



FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED NOVEMBER 30, 2025 AND 2024

(EXPRESSED IN CANADIAN DOLLARS)

January 24, 2026

MANAGEMENT'S RESPONSIBILITY FOR THE CONDENSED INTERIM FINANCIAL STATEMENTS

The accompanying unaudited condensed interim financial statements of Boreal Gold Inc. ("Boreal") are the responsibility of the Board of Directors and executive management. The unaudited condensed interim financial statements have been prepared by management, on behalf of the Board of Directors, in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. These unaudited condensed interim financial statements do not include all of the disclosures required for annual financial statements and therefore should be read in conjunction with Boreal's audited annual financial statements and notes thereto for the year ended August 31, 2025. These unaudited condensed interim financial statements follow the same significant accounting policies and methods of application as those included in Boreal's most recent audited annual financial statements, except as described in note 3. Management acknowledges responsibility for the preparation and presentation of the consolidated financial statements, including responsibility for significant accounting judgments and estimates and the choice of accounting principles and methods that are appropriate to Boreal's circumstances. In the opinion of management, the unaudited condensed interim financial statements have been prepared within acceptable limits of materiality and are in accordance with International Accounting Standard 34, Interim Financial Reporting using accounting policies consistent with IFRS appropriate in the circumstances.

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

The Board of Directors is responsible for reviewing and approving the financial statements and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the internal controls over the financial reporting process, the financial statements and the auditors' report. The Audit Committee also reviews Boreal's Management's Discussion and Analysis to ensure that the financial information reported therein is consistent with the information presented in the financial statements. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the financial statements for issuance to the shareholders.

Management recognizes its responsibility for conducting Boreal's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

Expenses	Notes	For the three months ended	
		November 30,	
		2025	2024
Office	5	\$ 228	\$ 3,523
Professional fees		6,900	30,197
Regulatory and transfer agent fees		15,440	9,700
Investor Relations		10,400	–
Non-flow through management fees		17,254	–
Interest and depreciation Right of use asset	5	9,876	9,876
Total, general and administrative		\$ 60,098	\$ 53,296
Exploration		157,193	107,290
MMDF Grants	4	(100,000)	–
Net and Comprehensive Loss		\$ 117,292	\$ 160,586
Average shares outstanding		17,285,098	14,477,681
Comprehensive Loss per share		(0.01)	(0.01)

See accompanying notes to the financial statements

	Notes	Number of Shares	Amount	Warrants	Options	Deficit	Total Shareholders' Equity
Balance as at August 31, 2025		17,172,748	\$ 1,491,473	\$ 11,357	236,600	\$ (1,835,304)	\$ (95,874)
Share issuances	7	418,500	125,550	—	—	—	125,550
Flow-through share premium liability		—	(46,466)	—	—	—	(46,466)
Net and Comprehensive loss		—	—	—	—	(117,292)	(117,292)
Balance November 30, 2025		17,591,248	\$ 1,570,557	\$ 11,357	236,600	\$ (1,952,596)	\$ (134,082)

	Notes	Number of Shares	Amount	Warrants	Options	Deficit	Total Shareholders' Equity
Balance as at August 31, 2024		14,115,748	\$ 1,009,029	\$ —	—	\$ (955,497)	\$ 53,532
Share issuances		857,000	118,550	—	—	—	118,550
Flow-through share premium liability		—	(32,850)	—	—	—	(32,850)
Net and Comprehensive loss		—	—	—	—	(160,586)	(160,586)
Balance November 30, 2024		14,972,748	\$ 1,094,729	\$ —	—	\$ (1,116,083)	\$ (21,354)

See accompanying notes to the financial statements.

	Notes	For the Three Months Ended	
		November 30	
		2025	2024
Cash Flows provided from (used in) Operating Activities			
Net income/(loss)	\$	(117,292)	\$ (160,586)
Non-Cash Items			
Depreciation	5	5,823	5,823
Flow-through share premium liability	7	46,466	32,850
Changes in non-cash working capital items			
GST receivable		(250)	1,586
Lease Liability		–	8,130
Amounts payable and accrued liabilities		(103,607)	32,254
Net Cash provided by (used in) Operating	\$	(168,860)	\$ (79,943)
Cash Flows from (used in) Financing Activities			
Share issuances	7	79,084	85,700
Lease payments	6	(4,077)	(4,077)
Net Cash provided by (used in) Financing	\$	75,007	\$ 81,623
Increase (Decrease) in Cash	\$	(93,853)	\$ 1,680
Cash at Beginning of Year		231,232	259,121
Cash at End of Year	\$	137,379	\$ 260,801

Supplementary Information

Right-of-use asset	5	\$	–	\$	116,467
Lease Liability	5	\$	–	\$	116,467

See accompanying notes to the financial statements.

1. NATURE OF OPERATIONS AND GOING CONCERN

Boreal Gold Inc. (the “Company” or “Boreal”) was incorporated under the laws of the Province of Saskatchewan on May 24, 2022. The Company’s registered and records office is located at Suite 800, 230 – 22nd Street East, Saskatoon, Saskatchewan, Canada, S7K 0E9. The Company’s business office is located at 12 Mitchell Road, Flin Flon, Manitoba. The Company is presently conducting exploration and advancing various technical and economic studies with an intent to advance projects towards a development decision.

Boreal is engaged in the identification, acquisition, exploration and evaluation of base metals and gold properties. To date, Boreal has not earned any revenue from operations. The Company’s registered office is located at

The condensed interim financial statements for the three months ended November 30, 2025 were approved for issuance by the Board of Directors on **January 24, 2026**.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The recoverability of the amounts expended on exploration and evaluation assets and the Company’s continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, or, if necessary, or alternatively upon the Company’s ability to dispose of its interests on an advantageous basis.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and 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, unregistered claims, other land claims and non-compliance with regulatory, social and environmental requirements. These financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. These adjustments could be material.

2. BASIS OF PRESENTATION

a) Statement of Compliance to International Financial Reporting Standards

These unaudited condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”) and interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”) and have been consistently applied to all the years presented unless otherwise noted. The principal accounting policies applied in the preparation of these condensed interim financial statements are set out below.

These unaudited condensed interim financial statements have been prepared on a historical cost basis except for financial instruments carried at fair value. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information.

The financial framework and accounting policies applied in the preparation of these unaudited condensed interim financial statements are consistent with those as disclosed in its most recently completed audited financial statements for the fiscal year ended August 31, 2025.

Basis of Presentation - Continued**b) Changes in Accounting Policies**

The Company did not adopt any new accounting policies during the three months ended November 30, 2025.

3. CRITICAL ACCOUNTING ESTIMATES AND SIGNIFICANT JUDGEMENTS

The preparation of these unaudited condensed interim financial statements requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual outcomes could differ from these estimates. These unaudited condensed interim financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future and other sources of estimation and judgmental uncertainty that management has made at the reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

- the calculation of the fair value of warrants, broker warrants and stock options issued by Boreal requires the use of estimates of inputs in the Black-Scholes option pricing valuation model;
- the calculation of the reclamation liability and provision for service obligation, being the present value of the estimated costs to restore the properties is discounted at rates which reflect current market assessments and the risks specific to the liability. The calculation requires management to estimate the total restoration costs, timing of remediation and an appropriate discount rate;
- valuation of deferred income taxes and
- fair value of investment in securities not quoted in an active market.

4. EVALUATION AND EXPLORATION PROPERTIES AND EXPENDITURES**a) Properties**

The Company holds options to acquire interests in three properties, the Fay Lake and the Melgurd Lake properties plus the new Northstar and Jewel Box properties acquired during the year ended August 31, 2025. Because the properties are held by way of Property Option Agreements that to remain in good standing require annual payments of cash and shares, plus minimum work expenditures on the properties, the properties will not be owned until such option payments and expenditures are fulfilled.

Exploration expenses for the three months ended November 30, 2025 and 2024 are summarized as follows:



Evaluation and Exploration Properties and Expenditures – Continued

Exploration Expenditures	Total	Fay Lake	Melgurd	North Star
Claim acquisition & holding	\$ –	–	–	–
Assay	–	–	–	–
Geological	8,293 \$	6,413 \$	– \$	1,880
Field Labour	111,025	16,750	25,975	68,300
Field Costs	37,875	2,204	20,244	14,627
Total November 30, 2025	\$ 157,193 \$	\$ 25,367 \$	\$ 46,219 \$	84,807

Exploration expenditures	Total	Fay Lake	Melgurd	North Star
Claim acquisition & holding	–	–	–	–
Assay	–	–	–	–
Geological	8,720	8,720	–	–
Field Labour	75,425	43,250	32,175	–
Field costs	17,209	4,019	13,190	–
Total, November 30, 2024	\$ 101,354 \$	\$ 55,989 \$	\$ 45,365 \$	–

b) Fay Lake

On June 17, 2022, the Company entered into an option agreement, with 4058667 Manitoba Ltd., a private company held by a former director and former officer of Boreal for the acquisition of the Fay Lake property, located in Manitoba. 4058667 Manitoba Ltd. will retain a 2% net smelter returns royalty (“NSR”). In order to maintain its option, the Company has the following commitments:

Time of commitment	Fay Lake				Dollar value of work commitment
	Cash or Royalty Payment	Consideration in Shares	Issued		
Within 10 days of completion of funding (i)	\$ 20,000	(i) –	–	\$ –	
On or before the 1st anniversary (i)	20,000	(i) 10,000	(i)	(i) 100,000	
On or before the 2nd anniversary	20,000	(i) 10,000	(i)	(i) 150,000	
On or before the 3rd anniversary	20,000	(ii) 10,000	(ii)	(i) 200,000	
On or before the 4th anniversary	20,000	–	200,000	–	200,000
On or before the 5th anniversary	20,000	–	200,000	–	200,000
On or before the 6th anniversary	30,000	–	1,000,000	–	250,000
Total	\$ 150,000	–	1,430,000	–	\$ 1,100,000

(i) All cash payments paid, shares issued and work commitments met.

(ii) Cash paid July 2, 2025 and shares issued June 19, 2025. See Note 8.

Total Expenditures on the Fay Lake property to November 30, 2025 were \$1,106,086

Evaluation and Exploration Properties and Expenditures – Continued
c) Melgurd Lake

On May 26, 2022, the Company entered into an option agreement with two directors of the Company (collectively, the “Partners”), for the acquisition of the Melgurd Lake property, located in Saskatchewan. The Partners will retain a 2% NSR, of which 50% can be purchased for \$500,000. In order to maintain its option, the Company has the following commitments:

Melgurd Lake					
Time of commitment	Cash or Royalty Payment		Consideration in Shares	Issued	Dollar value of work commitment
Within 10 days of completion of funding (i)	\$ 10,000	(i)	–	–	\$ –
On or before the 1st anniversary (i)	10,000	(i)	20,000	(i)	(i) 110,000
On or before the 2nd anniversary	15,000	(i)	30,000	(i)	(i) 150,000
On or before the 3rd anniversary	20,000	(ii)	50,000	(ii)	(i) 150,000
On or before the 4th anniversary	25,000	–	450,000	–	300,000
On or before the 5th anniversary	50,000	–	600,000	–	300,000
Total	\$ 130,000	–	1,150,000	–	\$ 1,010,000

(i) All cash payments paid, shares issued and work commitments met.

(ii) Cash paid June 20, 2025 and shares issued May 26, 2025. See Note 8.

Total Expenditures on the Melgurd property to November 30, 2025 were \$632,821

d) Northstar and Jewel Box Properties

On April 17, 2025, the Company entered into an option agreement with Boreal Mineral Explorers Corp., for the acquisition of the Northstar and Jewel Box properties, located in Manitoba. In order to maintain its option, the Company has the following commitments:

Northstar and Jewel Box Claims					
Time of Commitment	Cash or Royalty Payment		Consideration in Shares	Issued	Dollar Value of Work Commitment
On Signing	\$ 10,000	(i)	500,000	(i)	\$ –
On or before the 1st anniversary	10,000		500,000	–	100,000
On or before the 2nd anniversary	10,000	–	–	–	100,000
On or before the 3rd anniversary	10,000	–	–	–	150,000
On or before the 4th anniversary	10,000	–	–	–	–
Total	\$ 50,000	–	1,000,000	–	\$ 350,000

(i) Cash paid and shares issued April 17, 2025.

Total Expenditures on the Northstar Jewel Box properties to November 30, 2025 were \$86,007

e) Manitoba Mineral Development Fund (MMDF)

The MMDF supports the diversification of Manitoba's mineral sector by encouraging early exploration and development projects of critical minerals. During the year ended August 31, 2025, Company applied for a \$300,000 grant of which \$100,000 was received in fiscal 2025.

5. RIGHT-OF-USE ASSET

In July 2024, the Company entered into an office lease agreement with M'Ore Exploration Services Ltd., a private company owned by a former officer and director of the Company, for monthly lease payments of \$2,710 until June, 2029. The company applied a discount rate of 14% in the calculation of the lease liability.

Cost	Amount
Balance - August 31, 2025	\$ 116,467
Additions	—
Balance -November 30, 2025	\$ 116,467
Accumulated depreciation	
Balance - August 31, 2025	\$ 27,174
Depreciation	5,823
Balance -November 30, 2025	\$ 32,997
Net Book Value	
August 31, 2025	89,293
Balance -November 30,2025	\$ 83,470

6. RIGHT OF USE LIABILITY

	Amount
Balance - August 31, 2025	\$ 97,442
Lease payments	(8,130)
Interest expense	4,053
Balance -November 30, 2025	\$ 93,365

	Amount
Current portion	\$ 13,277
Long-term portion	80,088
Balance -August 31, 2025	\$ 93,365

The following is a reconciliation of the undiscounted lease payments to the lease liability:

	Amount
2026	24,390
2027	32,520
2028	32,520
2029	27,100
Total contractual cash flows	\$ 116,530
Less: interest expense	(23,165)
Total lease liability	\$ 93,365

7. SHARE CAPITAL

The authorized share capital consisted of an unlimited number of common shares. As at November 30, 2025, the following Common shares were issued and outstanding:

Balance, August 31 2025	17,172,748 \$	1,491,473
October 31, 2025	337,500	101,250
November 26, 2025	81,000	24,300
Flow through share premium liability	–	(46,466)
Balance November 30, 2025	17,591,248	1,570,557

8. WARRANTS

The following summarizes the warrant activity for the three months ended August 31, 2025 and 2024:

	Number of warrants	Weighted average exercise price
Balance – August 31, 2025	108,508	0.28
Issued	–	–
Exercised	–	–
Balance – November 30, 2025	108,500	0.28

As at November 30, 2025, the following warrants were outstanding:

Issue date	Expiry date	Number of warrants outstanding	Total grant date fair value	Exercise price	Weighted average remaining life
December 31, 2024	December 31, 2026	83,500	9,470	0.30	1.08
April 30, 2025	April 30, 2027	25,000	1,887	0.20	1.42
Total		108,500	11,357	0.28	1.30

9. OPTIONS

The Company has established an Incentive Stock Option Plan (the “Option Plan”), which authorizes the Board of Directors to grant stock options to directors, officers, employees, and consultants in order to align their interests more closely with those of shareholders. Under the Option Plan, the Company may grant stock options representing up to ten percent (10%) of the total number of issued and outstanding common shares. Stock options granted under the plan are subject to a maximum term of ten years from the date of grant. The exercise price must be determined in accordance with the provisions of the Option Plan. Options may also be subject to vesting conditions, as determined by the Board of Directors at the time of grant.

The table overleaf summarizes the Option activity for the three months ended November 30, 2025:

Options Continued

	Number of options	Weighted average exercise price
Balance – August 31, 2025	1,600,000	.12
Granted	–	–
Balance – November 30, 2025	1,600,000	0.12

On May 5, 2025, the Company granted 1,600,000 stock options exercisable at \$0.12 for 5 years to directors, officers, employees and consultants of the Company. The grant date fair value of the options was estimated at \$236,600 using the Black-Scholes option pricing model with the following assumptions: expected dividend yield of 0%, expected volatility of 150%, expected forfeiture rate of 0%, risk-free interest rate of 3.06%, expected life of 5.0 years and share price of \$0.16. The options vested immediately and the fair value was recorded as share-based payment on the statement of loss for the year ended August 31, 2025.

As at August 31, 2025, the following options were outstanding:

Issue date	Expiry date	Number of options outstanding	Total grant date fair value	Exercise price	Weighted average remaining life
May 5, 2025	May 5, 2030	1,600,000	236,600	0.12	4.68
Total		1,600,000	236,600	0.12	4.68

10. RELATED PARTY TRANSACTIONS

Related parties include the Board of Directors and key management personnel (CEO and CFO) and enterprises that are controlled by these individuals as well as certain persons performing similar functions.

Related party transactions conducted in the normal course of operations are measured at the exchange value (the amount established and agreed to by the related parties).

In accordance with IAS 24, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company.

a) Related Party Accounts Payable and Accrued Liabilities

Total accounts payable to related party consisted of \$7,508 due a business owned by the CEO.

All amounts are non-interest bearing and payable on demand.

b) Related Party Amounts Charged During the Three Months Ended November 30, 2025 and 2024

Related party	Purpose	2025	2024
Corporation controlled by an officer and director	Filing fees	\$ 3,962	\$ 3,274
Corporation controlled by a director	Field camp	20,545	6,455
Corporation controlled by an officer and director	Management fees	10,973	–
Total		\$ 35,479	\$ 9,729

c) Property Option Agreements

See Note 5.

d) Private Placements

See Note 8.

e) Office Lease

See Note 6.

11. MANAGEMENT OF CAPITAL RISK

Boreal's capital management objective is to obtain adequate levels of funding to support its exploration activities, to obtain corporate and administrative functions necessary to support organizational functioning and obtain sufficient funding to further the identification and development of precious metal deposits. Achieving this objective requires management to consider the underlying nature of exploration activities, availability of capital, the cost of various capital alternatives and other factors.

Boreal raises capital, as necessary, to meet its needs and take advantage of perceived opportunities and, therefore, does not have a numeric target for its capital structure. Funds are primarily secured through equity capital raised by way of private placements. There can be no assurance that Boreal will be able to continue raising equity capital in this manner.

Establishing and adjusting capital requirements is a continuous management process. Exploration involves a high degree of "discovery" risk and substantial uncertainties about the ultimate ability of Boreal to achieve positive cash flows from operations. Consequently, management primarily funds Boreal's exploration activities and administrative costs by issuing share capital rather than using other capital sources that require fixed repayments of principal or interest. Boreal will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Development activities may begin once a property's mineral reserves are estimated and Boreal makes a positive production decision. At this point, management may consider other sources of financing such as senior debt or convertible debentures as a means to reduce equity dilution.

Boreal's capital under management at February 28, 2025 includes share capital of \$1,570,557 (November 30, 2024 -\$1,094,729).

Boreal considers its capital to be equity, which is comprised of share capital, reserves, and accumulated deficit, which at November 30, 2025 totaled \$(134,082) (November 30, 2024 - \$(21,354)).

Management of capital risk – continued

Boreal invests any capital that is surplus to its immediate operational needs in short-term, liquid and highly rated financial instruments, such as cash, and short-term guarantee deposits, all held with major Canadian financial institutions.

There were no changes in Boreal's approach to capital management during the three months ended November 30, 2025 and November 30, 2024 and Boreal is not subject to any externally imposed capital requirements.

12. COMMITMENTS AND CONTINGENCIES**a) Property Option Agreements**

See Note 5.

b) Flow-Through Obligation

As at November 30, 2025, the Company was required to incur \$67,821 in qualifying expenditures by December 31, 2025 to meet its flow-through commitments. At this time, management anticipates meeting that obligation, and, as a result, no additional provisions are required.

The flow-through agreements require the Company to renounce certain tax deductions for Canadian exploration expenditures incurred on the Company's mineral properties to flow-through participants. The Company indemnified the subscribers for any related tax amounts that become payable by the subscribers as a result of the Company not meeting its expenditure commitments.

c) Environmental Contingencies

The Company's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

d) Management Services Contract

The Company is party to a services agreement with M'Ore Exploration Services Ltd., a private company held by a director and former officer of Boreal. The agreement contains clauses requiring additional payment of up to \$300,000 for termination without cause. As a triggering event has not occurred, no provision has been recorded.

13. CATEGORIES OF FINANCIAL INSTRUMENTS

The carrying values of the following financial instruments approximate their fair values due to the relatively short period to maturity of those financial instruments.

		Amortised Cost	FVPL		Total
As at August 31, 2025					
Cash	\$	137,379	–	\$	137,379
Accounts payable and accrued liabilities		51,869	–		51,869
Lease liability		93,365	–		93,365

		Amortised Cost	FVPL		Total
As at August 31, 2024					
Cash	\$	260,801	–	\$	260,801
Accounts payable and accrued liabilities		160,636	–		160,636
Lease Liability		117,802	–		117,802

14. SUBSEQUENT EVENTS

On December 31, 2025, Boreal completed a financing of \$57,700, non-brokered private placement. The closing is comprised of 104,000 Flow Through Shares at a price of \$0.30 per Flow-Through Share representing proceeds of \$31,200 and 132,500 Units at a price of \$0.20 per Unit, representing proceeds of \$26,500 for an aggregate total raised of \$57,700.

Directors and officers acquired, in aggregate, 35,000 shares for gross proceeds of \$10,500.