J2 METALS INC.

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED MARCH 31, 2026 AND 2025

(EXPRESSED IN CANADIAN DOLLARS)

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of J2 Metals Inc.

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of J2 Metals Inc. (the "Company"), which comprise the consolidated statements of financial position as at March 31, 2026 and 2025, and the consolidated statements of loss and comprehensive loss, changes in shareholders' equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of the material accounting policy information.

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

Basis for Opinion

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the consolidated financial statements, which indicates that the Company has no source of operating revenue, has incurred net losses since inception and as at March 31, 2026 had a deficit. The Company's continued existence will be dependent on the receipt of financing on terms which are acceptable to the Company. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were 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 these matters.

In addition to the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined that there is the following key audit matter to communicate in our auditor's report.

Key audit matter:	**How our audit addressed the key audit matter:**
Assessment of impairment indicators of Exploration and evaluation assets.	Our approach to addressing the matter included the following procedures, among others:
Refer to note 3(a) – Management estimates and judgements, note 3(e) – Accounting policy Exploration and evaluation assets, and note 6 Exploration and evaluation assets	Evaluated the reasonableness of management's assessment of impairment indicators, which included the following: • Assessed the completeness of the factors that could be considered indicators of impairment,

Management assesses at each reporting period whether there is an indication that the carrying value of exploration and evaluation assets may not be recoverable. Management applies significant judgement in assessing whether indicators of impairment exist that necessitate impairment testing. Internal and external factors, such as (i) changes in the Company's assessment of whether commercially viable quantities of mineral resources exist within the properties; and (ii) changes in metal prices, capital and operating costs, are evaluated by management in determining whether there are any indicators of impairment. We considered this a key audit matter due to (i) the significance of the exploration and evaluation asset balance and (ii) the significant audit effort and subjectivity in applying audit procedures to assess the factors evaluated by management in its assessment of impairment indicators, which required significant management judgement.	including consideration of evidence obtained in other areas of the audit. • Confirmed that the Company's right to explore the properties had not expired. • Assessed the Company's market capitalization in comparison to the Company's net assets, which may be an indication of impairment. • Obtained management's written representations regarding the Company's future plans for the mineral properties. • Assessed the reasonability of the Company's financial statement disclosure regarding their exploration and evaluation assets.

Other Information

Management is responsible for the other information. The other information comprises the information included in "Management's Discussion and Analysis" but does not include the consolidated financial statements and our auditor's report thereon.

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

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

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

In preparing the consolidated financial statements, management is responsible for assessing the 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 Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as 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 consolidated 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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 James Roxburgh.

De Visser Gray LLP

Chartered Professional Accountants

Vancouver, BC, Canada
July 28, 2026

J2 METALS INC.
Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)

As at		March 31, 2026		March 31, 2025
ASSETS				
Current				
Cash	$	3,902,131	$	925,927
Prepaid expenses		1,636		-
Other receivable		1,678		-
Marketable securities (Note 5)		43,200		12,800
Total current assets		**3,948,645**		**938,727**
Exploration and evaluation assets (Note 6)		3,864,532		3,117,452
Deposit (Note 6)		24,900		24,900
Total assets	**$**	**7,838,077**	**$**	**4,081,079**
LIABILITIES				
Accounts payable and accrued liabilities (Note 7)	$	183,652	$	193,000
Deferred flow-through share premium (Note 9)		105,745		49,400
Total current liabilities		**289,397**		**242,400**
Deferred income tax liability (Note 12)		132,800		163,400
Total liabilities	**$**	**422,197**	**$**	**405,800**
SHAREHOLDERS' EQUITY				
Share capital (Note 8)	$	4,898,014	$	4,734,241
Share subscription received (Note 8)		4,791,429		-
Reserves		386,434		271,726
Deficit		(3,134,997)		(1,330,688)
Equity attributable to owners of the Company		**6,940,880**		**3,675,279**
Non-controlling interest (Note 8)		475,000		-
Total shareholders' equity	**$**	**7,415,880**	**$**	**3,675,279**
Total liabilities and shareholders' equity	**$**	**7,838,077**	**$**	**4,081,079**

Nature of operations and going concern (Note 1)
Qualifying transaction (Note 4)
Subsequent events (Note 13)

Approved on behalf of the Board:

"Tom Lamb"	"Chris Beltgens"
Director	**Director**

The accompanying notes form an integral part of these consolidated financial statements

(Expressed in Canadian Dollars)

For the year ended		March 31, 2026		March 31, 2025
Expenses				
Bank charges	$	184	$	175
Consulting fees		539,760		-
Legal and professional fees		226,354		177,667
Management and director fees (Note 7)		753,195		81,330
Meals and entertainment		2,614		283
Office expenses		20,826		4,326
Public company expenses		87,360		22,248
Share-based compensation (Notes 7 and 8)		152,933		-
Travel		51,389		-
Total expenses	**$**	**(1,834,615)**	**$**	**(286,029)**
Other items				
Impairment of exploration and evaluation assets (Note 6)	$	(110,920)	$	-
Unrealized gain (loss) on marketable securities (Note 5)		30,400		(8,000)
Recovery of premium on flow-through shares (Note 9)		80,226		6,052
Listing expense (Note 4)		-		(502,623)
	$	**(294)**	**$**	**(504,571)**
Loss before income taxes	$	(1,834,909)	$	(790,600)
Deferred income tax recovery (Note 12)		30,600		75,200
Net loss and comprehensive loss for the year	**$**	**(1,804,309)**	**$**	**(715,400)**
Net loss per share - basic/diluted	**$**	**(0.08)**	**$**	**(0.11)**
Weighted average number of common shares outstanding - basic/diluted		**21,694,030**		**6,781,811**

Basis of presentation - comparative information (Note 14)

The accompanying notes form an integral part of these consolidated financial statements

J2 METALS INC.
Consolidated Statements of Changes in Shareholders' Equity
(Expressed in Canadian Dollars)

	Number of Shares	Share Capital	Share Subscriptions Received	Reserves	Deficit	NCI	Total
Balance, March 31, 2024	**4,984,348**	**$ 3,160,122**	**$ -**	**$ 259,729**	**$ (615,288)**	**$ -**	**$ 2,804,563**
Private placement - non-flow-through shares (Note 8)	5,180,000	518,000	-	-	-	-	518,000
Private placement - flow-through shares (Note 8)	2,470,000	296,400	-	-	-	-	296,400
Flow-through premium (Note 9)	-	(49,400)	-	-	-	-	(49,400)
Private placement share issuance costs - finder's shares (Note 8)	144,000	-	-	-	-	-	-
Private placement share issuance costs - cash costs (Note 8)	-	(19,284)	-	-	-	-	(19,284)
Private placement share issuance costs - finder's warrants (Note 8)	-	(11,997)	-	11,997	-	-	-
Shares issued pursuant to qualifying transaction (Note 4)	8,404,000	840,400	-	-	-	-	840,400
Net loss for the year	-	-	-	-	(715,400)	-	(715,400)
Balance, March 31, 2025	**21,182,348**	**$ 4,734,241**	**$ -**	**$ 271,726**	**$ (1,330,688)**	**$ -**	**$ 3,675,279**
Balance, March 31, 2025	**21,182,348**	**$ 4,734,241**	**$ -**	**$ 271,726**	**$ (1,330,688)**	**$ -**	**$ 3,675,279**
Share-based compensation (Notes 7 and 8)	-	-	-	152,933	-	-	152,933
Private placement - non-flow-through shares (Note 8)	800,000	80,000	-	-	-	-	80,000
Private placement share issuance costs - cash costs	-	(4,735)	-	-	-	-	(4,735)
Share subsriptions received (non-flow-through) - parent (Note 8)	-	-	4,200,000	-	-	-	4,200,000
Share subsriptions received (flow-through) - parent (Note 8)	-	-	478,000	-	-	-	478,000
Flow-through premium (Note 9)	-	-	(136,571)	-	-	-	(136,571)
Share subscriptions issued upon investment acquisition (Note 8)	-	-	250,000	-	-	-	250,000
Share subscriptions received - subsidiary (Note 8)	-	-	-	-	-	475,000	475,000
Exercise of options (Note 8)	502,826	88,508	-	(38,225)	-	-	50,283
Net loss for the year	-	-	-	-	(1,804,309)	-	(1,804,309)
Balance, March 31, 2026	**22,485,174**	**$ 4,898,014**	**$ 4,791,429**	**$ 386,434**	**$ (3,134,997)**	**$ 475,000**	**$ 7,415,880**

The accompanying notes form an integral part of these consolidated financial statements

J2 METALS INC.
Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)

For the year ended		March 31, 2026		March 31, 2025
Operating activities				
Net loss for the year	$	(1,804,309)	$	(715,400)
Items not involving cash:				
Unrealized (gain)/loss on marketable securities		(30,400)		8,000
Share-based compensation		152,933		-
Premium on flow-through shares		(80,226)		(6,052)
Listing expense		-		502,623
Management and director fees paid by subscription receipts		338,700		-
Impairment of exploration and evaluation assets		110,920		-
Deferred income tax recovery		(30,600)		(75,200)
Changes in non-cash working capital items:				
Prepaid expenses		(1,636)		-
Other receivable		(1,678)		-
Accounts payable and accrued liabilities		(14,401)		159,726
Net cash used in operating activities		**(1,360,697)**		**(126,303)**
Investing activities				
Exploration and evaluation costs		(602,947)		(214,951)
Cash acquired in qualifying transaction		-		341,586
Net cash (used in) provided by investing activities		**(602,947)**		**126,635**
Financing activities				
Share subscriptions received		4,814,300		-
Exercise of options		50,283		-
Proceeds from private placements		80,000		814,400
Share issuance costs		(4,735)		(19,284)
Net cash provided by financing activities		**4,939,848**		**795,116**
Net change in cash		**2,976,204**		**795,448**
Cash, beginning of the year		**925,927**		**130,479**
Cash, end of the year	**$**	**3,902,131**	**$**	**925,927**
Supplementary cash flow disclosures				
Exploration and evaluation costs in accounts payable and accrued liabilities	$	5,519	$	466
Share subscriptions issued upon investment acquisition	$	250,000	$	-

The accompanying notes form an integral part of these consolidated financial statements

1. Nature of operations and going concern

J2 Metals Inc. (formerly Cranstown Capital Corp.) (the "Company" or "Cranstown" or "J2") was incorporated under the *Business Corporations Act* (British Columbia) on February 2, 2021 and was a Capital Pool Company under the policies of the TSX Venture Exchange (the "Exchange"). The Company's registered office is at 1710-1050 West Pender Street, Vancouver, British Columbia, V6E 3S7.

Private company J2 Metals Inc. ("Old J2") was incorporated on April 19, 2020 for the primary purpose of engaging in mineral exploration. On March 18, 2025, the Company acquired all of the issued and outstanding common shares of Old J2 in exchange for the issuance of an aggregate of 9,934,348 Cranstown common shares. The transaction constituted the Company's qualifying transaction ("QT") as such term is defined in Policy 2.4 (Capital Pool Companies) of the TSX Venture Exchange.

Pursuant to the QT, Old J2 was amalgamated with 1517805 B.C. Ltd. to form 1531924 B.C. Ltd. ("1531924"). As a result, 1531924 became a wholly-owned legal subsidiary of the Company. The Company also subsequently changed its name from Cranstown Capital Corp. to J2 Metals Inc., and trading in the Company's common shares commenced on the TSX Venture Exchange the week of March 24, 2025 under the symbol JTWO. For accounting purposes, the transaction constitutes a reverse takeover (see Note 4).

On October 24, 2025, the Company entered into an arrangement agreement to complete a plan of arrangement ("Arrangement Agreement") under the Business Corporations Act (British Columbia) with its wholly-owned subsidiary, Twenty Mile Metals Inc. (formerly, 1558117 B.C. Ltd.) ("Twenty Mile Metals"), whereby the Company's Twenty Mile Property will be spun out to Twenty Mile Metals in accordance with the Arrangement Agreement, and Twenty Mile Metals will apply to be listed on a public exchange in Canada. Under the terms of the Arrangement Agreement, the Company's shareholders will be issued 5,000,000 shares of Twenty Mile Metals with respect to the common shares of the Company owned on the share distribution record date on a pro-rata basis. On December 3, 2025, the Company's shareholders approved the plan of arrangement with Twenty Mile Metals. On December 10, 2025, the Supreme Court of British Columbia approved the proposed plan of arrangement. As at March 31, 2026, the completion of the plan of arrangement was still subject to the satisfaction of various conditions.

On April 20, 2026, the Company completed the plan of arrangement with Twenty Mile Metals. Under the arrangement, the owners of the Company's common shares received one new J2 share and 0.21921 of a common share of Twenty Mile Metals on the share distribution record date of April 27, 2026. J2 reserved 71,041 Twenty Mile Metals shares for issuance to warrantholders of J2. Following this arrangement, Twenty Mile Metals is no longer a wholly owned subsidiary of J2. Trading in the Twenty Mile Metals common shares commenced on the TSX Venture Exchange the week of June 22, 2026 under the symbol MILE.

Going Concern

These consolidated financial statements have been prepared on a going concern basis that contemplates the realization of assets and discharge of liabilities at their carrying values in the normal course of business for the foreseeable future. These consolidated financial statements do not reflect any adjustments that may be necessary if the Company is unable to continue as a going concern.

The Company has no source of operating revenue, has incurred net losses since inception and as at March 31, 2026 had a deficit of $3,134,997. Its continued existence will be dependent on the receipt of financing on terms which are acceptable to the Company. The Company has not generated any revenues or cash flows from operations since inception and does not expect to do so for the foreseeable future.

The Company's continuation as a going concern depends on its ability to successfully raise capital. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms acceptable to the Company; therefore giving rise to a material uncertainty which may cast significant doubt as to whether the Company's cash resources and working capital will be sufficient to enable the Company to continue as a going concern for the 12-month period after the date of these consolidated financial statements. Consequently, management is pursuing various financing alternatives to fund operations and advance its business plan. To facilitate the management of its capital requirements, the Company prepares annual expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions. The Company may determine to reduce the level of activity and expenditures to preserve working capital and alleviate any going concern risk.

The assumption that the Company will be able to continue as a going concern is subject to critical judgments by management with respect to assumptions surrounding the short and long-term operating budget, expected profitability, investing and financing activities and management's strategic planning. Should those judgments prove to be inaccurate, management's continued use of the going concern assumption could be inappropriate.

2. Basis of presentation

Statement of Compliance

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

These consolidated financial statements were authorized for issue by the directors of the Company on July 28, 2026.

These financial statements are presented in Canadian Dollars, unless otherwise noted and have been prepared on a historical cost basis. The Canadian dollar is the functional and presentation currency of the Company.

Basis of Consolidation

These consolidated financial statements include the accounts of the parent company, J2 Metals Inc., and its subsidiaries listed below:

		Equity Interest	
	Jurisdiction	2026	2025
1531924 B.C. Ltd.	British Columbia, Canada	100%	100%
1223615 B.C. Ltd.	British Columbia, Canada	100%	100%
Northway Napoleon Corporation	Alaska, USA	100%	100%
Twenty Mile Metals Inc.	British Columbia, Canada	100%	N/A
1558115 B.C. Ltd.	British Columbia, Canada	100%	N/A
1558121 B.C. Ltd.	British Columbia, Canada	100%	N/A
J2 Metals Mexico, S.A. de C.V.	Chihuahua, Mexico	100%	N/A

The accounts of the Company's subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of the entity so as to obtain benefits from its activities. All intercompany balances and transactions have been eliminated.

3. Material accounting policy information

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements, unless otherwise indicated.

a) Management estimates and judgments

The preparation of these consolidated financial statements requires management to make certain estimates, judgments and assumptions that affect the amounts reported and disclosed in its consolidated financial statements and related notes. Those include estimates that, by their nature, are uncertain and actual results could differ materially from those estimates. The impacts of such estimates may require accounting adjustments based on future results. Revisions to accounting estimates are recognized in the period in which the estimate is revised.

Information about critical judgments and estimates in applying accounting policies that have the most significant effect on the amounts recognized in these consolidated financial statements is as follows:

Going concern

The assumption that the Company will be able to continue as a going concern is subject to critical judgments by management with respect to assumptions surrounding the short and long-term operating budget, expected profitability, investing and financing activities and management's strategic planning. Should those judgments prove to be inaccurate, management's continued use of the going concern assumption could be inappropriate.

Impairment of exploration and evaluation assets

Critical judgment is involved in determining whether there are any indications of impairment for the Company's exploration and evaluation assets and may require significant measurement uncertainty.

Share-based compensation

The Company uses the Black-Scholes Option Pricing Model for valuation of share-based compensation. The valuation technique requires the input of subjective assumptions including expected price volatility, interest rate, forfeiture rate, dividend yield and expected life. Changes in the input assumptions can materially affect the fair value estimate and the Company's earnings and reserves.

Deferred income tax assets and liabilities

Calculation of the Company's deferred income tax assets and liabilities is subject to judgment concerning the composition of tax pools and loss carryforwards and tax legislation in the jurisdictions within which the Company and its subsidiaries operate, including future income tax rates at which tax liabilities may be realized.

Valuation of the common shares issued pursuant to the QT

As the Company was not trading at the time of the QT, the Company has estimated the value of the shares issued pursuant to the QT to be equal to that of the common shares issued pursuant to the concurrent private placement.

b) Cash

Cash consists of deposits held with Canadian financial institutions, with the exception of Twenty Mile Metals cash balance ($475,015) which was held in the legal counsel's trust account.

c) Financial instruments

Financial Assets - Classification

The Company classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through Other Comprehensive Income (“OCI”), or through profit or loss (“FVTPL”), and
- Those to be measured at amortized cost.

The classification depends on the Company’s business model for managing the financial assets and contractual terms of the cash flows. For assets measured at fair value, gains or losses are recorded in profit or loss or OCI.

The Company has classified cash and its deposit as subsequently measured at amortized cost, and has measured its marketable securities at FVTPL.

Financial Assets - Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, the transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. Financial assets are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent measurement of financial assets depends on their classification. These are the measurement categories under which the Company classifies its financial assets:

- Subsequently measured at amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

- Fair value through OCI (“FVOCI”): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets’ cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains and losses, interest revenue, and foreign exchange gains and losses which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains (losses). Interest income from these financial assets is included as finance income using the effective interest rate method.

- Fair value through profit or loss: Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on an investment that is subsequently measured at FVTPL is recognized in profit or loss and presented net as revenue in the statement of comprehensive loss in the period which it arises.

Impairment of Financial Assets at Amortized Cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If, at the reporting date, the credit risk of the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company recognizes in the statement of comprehensive loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

Financial Liabilities

The Company classifies its financial liabilities into the following categories: financial liabilities at FVTPL and subsequently measured at amortized cost.

A financial liability is classified as FVTPL if it is classified as held-for-trading or is designated as such on initial recognition. Directly attributable transaction costs are recognized in profit or loss as incurred. The fair value changes to financial liabilities at FVTPL are presented as follows: the amount of change in fair value that is attributable to changes in the credit risk of the liability is presented in OCI; and the remaining amount of the change in the fair value is presented in profit or loss. The Company does not designate any financial liabilities at FVTPL.

Other non-derivative financial liabilities are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortized cost using the effective interest rate method. The Company classifies its accounts payable and accrued liabilities as financial liabilities held at amortized cost.

d) Income (loss) per share

Income (loss) per share is computed by dividing the net income (loss) by the weighted average number of common shares outstanding during the period. In computing diluted earnings per share, an adjustment is made for the dilutive effect of outstanding share options, warrants and other convertible instruments. In the periods when the Company reports a net loss, the effect of potential issuances of shares under share options and other convertible instruments is anti-dilutive. When diluted earnings per share is calculated, only those share options and other convertible instruments with exercise prices below the average trading price of the Company’s common shares for the period will be dilutive.

e) Exploration and evaluation assets

Expenditures incurred before the Company has obtained legal rights to explore an area are recognized in the statements of loss as exploration expenses.

Exploration and evaluation assets reflect expenditures for an area where technical feasibility and commercial viability have not yet been determined. Expenditures, including, but are not limited to, land acquisition, geological and geophysical studies, exploratory drilling and sampling and directly attributable employee salaries and benefits are capitalized and accumulated pending determination of technical feasibility and commercial viability.

Exploration and evaluation assets are not depleted. When assets are determined to be technically feasible and commercially viable, the accumulated costs are tested for impairment and the recoverable amount is transferred to property, plant and equipment. Upon transfer of exploration and evaluation costs into property, plant and equipment, all subsequent expenditures on the construction, installation or completion of infrastructure facilities are capitalized within mine development. After production starts, all assets included in mine development costs are transferred to producing mines. At such time as commercial production commences, these expenditures will be charged to operations on a unit-of production method based on proven and probable resources.

Exploration and evaluation assets are also assessed for impairment when facts and circumstances suggest that the carrying amount exceeds the recoverable amount. The aggregate costs related to abandoned exploration and evaluation assets are charged to operations at the time of any abandonment or when it has been determined that there is evidence of a permanent impairment.

f) Share capital

Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares are recognized as a deduction from equity, net of any tax effects. Share purchase warrants that are classified as equity are recognized in contributed surplus. When warrants are issued together with common shares as part of a unit offering, the proceeds received are allocated between the common shares and the warrants based on their relative fair values at the date of issuance. The fair value of the common shares is generally determined using the quoted market price of the Company's common shares, while the fair value of the warrants is estimated using an option pricing model, such as the Black-Scholes option pricing model, incorporating assumptions including share price, exercise price, expected volatility, expected life, dividend yield and the risk-free interest rate. Transaction costs are allocated between the components using the same relative fair value basis.

g) Flow-through shares

Canadian income tax legislation permits companies to issue flow-through instruments whereby the income tax deductions generated by eligible expenditures of the Company, defined in the income tax act (Canada) as qualified Canadian exploration expenses, are claimed by the investors rather than by the Company. Shares issued on a flow-through basis are typically sold at a premium above the market share price which relates to the tax benefits that will flow through to the investors. The Company often issues flow-through shares as part of its equity financing transactions in order to fund its exploration activities. The Company estimates the portion of the proceeds attributable to the premium as being the excess of the flow-through share price over the market share price of the common shares without the flow-through feature at the time of subscription. The premium is recorded as a liability which represents the Company’s obligation to spend the flow-through funds on eligible expenditures and is amortized through the consolidated statement of loss and comprehensive loss as the eligible expenditures are incurred.

h) Share-based compensation

Share-based compensation to employees is measured at the fair value of the instruments issued and recognized over the vesting periods. Share-based compensation to non-employees is measured at the fair value of goods or services received or the fair value of the equity instruments issued if it is determined the fair value of the goods or services cannot be reliably measured and are recorded at the date the goods or services are received. The corresponding amount is recorded to reserves or share capital. The fair value of options is determined using the Black-Scholes Option Pricing Model which incorporates all market vesting conditions. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that will eventually vest. Over the vesting period, share-based compensation is recorded as an operating expense and in reserves. When options are exercised, the consideration received is recorded as share capital and the related share-based compensation originally recorded in reserves is transferred to share capital.

i) Income taxes

The Company uses the statement of financial position method of accounting for income taxes. Under this method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the consolidated financial statement carrying amounts of existing assets and liabilities and their respective tax bases.

(Expressed in Canadian Dollars)

Deferred tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. Deferred income tax assets also result from unused loss carry forwards, resource related pools and other deductions. A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is not probable that the related tax benefit will be realized.

j) Accounting standards issued but not yet effective

The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective. The Company does not anticipate any material changes to the consolidated financial statements upon adoption of these new revised accounting pronouncements.

4. Qualifying transaction

For accounting purposes, the QT was treated as a reverse takeover, as Old J2's shareholders obtained control of the consolidated entity. The transaction did not meet the definition of a business combination under IFRS 3 and was accounted for as a capital transaction in accordance with IFRS 2, Share-based Payments. As a result, Old J2 was identified as the accounting parent (legal subsidiary), and Cranstown as the accounting subsidiary (legal parent). The QT closed on March 18, 2025, resulting in the issuance of 9,934,348 common shares.

Since Cranstown did not meet the definition of a business under IFRS 3 due to its lack of significant operating activities, the QT was treated as an acquisition of Cranstown's net assets by Old J2 in exchange for shares. The excess of the fair value of consideration over the net assets acquired was expensed as a listing expense.

Immediately prior to the closing of the transaction, Cranstown had 8,404,000 common shares issued and outstanding. Thus, effectively, Old J2 was deemed to have issued 8,404,000 common shares to acquire Cranstown, at a fair value of $0.10 per share.

The purchase price and allocation of assets and liabilities are presented as follows:

Purchase Price		
Fair value of CRAN shares	$	840,400
Total purchase price	**$**	**840,400**
Net Assets Acquired		
Cash	$	341,586
Accounts payable		(3,809)
Net Identifiable assets	**$**	**337,777**
Listing expense	**$**	**502,623**

5. Marketable securities

Marketable securities consist of equity securities of an entity or entities over which the Company does not have control or significant influence. Pursuant to the Company optioning the Miniac Property to UraniumX Discovery Corp. (formerly Stearman Resources Inc.) ("UraniumX"), the Company received 200,000 UraniumX common shares on January 25, 2023 and a further 120,000 UraniumX common shares on February 2, 2024. The continuity of the carrying value of these securities is as follows:

(Expressed in Canadian Dollars)

Fair value, March 31, 2024	**$**	**20,800**
Unrealized loss on marketable securities		(8,000)
Fair value, March 31, 2025	**$**	**12,800**
Unrealized gain on marketable securities		30,400
Fair value, March 31, 2026	**$**	**43,200**

6. Exploration and evaluation assets

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

Miniac

On August 4, 2020, the Company entered into an agreement to acquire the Miniac Property in Quebec from Kenorland Minerals Inc. In consideration for the acquisition, and in combination with the Napolean acquisition, the Company granted Kenorland common shares equal to 15% of the outstanding share capital of the Company following an initial capital raise of a minimum of $1,000,000 along with a 2% Net Smelter Return Royalty (“NSR”) should the project enter commercial production. The Company also committed to spending a minimum of $1,000,000 on the Miniac property within 12 months from the date of purchase. On August 21, 2021, the Company issued to Kenorland 202,687 common shares valued at $405,374 as consideration for the acquisition of the Miniac Property. On March 11, 2022, as subsequently amended on January 23, 2024, the Company entered into an option agreement with UraniumX, whereby UraniumX would acquire an interest of 75% in the Miniac property upon certain milestones being met, including expenditures of $970,000 over five years. UraniumX and the Company agreed to mutually terminate the option agreement on August 6, 2025 and the property is now 100% owned by the Company.

Napoleon

On February 3, 2021, the Company entered into a purchase and sale agreement with Kenorland Minerals Inc. for the acquisition of 1223615 B.C. Ltd., the holding company for Northway Napoleon Corporation which is an Alaskan-incorporated company which holds 108 claims in the Forty Mile Mining District of Alaska. In consideration for the acquisition of 1223615 B.C. Ltd., and in combination for the Miniac acquisition, the Company agreed to issue to Kenorland such shares which would result in Kenorland owning 15% of the outstanding share capital following an initial capital raise of at least $1,000,000. On August 21, 2021, the Company issued to Kenorland 202,687 common shares valued at $405,374 as consideration for the acquisition of the Napoleon Property.

Twenty Mile

The Twenty Mile Property is located in north central British Columbia, 122 km north-northwest of Fort St. James, and 224 km northwest of Prince George. The Twenty Mile Property consists of 8 mineral claims separated into nine discontinuous claim blocks, known as Twenty Mile (TM), Burn, and Imperial, and covers a total area of 9,367 hectares. The claims at Twenty Mile were obtained through online staking by J2 as well as several cash transactions for 100% interest of strategic claims of interest. The Company holds a 100% interest in all claims on the TM, Burn and Imperial claims and the properties are free of any NSRs or underlying agreements.

In May and September 2025, portions of the TM and Burn claim blocks were intentionally let to lapse and the decision was made to drop 9,234 hectares of mineral claims. During the year ended March 31, 2026, the Company recorded an impairment loss of $110,920 related to the lapsed claims.

Effective January 13, 2026, ownership of the Twenty Mile Property claims was transferred from J2 to Twenty Mile Metals. During the year ended March 31, 2024, J2 posted a $24,900 reclamation deposit with the British Columbia Ministry of Mining and Critical Minerals in connection with the Twenty Mile Property. The reclamation deposit was intended to be transferred to Twenty Mile Metals in connection with the transfer of the Twenty Mile Property claims on January 13, 2026.

Sierra Plata

The Sierra Plata Property is located in the Zacualpan Mining District of Mexico and consists of approximately 2,200 hectares of mineral concessions currently held by Minera Águila Plateada, S.A. de C.V. (“MAP”), a wholly-owned subsidiary of Impact Silver Corp.

On December 19, 2025, the Company entered into a binding letter of intent with Impact Silver Corp. pursuant to which the Company was granted the exclusive right to acquire a 100% interest in the Sierra Plata Property. Under the terms of the agreement, the Company may earn a 100% interest in the property by completing certain cash and share consideration payments and satisfying minimum exploration expenditure commitments over a three-year period. As part of the transaction, the Company issued subscription receipts to Impact Silver Corp. valued at $250,000 on January 15, 2026. The Company subsequently acquired J2 Metals Mexico, S.A. de C.V. on February 4, 2026 to serve as its Mexican operating subsidiary for the implementation of the transaction and the advancement of exploration activities on the property.

On May 22, 2026, the parties executed definitive agreements governing the earn-in arrangement, exploration work commitments, transfer mechanics and royalty provisions relating to the Sierra Plata Property. Pursuant to the agreements, legal title to the mineral concessions will remain with MAP until the Company has satisfied the applicable earn-in requirements and the transfer documentation has been completed in accordance with Mexican mining regulations. Upon completion of the earn-in obligations, the Company will be entitled to acquire a 100% interest in the property, subject to a 1.5% net smelter return royalty in favour of Impact Silver Corp., of which 0.75% may be repurchased by the Company for $1,500,000.

Pursuant to the definitive agreement, the Company is required to satisfy certain exploration expenditure commitments in order to earn a 100% interest in the Sierra Plata Property. The required minimum qualifying expenditures are:

- within 12 months of the effective date: minimum expenditures of MXN$1,805 per hectare (approximately MXN$3.97 million based on approximately 2,200 hectares);
- within 24 months of the effective date: cumulative qualifying expenditures of not less than $400,000; and
- within 36 months of the effective date: cumulative qualifying expenditures of not less than $650,000.

In addition, following the issuance of subscription receipts with an aggregate deemed value of $250,000 on January 15, 2026, the Company is required to issue the following additional consideration to Impact Silver Corp., subject to the terms of the definitive agreement:

- 1,500,000 common shares (or, at Impact Silver Corp.'s election, up to 25% of such consideration payable in cash) within 12 months of the effective date;
- 2,000,000 common shares (or, at Impact Silver Corp.'s election, up to 25% payable in cash) within 24 months of the effective date; and
- 3,000,000 common shares (or, at Impact Silver Corp.'s election, up to 25% payable in cash) within 36 months of the effective date.

(Expressed in Canadian Dollars)

The continuity of the carrying value of these assets is as follows:

Year ended March 31, 2026	Miniac	Napoleon	Twenty Mile	Sierra Plata	Total
Acquisition					
Balance, beginning of year	$ 405,374	$ 478,654	$ 51,631	$ -	$ 935,659
Additions	-	-	-	250,000	250,000
Balance, end of year	**405,374**	**478,654**	**51,631**	**250,000**	**1,185,659**
Exploration					
Balance, beginning of year	1,010,245	909,589	309,259	-	2,229,093
Additions	138,232	102,257	330,439	38,072	609,000
Impairment	-	-	(110,920)	-	(110,920)
Balance, end of year	**1,148,477**	**1,011,846**	**528,778**	**38,072**	**2,727,173**
Recoveries					
Balance, beginning of year	(47,300)	-	-	-	(47,300)
Additions	(1,000)	-	-	-	(1,000)
Balance, end of year	**(48,300)**	**-**	**-**	**-**	**(48,300)**
Balance, March 31, 2026	**$ 1,505,551**	**$ 1,490,500**	**$ 580,409**	**$ 288,072**	**$ 3,864,532**

Year ended March 31, 2025	Miniac	Napoleon	Twenty Mile	Sierra Plata	Total
Acquisition					
Balance, beginning of year	$ 405,374	$ 478,654	$ 51,631	$ -	$ 935,659
Additions	-	-	-	-	-
Balance, end of year	**405,374**	**478,654**	**51,631**	**-**	**935,659**
Exploration					
Balance, beginning of year	1,003,907	848,604	209,847	-	2,062,358
Additions	6,338	60,985	99,412	-	166,735
Balance, end of year	**1,010,245**	**909,589**	**309,259**	**-**	**2,229,093**
Recoveries					
Balance, beginning of year	(47,300)	-	-	-	(47,300)
Additions	-	-	-	-	-
Balance, end of year	**(47,300)**	-	-	-	**(47,300)**
Balance, March 31, 2025	**$ 1,368,319**	**$ 1,388,243**	**$ 360,890**	**$ -**	**$ 3,117,452**

7. Related party transactions

Remuneration of key management personnel of the Company was as follows:

For the year ended	March 31, 2026	March 31, 2025
CEO fee	$ 85,050	$ -
CEO bonus	$ 132,300	$ -
CFO fee	$ 67,800	$ 39,550
CFO bonus	$ 38,420	$ -
Corporate Secretary fee	$ 19,950	$ -
Corporate Secretary bonus	$ 26,250	$ -
VP Exploration fee	$ 63,000	$ 36,750
VP Exploration bonus	$ 44,100	$ -
VP Exploration fieldwork	$ 35,830	$ 66,920
Director fees	$ 18,900	$ -
Director bonus	$ 234,850	$ -

The Company defines key management as the Company's directors and officers of the Company. As at March 31, 2026, amounts due to key management totaled $10,284 (March 31, 2025 - $76,300).

On April 15, 2025, the Company granted 1,150,000 stock options exercisable at $0.10 per share for a period of five years, vesting over 12 months, to the officers and directors pursuant to the Company’s stock option plan.

(Expressed in Canadian Dollars)

On January 5, 2026, the Company granted 195,000 stock options exercisable at $0.25 per share for a period of five years, vesting over 12 months, to the directors and consultants pursuant to the Company's stock option plan.

On February 27, 2026, the Company granted 500,000 stock options exercisable at $0.34 per share for a period of five years, vesting over 12 months, to the directors and consultants pursuant to the Company's stock option plan.

In September 2025, the Company completed a private placement, issuing 800,000 non-flow-through common shares for gross proceeds of $80,000 to the officers and directors of the Company.

In December 2025, the Company completed a private placement, issuing 962,417 non-flow-through subscription receipts at a price of $0.12 for total proceeds of $115,490 to the officers and directors of the Company.

In February 2026, the Company completed a private placement, issuing 1,376,000 non-flow-through subscription receipts at a price of $0.25 for total proceeds of $344,000 to the officers and directors of the Company. The Company also completed another private placement, issuing 244,857 flow-through subscription receipts at a price of $0.35 for total proceeds of $85,700 to the directors of the Company. Some of these subscription receipts were acquired through the application of management bonuses and amounts payable to officers and directors, which were settled through the issuance of subscription receipts rather than cash payment.

During the year ended March 31, 2025, the Company completed a private placement, issuing 550,000 non-flow-through common shares for gross proceeds of $55,000 to the officers and directors of the Company.

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

8. Share capital

a) Authorized share capital

The Company's articles authorize an unlimited number of common shares without par value.

b) Issued and outstanding – Common Shares

	Common Shares		Amount
Balance, March 31, 2024	**4,984,348**	**$**	**3,160,122**
Private placement - non-flow-through shares	5,180,000		518,000
Private placement - flow-through shares	2,470,000		296,400
Flow-through premium	-		(49,400)
Private placement share issuance costs - finder's shares	144,000		-
Private placement share issuance costs - cash costs	-		(19,284)
Private placement share issuance costs - finder's warrants	-		(11,997)
Shares issued pursuant to qualified transaction	8,404,000		840,400
Balance, March 31, 2025	**21,182,348**	**$**	**4,734,241**

	Common Shares		Amount
Balance, March 31, 2025	**21,182,348**	**$**	**4,734,241**
Private placement - non-flow-through shares	800,000		80,000
Private placement share issuance costs - cash costs	-		(4,735)
Exercise of options	502,826		88,508
Balance, March 31, 2026	**22,485,174**	**$**	**4,898,014**

(Expressed in Canadian Dollars)

The Company had the following share capital transactions during the year ended March 31, 2026:

- On September 10, 2025, the Company completed a private placement, issuing 800,000 non-flow-through common shares for gross proceeds of $80,000. The shares were issued to the insiders of the Company.

- On January 8, 2026 and February 24, 2026, 502,826 stock options were exercised at the exercise price of $0.10 and converted into common shares for gross proceeds of $50,283.

The Company had the following share capital transactions during the year ended March 31, 2025:

- In September 2024, the Company completed a private placement, issuing 550,000 non-flow-through common shares at $0.10 per share for gross proceeds of $55,000. The shares were issued to the insiders of the Company.

- In December 2024, the Company issued 1,930,000 non-flow-through common shares at $0.10 per share for gross proceeds of $193,000 and 2,470,000 flow-through common shares at $0.12 for gross proceeds of $296,400 (of which $49,400 was recognized as a deferred flow-through share premium). The Company incurred cash finder's fees totaling $19,284 and issued 180,000 finder warrants exercisable at $0.10 per share until December 31, 2026.

- Concurrent with the QT, on March 18, 2025, the Company issued 2,700,000 non-flow-through common shares at $0.10 per share for gross proceeds of $270,000. The Company incurred cash finder's fees totaling $14,400, settled via the issuance of 144,000 common shares at a value of $0.10 per share, and issued 144,000 finder's warrants exercisable at $0.10 per share until February 27, 2027.

c) Stock options

The continuity of the Company's stock options for the years ended March 31, 2026 and 2025 was as follows:

	Number of Options		WAEP (Note A)
Balance, March 31, 2024	**202,500**	**$**	**2.00**
Cancelled	(202,500)		2.00
Issued	840,400		0.10
Balance, March 31, 2025	**840,400**	**$**	**0.10**

	Number of Options		WAEP (Note A)
Balance, March 31, 2025	**840,400**	**$**	**0.10**
Issued - April 15, 2025	1,150,000		0.10
Issued - January 5, 2026	195,000		0.25
Issued - February 27, 2026	500,000		0.34
Exercised	(502,826)		0.10
Balance, March 31, 2026	**2,182,574**	**$**	**0.17**

Note A: WAEP = Weighted Average Exercise Price (CAD)

- On April 15, 2025, the Company granted 1,150,000 stock options exercisable at $0.10 per share for a period of five years, vesting over 12 months, to the officers and directors pursuant to the Company's stock option plan. The options were valued at $76,653 using the Black-Scholes valuation model with the following assumptions: dividend yield of 0%, expected volatility of 100%, current stock price of $0.09, exercise price of $0.10, risk-free rate of return of 2.72% and expected life of 5 years. During the year ended March 31, 2026, the Company recognized $75,603 as a share-based compensation related to the vested portion of the options.

(Expressed in Canadian Dollars)

- On January 5, 2026, the Company granted 195,000 stock options exercisable at $0.25 per share for a period of five years, vesting over 12 months, to the directors and consultants pursuant to the Company's stock option plan. The options were valued at $37,538 using the Black-Scholes valuation model with the following assumptions: dividend yield of 0%, expected volatility of 103%, current stock price of $0.25, exercise price of $0.25, risk-free rate of return of 2.94% and expected life of 5 years. During the year ended March 31, 2026, the Company recognized $21,303 as a share-based compensation related to the vested portion of the options.

- On January 8, 2026 and February 24, 2026, 502,826 stock options were exercised at the exercise price of $0.10 and converted into common shares for gross proceeds of $50,283.

- On February 27, 2026, the Company granted 500,000 stock options exercisable at $0.34 per share for a period of five years, vesting over 12 months, to the directors and consultants pursuant to the Company's stock option plan. The options were valued at $132,927 using the Black-Scholes valuation model with the following assumptions: dividend yield of 0%, expected volatility of 107%, current stock price of $0.34, exercise price of $0.34, risk-free rate of return of 2.67% and expected life of 5 years. During the year ended March 31, 2026, the Company recognized $56,027 as a share-based compensation related to the vested portion of the options.

The following table reflects stock options outstanding as at March 31, 2026:

Expiry Date		Exercise Price	Life Remaining	Options
July 8, 2031	$	0.10	5.27	504,240
April 15, 2030	$	0.10	4.04	983,334
January 5, 2031	$	0.25	4.76	195,000
February 27, 2031	$	0.34	4.91	500,000
	$	**0.17**	**4.59**	**2,182,574**

d) Warrants

The continuity of the Company's warrants for the years ended March 31, 2026 and 2025 was as follows:

	Number of Warrants		WAEP (Note A)
Balance, March 31, 2024	**-**	**$**	**-**
Issued	324,000		0.10
Balance, March 31, 2025	**324,000**	**$**	**0.10**

	Number of Warrants		WAEP (Note A)
Balance, March 31, 2025	**324,000**	**$**	**0.10**
No activity	-		-
Balance, March 31, 2026	**324,000**	**$**	**0.10**

Note A: WAEP = Weighted Average Exercise Price (CAD)

The following table reflects warrants outstanding as at March 31, 2026:

Expiry Date		Exercise Price	Life Remaining	Warrants
December 31, 2026	$	0.10	0.75	180,000
February 27, 2027	$	0.10	0.91	144,000
	$	**0.10**	**0.82**	**324,000**

- As part of December 2024 financing, an aggregate of 180,000 finder's warrants, with each warrant being exercisable to acquire one common share at a price of $0.10 per share until December 31, 2026. The fair value of these finder's warrants was estimated to be $9,629 using the Black-Scholes valuation model with the following assumptions: dividend yield of 0%, expected volatility of 100%, current stock price of $0.10, exercise price of $0.10, risk-free rate of return of 2.96% and expected life of 2 years.

- Concurrent with the QT, the Company issued 144,000 finder's warrants, with each warrant being exercisable to acquire one common share of the Company at a price of $0.10 per share until February 27, 2027. The fair value of these finder's warrants was estimated to be $2,368 using the Black-Scholes valuation model with the following assumptions: dividend yield of 0%, expected volatility of 75.17%, current stock price of $0.06, exercise price of $0.10, risk-free rate of return of 2.54% and expected life of 2 years.

e) Subscription Receipts

- On December 15, 2025, the Company closed a private placement issuing 3,333,333 subscription receipts at a price of $0.12 per subscription receipt for aggregate gross proceeds of $400,000. Each subscription receipt entitles the holder, upon satisfaction of escrow release conditions, to one common share and one common share purchase warrant exercisable into one common share at $0.25 for 24 months. The gross proceeds are held in escrow pending satisfaction of escrow conditions, failing which funds will be returned to subscribers.

- On January 15, 2026, the Company issued 1,000,000 subscription receipts with an aggregate deemed value of $250,000 in accordance with the binding letter of intent with Impact Silver Corp. pursuant to which the Company was granted the exclusive right to acquire a 100% interest in the Sierra Plata Property. Under the terms of the agreement, the Company may earn a 100% interest in the property by completing certain cash and share consideration payments and satisfying minimum exploration expenditure commitments over a three-year period.

- On February 5, 2026, the Company completed the private placement through the issuance of 8,622,200 subscription receipts at a price $0.25 per subscription receipt for aggregate gross proceeds of $2,155,550 ("first tranche"). On February 6, 2026, the Company completed the private placement through the issuance of 6,577,800 subscription receipts at a price $0.25 per subscription receipt for aggregate gross proceeds of $1,644,450 ("second tranche"). On February 23, 2026, the Company completed the private placement through the issuance of 1,365,714 flow-through subscription receipts at a price $0.35 per subscription receipt for aggregate gross proceeds of $478,000 ("third tranche").

  Each subscription receipt issued under the first and second tranches mentioned above entitles the holder thereof to receive, upon satisfaction of the escrow release conditions, one common share of the Company and one-half of one common share purchase warrant. Each whole warrant entitles the holder to purchase one common share at an exercise price of $0.40 per share at any time for a period of 24 months following the date of conversion of the subscription receipts.

  Each flow-through subscription receipt entitles the holder thereof to receive, upon satisfaction of the same escrow release conditions, one common share of the Company. No warrants will be issued in connection with the flow-through offering. The common shares underlying the flow-through subscription receipts will be issued on a flow-through basis pursuant to the Income Tax Act (Canada).

  The gross proceeds from the sale of the subscription receipts are held in escrow pending satisfaction of the escrow release conditions. If the escrow release conditions are not satisfied, the escrowed funds will be returned to the holders of the subscription receipts, together with any accrued interest thereon, and such securities shall be cancelled without any further action by the holders thereof.

  In connection with the first tranche of the offering, the Company will pay finder's fees, pending satisfaction of the escrow release conditions, of $71,330 in cash and 278,320 warrants at a price of $0.40 per share exercisable for a period of 24 months following the date of conversion of the subscription receipts.

In connection with the second tranche of the offering, the Company will pay a finder's fees, pending satisfaction of the escrow release conditions, of $75,985 in cash and 303,940 warrants at a price of $0.40 per share exercisable for a period of 24 months following the date of conversion of the subscription receipts.

In connection with the flow-through subscription receipt offering, the Company will pay finder's fees, pending satisfaction of the escrow release conditions, of $13,475 in cash following the date of conversion of the flow-through subscription receipts.

The subscription receipt offering is subject to the receipt of all necessary regulatory and other approvals, including, but not limited to, acceptance of the Exchange. All securities issued pursuant to the subscription receipt offering, including common shares issuable upon the exercise of warrants or finder warrants, are and will be subject to a hold period of four months and one day after the date of closing of the subscription receipt offering.

- On March 13, 2026, the Company's wholly owned subsidiary, Twenty Mile Metals, completed a private placement of 5,000,000 subscription receipts at a price of $0.10 per subscription receipt for aggregate gross proceeds of $500,000. Each subscription receipt entitles the holder, without further action or payment of additional consideration, upon satisfaction of certain escrow release conditions, to receive one unit of Twenty Mile Metals. Each unit will consist of one common share and one common share purchase warrant. Each warrant will entitle the holder to acquire one additional common share of Twenty Mile Metals at an exercise price of $0.15 per share for a period of 36 months from the date of issuance. The escrow release conditions include, among other things, the receipt of conditional approval from the Exchange for the listing of the Twenty Mile Metals' common shares. The gross proceeds from the offering were deposited into an escrow account maintained by legal counsel pending satisfaction of the escrow release conditions. If the escrow release conditions are not satisfied, the proceeds will be returned to the subscribers. As at March 31, 2026, $25,000 remained receivable from subscribers. This balance was subsequently received in April 2026. As the Company acquired a controlling interest in Twenty Mile Metals during the period, the equity attributable to shareholders other than the Company has been presented as non-controlling interest in the consolidated financial statements.

9. Liability and income tax effect on flow-through shares

Funds raised through the issuance of flow-through shares are expected to be expended on qualified Canadian mineral exploration expenditures, as defined pursuant to Canadian income tax legislation. The flow-through gross proceeds less the qualified expenditures made to date represent the funds received from flow-through share issuances that have not been spent and are held by the Company for such expenditures.

Pursuant to a private placement financing that closed on February 2024, the Company issued 150,000 flow-through common shares for gross proceeds of $21,000 and recognized a flow-through liability of $6,000. These funds were expended on flow-through expenditures during the year ended March 31, 2025 and recognized as income accordingly.

Pursuant to a private placement that closed on December 30, 2024, the Company issued 2,470,000 flow-through common shares for gross proceeds of $296,400 and recognized a flow-through liability of $49,400. These funds were expended on flow-through expenditures during the year ended March 31, 2026 and recognized as income accordingly.

Pursuant to a private placement that closed on February 23, 2026, the Company issued 1,365,714 flow-through subscription receipts for gross proceeds of $478,000 and recognized a flow-through liability of $136,571. During the year ended March 31, 2026, the Company spent $107,891 of the proceeds and therefore recognized a premium of flow-through subscription receipts of $30,826. The Company is required to incur additional $370,109 of qualified Canadian mineral exploration expenditures by December 31, 2027.

10. Financial instruments and risk management

The Company is exposed to the following financial risks:

i) Market risk
ii) Credit risk
iii) Liquidity risk

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these consolidated financial statements.

<u>General objectives, policies and processes</u>

The Board has overall responsibility for the determination of the Company's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure effective implementation of the objectives and policies to the Company's finance function.

The overall objective of the Board's finance function is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility and to ensure that risks are properly identified and that the capital base is adequate in relation to those risks. Further details regarding these policies are set out below.

<u>Market risk</u>

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices are comprised of three types of risk: currency risk, interest rate risk, other price risk.

Currency risk

Currency risk is the risk that the fair value of, or future cash flows from, the Company's financial instruments will fluctuate because of changes in foreign exchange rates. The Company's share capital as well as the Company's reporting currency is denominated in Canadian Dollars. The Company considers this risk to be minimal.

Interest rate risk

Interest rate risk is the risk arising from the effect of changes in prevailing interest rates on the Company's financial instruments. The Company holds no interest-bearing financial liabilities and therefore interest rate risk is limited to potential decreases on the interest rate offered on cash held with its financial institution. The Company considers this risk to be minimal.

<u>Credit risk</u>

Credit risk is the risk of potential loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The Company's cash is held with reputable institutions in Canada and the Company's lawyer's trust account. The Company is not exposed to any material credit risk.

(Expressed in Canadian Dollars)

Liquidity risk

Liquidity risk is the risk that the Company will not meet its financial obligations as they fall due. The Company monitors its risk by monitoring the maturity dates of its existing debt and other payables. The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

To achieve this objective, the Company regularly monitors working capital positions and updates spending plans as considered necessary. Monthly working capital and expenditure reports are prepared by the Company's finance function and presented to management for review and communication to the Board. As at March 31, 2026, all of the Company's financial liabilities are due within one year.

As at March 31, 2026, the Company's working capital (excluding the deferred flow-through share premium) was $3,764,993 and it does not have any monetary long-term liabilities. The continuing operations of the Company are dependent upon its ability to obtain adequate financing and to commence profitable operations in the future.

Capital management

The Company monitors its equity as capital.

The Company's objectives in managing its capital are to maintain a sufficient capital base to support its operations and to meet its short-term obligations and at the same time preserve inventor's confidence and retain the ability to seek out and acquire new projects of merit. The Company is not exposed to any externally imposed capital requirements.

11. Segmented information

The Company operates in one industry segment, being the acquisition of exploration and evaluations assets in Canada, USA, and Mexico. The Company's assets are located in Canada and Mexico.

12. Income taxes

For the year ended March 31		**2026**		**2025**
Current expense	$	-	$	-
Deferred income tax recovery		30,600		75,200
	$	**30,600**	**$**	**75,200**

Taxation in the Company's operational jurisdictions is calculated at the rates prevailing in the respective jurisdictions. There is no tax charge arising for the Company for the year.

The difference between tax expense or recovery for the year and the expected income taxes based on the statutory tax rates arises as follows:

For the year ended March 31		**2026**		**2025**
Loss before income taxes	$	(1,834,909)	$	(790,600)
Statutory rate		27%		27%
Expected tax recovery at statutory rates		(495,400)		(213,500)
Deductible and non-deductible expenses		10,500		131,100
Flow-through premium		109,200		-
True-up, effect of foreign exchange and other		(49,600)		-
Unrecognized benefit of non-capital losses		394,700		7,200
Deferred income tax recovery	**$**	**(30,600)**	**$**	**(75,200)**

(Expressed in Canadian Dollars)

The nature and tax effect of the temporary differences giving rise to the deferred tax assets and liabilities as at March 31, 2026 and 2025 are summarized as follows:

As at March 31		**2026**		**2025**
Non-capital losses	$	691,200	$	241,200
Undeducted financing costs		6,500		4,900
Exploration and evaluation costs		(435,800)		(409,500)
Valuation allowance		(394,700)		-
Deferred income tax asset (liability)	**$**	**(132,800)**	**$**	**(163,400)**

As at March 31, 2026, the Company has estimated Canadian non-capital losses of $2,661,033, expiring from 2041 to 2046, that may be carried forward to reduce taxable income derived in future years.

13. Subsequent events

On April 17, 2026, the Company's wholly owned subsidiary, Twenty Mile Metals, completed an additional private placement of 200,000 subscription receipts at a price of $0.10 per subscription receipt for aggregate gross proceeds of $20,000. The terms of the subscription receipts are consistent with those described in Note 8 (e).

On April 20, 2026, the Company completed the plan of arrangement with Twenty Mile Metals. Under the arrangement, the owners of the Company's common shares received one new J2 share and 0.21921 of a common share of Twenty Mile Metals on the share distribution record date of April 27, 2026. J2 reserved 71,041 Twenty Mile Metals shares for issuance to warrantholders of J2. Following this arrangement, Twenty Mile Metals is no longer a wholly owned subsidiary of J2.

Following the completion of the aforementioned plan of arrangement, the escrow conditions were lifted from the subscription receipts issued by the Company via a series of private placements in December 2025 and February 2026, as mentioned in more detail in Note 8 (e). As a result, the Company converted the previously issued subscription receipts into the common shares and warrants on April 28, 2026 as follows:

- 3,333,333 common shares and 3,333,333 warrants were issued to the holders of the subscription receipts from December 15, 2025 private placement.
- 1,000,000 common shares were issued to Impact Silver Corp. as part of the binding letter of intent Under the terms of the agreement, the Company may earn a 100% interest in the property by completing certain cash and share consideration payments and satisfying minimum exploration expenditure commitments over a three-year period.
- 8,622,200 common shares and 4,311,100 warrants were issued to the holders of the subscription receipts from February 5, 2026 private placement. In addition, the Company issued 278,320 broker warrants.
- 6,577,800 common shares and 3,288,900 warrants were issued to the holders of the subscription receipts from February 6, 2026 private placement. In addition, the Company issued 303,940 broker warrants.
- 1,356,714 common shares were issued to the holders of the flow-through subscription receipts from February 23, 2026 private placement.

On May 14, 2026, the Company completed its last tranche of a private placement by issuing 1,017,143 flow-through common shares for gross proceeds of $356,000.

On May 22, 2026, the parties executed definitive agreements governing the earn-in arrangement, exploration work commitments, transfer mechanics and royalty provisions relating to the Sierra Plata Property. Pursuant to the agreements, legal title to the mineral concessions will remain with MAP until the Company has satisfied the applicable earn-in requirements and the transfer documentation has been completed in accordance with Mexican mining regulations. Upon completion of the earn-in obligations, the Company will be entitled to acquire a 100% interest in the property, subject to a 1.5% net smelter return royalty in favour of Impact Silver Corp., of which 0.75% may be repurchased by the Company for $1,500,000. The Company has investigated title to the Sierra Plata Property and, to the best of its knowledge, the underlying mineral concessions are in good standing.

Under the definitive agreements, the Company is required to incur minimum qualifying exploration expenditures of approximately MXN$3.97 million (MXN$1,805 per hectare) within twelve months of the effective date, cumulative qualifying expenditures of $400,000 within twenty-four months of the effective date, and cumulative qualifying expenditures of $650,000 within thirty-six months of the effective date. In addition, following the issuance of subscription receipts with an aggregate deemed value of $250,000 on January 15, 2026, the Company is required to issue 1,500,000, 2,000,000 and 3,000,000 common shares to Impact Silver Corp. on or before the first, second and third anniversaries of the effective date, respectively. Impact Silver Corp. may elect to receive up to 25% of the consideration for each share issuance in cash in lieu of common shares.

14. Basis of presentation – comparative information

During the year ended March 31, 2026, the Company revised the presentation of certain expenses to separately disclose management and director fees from consulting fees. Accordingly, comparative figures for the year ended March 31, 2025 have been reclassified to conform with the current year's presentation. Amounts previously included in consulting fees that related to management and director services have been reclassified to management and director fees. In addition, the Company renamed the filing fees expense category to public company expenses to better reflect the nature of the costs incurred. These reclassifications and changes in presentation had no impact on the Company's net loss, total expenses, assets, liabilities, or shareholders' equity.