MADORO METALS CORP.

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

AS AT AND FOR THE THREE MONTHS ENDED MAY 31, 2026 AND 2025

(Unaudited - Expressed in Canadian Dollars)

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MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

Under 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 the financial statements have not been reviewed by an auditor.

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

The Company's independent auditor DAVIDSON & COMPANY LLP has not performed a review of these interim condensed financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

MADORO METALS CORP.
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Unaudited - Expressed in Canadian Dollars)

	Notes		**As At May 31, 2026**		As At February 28, 2026
ASSETS					
Current assets					
Cash and cash equivalents	4	**$**	**887,903**	$	1,012,898
Amounts receivable	5		**23,948**		30,576
Marketable securities	6		**180,350**		142,775
Prepaid expenses and deposits			**3,393**		5,143
Deferred transaction costs (Note 14)			**39,000**		-
Total current assets			**1,134,594**		1,191,392
Non-current assets					
Exploration and evaluation assets	7,9		**593,385**		593,094
TOTAL ASSETS		**$**	**1,727,979**	$	1,784,486
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities					
Accounts payable and accrued liabilities	8	**$**	**103,031**	$	140,064
Due to related parties	12		**16,000**		4,000
Total current liabilities			**119,031**		144,064
Shareholders' equity					
Share capital	9		**9,227,381**		9,214,881
Reserves	9		**52,573**		52,573
Deficit			**(7,671,006)**		(7,627,032)
Total shareholders' equity			**1,608,948**		1,640,422
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**$**	**1,727,979**	$	1,784,486

Nature of operations and going concern (Note 1)

Approved and authorised for issue on behalf of the Board on July 30, 2026

"Robert Archer" Director *"Mary Ellen Thorburn"* Director

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

(Unaudited - Expressed in Canadian Dollars)

	Notes	For the three months ended May 31, 2026	May 31, 2025
Expenses			
Accounting and audit fees	12	**$ 19,868**	$ 17,749
Consulting fees	12	**19,500**	19,500
Director fees	12	**6,000**	6,000
Insurance		**1,750**	2,000
Legal fees		**1,363**	15,911
Management fees	12	**19,500**	19,500
Office, telephone and miscellaneous		**(2,192)**	780
Property investigation		**5,940**	-
Rent		**3,000**	3,000
Shareholder information		**1,760**	2,336
Transfer agent and filing fees		**8,576**	3,807
Total expenses		**(85,065)**	(90,583)
Interest income		**3,698**	4,333
Gain (loss) on foreign exchange		**1,324**	(104)
Loss on write-off of taxes receivable		**(1,506)**	(318)
Gain on marketable securities	6	**37,575**	5,150
Loss and comprehensive loss for the period		**$ (43,974)**	$ (81,522)
Outstanding common shares (basic and diluted)		**93,396,716**	90,932,586
Basic and diluted loss per share		**$ (0.00)**	$ (0.00)

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

MADORO METALS CORP.
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Unaudited - Expressed in Canadian Dollars)
FOR THE THREE MONTHS ENDED MAY 31, 2026 AND 2025

	Share Capital (Note 9)				**Reserves (Note 9)**						
	Number of shares		**Amount**		**Warrants Reserve**		**Share-based payments reserve**		**Deficit**		**Total Shareholders' Equity**
Balance, February 28, 2025	89,546,716	$	9,054,381	$	52,573	$	120,816	$	(7,466,506)	$	1,761,264
Shares issued for exploration and evaluation assets	1,500,000		45,000		-		-		-		45,000
Loss and comprehensive loss for the period			-		-		-		(81,522)		(81,522)
Balance, May 31, 2025	91,046,716	$	9,099,381	$	52,573	$	120,816	$	(7,548,028)	$	1,724,742
Balance, February 28, 2026	93,146,716	$	9,214,881	$	52,573	$	-	$	(7,627,032)	$	1,640,422
Shares issued – warrants exercised	250,000		12,500		-		-		-		12,500
Loss and comprehensive loss for the period	-		-		-		-		(43,974)		(43,974)
Balance, May 31, 2026	93,396,716	$	9,227,381	$	52,573	$	-	$	(7,671,006)	$	1,608,948

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

MADORO METALS CORP.
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited - Expressed in Canadian Dollars)

	For the three months ended	
	May 31, 2026	May 31, 2025
CASH FLOWS USED IN OPERATING ACTIVITIES		
Loss and comprehensive loss for the period	**$ (43,974)**	$ (81,522)
Adjustments to reconcile loss to net cash used in operating activities:		
Gain on marketable securities	**(37,575)**	(5,150)
Loss on write-off of taxes receivable	**1,506**	318
Net changes in non-cash working capital accounts:		
Decrease in prepaid expenses and deposits	**1,750**	3,000
Increase (decrease) in amounts receivable	**5,122**	(1,208)
Increase in due to related parties	**12,000**	7,339
Increase (decrease) in accounts payable and accrued liabilities	**(16,461)**	29,010
Cash used in operating activities	**(77,632)**	(48,213)
CASH FLOWS USED IN INVESTING ACTIVITIES		
Exploration and evaluation expenditures	**(59,863)**	(15,000)
Cash used in investing activities	**(59,863)**	(15,000)
CASH FLOWS USED IN FINANCING ACTIVITIES		
Warrants exercised	**12,500**	-
Cash provided by financing activities	**12,500**	-
Net change in cash and cash equivalents	**(124,995)**	(63,213)
Balance, beginning of the period	**1,012,898**	1,515,663
Balance, end of the period	**$ 887,903**	$ 1,452,450

Supplemental cash flow information (Note 13)

(Unaudited - Expressed in Canadian Dollars)

1. NATURE OF OPERATIONS AND GOING CONERN

Madoro Metals Corp. (the "Company"), incorporated in British Columbia on September 24, 1984, is an exploration stage public company listed on the TSX Venture Exchange and the Frankfurt Stock Exchange. The Company is assessing its mineral properties and has not yet determined whether these properties contain reserves that are economically recoverable. The recoverability of amounts shown for mineral properties is dependent upon the discovery of economically recoverable reserves and confirmation of the Company's interest in the underlying properties, the ability of the Company to obtain necessary financing to satisfy the expenditure requirements under mineral property agreements and to complete the development of the properties, and upon future profitable production or the sale thereof.

The Company is listed as a Tier 2 mining exploration issuer. These interim condensed consolidated financial statements present the consolidated operations of the Company and its subsidiary, Minera Mazateca, S.A. de C.V. ("Minera Mazateca" or "Subsidiary"). The Company is primarily engaged in the acquisition and exploration of mineral properties in Quebec, Canada and all long-term assets are in Canada. As at May 31, 2026, the Company had no revenue producing operations, therefore, it is dependent on external financing to fund its operations. The Company expects to raise funds either through equity or external debt.

The Company has incurred losses since inception and expects to incur further losses in the development of its business. As at May 31, 2026, the Company had an accumulated deficit of $7,671,006 and had working capital of $1,015,563.

The Company's ability to continue as going concern is dependent upon its ability to obtain the necessary financing to meet its general operating expenses and to continue to explore its mineral properties. 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 advantageous to the Company. These material uncertainties may cast significant doubt upon the Company's ability to continue as a going concern and, therefore, it may be unable to realize its assets and discharge its liabilities in the normal course of business. These interim condensed consolidated financial statements do not reflect the adjustments to the carrying values of the assets and liabilities, the reported expenses and the statements of the financial position classifications that would be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

The head office, and principal address of the Company is #250 – 750 West Pender St. Vancouver, BC, V6C 2T7. The Company's registered and records address is at 2900 – 550 Burrard Street, Vancouver, BC, V6C 0A3.

2. BASIS OF PRESENTATION

Basis of consolidation and preparation

These interim condensed consolidated financial statements include the accounts of the Company and its subsidiary, Minera Mazateca S.A. de C.V. Details of the controlled entity are as follows:

	Country of incorporation	Percentage owned
Minera Mazateca, S.A. de C.V.	Mexico	100%

Control is achieved when the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

2. BASIS OF PRESENTATION (continued)

Basis of consolidation and preparation (continued)

The results of subsidiaries acquired or disposed of during the period are included in the consolidated statement of loss and comprehensive loss from the effective date of acquisition or up to the effective date of disposal, as appropriate.

All intercompany transactions, balances, income, and expenses are eliminated upon consolidation.

Statement of compliance

The interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standards ("IAS") 34 Interim Financial Reporting. These financial statements should be read in conjunction with the company's 2026 audited financial statements which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by International Accounting Standards Board ("ISAB").

These Financial Statements have been prepared using the accounting policies consistent with those used in the company's 2026 annual financial statements except for income tax expense which is recognized and disclosed for the full financial year in the audited financial statements.

Basis of measurement

These interim condensed consolidated financial statements have been prepared on an accrual basis and are based on historical costs, except for certain financial instruments measured at fair value through profit or loss and cash flow information.

Unless otherwise noted, these interim condensed consolidated financial statements are presented in Canadian dollars, which is also the functional currency of the Company and its Subsidiary.

Approval of the Financial Statements

The interim condensed consolidated financial statements of the Company for the three months ended May 31, 2026 were authorized for issue on July 30, 2026 by the Board of Directors of the Company.

3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

Material accounting estimates and judgments

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In the future, actual experience may differ from these estimates and assumptions. The change in an accounting estimate is recognized prospectively by including it in comprehensive loss in the period of the change, if the change affects that period only, or in the period of the change and future periods, if the change affects both.

3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Material accounting estimates and judgments (continued)

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

i) Exploration and evaluation expenditures

The application of the Company's accounting policy for exploration and evaluation expenditures requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after an expenditure is capitalized, information becomes available suggesting that the recovery of the expenditure is unlikely, the amount capitalized is written off in the profit or loss in the period the new information becomes available.

ii) 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.

iii) Income taxes

The Company has not recognized a deferred tax asset as management believes it is not probable that taxable profit will be available against which deductible temporary differences can be utilized.

iv) Share-based payment transactions

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the stock option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 9.

Material accounting policy information

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, and term deposits with maturities of three months or less.

Property and equipment

Recognition and measurement

On initial recognition, property and equipment is valued at cost, being the purchase price and directly attributable cost of acquisition or construction required to bring the asset to the location and condition necessary to be capable of operating in the manner intended by the Company, including appropriate borrowing costs and the estimated present value of any future unavoidable costs of dismantling and removing items. The corresponding liability is recognized within provisions.

Property and equipment are subsequently measured at cost less accumulated amortization, less any accumulated impairment losses.

When parts of an item of property and equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment.

3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Property and equipment (continued)

Subsequent costs

The cost of replacing part of an item of property and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property and equipment are recognized in profit or loss as incurred.

Gains and losses

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount and are recognized net within other income in profit or loss.

Depreciation

Equipment is recorded at cost less accumulated depreciation. Depreciation is calculated on a declining balance basis at 30% per annum for office equipment. Half of the normal depreciation is taken in the year of acquisition.

Depreciation is recognized in profit or loss. Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Income taxes

Income tax expense is comprised of current and deferred income taxes. Current income tax and deferred income tax are recognized in profit or loss, except to the extent that they relate to items recognized directly in equity or equity investments.

Current income tax is the expected tax payable or receivable on the taxable income or loss 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 assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax base, except for taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss.

The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Share capital

Equity instruments are contracts that give a residual interest in the net assets of the Company. Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares, share options, and share warrants are classified as equity instruments.

Incremental costs directly attributable to the issue of new shares or warrants are shown in equity as a deduction, net of tax, from the proceeds.

Foreign currencies

The functional currency of the Company and its Subsidiary is measured using the currency of the primary economic environment in which it operates. Management has determined that the functional currency of the Company and its Subsidiary is the Canadian dollar.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the period-end exchange rate. Gains and losses are included in profit or loss.

Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

The financial results and position of foreign operations whose functional currency is different from the reporting currency are translated as follows:

i. assets and liabilities are translated at period-end exchange rates prevailing at that reporting date; and
ii. income and expenses are translated at average exchange rates for the period.

Exchange gains and losses arising on translation are recognized in accumulated other comprehensive loss.

Income/loss per share

Basic Income (loss) per share is computed by dividing the net loss or income applicable to common shares of the Company by the weighted average number of common shares outstanding for the relevant period.

Diluted Income (loss) per share is determined by adjusting the net loss or income attributable to common shareholders and the weighted average number of common shares outstanding for the effects of dilutive instruments, which includes stock options and common share purchase warrants, as if their dilutive effect was at the beginning of the period. The calculation of the diluted number of common shares assumes that proceeds received from the exercise of "in-the-money" stock options and common share purchase warrants are used to purchase common shares of the Company at their average market price for the period. In periods that the Company reports a net loss, per share amounts are not presented on a diluted basis as the result would be anti-dilutive.

3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Share-based payments

The stock option plan (Note 9) allows Company employees and consultants to acquire shares of the Company. Share-based payments to employees are measured using the fair value method at the date of grant of stock options. An individual is classified as an employee when the individual is considered an employee for legal or tax purposes or provides similar services to those performed by an employee. Share-based payments to non-employees are measured at the fair value of goods and services received or, if it is determined that the fair value of the goods or services received cannot be reliably measured, the fair value method will be used to determine the value at the date the options are granted.

The fair value of options is determined using the Black-Scholes option pricing model and is expensed to earnings over the vesting period on a graded basis with an offset to share-based payment reserve. When options are exercised, the corresponding share-based payment reserve and the proceeds received by the Company are credited to share capital. Forfeitures are estimated at the time of the grant. When options expire, the fair value of the options is transferred from share-based payment reserve with an offset to deficit.

Valuation of equity units issued in private placements

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the most easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component.

The fair value of the common shares issued in the private placement is determined to be the more easily measurable component and are valued at their fair value, as determined by the closing quoted bid price on the announcement date. The balance, if any, is allocated to the attached warrants. Any fair value attributed to the warrants is recorded as warrant reserve. If the warrants are exercised, the related amount is reclassified as share capital.

If the warrants are issued as share issuance costs, the fair value will be recorded as warrant reserve using the Black-Scholes option pricing model. If the warrants are exercised, the related amount is reclassified as share capital. If the warrants expire unexercised, the related amount remains in warrant reserve.

Exploration and evaluation assets

Pre-exploration costs are expensed in the period in which they are incurred.

Costs incurred to acquire the legal right to explore a property are capitalized. Once the legal right to explore a property has been acquired, costs directly related to exploration and evaluation expenditures are recognized and capitalized on a property-by-property basis assuming these costs meet the definition of an asset. Costs that do not meet the definition of an asset are expensed in the period incurred. These direct expenditures include such costs as surveying costs, drilling costs, labour and contractor costs, materials used and licensing and permit fees.

Government tax credits received are recorded as a reduction to the cumulative costs incurred and capitalized on the related property.

Once the technical feasibility and commercial viability of extracting the mineral resource has been determined, the property is considered to be under development and is classified as development properties. The carrying value of exploration and evaluation assets is transferred to development properties after being tested for impairment.

Once commercial production has commenced all capitalized costs related to the property are transferred to producing properties and the costs of acquisition, exploration and development will be depleted over the life of the property based on estimated economic reserves. Proceeds received from the sale of any interest in a property will be credited against the carrying value of the property, with any excess included in other income for the period. If a property is abandoned, the acquisition, deferred exploration and development costs will be written off to other expenses.

3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Exploration and evaluation assets (continued)

Currently, all mineral properties of the Company are in the exploration stage.

Although the Company has taken steps to verify title to mineral properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements or inadvertent non-compliance with regulatory requirements.

Management reviews capitalized costs on its mineral properties when facts and circumstances suggest that the carrying amount of an asset may be impaired. If the recorded amount is higher than the asset's fair value less cost to sell, management will recognize impairment in value based upon current exploration results and upon management's assessment of the future probability of profitable revenues from the property or sale of the property.

Exploration costs renounced due to flow-through share subscription agreements remain capitalized; however, for corporate income tax purposes, the Company has no right to claim these costs as tax deductible expenses.

Recorded costs of mineral properties and deferred exploration costs are not intended to reflect present or future values of resource properties. The recorded costs are subject to measurement uncertainty, and it is reasonably possible, based on existing knowledge, that changes in future conditions could require a material change in the recognized amount.

Payments on mineral property option agreements are made at the discretion of the Company and, accordingly, are recorded as incurred.

Mining tax credits

Mining tax credits are recorded in the accounts when there is reasonable assurance that the Company has complied with, and will continue to comply with, all conditions needed to obtain the credits. These non-repayable mining tax credits are earned in respect of exploration costs incurred in Quebec, Canada and are recorded as a reduction of the related deferred exploration expenditures.

Impairment of non-financial assets

The carrying amount of non-financial assets is reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss. An impairment loss is recognized in the statement of operations and comprehensive loss whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount.

The recoverable amount of assets is the greater of an asset's fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is only reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount, however not to an amount higher than the carrying amount that would have been determined had no impairment loss been recognized in previous years.

3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Environmental rehabilitation

An obligation to incur restoration, rehabilitation and environmental costs arises when an environmental disturbance is caused by the exploration, development or ongoing production of a mineral property interest. The estimated costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are determined, and capitalized at the start of each project to the carrying amount of the asset, as soon as the obligation to incur such costs arises. Discount rates, using a pre-tax rate that reflects the time value of money, are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either the unit-of-production or the straight-line method. The related liability is adjusted at each period-end for the unwinding of the discount rate, for changes to the current market-based discount rate, and for changes to the amount or timing of the underlying cash flows needed to settle the obligation. Costs for restoration of subsequent site damage which is created on an ongoing basis during production are provided for at their net present values and charged against profits as extraction progresses.

The Company has no known restoration, rehabilitation or environmental costs related to its mineral property interests.

Financial instruments

i) Financial assets

The Company classifies its financial assets in the following categories: at fair value through profit or loss (“FVTPL”), at fair value through other comprehensive income (“FVOCI”) and at amortized cost. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of financial assets at initial recognition. A financial asset is measured at amortized cost if it is held within a business model whose objective is to hold assets and collect contractual cash flows, its contractual terms give rise on specified dates that are solely payments of principal and interest on the principal amount outstanding, and it is not designated as FVTPL.

Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, the Company can make an irrevocable election (on an instrument by-instrument basis) on the day of acquisition to designate them as at FVOCI.

Financial assets at FVTPL
Financial assets carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statement of operations and comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial asset held at FVTPL are included in the statement of loss and comprehensive loss in the period in which they arise. The Company’s marketable securities being equity securities of other listed entities, are classified as FVTPL.

Financial assets at FVOCI
Investments in equity instruments at FVOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses arising from changes in fair value recognized in other comprehensive loss. There is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. None of the Company’s financial assets are classified as FVOCI.

Financial assets at amortized cost
Financial assets at amortized cost are initially recognized at fair value and subsequently carried at amortized cost less any impairment. They are classified as current assets or non-current assets based on their maturity date. The Company’s financial assets at amortized cost comprise cash and cash equivalents and amounts receivable.

Financial assets are derecognized when they mature or are sold, and substantially all the risks and rewards of ownership have been transferred. Gains and losses on derecognition of financial assets classified as FVTPL or amortized cost are recognized in the statement of loss and comprehensive loss. Gains or losses on financial assets classified as FVOCI remain within accumulated other comprehensive income.

(Unaudited - Expressed in Canadian Dollars)

3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Financial instruments (continued)

ii) Financial liabilities

The Company classified its financial liabilities as subsequently measured at amortized cost which include amounts payable and accrued liabilities and due to related parties. The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or they expire.

iii) Impairment of financial assets

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the loss allowance for the financial asset is measured at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the loss allowance is measured for the financial asset at an amount equal to the twelve month expected credit losses. For amounts receivable the Company applies the simplified approach to providing for expected credit losses, which allows the use of a lifetime expected loss provision. Impairment losses on financial assets carried at amortized cost are reversed in subsequent periods if the amount of the loss decreases and the decreases can be objectively related to an event occurring after the impairment was recognized.

New accounting standards issued and effective

Classification of Liabilities as Current or Non-current (Amendments to IAS 1) was adopted at March 1, 2024. The amendments to IASI provide a more general approach to the classification of liabilities based on the contractual arrangements in place at the reporting date. The adoption of this new accounting standard is not expected to have a material impact on the Company's consolidated financial statements.

A number of new standards, and amendments to standards and interpretations, are not effective

Presentation and Disclosure in Financial Statements (IFRS 18) is effective for reporting periods beginning on or after January 1, 2027 and has not been early adopted in preparing these consolidated financial statements. IFRS 18 introduces three sets of new requirements to give investors more transparent and comparable information about companies' financial performance for better investment decisions. The Company will be assessing the impact of adoption.

4. CASH AND CASH EQUIVALENTS

		May 31, 2026		February 28, 2026
Cash in bank	**$**	**275,953**	$	78,905
Term deposit and GIC		**611,950**		933,993
Cash and cash equivalents	**$**	**887,903**	$	1,012,898

5. AMOUNTS RECEIVABLE

		May 31, 2026		February 28, 2026
Taxes recoverable	**$**	**22,516**	$	29,144
Accounts receivable		**1,432**		1,432
Amounts receivable	**$**	**23,948**	$	30,576

(Unaudited - Expressed in Canadian Dollars)

6. MARKETABLE SECURITIES

The Company holds the following shares in publicly traded companies.

	Number	**May 31, 2026**		February 28, 2026	
	of Shares	**Fair Value**	**Cost**	Fair Value	Cost
Zincx Resources Corp.	85,000	**$ 6,800**	**$ 104,975**	$ 6,800	$ 104,975
Eloro Resources Ltd.	27,500	**58,550**	**98,660**	73,975	98,660
Allied Critical Metals Inc.	50,000	**115,000**	**81,500**	62,000	81,500
		$ 180,350	**$ 285,135**	$ 142,775	$ 285,135

The Company also owns 50,000 shares in a reporting issuer that is not publicly traded valued at $Nil.

During the period ended May 31, 2026, the Company recorded a gain on marketable securities of $37,575.

7. EXPLORATION AND EVALUATION ASSETS

The Company has capitalized the following acquisition and exploration costs on its mineral properties.

	First Green Project Quebec, Canada
Balance, February 28, 2025	**$ 224,113**
Acquisition cost additions:	
Cash	90,000
Shares	160,500
	250,500
Exploration cost additions:	
Mapping	118,481
Balance, February 28, 2026	**593,094**
Exploration cost additions	
Field and miscellaneous	291
	291
Balance, May 31, 2026	**$ 593,385**

7. EXPLORATION AND EVALUATION ASSETS (continued)

First Green Mineral Project, Quebec, Canada

On January 31, 2023, the Company entered into an option agreement, subsequently amended, with South Shore Partnership Inc. ("South Shore") to acquire an undivided 100% right, title and interest in and to the First Green Mineral Project. Pursuant to the option agreement, the Company will make cash payments of $165,000 and issue 6,000,000 shares based on the following schedule:

(i) $21,000 (paid) and 750,000 shares (issued for a total value of $45,000).
(ii) $18,000 (paid) and 1,650,000 shares (issued for a total value of $41,250).
(iii) $18,000 due on or before July 31, 2024 (paid).
(iv) $15,000 due on or before January 31, 2025 (paid).
(v) 1,500,000 shares due on or before January 31, 2025 (issued for a total value of $45,000 during the year ended February 28, 2026).
(vi) $15,000 due on or before August 31, 2025 (paid).
(vii) $60,000 due on or before January 31, 2026 (paid)
(viii) 2,100,000 shares due on or before January 31, 2026 (issued for a total value of $115,500).
(ix) $18,000 on or before January 31, 2027.

The Company would need to complete aggregate expenditures of $800,000 as follows:

(i) incur $50,000 of exploration expenditures by January 31, 2024 (incurred).
(ii) incur $28,634 of exploration expenditures by January 31, 2025 (incurred).
(iii) incur $146,366 of exploration expenditures by January 31, 2027.
(iv) incur $575,000 of exploration expenditures on or before January 31, 2028.

Pursuant to the agreement, upon exercise of the option, the Company will assign a 2% Net Smelter Returns Royalty ("NSR") to South Shore.

During the year ended February 28, 2025, the Company also paid $17,500 in cash as finder fees to a third-party consultant to identify and then close the option agreement of First Green. The amount was recorded as the cost of acquisition.

Cerro Minas Mineral Project, Oaxaca, Mexico

On October 16, 2019, the Company entered into an Option Agreement with Gunpoint Exploration Ltd. ("Gunpoint") and Gunpoint's subsidiary, Minera CJ Gold S.A. de C.V. ("CJ Gold"), whereby the Company, through its subsidiary, Minera Mazateca, acquired a 100% interest in the Cerro Minas mineral concession located in the state of Oaxaca, Mexico (the "Property"). The Company has earned the 100% interest in the Property by paying Gunpoint US$100,000 and issuing 800,000 common shares.

Gunpoint shall retain a 1.5% NSR on the Property, of which the Company may purchase, at any time, 0.5% for US$1,000,000.

(Unaudited - Expressed in Canadian Dollars)

8. AMOUNTS PAYABLE AND ACCRUED LIABILITIES

		May 31, 2026		February 28,2026
Accounts payable	$	**738**	$	**57,462**
Accrued liabilities		**102,293**		**82,602**
	$	**103,031**	$	**140,064**

9. SHARE CAPITAL AND RESERVES

Authorized share capital

Unlimited number of common shares without par value.

Issuance of share capital

During the three months ended May 31, 2026, the Company issued 250,000 shares pursuant to the exercise of warrants for total proceeds of $12,500.

During the year ended February 28, 2026, the Company:

i) issued 1,500,000 common shares valued at $45,000 pursuant to the option agreement with respect to the First Green project (Note 7).

ii) issued 2,100,000 common shares valued at $115,500 pursuant to the option agreement with respect to the First Green project (Note 7).

Share options

The Company adopted a share option plan (the "Share Option Plan") under which it may grant options to employees, officers, directors, or consultants for up to 10% of the issued and outstanding common shares. In connection with the foregoing, the number of common shares reserved for issuance to any one optionee in a twelve-month period is limited to 5% of the issued shares of the Company. Under the plan, the exercise price of an option may not be less than the discounted market price. The options can be granted for a maximum term of 10 years and vest at the discretion of the board of directors.

For share options granted to employees, directors, and consultants, the Company recognizes as an expense, the estimated fair value of the share options granted. The fair value of each share option granted was estimated on the date of grant using the Black-Scholes option-pricing model.

A summary of share options outstanding as at May 31, 2026 and 2025 is as follows:

	Number of options outstanding and exercisable		Weighted average exercise price	Weighted average number of years to expiry
Balance, February 29, 2024	**2,850,000**	**$**	**0.08**	**0.78**
Forfeited	(2,850,000)		0.08	-
Balance, February 28, 2025	**-**	**$**	**-**	**-**
Balance, May 31, 2026	**-**	**$**	**-**	**-**

(Unaudited - Expressed in Canadian Dollars)

9. SHARE CAPITAL AND RESERVES (continued)

Share options (continued)

During the three months ended May 31, 2026

There was no share-based payment expense during the three months ended May 31, 2026.

During the year ended February 28, 2026

There was no share-based payment expense during the year ended February 28, 2026.

During the year ended February 28, 2026, a total of 2,850,000 stock options, which had an exercise price of $0.08, expired without being exercised. The corresponding value of $120,816 was transferred from share-based payments reserve to deficit.

Warrants

A summary of changes in warrants outstanding as at May 31, 2026 and 2025 is as follows:

	Warrants outstanding		Weighted average exercise price	Weighted average number of years to expiry
Balance, February 28, 2025 and 2026	**7,625,000**	**$**	**0.05**	**0.21**
Warrants expired	(7,375,000)		0.05	-
Warrants exercised	(250,000)		0.05	-
Balance, May 31, 2026	**-**	**$**	**-**	**-**

10. CAPITAL DISCLOSURE

The Company considers its capital structure to include the net residual equity of all assets, less liabilities. Capital comprises the Company's shareholders' equity and any issued debt. The Company's objectives when managing capital are to (i) maintain sufficient working capital to meet current financial obligations and continue as a going concern; (ii) maintain a capital structure to allow the Company to raise equity funding to finance its capital expenditures and acquisition activities; (iii) maintain creditworthiness and maximize returns for shareholders over the long term.

The Company manages its capital structure and makes adjustments to it in light of changes in economic circumstances. The capital was mostly from proceeds from the issuance of common shares.

The Company is not subject to externally imposed capital restrictions nor were there any changes to the Company's capital management provisions during the three months ended May 31, 2026.

11. FINANCIAL INSTRUMENTS AND RISKS

Fair values

Per IFRS 7, a three-level hierarchy that reflects the significance of inputs used in making fair value measurements is required. The three levels of the fair value hierarchy are as follows:

a) Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
b) Level 2 – Inputs other than quoted prices that are observable for assets or liabilities, either directly or indirectly; and
c) Level 3 – Inputs for assets or liabilities that are not based on observable market data.

The Company's marketable securities are valued using quoted market prices in active markets for identical assets, and therefore are classified as Level 1.

The fair value of cash and cash equivalents, amounts receivable, accounts payable and accrued liabilities and due to related parties approximates their carrying values due to their short term to maturity.

The Company's financial instruments are exposed to certain financial risks, including credit risk, interest rate risk, market risk, liquidity risk and currency risk.

Financial instrument risks

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they become due. The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuances. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments. As at May 31, 2026, the Company has working capital of $1,015,563 (February 28, 2026 – $1,047,328). The payment terms for accounts payable are generally 30 days or due on receipt.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. The Company's marketable securities bear market price risk. The maximum exposure to this risk is equal to the carrying value of the investment.

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 is exposed to risks associated with the effects of fluctuations in the prevailing levels of market interest rates. The Company has no significant interest rate risk. As of May 31, 2026, the Company had a cash and cash equivalents balance of $887,903 of which $611,950 was in a term deposit. The Company had no interest-bearing debt.

Foreign currency risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company does not hedge its exposure to fluctuations in foreign exchange rates. The Company is not exposed to any significant foreign currency fluctuations.

Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligation. The Company's exposure to credit risk includes cash, cash equivalents and amounts receivable. The Company reduces its credit risk by maintaining its bank accounts at large international financial institutions.

(Unaudited - Expressed in Canadian Dollars)

12. RELATED PARTY TRANSACTIONS

During the three months ended May 31, 2026 and 2025, the Company entered into the following transactions with related parties:

	Three months ended	
	May 31, 2026	May 31, 2025
Expenses paid or accrued to directors of the Company, senior officers and companies with common directors:		
Management fees – CEO	**$ 12,000**	$ 12,000
Management fees – CFO	**7,500**	7,500
Director fees – directors	**6,000**	6,000
Consulting fees – director	**12,000**	12,000
Professional fees – CFO's partnership	**7,500**	7,500
Professional fees – company controlled by the former CFO	**-**	4,000
	$ 45,000	$ 49,000

The following amounts due to related parties are due to directors and officers. The balances are unsecured, non-interest bearing and have no specific terms for repayment.

	Due to related parties	
	As at May 31, 2026	As at February 28, 2026
Directors	**$ 16,000**	$ 4,000

13. SUPPLEMENTAL CASH FLOW INFORMATION

During the three months ended May 31, 2026 and 2025, the Company incurred non-cash financing and investing activities as follows:

	Three months ended	
	May 31, 2026	May 31, 2025
Shares issued for exploration and evaluations assets	**$ -**	$ 45,000

During the three months ended May 31, 2026, cash paid for interest was $Nil (2025 - $Nil) and cash paid for tax was $Nil (2025 - $Nil).

14. TRANSACTION

On January 30, 2026, the Company signed a letter of intent ("LOI"), superseded by a Share Purchase Agreement ("SPA") on July 15, 2026, with Narrow River Resources Pty Ltd ("NRR") to acquire all of NRR's assets in the Province of Québec (the "Transaction").

The SPA relating to the Transaction, pursuant to which the Company will acquire from NRR all of the issued and outstanding shares of the subsidiary of NRR which holds the Property ("NRR SubCo") in exchange for 95,000,000 common shares of the Company. As additional consideration, the Company will grant NRR a 2% net smelter return royalty on the Property, of which 0.5% can be bought back at any time at the discretion of the Company for $1,000,000.

In connection with the Transaction, it is assumed that the Company will conduct a concurrent non-brokered private placement for the Resulting Issuer to meet the Exchange's listing requirement (the "Concurrent Financing"). The Concurrent Financing is planned as a non-brokered private placement financing for aggregate gross proceeds of $1,230,000, comprised of:

(i) $750,000 in hard dollar units at a price of $0.05 per unit consisting of one share and one-half warrant. Each full warrant is to be exercisable into a common share at $0.08 for two years from closing, and;

(ii) $480,000 in flow-through units at a price of $0.08 per unit. Each flow-through unit will consist of one flow-through share and one-half of one common share purchase warrant. Each full warrant will entitle the holder to purchase one share at a price of $0.12 for a period of two years from closing.

As at May 31, 2026, the Company had incurred $39,000 of transaction costs.