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**TREASURE OAKES RESOURCES INC.**  
(Formerly Transpacific Resources Inc.)

**FINANCIAL STATEMENTS**

**YEARS ENDED DECEMBER 31, 2025 AND 2024**

(Expressed in Canadian Dollars)

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## INDEPENDENT AUDITOR'S REPORT

**To the Shareholders of Treasure Oakes Resources Inc. (formerly Transpacific Resources Inc.)**

### Opinion

We have audited the financial statements of Treasure Oakes Resources Inc. (formerly Transpacific Resources Inc.) (the "Company"), which comprise:

- the statements of financial position as at December 31, 2025 and December 31, 2024;
- the statements of loss (income) and comprehensive loss (income) for the years then ended;
- the statements of changes in shareholder's equity for the years then ended;
- the statements of cash flows for the years then ended; and
- the notes to the financial statements, including a summary of material accounting policies.

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2025 and December 31, 2024, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the financial statements" section of our report.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Material Uncertainty related to Going Concern

We draw attention to Note 1 in the financial statements, which indicates that the Company had an accumulated deficit as at December 31, 2025 and is dependent on its ability to successfully raise the necessary funding to continue operations in the normal course of operations. As stated in Note 1, these events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Except for the matter described in the Material Uncertainty Related to Going Concern section, we have determined that there are no other key audit matters to communicate in our report.

**Other Information**

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

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report.

We have nothing to report in this regard.

**Responsibilities of Management and Those Charged with Governance for the Financial statements**

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Determine, from the matters communicated with those charged with governance, those matters that were of most significance in the audit of the financial statement of the current period and therefore key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matters or when, in extremely rare circumstance, we determine that a matter should not be communicated in our auditor's report because the adverse consequences of doing so would reasonably be expected to outweigh the public interests benefits of such communication.

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

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

The engagement partner on the audit resulting in this independent auditor's report is George G. Lovrics.

*TZR LLP*

Markham, Ontario

Chartered Professional Accountants

April 8, 2026

Licensed Public Accountants

TREASURE OAKES RESOURCES INC.  
(Formerly Transpacific Resources Inc.)  
STATEMENTS OF FINANCIAL POSITION  
(Expressed in Canadian Dollars)  
As at December 31

	2025	2024
<b>ASSETS</b>		
Current Assets		
Cash and cash equivalents (note 4)	\$ 202,919	\$ 767,009
Amounts receivable and prepaid expenses (note 5)	14,873	35,049
<b>Total assets</b>	<b>\$ 217,792</b>	<b>\$ 802,058</b>
<b>LIABILITIES</b>		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 26,764	\$ 28,386
<b>Total Liabilities</b>	<b>26,764</b>	<b>28,386</b>
<b>SHAREHOLDERS' EQUITY</b>		
Share capital (note 8)	47,578,538	47,578,538
Deficit	(47,387,510)	(46,804,866)
<b>Total shareholders' equity</b>	<b>191,028</b>	<b>773,672</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$ 217,792</b>	<b>\$ 802,058</b>

Nature and Continuance of Operations (note 1)

Approved on Behalf of the Board on April 8, 2026

“Denis Arsenault” \_\_\_\_\_

Director

“Jim Renaud” \_\_\_\_\_

Director

The accompanying notes are an integral part of these financial statements

# TREASURE OAKES RESOURCES INC.

(Formerly Transpacific Resources Inc.)

## STATEMENTS OF LOSS (INCOME) AND COMPREHENSIVE LOSS (INCOME)

(Expressed in Canadian Dollars)

For the Years Ended December 31,	2025	2024
<b>EXPENSES</b>		
Exploration expenses (note 7)	\$ 190,182	\$ 134,626
Professional fees	120,133	102,829
Management fees and salaries	43,625	-
General administrative expenses	9,452	5,685
Regulatory and transfer agent	186,916	-
Investor relations	43,509	15,726
Loss before other income and expenses	593,817	258,866
Interest income	(11,173)	(16,643)
Gain on sale of mining claims	-	(1,090,643)
Loss (income) and comprehensive loss (income) for the year	\$ 582,644	\$ (848,420)
Loss (income) per share - basic and diluted (note 1)	\$ 0.04	\$ (0.06)
Weighted average number of common shares outstanding - basic and diluted (note 1)	13,099,302	13,099,302

The accompanying notes are an integral part of these financial statements

TREASURE OAKES RESOURCES INC.  
(Formerly Transpacific Resources Inc.)  
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY  
(Expressed in Canadian Dollars)

	Share Capital	Deficit	Total
Balance, December 31, 2023	\$ 47,578,538	\$ (47,653,286)	\$ (74,748)
Income for the year	-	848,420	848,420
Balance, December 31, 2024	\$47,578,538	\$ (46,804,866)	\$ 773,672
Balance, December 31, 2024	\$47,578,538	\$ (46,804,866)	\$ 773,672
Loss for the year	-	(582,644)	(582,644)
Balance, December 31, 2025	\$47,578,538	\$ (47,387,510)	\$ 191,028

The accompanying notes are an integral part of these financial statements

TREASURE OAKES RESOURCES INC.  
(Formerly Transpacific Resources Inc.)  
STATEMENTS OF CASH FLOWS  
(Expressed in Canadian Dollars)

For the years ended December 31,	2025	2024
CASH (USED IN) PROVIDED BY:		
OPERATING ACTIVITIES		
Income (Loss) for the year	\$ (582,644)	\$ 848,420
Net change in non-cash working capital items:		
Amounts receivable and prepaid expenses	20,176	(35,049)
Accounts payable and accrued liabilities	(1,662)	(46,386)
Net cash flows (used in) provided by operating activities	(564,090)	766,985
NET CHANGE IN CASH	(564,090)	766,985
CASH, BEGINNING OF THE YEAR	767,009	24
CASH, END OF THE YEAR	\$ 202,919	\$ 767,009
SUPPLEMENTAL INFORMATION		
Interest received	\$ 11,173	\$ 16,643

The accompanying notes are an integral part of these financial statements

# **TREASURE OAKES RESOURCES INC.** (Formerly Transpacific Resources Inc.)

## **Notes to the Financial Statements**

**December 31, 2025 and 2024**

(Expressed in Canadian Dollars)

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### 1. NATURE AND CONTINUANCE OF OPERATIONS

#### Nature of Business

Treasure Oakes Resources Inc. (the "Company") (formerly Transpacific Resources Inc.) was registered and incorporated under the laws of the Province of Ontario, Canada on September 23, 1957, and currently a corporation existing under the Business Corporation Act (Ontario) (the "OBCA"). The Company's registered office is located at 21272 Denfield Road, London, Ontario. The principal business of the Company is exploration and development of mineral properties.

These financial statements were approved by the Board of Directors of the Company on April 8, 2026.

At the annual and special meeting of the shareholders of the Company held on August 7, 2025, shareholders of the Company approved the consolidation of the outstanding common shares on the basis of one post-consolidation common share for up to twenty (20) outstanding pre-consolidation common shares as well as the Company's name change from Transpacific Resources Inc. to Treasure Oakes Resources Inc.

On October 15, 2025, the Company consolidated its common shares on a twenty (20) old common shares for one (1) new common share and completed the name change. Following the consolidation, the Company has 13,099,302 common shares outstanding. All references to the number of common shares outstanding, weighted average common shares, and loss per share amounts have been retrospectively adjusted to reflect the share consolidation as if it had occurred at the beginning of the periods presented, in accordance with IAS 33, Earnings per Share.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that planned exploration and evaluation programs will result in profitable mining operations. The continuance of the Company is dependent upon completion of the acquisition of the exploration and evaluation properties, the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain necessary financing to complete the development and future profitable production or, alternatively, upon disposition of such property at a profit.

Although the Company has taken steps to verify title to its exploration and evaluation properties in accordance with industry standards for the current stage of exploration of such property, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements and noncompliance with regulatory and, environmental requirements. The Company's assets may also be subject to increases in taxes and royalties, renegotiation of contracts, currency exchange fluctuations and restrictions and political uncertainty.

#### Going Concern Uncertainty

As at December 31, 2025, the Company has a cumulative deficit of \$47,387,510 (December 31, 2024 - \$46,804,866), continuing losses and is not yet generating positive cash flows from operations. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue its operations as a going concern.

These financial statements were prepared on a going-concern basis in accordance with International Financial Reporting Standards ("IFRS"). Funding for operations has been obtained primarily through private share offerings and the sale of a mineral property. Future operations are dependent upon the Company's ability to finance expenditure requirements and upon the achievement of profitable operations. Management believes it will be successful in raising the necessary funding to continue operations in the normal course of operations; however, there is no assurance that these funds will be available on terms acceptable to the Company or at all. These financial statements do not include adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue operations. Such adjustments could be material.

# TREASURE OAKES RESOURCES INC. (Formerly Transpacific Resources Inc.)

## Notes to the Financial Statements

December 31, 2025 and 2024

(Expressed in Canadian Dollars)

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### 2. MATERIAL ACCOUNTING POLICIES

#### Statement of compliance

These financial statements, including comparatives, have been prepared in accordance with IFRS as issued by the International Accounting Standards Board (“IASB”) and Interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”).

#### 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 cash flow information.

#### Critical accounting judgments, estimates and assumptions

The preparation of the financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting year. Estimates and assumptions are continuously evaluated and are based on management’s experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

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 financial statements are discussed below:

- **Going concern**

The assumption that the Company will be able to continue as a going concern is subject to critical judgments by management with respect to assumptions surrounding short and long-term financing, investing and operating activities, and management’s strategic planning. Management has applied judgment in the assessment of the Company continuing as a going concern by taking into account all available information. Should those judgments prove to be inaccurate, management’s continued use of the going concern assumption could be inappropriate, as discussed in Note 1.

- **Income taxes and recoverability of potential deferred tax assets**

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income. Current 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 is recognized in respect of 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 the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, 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 current tax liabilities and assets, 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.

# TREASURE OAKES RESOURCES INC. (Formerly Transpacific Resources Inc.)

## Notes to the Financial Statements

December 31, 2025 and 2024

(Expressed in Canadian Dollars)

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### 2. MATERIAL ACCOUNTING POLICIES (Continued)

Critical accounting judgments, estimates and assumptions (continued)

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

#### Exploration and evaluation properties

The acquisition costs of exploration and evaluation properties are expensed in the statements of loss in the period incurred, as permitted under IFRS 6, Exploration for and Evaluation of Mineral Resources.

The acquisition costs of exploration and evaluation properties include the cash consideration and the estimated fair market value of share-based payments issued for such property interests.

Exploration costs are expensed in the period incurred. Option payments which are solely at the Company's discretion are recorded as acquisition costs as they are made. Administrative expenditures are expensed in the period incurred.

#### Government grants and assistance

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

Government grants and assistance are transfers of resources to an entity by government in return for past or future compliance with certain conditions relating to the operating activities of the entity. Government assistance is action by government designed to provide an economic benefit that is specific to an entity or range of entities qualifying under certain criteria.

Government grants and assistance are recognized where there is a reasonable assurance that the grants and assistance will be received, and conditions will be complied with. Government grants and assistance are recognized as an offset to the expenses to which they relate.

#### Earnings (loss) per share

Basic earnings (loss) per share is computed by dividing net loss attributable to common shareholders by the weighted average number of shares outstanding in the period. Diluted earning (loss) per share is calculated by the treasury stock method. Under the treasury stock method, the weighted average number of common shares outstanding for the calculation of diluted earnings (loss) per share assumes that the proceeds to be received on the exercise of dilutive share options and warrants are used to purchase common shares at the average market price during the period.

#### Share capital

Common shares issued by the Company are classified as equity. Costs directly attributable to the issuance of common shares are recognized as a deduction from equity. Cash received from common shares yet to be issued is recorded as shares to be issued when a legal obligation to issue the shares exists.

If and when the stock options or warrants are exercised, the applicable amounts of reserves are transferred to share capital.

# TREASURE OAKES RESOURCES INC. (Formerly Transpacific Resources Inc.)

## Notes to the Financial Statements

December 31, 2025 and 2024

(Expressed in Canadian Dollars)

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### 2. MATERIAL ACCOUNTING POLICIES (Continued)

#### Income Taxes

Income tax on the profit or loss for the period presented comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax expense is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at year end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded using the statement of financial position 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. The following temporary differences are not provided for: the initial recognition of assets or liabilities that affect neither accounting nor taxable loss; any differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future.

The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the statement of financial position date.

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

#### Cash and cash equivalents

Cash and cash equivalents include cash at bank and short-term bank deposits highly liquid which are either cashable or with original maturities of less than three months at the date of their acquisition. The Company's cash is invested with major financial institutions in business accounts that are available on demand by the Company.

#### Financial instruments

Financial Instrument	Classification
Cash and cash equivalents	Amortized cost
Accounts payable and accrued liabilities	Amortized cost

#### Financial assets

Financial assets are classified as either financial assets at fair value through profit or loss ("FVTPL"), amortized cost, or fair value through other comprehensive income ("FVTOCI"). The Company determines the classification of its financial assets at initial recognition.

##### i. Amortized cost

Financial assets are classified as measured at amortized cost if both of the following criteria are met and the financial assets are not designated as FVTPL: 1) the object of the Company's business model for these financial assets is to collect their contractual cash flows; and 2) the asset's contractual cash flows represent "solely payments of principal and interest".

# TREASURE OAKES RESOURCES INC. (Formerly Transpacific Resources Inc.)

## Notes to the Financial Statements

December 31, 2025 and 2024

(Expressed in Canadian Dollars)

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### 2. MATERIAL ACCOUNTING POLICIES (Continued)

Financial assets (continued)

#### ii. Fair value through other comprehensive income (“FVTOCI”)

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

#### iii. Financial assets recorded at FVTPL

Financial assets are classified as FVTPL if they do not meet the criteria of amortized cost or FVTOCI. Gains or losses on these items are recognized in profit or loss.

#### Financial liabilities

Financial liabilities are classified as either financial liabilities at amortized cost or FVTPL. The Company determines the classification of its financial liabilities at initial recognition.

#### i. Amortized cost

Financial liabilities are classified as measured at amortized cost unless they fall into one of the following five categories: financial liabilities at FVTPL, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition, financial guarantee contracts, commitments to provide a loan at a below-market interest rate, or contingent consideration recognized by an acquirer in a business combination.

#### ii. Financial liabilities recorded FVTPL

Financial liabilities are classified as FVTPL if they fall into one of the five exemptions detailed above.

#### Transaction costs

Transaction costs associated with financial instruments, carried at FVTPL, are expensed as incurred, while transaction costs associated with all other financial instruments are included in the initial carrying amount of the asset or the liability.

#### Subsequent measurement

Instruments classified as FVTPL are measured at fair value with unrealized gains and losses recognized in profit or loss. Instruments classified as amortized cost are measured at amortized cost using the effective interest rate method. Instruments classified as FVTOCI are measured at fair value with unrealized gains and losses recognized in other comprehensive income.

#### Derecognition

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled, or expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

# **TREASURE OAKES RESOURCES INC.** (Formerly Transpacific Resources Inc.)

## **Notes to the Financial Statements**

**December 31, 2025 and 2024**

(Expressed in Canadian Dollars)

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### Restoration, rehabilitation and environmental obligations

A legal or constructive obligation to incur restoration, rehabilitation and environmental costs may arise when environmental disturbance is caused by the exploration, development or ongoing production of a property interest. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for 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 pretax 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 a unit-of-production or the straight-line method as appropriate. The related liability is adjusted for each period for the unwinding of the discount rate and for changes to the current market-based discount rate, amount or timing of the underlying cash flows needed to settle the obligation. Costs for restoration of subsequent site damage that 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 material restoration, rehabilitation and environmental costs as at April 30, 2025 and 2024 as the disturbance to date is minimal.

### Significant accounting judgments and estimates

The preparation of financial statements in conformity with IFRS requires the Company's management to make judgments, estimates and assumptions about future events that affect the amounts reported in the consolidated financial statements and related notes to the financial statements. Although these estimates are based on management's best knowledge of the amounts, events or actions, actual results may differ from those estimates.

The areas which require management to make significant judgments, estimates and assumptions in determining carrying values include, but are not limited to:

#### - Assets' carrying values and impairment charges

In the determination of carrying values and impairment charges, management looks at the recoverable amount, being the higher of value in use and fair value less costs to sell in the case of non-financial assets and at objective evidence, significant or prolonged decline of fair value on financial assets indicating impairment. These determinations and their individual assumptions require that management make a decision based on the best available information at each reporting period.

#### -Income and other taxes

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

# TREASURE OAKES RESOURCES INC. (Formerly Transpacific Resources Inc.)

## Notes to the Financial Statements

December 31, 2025 and 2024

(Expressed in Canadian Dollars)

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### 2. MATERIAL ACCOUNTING POLICIES (Continued)

#### - Share-based payments and warrants

Management determines costs for share-based payments and warrants using market-based valuation techniques. The fair value of the market-based and performance-based non-vested share awards and warrants are determined at the date of grant using generally accepted valuation techniques. Assumptions are made and judgment is used in applying valuation techniques. These assumptions and judgments include estimating the future volatility of the stock price, expected dividend yield, future employee turnover rates and future employee stock option exercise behaviors and corporate performance. Such judgments and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates. The Company currently estimates the expected volatility of its common shares based on historical volatility taking into consideration the expected life of the options and warrants.

#### - Tax credit receivable

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

#### New and future accounting policies and standards

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods commencing on or after January 1, 2026. Many are not applicable or do not have a significant impact to the Company and have been excluded. The Company is assessing the impact of these standards on the consolidated financial statements.

#### Presentation and Disclosure in Financial Statements (IFRS 18)

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

#### Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)

In May 2024, the IASB issued amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments – Disclosures. The amendments clarify the derecognition of financial liabilities and introduces an accounting policy option to derecognize financial liabilities that are settled through an electronic payment system. The amendments also clarify how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features and the treatment of non-recourse assets and contractually linked instruments (CLIs). Further, the amendments mandate additional disclosures in IFRS 7 for financial instruments with contingent features and equity instruments classified at FVOCI.

The amendments are effective for annual periods starting on or after January 1, 2026. Retrospective application is required and early adoption is permitted.

# TREASURE OAKES RESOURCES INC. (Formerly Transpacific Resources Inc.)

## Notes to the Financial Statements

December 31, 2025 and 2024

(Expressed in Canadian Dollars)

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### 2. MATERIAL ACCOUNTING POLICIES (Continued)

The amendments are effective for annual periods starting on or after January 1, 2026. Retrospective application is required and early adoption is permitted.

### 3. FINANCIAL INSTRUMENTS

The Company's risk exposure and the impact on the Company's financial instruments are described below.

#### Fair value

Financial instruments recognized at fair value in the statements of financial position have been prioritized into three levels as per the fair value hierarchy. Level one includes quoted prices (unadjusted) in active markets for identical assets or liabilities. Level two includes inputs that are observable other than quoted prices included in level one. Level three includes inputs that are not based on observable market data.

#### Credit risk

Credit risk is the financial risk of non-performance of a contracted counter party. The Company's credit risk is primarily attributable to cash. The Company reduces its credit risk by maintaining its cash with reputable financial institutions.

#### Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations as they become due. The Company manages its liquidity risk by forecasting cash flows required by operations and anticipated investing and financing activities. The Company's liquidity and operating results may be adversely affected if the Company's access to the capital market is hindered, whether as a result of a downturn in stock market conditions generally or as a result of conditions specific to the Company. As at December 31, 2025, the Company has sufficient cash to settle liabilities of \$26,764.

#### Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk, and price risk.

##### (a) Interest rate risk

The Company has cash balances. The Company's current policy is to invest excess cash in guaranteed investment certificates or interest-bearing accounts of major Canadian chartered banks. The Company regularly monitors compliance to its cash management policy. Management believes interest rate risk to be minimal.

##### (b) Foreign currency risk

The Company's functional currency is the Canadian dollar. The Company's expenses are denominated in Canadian dollars. The Company's current exposure to exchange rate fluctuations is minimal. The Company does not have any significant foreign currency denominated monetary liabilities.

##### (c) Price risk

The Company is exposed to price risk with respect to equity and commodity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices, individual equity movements and the stock market in general to determine the appropriate course of action to be taken by the Company.

# TREASURE OAKES RESOURCES INC. (Formerly Transpacific Resources Inc.)

## Notes to the Financial Statements

December 31, 2025 and 2024

(Expressed in Canadian Dollars)

### 4. CASH AND CASH EQUIVALENTS

As at December 31, 2025, the Company had cash and cash equivalent of \$202,919 (December 31, 2024 - \$767,009) comprised of cash of \$202,919 and a GIC of \$nil (December 31, 2024 - \$140,833 and \$626,176 respectively).

As at December 31, 2025, the Company had \$nil (December 31, 2024 - \$12,824) in interest receivable earned on the GIC.

### 5. AMOUNTS RECEIVABLE AND PREPAID EXPENSES

	December 2025	December 2024
Sales tax receivable	\$ 7,184	\$ -
Interest receivable	-	12,824
Prepaid expenses	7,689	22,225
	\$ 14,873	\$ 35,049

### 6. GAIN ON SALE OF MINING CLAIMS

On December 7, 2023, the Company entered into an agreement to sell its 25% interest in the Clay Project mining claims to Gatling Exploration Inc. for \$1,250,000. The transaction closed in the first quarter of 2024 and the Company recorded a gain on the sale of the mining claims of \$1,250,000 on the statement of income and comprehensive income for the period ended September 30, 2024 which gain was reduced by associated costs of \$159,358.

### 7. EXPLORATION AND EVALUATION PROPERTIES

#### Ferris Lake

As at December 31, 2025, the Company holds a 100% interest in 224 claims (plus 1% in one additional claim held by Canada Nickel Company) forming the Ferris Lake property. During 2024-2025, the Company acquired via map staking, 224 claims forming the Ferris Lake property. The property is located approximately 75 km south-southeast of Timmins ON, and 30 km north-northeast of Shining Tree ON, within Mond, Raymond, Halliday, and Midlothian Townships. The Ferris Lake property is a focus for critical mineral exploration (Ni, Cr, Co, Cu, Pt, Pd), precious metal exploration (Au, Ag), and presents the potential for hydrogen and helium exploration associated with a historically drilled ultramafic intrusive.

#### Field of Dreams

On January 3, 2025, the Company purchased 139 mining claims in Tannahill, Holloway and Marriott Townships (the "Field of Dreams property") for \$100,000 cash consideration. As part of the purchase of the Field of Dreams property, Goldenfire Minerals Inc. (the "Vendor") retained 2% of the Net Smelter Returns ("NSR") Royalty. The NSR Royalty provides for an option for the Company to reduce it by 1% at any time upon the payment of \$1,000,000 to the Vendor. The Vendor is owned by two directors of the Company. On December 19, 2025, 19 additional claims were staked by the Company on the eastern side of the Field of Dreams property, west of the Quebec border. The claims cover an intrusive body which may be associated with the showings on the east side of McDiarmid Lake. The total claim tenor for the Field of Dreams property is 231 claims spanning ~6282 hectares (174 claims, ~3722 ha (Ontario side); 57 claims, ~2560 ha (Quebec side)). The Company holds a 100% interest in all claims.

# TREASURE OAKES RESOURCES INC. (Formerly Transpacific Resources Inc.)

## Notes to the Financial Statements

December 31, 2025 and 2024

(Expressed in Canadian Dollars)

### 7. EXPLORATION AND EVALUATION PROPERTIES (Continued)

The following table sets out the exploration expenses for the periods ended December 31, 2025 and 2024.

	2025	2024
Ferris Lake		
Geology and prospecting	\$ 60,486	\$ -
Geophysics	1,500	92,947
Acquisition and staking	7,175	6,400
Total Ferris Lake	\$ 69,161	\$ 99,347
Field of Dreams		
Geology and prospecting	\$ 16,571	\$ 3,866
Geophysics	750	72,363
Government assistance	-	(40,950)
Acquisition and staking	103,700	-
Total Field of Dreams	\$ 121,021	\$ 35,279
Total Exploration Expenses	\$ 190,182	\$ 134,626

### 8. SHARE CAPITAL

#### (a) Authorized Share Capital

The Company's authorized share capital consists of an unlimited number of common shares.

#### (b) Issued

	Number	Amount
Balance - December 31, 2023 and December 31, 2024	13,099,302	\$ 47,578,538
Balance - December 31, 2024 and December 31, 2025	13,099,302	\$ 47,578,538

On October 15, 2025, the Company consolidated its 262,003,985 common shares outstanding on a twenty (20) old common shares for one (1) new common share. Following the consolidation, the Company has 13,099,302 common shares outstanding. All shares referred to in these financial statements have been adjusted retrospectively to reflect the consolidation.

### 9. RELATED PARTY TRANSACTIONS

#### a) Remuneration of directors and officers was as follows:

Year ended December 31,	2025	2024
Salaries and benefits	\$ 41,250	\$ -
Director fees	1,875	-
Consulting fees	46,702	23,824
	\$ 89,827	\$ 23,824

# TREASURE OAKES RESOURCES INC. (Formerly Transpacific Resources Inc.)

## Notes to the Financial Statements

December 31, 2025 and 2024

(Expressed in Canadian Dollars)

For the year ended December 31, 2025, the salaries and benefits amount above includes \$41,250 (2024 - \$nil) for fees invoiced by a corporation controlled by the CFO of the Company for his services as CFO.

For the year ended December 31, 2025, the consulting fees amount above includes \$16,368 (2024 - \$nil) for consulting fees invoiced by a corporation for which a director is an employee, \$13,834 (2024 - \$nil) for fees invoiced by a corporation controlled by directors for consulting services, \$11,000 (2024 - \$nil) for fees invoiced by a corporation controlled by an officer and director for consulting services and \$5,500 (2024 - \$nil) for fees invoiced by a director for exploration consulting services. Also, during the year ended December 31, 2025, the Company incurred \$nil (2024 - \$23,824) in consulting fees to a director of the Company related to general corporate management matters. These services were all incurred in the normal course of operations.

Included in accounts payable and accrued liabilities at December 31, 2025 is \$2,573 (2024 - \$nil) owed to companies controlled by officers and directors of the Company. The amounts payable are unsecured, non-interest bearing and has no fixed terms of repayment.

### b) Mineral property acquisition

On January 3, 2025, the Company purchased the Field of Dreams property (see note 7) for \$100,000 from Goldenfire Minerals Inc. which is owned by two directors of the Company.

## 10. INCOME TAXES

### (a) Provision for income taxes

Major items causing the Company's income tax to differ from the combined Canadian federal and provincial statutory rate of 26.5% (2024 - 26.5%) were as follows:

	2025	2024
	\$	\$
Combined Canadian statutory income tax rate	26.5%	26.5%
(Loss) income before income taxes	(582,644)	848,420
Expected income tax (recovery) based on the statutory rate	(154,400)	224,831
Adjustment to expected income tax benefit:		
Change in deferred tax assets not recognized	154,400	(224,831)
Income tax expense	-	-

### (b) Deferred income tax

Deferred tax assets have not been recognized in respect of the following deductible temporary differences;

	2025	2024
	\$	\$
Non-capital losses carry forward	131,310	27,307
Exploration and evaluation expenditures	50,398	-
Net deferred income tax assets	181,708	27,307

# **TREASURE OAKES RESOURCES INC.** (Formerly Transpacific Resources Inc.)

## **Notes to the Financial Statements**

**December 31, 2025 and 2024**

(Expressed in Canadian Dollars)

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### 10. INCOME TAXES (Continued)

(c) As at December 31, 2025, the Company had approximately \$190,000 (2024 - \$nil) of Canadian development and exploration expenses, which, under certain circumstances, may be utilized to reduce taxable income of future years.

#### (d) Tax loss carry-forwards

As at December 31, 2025, the Company had approximately \$495,000 of non-capital losses in Canada, which may be used to reduce taxable income in future years. These losses expire from 2026 to 2045.

Deferred tax assets have not been recognized in respect of these items because it is not probable that future taxable profit will be available against which the Company can use the benefits.

### 11. CAPITAL RISK MANAGEMENT

The Company manages its capital with the following objectives:

- to ensure sufficient financial flexibility to achieve the ongoing business objectives including funding of future growth opportunities, and pursuit of accretive acquisitions; and
- to maximize shareholder return through enhancing the share value.

The Company monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and industry in general. The Company may manage its capital structure by issuing new shares, repurchasing outstanding shares, adjusting capital spending, or disposing of assets. The capital structure is reviewed by management and the Board of Directors on an ongoing basis.

The Company considers its capital to consist of equity, comprising share capital and deficit which at December 31, 2025 totalled \$191,028 (December 31, 2024 - \$773,672). The Company manages capital through its financial and operational forecasting processes. The Company reviews its working capital and forecasts its future cash flows based on operating expenditures, and other investing and financing activities. The forecast is regularly updated based on its exploration and development activities. Selected information is regularly provided to the Board of Directors of the Company. The Company's capital management objectives, policies and processes have remained unchanged during the period ended December 31, 2025. The Company is not subject to any capital requirements imposed by a regulator or lending institution.

### 12. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the current year's presentation. The reclassifications were made to improve consistency and clarity of presentation.

These reclassifications had no impact on the previously reported loss and comprehensive loss, total assets, total liabilities, shareholders' equity or cash flows.

End of Notes to the Financial Statements