FORMATION METALS INC.

FINANCIAL STATEMENTS

Years Ended March 31, 2026 and 2025

(Expressed in Canadian Dollars)

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
Formation Metals Inc.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Formation Metals Inc. (the "Company"), which comprise the statements of financial position as at March 31, 2026 and 2025, and the statements of loss and comprehensive loss, changes in shareholders' equity, and cash flows for the years then ended, and notes to the financial statements, including material accounting policy information.

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

Basis of Opinion

We conducted our audit 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 Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the 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 financial statements, which describes the events or conditions that indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. The matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Except for the matter of the Material Uncertainty Related to Going Concern described above, we have determined that there are no other key audit matters to communicate in our report.

Other Information

Management is responsible for the other information. The other information comprises the Management's Discussion and Analysis for the year ended March 31, 2026, which we obtained prior to the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 financial statements.

As 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 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 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 Company'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 Company'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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

- Significant deficiencies in internal control;
- Identified fraud or suspected fraud; and
- Other matters related to fraud that are, in our judgment, relevant to the responsibilities of those charged with governance.

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 Julia Zhou.

Horizon Assurance LLP

July 29, 2026
Markham, Ontario

Chartered Professional Accountants
Licensed Public Accountants

FORMATION METALS INC.
Statements of Financial Position
As at
(Expressed in Canadian dollars)

		March 31, 2026		March 31, 2025
ASSETS				
Current				
Cash and cash equivalents (Note 5)	$	5,337,009	$	1,305,758
Receivables		705,702		66,129
Prepaid expenses		1,337,824		511,751
		7,380,535		1,883,638
Investments (Note 10)		261,133		-
Exploration advance (Note 6)		869,546		114,985
Exploration and evaluation assets (Note 6)		5,368,585		832,959
	$	13,879,799	$	2,831,582
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current				
Accounts payable and accrued liabilities	$	284,612	$	142,480
		284,612		142,480
Shareholders' equity				
Share capital (Note 8)		20,355,083		4,718,552
Reserves (Note 8)		3,908,153		1,364,931
Deficit		(10,668,049)		(3,394,381)
		13,595,187		2,689,102
	$	13,879,799	$	2,831,582

Nature of business and continuing operations (Note 1)
Subsequent events (Note 14)

Approved on Behalf of the Board on July 29, 2026:

"Deepak Varshney"	*"Navin Varshney"*
Deepak Varshney, Director	Navin Kumar Varshney, Director

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

FORMATION METALS INC.
Statements of Loss and Comprehensive Loss
(Expressed in Canadian dollars)

	Year ended March 31, 2026	Year ended March 31, 2025
EXPENSES		
Consulting fees	$ 1,194,445	$ 176,750
Management fees	85,000	37,500
Office and miscellaneous	144,220	43,275
Professional fees (Note 7)	74,096	70,497
Travel and entertainment	23,445	6,923
Regulatory and filing fees	64,221	37,756
Rent and administration charges	65,000	30,000
Share-based payments (Note 8)	2,816,480	2,655,612
Shareholder communication and marketing	3,272,704	96,801
Transfer agent fees	5,283	2,010
	7,744,894	3,157,124
Recovery of flow through share premium liability	(115,805)	-
(Gain) or loss on investments (Note 10)	(111,533)	-
Other income	(200)	(400)
Interest income	(167,997)	(23,397)
Loss and comprehensive loss for the period	$ 7,349,359	$ 3,133,327
Basic and diluted loss per common share (Note 9)	$ 0.10	$ 0.10
Weighted average number of common shares outstanding - basic and diluted (Note 9)	71,640,542	31,193,792

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

FORMATION METALS INC.
Statements of Changes in Shareholders' Equity
(Expressed in Canadian dollars)

	Share Capital				
	Shares	Amount	Reserves	Deficit	Total Shareholders' Equity
Balance, March 31, 2024	28,480,474	$ 1,478,471	$ -	$ (261,054)	$ 1,217,417
Shares issued for mineral claims (Note 8b)	1,000,000	210,000	-	-	210,000
Stock options exercised (Note 8c)	2,840,000	535,181	(151,781)	-	383,400
Share-based payments (Note 8c)	-	-	2,655,612	-	2,655,612
Restricted share units converted (Note 8c)	6,190,000	1,138,900	(1,138,900)	-	-
Warrants exercised (Note 8d)	6,780,000	1,356,000	-	-	1,356,000
Loss and comprehensive loss for the year	-	-	-	(3,133,327)	(3,133,327)
Balance, March 31, 2025	45,290,474	$ 4,718,552	$ 1,364,931	$ (3,394,381)	$ 2,689,102
Shares issued for private placement (Note 8b)	33,381,984	12,865,366	-	-	12,865,366
Allocated value to attached warrants for private placement		(976,598)	976,598		-
Flow-through premium liability (Note 8b)	-	(115,805)	-	-	(115,805)
Share issue costs (Note 8b)	-	(585,248)	64,151	-	(521,097)
Shares issued for mineral claims (Note 8b)	1,000,000	360,000	-	-	360,000
Stock options exercised (Note 8c)	650,000	197,216	(65,716)	-	131,500
Stock options expired (Note 8c)	-	-	(23,191)	23,191	-
Share-based payments (Note 8c)	-	-	2,816,480	-	2,816,480
Restricted share units converted (Note 8c)	4,360,000	1,172,600	(1,172,600)	-	-
Restricted share units expired (Note 8c)			(52,500)	52,500	-
Warrants exercised (Note 8d)	13,120,000	2,719,000	-	-	2,719,000
Loss and comprehensive loss for the period	-	-	-	(7,349,359)	(7,349,359)
Balance, March 31, 2026	97,802,458	$ 20,355,083	$ 3,908,153	$ (10,668,049)	$ 13,595,187

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

FORMATION METALS INC.
Statements of Cash Flows
(Expressed in Canadian dollars)

	Year ended March 31, 2026	Year ended March 31, 2025
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss and comprehensive loss for the period	$ (7,349,359)	$ (3,133,327)
Adjustment for item not involving cash:		
Share-based payments	2,816,480	2,655,612
Recovery of flow through share premium liability	(115,805)	-
Unrealized gain on investments	(111,533)	-
Changes in non-cash working capital items:		
(Increase) decrease in accounts receivable	(639,573)	(57,915)
(Increase) decrease in prepaid expenses	(826,073)	(511,751)
Increase in accounts payable and accruals	142,132	107,998
Net cash and cash equivalents used in operating activities	(6,083,731)	(939,383)
CASH FLOWS FROM INVESTING ACTIVITIES		
Investments	(149,600)	
Exploration advance	(754,561)	-
Exploration and evaluation assets	(4,175,626)	(207,675)
Net cash and cash equivalents used in investing activities	(5,079,787)	(207,675)
CASH FLOWS FROM FINANCING ACTIVITIES		
Share issue costs	(521,097)	-
Proceeds from the issuance of share capital	15,715,866	1,739,400
Net cash and cash equivalents provided in financing activities	15,194,769	1,739,400
Increase (decrease) in cash and cash equivalents for the period	4,031,251	592,342
Cash and cash equivalents, beginning of period	1,305,758	713,416
Cash and cash equivalents, end of period	$ 5,337,009	$ 1,305,758
Cash and cash equivalents paid during the period for interest	$ -	$ -
Cash and cash equivalents paid during the period for income taxes	$ -	$ -

Supplemental information:

During the year ended March 31, 2026, the Company issued 1,000,000 common shares valued at $360,000 pursuant to agreement to acquire exploration and evaluation asset (Note 6).

During the year ended March 31, 2025, the Company issued 1,000,000 common shares valued at $210,000 pursuant to agreement to acquire exploration and evaluation asset (Note 6).

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

1. NATURE OF BUSINESS AND CONTINUING OPERATIONS

Formation Metals Inc. (the "Company") was incorporated on March 1, 2022 under the laws of British Columbia. The Company's head office address is Unit 401, 90 Adelaide Street W, Toronto, Ontario M5H 3V9, Canada. The registered and records office address is #400 – 1681 Chestnut Street, Vancouver BC, V7Y 1G5, Canada.

The Company is listed for trading on the Canadian Securities Exchange ("CSE") under the symbol FOMO, the OTCQB Venture Market ("OTCQB") under the symbol FOMTF, and in Germany under the symbol VF1. The Company's principal business activities include the acquisition and exploration of mineral property assets. Its portfolio includes Nicobat, a Nickel-Copper-Cobalt property in Ontario ("Nicobat"), and the N2 Gold project in Quebec ("N2").

The Company's principal business activities include the acquisition and exploration of mineral property assets. The Company presently has three properties it is exploring: the Nicobat Nickel-Copper-Cobalt property ("Nicobat"), the N2 Gold-Copper-Zinc property ("N2"), and the Rio Titanium property ("Rio").

The Company's exploration and evaluation properties are at the exploration stage. The business of exploring for minerals and mining involves a high degree of risk. Major expenses may be required to establish ore reserves, to develop metallurgical processes, to acquire construction and operating permits and to construct mining and processing facilities.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of operations of such properties, these procedures do not guarantee the Company's title. Property title may be subject to government licensing requirements or regulations, unregistered prior agreements, unregistered claims, aboriginal claims, and non-compliance with regulatory and environmental requirements. The Company's assets may also be subject to increases in taxes and royalties, renegotiation of contracts, political uncertainty and currency exchange fluctuations and restrictions.

The Company has a loss of $7,349,359 (2025 - $3,133,327) for the year ended March 31, 2026, which resulted in an accumulated deficit of $10,668,049 (March 31, 2025 - $3,394,381) as at March 31, 2026. The Company's ability to continue its operations is dependent upon obtaining additional financing sufficient to cover its operating costs.

These audited financial statements have been prepared on a going concern basis, which presumes that the Company will continue to operate for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business.

As at March 31, 2026, the Company had not advanced its properties to commercial production and is not able to finance day to day activities through operations. Management recognizes that the Company will need to obtain additional financial resources in order to meet its planned business objectives. While the Company has been successful in obtaining its required financing in the past, there is no assurance that such financing will be available or be available on favorable terms. An inability to raise additional funds may cast significant doubt on the Company's ability to continue as a going concern.

In addition, there are many external factors that can adversely affect general workforces, economies and financial markets globally. Examples include but are not limited to the inflationary pressures, rising interest rates, the global financial climate and the conflicts in Ukraine and the Middle East are affecting current economic conditions and increasing economic uncertainty, which may impact the Company's operating performance, financial position and the Company's ability to secure future funding.

These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. These financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these financial statements.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

3. BASIS OF PRESENTATION

The financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit or loss, which are stated at their fair value. In addition, the financial statements have been prepared using the accrual basis of accounting except for cash flow information.

The preparation of financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. The areas involving a higher degree of judgement of complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

These financial statements are presented in Canadian dollars, which is the functional currency of the Company.

4. MATERIAL ACCOUNTING POLICY INFORMATION

The Company has consistently applied the following accounting policies to all periods presented in these financial statements, except if mentioned otherwise.

In addition, the Company adopted Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2). The amendments require the disclosure of 'material' rather than 'significant', accounting policies. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in Note 4 in certain instances.

(a) Income taxes

Income tax is recognized in profit or loss except to the extent that it relates to items recognized in other comprehensive income or loss or directly in equity, in which case it is recognized in other comprehensive income or loss or equity.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at year end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period applicable to the period of expected realization or settlement.

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same tax authority and the group intends to settle its current tax assets and liabilities on a net basis.

(b) Share capital

Common shares are classified as share capital. Transaction costs directly attributable to the issue of common shares and share purchase options are recognized as a deduction from equity, net of any tax effects. The proceeds from the issue of units are allocated between common shares and common share purchase warrants based on the residual value method. Under this method, the proceeds are allocated to share capital based on the fair value of the common shares and any residual value is allocated to common share purchase warrants.

(c) Basic and diluted loss per share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the year. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

(d) Financial instrument measurement and valuation

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 date.

The measurement of the Company's financial instruments is disclosed in Note 13 to these financial statements. Any financial instrument that is valued using level 2 or 3 inputs will involve estimation uncertainty.

Financial assets

The Company classifies its financial assets in the following categories: at fair value through profit or loss ("FVTPL"), at fair value through other comprehensive income ("FVTOCI") or at amortized cost. The determination of the classification of financial assets is made at initial recognition. Equity instruments that are held for trading (including all equity derivative instruments) 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 at FVTOCI.

The Company's accounting policy for each of the categories is as follows:

Financial assets at FVTPL: Financial assets carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statement of profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets held at FVTPL are included in the statement of profit or loss in the period.

Financial assets at FVTOCI: Investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses arising from changes in fair value recognized in other comprehensive income (loss) in which they arise.

Financial assets at amortized cost: A financial asset is measured at amortized cost if the objective of the business model is to hold the financial asset for the collection of contractual cash flows, and the asset's contractual cash flows are comprised solely of payments of principal and interest. They are classified as current assets or non-current assets based on their maturity date and are initially recognized at fair value and subsequently carried at amortized cost less any impairment.

Impairment of financial assets at amortized cost: The Company assesses all information available, including on a forward-looking basis, the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the asset as the reporting date, with the risk of default as at the date of initial recognition, based on all information available, and reasonable and supportive forward-looking information.

Financial liabilities and equity: Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued are recorded at the proceeds received, net of direct issue costs.

The Company classifies its financial liabilities into one of two categories as follows:

Fair value through profit or loss (FVTPL) – This category comprises derivatives and financial liabilities incurred principally for the purpose of selling or repurchasing in the near term. They are carried at fair value with changes in fair value recognized in profit or loss.

Amortized cost – This category consists of liabilities carried at amortized cost using the effective interest method. Accounts payable and accrued liabilities are included in this category. The Company derecognizes financial liability when its contractual obligations are discharged, cancelled or expire.

(e) Impairment of non-financial assets

Non-financial assets, including mineral properties, are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount, which is the higher of value in use and fair value less costs to sell, the asset is written down to its recoverable amount. An impairment loss is charged to statements of comprehensive loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognized immediately in income or loss. The recoverable amount is the higher of the fair value less costs of disposal and the value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows. These are typically the individual properties or projects.

(f) Share-based payments

Share-based payments to employees are measured at fair value of the instruments issued and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured and are recorded at the date the goods or services are received. The corresponding amount is recorded to contributed surplus. The fair value of options is determined using the Black-Scholes Option Pricing Model. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

(g) Foreign currency

Transactions and balances in currencies other than the Canadian dollar, the currency of the primary economic environment in which the Company operates (“the functional currency”), are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at exchange prevailing on the statement of financial position date are recognized in the statement of comprehensive loss.

(h) IFRS 18 Presentation and Disclosure in the Financial Statements

In April 2024, the IASB issued IFRS 18, Presentation and Disclosure in the Financial Statements, to replace IAS 1, Presentation of Financial Statements. This new standard sets out requirements for the presentation and disclosure of information in financial statements, including:

i) classifying all income and expense into specified categories and provide specified totals and subtotals in the statement of income or loss,

ii) how information is aggregated or disaggregated, and

iii) the disclosure of management-defined performance measures.

Retrospective application of this standard is mandatory for annual periods starting from January 1, 2027 onwards, but earlier application is permitted provided that this fact is disclosed. The Company has not applied this standard in preparing these consolidated financial statements as it plans to adopt the standard at its effective date. As at March 31, 2026, the impact of adopting this standard on the financial statements is currently under assessment.

(i) Critical accounting estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, and expenses. Estimates and associated assumptions applied in determining asset or liability values are based on historical experience and various other factors including other sources that are believed to be reasonable under the circumstances but are not necessarily readily apparent or recognizable at the time such estimate or assumption is made. Actual results may differ from these estimates.

Estimates and underlying assumptions used in determining asset and liability values are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Information about critical accounting estimates and judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the financial statements are discussed below:

Judgments

Going concern

The Company's management has assessed the Company's ability to continue as a going concern and is satisfied that the Company has the resources to continue in business for the foreseeable future. The factors considered by management are disclosed in Note 1.

Asset carrying values and impairment

The Company performs impairment testing when impairment indicators are present. In the determination of carrying values and impairment charges, management considers the recoverable amount which is the greater of fair value less costs of disposal and value in use in the case of mining assets. These determinations and their individual assumptions require that management make a decision based on the best available information at each reporting period.

Estimates

Deferred tax assets and liabilities

The estimation of income taxes includes evaluating the recoverability of deferred tax assets based on an assessment of the Company's ability to utilize the underlying future tax deductions against future taxable income prior to expiry of those deductions. Management assesses whether it is probable that some or all the deferred income tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income, which in turn is dependent upon the successful discovery, extraction, development, and commercialization of mineral reserves. To the extent that management's assessment of the Company's ability to utilize future tax deductions changes, the Company would be required to recognize more or fewer deferred tax assets, and future income tax provisions or recoveries could be affected.

(Expressed in Canadian dollars)

Exploration and evaluation assets

Pre-exploration costs are expensed as incurred. Costs related to the acquisition and exploration of mineral properties are capitalized by property until the commencement of commercial production. If commercially profitable ore reserves are developed, capitalized costs of the related property are reclassified as mining assets after an impairment test and amortized using the unit of production method. If, after management review, it is determined that capitalized acquisition, exploration and evaluation costs are not recoverable over the estimated economic life of the property, or the property is abandoned, or management deems there to be an impairment in value, the property is written down to its net realizable value.

Any option payments received by the Company from third parties or tax credits refunded to the Company are credited to the capitalized cost of the mineral property. If payments received exceed the capitalized cost of the mineral property, the excess is recognized as income in the year received. The amounts shown for exploration and evaluation assets do not necessarily represent present or future values. Their recoverability is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development, and future profitable production or proceeds from the disposition thereof.

Segment information

The Company currently operates in a single reportable operating segment involved in the acquisition and exploration of mineral property assets. All of the Company's assets and expenditures are located in Canada.

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents of $5,337,009 (2025 - $1,305,758) consist of:

	Year ended March 31, 2026	Year ended March 31, 2025
Cash	$ 331,243	$ 31,896
Short-term deposits	5,005,766	1,273,862
	$5,337,009	$1,305,758

(Expressed in Canadian dollars)

6. EXPLORATION AND EVALUATION OF ASSETS

The Company incurred expenditures on the properties as follows:

Acquisition Costs	Nicobat, Ontario	N2, Quebec	Rio, Quebec	Total
Balance, March 31, 2024	$ 528,471	$ -	$ -	$ 528,471
Issuance of common shares	-	210,000	-	210,000
Cash consideration	-	50,000	-	50,000
Balance, March 31, 2025	$ 528,471	$ 260,000	$ -	$ 788,471
Issuance of common shares	-	360,000	-	360,000
Cash consideration	-	50,000	-	50,000
Balance, March 31, 2026	$ 528,471	$ 670,000	$ -	$ 1,198,471
Exploration Expenditures:				
Balance, March 31, 2024	$ 1,798	$ -	$ -	$ 1,798
Field Expenses	20,000	22,500	-	42,500
Title claim fees	190	-	-	190
Balance, March 31, 2025	$ 21,988	$ 22,500	$ -	$ 44,488
License costs	796	6,664	-	7,460
Claim management fees	-	1,217	-	1,217
Government assistance	-	(8,719)	-	(8,719)
Exploration expenses	-	4,050,668	-	4,050,668
Consulting fees	-	75,000	-	75,000
Balance, March 31, 2026	$ 22,785	$ 4,147,330	$ -	$ 4,170,115
Balance, March 31, 2025	**$ 550,459**	**$ 282,500**	**$ -**	**$ 832,959**
Balance, March 31, 2026	**$ 551,256**	**$ 4,817,330**	**$ -**	**$ 5,368,585**
Exploration Advances:				
Balance, March 31, 2023 and March 31, 2024	$ -	$ -	$ -	$ -
Exploration advance	114,985	-	-	114,985
Balance, March 31, 2025	$ 114,985	$ -	$ -	$ 114,985
Exploration advance	-	754,561	-	754,561
Balance, March 31, 2025	**$ 665,444**	**$ 282,500**	**$ -**	**$ 947,944**
Balance, March 31, 2026	**$ 114,985**	**$ 754,561**	**$ -**	**$ 869,546**

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

Nicobat property, Ontario, Canada

Nicobat was acquired through an Arrangement Agreement (the "Arrangement") with Usha Resources Ltd. ("Usha), a company with common directors, to transfer the Nicobat property to the Company whereby USHA shareholders were issued one (1) share of the Company with respect to every five (5) shares of USHA owned on the share distribution record date (the "Share Distribution Record Date"). The Arrangement was completed on April 20, 2023 (Note 6) through the issuance of 9,480,474 common shares valued at $528,471 as consideration. Nicobat is subject to a 2% net smelter returns ("NSR") royalty of which 1.5% can be repurchased for USD$2,000,000 until the end of the five-year period commencing from the date Nicobat is put into commercial production.

N2 property, Quebec, Canada

The Company entered into an option agreement with Wallbridge Mining Company Limited ("Wallbridge"), to acquire a 100% interest in the N2 Property located in Northwestern Quebec. The Company can acquire a 100% interest in the property by paying an aggregate of $550,000 in cash to Wallbridge Mining, issuing an aggregate of 4,000,000 common shares to Wallbridge and completing $5,000,000 of work expenditures on N2 as indicated in the table below:

(Expressed in Canadian dollars)

	Common shares	Cash payment	Work commitment
Signing	1,000,000	$ 50,000	$ -
1st Anniversary	1,000,000	50,000	400,000
2nd Anniversary	1,000,000	50,000	600,000
3rd Anniversary	-	100,000	1,200,000
4th Anniversary	-	100,000	-
5th Anniversary	-	100,000	-
6th Anniversary	1,000,000	100,000	2,800,000
	4,000,000	$ 550,000	$ 5,000,000

On January 23, 2025, the Company issued 1,000,000 common shares and on January 27, 2025 paid $50,000 to Wallbridge pursuant to the option agreement.

On January 14, 2026, the Company paid $50,000 and issued 1,000,000 common shares to Wallbridge pursuant to the first anniversary payment.

Rio property, Quebec, Canada

In June 2025, the Company acquired, through direct staking, a 100% interest in the Rio Titanium Project, comprising 136 mineral claims totaling 7,440 hectares located in the Côte-Nord region of northeastern Quebec, approximately 43 kilometers northeast of Havre-Saint-Pierre and immediately adjacent to Rio Tinto's Lac Tio mine. As the claims were acquired by staking, no consideration was payable to any vendor, and the property is not subject to any option, earn-in or underlying royalty obligations.

7. RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties. Related party transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

During the year ended March 31, 2026, $67,916 (2025 – $92,871) due to related parties was included in accounts payable and accrued liabilities:

Name of the Key management personnel	Company’s Name	Nature of Transaction	Year ended March 31, 2026	Year ended March 31, 2025
Navin Varshney, Director	Individual	Reimbursement	$ 2,000	$ 2,000
Deepak Varshney, CEO	Individual	Reimbursement	59,416	21,871
Deepak Varshney, CEO	1473632 BC Ltd.	Management and exploration consulting fees	160,000	63,000
Khalid Naeem, CFO	Aterna Advisors Inc.	Accounting fees	46,970	6,000

During the year ended March 31, 2026, $3,515 (2025 – $3,515) due from USHA was included in receivables.

Key management personnel include persons having the authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has identified its directors and officers as its key management personnel and the compensation costs for key management personnel and companies related to them are recorded at their exchange amounts as agreed upon by transacting parties.

8. SHARE CAPITAL

(a) Authorized

Unlimited number of common and preferred shares without par value.

(b) Issued and outstanding

As at March 31, 2026, the issued share capital was comprised of 97,802,458 common shares.

During the year ended March 31, 2026, the Company issued 52,511,984 common shares as stated below:

i) 4,360,000 restricted share units were converted.

ii) 12,170,000 warrants were exercised at a price of $0.20 per share.

iii) 950,000 warrants were exercised at a price of $0.30 per share.

iv) 150,000 stock options were exercised at a price of $0.21 per share.

v) 500,000 stock options were exercised at a price of $0.20 per share.

vi) 1,000,000 common shares issued pursuant to acquisition of 100% interest in N2 property in Quebec.

vii) 6,178,286 common shares issued pursuant to flow-through private placement at a price of $0.35 per share.

viii) 2,652,519 common shares issued pursuant to flow-through private placement at a price of $0.435 per share.

ix) 2,185,000 common shares issued pursuant to flow-through private placement at a price of $0.50 per share.

x) 4,528,341 common shares issued pursuant to flow-through private placement at a price of $0.41 per share.

xi) 17,312,891 common shares issued pursuant to flow-through private placement at a price of $0.37 per share.

xii) 524,947 common shares issued pursuant to flow-through private placement at a price of $0.37 per share.

During year ended March 31, 2026, the Company completed a private placement of 6,178,286 flow-through shares at $0.35 per share for gross proceeds of $2,162,400. On October 15, 2025, the Company closed the first tranche of its private placement, raising $8,262,389 in gross proceeds through the issuance of 17,312,891 LIFE Units at $0.37 per unit and 4,528,341 flow-through units at $0.41 per unit. On October 31, 2025, the Company closed the second tranche of its private placement, raising an additional $194,230.33 in gross proceeds through the issuance of 524,947 LIFE units. The Company calculates the tax effect of the premium related to the issuance of flow-through shares by reviewing the value of the corresponding common shares and warrants issued. As a result, no premium was recognized as a flow-through premium liability upon issuance.

The Company closed a Charity Flow-Through private placement raising gross proceeds of $1,092,500 through the issuance of 2,185,000 charity flow-through units at $0.50 per unit under the listed issuer financing exemption as per Part 5A of National Instrument 45-106 – Prospectus Exemptions to qualified investors in Canada. Each unit consisted of one flow-through common share (each a “CFT Share”) and one transferable common share purchase warrant (each a “CFT Warrant”), with each CFT Warrant entitling the holder to purchase one additional common share at an exercise price of $0.60 per Warrant Share for a period of two (2) years from the date of closing of the private placement. The Company granted 56,700 finder’s warrants to arm’s length parties, in accordance with applicable securities laws and the policies of the Canadian

(Expressed in Canadian dollars)

Securities Exchange. The Finder's Warrants are non-transferable and exercisable at $0.60 per Share until the Expiry Date. As a result of the issuance, the company recorded a flow-through premium liability of $115,805.

The Company closed a Charity Flow-Through private placement raising gross proceeds of $1,153,845 through the issuance of 2,652,519 charity flow-through units at $0.435 per unit. Each unit consisted of one flow-through common share (each a "4MH FT Share") and one transferable common share purchase warrant (each a "4MH Warrant"), with each 4MH Warrant entitling the holder to purchase one additional common share at an exercise price of $0.60 per Warrant Share for a period of two (2) years from the date of closing of the private placement. As a result of the issuance, no premium was recognized as a flow-through premium liability upon issuance.

As of March 31, 2026, the flow through premium liability outstanding relating to flow-through shares was $nil.

During year ended March 31, 2026 the Company paid cash of $521,096 as finders' fees and granted 489,170 warrants as finders' fees, exercisable at $0.60, 105,633 warrants as finders' fees, exercisable at $0.54, 21,940 warrants as finders' fees, exercisable at $0.62, for a period of two years. All finders' warrants were valued at $64,151 using the Black-Scholes option pricing model, assuming a life expectancy of two years, a risk-free interest rate of 2.42% to 2.82, a forfeiture and dividend rate of nil, and volatility of 68.73% to $81%.

As at March 31, 2025, the issued share capital was comprised of 45,290,474 common shares.

During the year ended March 31, 2025, the Company issued 16,810,000 common shares as stated below:

i) 2,840,000 stock options were exercised at a price of $0.135 per share.

ii) 2,840,000 restricted share units were converted.

iii) 2,050,000 restricted share units were converted.

iv) 1,300,000 restricted share units were converted.

v) 6,780,000 warrants were exercised at a price of $0.20 per share.

vi) 1,000,000 common shares issued pursuant to acquisition of 100% interest in N2 property in Quebec.

(c) Stock options and restricted share units

The Company maintains a Stock Option Plan under which it is authorized to grant stock options to executive officers, directors, employees, and consultants. Under this plan, the number of stock option units that may be issued is limited to no more than 10% of the Company's issued and outstanding shares immediately prior to the grant.

The exercise price of an option will be set by the board at the time such option is allocated under this plan and cannot be less than the price prescribed by the policies of the Exchange. The options can be granted for a maximum term of ten years and vest at the discretion of the Board of Directors.

The Company also maintains a Restricted Share Unit Plan under which it is authorized to grant restricted share units to executive officers, directors, employees, and consultants. Under the Plan, the number of restricted share units that may be issued is limited to no more than 10% of the Company's issued and outstanding shares immediately prior to the grant.

During the year ended March 31, 2026, the Company granted 6,000,000 stock options (2025 – 7,290,000) having a total fair value of $686,005 (2025 – $618,612) and a weighted average exercise price of $0.29 (2025 – $0.18) per option. During the year ended March 31, 2026, the Company recognized share-based compensation of $686,005 (2025 – $618,612) relating to options vested during the year.

The fair value of options granted was estimated on the date of grant using the Black-Scholes option pricing model, with the following weighted average assumptions:

	March 31, 2026	**March 31, 2025**
Risk-free interest rate	2.57%	2.98%

(Expressed in Canadian dollars)

Expected dividend yield	Nil	Nil
Expected stock price volatility	63.56%	88.81%
Expected life	2.37 years	2 years
Expected forfeiture rate	Nil	Nil

During the year ended March 31, 2026, 650,000 of the outstanding stock options were exercised. The corresponding amount of $59,918 was transferred from reserves to share capital.

The following stock options were outstanding and exercisable as at March 31, 2026:

	Number		Weighted Average Exercise Price
Outstanding, March 31, 2024	-	$	-
Granted	7,290,000		0.18
Exercised	(2,840,000)		0.14
Outstanding, March 31, 2025	4,450,000	$	0.21
Granted	6,000,000		0.29
Expired	(200,000)		0.21
Exercised	(650,000)		0.20
Outstanding, March 31, 2026	9,600,000	$	0.26

The following stock options were outstanding and exercisable as at March 31, 2026:

	Number of options outstanding	Number of options exercisable	Exercise Price	Expiry Date	Remaining contractual life (years)
Options	2,600,000	2,600,000	$ 0.20	November 8, 2026	0.61
Options	800,000	800,000	$ 0.23	January 3, 2027	0.76
Options	200,000	200,000	$ 0.21	February 5, 2027	0.85
Options	1,700,000	1,700,000	$ 0.345	September 18, 2028	2.47
Options	3,000,000	3,000,000	$ 0.25	November 25, 2027	1.65
Options	500,000	500,000	$ 0.26	December 11, 2027	1.70
Options	300,000	300,000	$ 0.38	February 5, 2028	1.85
Options	500,000	500,000	$ 0.35	March 20, 2029	2.97

During the year ended March 31, 2026, the Company granted 6,650,000 restricted share units (RSUs) (March 31, 2025 – nil) having a total fair market value of $2,304,500 (March 31, 2025 - $nil) and recognized a share-based compensation of $2,119,167 (March 31, 2025 – $nil) relating to RSUs vested during the year.

During the year ended March 31, 2026, 4,360,000 of the outstanding RSUs were exercised. The corresponding amount of $1,148,850 was transferred from reserves to share capital.

A summary of changes in outstanding restricted share units is as follows:

	Number

Outstanding, March 31, 2024	-
Granted	10,000,000
Converted to equity	(6,190,000)
Outstanding, March 31, 2025	3,810,000
Granted	6,650,000
Expired	(250,000)
Converted to equity	(4,360,000)
Outstanding, March 31, 2026	5,850,000

The following restricted share units were outstanding as at March 31, 2026:

	Number of RSUs outstanding	Number of RSUs exercisable	Expiry Date	Remaining contractual life (years)
RSUs	250,000	250,000	September 1, 2028	2.42
RSUs	3,000,000	3,000,000	December 31, 2028	2.67
RSUs	700,000	700,000	February 05, 2029	2.85
RSUs	1,000,000	1,000,000	March 06, 2029	2.93
RSUs	600,000	400,000	March 20, 2029	2.97
RSUs	300,000	-	March 31, 2029	3.00

(d) Warrants

As at March 31, 2026, the Company had 39,093,737 warrants outstanding.

A summary of changes in outstanding warrants is as follows:

	Warrants outstanding	Weighted Average Exercise Price
Outstanding and exercisable at March 31, 2024	19,000,000	$ 0.20
Warrants issued	6,045,000	0.30
Warrants exercised	(6,780,000)	0.20
Outstanding and exercisable at March 31, 2025	18,265,000	0.23
Warrants issued	33,998,737	0.57
Warrants expired	(50,000)	0.20
Warrants exercised	(13,120,000)	0.21
Outstanding and exercisable at March 31, 2026	39,093,737	$ 0.54

The following warrants were outstanding at March 31, 2026:

	Number of warrants	Exercise Price	Expiry Date
Warrants:			
Common share purchase warrants	5,095,000	$ 0.30	January 31, 2027
Common share purchase warrants	4,701,286	$ 0.60	June 13, 2027
Agents' warrants	329,090	$ 0.60	June 13, 2027
Common share purchase warrants	5,343,138	$ 0.60	July 18, 2027
Agents' warrants	157,080	$ 0.60	July 18, 2027
Common share purchase warrants	928,381	$ 0.60	August 6, 2027

(Expressed in Canadian dollars)

Common share purchase warrants	43,000	$ 0.60	August 15, 2027
Agents' warrants	3,010	$ 0.60	August 15, 2027
Agents' warrants	105,633	$ 0.54	October 15, 2028
Common share purchase warrants	17,312,891	$ 0.54	October 15, 2028
Common share purchase warrants	4,528,341	$ 0.62	October 15, 2027
Agents' warrants	21,940	$ 0.62	October 15, 2027
Common share purchase warrants	524,947	$ 0.54	October 24, 2028

9. BASIC AND DILUTED LOSS PER SHARE

The calculation of basic and diluted loss per share for the year ended March 31, 2026, was based on the loss attributable to common shareholders of $7,349,359 (2025 – $3,133,327) and the weighted average number of common shares outstanding of 71,640,542 (2025 – 31,193,792).

10. INVESTMENTS

During the year ended March 31, 2026, the Company invested $100,000 with Leede financials to take part in two private placements. The fair value of the investments as at March 31, 2026 is $190,733.

On February 27, 2026, the Company invested in a private placement by Bolt Metals Corp. and received 160,000 common shares valued at 0.31 for a total consideration paid of $49,600. The fair value of these shares as at March 31, 2026 is $0.44 and fair value of the investment is $70,400.

		Investment in Bolt Metal Corp.		Investment in Leede Financials Inc.
Fair value as at March 31, 2025	$	-	$	-
Additions		49,600		100,000
Fair value adjustment		20,800		90,733
Fair value as at March 31, 2026	**$**	**70,400**	**$**	**190,733**

11. INCOME TAXES

The following table reconciles the amount of income tax recoverable on application of the combined statutory Canadian federal and provincial income tax rates:

		2026		2025
Net loss before income taxes	$	(7,349,359)	$	(3,133,327)
Canadian income tax rate		27%		27%
Expected income tax (recovery) expense		(1,984,000)		(846,000)
Permanent difference		760,000		717,000
Changes in tax benefits not recognized		1,224,000		129,000
Income tax expense	**$**	-	**$**	-

Significant components of the Company's deferred income tax assets (liabilities) not recognized are shown below:

		2026		2025
Non-capital loss carried forward	$	5,272,000	$	739,000

The Company has approximately $5,272,000 (2025 - $739,000) of non-capital losses available, which expire between 2043 and 2046 and may be applied against future taxable income for income tax purposes.

12. MANAGEMENT OF CAPITAL

Capital is comprised of the Company's shareholders' equity and any debt that it may issue. The Company's objectives when managing capital are to maintain financial strength and to protect its ability to meet its ongoing liabilities, to continue as a going concern, to maintain creditworthiness and to maximize returns for shareholders over the long term. Protecting the ability to pay current and future liabilities includes maintaining capital above minimum regulatory levels, current financial strength rating requirements and internally determined capital guidelines and calculated risk management levels.

The Company is not subject to any externally imposed capital requirements or debt covenants. There were no changes in the Company's approach to capital management during the year ended March 31, 2026.

13. FINANCIAL INSTRUMENTS

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

Market Risk

Market risk is the risk that the fair value or future cash flows from a financial instrument will fluctuate because of changes in market prices or prevailing conditions. Market risk comprises three types of risks: currency risk, interest rate risk and other price risk and are disclosed as follows:

i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company holds no financial instruments that are denominated in a currency other than Canadian dollars. As at March 31, 2026, the Company is not exposed to currency risk.

ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in market risk. The Company's sensitivity to interest rates relative to its cash balances is currently immaterial. The Company also has no long-term debt with variable interest rates, so it has no negative exposure to changes in the market interest rate.

iii) Price rate risk

The Company has no exposure to price risk with respect to equity prices as the Company is not listed. 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.

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 credit risk is primarily attributable to its liquid financial assets including cash. The Company limits the exposure to credit risk by only investing its cash with high-credit quality financial institutions. Management believes that the credit risk related to its cash is negligible.

Liquidity Risk

All of the Company's financial liabilities are classified as current and are anticipated to mature within the next fiscal year. The Company intends to settle these with funds from its positive working capital position. The Company manages its liquidity risk by forecasting cash flow requirements for its planned exploration and corporate activities and anticipating investing and financing activities. The risk to the going concern assumption is outlined in Note 1.

Fair Value Measurements

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 date.

The Company's financial instruments consist of cash, due to USHA balance included in receivables and accounts payable and accrued liabilities which are classified at amortized cost. The fair value approximates the carrying value because of the short-term nature of the instruments.

14. COMMITMENT

Pursuant to the terms of flow-through share agreement, the Company is in the process of complying with its flow-through contractual obligations to subscribers with respect to the Income Tax Act (Canada) requirements for flow-through shares. As of March 31, 2026, the Company is committed to incurring approximately $2.2 million in Canadian Exploration Expenditures (as such term is defined in the Income Tax Act (Canada)) by December 31, 2026 arising from the flow-through offerings

15. SUBSEQUENT EVENTS

On April 20, 2026, the Company appointed Michael Dehn to its Board of Directors.

On April 29, 2026, the Company announced a proposed non-brokered private placement for aggregate gross proceeds of up to $15,000,000, which was announced as fully allocated on April 30, 2026 and subsequently upsized. The offering closed in two tranches: on May 19, 2026, the Company issued 31,141,021 units (16,412,113 hard-dollar units at $0.37, 13,024,363 flow-through units at $0.44 and 1,704,545 Quebec flow-through units at $0.44) for gross proceeds of approximately $12,553,201; and on May 21, 2026, the Company issued 18,680,270 units (2,040,540 hard-dollar units at $0.37, 3,610,000 flow-through units at $0.44, 4,640,468 charity flow-through units at $0.548 and 8,389,262 Quebec charity flow-through units at $0.596) for gross proceeds of approximately $9,886,376 — in aggregate, approximately $22,439,577 through 49,821,291 units. Each unit comprises one common share (issued as a flow-through share where applicable) and one non-flow-through common share purchase warrant exercisable at $0.596 for 36 months from the applicable closing date. In connection with the offering, the Company paid cash finders' fees of $816,768 and issued 1,490,695 finder warrants on the same terms. The Company committed to renounce qualifying Canadian exploration expenditures to subscribers of the flow-through securities with an effective date of no later than December 31, 2026, in an amount not less than the aggregate gross proceeds of the flow-through securities, and to incur such expenditures on or before December 31, 2027.

On May 28, 2026, the Company announced that it had elected to rely on Coordinated Blanket Order 51-933, Exemptions to Permit Semi-Annual Reporting for Certain Venture Issuers, and move to semi-annual financial reporting (SAR).