

Financial Statements of

St. Davids Capital Inc.

For the Six months ended February 28, 2026 and 2025

(Expressed in Canadian dollars)

UNAUDITED

Notice of disclosure of non-auditor review of interim financial statements pursuant to National Instrument 51-102, Part 4, subsection 4.3(3)(a) issued by the Canadian Securities Administration.

The Company's auditors have not performed an audit or a review of these interim financial statements.

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ST. DAVIDS CAPITAL INC.
 Statements of Financial Position
 As at February 28, 2026 and August 31, 2025

(Expressed in Canadian Dollars)

Feb. 28, 2026
 (unaudited)

Aug.31,2025
 audited)

ASSETS

Current

Cash	\$ 970	\$ 16,362
HST recoverable	4,533	2,032
	<u>5,503</u>	<u>18,394</u>
	\$ 5,503	\$ 18,394

LIABILITIES

Current

Due to Shareholders	\$ 37,000	-
Accounts payable and accrued liabilities	\$ 53,908	\$ 68,777
	<u>90,908</u>	<u>68,777</u>
	\$ 90,908	\$ 68,777

SHAREHOLDERS' EQUITY

Common Shares	151,697	151,697
Contributed Surplus	14,984	14,984
Deficit	<u>(252,086)</u>	<u>(217,064)</u>
	<u>(85,405)</u>	<u>(50,383)</u>
	\$ 5,503	\$ 18,394

Nature of Business (Note 1)
 Nature of Presentation and Going Concern (note 2)
 Proposed Transaction (Note 11)
 Subsequent Events (Note 12)

APPROVED ON BEHALF OF THE BOARD:

/s/ "Rocco Racioppo"
 (Director)

/s/ "Philip Hampson"
 (Director)

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

ST. DAVIDS CAPITAL INC.

Statements of Loss and Comprehensive Loss

For the Six Months Ended February 28, 2026 and 2025

(Expressed in Canadian Dollars)

	3 months Ended Feb. 28, 2026	3 months Ended Feb. 28, 2025	6 months Ended Feb. 28, 2026	6 months Ended Feb. 28, 2025
Operating Expenses				
Head Office and Corporate Charges (Note 7)	\$ 172	\$ 81	\$ 1,970	\$ 4,677
Professional fees	5,965	-	5,965	-
Regulatory and Filing fees	16,962	5,514	27,087	8,029
	23,099	5,595	35,022	12,706
Net Loss and Comprehensive Loss	\$(23,099)	\$(5,595)	\$(35,022)	\$(12,706)
Basic and diluted loss per share	\$(0.005)	\$(0.001)	\$(0.01)	\$(0.003)
Weighted Average Number of Shares Outstanding	5,078,500	5,078,500	5,078,500	5,078,500

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

ST. DAVIDS CAPITAL INC.

Statements of Changes in Equity

For the Six months Ended February 28, 2026 and the Year Ended August 31, 2025

(Expressed in Canadian Dollars)

	Number of Shares		Common Shares		Contributed Surplus		Deficit		Total
Balance At August 31, 2024	5,078,500	\$	151,697	\$	14,984	\$	(167,557)	\$	(876)
Comprehensive Loss for the Year							\$ (49,507)		(49,507)
Balance at August 31, 2025	5,078,500	\$	151,697	\$	14,984	\$	(217,064)	\$	(50,383)
Comprehensive loss for the period	-		-				(35,022)		(35,022)
Balance at February 28, 2026	5,078,500	\$	151,697	\$	14,984	\$	(252,086)	\$	(85,405)

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

ST. DAVIDS CAPITAL INC

Statements of Cash Flows

For the Six Months Ended February 28, 2026 and 2025

(Expressed in Canadian Dollars)

	2026	2025
Cash Flows from Operating Activities:		
Net loss for the period	\$ (35,022)	\$ (12,706)
Changes in non-cash working capital:		
HST recoverable	(2,501)	(1,449)
Accounts payable and accrued liabilities	(14,869)	(11,999)
Net Cash Used in Operating Activities	(52,392)	(26,154)
Cash Flows from Financing Activities		
Shareholder Loans	37,000	-
Net Decrease in Cash	(15,392)	(26,154)
Cash - Beginning of Period	16,362	47,518
Cash - End of Period	\$ 970	\$ 21,364

Supplementary information:

The Company did not pay any income taxes during the above reporting periods.

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

ST. DAVIDS CAPITAL INC.

Notes to Financial Statements

For the Six Months Ended February 28, 2026 and 2025

1. Nature of Business

St. Davids Capital Inc. (the "Company") was incorporated on August 4, 2021 under the laws of the province of Ontario. The Company is classified as a Capital Pool Company ("CPC") as defined in Policy 2.4 of the TSX Venture Exchange (the "Exchange"). The principal business of the Company is to identify and evaluate assets or businesses with a view to completing a qualifying transaction under the Exchange rules.

The registered office and head office of the Issuer are located at 77 King Street West, Suite 3000, PO Box 95, TD Centre North Tower, Toronto, Ontario M5K 1G8.

The financial statements for the Six Months ended February 28, 2026 were approved and authorized for issuance by the Board of Directors on March 2, 2026.

The proceeds raised from the issuance of common shares may only be used to identify and evaluate assets or businesses for future investment, with the exception that not more than \$3,000 per month may be used for administrative and general expenses of the Company. These restrictions apply until completion of a Qualifying Transaction by the Company as defined under the Exchange policies. Refer to Note 12 as the Company has subsequently entered into an acquisition agreement.

2. Basis of Presentation and Going Concern

(a) Statement of Compliance with IFRS

These financial statements have been prepared in compliance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") with an effective date of January 1, 2024.

(b) Basis of Measurement

These financial statements have been prepared on a historical cost basis except for financial instruments classified as fair value through profit and loss that have been measured at fair value. These financial statements are presented using the accrual basis of accounting except for information presented on the Statement of Cash Flows.

(c) Use of Estimates and Judgements

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect reported amounts of assets and liabilities at the date of the financial statements and the amounts of revenue and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates. Areas where estimates are significant to the financial statements are disclosed in Note 4.

(d) Functional and Presentation Currency

The Company's functional and presentation currencies is Canadian dollars.

ST. DAVIDS CAPITAL INC.

Notes to Financial Statements

For the Six Months Ended February 28, 2026 and 2025

2. Basis of Presentation and Going Concern (continued)

(e) Going Concern

The accompanying financial statements are prepared using International Financial Reporting Standards (“IFRS”) applicable to a going concern. The Company plans to continue as going concern through the completion of the qualifying transaction, including all related steps, as disclosed in Notes 11 and 12. If the qualifying transaction does not close, additional funding will be required in the form of loans from officers/directors and/or private placements. The ability of The Company to fund its potential future operations and commitments is dependent upon the ability of the Company to close the qualifying transaction and/or to obtain additional financing. The financial statements do not include adjustments necessary should the Company be unable to continue as a going concern. Such adjustments may be material

3. Material Accounting Policy Information

(a) Financial Instruments

The company initially measures its financial assets and financial liabilities at fair value on recognition which is typically the transaction price unless a financial instrument contains a significant financing component. Subsequent measurement is dependent on the financial instrument’s classification which in the case of financial assets, is determined by the context of the Company’s business model and the contractual cash flow characteristics of the financial asset. Financial assets are classified into either 1) amortized cost; 2) fair value through profit and loss or 3) fair value through other comprehensive income.

Financial liabilities are subsequently measured at amortized cost, other than financial liabilities that are measured at fair value through profit and loss or designated as fair value through profit and loss.

The Company’s cash is designated as fair value through profit and loss and measured at fair value, which approximates its cost.

The Company’s accounts payable and accrued liabilities are classified and measured at amortized cost, which approximates fair value due to their short-term nature.

(b) Share Capital

Common shares issued in exchange for goods and services are recorded at the fair value of the goods and services received, or in the event such fair value is not readily determinable, at the fair value of the common shares issued, just prior to the date of issuance.

Common shares issued in private placements, in conjunction with common share purchase warrants, are recorded using the residual method, whereby the proceeds of the private placement are allocated first to the common shares at the lesser of the common share's fair value and the gross proceeds of the private placement, with any residual amounts then being allocated to the common share purchase warrants.

Share issuance expenses are applied against share capital.

ST. DAVIDS CAPITAL INC.

Notes to Financial Statements

For the Six Months Ended February 28, 2026 and 2025

3. Material Accounting Policy Information

(c) Adoption of new accounting standards

In April 2024 the ISAB issued IFRS 18 Presentation and disclosure in Financial Statements which will replace IAS 1. This standard aims to improve the consistency and clarity of financial statement presentation and disclosure by providing updated guidance on the structure and content of financial statements. IFRS 18 is effective January 1, 2027, with early adoption permitted. The Company is assessing the impact on the Company's financial statements.

(d) Income Taxes

Income tax expense comprises current and deferred income taxes and is recognized in the statements of income (loss) except to the extent that it relates to items recognized directly in equity.

Current tax is the expected tax payable 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. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. Provisions are established where appropriate on the basis of amounts expected to be paid to tax authorities.

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.

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.

(e) Earnings per Share

Basic earnings (loss) per share is calculated by dividing the comprehensive income (loss) available to common shareholders by the weighted average number of common shares outstanding during the year.

Diluted earnings per share is calculated by dividing the comprehensive income (loss) available to common shareholders by the weighted average number of common shares outstanding, adjusted for the effects of all potentially dilutive common shares. The weighted average number of common shares outstanding is increased by the total number of additional common shares that would have been issued by the Company assuming exercise of all common stock options with exercise prices below the average market price for the year. Any anti-dilutive impact on loss per share amounts are ignored in the calculation of loss per share.

ST. DAVIDS CAPITAL INC.

Notes to Financial Statements

For the Six Months Ended February 28, 2026 and 2025

(f) Share based compensation

The Company recognizes the fair value of stock options issued in exchange for services provided by officers, directors, and outside consultants. Cost of stock options for officers and directors is calculated using the fair value of stock options at grant date. Cost of stock options for outside consultants is calculated using the fair value method based on the stock options fair value on the earlier of a) date when performance is complete, b) date on which a commitment for performance by the outside consultant to earn compensation is reached, or c) the grant date. Compensation expense is recognized over the vesting period of the related instrument granted. The proceeds from exercise of stock options are recognized in share capital upon exercise at the exercise price paid by the option holder. Related cost of the options originally debited to the options are also recognized in share capital at this time.

4. Significant Accounting Estimates and Judgements**Estimates**

The key sources of estimation uncertainty that have a significant risk of causing material adjustment are:

Income Taxes

Provisions for income taxes are made using the best estimate of the amount expected to be paid based on a qualitative assessment of all relevant factors. The Company reviews the adequacy of these provisions at the end of the reporting period. However, it is possible that at some future date an additional liability could result from audits by taxation authorities. Where the final outcome of these tax related matters is different from the amounts that were initially recorded, such differences will affect the tax provisions in the period in which such determination is made.

Judgements

The key areas of judgement that have a significant risk of causing material adjustment to the amounts recognized in the financial statements are:

Going Concern

The assessment of the going concern assumption requires management to assess all information about the future. The Company is aware that material uncertainties related to events or conditions may be significant as it relates to the Company's ability to continue as a going concern.

Income Taxes

The Company recognizes deferred tax assets to the extent that it is probable that future taxable profits will be available to utilize the Company's deductible temporary differences which are based on management's judgement on the degree of future taxable profits. To the extent that future taxable profits differ significantly from the estimates impacts the amount of the deferred tax assets management judges is probable.

ST. DAVIDS CAPITAL INC.

Notes to Financial Statements

For the Six Months Ended February 28, 2026 and 2025

4. Significant Accounting Estimates and Judgements (continued)**Fair Value of Equity Settled Transactions Using Option Pricing Policies**

The company measures the cost of equity-settled transactions consisting of stock options offered to service providers and directors using the fair value of the equity instruments at the date granted. Estimation of the equity instruments' fair value requires determining the most appropriate valuation model which is dependent on the terms of the equity instruments. The company uses Black-Scholes Option pricing Model to calculate fair value. This model requires input assumptions, being expected life of the equity instruments, volatility, and dividend yield. Changes in the assumptions may materially affect the fair value estimate.

5. Shareholders' Equity

The Company is authorized to issue an unlimited number of common shares without par value.

Issued and outstanding:

	Number of Shares	Amount
Balance, February 28, 2026	5,078,500	\$151,697
	5,078,500	\$151,697

Basic loss per share is computed using the weighted average number of common shares outstanding. The weighted average number of shares outstanding for the year ended August 31, 2025 was 5,078,500 (2024-5,078,500).

The potentially dilutive equity instruments outstanding were 611,871 stock options (2024-629,383) for the year ended August 31, 2025.

Stock Option Plan

The Board of Directors of the Company has adopted a stock option plan (the "Plan"), subject to regulatory approval, whereby the aggregate number of common shares reserved for issuance under the Plan, including common shares reserved for issuance under any other share compensation arrangement granted or made available by the Company from time to time, may not exceed 10% of the Company's issued and outstanding common shares. In addition, the number of common shares reserved for issuance to any one person shall not exceed five percent (5%) of the issued and outstanding common shares and the number of common shares reserved for issuance to any one consultant will not exceed two percent (2%) of the issued and outstanding common shares. The Plan is administered by the Board of Directors and grants made pursuant to the Plan must at all times comply with the policies of the related Exchange and the Plan.

The terms of any options granted under the Plan are fixed by the Board of Directors and may not exceed a term of five years. The exercise price of the options granted under the Plan will be set by the Board of Directors.

ST. DAVIDS CAPITAL INC.

Notes to Financial Statements

For the Six Months Ended February 28, 2026 and 2025

5. Stock Option Plan (continued)

Each employee stock option converts into one common share of the Company on exercise. No amounts are paid or payable by the recipient on receipt of the option. The options carry neither right to dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry. The first 25% options vest immediately, the second 25% vest 6 months after issuance, the third 25% vest one year after issuance, and the fourth 25% vest 18 months after issuance. This is described in the following schedule.

Stock option activity for the three months ended November 30, 2025 and the year ended August 31, 2025, and August 31, 2024, is as follows:

	Stock Options		Weighted Average Exercise Price
Options outstanding, September 1, 2023	629,383	\$	0.100
Issued			
Expired	-		-
Options outstanding, August 31, 2024	629,383	\$	0.100
Issued	-		-
Expired	17,512		0.100
Options outstanding, August 31, 2025 and February 28, 2026	611,871	\$	0.100
Exercisable options	611,871	\$	0.100

The following table reflects the Black-Scholes pricing model assumptions used:

	Fiscal August 31, 2023
Number of options granted	629,383
Exercise price (CAD\$)	\$ 0.100
Risk free interest rate	3.51%
Expected dividend yield	0.00%
Expected volatility	107%
Expected life of the options	5.00

The above assumptions were determined as the Company estimates that there will be no early exercise of options. As the Company does not have sufficient previous stock history, expected volatility was determined using 5 years of historical prices of five comparable companies.

ST. DAVIDS CAPITAL INC.

Notes to Financial Statements

For the Six Months Ended February 28, 2026 and 2025

5. Stock Option Plan (continued)

The remaining life on the outstanding options are:

Option price (CAD\$)	Options Outstanding	Weighted Average Exercise Price	Weighted Avg Remaining Contractual Life (Yrs.)	Options Exercisable
At \$0.10	611,871	\$ 0.100	1.6	611,871
	611,871	\$ 0.100	1.6	611,871

During the Year Ended August 31, 2025, the Company recognized and recorded share-based compensation of \$nil (2024- \$674) for options vested. This Compensation is included as \$674 on the share compensation line. The options vested during the year ended August 31, 2024, were fair valued based on the following weighted average Black Scholes assumptions:

Shares issued under the stock option plan are subject to the escrow agreement.

Under the Escrow Agreement:

- (a) all CPC Stock Options granted prior to the date of the Final QT Exchange Bulletin and all Common Shares that were issued pursuant to the exercise of such CPC (Capital Pool Company) Stock Options prior to the date of the Final QT Exchange Bulletin will be released from escrow on the date of the Final QT Exchange Bulletin, other than CPC Stock Options that were granted prior to the Issuer's IPO with an exercise price that is less than the issue price of the Common Shares under this Prospectus and any Common Shares that were issued pursuant to the exercise of such CPC Stock Options which will be released from escrow in accordance with (b); and
- (b) except for the CPC Stock Options and Common Shares issued pursuant to the exercise of such CPC Stock Options that are released from escrow on the date of the Final QT Exchange Bulletin as provided for in (a), all of the securities held in escrow will be released from escrow in accordance with the following schedule:

Release Dates	Percentage to be Released
Date of Final QT Exchange Bulletin	25%
Date 6 months following Final QT Exchange Bulletin	25%
Date 12 months following Final QT Exchange Bulletin	25%
Date 18 months following Final QT Exchange Bulletin	25%
TOTAL	100%

ST. DAVIDS CAPITAL INC.

Notes to Financial Statements

For the Six Months Ended February 28, 2026 and 2025

6. Income Taxes

The income taxes shown in the statements of loss and comprehensive loss differ from the amounts obtained by applying statutory rates to the loss before income taxes due to the following:

	<u>2025</u>	<u>2024</u>
Loss before income taxes	<u>\$ (49,507)</u>	<u>\$ (49,269)</u>
Expected income tax recovery @ 26.50%	13,119	13,056
Adjustments to benefit resulting from:		
Temporary difference	10,664	10,664
Permanent difference	-	(179)
Income tax losses not recognized	<u>(23,783)</u>	<u>(23,541)</u>
Income tax expense	<u>\$ -</u>	<u>\$ -</u>

The significant components of the Company's deferred income tax assets are as follows:

	<u>2025</u>	<u>2024</u>
Future income tax assets arise from the following:		
Future tax assets:		
Non-capital losses	\$ 86,950	\$ 63,167
Share Issuance costs	21,329	31,993
Less: valuation allowance	<u>(108,279)</u>	<u>(95,160)</u>
Net future income tax assets	<u>\$ -</u>	<u>\$ -</u>

The Company has the following non-capital loss carryforwards, which can be used to reduce future income taxes payable, expiring as follows:

<u>Year</u>	<u>Amount</u>
2041	\$ (11,014)
2042	(21,294)
October 12, 2042	(10,500)
2043	(106,719)
2044	(88,838)
2045	<u>(89,750)</u>
	<u>\$ (328,115)</u>

7. Related Party Transactions

These transactions are recorded at the exchange amount agreed to by the related parties and are in the normal course of business. The company paid remuneration to directors and officers as follows: \$nil included in Head Office and Corporate expenses at February 28, 2026, (February 28, 2025 - \$nil). Included in accounts payable and accrued liabilities are \$38,400 at February 28, 2026 (February 28, 2025 - \$38,400) owing to related parties.

ST. DAVIDS CAPITAL INC.

Notes to Financial Statements

For the Six Months Ended February 28, 2026 and 2025

8. Segmented Information

The Company operates in one reportable segment. Segments are defined as components for which separate financial information is available and is regularly evaluated by the chief operating decision maker.

9. Capital Disclosures

The Company's capital consists of shareholders equity as noted in the Statements of Changes in Equity. For the year ended August 31, 2025 capital is (\$50,382) (2024-(\$876)). The Company's objective for managing capital is to maintain sufficient capital to identify, evaluate and complete a qualifying transaction as disclosed in Note 1. The Company sets the amount of capital in relation to risk and manages the capital structure and makes adjustments to it in light of changes to economic conditions and the risk characteristics of the underlying assets.

The Company's objectives when managing capital are:

- i. to maintain a flexible capital structure, which optimizes the cost of capital at acceptable risk; and,
- ii. to maintain investor, creditor and market confidence in order to sustain the future development of the business.

The Company is not subject to any externally or internally imposed capital requirements at period end.

10. Financial Instruments

a) Fair Value Hierarchy

A fair value hierarchy establishes three levels to classify valuation techniques used to measure fair value. Level 1 items are quoted prices in active markets for identical assets or liabilities. Level 2 items are quoted prices in markets that are not active, quoted prices for similar assets or liabilities in active markets or quoted prices that are derived principally from or corroborated by observable market data or other means. Level 3 inputs are unobservable and supported by little or no market activity. The fair value hierarchy gives the highest priority to Level 1 items and the lowest priority to Level 3 items.

Cash is considered to be in level 1 of the fair value hierarchy.

Financial Risk Management

Credit Risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfil its obligations. The Company's credit risk is attributable to cash. Cash consists of deposits, which have been invested with a Canadian chartered bank of \$ 970, from which management believes the risk of loss to be remote,

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due in the short-term due to a shortfall of working capital and the long-term due to lack of sufficient capital. As of February 28, 2026, the Company had a cash balance of \$ 970 to pay liabilities of \$53,908. The Company does not consider itself to be subject to market risk (interest rate risk, foreign currency risk or commodity risk).

ST. DAVIDS CAPITAL INC.
Notes to Financial Statements
For the Six Months Ended February 28, 2026 and 2025

ST. DAVIDS CAPITAL INC.

Notes to Financial Statements

For the Six Months Ended February 28, 2026 and 2025

11. Proposed Transaction

On July 10, 2025, The Company announced that it has entered a non-binding letter of intent dated July 8, 2025 (the "LOI") with Thistle Resources Corp. ("Thistle"), a private mineral exploration company focused on base and precious metal exploration in the Bathurst Mining Camp, New Brunswick, and the Cape Breton Highlands Region, Nova Scotia. Thistle has four projects; Middle River Gold; Middle River VMS; Celtic Highlands Gold; and Alba Forks Gold. The LOI outlines the principal terms and conditions of a business combination by way of a share exchange, merger, amalgamation, arrangement, takeover bid, or other similar form of transaction (the "Proposed Transaction"), which will result in Thistle becoming a wholly owned subsidiary of St. Davids, or otherwise combining its corporate existence with a wholly owned subsidiary of St. Davids.

12. Subsequent Events

Acquisition Agreement

On September 15, 2025, St. Davids Capital Inc., Thistle Resources Corp., and 1001354705 Ontario Inc., a wholly-owned subsidiary of St. Davids Capital Inc., entered into an acquisition agreement (the "Acquisition Agreement") whereby St. Davids Capital Inc. would acquire all of the issued and outstanding shares and securities convertible into shares of Thistle Resources Corp. (the "Transaction").

Pursuant to the Acquisition Agreement, it is contemplated that the Transaction will be completed by way of a three-cornered amalgamation; 1001354705 Ontario Inc. and Thistle Resources Corp. will amalgamate (the "Amalgamation"), and the resulting amalgamated entity will survive as a wholly-owned subsidiary of St. Davids Capital Inc. Each issued and outstanding common share of Thistle Resources Corp. would be exchanged for common shares of the resulting issuer (the "Resulting Issuer") on the basis of one (1) Resulting Issuer Share for one (1) share of Thistle Resources Corp. (the "Exchange Ratio"). In addition, it is contemplated that all securities convertible, exercisable or exchangeable into Thistle Resources Corp.'s shares outstanding at the time of the Amalgamation will be exchanged for similar securities of the Resulting Issuer on the basis of the Exchange Ratio.

The total anticipated number of common shares to be issued by St. Davids Capital for Thistle common shares is (1) 36,614,293 common shares outstanding as of September 15, 2025 as noted per the acquisition agreement and (2) the number of common shares anticipated to be issued in the concurrent private placement as noted in the acquisition agreement, for gross proceeds estimated to be for a minimum of \$1,750,000 and maximum of \$3,500,000 at an issue price ranging from \$0.20 to \$0.30 per unit (a combination of regular units, flow through units, and charity flow units).

The total number of warrants to be issued by St. Davids Capital Inc. for Thistle warrants is 1) 1,500,000 warrants exercisable at \$0.10 per common shares outstanding as of September 15, 2025 as noted per the acquisition agreement and 2) the number of warrants anticipated to be issued in the concurrent private placement as noted in the acquisition agreement, for proceeds estimated to be for a minimum of \$1,750,000 and a maximum of \$3,500,000 at an issue price ranging from \$0.20 to \$0.30 per unit (a combination of regular units, flow through units and charity units).

Upon completion of the Transaction, the Resulting Issuer will continue the business of Thistle Resources Corp. Concurrently with the closing of the Transaction, St. Davids Capital Inc. will change its name to "Thistle Resources Inc."

Conditional regulatory approval for the transaction was received by the Company on January 27, 2026.

ST. DAVIDS CAPITAL INC.

Notes to Financial Statements

For the Six Months Ended February 28, 2026 and 2025

The Company has 90 days from the above date to satisfy the conditions of approval and close the major transaction.

Special Shareholders Meeting

On November 24, 2025, St. Davids Capital Inc. held a special meeting of its shareholders to approve certain matters related to the Transaction and contemplated by the Acquisition Agreement, including:

(i) the election of five directors to replace the current board of directors of St. Davids Capital Inc., conditional and effective upon the completion of the proposed Transaction with Thistle Resources Corp.

(ii) the adoption of the new omnibus incentive plan (the "New Plan"), to become effective as an additional security based compensation plan of the Resulting Issuer upon completion of the Transaction with the New Plan to replace the stock option plan of St. Davids Capital Inc. (the "Legacy Option Plan") and the Legacy Option Plan to cease to be utilized immediately following the expiry and/or exercise of all stock options granted pursuant to the Legacy Option Plan; and

(iii) a special resolution approving an amendment to the articles of St. Davids Capital Inc. providing for a name change of St. Davids Capital Inc. to "Thistle Resources Inc." or such other similar name as may be determined by the board of directors of St. Davids Capital Inc., as directed by the Resulting Issuer, subject to regulatory approval, all of which were duly approved.

On September 12, 2025, 1001354705 Ontario Inc., a wholly owned subsidiary of St. Davids Capital Inc., was incorporated to facilitate the three-cornered amalgamation with Thistle Resources Corp.

At the November 24, 2025 special shareholders meeting, the shareholders approved all matters of the special shareholders meeting which includes the new Board of directors, the new stock option plan and the change of name to Thistle Resources Inc.

The Company has established a stock option plan whereby the Board of directors may grant options to directors, officers and consultants to purchase common shares of the Company.

The stock option plan is a rolling plan and the maximum number of shares available to be granted shall not exceed 10% of the issued and outstanding common shares. Each stock option granted is for a term not exceeding ten years unless otherwise specified.

Financing

During the six months ended February 28, 2026, the Company received loan proceeds from two officers/directors for a total of \$37,000. The loans are non-interest bearing with no fixed terms of repayment, payable on demand and unsecured.