J2 METALS INC.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED JUNE 30, 2026 AND 2025
(EXPRESSED IN CANADIAN DOLLARS)

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying unaudited condensed consolidated interim financial statements of J2 Metals Inc. (the "Company") are the responsibility of management and the Board of Directors.

The unaudited condensed consolidated interim financial statements have been prepared by management, on behalf of the Board of Directors, in accordance with the accounting policies disclosed in the notes to the unaudited condensed consolidated interim financial statements. Where necessary, management has made informed judgments and estimates in accounting for transactions which were not complete at the statement of financial position date. In the opinion of management, the unaudited condensed consolidated interim financial statements have been prepared within acceptable limits of materiality and are in accordance with International Accounting Standard 34 - Interim Financial Reporting using accounting policies consistent with International Financial Reporting Standards appropriate in the circumstances.

Management has established processes, which are in place to provide it with sufficient knowledge to support management representations that it has exercised reasonable diligence in that (i) the unaudited condensed consolidated interim financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of, and for the periods presented by, the unaudited condensed consolidated interim financial statements and (ii) the unaudited condensed consolidated interim financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented by the unaudited condensed consolidated interim financial statements.

The Board of Directors is responsible for reviewing and approving the unaudited condensed consolidated interim financial statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities. The Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the unaudited condensed consolidated interim financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the unaudited condensed consolidated interim financial statements together with other financial information of the Company for issuance to the shareholders. Management recognizes its responsibility for conducting the Company’s affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

(Expressed in Canadian Dollars)

As at		June 30, 2026		March 31, 2026
ASSETS				
Current				
Cash	$	2,569,352	$	3,902,131
Prepaid expenses		5,611		1,636
Other receivable		1,678		1,678
Due from Twenty Mile Metals Inc.		19,967		-
Marketable securities (Note 3)		24,000		43,200
Total current assets		**2,620,608**		**3,948,645**
Exploration and evaluation assets (Note 4)		3,727,874		3,864,532
Deposit (Note 4)		-		24,900
Total assets	**$**	**6,348,482**	**$**	**7,838,077**
LIABILITIES				
Accounts payable and accrued liabilities (Note 5)	$	838	$	183,652
Deferred flow-through share premium (Note 7)		122,579		105,745
Total current liabilities		**123,417**		**289,397**
Deferred income tax liability		132,800		132,800
Total liabilities	**$**	**256,217**	**$**	**422,197**
SHAREHOLDERS' EQUITY				
Share capital (Note 6)	$	8,109,641	$	4,898,014
Share subscription received (Note 6)		-		4,791,429
Reserves		1,445,233		386,434
Deficit		(3,462,609)		(3,134,997)
Equity attributable to owners of the Company		**6,092,265**		**6,940,880**
Non-controlling interest (Note 6)		-		475,000
Total shareholders' equity	**$**	**6,092,265**	**$**	**7,415,880**
Total liabilities and shareholders' equity	**$**	**6,348,482**	**$**	**7,838,077**

Nature of operations and going concern (Note 1)

Approved on behalf of the Board:

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

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

J2 METALS INC.
Condensed Consolidated Interim Statements of Loss and Comprehensive Loss (Unaudited)
(Expressed in Canadian Dollars)

For the three months ended		June 30, 2026		June 30, 2025
Expenses				
Bank charges	$	(15)	$	32
Consulting fees		195,164		-
Legal and professional fees		7,540		315
Management and director fees (Note 5)		118,110		49,500
Meals and entertainment		2,155		-
Office expenses		2,876		1,903
Public company expenses		52,844		2,088
Share-based compensation (Note 6)		43,785		12,150
Travel		1,347		-
Total expenses	**$**	**(423,806)**	**$**	**(65,988)**
Other items				
Unrealized gain (loss) on marketable securities (Note 3)		(19,200)		4,800
Premium on flow-through shares (Note 7)		84,880		-
	$	**65,680**	**$**	**4,800**
Net loss and comprehensive loss for the period	**$**	**(358,126)**	**$**	**(61,188)**
Net loss per share - basic/diluted	**$**	**(0.01)**	**$**	**(0.00)**
Weighted average number of common shares outstanding		**37,479,083**		**21,182,348**

Basis of presentation - comparative information (Note 9)

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

(Expressed in Canadian Dollars)

	Number of Shares	Share Capital	Share Subscriptions Received	Reserves	Deficit	NCI	Total
Balance, March 31, 2025	**21,182,348**	**$ 4,734,241**	**$ -**	**$ 271,726**	**$ (1,330,688)**	**$ -**	**$ 3,675,279**
Share-based compensation	-	-	-	12,150	-	-	12,150
Net loss for the period	-	-	-	-	(61,188)	-	(61,188)
Balance, June 30, 2025	**21,182,348**	**$ 4,734,241**	**$ -**	**$ 283,876**	**$ (1,391,876)**	**$ -**	**$ 3,626,241**
Balance, March 31, 2026	**22,485,174**	**$ 4,898,014**	**$ 4,791,429**	**$ 386,434**	**$ (3,134,997)**	**$ 475,000**	**$ 7,415,880**
Share-based compensation (Notes 6)	-	-	-	43,785	-	-	43,785
Private placement - non-flow-through shares (Note 6)	18,533,333	3,266,778	(4,200,000)	933,222	-	-	-
Private placement - flow-through shares (Note 6)	2,382,857	834,000	(478,000)	-	-	-	356,000
Flow-through premium (Note 7)	-	(238,285)	136,571	-	-	-	(101,714)
Private placement share issuance costs - cash costs (Note 6)	-	(220,446)	-	-	-	-	(220,446)
Private placement share issuance costs - finder's warrants costs (Note 6)	-	(81,791)	-	81,791	-	-	-
Shares issued upon investment acquisition (Note 6)	1,000,000	250,000	(250,000)	-	-	-	-
Distribution of Twenty Mile Metals Inc. pursuant to plan of arrangement (Note 6)	-	(598,629)	-	-	30,514	(475,000)	(1,043,115)
Net loss for the period	-	-	-	-	(358,126)	-	(358,126)
Balance, June 30, 2026	**44,401,364**	**$ 8,109,641**	**$ -**	**$ 1,445,233**	**$ (3,462,609)**	**$ -**	**$ 6,092,265**

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

(Expressed in Canadian Dollars)

For the three months ended		June 30, 2026		June 30, 2025
Operating activities				
Net loss for the period	$	(358,126)	$	(61,188)
Items not involving cash:				
Unrealized (gain)/loss on marketable securities		19,200		(4,800)
Share-based compensation		43,785		12,150
Premium on flow-through shares		(84,880)		-
Changes in non-cash working capital items:				
Prepaid expenses		(3,975)		(8,263)
Due from Twenty Mile Metals Inc.		(7,040)		-
Accounts payable and accrued liabilities		(158,531)		(123,007)
Net cash used in operating activities		**(549,567)**		**(185,108)**
Investing activities				
Exploration and evaluation costs		(443,751)		(650)
Cash disposed on spin out of Twenty Mile Metals Inc.		(475,015)		-
Net cash used in investing activities		**(918,766)**		**(650)**
Financing activities				
Proceeds from private placements		356,000		-
Share issuance costs		(220,446)		-
Net cash provided by financing activities		**135,554**		**-**
Net change in cash		**(1,332,779)**		**(185,758)**
Cash, beginning of the period		**3,902,131**		**925,927**
Cash, end of the period	**$**	**2,569,352**	**$**	**740,169**

The accompanying notes form an integral part of these condensed consolidated interim 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.

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 spun out to Twenty Mile Metals in accordance with the Arrangement Agreement, and Twenty Mile Metals became listed on the TSX Venture Exchange. Under the terms of the Arrangement Agreement, the Company's shareholders were issued 5,000,000 shares of Twenty Mile Metals with respect to the common shares of the Company held on the share distribution record date. On December 3, 2025, the Company's shareholders approved the plan of arrangement with Twenty Mile Metals, and on December 10, 2025, the Supreme Court of British Columbia approved the plan of arrangement.

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 on June 24, 2026, under the symbol MILE.

<u>Going Concern</u>

These condensed consolidated interim 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 condensed consolidated interim 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 June 30, 2026 had a deficit of $3,462,609. 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.

(Expressed in Canadian Dollars)

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 unaudited condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by IASB and interpretations issued by IFRIC. These unaudited condensed consolidated interim financial statements should be read in conjunction with the Company's audited consolidated financial statements for the year ended March 31, 2026.

These condensed consolidated interim financial statements have been prepared on a historical cost basis. In addition, these condensed consolidated interim financial statements are using the accrual basis of accounting, except for cash flow information. In addition, these condensed interim consolidated financial statements have been prepared in accordance with the same accounting policies and methods of application as the most recent audited consolidated financial statements for the year ended March 31, 2025, except that they do not include all the disclosures required for the annual audited consolidated financial statements.

In the preparation of these condensed consolidated interim financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the condensed consolidated interim financial statements and the reported amounts of expenses during the period. Actual results could differ from these estimates.

These condensed consolidated interim financial statements were approved by the Board of Directors on August 14, 2026.

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	June 30, 2026	March 31, 2026
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	0%	100%
1558115 B.C. Ltd.	British Columbia, Canada	100%	100%
1558121 B.C. Ltd.	British Columbia, Canada	100%	100%
J2 Metals Mexico, S.A. de C.V.	Chihuahua, Mexico	100%	100%

(Expressed in Canadian Dollars)

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. 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:

Fair value, March 31, 2025	**$**	**12,800**
Unrealized loss on marketable securities		30,400
Fair value, March 31, 2026	**$**	**43,200**
Unrealized gain on marketable securities		(19,200)
Fair value, June 30, 2026	**$**	**24,000**

4. 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, legal ownership of the Twenty Mile Property claims was transferred from J2 to Twenty Mile Metals. During the year ended March 31, 2024, the Company 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 transferred to Twenty Mile Metals in connection with the transfer of the Twenty Mile Property claims. On April 20, 2026, the Company completed the plan of arrangement pursuant to which the Twenty Mile Property and related assets were spun out to Twenty Mile Metals as a separate publicly traded company. Under the arrangement, holders of J2 common shares received one new J2 common share and 0.21921 of one common share of Twenty Mile Metals for each J2 common share held on the April 27, 2026 record date. Following completion of the arrangement, Twenty Mile Metals ceased to be a wholly owned subsidiary of the Company and the Twenty Mile Property is no longer part of the Company's mineral property portfolio. Accordingly, during the three months ended June 30, 2026, the Company distributed the carrying value of the Twenty Mile Property of $580,409 to shareholders pursuant to the plan of arrangement. As a result, no carrying value related to the Twenty Mile Property remained on the Company's statement of financial position as at June 30, 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.

(Expressed in Canadian Dollars)

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;
- 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.

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

Three months ended June 30, 2026	Miniac	Napoleon	Twenty Mile	Sierra Plata	Total
Acquisition					
Balance, beginning of period	$ 405,374	$ 478,654	$ 51,631	$ 250,000	$ 1,185,659
Additions	-	-	-	-	-
Balance, end of period	**405,374**	**478,654**	**51,631**	**250,000**	**1,185,659**
Exploration					
Balance, beginning of period	1,148,477	1,011,846	528,778	38,072	2,727,173
Additions	297,081	-	-	146,670	443,751
Balance, end of period	**1,445,558**	**1,011,846**	**528,778**	**184,742**	**3,170,924**
Recoveries					
Balance, beginning of period	(48,300)	-	-	-	(48,300)
Additions	-	-	-	-	-
Balance, end of period	**(48,300)**	**-**	**-**	**-**	**(48,300)**
Distribution pursuant to the Plan of Arrangement	$ -	$ -	$ -	$ -	$ -
Balance, beginning of period	-	-	-	-	-
Additions	-	-	(580,409)	-	
Balance, end of period	**-**	**-**	**(580,409)**	**-**	**(580,409)**
Balance, June 30, 2026	**$ 1,802,632**	**$ 1,490,500**	**$ -**	**$ 434,742**	**$ 3,727,874**

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**

(Expressed in Canadian Dollars)

5. Related party transactions

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

For the three months ended		June 30, 2026		June 30, 2025
CEO fee	$	37,800	$	15,750
CFO fee	$	16,950	$	16,950
Corporate Secretary fee	$	12,600	$	1,050
VP Exploration fee	$	15,750	$	15,750
Director fees	$	25,200	$	-

The Company defines key management as the Company's directors and officers of the Company. As at June 30, 2026, amounts due to key management for remuneration totaled $nil (March 31, 2026 - $10,284).

During the three months ended June 30, 2026, the subscription receipts previously issued to officers and directors of the Company pursuant to private placements completed in December 2025 and February 2026 were converted in accordance with their respective terms. Certain of the subscription receipts described above had been issued 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.

The 962,417 non-flow-through subscription receipts issued in December 2025 at a price of $0.12 per subscription receipt, for aggregate proceeds of $115,490, were converted into 962,417 common shares and 962,417 warrants of the Company.

The 1,376,000 non-flow-through subscription receipts issued in February 2026 at a price of $0.25 per subscription receipt, for aggregate proceeds of $344,000, were converted into 1,376,000 common shares and 688,000 common share purchase warrants.

The 244,857 flow-through subscription receipts issued in February 2026 at a price of $0.35 per subscription receipt, for aggregate proceeds of $85,700, were converted into 244,857 common shares 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.

6. 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, 2025	**21,182,348**	**$**	**4,734,241**
No activity	-		-
Balance, June 30, 2025	**21,182,348**	**$**	**4,734,241**

	Common Shares		Amount
Balance, March 31, 2026	**22,485,174**	**$**	**4,898,014**
Private placement - non-flow-through shares	18,533,333		3,266,778
Private placement - flow-through shares	2,382,857		834,000
Flow-through premium	-		(238,285)
Private placement share issuance costs - cash costs	-		(220,446)
Private placement share issuance costs - finder's warrants costs	-		(81,791)
Shares issued upon investment acquisition	1,000,000		250,000
Distribution of Twenty Mile Metals Inc. pursuant to plan of arrangement	-		(598,629)
Balance, June 30, 2026	**44,401,364**	**$**	**8,109,641**

On April 28, 2026, following satisfaction of the escrow release conditions, the Company converted the previously issued subscription receipts into the common shares and/or warrants as follows:

- 3,333,333 common shares and 3,333,333 warrants were issued to the holders of the subscription receipts issued in connection with the December 15, 2025 private placement. Gross subscription proceeds of $400,000 had been received as at March 31, 2026 and were recorded as subscription receipts received in advance.

  The gross proceeds were allocated between share capital and contributed surplus using the relative fair value method. The fair value of the common shares was based on the financing issue price, while the fair value of the warrants was estimated using the Black-Scholes option pricing model. As a result, $248,091 was allocated to share capital and $151,909 was allocated to contributed surplus.

  The fair value of the warrants was estimated using the Black-Scholes option pricing model with the following assumptions: a share price of $0.24, an exercise price of $0.25, an expected life of 2.0 years, an expected volatility of 121%, a risk-free interest rate of 2.88%, and an expected dividend yield of nil. The resulting estimated warrant fair value of $489,847 was used solely for purposes of allocating the gross proceeds between share capital and contributed surplus under the relative fair value method.

  In connection with the private placement, the Company also issued 64,330 finder's warrants. The fair value of the finder's warrants was estimated at $9,454 using the Black-Scholes option pricing model based on the same assumptions described above and was recorded as a share issuance cost.

- 15,200,000 common shares and 7,600,000 warrants were issued to the holders of the subscription receipts issued in connection with the February 5 and February 6, 2026 private placements. Gross subscription proceeds of $3,800,000 had been received as at March 31, 2026 and were recorded as subscription receipts received in advance.

  The gross proceeds were allocated between share capital and contributed surplus using the relative fair value method. The fair value of the common shares was based on the financing issue price, while the fair value of the warrants was estimated using the Black-Scholes option pricing model. As a result, $3,018,687 was allocated to share capital and $781,313 was allocated to contributed surplus.

  The fair value of the warrants was estimated using the Black-Scholes option pricing model with the following assumptions: a share price of $0.24, an exercise price of $0.40, an expected life of 2.0 years, an expected volatility of 121%, a risk-free interest rate of 2.88%, and an expected dividend yield of nil. The resulting estimated warrant fair value of $944,195 was used solely for purposes of allocating the gross proceeds between share capital and contributed surplus under the relative fair value method.

  In connection with the private placement, the Company also issued 582,260 finder's warrants. The fair value of the finder's warrants was estimated at $72,338 using the Black-Scholes option pricing model based on the same assumptions described above and was recorded as a share issuance cost.

- 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.

(Expressed in Canadian Dollars)

- 1,356,714 common shares were issued to the holders of the flow-through subscription receipts from February 23, 2026 private placement. Gross subscription proceeds of $478,000 had been received as at March 31, 2026 and were recorded as subscription receipts received in advance.

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.

During the three months ended June 30, 2026, the Company incurred share issuance costs of $220,446 in connection the various private placement financings mentioned above. These costs primarily consisted of the brokerage fees. In accordance with IFRS, these costs have been recorded as a reduction of share capital.

c) Stock options

The following table reflects the continuity of stock options for the three months ended June 30, 2026:

	Number of Options		WAEP (Note A)
Balance, March 31, 2026	**2,182,574**	**$**	**0.17**
No activity	-		-
Balance, June 30, 2026	**2,182,574**	**$**	**0.17**

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

The following table reflects stock options outstanding as at June 30, 2026:

Expiry Date		Exercise Price	Life Remaining	Options
July 8, 2031	$	0.10	5.02	504,240
April 15, 2030	$	0.10	3.79	983,334
January 5, 2031	$	0.25	4.51	195,000
February 27, 2031	$	0.34	4.66	500,000
	$	**0.17**	**4.34**	**2,182,574**

During the three months ended June 30, 2026, the Company recognized $43,785 as a share-based compensation related to the vested portion of the options.

d) Warrants

The following table reflects the continuity of warrants for the three months ended June 30, 2026:

	Number of Warrants		WAEP (Note A)
Balance, March 31, 2026	**324,000**	**$**	**0.10**
Issued - April 28, 2026	3,397,663		0.25
Issued - April 28, 2026	8,182,260		0.40
Balance, June 30, 2026	**11,903,923**	**$**	**0.35**

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

The following table reflects warrants outstanding as at June 30, 2026:

Expiry Date		Exercise Price	Life Remaining	Warrants
December 31, 2026	$	0.10	0.50	180,000
February 27, 2027	$	0.10	0.66	144,000
April 28, 2028	$	0.25	1.83	3,397,663
April 28, 2028	$	0.40	1.83	8,182,260
	$	**0.35**	**1.79**	**11,903,923**

e) Subscription Receipts

During the three months ended June 30, 2026, the escrow release conditions relating to the Company's outstanding subscription receipt financings were satisfied. Accordingly, all outstanding subscription receipts were converted into common shares (and warrants, where applicable) in accordance with their respective terms. As at June 30, 2026, no subscription receipts remained outstanding, and the balances previously recorded as subscription receipts received in advance were reclassified to shareholders' equity upon conversion.

The subscription receipts issued by Twenty Mile Metals prior to the completion of the plan of arrangement are no longer included in the Company's consolidated financial statements following the deconsolidation of Twenty Mile Metals on April 20, 2026.

7. 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 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.

Pursuant to a private placement that closed on May 14, 2026, the Company issued 1,017,143 flow-through subscription receipts for gross proceeds of $356,000 and recognized a flow-through liability of $101,714. During the three months ended June 30, 2026, the Company spent $297,081 of the proceeds and therefore recognized a premium of flow-through subscription receipts of $84,880.

The Company is required to incur additional $429,028 of qualified Canadian mineral exploration expenditures by December 31, 2027.

8. 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 financial statements.

General objectives, policies and processes

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.

Market risk

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 the following 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.

Credit risk

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. The Company is not exposed to any material credit risk.

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 June 30, 2026, all of the Company's financial liabilities are due within one year.

As at June 30, 2026, the Company's working capital (excluding the deferred flow-through share premium) was $2,619,770 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.

9. Basis of presentation – comparative information

During the three months ended June 30, 2026, the Company revised the presentation of certain expenses to separately disclose management and director fees from consulting fees. Accordingly, comparative figures for the three months ended June 30, 2025 have been reclassified to conform with the current period'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.