CENTURION
MINERALS LTD

Financial Statements

For the six-month period ended January 31, 2026 and 2025

(Expressed in Canadian Dollars)

(Unaudited)

NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

In accordance with National Instrument 51-102, Part 4, subsection 4.3 (3) (a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that an auditor has not reviewed the financial statements.

The accompanying unaudited condensed interim financial statements of the Company have been prepared by and are the responsibility of the Company's management and have been approved by the Board of Directors of the Company.

These condensed interim consolidated financial statements have not been reviewed by the Company's auditors.

Centurion Minerals Ltd.

Statements of Financial Position
As at January 31, 2026 and July 31, 2025
(Expressed in Canadian dollars)
(Unaudited)

	Notes		January 31, 2026		July 31, 2025
Current assets					
Cash		$	11,218	$	2,710
Amounts receivable			23,153		13,850
Prepaid expenses			34,246		5,213
			68,617		21,773
Non-current assets					
Right-of-use asset	4		121,572		139,808
Total assets		**$**	**190,189**	**$**	**161,581**
Current liabilities					
Accounts payable and accrued liabilities		$	213,243	$	226,859
Due to related parties	10		740,543		698,333
Lease liability	4		37,485		39,638
Loans and borrowings	6		406,304		396,807
			1,397,575		1,361,637
Non-current liabilities					
Lease liability	4		100,824		113,052
Loans and borrowings	6,10		869,188		834,924
Total liabilities			**2,367,587**		**2,309,613**
Deficiency					
Share capital	7		17,621,360		17,393,551
Share option reserve	8		2,482,026		2,482,026
Share warrant reserve	7		4,761,728		4,749,350
Deficit			(27,042,512)		(26,772,959)
			(2,177,398)		(2,148,032)
Total liabilities and deficiency		**$**	**190,189**	**$**	**161,581**

SEE NOTE 1, NATURE OF OPERATIONS AND GOING CONCERN
SEE NOTE 11, COMMITMENTS

SEE NOTE 13, SUBSEQUENT EVENTS

Approved by the Board:

"David Tafel"	“Jeremy Wright”
Director	Director

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

Centurion Minerals Ltd.
Statements of Comprehensive Loss
For the six-month period ended January 31, 2026 and 2025
(Expressed in Canadian dollars)
(Unaudited)

		Three-month Period Ended		Six-Month Period Ended	
	Notes	**January 31, 2026**	**January 31, 2025**	**January 31, 2026**	**January 31, 2025**
Operating expenses					
Accounting	10	$ 34,290	$ 33,750	$ 68,040	$ 67,500
Administration	10	27,000	27,000	54,000	54,000
Consulting fee		6,485	-	6,485	-
Depreciation and amortization	4	9,118	9,118	18,236	18,236
Exploration and evaluation expenditures	5	-	4,800	-	5,400
Filing fees and communications		20,515	4,155	27,170	10,369
Interest expense and financing charges	6	38,685	41,577	57,789	71,498
Insurance			-	1,834	-
Lease interest	4	5,214	6,228	10,695	12,687
Legal		6,320	5,000	11,044	10,000
Office and miscellaneous		2,262	3,741	4,507	7,458
Rent (recovery)		(11,956)	(19,228)	(21,874)	(19,905)
Share-based compensation		-	-	-	52,144
Telephone		402	741	1,865	1,717
Travel		40	174	962	5,970
Wages		14,400	19,700	28,800	29,300
		$ (152,775)	$ (136,756)	$ (269,553)	$ (326,374)
Other income (expenses)					
Accrued interest		-	2,409	-	4,767
Recovery of rent and office expenses					
Net loss and comprehensive loss		**$ (152,775)**	**$ (134,347)**	**$ (269,553)**	**$ (321,607)**
Basic and diluted earnings per common share		$ (0.01)	$ (0.01)	$ (0.02)	$ (0.03)
Weighted average number of common shares		17,583,658	10,792,354	15,750,506	10,792,354

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

Centurion Minerals Ltd.

Statements of Changes in Deficiency
For the six-month period ended January 31, 2026 and 2025
(Expressed in Canadian dollars)
(Unaudited)

	Note	Number of common shares		Share capital		Share subscriptions received		Share option reserve		Share warrant reserve		Deficit		Total
Balance at August 1, 2024		**10,792,354**	**$**	**17,278,388**	**$**	**-**	**$**	**2,447,015**	**$**	**4,745,737**	**$**	**(26,221,605)**	**$**	**(1,750,465)**
Share subscription receivable		-		-		15,000								15,000
Share-based compensation	8	-		-		-		52,144		-		-		52,144
Comprehensive loss		-		-		-		-		-		(321,607)		(321,607)
Balance at January 31, 2025		**10,792,354**	**$**	**17,278,388**	**$**	**15,000**		**2,499,159**		**4,745,737**	**$**	**(26,408,865)**		**(2,004,928)**
Balance at August 1, 2025		**13,917,354**	**$**	**17,393,551**	**$**	**-**	**$**	**2,482,026**	**$**	**4,749,350**	**$**	**(26,772,959)**	**$**	**(2,148,032)**
Shares for cash		5,200,000		260,000		-		--		-		-		260,000
Share issue costs	7	-		(32,191)		-		-		12,378		-		(19,813)
Comprehensive loss		-		-		-		-		-		(269,553)		(269,553)
Balance at January 31, 2026		**19,117,354**	**$**	**17,621,360**	**$**	**-**	**$**	**2,482,026**	**$**	**4,761,728**	**$**	**(27,042,512)**	**$**	**(2,177,398)**

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

Centurion Minerals Ltd.
Statements of Cash Flows
For the six-month period ended January 31, 2026 and 2025
(Expressed in Canadian dollars)
(Unaudited)

	Notes		January 31, 2026		January 31, 2025
Cash flows from operating activities					
Net loss		$	(269,553)	$	(321,607)
Adjustments to non-cash items					
Depreciation and amortization	4		18,236		18,236
Changes in non-cash working capital					
Increase in amounts receivable			(9,303)		(20,873)
Increase in prepaid expenses			(29,033)		-
Decrease in lease liability			(14,381)		(12,390)
Increase in loan borrowings			43,761		110,313
Increase in accounts payable and accrued liabilities			(13,616)		82,517
Increase (decrease) in due to related parties			42,210		(84,355)
Net cash flows used in operating activities			**(231,679)**		**(59,449)**
Cash flows from financing activities					
Shares for cash			260,000		-
Share issue costs			(19,813)		-
Share subscriptions receivable			-		15,000
Share-based compensation			-		52,144
Net cash from financing activities			**240,187**		67,144
Change in cash			8,508		7,695
Cash, beginning of the year			2,710		776
Cash, end of the period		$	**11,218**	**$**	8,471

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Centurion Minerals Ltd. (the "**Company**" or "**Centurion**") is focused on the acquisition, exploration, and development of mineral properties. The Company was incorporated on March 11, 2005, under the laws of the Province of British Columbia as 0718918 B.C. Ltd. The Company changed its name to Centurion Minerals Ltd. on November 28, 2005. The address of the Company's corporate office and principal place of business is Suite 520, 470 Granville Street, Vancouver, British Columbia, Canada. The Company is listed on the TSX Venture Exchange (the "**TSX-V**"), having the symbol CTN, as a Tier 2 mining issuer.

Going Concern

These financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will continue in operation for at least the next twelve months and will be able to realize its assets and discharge its liabilities in the normal course of operations.

As at January 31, 2026, the Company had a deficit of $27,042,512 and a working capital deficiency of $1,328,958. The Company's ability to continue its operations and to realize its assets at their carrying values is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs. The outcome of these matters cannot be predicted at this time and indicate the existence of a material uncertainty that may cast significant doubt upon the Company's ability to continue as a going concern. These financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these unaudited financial statements.

2. MATERIAL ACCOUNTING POLICIES

Statement of Compliance

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

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

The policies applied in these financial statements are based on IFRS issued and effective as of January 31, 2026. The Board of Directors approved these financial statements on March 24, 2026.

Basis of Presentation

These financial statements have been prepared on a historical cost basis. In addition, these financial statements have been prepared using the accrual basis of accounting except for certain financial instruments, measured at fair value.

Functional Currency

The functional currency is the currency of the primary economic environment in which the Company operates, which is the Canadian dollar. The functional currency determinations were conducted through an analysis of the consideration factors identified in IAS 21, The Effects of Changes in Foreign Exchange Rates.

Foreign currency transactions are translated into the functional currency using exchange rates prevailing at the date of the transactions. At year-end, foreign currency denominated monetary assets and liabilities are translated to the functional currency using the prevailing rate of exchange at the year-end. Foreign exchange gains and losses resulting from the settlement of such transactions and from the re-measurement of monetary items at year-end exchange rates are recognized in profit and loss.

Significant Accounting Estimates and Judgments

The preparation of financial statements in conformity with IFRS requires management to make certain estimates and apply judgment affecting the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of expenses during the reporting period.

The areas involving a higher degree of judgement of complexity, or areas where assumptions and estimates are significant to the financial statements are:

<u>Significant Estimates</u>

Leases

The application of IFRS 16 requires the Company's management to make estimates that affect the measurement of right-of-use assets and liabilities, including determining the appropriate discount rate used to measure lease liabilities. Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using our incremental borrowing rate, unless the rate implicit in the lease is readily determinable. Our incremental borrowing rate is derived from publicly available risk-free interest rates, adjusted for applicable credit spreads and lease terms

Share-based payments

Estimating fair value for share-based payment transactions requires the determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This requires the estimation of inputs to the valuation model including the expected life of the stock option, volatility, dividend yield, and forfeiture rate. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 8.

<u>Significant Judgments</u>

Going concern

The Company's management uses judgment in assessing the Company's ability to continue as a going concern. Factors considered by management are disclosed in Note 1.

Deferred taxes

The Company recognizes a deferred tax benefit related to deferred income and resource tax assets to the extent recovery is probable. Assessing the recoverability of deferred tax assets requires management to make significant estimates of future taxable profit. In addition, future changes in tax laws could limit the ability of the Company to obtain tax deductions from deferred income and resource tax assets. Due to history of losses and forecast future losses management has not recognized any deferred tax assets.

Cash

Cash includes cash on hand and deposits held at call with banks.

Mineral Exploration and Evaluation Expenditures

Costs incurred with respect to exploration and evaluation ("**E&E**") of the Company's mineral properties, including acquisition costs, are expensed as incurred until the technical feasibility and commercial viability of extracting the mineral resource has been determined. Once technical feasibility and commercial viability of the mineral resource is determined, only costs directly related to E&E expenditures are capitalized. Costs not directly attributable to E&E activities are expensed in the year in which they occur.

When a project is deemed to no longer have commercially viable prospects to the Company, capitalized E&E expenditures in respect of that project are deemed to be impaired and capitalized amount in excess of the estimated recoverable amount are written off to the statement of comprehensive loss.

Mineral Exploration and Evaluation Expenditures (continued)

The Company assesses each significant asset for impairment when facts and circumstances suggest that the carrying amount of an asset may exceed its recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and value in use. These assessments require the use of estimates and assumptions such as long-term commodity prices, discount rates, future capital requirements, exploration potential and operating performance.

Once the technical feasibility and commercial viability of extracting the mineral resource has been determined, the property is considered to be a mine under development and is classified as 'mines under construction'. E&E assets are tested for impairment before the assets are transferred to development properties.

Impairment of Non-Financial Assets

At the end of each reporting period, the Company reviews the carrying amounts of its non-financial assets with finite lives to determine whether there is any indication that those assets have suffered an impairment loss. Where such an indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. The recoverable amount is the higher of an asset's fair value less cost to sell or its value in use. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. In addition, long-lived assets that are not amortized are subject to an annual impairment assessment.

Share-based payments

The fair value of the share option reserve for employees at the date of grant is recognized as an expense over the vesting period with a corresponding increase in share option reserve. An individual is classified as an employee when the individual is an employee for legal or tax purposes or provides services similar to those performed by a direct employee, including directors of the Company.

In situations where share options are issued to non-employees and some or all of the goods or services received by the Company as consideration cannot be specifically identified, the unidentified goods or services received (or to be received) are measured as the difference between the fair value of the share-based payment transaction and the fair value of any identified goods or services received at the grant date.

The fair value is measured at the grant date and recognized over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option-pricing model, taking into account the terms and conditions upon which the options were granted. At the end of each reporting period, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest. Stock option expense incorporates an expected forfeiture rate.

All equity settled share-based payments are reflected in reserves, until exercised. Upon exercise, shares are issued from treasury and the amount reflected in reserves is credited to share capital, adjusted for any consideration paid.

The Company's policy related to share-based payments equally applies to the methods used to calculate the fair value of warrants.

Share Capital

The proceeds from the exercise of stock options, warrants and escrow shares are recorded as share capital in the amount for which the option, warrant or escrow share enabled the holder to purchase a share in the Company.

Depending on the terms and conditions of each financing agreement, the warrants are exercisable into additional common shares prior to expiry at a price stipulated by the agreement. Warrants that are part of units are accounted for using the residual method, following an allocation of the unit price to the fair value of the common shares that were concurrently issued. Warrants that are issued as payment for an agency fee or other transactions costs are accounted for as share-based payments.

Commissions paid to agents and other related share issue costs are charged directly to share capital.

Loss per Share

Basic loss per share is calculated using the weighted average number of common shares outstanding during the period. The Company uses the treasury stock method to compute the dilutive effect of options, warrants and similar instruments. Under this method, the dilutive effect on earnings per share is calculated presuming the exercise of outstanding options, warrants and similar instruments. It assumes that the proceeds of such exercise would be used to repurchase common shares at the average market price during the period. However, the calculation of diluted loss per share excludes the effects of various conversions and exercise of options and warrants that would be anti-dilutive.

Income taxes

Income tax expense comprises current and deferred tax. Income tax expense is recognized in the statement of comprehensive loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis, or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Provisions

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

The Company had no material provisions as at January 31, 2026, and 2025.

Financial Instruments

Financial Assets

On initial recognition, financial assets are recognized at fair value and are subsequently classified and measured at: (i) amortized cost; (ii) fair value through other comprehensive income ("**FVOCI**"); or (iii) fair value through profit or loss ("**FVTPL**"). The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. A financial asset is measured at fair value net of transaction costs that are directly attributable to its acquisition except for financial assets at FVTPL where transaction costs are expensed. All financial assets not classified and measured at amortized cost or FVOCI are measured at FVTPL. On initial recognition of an equity instrument that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income.

The classification determines the method by which the financial assets are carried on the statements of financial position subsequent to inception and how changes in value are recorded. Amounts receivable are measured at amortized cost with subsequent impairments recognized in profit or loss and cash is classified as FVTPL.

Financial Liabilities

Financial liabilities are designated as either: (i) fair value through profit or loss; or (ii) amortized cost. All financial liabilities are classified and subsequently measured at amortized cost except for financial liabilities at FVTPL. The classification determines the method by which the financial liabilities are carried on the statements of financial position subsequent to inception and how changes in value are recorded. Accounts payable, due to related parties, short-term loans and lease liabilities are classified at amortized cost.

Derecognition of Financial Liabilities

The Company derecognizes financial liabilities when the obligations are discharged, cancelled or expire. The Company's financial instruments consist of the following:

Financial assets:	Classification:
Cash	FVTPL
Financial liabilities:	Classification:
Accounts payable	Amortized cost
Due to related parties	Amortized cost
Loans and borrowing	Amortized cost
Lease liability	Amortized cost

The carrying values of accounts payable, due to related parties and loans and borrowings approximate their fair values due to the short-term nature of these financial instruments.

Impairment of Financial Assets

An 'expected credit loss' impairment model applies which requires a loss allowance to be recognized based on expected credit losses. The estimated present value of future cash flows associated with the asset is determined and an impairment loss is recognized for the difference between this amount and the carrying amount as follows: the carrying amount of the asset is reduced to estimated present value of the future cash flows associated with the asset, discounted at the financial asset's original effective interest rate, either directly or through the use of an allowance account and the resulting loss is recognized in profit or loss for the period. In a subsequent period, if the amount of the impairment loss related to financial assets measured at amortized cost decreases, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

Financial Instruments Recorded at Fair Value

Financial instruments recorded at fair value on the statement of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1: Valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: Valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company's cash is measured based on level 1.

Leases

Under IFRS 16 Leases ("**IFRS 16**"), the Company assesses whether a contract to rent an item of property and equipment is, or contains, a lease. For contracts that are, or contain, leases, the Company recognizes a right-of-use asset and a lease liability at the commencement date.

Pursuant to the IFRS 16 lessee accounting model, the right-of-use asset is initially measured at cost, which includes the initial amount of the liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and estimates of costs to remove or dismantle the underlying asset or to restore the underlying asset or site on which the asset is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method over the term of the lease. The lease liability is initially measured at the present value of the lease payments that are not paid as of the lease commencement date, discounted using the rate implicit in the lease or, if the implicit rate cannot be readily determined, the Company's incremental borrowing rate.

The measurement of lease liabilities includes the following types of lease payments:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate as of the commencement date;
- Amounts expected to be payable under any residual value guarantees; and
- Exercise price for options that the Company is reasonably certain to exercise for an extension or option to buy, and penalties for early termination of a lease unless the Company is reasonably certain that it will not terminate the lease early. The lease liability is measured at amortized cost using the effective interest method.

The lease liability is remeasured in the following circumstances:

- If there is a change in the future lease payments resulting from a change in index or rate;
- If there is a change in the Company's estimation of the amount expected to be payable under a residual value guarantee; and
- If the Company changes its assessment of whether it will exercise an option to purchase, extend or terminate.

If an underlying asset is re-leased by a lessee to a third party and the original lessee retains the primary obligation under the original lease, the transaction is a sublease, and the original lessee continues to account for the original lease (the head lease) as a lessee and accounts for the sublease as the lessor. When the head lease is a short-term lease, the sublease is classified as an operating lease. Otherwise, the sublease is classified using the classification criteria by reference to the right-of-use asset arising from the head lease.

Flow-through Shares

The Company has financed a portion of its exploration expenditures through the issuance of flow-through shares. Canadian income tax law permits the Company to transfer the tax deductibility of qualifying resource expenditures financed by such shares to the flow-through shareholders, resulting in no exploration deductions for tax purposes to the Company. The shares are usually issued at a premium to the trading price of the Company's shares.

On issuance, the Company allocates flow-through share proceeds to i) share capital, ii) warrants, and iii) a flow-through share premium, if any, using the residual value method. The premium is a reflection of the value of the income tax benefits that the Company must pass on to the flow-through shareholders. Any premium is recorded as a flow-through share premium liability which is reversed into profit or loss as other income when the eligible expenditures are incurred.

At the end of a period, the flow-through share premium liability consists of the portion of the premium on flow-through shares that corresponds to the portion of qualifying exploration expenditures that have not yet been incurred.

Proceeds received from the issuance of flow-through shares are restricted to be used only for Canadian resource property exploration expenditures within a prescribed year. The Company may also be subject to a Part XII.6 tax on flow-through proceeds renounced under the Lookback Rule, in accordance with Government of Canada flow-through regulations. When applicable, this tax is accrued as a financial expense until paid.

Accounting Standards Issued but Not Yet Effective

A number of new standards, and amendments to standards and interpretations, are not yet effective for the six-month period ended January 31, 2026, and have not been early adopted in preparing these financial statements. These new standards, and amendments to standards and interpretations are either not applicable or are not expected to have a significant impact on the Company's financial statements. There were no new accounting standards that were adopted in 2025 which had a significant impact on these financial statements.

3. RISK MANAGEMENT, CAPITAL MANAGEMENT AND FINANCIAL INSTRUMENTS

The Company manages its capital structure and makes adjustments to it based on the funds available to the Company in order to support future business opportunities. The Company defines its capital as shareholders' equity and short-term loans. The Board of Directors does not establish quantitative return on capital criteria for management but rather relies on the expertise of the Company's management to manage its capital to be able to sustain the future development of the Company's business.

The Company currently has no source of self-sustaining revenues and therefore is dependent upon external financings to fund activities. In order to carry future projects and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as needed. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the six-month period ended January 31, 2026. The Company is not subject to externally imposed capital requirements.

General Objectives, Policies and Processes:

The Board of Directors 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 the effective implementation of the objectives and policies to the Company's finance function.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility. Further details regarding these policies are set out below.

Market Risk

Market risk is the risk that the fair value of future cash flows will fluctuate due to changes in market prices. Market prices are comprised of three types of risk: foreign currency risk, interest rate risk, and commodity price risk.

Foreign Currency Risk

Foreign currency risk is the risk that future cash flows will fluctuate as a result of changes in foreign currency rates.

Interest Rate Risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Company's current policy is to invest excess cash in certificates of deposit or interest-bearing accounts of major Canadian chartered banks. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its financial institutions.

Credit Risk

Credit risk is the risk of financial loss to the Company if a counter party to a financial instrument fails to meet its contractual obligations. Financial instruments, which are potentially subject to credit risk for the Company, consist primarily of cash. Cash is maintained with financial institutions of reputable credit and is redeemable upon demand.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's policy is to ensure that it has 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. The key to success in managing liquidity is the degree of certainty in the cash flow projections. If future cash flows are fairly uncertain, the liquidity risk increases. The company has a working capital deficit of $1,328,958 and requires additional financing to meet its current obligations and to fund ongoing operations.

The Company monitors its risk of shortage of funds by monitoring the maturity dates of existing trade and other accounts payable.

(Expressed in Canadian dollars)

Maturity Risk

1) The Company has trade payables and accounts payable that are due on normal commercial terms, and as at January 31, 2026, the Company had short-term loans of $406,304 (July 31, 2025: $396,807) and long-term loans of $869,188 (July 31, 2025: $834,924).

2) Management of liquidity risk: Typically, management plans to have sufficient cash on demand to meet expected operational expenses and commitments for a period of 90 days. To achieve this objective, the Company prepares annual capital expenditure budgets, which are regularly monitored and updated as considered necessary. Further, the Company utilizes authorizations for expenditures on exploration projects to further manage expenditure.

The following table summarizes the maturities of the Company's financial liabilities as at January 31, 2026, based on the undiscounted contractual cash flows:

	Carrying Amount	Contractual Cash Flows	Less than 1 year	1 – 3 years	4 – 5 years	After 5 years
Accounts payable	$ 185,743	$ 185,743	$ 185,743	$ -	$ -	$ -
Due to related parties, current	740,543	740,543	740,543	-	-	-
Short-term loan	406,304	406,304	406,304	-	-	-
Long-term loan*	869,188	869,188	-	869,188	-	-
Lease liability	138,309	138,309	37,485	100,824	-	-
Total	$ 2,340,087	$ 2,340,087	$ 1,370,075	$ 970,012	$ -	$ -

** Long-term loan balance Includes $709,663 due to related parties as at January 31, 2026*

(Expressed in Canadian dollars)

4. RIGHT OF USE ASSET AND LEASE LIABILITY

The following tables summarize the difference between the operating lease commitment disclosed immediately preceding the date of initial application and lease liability recognized in the consolidated statement of financial position:

Right-of-Use Asset

Value of right-of-use asset as at August 1, 2024	$	176,279
Amortization		(18,236)
Balance as at January 31, 2025		**158,043**
Value of right-of-use asset as at August 1, 2025		139,808
Amortization		(18,236)
Balance as at January 31, 2026	**$**	**121,572**

Lease liability

Operating lease liability as at August 1, 2024	$	178,429
Lease payments		(25,077)
Lease interest		12,687
Balance as at January 31, 2025		**166,039**
Operating lease liability as at August 1, 2025		152,690
Lease payments		(25,077)
Lease interest		10,696
Balance as at January 31, 2026	**$**	**138,309**

Current portion	$	22,015
Long-term portion		132,695
Balance as at January 31, 2025	**$**	**154,710**
Current portion	$	37,485
Long-term portion		100,824
Balance as at January 31, 2026	**$**	**138,309**

The Company subleases a portion of its office space to related parties under short-term arrangements. As the subleases are cancellable at short notice and do not convey an enforceable right to use an identified asset, these are outside the scope of IFRS 16. Amounts billed for these subleases are recorded as rent recovery and presented as a reduction of rent expense. The arrangements are disclosed as related party transactions in accordance with IAS 24. During the six-month period ended January 31, 2026, the Company recognized rent recovery of $21,874 from shared office space rental.

5. EXPLORATION AND EVALUATION EXPENDITURES

Expenditures During the Period

During the six-month period ended January 31, 2026, the Company incurred $Nil (January 31, 2025 - $5,400) in exploration and evaluation expenditures.

Title to Mineral Property Interests

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

Operating Segments

The Company operates in one industry segment, mineral exploration and development.

Management monitors the operating results of its operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the financial statements. However, the Company's financing (including finance costs and finance income) and income taxes are managed on a company basis and are not allocated to operating segments.

Casa Berardi West (Ontario, Canada)

The Company entered into an option agreement with 1544230 Ontario Inc. and Gravel Ridge Resources Ltd. (collectively, the "**Owners**") dated June 22, 2022, to acquire a 100% interest in of 3 non-contiguous claim groups (Noseworthy, Newman and Hepburn) totaling 5,112 hectares (collectively the "**Casa Berardi West Property**"), located northeast of Cochrane, Ontario (the "**CBW Agreement**"). The CBW Agreement was amended February 12, 2024, updating the claims expiry dates and expanding the Casa Berardi West Property to 6,732 hectares (the "**Amended CBW Agreement**"). On March 19, 2024, the Company announced the closing of the CBW Agreement.

On December 19, 2025, the Amended CBW Agreement was terminated.

6. LOANS AND BORROWINGS

On January 30, 2017, the Company issued a one-year promissory note for $343,715 to arm's length parties (the "Ana Sofia Loan"), bearing interest at 2% per month. As at January 31, 2026, the outstanding balance of the loan including interest and principal is $111,000 (July 31, 2025 - $103,877). The loan is due on demand and unsecured.

On September 30, 2022, the Company entered into a two-year promissory note for $863,242 with arm's length and related parties (the "**Term Loans**"). The Term Loans encompassed $90,000 of the Ana Sofia Loan principal and $773,242 of accounts payable and amounts due to related parties. The Term Loans are unsecured and bear interest at 8% per annum. The Term Loans can be paid off at any time with no penalty to the Company. On September 30, 2023, the Company extended the repayment term of its Term Loans by an additional 12 months, to September 30, 2025. During the six-month period ended January 31, 2026, the Company further extended the repayment term for all Term Loans to September 30, 2026, except for one Term Loan with a balance of $186,793, which remains payable on demand.

As at January 31, 2026, the outstanding balance of the Term Loans totaled $1,055,981, of which $869,188 is classified as non-current (July 31, 2025 – $1,021,718) and $186,793 is classified as current.

On September 17, 2024, the Company entered into a $60,000 promissory note with a lender, bearing $nil interest up to January 31, 2025 (the "Due Date"). Following the Due Date, an annual interest rate of 10% shall accrue and be payable on the outstanding amount from the original date of receipt of funds until the full amount is repaid. As the promissory note is past its Due Date, it is deemed due on demand and has been recorded as a current liability on the statement of financial position. The balance payable as at January 31, 2026 is $48,511.

The Company issued promissory notes on October 22, 2021, September 8, 2022 and February 2, 2024 for a total of $40,000, related to funds advanced by a former director. The principal amount of the promissory notes bear no interest, and are due and payable on demand. As at January 31, 2026, the outstanding balance of the promissory notes was $40,000 (July 31, 2025: $40,000).

During the year ended July 31, 2025, the Company entered into a promissory note with a lender in the principal amount of $20,000. The promissory note bears no interest and is due and payable on demand. As at January 31, 2026, the outstanding balance of the promissory note was $20,000 (July 31, 2025: $20,000).

The Company has incurred $57,789 (January 31, 2025 - $65,274) of interest expense and finance charges during the six-month period ended January 31, 2026, of which $47,181 (January 31, 2025 - $47,501) has been incurred from related parties (see Note 10).

7. SHARE CAPITAL

The Company's common shares and share purchase warrants are classified as equity instruments. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Common Shares

The Company is authorized to issue an unlimited number of common shares, issuable in series.

The holders of common shares are entitled to receive dividends and are entitled to one vote per share at meetings of the Company. All shares are ranked equally with regards to the Company's residual assets.

On October 17, 2025, the Company received approval from TSX-V and completed a consolidation of its issued and outstanding common shares on the basis of four (4) pre-consolidation common shares, options and warrants to one (1) post-consolidation common share, option and warrant (the "**Share Consolidation**"). The Share Consolidation took effect at the start of trading on October 22, 2025, and the post-consolidation common shares continued to trade on the TSX-V under a new CUSIP number: 15643T701 and ISIN number: CA15643T7015. The Share Consolidation has been presented throughout the financial statements retroactively and all shares and per share figures are presented on a post-consolidation basis.

During the six-month period ended January 31, 2026:

1. On November 13, 2025, the Company closed a $207,500 non-brokered private placement unit offering (first tranche), comprising one common share and one share purchase warrant priced at $0.05 per unit. Each full warrant has a term of 36 months commencing on the closing date entitling the holder to purchase one common share at a price of $0.08. A total of 4,150,000 shares were issued. The Company paid finders' fees of $12,000 and issued 240,000 finders' warrants. The finders' warrants are non-transferable but have the same exercise price and expiry date as the subscribers' warrants.

2. On January 22, 2026, the Company closed a $52,500 non-brokered private placement unit offering (second and final tranche), comprising one common share and one share purchase warrant priced at $0.05 per unit. Each full warrant has a term of 36 months commencing on the closing date entitling the holder to purchase one common share at a price of $0.08. A total of 1,050,000 shares were issued. The Company paid finders' fees of $4,200 and issued 84,000 finders' warrants. The finders' warrants are non-transferable but have the same exercise price and expiry date as the subscribers' warrants.

There were no common shares issued during the six-month period ended January 31, 2025.

Share Purchase Warrants

During the six-month period ended January 31, 2026, the Company issued 5,524,000 warrants in connection with the private placements disclosed.

During the six-month period ended January 31, 2025, there were no share purchase warrants issued.

(Expressed in Canadian dollars)

The fair value of finders' warrants was estimated using the Black Scholes option-pricing model with the following assumptions:

	January 31, 2026	January 31, 2025
Share price	$0.04	-
Risk free interest rate	4.05%	-
Expected life	3 years	-
Expected volatility	234%-249%	-
Expected dividend	Nil	-

The following is a summary of changes in warrants:

	Number of Warrants	Weighted Average Exercise Price
Outstanding and exercisable as at July 31, 2024	2,862,188	$ 0.20
Issued	-	-
Outstanding and exercisable as at January 31, 2025	2,862,188	0.20
Outstanding and exercisable as at July 31, 2025	4,499,688	$ 0.33
Issued	5,524,000	0.08
Outstanding and exercisable as at January 31, 2026	**10,023,688**	**$ 0.36**

Details of the warrants outstanding and exercisable at January 31, 2026.

Number of warrants	Exercise price	Expiry date	Remaining contractual life (in years)
2,862,188	$0.40	March 19, 2026	0.13
1,637,500	0.20	May 30, 2027	1.33
4,390,000	0.08	November 13, 2028	2.79
1,134,000	0.08	January 22, 2029	2.98
10,023,688			1.77

8. SHARE-BASED PAYMENTS

Option Plan Details

As at January 31, 2026, and 2025, the Company maintained a share-based payment plan for remuneration. All share-based remuneration will be settled in equity, and the Company has no legal or constructive obligation to repurchase or settle the options.

The Company issues share purchase options to directors, officers and employees of the Company and persons who provide ongoing services to the Company under an incentive stock option plan. The aggregate number of shares of the Company that may be granted pursuant to the Plan is limited to 10% of the issued and outstanding shares of the Company. The Plan is administered by the Board of Directors, which determines individual eligibility under the Plan, the number of shares optioned to each grantee and the vesting period. The exercise price of share purchase options will be no less than the closing price of the shares on the TSX-V on the date on which the option is granted. Options will expire no later than five years from the grant date, except that they will expire within thirty days when the holder is no longer qualified to hold the option (other than for cause, when the option will expire immediately). Options granted to Directors who are not officers or employees of the Company expire within ninety days from the date of resignation or retirement.

(Expressed in Canadian dollars)

As a policy, the fair value at grant date is determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

During the year ended July 31, 2025, the Company granted 875,000 (2024: Nil) stock options to certain officers, directors and consultants of the Company. Options vested on grant date, with an exercise price of $0.20 per share until August 12, 2029.

The fair value of stock options granted was estimated using the Black Scholes option-pricing model with the following assumptions:

	January 31, 2026	**January 31, 2025**
Share price	-	$0.20
Risk free interest rate	-	4.05%
Expected life	-	5 years
Expected volatility	-	256%
Expected dividend	-	Nil

The following is a summary of changes in options:

	Number of Options	**Weighted Average Exercise Price**
Outstanding and exercisable as at July 31, 2024	-	$ -
Issued	875,000	0.20
Outstanding and exercisable as at January 31, 2025	875,000	0.20
Outstanding and exercisable as at July 31, 2025	587,500	$ 0.20
Issued	-	-
Outstanding and exercisable as at January 31, 2026	**587,500**	**$ 0.20**

Details of the options outstanding and exercisable at January 31, 2026:

Number of options	**Exercise price**	**Expiry date**	**Remaining contractual life (in years)**
587,500	$0.20	August 12, 2029	3.53

There were no options issued during the six-month period ended January 31, 2026.

9. LOSS PER SHARE

Basic loss per share is computed by dividing the loss applicable to common shares of the Company by the weighted average number of common shares outstanding for the relative period.

Using treasury method diluted loss per share is presented as the same on the weighted average basis as loss per share as the dilutive impact would reduce loss per share.

	January 31, 2026	**January 31, 2025**
Loss attributable to ordinary shareholders	$ (269,553)	$ (321,607)
Weighted average number of common shares	15,750,506	10,792,354
Basic and diluted loss per share	$ (0.02)	$ (0.03)

(Expressed in Canadian dollars)

10. RELATED PARTY TRANSACTIONS AND BALANCES

The following is a summary of the Company's related party transactions during the six-month period ended January 31, 2026 and 2025:

(a) (i) Administrative Services Agreements

The Company paid or accrued administration services fees of $54,000 (2025: $54,000) to a company owned by a director and an officer of the Company.

(ii) Accounting Fees

The Company paid or accrued accounting fees of $45,000 (2025: $45,000) to a company owned by a director and an officer of the Company.

(iii) Sublease

During the six-month period ended January 31, 2026, the Company recognized rent recovery of $21,874 (2025 – 19,905) resulting from short-term sub lease arrangements with companies under common control for the Company's premises (see Note 4.)

(b) Due to/from related parties

A total of $740,543 (July 31, 2025: $698,333) is due to directors, officers, companies controlled by officers and directors of the Company. The amount payable is unsecured, bears interest ranging from 0% to 30% and is due on demand. Included within this amount is a total of $23,390 (2025: $33,986) is due to Portofino Resources Inc. ("Portofino") pursuant to reimbursement of operating expenses of the Company. Several key management personnel of the Company are also key management personnel of Portofino.

On September 30, 2022, the Company converted $467,150 in amounts due to related parties to unsecured term loans bearing interest at 8% per annum and having a 24-month term of repayment. As at January 31, 2026, the outstanding balance related to these amounts is $709,663 (July 31, 2025: $681,684), which is included within loans and borrowings on the statement of financial position (see Note 6)

During the six-month period ended January 31, 2026, the Company incurred interest expense from related parties totaling $47,181 (July 31, 2025 - $47,501) in connection with the above amounts and loans payable.

Compensation of key management personnel of the Company

Key management personnel receive compensation in the form of short-term benefits consisting of fee. Key management personnel includes the officers and directors of the Company. The remuneration of key management is as follows:

		January 31, 2026		**January 31, 2025**
Administration fees	$	54,000	$	54,000
Accounting fees		45,000		45,000
	$	99,000	$	99,000

11. COMMITMENTS

Flow-Through Commitment

In accordance with the terms of the flow-through share agreements, the Company is required to incur eligible Canadian Exploration Expenses (CEE), as defined in the Income Tax Act (Canada), in the amount of $96,200 on or before December 31, 2025. As at January 31, 2026, to fulfill its flow the Company has incurred $14,100 of qualifying expenditures and must incur an additional $82,100 by December 31, 2025, -through share commitment.

12. SUBSEQUENT EVENTS

There are no subsequent events.