KO GOLD INC.

CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2026 and March 31, 2025

EXPRESSED IN CANADIAN DOLLARS

Jones & O'Connell LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

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Independent Auditor's Report

To the Shareholders of KO Gold Inc.

Opinion

We have audited the consolidated financial statements of **KO Gold Inc.** ("the Group"), which comprise the consolidated statements of financial position as at March 31, 2026 and March 31, 2025 and the consolidated statements of operations and comprehensive loss, consolidated statements of changes in equity and consolidated statements of cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of **KO Gold Inc.** as at March 31, 2026 and March 31, 2025 and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the consolidated financial statements, which indicates that the Group has working capital of $1,365,970 (2025 - working capital deficit of $627,169), incurred a comprehensive loss for the year of $1,439,870 (2025 - $1,368,778) and has an accumulated deficit of $7,026,381 (2025 - $5,600,002). As stated in Note 1, these conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audits of the consolidated financial statements of the Group for the years ended March 31, 2026 and March 31, 2025. These matters were addressed in the context of our audits of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have identified no other key audit matters other than the matter described in the Material Uncertainty Related to Going Concern section of our report.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

Management is responsible for other information. Other information comprises the information included in Management's Discussion and Analysis filed with the relevant Canadian Securities Commissions for the years ended March 31, 2026 and March 31, 2025. Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon. In connection with our audits of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audits or otherwise appears to be materially misstated. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditors' report. We have nothing to report in this regard.

To the Shareholders of KO Gold Inc. (Continued)

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as issued by the IASB and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As a part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as a fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

To the Shareholders of KO Gold Inc. (Continued)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (Continued)

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter, or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Wayne O'Connell.

Jones & O'Connell LLP

Jones & O'Connell LLP
Chartered Professional Accountants
Licensed Public Accountants
July 29, 2026
St. Catharines, Ontario

Jones & O'Connell LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

KO GOLD INC.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(expressed in Canadian dollars)

As at,	**Notes**	**March 31, 2026 $**	**March 31, 2025 $**
Assets			
Current assets			
Cash		1,396,736	235,401
Sales tax receivable		56,037	20,763
Prepaid expenses and deposits		252,613	21,950
Total assets		1,705,386	278,114
Liabilities and Shareholders' Equity (Deficiency)			
Current liabilities			
Accounts payable and accrued liabilities	6	161,416	688,510
Loans payable	7	178,000	20,000
Convertible note	8	-	196,773
Total liabilities		339,416	905,283
Shareholders' Equity (Deficiency)			
Share capital	9	5,935,757	4,042,475
Equity portion of convertible debentures	8	-	3,227
Warrants	9	1,514,067	432,893
Contributed surplus	9	956,221	497,668
Accumulated deficit		(7,026,381)	(5,600,002)
Accumulated other comprehensive loss		(13,694)	(3,430)
Total shareholders' equity (deficiency)		1,365,970	(627,169)
Total liabilities and shareholders' Equity (Deficiency)		1,705,386	278,114

Nature of operations and going concern (Note 1)
Exploration and evaluation (Note 11)
Subsequent events (Note 17)

Approved by the Board of Directors:

"Gregory Isenor" — Director (Signed)

" Paul Teniere" — Director (Signed)

KO GOLD INC.

CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(expressed in Canadian dollars)

	Notes	March 31, 2026 $	Year ended March 31, 2025 $
Expenses			
Corporate and administrative	10	934,565	737,484
Exploration and evaluation	11	346,702	597,476
Share-based payments	9, 12	455,867	35,810
Total expenses		1,737,134	1,370,770
Other Items			
Interest income		-	(61)
disposition of mining permits	11	(260,000)	-
Foreign Exchange		2,319	-
write-off of accounts payable		(500)	-
Loss (gain) on debt settlement	9	(49,347)	-
Total other items		(307,528)	(61)
Net loss for the year		(1,429,606)	(1,370,709)
Other comprehensive income (loss)			
Foreign currency translation adjustment		(10,264)	1,931
Total other items		(10,264)	1,931
Net comprehensive loss for the year		(1,439,870)	(1,368,778)
Basic and diluted loss per share for the year	13	(0.05)	(0.06)
Weighted average number of common shares outstanding		28,096,996	23,114,478

KO GOLD INC.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (DEFICIENCY)

(expressed in Canadian dollars)

	Note	Number of shares #	Share Capital $	Equity component convertible debentures $	Warrants $	Contributed Surplus $	Deficit $	Accumulated Comprehensive Income (Loss) $	Total $
Balance, March 31, 2024		23,027,960	3,917,475	-	432,893	461,858	(4,229,293)	(5,361)	577,572
Shares issued for mineral properties	9, 11	657,894	125,000	-	-	-	-	-	125,000
Equity portion of convertible note		-	-	3,227	-	-	-	-	3,227
Share-based payments	9	-	-	-	-	35,810	-	-	35,810
Net loss for the year		-	-	-	-	-	(1,370,709)	-	(1,370,709)
Foreign currency translation adjustment		-	-	-	-	-	-	1,931	1,931
Balance, March 31, 2025		**23,685,854**	**4,042,475**	**3,227**	**432,893**	**497,668**	**(5,600,002)**	**(3,430)**	**(627,169)**
Balance, March 31, 2025		**23,685,854**	**4,042,475**	**3,227**	**432,893**	**497,668**	**(5,600,002)**	**(3,430)**	**(627,169)**
Foreign currency translation adjustment		-	-	-	-	-	-	(10,264)	(10,264)
Shares issued for mineral properties	9, 11	735,294	125,000	-	-	-	-	-	125,000
Shares issued for debt settlement	9	2,467,356	444,124	-	-	-	-	-	444,124
Repayment of convertible debenture	8	-	-	(3,227)	-	-	3,227	-	-
Private placement, net of share issuance cost	9	15,992,245	1,324,158	-	1,083,860	-	-	-	2,408,018
Warrant expiry	9	-	-	-	(2,686)	2,686	-	-	-
Share-based payments	9	-	-	-	-	455,867	-	-	455,867
Net loss for the year		-	-	-	-	-	(1,429,606)	-	(1,429,606)
Balance, March 31, 2026		**42,880,749**	**5,935,757**	**-**	**1,514,067**	**956,221**	**(7,026,381)**	**(13,694)**	**1,365,970**

KO GOLD INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS
(expressed in Canadian dollars)

	March 31, 2026	March 31, 2025
Cash provided by (used in):	**$**	**$**
OPERATING ACTIVITIES		
Loss for the year	**(1,429,606)**	(1,370,709)
Items not affecting operating cash:		
Finance expense	**15,227**	-
Shares issued for mineral properties	**125,000**	125,000
Gain on debt settlement	**(49,347)**	-
Share-based payments	**455,867**	35,810
	(882,859)	(1,209,899)
Net changes in non-cash working capital:		
Sales tax receivable	**(35,274)**	25,104
Prepaid expenses and deposits	**(230,663)**	16,042
Accounts payable and accrued liabilities	**(33,623)**	352,647
Cash used in operating activities	**(1,182,419)**	(816,106)
FINANCING ACTIVITIES		
Loans	**158,000**	-
Funds received from private placement	**2,408,018**	-
Proceeds from (repayment of) convertible note	**(212,000)**	200,000
Proceeds from subscriptions received considered repayable	**-**	70,000
Cash received from financing activities	**2,354,018**	270,000
Change in cash	**1,171,599**	(546,106)
Effect of foreign exchange on cash	**(10,264)**	1,931
Cash, beginning of the year	**235,401**	779,576
Cash, end of the year	**1,396,736.00**	235,401

1. NATURE OF OPERATIONS AND GOING CONCERN

KO Gold Inc. (the "Company"), incorporated in Canada, is in the business of acquiring and exploring mineral properties in New Zealand and became a public issuer on September 18, 2023. On October 11, 2023, the Company's common shares were listed for trading on the Canadian Securities Exchange (CSE) under the symbol "KOG" and on March 20, 2026, began trading on the OTCQB Venture Market under the symbol "KOGDF". The address of the Company's registered office is 217 Queen Street West, Suite 401, Toronto, Ontario, M5V 0R2.

<u>Going Concern</u>

The business of exploration, development and mining of minerals involves a high degree of risk and there can be no assurances that future exploration activities will result in the discovery of economically recoverable mineral deposits. The success and continuation of the Company as a going concern is dependent upon the Company's ability to arrange financing, which in part, depends on prevailing market conditions, acquiring or discovering economically viable mineral properties, exploration success, and securing title and beneficial interest in its properties.

Further funds will be required for the Company to continue as a going concern, fulfil its obligations and fund its activities. The Company does not produce revenues from its exploration activities or have a regular source of cash flow. There can be no assurance that the Company will be able to obtain sufficient financing in the future or at favourable terms.

As at March 31, 2026, the Company had working capital of $1,365,970 (March 31, 2025 –deficit of $627,169), incurred comprehensive losses for the current year of $1,439,870 (March 31, 2025 – $1,368,778), and, had an accumulated deficit of 7,026,381 (March 31, 2025 – 5,600,002).

These consolidated financial statements financial statements have been prepared using accounting principles applicable to a going concern, which assume that the Company will be able to realize its assets and discharge its liabilities in the normal course of operations. However, due to uncertainties surrounding a number of factors, such as, but not limited to, the ability to raise additional funds, ability to acquire mineral properties, exploration results, prices of underlying commodities, investor sentiment and financial market conditions, it is not possible to predict if this assumption will prove to be accurate. These factors indicate the existence of material uncertainties that may cast significant doubt about the Company's ability to continue as a going concern.

These consolidated financial statements financial statements do not include the necessary adjustments to reflect the recoverability and classification of recorded assets and liabilities and related expenses that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

2. BASIS OF PREPARATION

Statement of Compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee ("IFRIC").

These consolidated financial statements financial statements are for the year ended March 31, 2026 were approved and authorized for issue by the Company's board of directors on July 29, 2026.

2. BASIS OF PREPARATION (CONTINUED)

These consolidated financial statements financial statements include the accounts of the Company and its two wholly-owned New Zealand domiciled subsidiaries: KO Gold NZ Limited and Hyde Resources Limited ("Hyde"). The results of Hyde are from the date of acquisition of November 27, 2023. All significant inter-company transactions and balances have been eliminated upon consolidation.

Basis of Consolidation and Presentation

These consolidated financial statements financial statements are prepared on the historical cost basis, except for financial instruments classified as fair value through profit and loss. These consolidated financial statements are presented in Canadian dollars, which is the Company's functional currency. The functional currency of the Company's subsidiaries is the is the New Zealand dollar.

3. ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires the Company's management to make certain estimates and judgements that they consider reasonable and realistic. These estimates and judgements are based on historical experience, future expectations, economic conditions and other factors. Despite regular reviews, changes in circumstances and assumptions may result in changes in these estimates and judgements, which could materially impact the reported amount of the Company's assets, liabilities, equity or earnings. By their nature, estimates and judgements are subject to measurement uncertainty and actual results could vary from estimates.

Significant estimates relate to:

Measurement of share-based payments and warrant valuation
Share-based payments and warrants are measured using an option pricing model (e.g., Black-Scholes) that relies on unobservable inputs — expected volatility, expected life, forfeiture rate and risk-free interest rate. These inputs require significant management judgement and are not derived from active market data. Reasonably possible changes to any one input could materially change the fair value recognized and, therefore, the related expense and equity reserves.

Measurement of shares issued to settle debt
Where debt is settled through the issuance of shares, management must estimate the fair value of the consideration given. Because the Company's shares may trade infrequently or with limited volume, quoted market price is not always a reliable proxy for fair value, requiring management to apply judgement in selecting an appropriate measurement date and, where necessary, an alternative valuation approach. This estimate directly affects the gain or loss on settlement recognized in profit or loss.

Recognition of deferred tax assets and liabilities
Recognition of deferred tax assets requires management to assess the probability that sufficient future taxable profit will be available against which unused tax losses and deductible temporary differences can be utilized. Given the Company's stage of operations and history of losses, this assessment involves significant estimation uncertainty regarding the timing and amount of future taxable income.

Establishment of provisions
Provisions (including, where applicable, reclamation and closure obligations) require estimates of the timing and amount of future cash outflows, together with an appropriate discount rate. These estimates are based on current legal and regulatory requirements and cost estimates, which may change significantly over the life of the related obligation.

3. ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

Significant judgements relate to:

Ability to continue as a going concern
The Company has not yet achieved profitable operations and is dependent on its ability to raise additional financing to fund its exploration and evaluation activities and meet its obligations as they come due. Management's assessment of the Company's ability to continue as a going concern requires significant judgement regarding future cash flow forecasts, the availability and terms of future financing, and the outcome of matters outside the Company's control.

Functional currency of the Company and its subsidiaries
The Company and its subsidiaries operate in multiple jurisdictions and incur costs, hold assets, and may raise financing in different currencies. Determining the functional currency of each entity requires management judgement in assessing the primary economic environment in which each entity operates, particularly where indicators (e.g., currency of financing versus currency of operating expenditures) do not all point to the same currency.

Choice of accounting policy for exploration and evaluation expenditures
IFRS 6 permits an entity to develop its own accounting policy for the recognition of exploration and evaluation expenditures, provided it is applied consistently. Management exercises judgement in determining which costs qualify for capitalization as exploration and evaluation assets versus expensing as incurred, and in identifying the point at which technical feasibility and commercial viability are demonstrable, triggering reclassification and/or impairment testing.

4. MATERIAL ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all years presented in these consolidated financial statements.

Exploration and Evaluation
The Company expenses exploration and evaluation expenditures as incurred. Exploration and evaluation expenditures include acquisition cost of mineral properties, property payments and evaluation activities. Once a project has been established as commercially viable and technically feasible, related development expenditures are first tested for impairment and then capitalized. This includes costs incurred in preparing the site for mining operations. Capitalization ceases when the mine is capable of commercial production, with the exception of development costs that give rise to a future benefit.

Option payments received from optionees are treated as a recovery of the related exploration and evaluation properties costs and are credited to income. Option payments are at the discretion of the optionee, and accordingly, are recorded on a cash basis.

4. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Convertible Note
The component parts of compound instruments (convertible notes) issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. The identification of such components embedded within a convertible note requires significant judgment given that it is based on the interpretation of the substance of the contractual arrangement.

A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument. At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recorded as a liability on an amortized cost basis using the effective interest rate method until extinguished upon conversion or at the instrument's maturity date.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognized and included in equity and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity. No gain or loss is recognized in profit or loss upon conversion or expiration of the conversion option.

Where the conversion option has a variable conversion rate, the conversion option is recognized as a derivative liability measured at fair value through profit and loss. The residual amount is recognized as a financial liability and subsequently measured at amortized cost. The determination of the fair value is also an area of significant judgment given that it is subject to various inputs, assumptions and estimates including: contractual future cash flows, discount rates, credit spreads and volatility.

Transaction costs that relate to the issue of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognized directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortized over the term of the convertible notes using the effective interest method.

Financial Instruments
The classification of a financial instrument is made at the time it is initially recognized, namely when the entity becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are measured at amortized cost, unless they are required to be measured at fair value through profit and loss (FVTPL) or if the Company has opted to measure them at FVTPL.

A debt instrument that meets both the business model test and cash flow characteristics test must be measured at amortized cost (net of any write down for impairment) unless the asset is designated at FVTPL, under the fair value option.

Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as fair value through other comprehensive income (FVTOCI).

If certain conditions are met, the classification of a financial asset, debt instrument or equity instrument may subsequently need to be reclassified.

4. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Financial assets and liabilities at FVTPL
Financial assets and liabilities carried at FVTPL are initially recorded at fair value. Transaction costs and any realized or unrealized gains or losses arising from changes in the fair value of the financial asset or liability held at FVTPL are included in the consolidated statements of operations and comprehensive loss in the period in which they arise.

Financial assets and liabilities at amortized cost
Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated at FVTPL:

- It is held within a business model whose objective is to hold the financial asset to collect the contractual cash flows associated with the financial asset instead of selling the financial asset for a profit or loss;
- Its contractual terms give rise to cash flows that are solely payments of principal and interest.

Derecognition of financial liabilities
The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. Generally, the difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in the consolidated statement of operations and comprehensive loss.

Foreign Currency Translation
Foreign currency transactions are initially recorded in the functional currency at the transaction date exchange rate. At each reporting date, monetary assets and liabilities denominated in a foreign currency are translated into the functional currency at the period end exchange rate. All foreign currency adjustments are expensed.

Financial statements of the subsidiary for which the functional currency is not the Canadian dollar are translated into Canadian dollar, the presentation currency, as follows: all asset and liability accounts are translated at the period end exchange rate and all revenues and expense items are translated using the applicable quarterly average currency exchange rate. The resulting translation gains and losses are recorded as foreign currency translation adjustments in other comprehensive income (loss).

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

Deferred assets and liabilities are recognized for the future tax consequences attributable to the difference between the consolidated financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply when the asset is realized or the liability settled. Deferred income tax assets are recorded to recognize tax benefits only to the extent that, based on available evidence, it is probable that they will be recognized.

4. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Interest
The Company classifies interest received and interest paid as an operating cash flow within the statement of cash flows.

Loss per Share
The computation of loss per share and diluted loss per share amounts are based upon the weighted average number of outstanding common shares during the year. Dilution is calculated based on the net number of common shares issued should "in the money" options and warrants be exercised and the proceeds used to purchase common shares at the weighted average market price in the period.

Provisions
A provision is recognized in the consolidated statement of financial position when the Company has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to discharge the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Share-based Payments
The Company accounts for share-based payments using the fair value-based method. Each tranche in an award is considered a separate award with its own vesting period and grant date fair value. The fair value of each tranche of options issued to employees and others providing similar services is determined by using the Black-Scholes option pricing model. The fair value of each tranche of options issued to non-employees is determined by the fair value of the goods or services received. If the fair value of goods or services received cannot be reliably measured, then the Black-Scholes option pricing model or share price is used.

The fair value of stock options, adjusted for expected forfeitures, is recognized as share-based payments expense over each tranche's vesting period with an offsetting credit charged to contributed surplus. The applicable contributed surplus is transferred to share capital if and when, the stock options are exercised. The fair value of stock options remains in contributed surplus on expiry of options. Any consideration paid on the exercise of stock options is credited to share capital.

Share Issue Costs
Share issue costs are recorded as a reduction of share capital.

Warrants
The Company follows the relative fair value method with respect to the measurement of common shares and warrants issued as private placement units. The proceeds from the issuance of units are allocated between share capital and warrants based on their relative fair value. Unit proceeds are allocated to shares and warrants using the Black-Scholes option pricing model and the share price at the time of financing.

If and when the warrants are exercised, the applicable relative fair value recognized in warrants is transferred to share capital. Any consideration paid on the exercise of the warrants is credited to share capital. For those warrants that expire unexercised on maturity, the recorded value is transferred to contributed surplus. In situations where warrants are issued as consideration for goods and services received and some or all of the goods or services received cannot be specifically identified or reliably measured, then these warrants are measured at the fair value of the share-based payment. The fair value of the share-based payment is determined using the Black-Scholes option pricing model.

(expressed in Canadian dollars)

4. MATERIAL ACCOUNTING POLICIES (CONTINUED)

From time to time, the Company may extend the expiry date of previously issued warrants. Where such an extension is made and the warrants continue to meet the definition of an equity instrument, the Company has elected not to remeasure or record any incremental fair value associated with the extension.

Newly accounting standards issued but not effective

The International Accounting Standards Board (IASB) has issued IFRS 18, which introduces substantial changes to financial statement presentation and disclosure requirements. The new standard is effective for annual periods beginning on or after January 1, 2027. IFRS 18 is expected to impact the Company's financial reporting, with revisions to the recognition, measurement, and disclosure of various financial statement elements, and replaces IAS 1 Presentation of Financial Statements.

Management is in the process of evaluating the implications of IFRS 18 on the Company's financial statements. At this time, it is not possible to provide a reasonable estimate of the effect on the Company's financial position, results of operations, or cash flows.

In May 2024, the IASB issued amendments to IFRS 9 and IFRS 7 addressing the classification and measurement of financial instruments. The amendments are effective for annual reporting periods beginning on or after January 1, 2026, with earlier application permitted. The Company has not early adopted these amendments. Management is currently assessing the impact that the adoption of these amendments will have on the Company's financial statements and does not currently expect the impact to be material.

5. CAPITAL MANAGEMENT

The Company's objectives when managing capital are: to safeguard its ability to continue as a going concern; and, to have sufficient capital to fund the exploration and development of its mineral properties and the acquisition of other mineral properties for the benefit of its shareholders.

The Company considers its capital structure to consist of shareholder equity of $1,365,970 (2025 – deficit of $627,169). In order to maintain its capital structure, the Company is dependent on equity funding. Funding through equity instruments is comprised of common shares, warrants and incentive stock options. The Board of Directors does not establish quantitative targets on its capital criteria for management, however, it relies on management to review its capital management methods and requirements on an ongoing basis and make adjustments, accordingly, to sustain future development of the business.

There were no changes in the Company's management of its capital during the current twelve-month period. The Company is not subject to any externally imposed capital requirements.

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	Notes	March 31, 2026 $	March 31, 2025 $
Suppliers		47,259	424,110
Accrued liabilities		37,249	30,000
Subscriptions received		-	70,000
Related parties	12	76,908	164,400
Total		**161,416**	**688,510**

(expressed in Canadian dollars)

7. LOANS PAYABLE

The following summarizes the transactions on loans payable:

	Amount $
Balance, March 31, 2024	**-**
Additions	60,000
Deductions	(40,000)
Balance, March 31, 2025	**20,000**
Additions	173,000
Deductions	(15,000)
Balance, March 31, 2026	**178,000**

In September 2023, the Company received unsecured and non-interest-bearing loans of $60,000, of which $10,000 was provided by Company directors/officers (note 12). These loans are payable on demand any time after October 1, 2024, though the Company has the right to prepay the loans at any time, without bonus or penalty. During fiscal 2024, the Company repaid a $40,000 loan provided by a third party.

During the year ended March 31, 2026, the Company received a loan of $173,000 from a related party (Note 12). This loan is non-interest bearing, due on demand and unsecured. During the year ended March 31, 2026, the Company repaid a $5,000 loan provided by related party and a $10,000 loan provided by a third party.

8. CONVERTIBLE NOTE

On March 31, 2025, the Company entered into two definitive convertible loan agreements for aggregate proceeds of $200,000, and these loan agreements were replaced on April 8, 2025 by two promissory notes “Convertible Notes”, with the same terms as the loans that were issued. The convertible loans were pursued as a complementary source of short-term financing.

The convertible loans bear interest at a rate of 12% per annum calculated monthly not in advance and are due six months from the date of closing. As security, the Company has agreed to grant a fixed and floating charge over all of its present and future assets, undertaking, and property. The Lenders may register such security at its discretion under the applicable personal property security legislation.

Settlement of the Convertible notes:

The Company closed the Convertible Notes on April 8, 2025. At any time prior to maturity, the principal and accrued interest may be converted into units of the Company, at the Lender’s option, on the same terms as the private placement of $0.20 per unit being each unit will be comprised of one common share and one transferable common share purchase warrant. Each warrant will entitle the holder thereof to acquire one additional share at a price of $0.25 for a period of two years from issuance.

(expressed in Canadian dollars)

8. CONVERTIBLE NOTE (CONTINUED)

	Convertible note $	Equity portion of Convertible note $	Total $
Balance, as at March 31, 2024	**-**	**-**	**-**
Additions	196,773	3,227	200,000
Balance, as at March 31, 2025	**196,773**	**3,227**	**200,000**
Finance expense	15,227	-	15,227
Repayment	(212,000)	-	(212,000)
Reversal of equity portion of convertible note	-	(3,227)	(3,227)
Balance, as at March 31, 2026	**-**	**-**	**-**

The debt host has been recognized at amortized cost of $196,773, which represents the remaining fair value allocated from total net proceeds received of $200,000 after $3,227 was allocated to the equity portion. There were no transaction costs.

Upon initial recognition, the conversion option had a fair value of $196,773 and the Company recognized a change in convertible liability of $Nil to date. The initial fair value of the conversion option was determined based on the present value with the following assumptions: Interest rate per month of 1.25%, total number of months 6, payment per month $Nil, future value $212,000. During the year ended March 31, 2026, the Company repaid the note in full and transferred the equity portion of $3,227 to deficit upon derecognition of the note.

9. SHARE CAPITAL

Authorized

Unlimited common shares with no par value.

Special Shares

Unlimited and issuable in one or more series. The current rights attached to the special shares are: voting, with certain restrictions; preference over common shares with respect to payment of discretionary dividends declared; convertible into any class of special shares or common shares at a rate to be determined by the directors of the Company at their discretion. There have been no special shares issued.

Outstanding

On March 31, 2026, the Company had 42,880,749 (2025 – 23,685,854) common shares outstanding at $5,935,757 (2025 – $4,042,475).

Share transactions:

i) During the year ended March 31, 2026.

On September 19, 2025, the Company issued 735,294 common shares with a fair value of $125,000, pursuant to its acquisition agreement (Note 11).

On December 5, 2025, the Company issued 2,467,356 common shares with a fair value of $444,124 to extinguish financial liabilities with a carrying amount of $493,471, of which $282,871 was payable to related parties (Note 12). The Company recognized a gain on debt settlement of $49,347 in statement of loss and comprehensive loss.

(expressed in Canadian dollars)

9. SHARE CAPITAL (CONTINUED)

On January 14, 2026, the Company closed the first tranche of the non-brokered private placement (the "Private Placement") for aggregate gross proceeds of $1,980,475, representing the issuance of 13,203,169 units (the "Units"). Each Unit was issued at a price of $0.15 and consisted of one common share (a "Share") and one common share purchase warrant (a "Warrant"), with each Warrant entitling the holder thereof to acquire one additional Share at an exercise price of C$0.25 for a period of three (3) years from the date of issuance.

The Company paid finder's fees of $28,735 in cash and issued 191,567 finder's warrants (the "Finder's Warrants") to certain qualified parties upon closing. Each Finder's Warrant will be exercisable to acquire one common share at an exercise price of C$0.25 for a period of three (3) years from the date of issuance, being on the same terms as the warrants issued in connection with the first tranche of the Private Placement. The fair value of the finder warrants was estimated at $37,910 using the Black-Scholes option pricing model.

On January 26, 2026, the Company closed the second tranche of the non-brokered Private Placement for aggregate gross proceeds of $467,385, representing the issuance of 2,789,076 units. The Company issued 1,699,666 units at a price of $0.15 per unit, each unit comprised of one Share of the Company and one Warrant exercisable at $0.25 for a period of three (3) years from the date of issuance and 1,089,410 units at a price of $0.195 per unit, each unit comprised of one Share of the Company and one Warrant exercisable at $0.26 for a period of three (3) years from the date of issuance. In connection with this tranche, the Company also issued 51,310 finder's warrants exercisable at $0.25 per share for a period of three years, expiring January 26, 2029, and 40,810 finder's warrants exercisable at $0.26 for a period of three years, expiring on January 26, 2029. The fair value of the finder warrants was estimated at $11,257 and $8,884 respectively using the Black-Scholes option pricing model. The Company also paid finder's fees of $11,107 in cash.

ii) During the year ended March 31, 2025

On February 11, 2025, the Company issued 657,894 common shares at $0.19 per share for gross payment of $125,000 pursuant to an acquisition agreement to acquire the New Peak permits (Note 11).

Escrowed shares

The Company entered into a voluntary escrow agreement during October 2023 providing for the release of shares every six monthly until October 11, 2026. On March 31, 2026, there were 1,194,000 shares in escrow, with the next release of 597,000 on April 11, 2026 and 597,000 on October 11, 2026.

Stock Options

On September 29, 2024, the Company adopted a stock option plan ("Plan") that authorizes the Company to issue up to a maximum of 10% of its issued common shares with an exercise period not to exceed ten years. The term, exercise price and vesting conditions of the options are fixed by the Company's Board of Directors at the time of grant.

Stock option transactions since inception of the Plan and the number of stock options outstanding are as follows:

	Number of Options	Weighted Average Exercise Price	
Balance, March 31, 2024	1,800,000	$	0.45
Additions	150,000	$	0.45
Balance, March 31, 2025	1,950,000	$	0.45
Additions	2,335,000	$	0.35
Expired	(1,800,000)	$	0.45
Balance, March 31, 2026	2,485,000	$	0.36

(expressed in Canadian dollars)

9. SHARE CAPITAL (CONTINUED)

(i) On April 1, 2024, the Company granted 150,000 stock options to an investor relations consultant. These options were issued with an exercise price of $0.45 and a two-year term, expiring on April 1, 2026. The options vest in instalments of 37,500 options every three months

(ii) On February 5, 2026, the Company granted 2,335,000 stock options to certain directors, officers, and consultants of the Company, pursuant to the Company's stock option plan. The Options are exercisable for a period of three (3) years from the date of grant at a price of $0.35 per Share. The Options vest immediately. All of the Options and the Shares underlying the Options are subject to a hold period of four months and one day from the date of grant. Of the total Options granted, 885,000 were issued to related Fair value of the options issued were estimated using the Black-Scholes option-pricing model with the following weighted average assumptions:

	February 6, 2026	April 1, 2024
Dividend yield	Nil	Nil
Expected volatility (based on comparable publicly traded companies)	117%	120%
Risk-free rate of return	2.72%	4.13%
Expected life	3 Years	2 Years
Share price	$0.29	$0.40

Share-based payment expense recognized for the current year was $455,867 (2025 - $35,810). The offsetting credit was charged to contributed surplus. Consultants' options were measured using the Black-Scholes option pricing model due to the absence of a reliable measurement of the services granted.

The following summarizes information on the outstanding stock options:

Number of Options-Issued	Number of options - exercisable	Weighted Avg Life	Expiry date	Exercise Price
2,335,000	2,335,000	0.329	February 5, 2029	0.35
150,000	150,000	0.027	April 1, 2026	0.45
2,485,000	**2,485,000**	**0.365**		

Warrants

The Company's warrant transactions and warrants outstanding and exercisable are as follows:

	Number of Warrants	Weighted Average Exercise Price	
Balance, Balance, March 31, 2024	3,384,772	$	0.40
Balance, March 31, 2025	3,384,772	$	0.40
Additions	16,275,932		0.25
Expired	(21,000)		0.40
Balance, March 31, 2026	19,639,704	$	0.28

Weighted average remaining life of outstanding warrants as at March 31, 2026 is 2.45 years.

The following summarizes information on the outstanding warrants:

(expressed in Canadian dollars)

9. SHARE CAPITAL (CONTINUED)

Number of warrants	Number of warrants exercisable	Weighted average Life	Expiry date	Exercise Price
3,363,772	3,363,772	0.13	10-Jan-27	$ 0.40
13,394,736	13,394,736	1.91	14-Jan-29	$ 0.25
1,750,976	1,750,976	0.25	26-Jan-29	$ 0.25
1,130,220	1,130,220	0.16	26-Jan-29	$ 0.26
19,639,704	19,639,704	2.45		

During the year ended March 31, 2026, the Company extended the expiry date of certain warrants to purchase up to 3,363,772 common shares of the Company. The warrants are exercisable at $0.40 per share and will now expire on January 10, 2027, as amended from the previous expiry date of January 10, 2026.

On January 10, 2026, 21,000 warrants with exercise price of $0.40 expired unexercised and $2,686 was transferred from warrants reserve to contributed surplus.

On January 14, 2026, the Company issued 13,203,169 warrants exercisable at $0.25 per share for a period of three years, expiring January 14, 2029 in connection with the first tranche of private placement. In connection with this tranche, the Company also issued 191,567 finder's warrants exercisable at $0.25 per share for a period of three years, expiring January 14, 2029. The fair value of the finder's warrants was estimated at $37,910 using the Black-Scholes option pricing model.

On January 26, 2026, the Company issued 1,699,666 warrants exercisable at $0.25 per share and 1,089,410 warrants exercisable at $0.26 per share in connection with the second tranche of private placement, each for a period of three years, expiring January 26, 2029. In connection with this tranche, the Company also issued 51,310 finder's warrants exercisable at $0.25 per share for a period of three years, expiring January 26, 2029, and 40,810 finder’s warrants exercisable at $0.26 for a period of three years, expiring on January 26, 2029. The fair value of the finder's warrants issued in connection with this tranche was estimated at $11,257 and $8,884 using the Black-Scholes option pricing model.

Fair value of the warrants issued were estimated using the Black-Scholes option-pricing model with the following weighted average assumptions:

	January 14, 2026	January 26, 2026	March 12, 2024
Dividend yield	Nil	Nil	Nil
Expected volatility (based on comparable publicly traded companies)	118%	117.74%	122%
Risk-free rate of return	2.72%	2.73%	3.88%
Expected life	3 Years	3 Years	2 Years
Share price	$0.275	$0.30	$0.40

(expressed in Canadian dollars)

10. CORPORATE AND ADMINISTRATIVE

	Notes	Year ended March 31, 2026 $	March 31, 2025 $
Expenses			
Consulting fees	12	147,789	110,527
Corporate development and promotion		330,266	195,911
Filing and transfer agent fees		31,544	24,858
Finance expense	8	15,227	9,569
Management fees	12	274,000	319,000
Office and general		(194)	1,788
Professional fees		37,991	42,164
Travel		97,942	33,667
Total expenses		934,565	737,484

11. EXPLORATION AND EVALUATION

Otago Gold Project – New Zealand

The Otago Gold Project is located in New Zealand in the Otago region on the South Island and consists of nine permits that encompasses approximately 400 sq. kms. Beginning April 1, 2024, the Company considers the Otago Gold Project and the Smylers Gold Project to be one project, with the Otago Gold Project being the survivor. All comparative amounts have been adjusted accordingly. The Otago Gold Project consists of four exploration permits.

On December 15, 2024, the Company relinquished its Tokomairiro prospecting permit (PP 60674) due to the lack of significant results from exploration programs on this permit.

The following table the exploration activities during the year.

	Year ended March 31, 2026 $	March 31, 2025 $
Expenses		
Acquisition costs - New Peak	125,000	125,000
Property costs	86,403	119,862
Assaying	(89)	2,252
Consulting/Contracting	133,359	290,602
Site costs	2,029	19,268
Field Expenses	-	28,780
Admin	-	10,267
Travel/transportation	-	1,445
Total exploration fees	346,702	597,476

11. EXPLORATION AND EVALUATION (CONTINUED)

Hyde Resources Ltd. Acquisition (Smylers Gold Project)

On November 27, 2023, the Company completed the purchase of 100% of the shares of Hyde Resources Limited from Smylers Gold Limited. The effective date of the acquisition was November 1, 2023. Hyde Resources holds the Smylers and Glenpark exploration permits (the HR Permits), located in the Otago gold district of the South Island of New Zealand.

In addition, Smylers Gold Ltd. retained:

a) a 2-per-cent net smelter return ("NSR") royalty for the life of the HR Permits, with the Company having the option to purchase 1 per cent for NZ $2 million; and,

b) the right to receive $20 for each ounce of gold produced from the HR Permits for the life of the project.

NewPeak NZ permit acquisition

On February 15, 2024, as amended on May 16, 2024, the Company entered into an agreement with NewPeak NZ Limited to acquire the Garibaldi and Raggedy Range exploration permits (the "NP Permits"), encompassing a combined area of approximately 92 sq. kms.

As consideration for the acquisition of the NP Permits, the Company:

(i) issued an aggregate of 595,238 common shares on February 23, 2024 having a value of $261,905;

(ii) issued an aggregate of 657,894 common shares on February 11, 2025 having a value of $125,000; and

(iii) issued an aggregate of 735,294 common shares having a value of $125,000 on September 19,2025 (the "Third Tranche").

Completion of the acquisition of the NP Permits was also subject to receipt of New Zealand ministerial approval to transfer the NP Permits to the Company by August 31, 2024 pursuant to the New Zealand Crown Minerals Act, which was approved September 18, 2024.

The Company entered into a definitive agreement with an arm's length party (the "Purchaser") dated September 22, 2025, for the sale of certain New Zealand exploration and prospecting permits, namely Exploration Permit EP 60733, Exploration Permit EP 60677, and Prospecting Permit PP 60705 (together, the "Permits"). The Company sold the Permits for total consideration of $260,000 and recorded a gain on disposition of mining permits of $260,000.

As part of the transaction, the Company will retain a 2% Net Smelter Royalty ("NSR") on future production from the Permits. The Purchaser will have the right, at any time following closing, to repurchase 1% of the NSR for CDN $1,000,000.

(expressed in Canadian dollars)

12. RELATED PARTY TRANSACTIONS AND BALANCES

A summary of the compensation of key management (directors/officers) of the Company is included in the table below. Key management are those persons having authority and responsibility for planning, directing and controlling activities, directly or indirectly, of the Company.

Name	Relationship	Purpose of transaction:	March 31, 2026 $	March 31, 2025 $
Mark McMurdie	Former CFO	Management fees (i)	-	21,000
Corp Finance Advisors Inc.	Company controlled by a director	Management fees (i)	6,000	2,500
Jim Henning	CFO	Share based compensation (ii)	26,356	-
GP Isenor Co.	Company controlled by the CEO	Management fees (i)	150,000	150,000
Greg Isenor	CEO	Share based compensation (ii)	48,808	-
Diversified Investment Management Services	Company controlled by a director	Management fees (i)	10,000	37,500
Norman Stacey	Director	Share based compensation (ii)	29,285	-
Teniere Geoconsulting Services	Director	Management fees (i)	108,000	108,000
Paul Teniere	Director	Share based compensation (ii)	39,046	-
Alvin Jackson	Director	Share based compensation (ii)	29,285	-
Total			**446,781**	**319,000**

(i) Management fees were paid or became payable to Company officers or companies controlled by Company officers.

(ii) Share based compensation are the vesting of options issued during the current financial year.

Included in accounts payable and accrued liabilities is 76,908 (March 31, 2025 – $164,400) payable to entities controlled by or associated with Company directors/officers.

In September 2023, Company directors/officers provided the Company with cash loans of $10,000. These loans are unsecured, non-interest bearing and payable on demand any time after October 1, 2024. The Company has the right to prepay the loans at any time, without bonus or penalty. During the year ended March 31, 2026, the Company repaid $5,000 of the related party loans.

During the year ended March 31, 2026, the Company received loans from a Company controlled by Greg Isenor of $173,000. The loan is unsecured, due on demand and non-interest bearing.

During the year ended March 31, 2026, the Company issued 1,414,356 common shares with a fair value of $254,584 to settle related party payables of $282,871, resulting in a gain from settlement of $28,287 in the statement of loss and comprehensive loss (Note 9).

13. LOSS PER SHARE

Loss per share is calculated using the weighted average number of shares outstanding for the year. For the purposes of calculating the basic and diluted loss per share the effect of the potentially dilutive options and warrants were not included in the calculation as the result would be anti-dilutive.

(expressed in Canadian dollars)

14. SEGMENTED REPORTING

The Company operates in a single segment, which is the acquisition and exploration of mineral properties in New Zealand.

Assets and liabilities by geographic region		
As at,	**March 31, 2026**	March 31, 2025
Current assets		
Canada	**1,662,611**	236,239
New Zealand	**42,775**	41,875
Total	**1,705,386**	278,114
Current liabilities		
Canada	**311,785**	727,966
New Zealand	**27,631**	177,317
Total	**339,416**	905,283
Net loss by geographic region		
For the year ended, March 31	**2026**	2025
Canada	**(1,320,423)**	(758,271)
New Zealand	**(109,183)**	(612,438)
Total	**(1,429,606)**	(1,370,709)

15. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair Value

The carrying value of cash, and accounts payable, accrued liabilities, loans payable and convertible notes payable approximate their fair value due to the relative short-term maturity of these financial instruments. Fair value represents the amount that would be exchanged in an arms-length transaction between willing parties and is best evidenced by a quoted market price if one exists.

IFRS 13 establishes a fair value hierarchy that prioritizes the valuation techniques for each financial instrument measured at fair value. Fair value amounts represent point-in-time estimates and may not reflect fair value in the future. The measurements are subjective in nature, involve uncertainties and are a matter of significant judgement.

The methods and assumptions used to develop fair value measurements are: Level 1 - includes quoted prices (unadjusted) in active markets for identical assets or liabilities; Level 2 - includes inputs, other than quoted prices included in Level 1, that are observable for an asset or liability, either directly (i.e. as process) or indirectly (i.e. derived from process); and, Level 3 - includes inputs that are not based on observable data.

As at March 31, 2026 and March 31, 2025, the Company had no financial assets measured at fair value.

Risk Management

The primary objectives of the Company’s financial risk management procedures are to ensure that the outcome of activities involving elements of risk are consistent with the Company’s objectives and risk tolerance, while maintaining an appropriate risk/reward balance and protecting the Company’s financial position, from events that have the potential to materially impair its financial strength. These activities include the preservation of its capital by minimizing risk related to its cash.

15. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

The Company does not trade financial instruments for speculative purposes and does not have a risk management committee or written risk management policies. The Company's financial instruments are exposed to the risks described below:

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party, by failing to discharge their obligations. Financial instruments that potentially expose the Company to this risk consist of cash. The Company mitigates the risk to its cash by depositing a majority of its cash with Canadian and New Zealand banks.

Currency Risk

The Company operates in Canada and New Zealand, thus exposing the Company to market risks from fluctuations in foreign exchange rates. The Company has certain corporate and administrative expenditures, exploration and evaluation expenditures and future potential financial commitments (Note 11) denominated in New Zealand dollars. The Company monitors foreign exchange rates and has not entered into any financial arrangements to hedge or protect the Company from unfavourable changes in foreign exchange rates. As at March 31, 2026, a 10% change in the New Zealand dollar (NZD) would impact the Company's loss by approximately $1,000 (2025 - $16,000).

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in interest rates. The Company's excess cash is invested in low-risk financial instruments that provide flexibility for early redemption. The Company's excess cash is subject to interest rate risk resulting from fluctuations in prime rates.

Liquidity Risk

Liquidity risk management requires maintaining sufficient cash, liquid investments or credit facilities to meet the Company's operating expenditures and commitments, as they come due. The Company manages liquidity risk through the management of its capital structure as described in Note 5. The Company does not have any income from operations or a regular source of income and is highly dependent on its working capital and equity funding to support its exploration and corporate activities. There can be no assurance that the Company will be successful in its fund-raising activities.

Accounts payable and accrued liabilities are generally due within 30 days and loans payable are due on demand. As at March 31, 2026, the Company had cash of $1,396,736 (March 31, 2025 – $235,401) to settle current liabilities of $339,416 (March 31, 2025 – $905,283). The Company will need to raise additional capital to fully fund its activities for the next year.

(expressed in Canadian dollars)

16. INCOME TAXES

Income Tax Expense

The following table reconciles income taxes calculated at combined Canadian federal and provincial tax rates and New Zealand tax rates with the income tax expense in the financial statements:

	2026	2025
Loss before income taxes	**$ (1,429,606)**	$ (1,370,709)
Statutory rate	**26.61%**	27.17%
Expected income tax recovery	**(386,746)**	(372,424)
Increase (decrease) resulting from:		
Non-deductible income and other permanent differences	**125,094**	8,529
Change in deferred tax assets not recognized	**261,652**	363,895
Income tax expense	**$ -**	$ -

Deferred Income Taxes

The temporary differences that give rise to future income tax assets and deferred income tax liabilities are presented below:

	2026	2025
Exploration and evaluation costs	**$ 60,000**	$ 60,000
Share issuance costs	**71,050**	62,664
Unrealized foreign exchange loss	**144,477**	61,996
investment in subsidiary	**455,189**	455,189
Non-capital loss carry forward	**5,000,031**	4,124,041
Capital loss carry forward	**471**	942
Deferred tax temporary differences	**5,731,217**	4,764,833
Statutory rate	**26.61%**	27.17%
Deferred tax assets	**1,525,267**	1,294,613
Less: Deferred tax assets not recognized	**(1,525,267)**	(1,294,613)
Net deferred income tax asset	**$ -**	$ -

17. SUBSEQUENT EVENTS

Subsequent to year ended March 31, 2026, 150,000 stock options with exercise price of $0.027 expired unexercised.