

TROILUS MINING CORP. (formerly Troilus Gold Corp.)

CONSOLIDATED FINANCIAL STATEMENTS

For the years ended July 31, 2026 and 2025

(expressed in Canadian dollars)

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Independent Auditor's Report

To the Shareholders and the Board of Directors of
Troilus Mining Corp. (formerly Troilus Gold Corp.)

Opinion

We have audited the consolidated financial statements of Troilus Mining Corp. (the "Company"), which comprise the consolidated statement of financial position as at July 31, 2026, and the consolidated statements of operation and comprehensive loss, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the "financial statements").

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

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). 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.

Key Audit Matters

A key audit matter is a matter that, in our professional judgment, was of most significance in our audit of the consolidated financial statements for the year ended July 31, 2026. This matter was addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

Exploration and Evaluation Expenses – Refer to Notes 3 and 18 to the financial statements

Key Audit Matter Description

The Company's principal business is the exploration and future development of the Troilus Mining Property project and a significant portion of the Company's activities and spending is directed toward advancing this project. The Company expenses exploration and evaluation expenses as incurred. During the year, the Company incurred significant exploration and evaluation expenses,

which included engineering and environmental costs, salaries, drilling assaying and geology, site and camp costs , and other exploration and evaluation activities.

Given the magnitude of the exploration and evaluation expenses balance to the Company's financial statements, the performance of audit procedures required an increased extent of audit effort.

How the Key Audit Matter was Addressed in the Audit

Our audit procedures related to exploration and evaluation expenses included the following, among others:

- Reconciled the exploration and evaluation expense population to the general ledger.
- On a sample basis, tested exploration and evaluation expenditures by inspecting invoices and other supporting documentation to assess whether the expenditures occurred and were recorded at the correct amounts.
- Evaluated whether the selected expenditures were recorded in the appropriate period and appropriately classified.

Other Matter – Comparative Information

The consolidated financial statements of the Company as at and for the year ended July 31, 2025 were audited by another auditor who expressed an unmodified opinion on those consolidated financial statements on October 20, 2025.

Other Information

Management is responsible for the other information. The other information comprises Management's Discussion and Analysis.

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 identified above 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.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. 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 this auditor's report. 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 GAAS 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 GAAS, 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance 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 consolidated 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 Paul Gortnar.

Deloitte LLP

Chartered Professional Accountants
Licensed Public Accountants
October 27, 2026

TROILUS MINING CORP. (formerly Troilus Gold Corp.)

Consolidated Statements of Financial Position
(Expressed in Canadian dollars)

As at	Notes	July 31, 2026	July 31, 2025
ASSETS			
Current assets			
Cash and cash equivalents	5	$ 121,565,934	$ 25,081,981
Tax credit receivable	18	2,429,261	4,979,353
Amounts receivable	6	4,255,833	1,712,756
Investments	7	2,024,101	989,760
Prepaid expenses		1,241,488	1,214,502
Total current assets		131,516,617	33,978,352
Deposits	9	10,967,419	2,070,000
Investment in associate	8	-	793,058
Reclamation deposits	10	844,595	844,595
Property and equipment	11	7,352,316	6,778,678
TOTAL ASSETS		$ 150,680,947	$ 44,464,683
LIABILITIES AND EQUITY			
Current liabilities			
Accounts payable and accrued liabilities		$ 21,432,707	$ 8,493,204
Short-term loan	13	-	19,739,890
Current portion of lease liabilities	12	470,737	812,210
Current portion of reclamation provision	10	271,162	175,271
Total current liabilities		22,174,606	29,220,575
Flow-through share premium liability	14	1,638,515	-
Long-term portion of lease liabilities	12	1,071,563	891,261
Reclamation provision	10	2,398,700	2,052,685
Total liabilities		27,283,384	32,164,521
SHAREHOLDERS' EQUITY			
Share capital	14	432,330,329	246,795,874
Share purchase warrant reserve	15	2,353,697	3,808,994
Share-based payment reserve	16	11,234,246	1,513,038
Accumulated deficit		(322,520,709)	(239,817,744)
Total shareholders' equity		123,397,563	12,300,162
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		$ 150,680,947	$ 44,464,683
Nature of operations	1		
Commitments and contingencies	23		
Subsequent events	25		

Approved on behalf of the Board of Directors:

"*Tom Olesinski*"	"*Justin Reid*"
Director	Director

-- see accompanying notes to the financial statements --

TROILUS MINING CORP. (formerly Troilus Gold Corp.)

Consolidated Statements of Operations and Comprehensive Loss
(Expressed in Canadian dollars)

		Years ended July 31,	
		2026	2025
Expenses	Note		
Exploration and evaluation expenses	18	$ 67,304,247	$ 28,224,640
Reclamation estimate	10	493,078	(541,621)
General and administrative expenses	19	15,565,991	8,564,437
Share-based payments	16	9,994,976	3,937,761
Total expenses before other items		(93,358,292)	(40,185,217)
Other income/(expenses)			
Camp rental income		281,816	126,474
Interest income		3,044,845	694,188
Interest on lease liabilities	12	(197,576)	(253,543)
Interest on short-term loan	13	(751,430)	(529,601)
Accretion of short-term loan	13	(507,964)	(331,050)
(Loss) on extinguishment of short-term loan	13	(1,064,088)	-
Flow-through share premium recovery	14	759,440	2,174,679
Accretion of reclamation provision	10	(88,673)	(105,466)
Gain on sale of mineral claims	7	-	337,500
Realized gain on sale of investment	8	8,852,525	143,880
Unrealized gain/(loss) on investments	7	699,723	(219,462)
Share of (loss) in associate	8	(130,996)	(679,926)
Other (losses)	20	(243,979)	(533,002)
Net (loss) and comprehensive (loss) for the year		$ (82,704,649)	$ (39,360,546)
Net (loss) per share			
Basic and diluted		$ (0.16)	$ (0.11)
Weighted average common shares outstanding			
Basic and diluted		506,742,357	358,345,952

-- see accompanying notes to the financial statements --

TROILUS MINING CORP. (formerly Troilus Gold Corp.)

Consolidated Statements of Cash Flows
(Expressed in Canadian dollars)

	Notes	Years ended July 31, 2026	2025
CASH FLOWS FROM:			
Operating activities			
Net (loss) for the year		$ (82,704,649)	$ (39,360,546)
Items not involving cash			
Share-based payments	16	9,994,976	3,937,761
Payments related to tax withholdings on share-based compensation	13	-	(297,626)
Gain on disposal of asset	13	(96,154)	-
Depreciation	11	1,396,977	1,243,900
Accrued interest expense	13	-	529,601
Acquisition of mineral claims	18	1,249,999	-
Value of shares received on sale of mineral claims	7	-	(337,500)
Flow-through share premium recovery	14	(759,440)	(2,174,679)
Reclamation estimate adjustment	10	493,078	(541,621)
Reclamation costs incurred	10	(139,845)	(170,995)
Realized and unrealized (gains)/losses on investment	7	(9,552,248)	75,582
Loss from investment in associate	8	130,996	679,926
Extinguishment of short-term loan	13	1,064,088	-
Foreign exchange on short-term loan	13	340,439	(132,616)
Accrued interest on short-term loan	13	751,430	-
Accretion of short-term loan	13	507,964	331,050
Accretion of reclamation estimate	10	88,673	105,466
Other gains		-	(86,214)
		(77,233,716)	(36,198,511)
Net change in non-cash working capital items:			
Amounts receivable and prepaid expenses		(11,467,482)	(3,170,956)
Tax credit receivable		2,550,092	2,762,871
Accounts payable and accrued liabilities		12,939,503	3,004,113
		4,022,113	2,596,028
Cash flows used in operating activities		(73,211,603)	(33,602,483)
Financing activities			
Financing proceeds	14	186,503,006	34,273,615
Share issue costs	14	(9,481,243)	(2,371,370)
Repayment of bridge loan	13	(22,403,810)	-
Bridge loan proceeds	13	-	20,977,500
Bridge loan costs	13	-	(679,655)
Exercise of warrants	15	7,933,267	1,464,118
Lease payments	12	(825,071)	(663,494)
Cash flows provided by financing activities		161,726,149	53,000,714
Investing activities			
Property and equipment	11	(1,210,562)	(1,044,434)
Acquisition of investment	7	(351,443)	(575,000)
Sale of investments	18	102,430	486,444
Proceeds from sale of assets held for sale	8	9,428,982	-
Cash flows provided by/(used in) investing activities		7,969,407	(1,132,990)
Foreign exchange effect on cash		-	(46,879)
Net change in cash and cash equivalents		96,483,953	18,218,362
Cash and cash equivalents, beginning of the year		25,081,981	6,863,619
Cash and cash equivalents, end of the year		$ 121,565,934	$ 25,081,981
CASH AND CASH EQUIVALENTS CONSIST OF:			
Cash		$ 35,695,181	$ 11,140,676
Cash equivalents		85,870,753	13,941,305
		$ 121,565,934	$ 25,081,981
SUPPLEMENTARY INFORMATION			
Property and equipment leases	11,12	$ 782,606	$ 1,435,484
Shares issued in property option acquisition	14	1,249,999	1,239,111

-- see accompanying notes to the financial statements --

TROILUS MINING CORP. (formerly Troilus Gold Corp.)

Consolidated Statements of Changes in Shareholders' Equity
(Expressed in Canadian dollars)

	Note	Number of Shares	Share Capital	Share purchase warrant reserve	Share-based payment reserve	Accumulated Deficit	Total Shareholders' equity
Balance as at July 31, 2024		285,201,796	$ 210,885,750	$ 506,110	$ 4,655,116	$ (200,457,198)	$ 15,589,778
Private placement		17,330,685	6,244,615	-	-	-	6,244,615
Cost of issue		-	(217,685)	-	-	-	(217,685)
Unit financing		76,650,000	28,029,000	-	-	-	28,029,000
Value of warrants on unit financing		-	(2,298,221)	2,298,221	-	-	-
Cost of issue		-	(2,153,685)	-	-	-	(2,153,685)
Flow-through share premium		-	(2,174,679)	-	-	-	(2,174,679)
Value of warrants on bridge loan		-	-	1,239,111	-	-	1,239,111
Exercise of warrants		3,156,929	1,464,118	-	-	-	1,464,118
Allocation of value of exercised warrants		-	234,448	(234,448)	-	-	-
Settlement of RSU's		14,200,267	6,782,213	-	(7,079,839)	-	(297,626)
Value of share-based compensation		-	-	-	3,937,761	-	3,937,761
Net loss for the year		-	-	-	-	(39,360,546)	(39,360,546)
Balance as at July 31, 2025		396,539,677	$ 246,795,874	$ 3,808,994	$ 1,513,038	$ (239,817,744)	$ 12,300,162
Balance as at July 31, 2025		**396,539,677**	**$ 246,795,874**	**$ 3,808,994**	**$ 1,513,038**	**$ (239,817,744)**	**$ 12,300,162**
Bought deal public offering	14	133,722,000	172,501,380	-	-	-	172,501,380
Cost of issue	14	-	(9,390,581)	-	-	-	(9,390,581)
Flow-through private placements	14	7,607,700	14,001,626	-	-	-	14,001,626
Cost of issue	14	-	(68,152)	-	-	-	(68,152)
Flow-through share premium	14	-	(2,397,955)	-	-	-	(2,397,955)
Acquisition of property option	18	622,690	1,249,999	-	-	-	1,249,999
Cost of issue	14	-	(22,510)	-	-	-	(22,510)
Exercise of warrants	15	16,093,256	7,933,267	-	-	-	7,933,267
Allocation of value of exercised warrats	15	-	1,453,613	(1,453,613)	-	-	-
Expiry of warrants	16	-	-	(1,684)	-	1,684	-
Share-based payments	16	318,335	273,768	-	(273,768)	-	-
Value of share-based compensation	16	-	-	-	9,994,976	-	9,994,976
Net loss for the year		-	-	-	-	(82,704,649)	(82,704,649)
Balance as at July 31, 2026		**554,903,658**	**$ 432,330,329**	**$ 2,353,697**	**$ 11,234,246**	**$ (322,520,709)**	**$ 123,397,563**

-- see accompanying notes to the financial statements --

1. NATURE OF OPERATIONS

Troilus Mining Corp. (formerly Troilus Gold Corp.) (the "Company") was continued under the laws of Ontario, Canada. On December 4, 2025, the Company received shareholder approval for the name change from Troilus Gold Corp. to Troilus Mining Corp. to better reflect the Company's expectations with respect to the full scope of future metals production.

The Company owns a 100% interest in a past-producing gold mine located near Chibougamau, within the Frotêt-Evans Greenstone Belt in Quebec (the "Troilus Copper Gold Project"). The Company acquired additional mineral claims adjacent to the Troilus project through various transactions, including the acquisition of UrbanGold Minerals Inc. ("UrbanGold"). Collectively, these properties are referred to as the "Troilus Mining Property". The principal business of the Company is the exploration and development of the Troilus Mining property. The Company's head office is located in Montreal at 715 Square Victoria, Suite 705, Montreal, Quebec, H2Y 2H7. The Company's registered office is located at 36 Lombard Street, 4th Floor, Toronto, Ontario, M5C 2X3. The Company's shares trade on the Toronto Stock Exchange ("TSX") under the symbol "TLG" as well as on the OTCQX under the symbol "CHXMF" and on the Frankfurt Stock Exchange under the symbol "CM5R". All dollar amounts are Canadian dollars unless otherwise noted.

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, social licensing requirements, unregistered prior agreements, unregistered claims, aboriginal claims, and non-compliance with regulatory, environmental and social requirements. The Company's assets may also be subject to increases in taxes and royalties, renegotiation of contracts, and political uncertainty.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs and pre-development plans will result in profitable mining operations.

These financial statements of the Company for the year ended July 31, 2026 were approved and authorized for issue by the Board of Directors on October 27, 2026.

2. BASIS OF PRESENTATION AND COMPLIANCE

The Company dissolved its wholly owned and previously inactive subsidiary, Signet Minerals Inc. ("Signet"), in March 2025. Signet had no operations or material assets or liabilities at the time of dissolution. As a result, the Company no longer includes Signet in its financial statements from the date of dissolution. The dissolution had no material impact on the Company's financial position or results of operations.

On June 22, 2026, the Company incorporated a wholly owned subsidiary, Troilus Project Corp. ("ProjectCo"). Subsequent to July 31, 2026, the Company transferred all assets related to the Troilus Copper Gold Project into ProjectCo.

2. BASIS OF PRESENTATION AND COMPLIANCE (continued)

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

The preparation of financial statements in accordance with International Accounting Standards ("IAS") 1, Preparation of Financial Statements, requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies.

Going concern

These financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. The Company has no current source of operating cash flow, and there can be no assurances that sufficient funding, including adequate financing, will be available to explore and develop its property. Management has assessed the current liquidity position of the Company and believes that the Company has sufficient resources to support commitments for at least the next twelve months, and that the Company can raise sufficient financial resources to further the Troilus Mining Property if required in the next twelve months.

These financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

3. MATERIAL ACCOUNTING POLICIES

Existing accounting policies

These financial statements for the years ended July 31, 2026 and 2025 have been prepared using the following accounting policies:

Cash and cash equivalents

Cash and cash equivalents consist of cash in banks, short-term money market instruments, call deposits and other highly liquid investments with initial maturities of three months or less. Investments in securities, investments with initial maturities greater than three months without an early redemption feature and bank accounts subject to restrictions are not presented as cash equivalents. See Note 5, Cash and Cash Equivalents.

Financial assets

Initial recognition and measurement

Non-derivative financial assets within the scope of IFRS 9 are classified and measured as "financial assets at fair value", as either Fair Value through Profit and Loss ("FVPL") or Fair Value through Other Comprehensive Income ("FVOCI"), and "financial assets at amortized costs", as appropriate. The Company determines the classification of financial assets at the time of initial recognition based on the Company's business model and the contractual terms of the cash flows.

3. MATERIAL ACCOUNTING POLICIES (continued)

All financial assets are recognized initially at fair value plus, in the case of financial assets not at FVPL, directly attributable transaction costs on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

The Company's financial assets measured at amortized cost include cash and amounts receivable. The Company's financial assets at FVPL include cash equivalents, investments and reclamation deposits.

Financial assets with embedded derivatives are considered in their entirety when determining their classification at FVPL or at amortized cost. Other accounts receivable held for collection of contractual cash flows are measured at amortized cost.

Subsequent measurement – financial assets at amortized cost
After initial recognition, financial assets measured at amortized cost are subsequently measured at the end of each reporting period at amortized cost using the Effective Interest Rate ("EIR") method. Amortized cost is calculated by taking into account any discount or premium on acquisition and any fees or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the consolidated statements of operations.

Subsequent measurement – financial assets at FVPL
Financial assets measured at FVPL include financial assets management intends to sell in the short term and any derivative financial instrument that is not designated as a hedging instrument in a hedge relationship. Financial assets measured at FVPL are carried at fair value in the consolidated statements of financial position with changes in fair value recognized in other income or expense in the consolidated statements of operations.

Subsequent measurement – financial assets at FVOCI
Financial assets measured at FVOCI are non-derivative financial assets that are not held for trading and the Company has made an irrevocable election at the time of initial recognition to measure the assets at FVOCI. The Company does not measure any financial assets at FVOCI.

After initial measurement, investments measured at FVOCI are subsequently measured at fair value with unrealized gains or losses recognized in other comprehensive income or loss in the consolidated statements of comprehensive income (loss). When the investment is sold, the cumulative gain or loss remains in accumulated other comprehensive income or loss and is not reclassified to profit or loss.

Dividends from such investments are recognized in other income in the consolidated statements of operations when the right to receive payments is established.

3. MATERIAL ACCOUNTING POLICIES (continued)

Investments in privately held companies are initially recorded at cost, being the fair value at the time of acquisition. At the end of each financial reporting period, management estimates the fair value of these investments by considering the following: third party equity financings of the investee; significant corporate, political or operating events affecting the investee that, in management's opinion, have an impact on the value of the shares of the investee; and general market conditions. The absence of any of these events indicates generally that the fair value of the investment has not materially changed. The resulting values may differ from values that would be realized had a ready market existed. The amounts which the Company's privately held investments could be disposed of may differ from the carrying value assigned. Such differences could be material.

Derecognition
A financial asset is derecognized when the contractual rights to the cash flows from the asset expire, or the Company no longer retains substantially all the risks and rewards of ownership.

Impairment of financial assets
The Company's financial assets subject to impairment are amounts receivable, which are measured at amortized cost, and investment, which is measured at FVPL. The Company has elected to apply the simplified approach to impairment of amounts receivable as permitted by IFRS 9, which requires the expected lifetime loss to be recognized at the time of initial recognition of the receivable. To measure estimated credit losses, amounts receivable have been grouped based on shared credit risk characteristics, including the number of days past due. An impairment loss is reversed in subsequent periods if the amount of the expected loss decreases, and the decrease can be objectively related to an event occurring after the initial impairment was recognized.

Financial liabilities
Initial recognition and measurement
Financial liabilities are measured at amortized cost, unless they are required to be measured at FVPL as is the case for held for trading or derivative instruments, or the Company has opted to measure the financial liability at FVPL. All financial liabilities are recognized initially at fair value and in the case of long-term debt, net of directly attributable transaction costs.

The Company's financial liabilities include accounts payable and accrued liabilities, lease liabilities, and short-term debt, which are each measured at amortized cost.

Subsequent measurement – financial liabilities at amortized cost
After initial recognition, financial liabilities measured at amortized cost are subsequently measured at the end of each reporting period at amortized cost using the EIR method. Amortized cost is calculated by taking into account any discount or premium on acquisition and any fees or costs that are an integral part of the EIR. The EIR amortization is included in finance cost in the consolidated statements of operations.

Derecognition
A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expires with any associated gain or loss recognized in other income or expense in the consolidated statements of operations.

3. MATERIAL ACCOUNTING POLICIES (continued)

Provisions

General:

Provisions are recognized when (a), the Company has a present obligation (legal or constructive) as a result of a past event, and (b), it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to any provision is presented in the consolidated statement of operations, net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Reclamation provision:

The Company records the net present value of estimated costs of legal and constructive obligations required to restore operating locations in the period in which the obligation is incurred. The nature of these restoration activities includes dismantling and removing structures, rehabilitating mines and tailings dams, dismantling operating facilities, closure of plant and waste sites, and restoration, reclamation and re-vegetation of affected areas.

The obligation generally arises when the asset is installed or the ground / environment is disturbed at the production location. A liability is initially recognized as the present value of the estimated cost. A liability related to exploration and evaluation activities is expensed as incurred. A liability related to property and equipment is capitalized by increasing the carrying amount of the related mining assets to the extent that it was incurred prior to the production of related ore. Over time, the discounted liability is increased for the change in present value based on the discount rates that reflect current market assessments and the risks specific to the liability. The periodic unwinding of the discount is recognized in the consolidated statement of operations as a finance cost.

Additional disturbances or changes in rehabilitation costs will be recognized as additions or charges to the corresponding assets and rehabilitation liability when they occur. For closed sites, changes to estimated costs are recognized immediately in profit or loss.

Property and equipment

Property and equipment are measured at cost less accumulated depreciation and accumulated impairment charges. The cost of property and equipment comprises its purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and the estimated decommissioning and restoration costs associated with the asset.

On initial acquisition, equipment is measured at cost. In subsequent periods, equipment is stated at cost less accumulated depreciation and any impairment charges. Depreciation is provided so as to write off the costs, less estimated residual values of equipment using the straight-line method over their remaining useful lives, or the remaining life of the mine if shorter:

3. MATERIAL ACCOUNTING POLICIES (continued)

Computer equipment	2 years
Equipment and vehicles	5 - 10 years
Leased vehicles	2 - 3 years (term of lease)
Exploration camp	10 - 15 years
Leasehold improvements and furniture	5 years

When significant parts of an asset have different useful lives, depreciation is calculated on each separate component. Each asset or component's estimated useful life has due regard to both its own physical life limitations. Estimates of remaining useful lives and residual values are reviewed at least annually. Changes in estimates are accounted for prospectively.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal of the asset, determined as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in profit or loss.

Impairment of non-financial assets

Impairment testing compares the carrying values of the cash-generating units being tested with their recoverable amounts (recoverable amounts being the greater of the cash-generating units' value in use or their fair values less costs of disposal). Impairment charges are immediately recognized in profit or loss to the extent the cash-generating unit carrying values exceed their recoverable amounts. Should the recoverable amounts for previously impaired cash-generating units subsequently increase, the impairment charges previously recognized may be reversed in profit or loss to the extent the reversal is not a result of accretion and that the resulting carrying value does not exceed the carrying value that would have been the result if no impairment charges had been previously recognized.

Property and equipment is assessed for indications of impairment at the end of each reporting period or when events and changes in circumstances indicate that the carrying amount may not be recoverable. If any such indication exists, the recoverable amount of the asset or cash generating unit is estimated in order to determine the extent of the impairment, if any. The best evidence of fair value less costs of disposal is the value obtained from an active market or binding sales agreement. Where neither exists, fair value less costs of disposal is estimated at the discounted future pre-tax cash flows expected to be derived from the cash generating unit, less an amount for costs of disposal. When discounting estimated future cash flows, a pre-tax discount rate that would approximate what market participants would assign is used.

Exploration and evaluation expenditures

The Company expenses exploration and evaluation expenditures as incurred. Exploration and evaluation expenditures include acquisition costs of mineral property rights, property option payments and exploration and evaluation activities.

3. MATERIAL ACCOUNTING POLICIES (continued)

Once a project has been established as commercially viable, technically feasible and the decision to proceed with development has been approved by the Board of Directors, related development expenditures are capitalized. This includes costs incurred in preparing the site for mining operations. Capitalization ceases when the mine is capable of commercial production.

Interest income

Interest income is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Share-based payments

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in the share-based payment note.

The fair value is measured at grant date and each tranche is recognized on a graded-vesting basis over the period in which share-based payments vest. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognized in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to share-based payment reserve.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

For those options and warrants that expire after vesting, the recorded value is transferred to deficit.

Loss per share

Loss per share is based on the weighted average number of common shares of the Company outstanding during the period. The diluted loss per share reflects the potential dilution of common share equivalents, such as outstanding stock options and warrants, in the weighted average number of common shares outstanding during the period, if dilutive. All stock options and warrants outstanding during July 31, 2026 and 2025 were excluded from the diluted loss per share calculation as they were anti-dilutive.

Government assistance

The Company expects to be entitled to a refundable tax credit on qualified mining exploration expenses incurred in the province of Quebec and to a mining duties credit, which are estimated and recorded against the exploration and evaluation expenses to which they relate.

3. MATERIAL ACCOUNTING POLICIES (continued)

Flow-through shares

The Company finances some exploration expenditures through the issuance of flow-through shares. The resource expenditure deductions for income tax purposes are renounced to investors in accordance with the appropriate income tax legislation. When the common shares are offered, the difference ("premium") between the quoted price of the common shares and the amount the investors pay for the shares is recognized as a flow-through share related liability which is reversed into the consolidated statement of operations when the eligible expenditures are incurred. The Company indemnifies the subscribers of flow-through shares for additional taxes payable by the subscribers if the Company does not meet its expenditure requirements.

Taxation

Current tax:

Income tax expense represents the sum of the tax currently payable and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated statement of operations because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax:

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary differences and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

3. MATERIAL ACCOUNTING POLICIES (continued)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

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

Segments

A segment is a component of the Company that is distinguishable by economic activity (business segment), or by its geographical location (geographical segment), which is subject to risks and rewards that are different from those of other segments. The Company manages its business under a single operating segment, consisting of acquiring and exploring mineral properties in Canada.

Investments in Associates

Investments in associates are accounted for using the equity method where there is significant influence. Significant influence is the ability to participate in the financial and operating policy decisions of the investee without having control or joint control over those policies. In general, significant influence is presumed to exist when the Company has between 20% and 50% of voting power. Significant influence may also be evidenced by factors such as the Company's representation on the board of directors, participation in policy-making of the investee, material transactions with the investee, interchange of managerial personnel or the provision of essential technical information. Investments of this nature are recorded at their original cost. The investment is adjusted periodically for the Company's share of the profit or loss of the investment after the date of acquisition. Distributions received reduce the carrying amount of the investment. At the end of each reporting period, the Company assesses whether there is any objective evidence that its investment in associate is impaired.

New and future accounting policies

During the year ended July 31, 2026, the Company adopted a number of amendments and improvements of existing standards. These new standards and changes did not have any material impact on the Company's financial statements.

Certain pronouncements were issued by the IASB or the IFRS Interpretations Committee ("IFRIC") that are mandatory for accounting periods commencing on or after January 1, 2026 or later periods. Many are not applicable or do not have a significant impact to the Company and have been excluded. The following have not yet been adopted and are being evaluated to determine their impact on the Company.

3. MATERIAL ACCOUNTING POLICIES (continued)

IFRS 10 – Consolidated Financial Statements ("IFRS 10") and IAS 28 – Investments in Associates and Joint Ventures ("IAS 28") were amended in September 2014 to address a conflict between the requirements of IAS 28 and IFRS 10 and clarify that in a transaction involving an associate or joint venture, the extent of gain or loss recognition depends on whether the assets sold or contributed constitute a business. The effective date of these amendments is yet to be determined; however, early adoption is permitted.

IFRS 9 and IFRS 7 -- In May 2024, the IASB issued amendments to IFRS 9 *Financial Instruments* and IFRS 7 *Financial Instruments – Disclosures*. The amendments clarify the derecognition of financial liabilities and introduce an accounting policy option to derecognize financial liabilities that are settled through an electronic payment system. The amendments also clarify how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features and the treatment of non-recourse assets and contractually linked instruments (CLIs). Further, the amendments mandate additional disclosures in IFRS 7 for financial instruments with contingent features and equity instruments classified at FVOCI. The amendments are effective for annual periods starting on or after January 1, 2026. Retrospective application is required, and early adoption is permitted. The Company does not anticipate a material impact to the financial statements upon adoption of this policy.

IFRS 18 – In April 2024, the IASB issued IFRS 18 *Presentation and Disclosure in Financial Statements* to improve reporting of financial performance. The new standard replaces IAS 1 *Presentation of Financial Statements*. IFRS 18 introduces new categories and required subtotals in the statement of profit and loss and also requires disclosure of management-defined performance measures. It also includes new requirements for the location, aggregation and disaggregation of financial information. The standard is effective for annual reporting periods beginning on or after January 1, 2027, including interim financial statements. Retrospective application is required, and early adoption is permitted. The Company is currently assessing the impact of these amendments to the Company's financial statements.

4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of these financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. These financial statements include estimates, which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised, on a prospective basis. The revision may affect current or both current and future periods.

Information about critical judgments and estimates in applying accounting policies, and areas where assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following areas:

4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS (continued)

Estimation of decommissioning and reclamation costs and the timing of expenditure

Decommissioning, restoration and similar liabilities are estimated based on the Company's interpretation of current regulatory requirements and constructive obligations and are measured at fair value. Fair value is determined based on the net present value of estimated future cash expenditures for the settlement of decommissioning, restoration or similar liabilities that may occur upon decommissioning. Such estimates are subject to change based on changes in laws and regulations and negotiations with regulatory authorities. Cost estimates are updated annually to reflect known developments and are subject to review at regular intervals.

Share-based payments and warrants

Management determines costs for share-based payments and warrants using market-based valuation techniques. The fair value of the market-based and performance-based share awards are determined at the date of grant using generally accepted valuation techniques. Assumptions are made and judgment is used in applying valuation techniques. These assumptions and judgments for share-based payments include estimating the future volatility of the stock price, expected dividend yield, future employee turnover rates and future employee stock option exercise behaviors and corporate performance. Assumptions and judgements for determining the value of warrants include estimating the future volatility of the share price, expected dividend yield and expected risk-free rate of return. Such judgments and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates.

Leases under IFRS 16

Critical judgements are required in the application of IFRS 16, including identifying whether a contract (or part of a contract) includes a lease and determining whether it is reasonably certain that an extension or termination option will be exercised. Sources of estimation uncertainty include estimation of the lease term, determination of an appropriate discount rate and assessment of whether a ROU asset is impaired. Such judgments, estimates and assumptions are inherently uncertain, and changes in these assumptions affect the fair value estimates.

Income taxes and recoverability of potential deferred tax assets

In assessing the probability of realizing income tax assets recognized, management makes estimates related to expectations of future taxable income, applicable tax planning opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified. Estimates of future taxable income are based on forecasted cash flows from operations and the application of existing tax laws in each jurisdiction. The Company considers whether relevant tax planning opportunities are within the Company's control, are feasible, and are within management's ability to implement.

Examination by applicable tax authorities is supported based on individual facts and circumstances of the relevant tax position examined in light of all available evidence. Where applicable tax laws and regulations are either unclear or subject to ongoing varying interpretations, it is reasonably possible that changes in these estimates can occur that materially affect the amounts of income tax assets recognized. Also, future changes in tax laws could limit the Company from realizing the tax benefits from the deferred tax assets. The Company reassesses unrecognized income tax assets at each reporting period.

4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS (continued)

Income, value added, withholding and other taxes

The Company is subject to income, value added, withholding and other taxes. Significant judgment is required in determining the Company's provisions for taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. The determination of the Company's income, value added, withholding and other tax liabilities requires interpretation of complex laws and regulations. The Company's interpretation of taxation law as applied to transactions and activities may not coincide with the interpretation of the tax authorities. All tax related filings are subject to government audit and potential reassessment subsequent to the financial statement reporting period. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the tax related accruals and deferred income tax provisions in the period in which such determination is made.

Valuation of the refundable mining duties credit and the refundable tax credit for resources

The refundable mining duties credit and the refundable tax credit for resources for the current and prior periods are measured at the amount expected to be recovered from the taxation authorities using the tax rates and tax laws that have been enacted or substantively enacted at the statement of financial position date. Uncertainties exist with respect to the interpretation of tax regulations, including the mining duties credit and the tax credit for resources for which certain expenditures could be disallowed by the taxation authorities in the calculation of credits, and the amount and timing of their collection. The calculation of the Company's mining duties credit and tax credit for resources necessarily involves a degree of estimation and judgment in respect of certain items whose tax treatment cannot be finally determined until a notice of assessments and payments has been received from the relevant taxation authority. Differences arising between the actual results following the final resolution of some of these items and the assumptions made, or future changes to such assumptions, could necessitate adjustments to the mining duties credit and tax credit for resources and the exploration and evaluation expenses in future periods.

Determination of significant influence of investment in associate

The Company classified Prospector Metals Corp. ("Prospector") as an associate based on management's judgment that the Company has significant influence through i) board representation as the Company had the right to nominate a board member to Prospector's board of directors; and ii) voting rights as the Company acquired 19.9% of the issued and outstanding shares of Prospector (please see Note 8).

Impairment exists when the carrying value of the investment in associate exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The determination of impairment requires significant judgment and can be triggered by significant adverse changes in the market, economic or legal environment in which the associate operates.

The Company has disposed of its investment in Prospector, and as at July 31, 2026 the Company does not hold any shares of Prospector.

4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS (continued)

Valuation of short-term loan liability

The Company entered into a short-term debt facility (Note 13). Management exercised judgement in concluding the appropriate classification of this debt facility. Given that the loan is a financial liability with fixed or determinable payments, management has concluded that it should be measured at amortized cost. Warrants were issued in connection with this facility, and the value of the warrants was estimated based on the difference between the residual face value and the fair value of the debt. A discount rate of 20% was used to determine the fair value of the debt to establish a value for the warrants. An effective interest rate is applied to the amortized cost balance over the life of the loan to recognize accretion expense. Key sources of uncertainty include the determination of the discount rate to determine the fair value of the debt and warrants, and the effective interest rate to amortize over the period of the loan.

The debt facility has been repaid in full as at July 31, 2026.

Joint operations

The Company determines whether it has joint control. Where joint control is determined to be present, the Company applies IFRS 11. Under IFRS 11, investments in joint arrangements are classified as either joint operations or joint ventures, depending on the contractual rights and obligations of each investor. The Company has assessed the nature of its joint arrangement and determined it to be a joint operation as the arrangement gives the parties rights to the assets and obligations of the arrangement. As a result, the Company recognizes its share of the relevant assets, liabilities, revenues and expenses in accordance with the joint arrangement under IFRS 11. This classification requires significant judgment and consideration of the legal structure of the arrangement.

Contingencies

Refer to Note 23.

The amounts recognized in the financial statements are derived from the Company's best estimation and judgement as described above. However, the inherent uncertainty regarding the outcome of these items means that eventual resolution could differ from the accounting estimates and therefore impact the Company's financial position and its financial performance and cash flows.

5. CASH AND CASH EQUIVALENTS

On July 14, 2025, the Company entered into an agreement with Auramet International Inc ("Auramet"). Under the terms of this agreement, the Company deposited US$10,000,000 ($14,018,000) into a margin account bearing 5% annual interest. These funds were redeemed during the year ended July 31, 2026, and a balance of $nil remains. During the year ended July 31, 2026, the Company earned US$126,009 ($157,436) in interest from this investment.

As at July 31, 2026, the Company holds various term savings accounts totaling $85,790,753, with maturity dates between August 8, 2026 and September 22, 2026, and interest rates between 2.75% and 2.83%. During the year ended July 31, 2026, the Company earned $1,132,810 in accrued interest related to these accounts.

6. AMOUNTS RECEIVABLE

	July 31, 2026	July 31, 2025
Input tax credits receivable	$ 3,523,741	$ 1,675,640
Accrued interest	507,401	-
Other receivables	224,691	37,116
	$ 4,255,833	$ 1,712,756

7. INVESTMENTS

Fair market value as at:	July 31, 2026	July 31, 2025
Public companies		
Delta Resources, shares	$ 1,040,078	$ 414,457
Comet Lithium, shares	412,500	262,500
Other, shares	122,417	224,036
	$ 1,574,995	$ 900,993
Private companies - Other	250,000	-
Delta Resources, warrants	73,090	34,369
Other, warrants	126,016	54,398
TOTAL INVESTMENTS	$ 2,024,101	$ 989,760

During the year ended July 31, 2026, the Company acquired 597,500 shares of Delta Resources Limited ("Delta") for a cash payment of $101,443. The Company's CEO and director is a former director of Delta, having resigned from the board of Delta in January 2026.

The Company currently holds 1,785,714 common share purchase warrants of Delta, which entitle the Company to purchase a common share of Delta upon exercise at an exercise price of $0.25 until November 12, 2027. The fair market value of the warrants on acquisition and at remeasurement was estimated using the Black-Scholes option model with the following assumptions:

	Share price	Strike price	risk-free rate	volatility	time to expiry (yrs)
At acquisition	$ 0.13	$ 0.25	3.13%	109%	3.00
At July 31, 2026	$ 0.18	$ 0.25	2.91%	73%	1.28

During the year ended July 31, 2026, the Company sold 150,000 shares of Rev Exploration Corp for net proceeds of $102,430. In relation to the sale, a realized gain of $85,605 was recorded on the statement of operations and comprehensive loss.

7. INVESTMENTS (continued)

During the year ended July 31, 2026, the Company acquired 802,955 units of the privately held corporation for a cash payment of $250,000. As part of the acquisition, the Company received 142,857 common share purchase warrants which entitle the Company to purchase a common share upon exercise at an exercise price of $0.45 until November 1, 2029. The fair market value of the warrants on acquisition and at remeasurement was estimated using the Black-Scholes option model with the following assumptions:

	Share price	Strike price	risk-free rate	volatility	time to expiry (yrs)
At acquisition	$ 0.29	$ 0.45	2.86%	100%	3.38
At July 31, 2026	$ 0.29	$ 0.45	2.86%	100%	3.26

The Company holds 1,500,000 units of a public company related to the sale of 3 of the Company's non-core mineral claims, where each unit is comprised of one common share and one common share purchase warrant. The warrants are exercisable at a price of $1.50 until December 15, 2028. The combined value of the shares and warrants was estimated to be $30,000 based on the fair market value of the shares of this public entity. The fair market value of the warrants on acquisition and at remeasurement was estimated using the Black-Scholes option model with the following assumptions:

	Share price	Strike price	risk-free rate	volatility	time to expiry (yrs)
At acquisition	$ 0.20	$ 1.50	3.24%	158%	5.00
At July 31, 2026	$ 1.06	$ 1.50	2.91%	158%	2.38

During the year ended July 31, 2025, the Company acquired 3,214,286 units of a publicly traded corporation. for consideration of $225,000. Each unit is comprised of one common share and one-half warrant. Each whole warrant is exercisable at a price of $0.10 until May 2, 2028. The fair market value of the warrants on acquisition and at remeasurement was estimated using the Black-Scholes option model with the following assumptions:

	Share price	Strike price	risk-free rate	volatility	time to expiry (yrs)
At acquisition	$ 0.06	$ 0.10	2.54%	132%	3.00
At July 31, 2026	$ 0.035	$ 0.10	2.91%	88%	1.72

The Company also held warrants in another publicly traded corporation during the year ended July 31, 2026. The fair market value of the warrants on acquisition and at remeasurement was estimated using the Black-Scholes option model with the following assumptions:

7. INVESTMENTS (continued)

	Share price	Strike price	risk-free rate	volatility	time to expiry (yrs)
At acquisition	$ 1.50	$ 4.00	3.22%	100%	5.00
At July 31, 2026	$ 0.20	$ 4.00	2.88%	191%	0.91

During the year ended July 31, 2025, the Company sold 3 of its non-core mineral property claims to Comet Lithium Corporation ("Comet") for consideration of 1,500,000 common shares of Comet. The value of the shares was estimated to be $337,500 based on the trading price of the shares of this public entity on the date of acquisition. This was recorded as a gain on sale of mineral claims on the statement of operations and comprehensive loss. The Company retains a 2% Net Smelter Royalty on these mineral claims and the public entity has the right to repurchase the Net Smelter Royalty for $3,000,000 on each of the projects. The Company's VP of Corporate Development is a director of Comet.

The Company's investments, which include shares and warrants, were initially measured at Fair Value through Profit and Loss ("FVPL") on the date of the acquisition and were remeasured and recorded at an aggregate value of $2,024,101 as at July 31, 2026, which is the estimated fair market value based on the market price on that date for publicly traded securities, or based on other valuation techniques for private companies and warrants.

Unrealized gains of $699,723 were recognized for the year ended July 31, 2026 with respect to the Company's investments (year ended July 31, 2025: unrealized (losses) of $(219,462).

8. INVESTMENT IN ASSOCIATE AND ASSETS HELD FOR SALE

In March 2024, the Company sold its non-core Mike Lake properties in Yukon to Prospector Metals Corp. ("Prospector"). Prospector is a publicly traded company incorporated in British Columbia, Canada, trading on the TSX Venture Exchange with exploration assets in the Yukon and Ontario. Consideration for these claims included 9,222,164 shares of Prospector valued at a price of $0.20 per share, reflecting the share price on the date of issuance.

Additional consideration includes a one-time milestone payment where, upon the public announcement by Prospector of a mineral resource on the Mike Lake properties, a one-time payment shall be paid to the Company in either cash or shares of Prospector (or a combination thereof) at the election of Prospector. The milestone payment shall be either $1,000,000 if Prospector's market capitalization is less than or equal to $20,000,000, or $2,000,000 if Prospector's market capitalization is greater than $20,000,000. As the requirement for this contingent payment has not taken place, the Company has not reflected the milestone payment in the Company's financial statements.

At the time of the transaction, the Company determined that it had significant influence over Prospector based on the following:

a. At the time of the transaction, the Company acquired 19.9% of Prospector's issued and outstanding shares;
b. The Company had the right to nominate a director. The Company's nominee was appointed to the Board of Prospector in March 2024, one of four board members.

8. INVESTMENT IN ASSOCIATE AND ASSETS HELD FOR SALE (continued)

As a result, the Company's interest in Prospector was initially accounted for using the equity method.

As at September 30, 2025, the Company committed to a plan to sell its interest in Prospector at the established market price. In accordance with IFRS 5, the investment was remeasured and reclassified as a current asset held for sale with a value of $662,062 at September 30, 2025, with $130,996 recorded as an equity loss.

Balance, July 31, 2025	**$**	**793,058**
Proportionate share of adjusted net loss and comprensive loss		(130,996)
Balance, September 30, 2025 (reclassification date)	**$**	**662,062**

During the year ended July 31, 2026, the Company sold 9,222,164 shares of Prospector at a weighted-average share price of $1.02 per share, generating cash proceeds of $9,428,982. A realized gain of $8,766,920 was recognized on the statements of operations in the year ended July 31, 2026. The Company no longer holds any Prospector shares at the date of these financial statements.

Balance, September 30, 2025 (reclassification date)	**$**	**662,062**
Disposition of shares		(662,062)
Balance, July 31, 2026	**$**	**-**

9. DEPOSITS

In connection with the Company's basic and detailed engineering contract entered into with BBA Inc., the Company has deposited $6,020,000 which will be applied at the completion of detailed engineering. As completion is not expected within 12 months, this amount has been recorded as a long-term asset.

The Company has paid $15,413 in lease deposits for certain vehicles and will be refunded should the Company elect to decline the buyout option. In addition, the Company has paid $4,932,005 in deposits related to camp infrastructure.

10. RECLAMATION DEPOSITS AND PROVISION

Deposits:
The Company maintains a bonding facility with an insurance company in order to secure a reclamation deposit of $3,972,976 with the government of Quebec. The reclamation deposit served as security against current and future estimated reclamation obligations at the Troilus site from historical mining activity. To purchase this insurance, the Company deposited $794,595 into a Guaranteed Investment Certificate secured by a Letter of Credit and pays an annual fee of 2.5% of the insured amount.

The Company has also provided a $50,000 deposit as security against current and future estimated reclamation obligations on the landfill site on the Troilus Mining property.

10. RECLAMATION DEPOSITS AND PROVISION (continued)

Provision:

The Company recognized a provision for future estimated reclamation and water treatment costs of the former Troilus mine. As at July 31, 2026, the estimated future undiscounted liability of approximately $2,949,000 (July 31, 2025: $2,489,000), was adjusted for inflation at an average rate of 2.36% (July 31, 2025: 2.19%), discounted at a rate of 3.98% (July 31, 2025: 3.72%) and recorded as $2,669,862, of which $271,162 is a current liability and $2,398,700 is a long-term liability (July 31, 2025: $2,227,956, $175,271 as a current liability and $2,052,685 as a long-term liability). This estimate assumes that future mining operations would never resume.

As the Company continues its exploration programs, works towards a future mining scenario, and carries out reclamation work, the underlying assumptions to the reclamation provision will be adjusted accordingly.

As a result of this remeasurement, for the year ended July 31, 2026, charges of $493,078 were recorded as an adjustment to the reclamation estimate on the statements of operations (year ended July 31, 2025: credits of $541,621). Accretion of $88,673 was recognized for the year ended July 31, 2026 on the statements of operations (year ended July 31, 2025: $105,466).

Balance as at July 31, 2025	$	2,227,956
Accretion of discount		88,673
Adjustments resulting from remeasurement		493,078
Incurred costs applied against liability		(139,845)
Balance as at July 31, 2026	$	2,669,862
Current portion of liability	$	271,162
Long-term portion of liability		2,398,700
	$	2,669,862

11. PROPERTY AND EQUIPMENT

	Computer and office equipment	Leaseholds, improvements and furniture	Vehicles	Equipment	Exploration Camp	TOTAL
Cost						
Balance, July 31, 2024	$ 205,498	$ 2,068,074	$ 388,124	$ 1,359,012	$ 6,494,954	$ 10,515,662
Additions	17,584	2,169	-	643,883	1,663,364	2,327,000
Right of use additions	-	92,827	-	60,091	-	152,918
Disposals	-	(176,983)	(194,870)	-	-	(371,853)
Balance, July 31, 2025	$ 223,082	$ 1,986,087	$ 193,254	$ 2,062,986	$ 8,158,318	$ 12,623,727
Additions	-	41,881	-	94,843	1,061,944	1,198,668
Right of use additions	-	223,617	570,882	-	-	794,499
Disposals	-	(122,358)	(156,954)	(60,091)	(186,271)	(525,674)
Balance, July 31, 2026	**$ 223,082**	**$ 2,129,227**	**$ 607,182**	**$ 2,097,738**	**$ 9,033,991**	**$ 14,091,220**
Depreciation						
Balance, July 31, 2024	$ (186,865)	$ (1,266,317)	$ (250,914)	$ (460,091)	$ (2,808,815)	$ (4,973,002)
Expense for the period	(6,548)	(12,918)	(3,630)	(172,293)	(667,242)	(862,631)
Expense, right of use assets	-	(252,052)	(104,275)	(24,942)	-	(381,269)
Disposals	-	176,983	194,870	-	-	371,853
Balance, July 31, 2025	$ (193,413)	$ (1,354,304)	$ (163,949)	$ (657,326)	$ (3,476,057)	$ (5,845,049)
Expense for the period	(8,330)	(3,690)	(3,630)	(197,769)	(832,277)	(1,045,696)
Expense, right of use assets	-	(233,607)	(105,087)	(12,594)	-	(351,288)
Disposals	-	122,358	156,954	37,546	186,271	503,129
Balance, July 31, 2026	**$ (201,743)**	**$ (1,469,243)**	**$ (115,712)**	**$ (830,143)**	**$ (4,122,063)**	**$ (6,738,904)**
Net book value, July 31, 2025	$ 29,669	$ 631,783	$ 29,305	$ 1,405,660	$ 4,682,261	$ 6,778,678
Net book value, July 31, 2026	**$ 21,339**	**$ 659,984**	**$ 491,470**	**$ 1,267,595**	**$ 4,911,928**	**$ 7,352,316**

An amount of $1,396,984 was expensed in depreciation for the year ended July 31, 2026, where $1,220,368 was recorded as exploration and evaluation expenses and $176,616 was recorded as general and administrative expenses (year ended July 31, 2025: $1,243,900 , where $1,070,024 was allocated to exploration and evaluation expenses and $173,826 was allocated to general and administrative expenses).

The Company recognized $782,606 in assets acquired through leases, including camp equipment, vehicles and office space (Note 12) during the year ended July 31, 2026 (year ended July 31, 2025: $1,435,484).

During the year ended July 31, 2026, the Company disposed of certain vehicles and equipment, leases, and camp equipment totaling $525,674 (July 31, 2025: $371,853), and a gain of $96,153 related to these disposals was recognized on the statements of operations and comprehensive loss for the year ended July 31, 2026 (July 31, 2025: $86,214).

12. LEASE LIABILITIES

	Years ended	
	July 31, 2026	July 31, 2025
Opening balance for the year	$ 1,703,471	$ 1,017,695
Assets acquired from leases and financing arrangements	782,606	1,435,484
Payments made during the period	(825,071)	(663,494)
Lease extinguishment	(118,706)	(86,214)
Closing balance for the year	**$ 1,542,300**	**$ 1,703,471**
Current portion of lease liabilities	470,737	812,210
Long-term portion of lease liabilities	1,071,563	891,261
	$ 1,542,300	**$ 1,703,471**

During the year ended July 31, 2026, the Company's lease additions included right-of-use leases for vehicles with terms of 4 years at interest rates between 3.9% and 8.99% as well as additional office space for a term of approximately 3 years. The Company's other leases include right-of-use leases for office space, vehicles, and site equipment, with terms of up to 4 years. Interest expense recognized on these leases for the year ended July 31, 2026 was $197,576 (year ended July 31, 2025: $253,543).

During the year ended July 31, 2026, the Company incurred expenses of $457,829 for short-term rental equipment (year ended July 31, 2025: $467,640) which was recorded in exploration and evaluation expenses on the statement of operations. Monthly short-term rentals are expected to amount to approximately $37,000.

13. SHORT-TERM LOAN

On May 15, 2025, the Company secured a loan agreement (the "Loan") with Auramet for a principal amount of up to US$35,000,000 (approximately $48,450,000) to support the Company's near-term activities, including final permitting, early works preparation, and advancement towards full project financing pending the completion of project financing for the construction of the Troilus Project. The Loan had an initial term of one year and was structured to be drawn down in tranches.

An initial tranche of US$15,000,000 ($20,977,500) was advanced to the Company upon execution of the Loan Agreement on May 15, 2025. Transaction costs in relation to the Loan totalled $679,655, comprised of various administrative, legal, and filing fees, as well as a 2% arrangement fee. The remaining US$20,000,000 (approximately $27,688,000) was available for drawdown by the Company beginning 90 days from the date of the initial advance and subject to the satisfaction by the Company of certain conditions precedent.

The Loan bore annual interest of 12% on the outstanding balance, including principal and accrued interest, and was secured by a negative pledge on the Company's assets, a security interest and a hypothec charging personal property of the Company. The maturity date of the Loan was May 15, 2026, however the Loan repayment could be accelerated in certain specified circumstances and the Company could also voluntarily prepay the Loan together with all accrued and unpaid interest at any time without penalty or bonus.

13. SHORT-TERM LOAN (continued)

In consideration of the first tranche of the Loan, Auramet received 5,000,000 warrants of the Company, each exercisable for one common share of the Company at a price of $0.60 per share for a period of two years.

In connection with the issuance of the Loan, during the year ended July 31, 2025, the Company paid $679,655 in issuance costs and related expenses in accordance with the Loan agreement, which were deducted from the Loan balance. The loan was accreted using the Effective Interest Rate (EIR) method at an effective interest rate of 19.8%. During the year ended July 31, 2026, the Company recorded accretion expense of $507,964 (year ended July 31, 2025: $331,050), and the Company incurred US$550,780 ($751,430) in accrued interest on the Loan. The Company's single draw on the facility was repaid in full on November 14, 2025. The Company paid US$15,938,965 ($22,403,810) in full satisfaction of the loan principal and accrued interest. The unaccreted expenses at the time the loan was repaid were classified as a loss of $1,064,088 on the statement of operations and comprehensive loss for the year ended July 31, 2026.

14. SHARE CAPITAL

	No. of Shares		Balance
Balance as at July 31, 2024	285,201,796	$	210,885,750
Private placement	17,330,685		6,244,615
Cost of issue	-		(217,685)
Unit financing	76,650,000		28,029,000
Value of warrants on unit financing	-		(2,298,221)
Cost of issue	-		(2,153,685)
Flow-through share premium	-		(2,174,679)
Exercise of warrants	3,156,929		1,464,118
Allocation of value of warrants on exercise	-		234,448
Settlement of RSU's (Note 16)	14,200,267		6,782,213
Balance as at July 31, 2025	396,539,677	$	246,795,874
Bought deal financing	133,722,000		172,501,380
Cost of issue	-		(9,390,581)
Acquisition of exploration property	622,690		1,249,999
Cost of issue	-		(22,510)
Flow through private placement financing	7,607,700		14,001,626
Cost of issue	-		(68,152)
Flow through share premium	-		(2,397,955)
Exercise of warrants (Note 15)	16,093,256		7,933,267
Allocation of value of warrants on exercise (Note 15)	-		1,453,613
Settlement of RSU's (Note 16)	318,335		273,768
Balance as at July 31, 2026	**554,903,658**	**$**	**432,330,329**

14. SHARE CAPITAL (continued)

Current year

On October 21, 2025, the Company closed a flow-through private placement financing issuing 3,797,200 flow-through common shares of the Company at a price of $1.58 per share for gross proceeds of $5,999,576. The Company incurred $36,294 in costs related to this financing. The Company is required to spend these proceeds, plus applicable tax credits, in qualifying exploration expenditures by December 31, 2026. As at July 31, 2026, the Company believes that it has fulfilled this commitment.

In relation to the flow through shares issued in October 2025, a flow-through share premium liability of $759,440 was recorded based on the calculated premium per dollar raised determined as the excess issue price over the quoted market price of the Company's shares at the date of issuance. The liability is reduced proportionately as the Company incurs eligible expenses. As at July 31, 2026, the liability was recorded at $nil on the statement of financial position with respect to this flow-through premium, and a flow-through share premium recovery of $759,440 was recorded on the statements of operations and comprehensive loss for the year ended July 31, 2026 (year ended July 31, 2025: $2,174,679).

On November 14, 2025, the Company closed a bought deal public offering and issued 133,722,000 common shares at a price of $1.29 per common share for aggregate gross proceeds of $172,501,380. The Company incurred $9,390,581 in costs related to this financing, including commissions, legal costs, and costs related to filing a prospectus.

On April 24, 2026, the Company closed a flow-through private placement financing issuing 3,810,500 flow-through common shares of the Company at a price of $2.10 per share for gross proceeds of $8,002,050. The Company incurred $31,858 in costs related to this financing. The Company is required to spend these proceeds, plus applicable tax credits, in qualifying exploration expenditures by December 31, 2027, and at July 31, 2026, no expenditures had been made.

In relation to the flow through shares issued in April 2026, a flow-through share premium liability of $1,638,515 was recorded based on the calculated premium per dollar raised determined as the excess issue price over the quoted market price of the Company's shares at the date of issuance. The liability is reduced proportionately as the Company incurs eligible expenses. As at July 31, 2026, the liability was recorded as a long-term liability of $1,638,515 on the statement of financial position with respect to this flow-through premium as the Company has until December 31, 2027 to incur the expenses. A flow-through share premium recovery of $nil was recorded on the statements of operations and comprehensive loss for the year ended July 31, 2026.

During the year ended July 31, 2026, the Company issued 622,690 common shares to Delta in the agreement to acquire a 100% undivided interest in claims referred to as the Delta 2 claims, based on the Company's share price on the date of issuance. The Company incurred share issuance costs of $22,510 in relation to the transaction. See Note 18.

During the year ended July 31, 2026, 16,093,256 of the Company's warrants were exercised at a weighted-average exercise price of $0.49 per share, generating gross proceeds of $7,933,267 (year ended July 31, 2025: 3,156,929 warrants for proceeds of $1,464,118).

14. SHARE CAPITAL (continued)

During the year ended July 31, 2026, 29,000 of the Company's warrants expired, and $1,684 was transferred to deficit (year ended July 31, 2025: nil).

Prior year

In August 2024, the Company closed a flow-through private placement financing issuing 851,785 flow-through common shares of the Company at a price of $0.56 per share for gross proceeds of $477,000. The Company incurred $32,873 in costs related to this financing. The Company was required to spend $477,000 in qualifying exploration expenditures by December 31, 2025 and has met this expenditure commitment as at July 31, 2025.

In October 2024, the Company closed on a bought deal financing whereby the Company issued:

- 57,150,000 units at a price of $0.35 per unit for gross proceeds of $20,002,500;
- 10,900,000 traditional flow-through shares at a price of $0.405 per traditional flow-through share for gross proceeds of $4,414,500; and
- 8,600,000 Québec flow-through shares at a price of $0.42 per Québec flow-through share for gross proceeds of $3,612,000.

The Company incurred $2,153,685 in costs related to this financing, including commissions, legal costs and costs related to filing a prospectus. Each unit consisted of one common share of the Company and one-half of one common share purchase warrant. Each whole warrant entitles the holder to acquire one common share of the Company at an exercise price of $0.45 per share for a period of 2 years following the closing. The fair value of the warrants was estimated at $2,298,221 using the Black-Scholes option pricing model with the following assumptions: expected dividend yield - 0%; expected volatility – 70.35%; risk-free rate – 2.97% and expiry - 2 years. The Company is required to spend $8,026,500 in qualifying exploration expenditures by December 31, 2025 and has met this expenditure commitment as at July 31, 2025.

In relation to the flow through shares issued in both August and October 2024, a flow-through share premium liability of $2,174,679 was recorded based on the calculated premium per dollar raised determined as the excess issue price over the quoted market price of the Company's shares at the date of issuance. The liability is reduced proportionately as the Company incurs eligible expenses. As at July 31, 2025, the liability was reduced to $nil on the statement of financial position with respect to this flow-through premium, and a flow-through share premium recovery of $2,174,679 was recorded on the statements of operations and comprehensive loss for the year ended July 31, 2025.

In February 2025, the Company completed a non-brokered private placement financing by issuing 16,478,900 common shares at a price of $0.35 per share, generating gross proceeds of $5,767,615. The Company paid share issue costs related to this private placement of $184,812.

15. SHARE PURCHASE WARRANT RESERVE

	Number of Warrants	Weighted Average Exercise Price	Value
Balance as at July 31, 2024	8,725,035	$0.50	$ 506,110
Issued	33,575,000	$0.47	3,537,332
Exercised	(3,156,929)	$0.46	(234,448)
Balance as at July 31, 2025	39,143,106	$0.48	$ 3,808,994
Exercised	(16,093,256)	$0.49	(1,453,613)
Expired unexercised	(29,000)	$0.50	(1,684)
Balance as at July 31, 2026	**23,020,850**	**$0.47**	**$ 2,353,697**

The following table summarizes the warrants outstanding at July 31, 2026.

Exercise Price	Expiry Date	Number Outstanding	Number Exercisable	Value ($)	Weighted Average Remaining Contractual Life (years)	Assumptions				
						Share price	Expected Dividend Yield	Expected Volatility	Risk-free Interest rate	Expected Average Life (years)
$ 0.45	October 18, 2026	20,020,850	20,020,850	1,610,231	0.22	$ 0.31	0%	70.35%	2.97%	2.00
$ 0.60	May 15, 2027	3,000,000	3,000,000	743,466	0.79	-	-	-	-	-
		23,020,850	23,020,850	$ 2,353,697	0.29					

16. SHARE-BASED PAYMENT RESERVE

The Company's Incentive Share Unit Plan ("ISU Plan") authorizes the grant of restricted Share Units ("RSU's") under the plan to directors, officers and employees or Deferred Share Units ("DSU's") under the plan to directors alone. A vested RSU represents the right to receive one common share of the Company. A vested DSU represents the right to receive one common share of the Company upon the date the participant director ceases to be a director of the Company. All Share Units, that is RSU's and DSU's, shall be settled through the issuance of common shares from treasury by the Company, and as such, the value of outstanding RSU's and DSU's is included in share-based payment reserve within equity.

The number of common shares reserved for issuance pursuant to the ISU Plan and all other security-based compensation arrangements shall, in aggregate, not exceed 10% of the Company's issued and outstanding capital.

16. SHARE-BASED PAYMENT RESERVE (continued)

	Number of RSU's	Number of DSU's
Balance as at July 31, 2024	14,007,269	-
Granted	11,285,000	-
Vested, settled in common shares	(13,324,900)	-
Vested, settled in cash	(875,367)	-
Forfeited	(1,258,702)	-
Balance as at July 31, 2025	9,833,300	-
Granted	13,052,600	2,500,000
Vested, settled in common shares	(318,335)	-
Forfeited	(115,000)	-
Balance as at July 31, 2026	22,452,565	2,500,000

During the year ended July 31, 2026, the Company granted 13,052,600 RSU's to directors, officers and employees of the Company, and 2,500,000 DSU's to directors of the Company. The RSU's vest in three tranches over a period of three or four years. The weighted average fair value of the RSU's was estimated to be $1.22 per unit based on the quoted market price of the Company's shares on the date of grant (year ended July 31, 2025: 11,285,000 RSU's granted at a weighted average fair value of $0.36 per unit.) The weighted average fair value of the DSU's was estimated to be $1.10 per unit based on the quoted market price of the Company's shares on the date of grant (year ended July 31, 2025: nil).

For the year ended July 31, 2026, the Company has recorded $9,994,976 as share-based payments expense representing an accrual for unvested RSU's on a graded vesting basis and for DSU's on a straight-line basis, based on the fair market value on the date of grant (year ended July 31, 2025: $3,937,761).

17. FINANCIAL INSTRUMENTS

Financial assets and financial liabilities were classified as follows:

	Assets at amortized cost	Assets at fair value through profit or loss	Liabilities at amortized cost	Total
As at July 31, 2026				
Cash and cash equivalents	$ 35,695,181	$ 85,870,753	$ -	$ 121,565,934
Amounts receivable	732,092	-	-	732,092
Investments	-	2,024,101	-	2,024,101
Reclamation deposit	50,000	794,595	-	844,595
Accounts payable and accrued liabilities	-	-	21,432,707	21,432,707
Lease liabilities	-	-	1,542,300	1,542,300
As at July 31, 2025				
Cash and cash equivalents	$ 25,001,981	$ 80,000	$ -	$ 25,081,981
Amounts receivable	37,116	-	-	37,116
Investments	-	989,760	-	989,760
Reclamation deposit	50,000	794,595	-	844,595
Accounts payable and accrued liabilities	-	-	8,493,204	8,493,204
Short-term debt	-	-	19,739,890	19,739,890
Lease liabilities	-	-	1,703,471	1,703,471

17. FINANCIAL INSTRUMENTS (continued)

The carrying values of cash and cash equivalents, amounts receivable, short-term debt and accounts payable and accrued liabilities approximate fair value due to the short-term nature of the financial instruments. The carrying value of investments is recorded at an estimated fair value based on a valuation technique using both observable and unobservable inputs. The carrying value of the reclamation deposit approximates fair value as it is represented by a GIC. Management believes the carrying value of lease liabilities approximates fair value.

A fair value hierarchy prioritizes the methods and assumptions used to develop fair value measurements for those financial assets where fair value is recognized on the statement of financial position. These have been prioritized into three levels.

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities
Level 2 – Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly
Level 3 – Inputs for the asset or liability that are not based on observable market data.

The following table sets forth the Company's financial assets and liabilities measured at fair value by level within the fair value hierarchy as at July 31, 2026:

	Level 1	Level 2	Level 3	TOTAL
As at July 31, 2026				
Cash equivalents	$ 85,870,753	$ -	$ -	$ 85,870,753
Investments	1,586,990	199,106	238,005	2,024,101
Reclamation deposit	1,589,190	-	-	1,589,190
As at July 31, 2025				
Cash equivalents	$ 80,000	$ -	$ -	$ 80,000
Investment	900,993	88,767	-	989,760
Reclamation deposit	794,595	-	-	794,595

Some of the Company's investments are not publicly traded. Other valuation factors were used to estimate the fair value at July 31, 2026, such as recent financings of the private entities. The fair value of warrants was estimated using the Black-Scholes option pricing model and are recorded in Level 3 of the fair value hierarchy. See Note 7.

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 judgment.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below. There have been no significant changes in the risks, objectives, policies and procedures for managing risk during the years ended July 31, 2026 and 2025.

17. FINANCIAL INSTRUMENTS (continued)

Credit risk

The Company's credit risk is primarily attributable to cash and cash equivalents, and reclamation deposit. The Company has no significant concentration of credit risk arising from operations. Cash and cash equivalents consist of bank deposits and guaranteed investment certificates, which have been invested with reputable financial institutions, from which management believes the risk of loss to be remote. Amounts receivable primarily represent input tax credit refunds from government bodies. Management believes that the credit risk concentration with respect to these financial instruments is remote.

Liquidity risk

The Company manages liquidity risk by maintaining adequate cash and cash equivalent balances. The Company continuously monitors and reviews both actual and forecasted cash flows, and also matches the maturity profile of financial assets and liabilities.

As at July 31, 2026, the Company had current assets of $131,516,617 (July 31, 2025: $33,978,252) to settle current liabilities of $22,174,606 (July 31, 2025: $29,220,575). Approximately $16,300,000 of the Company's financial liabilities as at July 31, 2026 have contractual maturities of less than 30 days and are subject to normal trade terms.

		Payments due by period			
Liability	Total	< 1 year	1 - 3 years	4 - 5 years	> 5 years
Accounts payable and accrued liabilities	$ 21,432,707	$ 21,432,707	$ -	$ -	$ -
Lease liabilities	1,542,300	470,737	943,939	127,624	-
Reclamation provision	2,669,862	271,162	514,515	497,935	1,386,250

Market risk - Price risk and currency risk

Some of the Company’s current assets consist of shares acquired from the sale of mineral claims (Note 7), which the Company intends to sell when appropriate. The Company is exposed to price risk as unfavourable market conditions could result in disposition of investments at less than favourable prices.

Based on the investments held at July 31, 2026, a change in the fair value of investments by 5%, all other factors held constant, could result in a corresponding change in net income of approximately $60,000.

18. EXPLORATION AND EVALUATION EXPENSES

The Company owns the Troilus Mining property, consisting of mineral claims and a past-producing mine property located near Chibougamau, within the Frotêt-Evans Greenstone Belt in Quebec, Canada. During the last several years, the Company acquired various claims extending its land package, including the Bullseye and Pallador claims acquired through the acquisition of UrbanGold. The Bullseye claims comprise a 50-50 joint arrangement with Alamos Gold Inc. (the “Alamos JV”), accounted for as a joint operation. As a result, the Company recognizes its proportionate share of any expenses related to this joint arrangement.

18. EXPLORATION AND EVALUATION EXPENSES (continued)

In February 2026, the Company completed an option agreement with Delta to acquire a 100% undivided interest in claims referred to as the Delta 2 claims. To acquire 100% of the claims, the Company will be required to make the following payments:

- A cash payment of $500,000 and $500,000 in common shares (243,902 shares) of the Company on signing of the agreement (paid February 17, 2026);
- $750,000 in cash or common shares of the Company on or before June 1, 2026 (378,788 common shares issued June 1, 2026);
- $750,000 in cash or common shares of the Company on or before December 15, 2026;
- $750,000 in cash or common shares of the Company on or before June 1, 2027;
- $1,000,000 in cash or common shares of the Company on or before December 15, 2027;
- $2,000,000 in cash or common shares of the Company on or before June 1, 2028;
- $2,000,000 in cash or common shares of the Company on or before December 15, 2028.

Other than the initial $500,000 cash payment, all payments may be paid in whole or in part with common shares of the Company at the Company's discretion. The Company will be the operator during the option term. There are existing royalties on these claims of up to 2% with buy back options. A net smelter royalty of 1% will be granted to Delta upon completion of the option term. The Company will have the right to buy back 50% of the royalty for a price of $500,000. The Company can terminate this option with notice.

Of the claims initially acquired from First Quantum Minerals Inc. ("First Quantum"), a royalty of 1% remains on these claims, held by Royal Gold Inc. (formerly Sandstorm Gold Ltd.).

As at July 31, 2026, the Company is subject to the following underlying royalties:

The claims acquired from Emgold Mining Corporation ("Emgold") in December 2018 are subject to underlying NSR royalties of 1% to Emgold, that the Company has the right to repurchase for $1,000,000. The claims acquired from O3 Mining Inc. ("O3") in November 2019 are subject to royalties of 2% NSR to O3, half of which can be repurchased for $1,000,000, and 2% NSR to an individual, half of which can be repurchased for $1,000,000.

The claims acquired from O3 in April 2020 are subject to royalties of 2% NSR to O3, of which half can be repurchased at any time for $1,000,000 subject to the terms of the Buy Back agreement entered into between the Company and Sayona. Certain of the O3 claims acquired in April 2020 are subject to underlying royalties of 2% to Vale S.A. One-half of the royalty to Vale S.A. can be repurchased.

The claims acquired from Globex Mining Enterprises Inc. ("Globex") are subject to a 2% Gross Metal Sales royalty ("GMR") to Globex, of which half can be repurchased at any time for $1,000,000 subject to the terms of the Buy Back agreement entered into between the Company and Sayona. The claims acquired from Canadian Mining House ("CMH") are subject to a 1% NSR, of which half can be repurchased for $500,000 and half can be repurchased for $1,500,000 subject to the terms of the Buy Back agreement entered into between the Company and Sayona.

18. EXPLORATION AND EVALUATION EXPENSES (continued)

As well, the Company is subject to royalties on certain of the claims acquired through the UrbanGold acquisition, including a 2% NSR to O3 on certain Bullseye claims, of which half can be purchased at any time for $500,000; a 1% NSR to Soquem on 71 Pallador claims, of which half can be purchased at any time for $500,000 subject to the terms of the Buy Back agreement entered into between the Company and Sayona; and a 1% NSR on 55 Pallador claims to Geotest and Wayne Holmstead.

Under the terms of the Alamos JV, in the event that either party's participating interest is diluted to 10% or less (a "Diluted Participant"), the other party shall have the right to cause the Alamos JV to redeem the participating interest held by the Diluted Participant in exchange for a royalty interest equal to a 2% NSR royalty, half of which can be purchased on the date of issue of the NSR for $1,000,000.

	Years ended July 31,	
	2026	2025
Exploration and evaluation expenses:		
Drilling, assaying and geology	$ 9,230,365	$ 6,141,015
Salaries, payroll costs and consultants	9,138,527	6,060,380
Site and camp costs	6,798,375	4,692,609
Support and other costs	1,286,292	923,227
Engineering and environment costs	38,383,704	14,209,566
Government and community relations	348,165	241,239
Travel	588,621	333,964
Property acquisition costs	1,749,999	-
Depreciation	1,220,368	1,070,024
Tax credits	(1,440,169)	(5,447,384)
	$ 67,304,247	$ 28,224,640

The Company has recorded expected tax credits of $1,440,169 against the exploration activity on which they are based for the year ended July 31, 2026 (year ended July 31, 2025: $5,447,384). During the year ended July 31, 2026, the Company received $3,990,260 in tax credit refunds related to the 2024 and 2025 tax years. As at July 31, 2026, the Company is carrying a tax credit receivable balance of $2,429,261 as a current asset related to the July 31, 2026 tax year as well as a mining duties credit for the tax year ending July 31, 2025.

19. GENERAL AND ADMINISTRATIVE EXPENSES

	Years ended July 31, 2026	2025
General and administrative expenses:		
Salaries, payroll costs and consultants	$ 6,106,830	$ 3,120,528
Professional costs	4,960,825	1,846,180
Shareholder communications	1,937,790	1,841,479
Office and general	985,626	580,355
Travel	1,398,304	1,002,019
Depreciation	176,616	173,876
	$ 15,565,991	$ 8,564,437

20. OTHER GAINS AND (LOSSES)

	Years ended July 31, 2026	2025
Other expenses:		
Fee for reclamation bond	$ (113,627)	$ (109,147)
Gain on disposal of assets	96,153	86,214
Provision for penalties	(80,628)	(455,204)
Foreign exchange (loss)	(145,877)	(54,865)
	$ (243,979)	$ (533,002)

The Company has received a preliminary assessment by a tax authority with respect to the eligibility of certain past Canadian Exploration Expenses. While the Company is vigorously defending their position, an amount of approximately $500,000 has been recorded as a provision should the Company not be successful. Included in this provision is a provision for estimated indemnity costs related to the assessment, which represents management's best estimate of the present value of the future outflows required. The provision reflects estimates of future payments directly attributable to the indemnity and assumptions about claims in respect of the indemnity. Changes in these factors can result in a change to the provision recognized by the Company.

21. CAPITAL MANAGEMENT

The Company manages and adjusts its capital structure based on available funds in order to support the exploration and development of its mineral properties. The capital of the Company consists of share capital, share purchase warrants, RSU's and DSU's. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

21. CAPITAL MANAGEMENT (continued)

The Company's properties are in the exploration and development stage and, accordingly, the Company is dependent upon external financing to fund activities. In order to carry out planned drilling and engineering work, and pay for administrative costs, the Company will spend working capital and expects to raise additional funds from time to time as required.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company's capital management objectives, policies and processes have remained substantially unchanged during the years ended July 31, 2026 and 2025.

22. RELATED PARTY DISCLOSURES

The Company entered into the following transactions in the ordinary course of business with related parties that are not subsidiaries of the Company.

Related party balances and transactions
During the year ended July 31, 2026, the Company charged $40,324 in reimbursable expenses to Delta Resources Corp. (year ended July 31, 2025: $nil). Mr. Justin Reid, the Company's CEO, is a former director of Delta, having resigned during the year ended July 31, 2026. In addition, at July 31, 2026, the Company held 5,778,214 shares and 1,785,714 warrants of Delta. See Note 7, Investments.

During the year ended July 31, 2026, the Company charged $6,744 in reimbursable expenses to Comet Lithium Corp. (year ended July 31, 2025: $nil). Mr. Kyle Frank, the Company's VP of Corporate Development, is on the Board of Directors of Comet. In addition, at July 31, 2026, the Company held 1,500,000 shares of Comet. See Note 7, Investments.

During the year ended July 31, 2026, the Company charged $65,087 in fees and reimbursable expenses related to shared office space to Lithium Ionic Corp. (year ended July 31, 2025: $197,210). One of the Company's directors, Mr. Tom Olesinski, is an officer of Lithium Ionic Corp.

During the year ended July 31, 2026, the Company charged $16,125 in fees related to shared office space to Emerita Resources Corp. ("Emerita") (year ended July 31, 2025: $41,319). As at July 31, 2026, the Company's Vice-President Corporate Affairs and Sustainability, Ms. Catherine Stretch, was a director of Emerita. Ms. Stretch resigned as a director of Emerita subsequent to July 31, 2026.

At July 31, 2026, the Company owed a total of $30,841 to directors and officers of the Company (July 31, 2025: $10,121). These amounts are non-interest bearing and have no fixed terms of repayment. All amounts were paid subsequent to July 31, 2026.

22. RELATED PARTY DISCLOSURES (continued)

Compensation of key management personnel of the Company
The remuneration of directors and other members of key management personnel was as follows:

	Years ended July 31, 2026	2025
Management salaries and fees	$ 6,440,878	$ 3,653,392
Directors fees	366,716	352,361
Share-based payments	7,173,717	3,080,190
	$ 13,981,311	$ 7,085,943

In accordance with IAS 24, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company. The remuneration of directors and key executives is determined by the Board of Directors of the Company having regard to the performance of individuals and market trends.

23. COMMITMENTS AND CONTINGENCIES

The Company is party to certain management and employment contracts. As at the date of this report, these contracts provide that, in the event services are terminated by the Company, other than for cause, approximately $3,606,000 would be paid out with respect to these contracts. Additional contingent payments of approximately $7,866,000 would be paid upon the occurrence of a change of control. Also, the Company had 22,452,565 RSU's and 2,500,000 DSU's outstanding to directors, officers and employees of the Company at July 31, 2026 which will vest over the next three years. Upon a change of control, unvested RSU's would vest immediately. As a triggering event for terminations or a change of control has not taken place, the contingent payments have not been reflected in these financial statements. Minimum commitments under these contracts due within one year are approximately $3,606,000.

The Company is obligated to make lease payments over the next 2-4 years. See Notes 12 and 17.

Underlying royalties on the Troilus Mining property are described in Note 18.

A contingent milestone payment shall be due to the Company related to the agreement with Prospector described in Note 8.

As a result of the Company's flow-through financings in October 2025 and April 2026, the Company is committed to incur qualifying exploration expenditures. See Note 14. As at July 31, 2026, the Company has an exploration expenditure commitment of approximately $9,225,000, including expected tax credits, which must be incurred by December 31, 2027.

23. COMMITMENTS AND CONTINGENCIES (continued)

In connection with the flow-through financings, the Company indemnifies the subscribers against certain tax-related amounts that may become payable by the subscribers should the Company not meet its flow-through expenditure commitments. The Company has recently received a preliminary assessment by a tax authority with respect to the eligibility of certain past expenses of Canadian exploration expenses. While the Company is vigorously defending their position, an amount of approximately $500,000 has been recorded as a provision should the Company not be successful.

The Company's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

24. INCOME TAXES

Provision for income taxes

Major items causing the Company's effective income tax rate to differ from the combined Canadian federal and provincial statutory rate of 26.5% (2025 – 26.5%) were as follows:

	2026 $	2025 $
(Loss) before income taxes	(82,704,649)	(39,360,546)
Expected income tax recovery based on statutory rate	(21,917,000)	(10,431,000)
Adjustment to expected income tax benefit:		
Share-based payments	2,649,000	1,044,000
Other	(2,004,000)	5,934,000
Change in Benefit of tax assets not recognized	21,272,000	3,453,000
Deferred income tax provision (recovery)	-	-

Deferred income tax balances

Deferred tax assets have not been recognized in respect of these items because it is not probable that future taxable profit will be available against which the Company can use the benefits. The significant components of the Company's temporary difference, unused tax credits and unused tax losses that have not been included on the consolidated statement of financial position are as follows:

24. INCOME TAXES (continued)

	2025 $	2025 $
DEFERRED TAX ASSETS		
Non-capital loss carry-forwards	158,107,000	93,575,000
Capital loss carry-forwards	9,248,000	17,076,000
Investments	-	888,000
Share issue costs	10,014,000	3,367,000
Unused exploration and evalution expenses	40,666,000	39,740,000
Other temporary differences	4,415,000	6,380,000
	222,450,000	161,026,000
Deferred tax assets not recognized	(222,450,000)	(161,026,000)
DEFERRED TAX LIABILITIES		
Investments	(97,000)	-
	(97,000)	-
Deferred tax liabilities not recognized	97,000	-
NET DEFERRED TAX ASSETS AND LIABILITIES RECOGNIZED	-	-

Tax losses

The Company has approximately $158,107,000 of non-capital losses in Canada, which under certain circumstances may be used to reduce the taxable income of future years. The non-capital losses expire as follows:

Year	Amount ($)
2028	556,000
2029	612,000
2030	849,000
2031	36,000
2033	2,822,000
2034	1,294,000
2036	523,000
2037	1,373,000
2038	4,572,000
2039	5,478,000
2040	8,380,000
2041	12,984,000
2042	9,481,000
2043	696,000
2044	15,962,000
2045	22,930,000
2046	69,559,000
	158,107,000

25. SUBSEQUENT EVENTS

Subsequent to July 31, 2026, 20,013,849 warrants were exercised, generating proceeds of $9,006,232 with 7,001 warrants expiring on October 18, 2026.