



# **PROSPECTOR**

Metals Corp.

**PROSPECTOR METALS CORP.**

**CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

**For the Three Months Ended March 31, 2026 and 2025**

**Unaudited - Expressed in Canadian dollars**

**Notice to Reader**

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 condensed interim consolidated 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 condensed interim consolidated financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

**PROSPECTOR METALS CORP.**  
**Condensed Interim Consolidated Statements of Financial Position**  
**As at**  
(Unaudited - Expressed Canadian Dollars)

	Note	March 31, 2026	December 31, 2025
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$	43,927,931	\$ 42,573,980
Amounts receivable		53,866	120,543
Investments	5	816,574	907,545
Prepaid expenses		297,908	48,349
Total current assets		45,096,279	43,650,417
Non-current assets:			
Bond		37,500	37,500
Exploration and evaluation assets	4	4,605,177	4,605,177
Total assets	\$	49,738,956	\$ 48,293,094
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable and accrued liabilities	7	\$ 46,788	\$ 88,044
Flow-through share premium	9	253,394	351,459
Total current liabilities		300,182	439,503
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	6	101,899,437	99,774,091
Reserves	6	13,246,143	9,904,666
Deficit		(65,706,806)	(61,825,166)
Total shareholders' equity		49,438,774	47,853,591
Total liabilities and shareholders' equity	\$	49,738,956	\$ 48,293,094

Nature of operations (Note 1)

Subsequent event (Note 12)

Approved by the Board of Directors and authorized for issue on May 26, 2026.

\_\_\_\_\_"Craig Roberts"\_\_\_\_\_  
Director

\_\_\_\_\_"Rob Carpenter"\_\_\_\_\_  
Director

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

## PROSPECTOR METALS CORP.

### Condensed Interim Consolidated Statements of Loss and Comprehensive Loss

(Unaudited - Expressed Canadian Dollars)

	Note (s)	Three months ended March 31, 2026	Three months ended March 31, 2025
<b>Expenses</b>			
Consulting fees	7	\$ (147,000)	\$ (104,500)
Depreciation expense		-	(6,740)
Exploration and project evaluation	4	(214,455)	(23,049)
Investor relations		(127,404)	(28,268)
Listing and filing fees		(37,267)	(6,688)
Office and administrative		(30,012)	(30,438)
Professional fees		(83,614)	(65,638)
Rent		(2,175)	(11,273)
Share-based compensation	6	(3,407,129)	(53,479)
Travel		(62,692)	(25,241)
Loss before the undernoted		(4,111,748)	(355,314)
<b>Other income (expenses)</b>			
Unrealized loss on investments		(90,971)	-
Interest income		223,014	6,467
Other income from settlement of flow-through liability	9	98,065	14,991
<b>Loss and comprehensive loss for the period</b>		<b>\$ (3,881,640)</b>	<b>\$ (333,856)</b>
<b>Basic and diluted loss per common share</b>		<b>\$ (0.02)</b>	<b>\$ (0.01)</b>
<b>Weighted average number of common shares outstanding – basic and diluted</b>		<b>160,642,548</b>	<b>57,250,703</b>

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

## PROSPECTOR METALS CORP.

### Condensed Interim Consolidated Statements of Changes in Shareholders' Equity

For the three months ended March 31, 2026 and 2025

(Unaudited - Expressed Canadian Dollars)

	Share capital		Reserves	Deficit	Total shareholders' equity
	Number of shares	Amount			
<b>Balance, December 31, 2024</b>	<b>57,250,703</b>	<b>\$ 53,822,124</b>	<b>\$ 9,321,903</b>	<b>\$ (56,609,865)</b>	<b>\$ 6,534,162</b>
Share-based compensation	-	-	53,479	-	53,479
Loss for the period	-	-	-	(333,856)	(333,856)
<b>Balance, March 31, 2025</b>	<b>57,250,703</b>	<b>\$ 53,822,124</b>	<b>\$ 9,375,382</b>	<b>\$ (56,943,721)</b>	<b>\$ 6,253,785</b>
Shares issued for private placement	80,404,119	43,782,914	-	-	43,782,914
Shares issued for warrants exercised	11,865,410	3,681,818	(93,150)	-	3,588,688
Shares issued for options exercised	436,000	190,130	(80,600)	-	109,530
Flow-through share premium	-	(1,351,857)	-	-	(1,351,857)
Share-based compensation	-	-	580,580	-	580,580
Share issuance costs	-	(351,038)	122,454	-	(228,584)
Loss for the period	-	-	-	(4,881,445)	(4,881,445)
<b>Balance, December 31, 2025</b>	<b>149,956,232</b>	<b>\$ 99,774,091</b>	<b>\$ 9,904,666</b>	<b>\$ (61,825,166)</b>	<b>\$ 47,853,591</b>
Shares issued for warrants exercised	6,909,133	2,097,174	(53,480)	-	2,043,694
Shares issued for options exercised	80,000	28,172	(12,172)	-	16,000
Share-based compensation	-	-	3,407,129	-	3,407,129
Loss for the period	-	-	-	(3,881,640)	(3,881,640)
<b>Balance, March 31, 2026</b>	<b>156,945,365</b>	<b>\$ 101,889,437</b>	<b>\$ 13,246,143</b>	<b>\$ (65,706,806)</b>	<b>\$ 49,438,774</b>

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

## PROSPECTOR METALS CORP.

### Condensed Interim Consolidated Statements of Cash Flows

(Unaudited - Expressed Canadian Dollars)

	Note(s)	For the three months ended March 31, 2026	For the three months ended March 31, 2025
<b>Cash flows from operating activities:</b>			
Loss for the period		\$ (3,881,640)	\$ (333,856)
Items not affecting cash:			
Depreciation expense		-	6,740
Other income from settlement of flow-through liability	9	(98,604)	(14,991)
Unrealized loss on investment	9	90,971	-
Share-based compensation	6	3,407,129	53,479
Changes in non-cash working capital:			
Accounts payable and accrued liabilities		(41,256)	(827)
Amounts receivable		66,678	(29,059)
Prepaid expenses		(249,561)	4,234
<b>Net cash used in operating activities</b>		<b>(705,743)</b>	<b>(314,280)</b>
<b>Cash flows from financing activities:</b>			
Proceeds from warrants exercised	6	2,043,694	-
Proceeds from options exercised	6	16,000	-
<b>Net cash provided by financing activities</b>		<b>2,059,694</b>	<b>-</b>
Net change in cash and cash equivalents		1,353,951	(314,280)
Cash and cash equivalents, beginning of the period		42,573,980	1,205,977
Cash and cash equivalents, end of the period		\$ 43,927,931	\$ 891,697
<b>Cash and cash equivalents consisted of:</b>			
Cash deposited with a Canadian Senior Bank		\$ 43,599,543	\$ 583,539
Term deposits and guaranteed investment certificates issued		328,388	308,158
		\$ 43,927,931	\$ 891,697

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

# **PROSPECTOR METALS CORP.**

## **Notes to the condensed interim consolidated financial statements**

**For the three months ended March 31, 2026 and 2025**

**(Unaudited - Expressed in Canadian Dollars)**

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### **1. NATURE OF OPERATIONS**

Prospector Metals Corp. (the “Company” or “Prospector”) was incorporated on March 12, 2007 under the British Columbia Business Corporations Act. The Company is trading on the TSX Venture Exchange under the ticker symbol PPP. Its registered office is located at Suite 1012 – 1030 W Georgia St., Vancouver, BC, V6E 2Y3. The Company’s principal business activities are the identification, exploration and development of economically viable mineral properties.

The Company is trading on the TSX Venture Exchange under the ticker symbol PPP. The Company also consolidated its common shares based on one post-consolidation common share for each three pre-consolidated common shares. All common shares and per share amounts have been retroactively restated to reflect the consolidation.

As at March 31, 2026, the Company had current assets of \$45,096,279 (December 31, 2025 - \$43,650,417) to settle current liabilities of \$300,182 (December 31, 2025 - \$439,503), leaving the company with working capital of \$44,796,097 (December 31, 2025 - \$43,210,914).

#### **Going Concern and Continuance of Operations**

These condensed interim consolidated financial statements have been presented on the basis that the Company will continue as a going concern, which contemplates the realization of assets and satisfaction of liabilities in the normal course of business. Realization values may be substantially different from the carrying values shown and these condensed interim consolidated financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. The Company is expected to incur further losses in the development of its business. The Company’s ability to continue as a going concern is dependent upon its ability to obtain the necessary capital to meet its obligations and repay its liabilities arising from normal business operations when they come due. While the Company has been successful in securing financing in the past, there is no assurance that it will be able to do so in the future. These material uncertainties may cast significant doubt about the Company’s ability to continue as a going concern.

### **2. STATEMENT OF COMPLIANCE, BASIS OF PREPARATION, AND CONSOLIDATION**

#### **Statement of Compliance**

These condensed interim consolidated financial statements have been prepared in accordance with IFRS Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). These condensed interim consolidated financial statements were approved by the Board of Directors on May 26, 2026.

#### **Basis of Preparation**

The condensed interim consolidated financial statements have been prepared on a historical cost basis, except for assets classified as fair value through profit or loss which have been measured at fair value. These condensed interim consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information. The condensed interim consolidated financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations. Continued operations of the Company are dependent on the Company’s ability to receive financial support, necessary financing, or generate profitable operations in the future.

# PROSPECTOR METALS CORP.

## Notes to the condensed interim consolidated financial statements For the three months ended March 31, 2026 and 2025 (Unaudited - Expressed in Canadian Dollars)

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### Basis of Consolidation

These condensed interim consolidated financial statements include the financial statements of the Company, its 100% owned Canadian subsidiary 1088151 B.C. Ltd., and its 100% owned Mexican subsidiary Compañía Minera Roca Dorada, SA de CV (“Roca Dorada”). Subsidiaries are entities controlled by the Company. The Company controls a subsidiary when it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over its subsidiary. All significant inter-company balances and transactions have been eliminated upon consolidation.

### 3. MATERIAL ACCOUNTING POLICY INFORMATION

The preparation of these condensed interim consolidated financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amount of expenses during the reporting period. Actual outcomes could differ from these estimates. These financial statements include estimates that, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements and may require accounting adjustments based on future occurrences.

Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods.

These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Information about significant areas of estimation uncertainty in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are noted below with further details of the assumptions contained in the relevant note.

The preparation of these condensed interim consolidated financial statements requires management to make judgments regarding the going concern of the Company as discussed in Note 1.

The critical estimates and judgments applied in the preparation of the unaudited condensed interim consolidated financial statements for the three months ended March 31, 2026 are consistent with those applied and disclosed in note 3 to the Company's audited consolidated financial statements for the year ended December 31, 2025, with the exception of accounting policies related to restricted share units and deferred share units, which were granted for the first time during the period. RSUs are equity-settled share-based payments measured at the closing market price on the grant date, with the fair value of each vesting tranche recognized on a straight-line basis over its respective vesting period. DSUs are equity-settled share-based payments measured at the closing market price on the grant date and recognized in full on the date of grant..

#### Foreign currency translation

The functional currency of Prospector and its subsidiaries is the Canadian dollar. Foreign currency transactions are translated into the functional currency of the Company using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the exchange rate in effect at the financial statement date. Exchange gains or losses arising from these translations are recognized in profit or loss for the reporting period.

# PROSPECTOR METALS CORP.

## Notes to the condensed interim consolidated financial statements

For the three months ended March 31, 2026 and 2025

(Unaudited - Expressed in Canadian Dollars)

### 4) MINERAL INTERESTS

#### Acquisition costs

	British Columbia	Ontario	Quebec	Yukon	Newfoundland	Total
	\$	\$	\$	\$	\$	\$
Balance December 31, 2023	-	3,393,789	-	-	3,070,000	6,463,789
Acquisition costs:						
Cash payments	-	50,000	-	18,546	59,000	127,546
Share issuances	-	185,000	-	1,844,433	128,333	2,157,766
Impairment	-	(1,210,500)	-	-	(2,430,067)	(3,640,567)
Recovery	-	-	-	-	(25,000)	(25,000)
Balance, December 31, 2024	-	2,418,289	-	1,862,979	802,266	5,083,534
Acquisition costs:						
Share payments received	-	-	-	-	(478,357)	(478,357)
Balance, December 31, 2025 and March 31, 2026	-	2,418,289	-	1,862,979	323,909	4,605,177

#### Exploration expenditures

During the period ended March 31, 2026, the Company incurred the following exploration expenses:

	British Columbia	Ontario	Quebec	Newfoundland	Yukon	Total
	\$	\$	\$	\$	\$	\$
Administration	-	1,000	-	-	4,839	5,839
Camp costs	-	3,341	-	-	900	4,241
Drilling	-	-	-	-	38,018	38,018
Geological consulting	2,169	9,950	475	-	284,643	297,237
Government grant	-	(149,232)	-	-	-	(149,232)
Property maintenance	500	1,720	-	-	8,677	10,897
Travel	-	-	-	-	4,076	4,076
Other	-	-	-	-	3,379	3,379
Total, March 31, 2024	2,669	(133,221)	475	7,016	344,532	214,455

## PROSPECTOR METALS CORP.

### Notes to the condensed interim consolidated financial statements For the three months ended March 31, 2026 and 2025 (Unaudited - Expressed in Canadian Dollars)

During the period ended March 31, 2025, the Company incurred the following exploration expenses:

	British Columbia \$	Ontario \$	Quebec \$	Newfoundland \$	Yukon \$	Total \$
Administration	73	-	19	23	834	949
Camp costs	-	3,632	-	1,600	750	5,982
Field equipment	-	-	-	-	4,725	4,725
Geological	4,500	36,060	1,500	238	77,193	119,491
Government grant	-	(122,045)	-	-	-	(122,045)
Property Maintenance	2,989	2,735	404	475	-	6,603
Travel	-	958	-	-	2,210	3,168
Other	-	4,011	-	-	165	4,176
Total, March 31, 2025	7,562	(74,649)	1,923	2,336	85,877	23,049

#### a) *Gaffney, BC*

On September 11, 2020, the Company entered into an earn in agreement whereby the Company can earn a 100% interest in the Gaffney gold property located in central British Columbia by making the following cash and share payments:

	Cash		Common Shares
Within five days of the execution date	\$15,000	Paid	-
Within five days of TSX-V approval	-		66,667 Issued
On or before October 1, 2021	-		66,667 Issued
On or before October 1, 2022	-		66,667 Issued
On or before October 1, 2023	-		66,667 Issued

The vendor retains a 1% NSR royalty, of which the first 0.5% can be purchased for \$500,000, and a second tranche of 0.5% may be purchased for \$1,000,000. There are no work commitments.

During the year ended December 31, 2023, 66,667 shares were issued with a fair value of \$20,000, in relation to the Gaffney Property earn-in agreement. The Company subsequently terminated the earn-in agreement on the Gaffney project and wrote down the carrying value of the project totaling \$358,000 to \$Nil as at December 31, 2023.

#### b) *Savant Lake, Ontario*

On September 1, 2020, the Company entered into an earn-in agreement with New Dimension Resources Ltd. ("New Dimension") whereby the Company can earn a 70% interest in the Savant Lake gold property located in northwest Thunder Bay, Ontario.

The Company can earn a 70% interest in the Savant Lake property by paying the optionor a total of \$200,000 in cash, issuing 888,889 common shares of the Company, and completing \$2,000,000 in exploration work, as follows:

# PROSPECTOR METALS CORP.

## Notes to the condensed interim consolidated financial statements For the three months ended March 31, 2026 and 2025 (Unaudited - Expressed in Canadian Dollars)

	Cash		Shares		Work Commitment	
Within five days of the execution date	\$50,000	Paid	-		-	
Within five days of TSX Venture acceptance	-		222,222	Issued	-	
On or before September 20, 2021	-		111,111	Issued	-	
On or before November 15, 2022	\$50,000	Paid	222,222	Issued	\$500,000	Met
On or before November 15, 2023	\$50,000*		222,222*		\$1,000,000*	
On or before November 15, 2024	\$50,000*		111,111*		\$500,000*	

\*Due to termination and mutual release the payments and commitments have been terminated.

If a mineral resource in excess of one million ounces of gold is defined on the property, the Company will make additional payments to New Dimension of \$50,000 in cash and issue 222,222 common shares of the Company.

Due to ongoing community issues, the Company has called Force Majeure and as a result has not made the November 15, 2023 payment of cash and shares. The claims have been put on hold by the Ontario Ministry, without any payments required until December 2024.

On April 10, 2024, the Company issued 1,000,000 common shares, for a fair value of \$185,000, and paid \$50,000 to Capella Minerals in relation to the termination and mutual release of the existing earn-in agreement dated September 1, 2020 to acquire 70% interest in the Savant Lake Property. The share issuance and cash payment give effect to the new property acquisition agreement granting Prospector 100% interest in the Savant Lake Property.

On August 8, 2025, the Company signed a definitive option agreement with with BeMetals Corp. (TSXV: BMET, OTCQB: BMTLF, Frankfurt: IOIF) (“BeMetals”) to option up to a 100% interest in the Savant Gold Exploration Project. Under the agreement, BeMetals has the exclusive option to earn up to a 100% interest in the Savant Project over a five-year period by meeting certain money-in-the ground focused exploration, and mineral resource discovery-based success payments as follows:

- Initial Commitment: BeMetals will spend at least \$500,000 on exploration within first year of signing the definitive agreement.
- Annual Expenditures: BeMetals must spend \$500,000 annually on exploration, with the option to accelerate spending, for minimum cumulative exploration spending of \$2.5 Million.
- NI 43-101 Technical Report Supported Mineral Resources & Ownership: BeMetals will provide a NI 43-101 compliant Technical Report to support the mineral resources to determine the following ownership criteria:
  - < 500,000 ounces of gold (“oz”): Prospector retains 100% of the Project
  - 500,000 or more oz of gold in the Inferred resource category: a 50/50 joint venture to be formed
  - ≥1,000,000 oz of gold with ≥500,000 in the Indicated resource category: BeMetals acquires 100% ownership of the Project
- Success-Based Payment: BeMetals will pay Prospector US\$5/oz of gold in the mineral resource supported by the Technical Report.
- NSR Royalty: If BeMetals acquires full ownership of the Project, a 0.5% NSR royalty will be granted to Prospector.

# PROSPECTOR METALS CORP.

## Notes to the condensed interim consolidated financial statements For the three months ended March 31, 2026 and 2025 (Unaudited - Expressed in Canadian Dollars)

### *c) Toogood Project*

In fiscal 2020, Prospector entered into two earn-in agreements under which Prospector may earn a 100% interest in the Toogood claim group and the McGrath claim group located on New World Island, Newfoundland. These projects are situated to the north-east of the Company's Deep Cove and Virgin Arm properties. The Deep Cove, Virgin Arm, McGrath and Toogood claims are collectively referred to as the Toogood Project.

#### Toogood Claim Group Earn-in Agreement:

Prospector earned a 100% interest in the Toogood claim group.

The vendor retains a 2% NSR royalty, of which the first 1% can be purchased by Prospector for \$1,000,000. There are no work commitments.

#### McGrath Claim Group Earn-in Agreement:

Prospector earned a 100% interest in the McGrath claim group.

The vendor retains a 2% NSR royalty, of which the first 1% can be purchased for \$1,000,000. There are no work commitments.

#### Deep Cove Claim Group Earn-in Agreement:

Prospector earned a 100% interest in the Deep Cove claim group.

The vendor retains a 2% NSR royalty, of which the first 1% can be purchased for \$1,000,000.

#### Virgin Arm Claim Group Earn-in Agreement:

Prospector earned a 100% interest in the Virgin claim group.

The vendor retains a 3% NSR royalty, of which the first 1.5% can be purchased for \$1,500,000. There are no work commitments.

#### Fairbanks Earn-in Agreement:

	<b>Cash</b>		<b>Shares</b>	
Within five days of the execution date	\$50,000	Paid	-	
Within five days of TSX Venture	-		44,444	Issued
On or before June 15, 2022	\$50,000	Paid	33,333	Issued
On or before June 15, 2023	\$50,000	Paid	44,444	Issued
On or before June 15, 2024	\$50,000	Paid	66,667	issued

During the year ended December 31, 2024, the Company paid \$50,000 and issued 66,666 common shares relating to the acquisition of Fairbanks mineral property with a fair value of \$11,333.

# PROSPECTOR METALS CORP.

## Notes to the condensed interim consolidated financial statements

For the three months ended March 31, 2026 and 2025

(Unaudited - Expressed in Canadian Dollars)

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On September 20, 2024, the Company entered into an option agreement with Toogood Resources Gold Corp. (TSXV: TGC.V) (formerly 1484428 B.C. Ltd.) (“Toogood”) whereby Toogood may earn 100% of the Company’s Toogood Project.

Pursuant to the terms of the option agreement, Toogood is required to make aggregate cash payments of \$25,000 (received), issue shares having an aggregate value of \$900,000 (5,367,000 shares received (Note 5)), and incur an aggregate of \$6,000,000 in exploration expenditures within 60 months.

In addition, Toogood will assume responsibility for all underlying original vendor agreements, including net smelter royalties and milestone payments payable on the Toogood Project.

### Virgin Arm Agreement Amendment

In support of the option agreement with Toogood, the fully vested option and net smelter royalty agreement on the Virgin Arm portion of the Toogood Property has been amended to include the issuance of 900,000 additional common shares of the Company (issued during the year ended December 31, 2024, with a fair value of \$117,000) plus additional common shares having an aggregate market value of \$60,000 within 12 months, and eliminate annual prepayments due on a 3% net smelter royalty in exchange for a single cash payment of \$150,000.

During the year ended December 31, 2024, based on the option agreement the Company impaired the Toogood property to a value of \$802,266 (\$900,000 over time at a discounted rate of 6%) which resulted in an impairment on exploration and evaluation assets in the amount of \$2,430,067 during the year ended December 31, 2024.

### *d) Devon Project, Ontario*

On January 19, 2023, the Company acquired a 100% interest in the Devon Ni-Cu-PGE Project in Ontario through staking.

### *e) Mike Lake, Yukon*

On December 29, 2023, Prospector entered into a property purchase agreement to acquire a 100% interest in the ML Property (also known as the Mike Lake Property) from Troilus Gold Corporation (“Troilus”). The ML Property will be acquired from Troilus through a shares-only purchase agreement.

Per the property purchase agreement, Prospector is to provide Troilus with a Milestone Payment within 30 days of the completion of a mineral resource estimate, payable in cash or shares (with certain limitations should this result in Troilus holding over 20% of the issued and outstanding shares of Prospector).

- The Milestone payment shall be \$1,000,000, if Prospector’s Market Capitalization is less than \$20,000,000, or
- \$2 million if Prospector’s Market Capitalization is greater than \$20,000,000.

As the requirement for this contingent payment has not taken place, the Company has not reflected the milestone payment in the Company’s consolidated financial statements.

On March 5, 2024, the Company closed the acquisition. The Company also issued 9,222,164 common shares, with a fair value of \$1,844,433, to Troilus and incurred cash payments of \$18,546.

## PROSPECTOR METALS CORP.

### Notes to the condensed interim consolidated financial statements For the three months ended March 31, 2026 and 2025 (Unaudited - Expressed in Canadian Dollars)

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#### *f) Campbell Lake Gold Project, Ontario*

The Company earned a 100% interest in the Campbell Lake gold project.

As of December 31, 2024, the claims for the Campbell Lake Gold project have lapsed. As such, the Company wrote down the carrying value totaling \$748,000 to \$Nil as at December 31, 2024.

#### *g) Whitton Lake Project, Ontario*

The Company acquired 100% of the Whitton Lake claim block.

There are no work commitments. There is a 2% NSR. The Company can acquire 1% of the NSR by paying \$1,000,000.

#### *h) Schefferville, Quebec*

On August 5, 2020, the Company staked two claim blocks in the province of Quebec. Staking costs of \$80,145 are included in mineral property acquisition costs.

On October 15, 2020, Prospector announced that it has purchased a 100% interest in mineral claims contiguous to Prospector's newly staked Sable block, part of the Schefferville Gold Project.

Prospector has purchased the claims for \$50,000 cash (paid) and 166,666 shares of Prospector (issued). Additionally, there is a 2.0% NSR in favor of the vendors of which Prospector may purchase 1.0% for \$1,000,000.

As at December 31, 2024, the Schefferville claims are suspended and the Company, along with the Quebec government, is renegotiating a deal to resolve property access issues. During the year ended December 31, 2023, the Company wrote down the property's carrying value to \$Nil.

#### Schefferville Ashuanipi Property

On February 15, 2021, the Company entered into an earn-in agreement under which the Company may acquire a 100% interest in the Schefferville Ashuanipi Property by making \$100,000 in cash payments (paid) and issuing 222,222 shares on closing (issued). Prospector has committed to spending \$500,000 over three years on the claims with any shortfall resulting in a cash payment to the vendor in an amount equal to a prorated cash payment of \$100,000. If the commitment is satisfied, no such payment is required. The vendors will retain a 2.0% NSR royalty on the Property, of which 1.0% may be repurchased by the Company for \$1,000,000.

As at December 31, 2024, the Ashuanipi claims are suspended and the Company, along with the Quebec government, is renegotiating a deal to resolve property access issues. During the year ended December 31, 2023, the Company wrote down the property's carrying value to \$Nil.

On July 4, 2025, the Company entered into an option agreement with Cupani Metals Corp. (CUPA.CN) ("Cupani") whereby Cupani may earn 100% of the Company's Schefferville Project.

Pursuant to the terms of the option agreement, Cupani agreed to pay the following consideration:

- On or before August 23, 2025, pay requisite renewal fees in the amount of \$14,850 and complete a minimum of \$12,150 in exploration work (completed);

# PROSPECTOR METALS CORP.

## Notes to the condensed interim consolidated financial statements For the three months ended March 31, 2026 and 2025 (Unaudited - Expressed in Canadian Dollars)

- On or before September 18, 2025, pay requisite renewal fees of \$38,115 and complete a minimum of \$31,185 in exploration work (completed);
- Upon exercise of the option by Cupani, grant a 0.5% NSR on all minerals produced from the property, and which can be purchased entirely for a one-time cash payment of \$500,000; and
- Issue 625,000 common share purchase warrants each entitling the holder to acquire one common share of the Cupani at an exercise price of \$0.16 per share, vesting on February 1, 2026 and expiring three years from issuance, exercisable only after February 1, 2026.

On December 5, 2025, the Company received 625,000 common share purchase warrants of Cupani with a fair value of \$86,606 (Note 5). As the Company had no capitalized amounts related to the Schefferville property, the \$86,606 was recorded as a gain on sale of assets in the consolidated statement of loss and comprehensive loss. The fair value for the warrants was estimated using the Black-Scholes model with the following assumptions: share price on grant date of \$0.15; expected dividend yield of 0%; expected annualized volatility of 204%; a risk-free interest rate of 2.63%; and an expected average life of three years.

### 5) INVESTMENTS

	Fair value Jan 1, 2025	Additions December 31, 2025	Disposals December 31, 2025	Realized and unrealized gain December 31, 2025	Fair value December 31, 2025
Common shares	\$ 7,731	\$ 478,357	\$ -	\$334,850	\$820,939
Common share purchase warrants	-	\$86,606	\$-	\$-	\$86,606
Total	\$7,731	\$564,963	\$-	\$334,850	\$907,545

  

	Fair value Jan 1, 2026	Additions March 31, 2026	Disposals March 31, 2026	Realized and unrealized gain March 31, 2026	Fair value March 31, 2026
Common shares	\$ 907,545	\$ -	\$ -	\$ (90,971)	\$816,574

### 6) SHARE CAPITAL AND RESERVES

#### (a) Authorized

Unlimited number of common shares without par value  
Unlimited number of preferred shares without par value

#### (b) Common shares – issued and outstanding

The Company consolidated its common shares based on one post-consolidation common share for each three pre-consolidated common shares. All common shares and per share amounts have been retroactively restated to reflect the consolidation.

Common shares - At March 31, 2026, the Company has 156,945,365 (December 31, 2025 – 149,956,232) common shares issued and outstanding.

# PROSPECTOR METALS CORP.

## Notes to the condensed interim consolidated financial statements For the three months ended March 31, 2026 and 2025 (Unaudited - Expressed in Canadian Dollars)

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Preferred shares – At March 31, 2026 and December 31, 2025 no preferred shares were issued and outstanding.

### Three months ended March 31, 2026

For the three month period ended March 31, 2026 there were 6,909,133 warrants exercised for gross proceeds of \$2,043,694 with an average exercise price of \$0.30 per warrant. There was also 80,000 options exercised for gross proceeds of \$16,000 with an average exercise price of \$0.20 per option.

### Year ended December 31, 2025:

#### Shares issued for private placement

In May 2025, the Company closed non-brokered private placements raising total gross proceeds to the Company of \$5,735,350. The first tranche consisting of 25,974,026 charity flow-through units offered at a price of \$0.154, 1,000,000 flow-through units at a price of \$0.154 and 10,148,631 non-flow through units at a price of \$0.11. The second tranche consisted of 4,227,272 non-flow through units a price of \$0.11. A premium was received for the charity flow-through units and flow-through units resulting in an initial liability of \$1,186,857 (Note 9).

Each charity flow-through units and flow-through units is comprised of one flow-through common share and one half of one non-flow-through common share purchase warrant and each non-flow through units are comprised of one common share and one half of one non-flow-through common share purchase warrant (each whole warrant, a “Warrant”). Each Warrant is exercisable at a price of \$0.30 into one common share for a period of two years from the date of issuance.

In connection with the closing of the non-brokered private placement, the Company paid cash finders’ fees totaling \$228,584 and issued 1,558,654 finders’ warrants priced at \$0.30. Each finders’ warrant is exercisable for 2 years from the date of issue. The fair value of \$122,454 for the finders’ warrants was estimated using the Black-Scholes model with the following assumptions: share price on grant date of \$0.14; expected dividend yield of 0%; expected annualized volatility of 141.28%; a risk-free interest rate of 2.53%; and an expected average life of two years.

In November 2025, the Company closed a private placement of an aggregate of 39,054,190 common shares for gross proceeds of \$38,047,564 comprised of 5,500,000 flow-through common shares at a price of \$1.00 per flow-through share and 33,554,190 non-flow-through common shares at a price of \$0.97 per non-flow-through share. A premium was received for the flow-through common shares resulting in an initial liability of \$165,000 (Note 9).

During the year ended December 31, 2025 there were 11,865,410 warrants exercised for gross proceeds of \$3,588,668 with an average exercise price of \$0.30 per warrant. There was also 436,000 options exercised for gross proceeds of \$109,530 with an average exercise price of \$0.25 per option.

#### (c) Share purchase options

Share purchase options are granted at an exercise price equal to the estimated fair value of the Company’s common shares on the date of the grant. On June 22, 2020, the Company implemented a new Share Option Plan for the benefit of directors, employees, management company employees and consultants of the Company. The Plan provides that the directors of the Company may grant options to purchase common shares on terms that the directors may determine. The maximum aggregate number of common shares that may be reserved for issuance under the Plan is 10% of the issued and outstanding common shares of the Company at the time of grant.

## PROSPECTOR METALS CORP.

**Notes to the condensed interim consolidated financial statements**  
**For the three months ended March 31, 2026 and 2025**  
**(Unaudited - Expressed in Canadian Dollars)**

A summary of the status of the Company's outstanding and exercisable share purchase options is presented below:

	March 31, 2026		December 31, 2025	
	Number of Shares	Weighted Average Exercise Price	Number of Shares	Weighted Average Exercise Price
Outstanding at beginning of period	7,075,986	\$0.37	5,043,646	\$0.64
Granted	450,000	\$1.22	3,560,000	\$0.24
Expired/Cancelled	-	-	(1,091,660)	\$1.23
Exercised	80,000	\$0.20	(436,000)	\$0.25
Outstanding at end of period	7,445,986	\$0.42	7,075,986	\$0.37

During the period ended March 31, 2026, Prospector granted of a total of 450,000 incentive stock options to directors, officers, and consultants of the Company with a fair value of \$487,496. Each option is exercisable to purchase one common share of the Company for five years at a price \$1.22 per common share in accordance with the terms of the Company's stock option plan.

As at March 31, 2026, the following share purchase options were outstanding and exercisable:

Expiry date	Outstanding and Exercisable Options	Weighted Average Exercise Price	Weighted Average Remaining contractual life (in years)
May 20, 2026	116,664	\$2.04	0.13
August 3, 2026	55,555	\$3.78	0.34
October 8, 2026	74,998	\$2.34	0.52
April 21, 2027	172,221	\$1.86	1.05
December 1, 2027	11,110	\$1.80	1.66
March 27, 2028	455,438	\$0.63	1.98
March 11, 2029	300,000	\$0.22	2.94
June 14, 2029	2,615,000	\$0.20	3.20
February 25, 2030	520,000	\$0.18	3.91
June 13, 2030	2,475,000	\$0.25	4.21
September 1, 2030	200,000	\$0.27	4.42
March 17, 2031	450,000	\$1.22	4.96
	7,445,986	\$0.42	3.49

The following weighted-average grant date assumptions were used in valuing share purchase options granted during the period ended March 31, 2026 and the year ended December 31, 2025. The Company determines the fair value of options granted using the Black-Scholes model for share purchase options issued to employees. The Company determines the fair value of share purchase options issued to non-employees using the value of services provided by the non-employees.

## PROSPECTOR METALS CORP.

### Notes to the condensed interim consolidated financial statements For the three months ended March 31, 2026 and 2025 (Unaudited - Expressed in Canadian Dollars)

	March 31, 2026	December 31, 2025
Weighted average share price	\$1.19	\$0.20
Weighted average exercise price	\$1.22	\$0.24
Weighted average fair value per option	\$1.08	\$0.17
Risk-free interest rate	2.93%	2.92%
Expected volatility <sup>(1)</sup>	149%	130%
Expected years of option life <sup>(2)</sup>	5	5
Expected dividends	Nil	Nil

(1) The volatility was calculated using the Company's historical information and industry benchmarks.

(2) The effects of early exercise were not incorporated into the model as the options are expected to be held for the contractual life.

#### (c) Share purchase warrants

As at March 31, 2026 the Company had outstanding and exercisable share purchase warrants entitling the holders to acquire common shares as follows:

	March 31, 2026		December 31, 2025	
	Number of warrants	Weighted Average Exercise Price	Number of warrants	Weighted Average Exercise Price
Balance, beginning of period	20,279,360	\$0.30	10,910,934	\$0.36
Granted	-	-	22,233,613	\$0.30
Expired	-	-	(999,111)	\$0.97
Exercised	(6,909,133)	\$0.30	(11,865,410)	\$0.30
Balance, end of period	13,370,227	\$0.30	20,279,360	\$0.30

As at March 31, 2026, the Company had outstanding and exercisable share purchase warrants entitling the holders to acquire common shares as follows:

Expiry date	Outstanding and Exercisable warrants	Weighted average exercise price	Weighted average remaining life (in years)
May 21, 2026	534,997	\$0.30	0.13
May 15, 2027	12,351,037	\$0.30	1.11
May 15, 2027	484,193	\$0.30	1.11
<b>Balance</b>	<b>13,370,227</b>	<b>\$0.30</b>	<b>1.07</b>

(1) Subsequent to March 31, 2026, 2,737,750 warrants were exercised.

#### d) Restricted share units

The Company has a Restricted Share Unit ("RSU") plan under which the Board of Directors may grant RSUs to directors, officers, employees, and consultants. Each RSU entitles the holder to receive one common share of the Company upon vesting, subject to the terms of the RSU plan.

During the period ended March 31, 2026, Prospector granted 1,540,000 RSUs to directors, officers, and/or consultants of the Company with a total grant date fair value of \$63,632. The RSUs vest in two equal tranches: 50%

## PROSPECTOR METALS CORP.

### Notes to the condensed interim consolidated financial statements For the three months ended March 31, 2026 and 2025 (Unaudited - Expressed in Canadian Dollars)

on March 17, 2027 and 50% on September 27, 2027. The fair value of each RSU was based on the closing market price of the Company's common shares on the date of grant.

A summary of the status of the Company's outstanding RSUs is presented below:

	March 31, 2026	December 31, 2025
Balance, beginning of period	-	-
Granted	1,540,000	-
Vested	-	-
Cancelled	-	-
Balance, end of period	1,540,000	-

#### e) Deferred share units

The Company has a Deferred Share Unit ("DSU") plan under which the Board of Directors may grant DSUs to eligible directors and officers. Each DSU represents the right to receive one common share of the Company, or the cash equivalent, upon the holder's departure from the Board or such other conditions as may be determined at the time of grant. DSUs have no expiry date.

During the period ended March 31, 2026, Prospector granted 2,400,000 DSUs to directors of the Company with a total fair value of \$2,856,000. The DSUs vested immediately upon grant on March 17, 2026, and have no expiry date. The fair value of the DSUs was recognized in full on the grant date based on the closing market price of the Company's common shares.

A summary of the status of the Company's outstanding DSUs is presented below:

	March 31, 2026	December 31, 2025
Balance, beginning of period	-	-
Granted	2,400,000	-
Redeemed	-	-
Cancelled	-	-
Balance, end of period	2,400,000	-

## 7) RELATED PARTY TRANSACTIONS

The Company's related parties consist of its key management personnel. Key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of the Company, directly or indirectly, and consist of its directors, the Chief Executive Officer, and the Chief Financial Officer. Related party transactions not otherwise disclosed in these consolidated financial statements are:

# PROSPECTOR METALS CORP.

## Notes to the condensed interim consolidated financial statements For the three months ended March 31, 2026 and 2025 (Unaudited - Expressed in Canadian Dollars)

	<b>March 31, 2026</b>	<b>March 31, 2025</b>
Consulting fees	\$ 138,000	\$ 104,500
Professional fees	30,000	19,500
Share-based compensation	1,912,264	-
	<b>\$ 2,080,264</b>	<b>\$ 124,000</b>

\*Prospector Metals Corp. and Nevada King Gold Corp. have a common director namely, Craig Roberts. He is the Co-Chairman of Prospector Metals Corp. and director of Nevada King Gold Corp.

### Due to/from related parties

As at March 31, 2026, the amount due to related parties is \$nil (December 31, 2025 – \$15,717).

### 8) SEGMENT INFORMATION

- (a) The Company operates in one industry segment (Note 1).
- (b) At March 31, 2026, the Company's exploration and evaluation assets were located in four provinces and one territory. Please refer to Note 4.

The Company's other assets and liabilities and net expenses are attributable to its corporate office and exploration and project evaluation activities in Canada.

### 9) FLOW THROUGH SHARE PREMIUM LIABILITY

Flow-through share premium liabilities include the liability portion of the flow-through shares issued. The following is a continuity schedule of the liability portion of the flow-through shares issuance.

<b>Balance at December 31, 2024</b>	<b>\$ 14,991</b>
Liability incurred on flow-through shares	<b>1,351,857</b>
Settlement of flow-through share liability on incurring expenditures	(1,015,389)
<b>Balance at December 31, 2025</b>	<b>\$ 351,459</b>
Liability incurred on flow-through shares	-
Settlement of flow-through share liability on incurring expenditures	(98,065)
<b>Balance at March 31, 2026</b>	<b>\$ 253,394</b>

In May 2025, the Company closed a non-brokered private placement consisting of 26,974,026 flow-through units at a price of \$0.154 per FT Unit for aggregate gross proceeds of \$4,154,000. In connection with the private placement, a premium was received for the flow-through shares based on the difference between the subscription price and the market price of \$0.11 per share, resulting in an initial flow-through share liability of \$1,186,857. The Company has committed to incur eligible Canadian exploration expenditures of \$4,154,000 by December 31, 2026.

In November 2025, the Company closed a non-brokered private placement consisting of 5,500,000 flow-through units at a price of \$1.00 per FT unit for aggregate gross proceeds of \$5,500,000. In connection with the private placement, a premium was received for the flow-through shares based on the difference between the subscription price and the market price of \$0.97 per share, resulting in an initial flow-through share liability of \$165,000. The Company has committed to incur eligible Canadian exploration expenditures of \$5,500,000 by December 31, 2026.

# PROSPECTOR METALS CORP.

## Notes to the condensed interim consolidated financial statements For the three months ended March 31, 2026 and 2025 (Unaudited - Expressed in Canadian Dollars)

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The flow-through share liability is amortized to the statement of loss and comprehensive loss based on the percentage of eligible expenditures incurred during the year relative to the total commitment. During the year ended December 31, 2025, the Company incurred eligible expenditures of \$3,564,355 (2024 – \$1,096,340) and recognized \$1,015,389 (2024 – \$366,371) in the statement of loss and comprehensive loss. Included in the 2025 expenditures is the fulfillment of the remaining \$62,960 obligation carried forward from the year ended December 31, 2024

As at March 31, 2026, the Company has a remaining obligation to incur eligible Canadian exploration expenditures of \$5,809,380 by December 31, 2026, and a corresponding flow-through share liability of \$253,394.

### 10) MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard its ability to pursue its objectives. The Company measures its capital as its shareholders' equity. The Company's primary source of capital is the issuance of equity.

The Company manages and adjusts its capital structure whenever changes in economic conditions occur. To maintain or adjust the capital structure, the Company may seek additional funding.

The Company may require additional funding to meet its administrative overhead expenses in the long term. The Company believes it will be able to raise capital as required but recognizes there will be risks involved that may be beyond its control.

The Company expects its current capital resources will be sufficient to carry out its exploration plans and operations through at least the next twelve months. There are no external restrictions on the Company's capital.

### 11) FINANCIAL INSTRUMENTS AND MANAGEMENT OF FINANCIAL RISK

#### Fair value

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.

Investments are carried at fair value using a Level 1 fair value measurement. The recorded values of cash and cash equivalents, amounts receivable, and accounts payable and accrued liabilities approximate their carrying values due to their short-term to maturities which is the amount presented on the statement of financial position.

The Company is exposed to credit risk, liquidity risk and interest rate risk from its financial instruments which include cash and cash equivalents, amounts receivable, accounts payable and accrued liabilities. The Company is not exposed to significant market or other price risks.

#### Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's cash and short-term investments are on deposit at a major financial institution. Amounts receivable consist primarily of goods and services tax refunds due from the Government of Canada and are

# PROSPECTOR METALS CORP.

## Notes to the condensed interim consolidated financial statements For the three months ended March 31, 2026 and 2025 (Unaudited - Expressed in Canadian Dollars)

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neither past due nor impaired. As such, the Company considers its exposure to credit risk to be minimal.

### Liquidity risk

Liquidity risk is the risk that the Company will be unable to meet its financial obligations as they come due. The Company is exposed to liquidity risk through its accounts payable, accrued liabilities and amounts due to related parties, which are all due on demand. The Company uses cash forecasts to ensure as far as possible that there is sufficient cash on hand to meet short-term business requirements. Cash and cash equivalents are invested in highly liquid investments which are available to discharge obligations when they come due.

### Interest rate risk

Interest rate risk is the risk that changes in interest rates will affect the fair value or future cash flows of the Company's financial instruments. The Company is exposed from time to time to interest rate risk as a result of holding fixed rate temporary investments of varying maturities. The Company reduces the risk that it will realize a loss as a result of a decline in the fair value of these investments by limiting these investments to highly liquid securities with short-term maturities.

### Price risk

The Company has limited exposure to price risk with respect to equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market.

## 12) SUBSEQUENT EVENT

Subsequent to the period ended March 31, 2026, 2,737,750 warrants were exercised for \$821,325 proceeds.

Subsequent to the period ended March 31, 2026, 125,00 share purchase options were exercised for \$31,250 proceeds.

On April 15, 2026, subsequent to the period ended March 31, 2026, the Company entered into a definitive agreement with BeMetals Corp. ("BeMetals") to sell its Savant, Devon, Whitton (Ontario), and TooGood (Newfoundland) mineral properties in exchange for 29,400,000 post-consolidation common shares of BeMetals, representing 49.9% of BeMetals' issued and outstanding shares. Prior to closing, BeMetals will consolidate its shares on a 10:1 basis and change its name to Lightning Resource Corp.