

8. SHARE CAPITAL AND RESERVES (CONT'D)

Share option transactions are summarized as follows:

	Three months ended December 31, 2025		Year ended September 30, 2025	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Balance, beginning of period	1,880,000	\$ 0.14	2,905,000	\$ 0.14
Granted	-	-	-	-
Expired	-	-	-	-
Cancelled	-	-	(1,025,000)	0.14
Balance, end of period	1,880,000	\$ 0.14	1,880,000	\$ 0.14

As at December 31, 2025 the weighted average remaining life of options was 1.58 years (September 30, 2025 – 1.84 years).

The volatility used in the Black-Scholes option pricing model is based on the historical volatility of the Company's shares.

d) Warrants

As at December 31, 2025 and September 30, 2025, the Company had outstanding warrants, enabling the holders to acquire further common shares as follows:

December 31, 2025	September 30, 2025	Exercise Price	Expiry Date
-	1,816,667	\$0.20	November 17, 2025
1,816,667	1,816,667		

Warrant transactions are summarized as follows:

	Three months ended December 31, 2025		Year ended September 30, 2025	
	Number of Warrants	Weighted Average Exercise Price	Number of Warrants	Weighted Average Exercise Price
Balance, beginning of period	1,816,667	\$ 0.20	5,107,901	\$ 0.43
Issued	-	-	-	-
Expired	(1,816,667)	0.20	(3,291,234)	0.55
Balance, end of period	-	-	1,816,667	\$ 0.20

ST. JAMES GOLD CORP.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)
FOR THE THREE MONTHS ENDED DECEMBER 31, 2025

8. SHARE CAPITAL AND RESERVES (CONT'D)

During the period ended December 31, 2025, the weighted average remaining life of warrants was Nil years (September 30, 2025– 0.13 years).

The volatility used in the Black-Scholes option pricing model is based on the historical volatility of the Company's shares.

9. SEGMENTED INFORMATION

The Company operates in one reportable operating segment, being the acquisition and exploration of mineral properties in Canada. As the operations comprise a single reporting segment, amounts disclosed also represent segment amounts.

10. FINANCIAL AND CAPITAL RISK MANAGEMENT

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 enters into financial instruments to finance its operations in the normal course of business.

The Company does not hold any financial instruments at fair value subject to level 1, 2 or 3 fair value measurements. There were no changes in level 1, 2 or 3 financial instruments during the period ended December 31, 2025 and the year ended September 30, 2025. The fair value of the Company's financial assets and financial liabilities approximate the carrying value due to the short-term maturities of the instruments. The fair value of the Company's promissory notes approximate the carrying value due to their initial recognition at fair value and their subsequent accretion at amortized cost.

The Company is exposed to varying degrees to a variety of financial instrument related risks:

Foreign exchange risk

The Company's functional currency is the Canadian Dollar and major purchases are transacted in Canadian Dollars. Management believes the foreign exchange risk derived from currency conversions is negligible. The foreign exchange risk is therefore manageable and not significant. The Company does not currently use any derivative instruments to reduce its exposure to fluctuations in foreign exchange rates.

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 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.

ST. JAMES GOLD CORP.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

FOR THE THREE MONTHS ENDED DECEMBER 31, 2025

10. FINANCIAL AND CAPITAL RISK MANAGEMENT (CONT'D)*Liquidity risk*

The Company's ability to continue as a going concern is dependent on management's ability to raise 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.

December 31, 2025	Less than twelve months	Less than three years	Total
Accounts payable and accrued liabilities	\$ 86,387	\$ -	\$ 86,387
Promissory notes – no interest bearing	-	1,437,113	1,437,113
Promissory notes – interest bearing *	-	1,626,365	1,626,365
	\$ 86,387	\$ 3,063,478	\$ 3,063,478

*Based on and including interest payable as per the based on terms of respective agreements.

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.

Capital management

The Company defines its capital as shareholders' equity. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition and exploration and development of mineral properties. The Board of Directors do not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The properties in which the Company currently has an interest are in the exploration stage. As such, the Company has historically relied on the equity markets to fund its activities. In addition, the Company is dependent upon external financings to fund activities. In order to carry out planned exploration and pay for administrative costs, the Company will need to raise additional funds. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes to the Company's approach to capital management during the period. The Company does not have any externally imposed capital requirements to which it is subject.

11. SUBSEQUENT EVENT

On December 31, 2025, the Company amended the promissory notes with certain individuals, two officers and an arm's length vendor (total face value \$1,817,619) to extend the maturity dates from December 31, 2026 to April 30, 2027.