

Great Basin Metals Inc.
Management's Discussion & Analysis
Quarter ended October 31, 2025
Dated: December 30, 2025



GREAT BASIN METALS INC.
(Formerly Regal Resources Inc.)

MANAGEMENT'S DISCUSSION AND ANALYSIS

Accompanying the October 31, 2025

Consolidated Unaudited Interim Financial Statements

Dated: December 30, 2025

Management Discussion and Analysis

Accompanying the October 31, 2025 Consolidated Annual Financial Statements

The Management Discussion and Analysis ("MD&A"), prepared as of December 30, 2025 should be read in conjunction with the unaudited financial statements for the three months ended October 31, 2025 and 2024 and the audited financial statements for the years ended July 31, 2025 and 2024, and the related notes thereto of Great Basin Metals Inc. (formerly, Regal Resources Inc.) ("Great Basin" or the "Company").

The following disclosure and associated financial statements are presented in accordance with International Financial Reporting Standards ("IFRS"). Except as otherwise disclosed, all dollar figures included therein and in the following MD&A are quoted in Canadian dollars.

This management discussion and analysis may contain forward-looking statements in respect of various matters including upcoming events. The results or events predicted in these forward-looking statements may differ materially from the actual results or events. The Company disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Overview

The Company was incorporated under the Business Corporations Act of British Columbia on January 24, 2006. The Company is engaged in the acquisition, exploration and development of its mineral properties, located in Arizona, USA. The Company was suspended from trading on the Canadian Securities Exchange on April 25, 2016, and trading has not been reinstated to date.

The Company has two wholly owned subsidiaries, Regal Resources USA, Inc. and Arizona Standard LLC, a company formed for the development of mineral properties between Regal USA and Arizona Standard (US) Corp.

The Company's head office is located at 1650 Cedar Cres., Vancouver, British Columbia, Canada V6J 2P9 and its registered office is at Suite 700 – 401 West Georgia Street, Vancouver, British Columbia, Canada V6B 5A1.

OVERALL PERFORMANCE/ DISCUSSION OF OPERATIONS

Mineral Property Interests

The Company holds certain mineral claims located in Santa Cruz County, Arizona known as the Sunnyside Property. The Sunnyside Property is comprised of 286 unpatented mining claims totaling approximately 5,223.71 acres (2,113.96 hectares) located in the Patagonia Mountains of southern Arizona approximately 90 minutes' drive south of Tucson. The Sunnyside Property is cored by a large intrusive complex confirmed by previous drilling. This setting is interpreted to have driven a large hydrothermal system which resulted in deposition of a classically zoned porphyry copper deposit and associated distal, polymetallic skarn (Cu, Pb, Zn, Ag) and carbonate replacement deposits. In August 2017, the Company entered into an arm's length definitive agreement (the "Sunnyside Agreement") with Barksdale Resources Corp. ("Barksdale") to option (the "Option") up to 67.5% of the Sunnyside Property whereunder Barksdale has certain exploration expenditures, a requirement to make cash payments and share issuances to Great Basin in order to earn an initial 51% interest and up to a 67.5% interest in the Sunnyside Property. All of the exploration and development on the Sunnyside Property, since entry into the Sunnyside Agreement in 2017, has been undertaken by Barksdale.

Barksdale commenced drilling in late September 2023 and in September 2025 advised the Company it has completed all expenditures and drilling footage required to earn the initial 51% interest in the Sunnyside Property. Great Basin is currently reviewing financial and technical data provided by Barksdale in order to confirm requirements set out in the earn-in agreement to vest Barksdale at the 51% interest in the Sunnyside

Project. Under the terms of the Sunnyside Agreement, Great Basin has up to six months to complete this review, but we anticipate an earlier completion. In September 2025, when the second year of the first earn in period for Barksdale came due, Barksdale paid Great Basin the required CDN\$1,000,000 cash payment and issued the Company 5,000,000 Barksdale Shares to complete the earn in of the initial 51% (pending final review of all qualifying expenditures by Great Basin).

Prior to the September 2025 earn in payments, on June 26, 2025, Barksdale publicly announced a decision to increase its potential ownership of the Sunnyside property to the full 67.5% and Great Basin has been advised of their plans to drill a further 7,620 metres (25,000 feet) to surpass the Phase 2 earn-in requirements. The Company expects Barksdale's drill program to start after the rainy season this year and be completed before the end of 2025.

In consideration for incurring an additional \$6,000,000 in qualified expenditures with two years of September 2025, consisting of a minimum drill program of an additional 25,000 feet, provision of an additional cash payment of \$550,000 to Great Basin and the issuance of an additional 4,900,000 Barksdale shares, Barksdale can conclude its acquisition of the remaining interest to hold a cumulative 67.5% of Sunnyside. Once the joint venture commences, with Barksdale at either 51% or 67.5% as Barksdale has planned, Great Basin will hold two seats of a four-person management committee that will oversee work programs to advance the Sunnyside Project. Great Basin will be required to participate in future development and exploration under the terms of the joint operating agreement once Barksdale's earn in is complete.

Great Basin is currently exploring several financing options for funding its anticipated obligations under the Sunnyside joint venture, including the possibility of seeking a stock exchange listing. The Company is also currently reviewing options to add additional mineral exploration properties to its portfolio during fiscal 2026. In addition, the Company has engaged a geologist to prepare a current 43-101 report on Sunnyside and plans on commencing a financing during fiscal 2026 in order to provide suitable working capital for the Company and future planned operations.

See "Exploration and Evaluation Properties – Sunnyside Property" below for further details regarding the Sunnyside Property.

The Company has no source of revenue at this time other than the property payments required by Barksdale. The Company has sustained losses from operations and has an ongoing requirement for capital investment for its mineral property interests; these conditions cast significant doubt on the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is dependent primarily upon its ability to obtain necessary financing from the issuance of shares, borrowing or from other sources. The Company is subject to risks and challenges like other mining companies in a comparable stage of operation, exploration, and development. These risks include, but are not limited to, losses, and negative operating cash flow for the foreseeable future, and the Company's dependence on raising cash through debt or equity markets and the successful development of its mineral property interests to satisfy its commitments and continue as a going concern.

Corporate Overview

In anticipation of the next phase of development with respect to the Sunnyside Property and commencement of the Joint Operating Agreement with Barksdale, the Company changed its name to Great Basin Metals Inc. effective July 7, 2025.

Subsequent to October 31, 2025, in line with a mandate to add mineral exploration properties to its portfolio, the Company's US subsidiary, Regal Resources Inc. and the Company agreed to acquire certain mining claims for consideration of a cash payment of \$10,000 on execution of the agreement and additional payments as follows: 500,000 shares on the Effective Date, 500,000 shares on or before twelve (12) months from the Effective Date; 1,000,000 shares on or before twenty four (24) months the effective date, and 1,000,000 shares on or before thirty-six (36) months after the Effective Date; and further the agreement awards a 0.5% Net Smelter Royalty to the Optionee for all metal production. The Company will pay a

finders fee of 10% of the cash payment of \$10,000 and the initial 500,000 shares to be issued by way of the issuance of shares valued at market value on the date of issue. The transaction has not yet been completed as of the date of this report.

Further the Company has initiated a National Instrument 43-101 Technical Report on the Sunnyside property.

Exploration and Evaluation Properties – Sunnyside Property

As set out above the Company holds certain mineral claims located in Santa Cruz County, Arizona known as the Sunnyside Property. In August 2017, the Company entered into an arm's length definitive agreement (the "Sunnyside Agreement") with Barksdale Resources Corp. ("Barksdale") to option (the "Option") up to 67.5% of the Sunnyside Property. All of the exploration and development on the Sunnyside Property since entry into the Sunnyside Agreement has been undertaken by Barksdale.

The Option is exercisable in two stages with Barksdale entitled to acquire an initial 51% interest in the Sunnyside Property upon making payments to the Company totalling \$2,950,000 cash and the issuance of 10,100,000 common shares of Barksdale to the Company and cumulative expenditures of \$6,000,000 on the property during the first two years of the Option (following receipt of all required governmental permits).

Upon acquiring an initial 51% interest in the Sunnyside Property, Barksdale will be entitled to increase its interest to 67.5% upon payment of an additional \$550,000 cash and the issuance of 4,900,000 common shares of Barksdale to the Company and the expenditure of an additional \$6,000,000 on the property within a further two-year period.

The following is a summary of Barksdale's Option earn-in requirements:

| Period | Cash \$ | Exploration Requirement \$ | Number of Shares |
|---|---------------------|--|-------------------------|
| To Earn 51% Interest | | | |
| Upon execution of Sunnyside Agreements | 100,000 (paid) | - | - |
| Within 3 days following TSXV acceptance of Option | 650,000 (paid) | - | 1,250,000 (received) |
| On or before end of Year 1 * | 1,200,000 (paid) | 3,000,000 (advised incurred, under review) | 3,850,000 (received) |
| On or before end of Year 2** | 1,000,000 | 3,000,000 (advised incurred, under review) | 5,000,000 (received) |
| To Increase Interest to 67.5% | | | |
| On or before end of Year 3 | - | 3,000,000 | - |
| On or before end of Year 4 | 550,000 | 3,000,000 | 4,900,000 |
| Total | 3,500,000 | 12,000,000 | 15,000,000 |

*

*Year 1 commenced on September 7, 2023, which is the date Barksdale received all required governmental permits including drilling permits to carry out an initial exploration program on the Sunnyside Property. On September 5, 2024, the Company received \$717,071 from Barksdale and delivery of a share certificate for 3,850,000 shares of Barksdale common stock released from escrow with respect to the cash and share obligations in Year 1 under the terms of the certain Option agreement. The payment received of \$717,071 reflects the required gross payment of \$1.2 million, net \$254,700 previously remitted by Barksdale on behalf of Great Basin to the original optionors of the Sunnyside property and reflects further offsets of \$150,000 of transaction costs and double the costs related to Regal's retention of a proxy agent totaling \$78,229, as approved by prior Great Basin management with respect to a terminated agreement between Barksdale and Great Basin in May 2021, whereunder Barksdale attempted to acquire a 100% interest in the Sunnyside property, but did not receive Great Basin shareholders approval for same. Concurrent with

transfer of the initial 51% earn in by Barksdale, upon Barksdale meeting the minimum drilling requirements set out below, the Company has the option to audit Barksdale's total expenditures on the Sunnyside Property to confirm the validity of proposed qualified expenditures under the terms of the Sunnyside Agreement.

**On May 13, 2025, Barksdale announced that it had completed its required 7,620 metres (25,000 feet) of drilling and the \$6 million defined expenditure that entitles earn in of an initial 51% interest in the Sunnyside project. Barksdale may conclude the acquisition of 51% by making payments of \$1.0 million cash and 5.0 million Barksdale shares to the Company any time before September 2025. These payments were received on September 4, 2025. Great Basin is currently reviewing financial and technical data provided by Barksdale in order to confirm requirements set out in the earn-in agreement to vest Barksdale at the 51% interest in the Sunnyside Project. Under the terms of the Sunnyside Agreement, Great Basin has up to six months to complete this review, but we anticipate an earlier completion.

Upon Barksdale earning either a 51% interest or 67.5% interest in the Sunnyside Property, the Company and Barksdale will enter into and participate in a joint venture for the purpose of further exploring and developing the property. The Sunnyside Agreements contain provisions for dilution of a party's working interest for failure to fund joint venture cash calls, subject to automatic conversion of a party's interest into a 5% net proceeds interest (not to exceed 90% of the net amount of the party's contributed capital) if diluted to less than 10%. Barksdale will be the operator of the Sunnyside Property during the term of the Option and, if applicable, the joint venture.

The Sunnyside Agreement further provides that:

- a) Barksdale drill a minimum of 25,000 feet within two years from Commencement date to earn a 51% interest in the Sunnyside Property and to drill a further 25,000 feet within year four from commencement date to increase their ownership interest in the Sunnyside Property to 67.5%;
- b) until such time as Barksdale has earned a 51% interest in the Sunnyside Property, Barksdale will not acquire, directly or indirectly, any common shares of Great Basin without the prior consent of Regal;
- c) Barksdale and the Company have a mutual 15 day right of first refusal to acquire all or any part of Regal's remaining interest in the Sunnyside Property in the event of a proposed sale or transfer of such interest by either party;
- d) Barksdale is subject to an acceleration payment clause in the case of change of control or a transfer of the interest in the Sunnyside Property to a third party during the Option earn-in period; and
- e) the Sunnyside Agreement is subject to arm's length net smelter returns ("NSR") between 1.5% to 3%.

Barksdale may terminate the Option at any time, in its discretion, subject to satisfying any accrued obligations or liabilities including reclamation requirements, as required.

Upon receipt of the cash and share consideration from Barksdale with respect to Year 1 as set out above, the Company recorded a gain as a result of the option payments as set out below during fiscal 2025:

Consideration

| | | |
|---|----|-----------|
| 3,850,000 shares of BRO common stock | \$ | 577,500 |
| Net cash received | | 717,071 |
| Nonrecurring expenses paid by BRO | | 228,229 |
| <hr/> | | |
| Total | | 1,522,800 |
| <hr/> | | |
| Sunnyside property assets as of July 31, 2024 | | (672,634) |
| <hr/> | | |
| Gain on receipt of payment option | \$ | 851,166 |
| <hr/> | | |

Upon receipt of the cash and share consideration from Barksdale ("BRO") with respect to Year 2, the Company recorded a gain as a result of the option payments as set out below:

Consideration

| | |
|---|---------------------|
| 5,000,000 shares of BRO common stock | \$ 425,000 |
| Net cash received | 1,000,000 |
| Total | <u>1,425,000</u> |
| Sunnyside property assets as of July 31, 2025 | <u>-</u> |
| Gain on receipt of option payment | <u>\$ 1,425,000</u> |

As of October 31, 2025 and July 31, 2025, the Company had the following capitalized mineral property interests:

| | |
|--|--------------------------------|
| | Sunnyside Property (\$) |
| Balance, October 31, 2025 and July 31, 2025 | <u>-</u> |

Exploration activity on the property as disclosed and published in Barksdale's Management Discussion and & Analysis filed on <https://www.sedarplus.ca/> for the six months ended September 30, 2025, includes the following summary information which information is duplicated in its entirety as an excerpt of the public disclosures included in Barksdale's unaudited interim report. **Information extracted from Barksdale's public disclosure documents are reported inside quotation marks and in italics below. References in the excerpt to Company refer to Barksdale and not to Great Basin Metals Inc.:**

"Sunnyside Property – Barksdale's Exploration History

Prior to September 2023, Barksdale's exploration of the Sunnyside Property had been limited to surface exploration in 2018 and 2019. This work consisted of detailed 1:6000 scale surface geologic mapping, structural analysis, three-dimensional computer modeling and data compilation. A multiple element geostatistical analysis of the 2018 surface geochemical sampling (1,904 samples) collected over the northern half of the Sunnyside Property was also completed.

By the end of December 2019, the Company had completed and updated the integrated 3D geological model of the northern half of the Sunnyside property incorporating 1:6000 scale geologic mapping completed in June 2019 with the previously collected data sets acquired from surface geochemistry sampling and geophysical surveys. The updated integrated model has resulted in the identification of additional exploration drill target areas to the south and west of the earlier drill targets identified in 2018 and early 2019.

In September 2023, the Company commenced drilling at the first target, a 765-meter-deep core wedge hole, SUN-001. In October 2023, the SUN-001 hole encountered a 20-meter void as it transitioned from volcanics into the targeted carbonate horizon which resulted in its abandonment prior to testing the mineralized horizon. In December 2023, SUN-002 had been completed to a depth of 1,897 meters having intersected multiple zones of porphyry related mineralization including a shallow enrichment blanket, veins, and porphyry mineralization. Mineralization intersected within SUN-002 consisted of chalcocite that was encountered between 332 and 360m. The zone hosts copper mineralization with a strong silver component that correlates well with historic drilling that extends nearly 2km to the northwest. This intercept is correlated with historical drill holes approximately 700m away, showing that an extensive zone of enrichment is present at shallow depths across much of the permitted drill area. Deeper zones of sulfide mineralization were encountered between 1,103-1,203m and 1,248-1,261m depth that displayed disseminated mineralization (chalcopyrite, sphalerite, and molybdenite) as well as quartz-pyrite-chalcopyrite veining up to 2cm diameter

with quartz-sericite halos and potassium silicate altered quartz monzonite porphyry. Highlights of results include;

- *27m at 0.33% copper, 13.9 g/t silver, 0.04 g/t gold, 0.13% zinc from 332 meters.*
 - *Including 9.15m at 0.49% copper, 28.8 g/t silver, 0.05 g/t gold, 0.22% zinc from 332 meters.*

In February 2024, the SUN-003 hole intersected the host carbonate stratigraphy as projected by the current exploration model. Thirteen zones of disseminated polymetallic CRD mineralization with narrow intervals of semi-massive sulfides were encountered within carbonate rocks between 65 and 95m northwest of historic hole TCH-2. Highlights of results include;

- *4.97m grading 1.54% zinc, 1.54% lead, 14.90 g/t silver, and 0.01 g/t gold from 1354.97m*
- *5.95m grading 1.67% copper, 0.44% lead, 0.10% zinc, 40.64 g/t silver, and 0.04 g/t gold from 1383.33m*
- *Including 0.98m grading 8.18% copper, 0.12% lead, 0.21% zinc, 114 g/t silver and 0.04 g/t gold from 1385.77m*
- *1.77m grading 0.96% copper, 3.04% zinc, 2.09% lead, 26.69 g/t silver, and 0.08 g/t gold from 1394.52m*
- *Including 0.49m grading 1.42% copper, 9.19% zinc, 5.61% lead, and 67.7 g/t silver and 0.04 g/t gold from 1395.8m*
- *0.76m grading 1.3% copper, 4.99% zinc, 3.56% lead, and 50.6 g/t silver and 0.13 g/t gold from 1405.04m*

In March 2024, the Company received final assays from the lower zones of polymetallic CRD mineralization intersected in SUN-003 which included the following results.

- *2.28m grading 1.72% Zn, 0.63% Pb, 13.5 g/t Ag, and 0.016 g/t Au from 1480.57m depth*
- *1.01m grading 0.46% Cu, 11.9% Zn, 3.8% Pb, 377 g/t Ag, and 0.028 g/t Au from 1550.67m depth*

During fiscal year 2025, Barksdale completed a five-hole combined reverse circulation and diamond core drill campaign targeting the extension of South32's Taylor deposit onto the Sunnyside Property, referred to as the Fall 2024 program, and a three-hole reverse circulation program to test the near surface chalcocite occurrence to the west, referred to as the Spring 2025 program. The Fall 2024 program began following the seasonal monsoon rains which resulted in high surface water levels that negatively impacted the RC by flooding out the hammer and to a lesser extent, the diamond program by diluting the drill fluids.

The Fall 2024 program completed three reverse-circulation drill holes, (SUN24-001, 002 and 003) in September for a total of 532m (1,747ft). Two holes intended to be used as pre-collar holes for diamond program, and the third hole, SUN24-003, was an exploration hole testing the extension of the Josephine vein that returned anomalous results for Zinc and Manganese.

In November 2024, the Company received initial assay results from the drill hole SUN24-002 that ended at 650m (2133.5ft). A 12.3-meter zone assayed 0.43% Cu and 9.9 g/t Ag from 171.2 meters, including 0.91 meters of 4.33% Cu and 99.7 g/t Ag within the Chalcocite zone.*

**(SUN24-002) was drilled as an RC hole which flooded out. The same hole ID was used to collar the SUN24-002 diamond hole).*

The Fall 2024 diamond core program began in mid-September and ended in mid-December. The program completed a "mother" hole to 2,134 feet (SUN24-002) and a "daughter" hole (SUN-002B) from a depth of 500 feet in the mother hole to a total depth of 4507 feet. The completed hole, SUN24-002 and 002B penetrated the young and older volcanic sequences and finished in the Paleozoic carbonate sequence target zone.

In January 2025, the Company received assay results from the drill hole SUN24-002B. Hole SUN24-002B returned 83.88 meters of 0.09% Cu, 3.6% Mn, and 0.43% Zn from 1,287.48 meters including 10.5 meters of 0.8 % Cu, 253 g/t Ag, 6.86% Mn, 2.73% Pb, and 1.62% Zn from 1347.8 meters in the upper limits of the Paleozoic carbonate target sequence.

The Spring 2025 drill program was designed to accomplish two goals, test the near surface Chalcocite zone approximately 500 meters west of TCH2, and complete the remaining footage stipulated in the Great Basin Sunnyside earn-in Phase I earn-in agreement. The three-hole reverse circulation program targeted the near surface Chalcocite mineralization identified in prior work by ASARCO and others in the Company's historical database. This program completed 4,240 feet of drilling, bringing the total footage drilled by Barksdale on the Sunnyside property to 26,036 feet, surpassing the required 25,000 feet by over 1,000 feet.

The sampling protocol for the Spring 2025 reverse circulation drill program was based on visual inspection of the drill chips for sulfide content. Intervals with observed sulfide content were sent for analysis while intervals without a visible sulfide content were held back. In November 2025, the Company announced results from the Spring 2025 drilling: a total of 265 additional samples from the open-ended intervals were sent for analysis to ALS Chemex in Tucson, AZ, and the updated, comparative results are presented in Table 1 and drill hole locations are presented in Table 2.

| Hole | From | Feet To | Interval | From | Metres To | Interval | Cu% | Percent Pb% | Zn% |
|------------|------|---------|----------|-------|-----------|----------|------|-------------|------|
| | | | | | | | | | |
| SUN 25-001 | 90 | 130 | 40 | 27.4 | 39.6 | 12.2 | 0.10 | | |
| | 85 | 135 | 50 | 24.4 | 39.6 | 15.2 | 0.12 | | |
| SUN25-002 | 105 | 130 | 25 | 32.0 | 39.6 | 7.6 | 0.07 | | |
| | 80 | 130 | 50 | 24.4 | 39.6 | 15.2 | 0.08 | | |
| | 210 | 230 | 20 | 63.9 | 70.0 | 6.1 | 0.10 | | |
| | 210 | 245 | 35 | 63.9 | 74.6 | 10.7 | 0.13 | | |
| | 750 | 770 | 20 | 228.4 | 234.5 | 6.1 | | | 0.28 |
| | 750 | 790 | 40 | 228.4 | 240.6 | 12.2 | | | 0.26 |
| | 980 | 995 | 15 | 298.4 | 303.0 | 4.6 | | | 0.27 |
| | 980 | 1010 | 30 | 298.4 | 307.6 | 9.1 | | | 0.20 |
| SUN25-003 | 1070 | 1090 | 20 | 325.8 | 331.9 | 6.1 | | | 0.17 |
| | 1060 | 1090 | 30 | 322.8 | 331.9 | 9.1 | | | 0.13 |
| SUN25-003 | 25 | 35 | 10 | 7.6 | 10.7 | 3.0 | 0.17 | | |
| | 15 | 35 | 20 | 4.6 | 10.7 | 6.1 | 0.13 | | |
| | 60 | 70 | 10 | 18.3 | 21.3 | 3.0 | 0.15 | | |
| | 60 | 115 | 55 | 18.3 | 35.0 | 16.7 | 0.15 | | |
| | 190 | 205 | 15 | 57.9 | 62.4 | 4.6 | 0.78 | | |
| | 175 | 215 | 40 | 53.3 | 65.5 | 12.2 | 0.32 | | |
| | 1180 | 1190 | 10 | 359.3 | 362.4 | 3.0 | | 0.09 | 1.07 |

Table 1: Spring 2025 initial and follow-up assay results. Sample depths are listed in meters and feet.

| HOLE ID | UTM METERS | | ELEVATION | | DEPTH (FEET) | | | DIRECTION | |
|-----------|------------|--------|-----------|------|--------------|------|-------|-----------|-------|
| | NORTH | EAST | METERS | FEET | FROM | TO | TOTAL | Azimuth | Incl. |
| SUN25-001 | 34812330 | 524694 | 1544 | 5065 | 0 | 1465 | 1465 | 220 | -70 |
| SUN25-002 | 34812330 | 524694 | 1544 | 5065 | 0 | 1500 | 1500 | 180 | -70 |
| SUN25-003 | 34812330 | 24694 | 1544 | 5065 | 0 | 1275 | 1275 | Na | -90 |

Table 2: Drill hole locations

The results of the additional sampling show wider intervals with higher copper grades in SUN25-001 and 002, wider intervals and with slightly lower zinc grades in SUN25-002, and a much wider interval, 16.7m versus 3.0m of similar, 0.15% copper grade in SUN25-003.

A National Instrument 43-101 Sunnyside Technical Report has been initiated by Great Basin Metals. A release date of the final report remains to be determined.

In June 2025, the Company announced its intention to increase its interest to 67.5% by drilling an additional 7,620 meters (25,000 ft) of drilling.”

Outlook and Economic Conditions

The Company is a mineral exploration company, focused on exploring its property interests, and on identifying potential acquisitions of other mineral exploration properties, should such acquisitions be consistent with its objectives and acquisition criteria. The Company's mineral exploration activities are currently carried out by Barksdale under the terms of agreement discussed above and these operations are currently restricted to Arizona. The Company's financial success will be dependent upon the extent to which it can define and/or make discoveries of economic mineral deposits. The development of such assets may take years to complete and the resulting income, if any, is difficult to determine timing and quantum with any certainty. To date, the Company has not produced any revenues. The sales value of any minerals defined and/or discovered by the Company is largely dependent upon factors beyond its control, such as prevailing treatment/refining costs and commodities prices from time to time. There are significant uncertainties regarding the prices of base and precious metals and the availability of financing for the purposes of exploration and evaluation. The future performance of the Company is largely tied to commodity prices and the successful exploration, discovery and future potential development of its projects. Financial and equity markets are likely to be volatile, reflecting ongoing concerns about the stability of the global economy. Management regularly monitors economic conditions, estimates their impact on the Company's operations, and incorporates these estimates in both short-term and longer-term strategic planning.

The information provided above is summary in nature, for more details please refer to the Company's news releases available on SEDARPLUS at www.sedarplus.ca.

SELECTED QUARTERLY INFORMATION

A summary of selected quarterly information from the Company's condensed consolidated interim financial statements as of October 31, 2025 and 2024 is as follows:

| | Three Months Ended October 31, 2025 \$ | Three Months Ended October 31, 2024 \$ |
|--|---|---|
| Total assets | 1,134,590 | 966,630 |
| Current liabilities | 697,865 | 4,925,389 |
| Total liabilities | 697,865 | 4,925,389 |
| Net income and comprehensive income for the period | 1,277,392 | 423,103 |

RESULTS OF OPERATIONS

The following table sets forth expense items with variances between the three months ended October 31, 2025 and 2024:

| | October 31, 2025 \$ | October 31, 2024 \$ | Increase/(Decrease) \$ |
|------------------|------------------------------------|------------------------------------|-----------------------------------|
| Expenses | | | |
| Finance costs | 80,457 | 144,361 | (63,904) |
| Foreign exchange | - | 648 | (648) |

| | | | |
|---|------------------|------------------|------------------|
| Management fees | 46,000 | - | 46,000 |
| Office and miscellaneous | 5,165 | 1,391 | 3,774 |
| Professional fees | 8,466 | 15,075 | (6,609) |
| Regulatory fees | 752 | 1,169 | (417) |
| Property costs | 6,768 | - | 6,768 |
| Other nonrecurring expenses | - | 228,229 | (228,229) |
| Total operating expense | (147,608) | (390,873) | (243,265) |
| Realized loss on sale of marketable securities | - | (5,990) | 5,990 |
| Unrealized loss on sale of marketable securities | - | (31,200) | 31,200 |
| Gain on sale of mineral property interest | 1,425,000 | 851,166 | 573,834 |
| Net income and comprehensive income for the period | 1,277,392 | 423,103 | 854,289 |

Finance costs which include amortization of debt discount decreased for the 2025 period compared to the 2024 period due to a decrease in amortization of debt discount of \$17,801 and a decrease in interest expense of \$46,118 as the Company made substantial payments to reduce debt in the three months ended October 31, 2025.

Foreign exchange decreased for the 2025 period compared to the 2024 period due to the paydown of certain US expenses which impacted the exchange rate, as well as exchange rate changes for the US dollar as certain of the Company's debt and payables denominated in US dollars were repaid in the three months ended October 31, 2025.

Management fees increased by \$46,000 in fiscal 2025 as the Company did not record management fees or director's fees in the comparative three months ended October 31, 2024. Fees incurred during the three months ended October 31, 2025, includes \$30,000 in management fees paid to the Company's CEO and \$16,000 in director's fees accrued for four of the Company's members of the Board of Directors.

Office and miscellaneous expenses increased from \$1,391 (2024) to \$5,165 (2025) mainly due to an increase in consulting fees of \$3,038 and office expenses of \$1,674 with no comparable fees in the three months ended October 31, 2024. Office and miscellaneous expenses for the three months ended October 31, 2025, are comprised of bank charges of \$153, consulting fees of \$3,038, dues and subscriptions of \$300, and office expenses of \$1,674. Office and miscellaneous expenses for the three months ended October 31, 2024, are comprised of bank charges of \$222, investor relations expenses of \$809, dues and subscriptions of \$360.

Professional fees decreased from \$15,075 in the three months ended October 31, 2024 to \$8,466 for the three months ended October 31, 2025, predominantly as a result of a reduction to accounting fees. Professional fees for the three months ended October 31, 2025, are comprised of accounting fees of \$2,250, audit fees of \$247 and legal fees of \$5,969. Professional fees for the three months ended October 31, 2024 are comprised of accounting fees of \$12,951 and legal fees of \$2,124.

Regulatory fees decreased slightly during the three months ended October 31, 2025. Regulatory fees for the three months ended October 31, 2025, are comprised of transfer agent fees of \$752. Regulatory fees for 2024 are transfer agent fees of \$1,169.

The realized loss on the sale of marketable securities is recorded upon divestiture of the securities in the period as a result of the sale of shares at a lower value per share than initial book value of the securities when acquired. There were no sales of securities in the current three months ended October 31, 2025.

The unrealized loss on the sale of marketable securities is related to the securities currently held for sale by the Company as a result of the value of the shares being a lower value per share than the initial book value of the securities when acquired. There was no unrealized loss recorded for the three months ended October 31, 2025.

Gain on the sale of mineral property interest increased period over period as the Company received additional funds in regard to the option agreement with Barksdale during September 2025.

SUMMARY OF QUARTERLY FINANCIAL RESULTS

| Three Months Ended | Revenue \$ | General and administrative expenses \$ | Non Recurring Expenses | Exploration Expenses \$ | Net Profit (Loss) \$ | Gain (Loss) Per Share \$ |
|--------------------|---------------|---|------------------------|----------------------------|--------------------------|-----------------------------|
| October 31, 2025 | 0 | 60,383 | 6,768 | 0 | 1,277,392 ⁽⁶⁾ | 0.014 |
| July 31, 2025 | 0 | 262,424 | 0 | 0 | (385,165) ⁽⁵⁾ | (0.01) |
| April 30, 2025 | 0 | 122,592 | 0 | 0 | (122,979) ⁽⁴⁾ | (0.00) |
| January 31, 2025 | 0 | 80,378 | 0 | 0 | (366,509) ⁽³⁾ | (0.00) |
| October 31, 2024 | 0 | 17,635 | 228,229 | 0 | 423,103 ⁽²⁾ | (0.00) |
| July 31, 2024 | 0 | 116,814 | 0 | 0 | (201,613) ⁽¹⁾ | (0.00) |
| April 30, 2024 | 0 | 64,852 | 0 | 0 | (164,369) | (0.00) |
| January 31, 2024 | 0 | 81,310 | 0 | 0 | (225,420) | (0.00) |

(1) This includes a write off of GST receivables in the amount of \$38,127, finance costs of \$532,598, losses on foreign exchange of \$1,622 and a gain from debt modifications of \$102,226.

(2) This includes a gain of \$851,166 with respect to an option payment received from Barksdale, a loss on the sale of marketable securities of \$5,990, an unrealized loss in the value of marketable securities of \$31,200, finance costs of \$144,361 and losses on foreign exchange of \$648.

(3) This includes a loss on the sale of marketable securities of \$13,156, an unrealized loss in the value of marketable securities of \$131,087, finance costs of \$141,879 and foreign exchange of \$9.

(4) This includes a loss on the sale of marketable securities of \$162,674, an unrealized gain in the value of marketable securities of \$162,287, finance costs of \$96,083 and a gain on foreign exchange of \$59.

(5) This includes a write off of GST receivables in the amount of \$25,245, finance costs of \$214,390 and a gain from debt modifications of \$116,894.

(6) This includes a gain of \$1,425,000 with respect to an option payment received from Barksdale, finance costs of \$80,457.

The Company had no revenues during the quarters reported above.

There were no exploration expenses incurred during the quarters reported above as a result of certain earn in requirements with respect to an Option Agreement between the Company and Barksdale.

LIQUIDITY, CAPITAL RESOURCES AND COMMITMENTS

Working Capital and Cash

The Company has working capital at October 31, 2025 of \$436,725 and will be required to generate additional funding to meet its contractual financial liabilities. While the Company settled liabilities of approximately \$4,000,000 in loans, accounts payable, convertible loans and accrued interest through the issuance of shares of the Company's common stock in September 2025, the Company expects to continue require additional funding. The Company anticipates a working capital requirement of approximately \$500,000 for the coming twelve months, not including any cash calls which may arise once the joint

operating agreement between Barksdale and the Company takes effect. The Company believes it will have sufficient capital to operate for the next 12 months.

The Company's cash increased by \$177,580 to \$640,318 for the three months ended October 31, 2025 as compared to cash of \$462,738 during the three months ended October 31, 2024.

| | October 31, 2025 | October 31, 2024 |
|---|------------------|---------------------|
| | \$ | \$ |
| OPERATING ACTIVITIES: | | |
| Net income for the year | 1,277,392 | 423,103 |
| Items not involving cash: | | |
| Gain resulting from payments under option agreement on mineral property | (1,425,000) | (851,166) |
| Accretion of discounts on convertible debentures | 30,953 | 48,754 |
| Loss on sale of marketable securities | - | 5,990 |
| Unrealized loss on marketable securities | - | 31,200 |
| Accrued interest expense | - | 95,574 |
| Foreign exchange on loan payable | - | 648 |
| Other non-recurring expense | - | 228,229 |
| Changes in non-cash working capital: | | |
| Sales taxes receivable | (9,319) | (1,631) |
| Prepaid expenses | (21,010) | (7,201) |
| Trade and other payables | (221,238) | (185,234) |
| Net cash used in operating activities | (368,222) | (211,734) |

Cash used in operations of \$368,222 during the three months ended October 31, 2025 was primarily the result of net income of \$1,277,392 reported for the three month period offset by non cash items including a gain recorded upon receipt of payments from certain property option agreements of \$1,425,000 and the accretion of discounts on convertible debt recorded in the period of \$30,953, a decrease to trade and other payables settled with cash, and an increase to both prepaid expenses and sales tax receivables.

Investing Activities

During the three months ended October 31, 2025, the Company received proceeds as a result of payments owing under certain option agreements of \$1,000,000.

Financing activities

During the three months ended October 31, 2025, the Company reduced advances owing to related parties by \$40,664 and made payments to retire loans payable of \$57,500.

Going Concern

The assumption that the Company will be able to continue as a going concern is subject to critical judgments of management with respect to assumptions surrounding the short and long-term operating budget, expected profitability, investment and financing activities and management's strategic planning. Should those judgments prove to be inaccurate, management's continued use of the going concern assumptions may be inappropriate.

Capital Management

The Company is an exploration stage company and currently does not generate cash flows from operations. The Company's primary source of funds comes from proceeds from loans generally settled when due with shares of the Company's common stock, cash option payments received under its agreements with

Barksdale, and the sale of marketable securities. The Company does not use other sources of financing that require fixed payments of interest and principal and is not subject to any externally imposed capital requirements.

The Company defines its capital as components of deficit. To effectively manage the Company's capital requirements, the Company has a planning and budgeting process in place to ensure that adequate funds are available to meet its strategic goals. The Company monitors actual expenses to budget to manage its costs and commitments.

The Company's capital management objective is to maximize investment returns to its equity-linked stakeholders within the context of relevant opportunities and risks associated with the Company's operating segment. 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. Establishing and adjusting capital requirements is a continuous management process. Although the Company has been successful at raising funds in the past through the issuance of share capital and debt, it is uncertain whether it will continue this financing due to uncertain economic conditions. The Company is not subject to any externally imposed capital requirements.

There have been no changes to the Company's approach to capital management during each of the three months ended October 31, 2025 and 2024.

Marketable Securities

The Company holds marketable common shares of Barksdale. The common shares are classified as FVTPL and are recorded at fair value using the quoted market price on October 31, 2025, and are therefore classified as Level 1 within the fair value hierarchy. Continuity for the three months ended October 31, 2025, is as follows:

| Marketable security | Balance, July 31, 2025 (\$) | Additions (\$) | Proceeds From Disposal (\$) | Realized gain (loss) on disposal (\$) | Balance, July 31, 2025 (\$) |
|---------------------|-----------------------------|----------------|-----------------------------|---------------------------------------|-----------------------------|
| Barksdale (BRO.V) | - | 425,000 | - | - | - |

On September 5, 2025, the Company received from Barksdale a share certificate for 5,000,000 shares of Barksdale common stock released from escrow with respect to the cash and share obligations for Year 2 under the terms of an Option agreement (see Mineral Property Interests above).

Continuity for the three months ended October 31, 2024, is as follows:

| | Balance, July 31, 2024 (\$) | Additions (\$) | Proceeds from Disposal (\$) | Realized gain (loss) on disposal (\$) | Unrealized gain (loss) on changes in fair value (\$) | FMV Balance October 31, 2024 (\$) |
|-----------------------------------|-----------------------------|----------------|-----------------------------|---------------------------------------|--|-----------------------------------|
| Barksdale Resources Corp. (BRO.V) | - | 577,500 | 103,510 | (5,990) | (31,200) | 436,800 |

On September 5, 2024, the Company received from Barksdale a share certificate for 3,850,000 shares of Barksdale common stock released from escrow with respect to the cash and share obligations for Year 1 under the terms of an Option agreement.

Contractual Obligations

The following table summarizes the contractual maturities of the Company's significant financial liabilities and capital commitments, including contractual obligations for the periods indicated:

Convertible Debentures

In February 2024 the Company entered into agreements to extend the maturity date of its outstanding convertible debentures originally issued on February 10, 2022, and due on February 12, 2024 (the "**Convertible Debentures**") by one year to February 12, 2025 and further entered into an extension agreement on February 5, 2025 to again extend the maturity date to May 13, 2025 and a final extension agreement on May 13, 2025 to extend maturity to September 30, 2025 (the "**Extensions**"). Concurrent with the final extension agreement(s) the Company and the holders of the debentures agreed to adjust the original conversion price of the notes such that the debt shall be convertible into Units, each Unit consisting of one share of common stock valued at \$0.075 cents per share and one share purchase warrant for exercise at \$0.12 per share for a period of two year from issue date. As a result of the Extension the Company recorded a gain on modification in the amount of \$116,894 during the fiscal year ended July 31, 2025.

During the three months ended October 31, 2025 the Company paid cash of \$50,108 to settle certain convertible debentures, including all interest owed in full related to the debentures settled.

During the three months ended October 31, 2025 the Company made reduction payments of \$46,493 to a convertible note holder and on September 15, 2025 settled a total of \$3,500,000 in principal and interest under certain convertible debentures issued to a related party and a company controlled by her, through the issuance of 46,666,667 Units of the Company's common stock, each Unit consisting of one share of common stock at \$0.075 per share and one share purchase warrant exercisable at \$0.12 per share for a period of two years from issue date. Concurrently, the remaining balance owing under the convertible debentures to a related party of \$209,849 was converted to a demand loan bearing interest at 10% per annum.

| | Face Value | Equity Portion | Liability Portion |
|-----------------------|------------|----------------|-------------------|
| | \$ | \$ | \$ |
| On February 10, 2022 | | | |
| Convertible debenture | 2,885,000 | 352,611 | 2,532,389 |

The carrying value of the liability portion of the convertible debenture is as follows:

| | | |
|--|----|-------------|
| Balance, July 31, 2024 | \$ | 2,782,774 |
| Accretion | | 188,167 |
| Gain on modification | | (116,894) |
| Balance, July 31, 2024 | | 2,854,047 |
| Accretion | | 30,953 |
| Cash payment | | (35,000) |
| 35,202,014 Units issued to settle debt | | (2,640,151) |
| Retired debt and balance into note payable | | (209,849) |
| Balance, October 31, 2025 | \$ | - |

The interest expense recorded in finance costs is as follows:

| | Three Months Ended | |
|-----------|--------------------|--------|
| | October 31, | |
| | 2025 | 2024 |
| | \$ | \$ |
| Accretion | 30,953 | 48,754 |

| | | |
|----------------------|---------------|----------------|
| Interest on the note | 43,619 | 87,261 |
| Total | 74,572 | 136,015 |

Interest payable included in trade and other payables during the three months ended October 31, 2025 are as follows:

| | | |
|--|-----------|-----------|
| Balance, July 31, 2025 | \$ | 877,832 |
| Interest expense | | 43,619 |
| 11,464,653 Units issued to settle debt | | (859,849) |
| Cash payment | | (61,602) |
| Balance, October 31, 2025* | \$ | - |

*Of this amount \$0 (\$863,241 – July 31, 2025) reflects interest due and payable to a related party

Loans Payable

Loans payable consists of the following loans:

| | | October 31, 2025 | July 31, 2025 |
|----------------------|-----|-------------------------|----------------------|
| | | \$ | \$ |
| Various demand loans | (2) | 12,500 | 184,675 |
| Total | | 12,500 | 184,675 |

Interest and financing costs recorded for the three months ended October 31, 2025 and 2024 are as follows:

| | | Three Months Ended | |
|-------------------------|-----|---------------------------|--------------|
| | | October 31, | |
| | | 2025 | 2024 |
| | | \$ | \$ |
| May 2017 Loan | (1) | - | 1,586 |
| Various on demand loans | (2) | 2,415 | 4,911 |
| Total | | 2,415 | 6,497 |

(1) May 2017 Loan

On May 1, 2017, the Company entered into an unsecured loan with a third party in the amount of US\$20,000. The loan bears interest at 15% per annum, was due for repayment in 6 months, and the Company will issue US\$2,000 worth of stock at \$0.10 per share as a bonus.

During the fiscal year ended July 31, 2023, the Company made cash payments in the amount of US\$3,500. During the fiscal year ended July 31, 2024, the Company made cash payments in the amount of US\$8,350. During the year ended July 31, 2025, the Company retired the loan and accrued interest in full. Shares issuable under the agreement were waived and the holder agreed to a cash payment in the amount of US\$2,000.

Interest payable included in trade and other payables and the principal outstanding in Canadian dollars as at October 31, 2025 and July 31, 2025 as follows:

| | October 31, 2025 | July 31, 2025 |
|-----------------------|-------------------------|----------------------|
| | \$ | \$ |
| Interest payable (\$) | - | - |
| Loan payable (\$) | - | - |

(2) Demand Loans

During the year ended July 31, 2023, the Company entered into various loans with third parties in the accumulated amount of \$55,000. The loans bear interest at 10% per annum and are due on demand.

During the fiscal year ended July 31, 2024, the Company entered into various loans with third parties in the accumulated amount of \$154,175. The loans bear interest at 10% per annum and are due on demand.

During the fiscal year ended July 31, 2025, the Company entered into a loan with a third party in the amount of \$5,500. The loans bear interest at 10% per annum and are due on demand.

During the fiscal year ended July 31, 2025, the Company repaid loans in the principal amount of \$30,000 and associated accrued interest payable of \$1,948.

During the three months ended October 31, 2025, the Company paid cash of \$30,338 to settle certain demand loans, including interest of \$7,838.

During the three months ended October 31, 2025, the Company settled a total of \$176,038 in principal of \$149,675 and interest of \$26,363 under certain demand loans issued to various third parties through the issuance of 2,347,259 Units of the Company's common stock, each Unit consisting of one share of common stock at \$0.075 per share and one share purchase warrant exercisable at \$0.12 per share for a period of two years from issue date, September 15, 2025.

Interest payable included in trade and other payables and the principal outstanding as at October 31, 2025 and July 31, 2025 are as follows:

| | October 31, 2025 | July 31, 2025 |
|-----------------------|------------------|---------------|
| | \$ | \$ |
| Interest payable (\$) | 157 | 31,943 |
| Loan payable (\$) | 12,500 | 184,675 |

The Company is, from time to time, involved in various claims, legal proceedings and complaints arising in the ordinary course of business. The Company does not believe that adverse decisions in any pending or threatened proceedings related to any matter, or any amount which it may be required to pay by reason thereof, will have a material effect on the financial condition or future results of operations of the Company.

Subsequent Events

Subsequent to October 31, 2025, the Company paid the CEO \$20,000 to reduce outstanding advances and accounts payable.

Subsequent to October 31, 2025 the Company paid a related party \$23,028.76 to reduce the balance of a certain demand loan, including interest thereon.

Subsequent to October 31, 2025, the Company paid a director \$3,000 for director fees.

TRANSACTIONS BETWEEN RELATED PARTIES

Key Management Compensation

The following related party transactions are in addition to those disclosed elsewhere in the Company's consolidated financial statements:

Upon his appointment as a director on June 20, 2025, Mr. David Kirk became a related party. As a result, the Company has reclassified certain loans received from a company controlled by Mr. Kirk to "Due to related parties" on the Company's balance sheets for the three months ended October 31, 2025 and the fiscal year ended July 31, 2025.

Key management personnel are persons responsible for planning, directing and controlling the activities of the entity, and include all directors and officers. Key management compensation comprises during the three months ended October 31, 2025 and 2024 as below:

| | Three Months Ended October 31, | |
|------------------------------|-----------------------------------|------------|
| | 2025 \$ | 2024 \$ |
| Management fees ¹ | 30,000 | - |
| Consulting fees ² | 16,000 | - |
| Total | 46,000 | - |

1. During the three months ended October 31, 2025, the Company paid or accrued management fees of \$10,000 per month for the Company's CEO, Greg Thomas (October 31, 2024 - \$0). Subsequent to the year ended July 31, 2025, the Company's board of directors agreed to retroactively compensate Thomas for his services in fiscal 2025 in the amount of \$120,000 which amount has been accrued in full in the quarter ended July 31, 2025.

2. During the three months ended October 31, 2025, the Company paid or accrued fees of \$4,000 per month each for four members of the Board of Directors, Tony Louie, Drew Brass, Greg Thomas and David Kirk, for consulting fees commencing August 1, 2025 (October 31, 2024 - \$0).

As at October 31, 2025 and July 31, 2025, the following amounts were included in trade and other payables and due to related parties owing to certain directors, offices and related persons:

| | October 31, 2025 \$ | July 31, 2025 \$ |
|--|------------------------|---------------------|
| Included in trade and other payables: | | |
| Interest payable on loan ⁴ | 478 | 12,499 |
| Interest payable on convertible debenture (Notes 5 and 6) ¹ | - | 863,241 |
| Accrued liabilities directors and officers ⁶ | - | 120,000 |
| Trade payables directors and officers ⁵ | 101,460 | 372,604 |
| | 101,938 | 1,368,344 |
| Included in due to related parties: | | |
| Due to CEO and director ² | - | 10,186 |
| Due to entity controlled by director ³ | 2,505 | 2,505 |
| Loans payable to directors and related parties ⁴ | 174,371 | 72,000 |
| | 176,876 | 84,691 |

1. Interest accrued on the convertible debenture and loan due to Erika Gardner, a family member of the CEO, Greg Thomas, and a company controlled by her. During the three months ended October 31, 2025, the Company issued an accumulated 46,666,667 Units of the Company's common stock, each Unit consisting of one share of common stock at \$0.075 per share and one share purchase warrant exercisable at \$0.12 per share for a period of two years from issue date, September 15, 2025, to Gardner and companies controlled by her to settle \$3.5 million in convertible debentures and interest thereon. During the three months ended October 31, 2025, the remaining balance owing to Gardner of \$209,849 was converted to a demand loan bearing interest at 10% per annum. See (4) below.

2. Advances for working capital purposes provided by the CEO, Greg Thomas. These amounts are interest-free and payable on demand and were settled in cash during the three months ended October 31, 2025.
3. TAC Gold Corp., a defunct entity of which the Company's CEO, Greg Thomas, is an officer advanced \$2,505 to the Company for working capital purposes. These amounts are interest-free and payable on demand.
4. During the fiscal year ended July 31, 2024, the Company entered into loans with members of the Board of Directors, Drew Brass in the amount of \$22,000 and David Kirk in the amount of \$50,000. The loans bear interest at 10% per annum and are due on demand. During the three months ended October 31, 2025, the Company issued an accumulated 1,098,755 Units of the Company's common stock to settle these loans and interest in full to Brass and Kirk, each Unit consisting of one share of common stock at \$0.075 per share and one share purchase warrant exercisable at \$0.12 per share for a period of two years from issue date, September 15, 2025. During the three months ended October 31, 2025 the remaining balance of a convertible note with Erika Gardner, a family member of the Company's CEO, Greg Thomas, was converted to a demand loan with a remaining balance at October 31, 2025 of \$174,371.
5. During the three months ended October 31, 2025, the Company issued an accumulated 3,124,000 Units the Company's common stock, each Unit consisting of one share of common stock at \$0.075 per share and one share purchase warrant exercisable at \$0.12 per share for a period of two years from issue date, September 15, 2025 to two directors, Drew Brass and Tony Louie to settle trade payables of a cumulative \$234,300.
6. During the three months ended October 31, 2025 a total of \$120,000 previously accrued as salary for the Company's CEO, Greg Thomas, was allocated to trade payables. Remaining amounts owing with respect to this accrual at October 31, 2025 totaled \$101,460.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The carrying values of loan receivable, trade and other payables, loans payable, and due to related parties approximate their fair values of these financial instruments.

The fair value of a loan receivable approximates its carrying value, as the loan bears interest at the market rate of interest.

Credit risk

Credit risk is the risk that a counter party to a financial instrument will fail to discharge its contractual obligations. The Company is exposed to credit risk with respect to its cash.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to mitigating liquidity risk is to provide reasonable assurance that it will have sufficient funds to meet liabilities when due. The Company has working capital at October 31, 2025 of \$436,725 and will be required to generate additional funding to meet its contractual financial liabilities.

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 other price risk.

- (i) Interest rate risk

All of the Company's loans payable have fixed interest rates and therefore the Company has no interest rate risk.

(ii) Foreign currency risk

The Company is exposed to foreign currency risk to the extent expenditures incurred or funds received, and balances maintained by the Company are denominated in currencies other than the Canadian dollar (primarily US dollars). The Company does not manage currency risk through hedging or other currency management tools.

The Company's net exposure to foreign currency risk is as follows:

| | October 31, 2025 | July 31, 2025 |
|---|-----------------------------|--------------------------|
| | \$ | \$ |
| Cash | - | - |
| Accounts payable | 10,660 | 10,660 |
| Total exposure to currency risk | | |
| Canadian dollar equivalent | 14,016 | 14,016 |
| | | |
| Estimated fluctuations in FX | 10% | 10% |
| Estimated impact on Company's net loss and comprehensive loss | 1,400 | 1,400 |

(iii) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company is not exposed to significant other price risk.

There is no change to the Company's approach to risk management during the three months ended October 31, 2025 and the fiscal year ended July 31, 2025.

OUTSTANDING SHARE DATA

Authorized

Unlimited number of common shares without par value
Unlimited number of preferred shares without par value

Issued

Fiscal 2026

During the three months ended October 31, 2025, the Company issued a total of 53,236,681 Units of the Company's common stock, each Unit consisting of one share of common stock at \$0.075 per share and one share purchase warrant exercisable at \$0.12 per share for a period of two years from the issue date, September 15, 2025.

| | October 31, 2025 | July 31, 2025 |
|---------------------|-------------------------|----------------------|
| Issued common stock | 119,752,400 | 66,515,719 |
| Value (\$) | 10,660,386 | 6,667,641 |

Stock Options

There are currently no stock options plans in effect.

Warrants

A summary of the Company's warrants and changes for the period ended October 31, 2025 and 2024 are as follows:

| | October 31, 2025 | | July 31, 2024 | |
|-----------------|--------------------|---------------------------------|--------------------|---------------------------------|
| | Number of Warrants | Weighted Average Exercise Price | Number of Warrants | Weighted Average Exercise Price |
| Opening balance | - | \$ - | 1,750,000 | \$ 0.20 |
| Expired | - | - | - | - |
| Issued | 53,236,681 | 0.12 | - | - |
| Closing balance | 53,236,681 | \$ 0.12 | 1,750,000 | \$ 0.20 |

A summary of the outstanding warrants is as follows:

| | October 31, 2025 | | | July 31, 2025 | | |
|--------------------|--------------------|---------------------------------|---|--------------------|---------------------------------|---|
| | Number of Warrants | Weighted Average Exercise Price | Weighted Average Remaining Contractual Life (Years) | Number of Warrants | Weighted Average Exercise Price | Weighted Average Remaining Contractual Life (Years) |
| Expiry Date | | | | | | |
| September 15, 2027 | 53,236,681 | \$0.12 | 1.96 | - | \$- | - |
| Total | 53,236,681 | \$0.12 | 1.96 | - | \$- | - |

OFF-BALANCE SHEET ARRANGEMENTS

The Company has not entered into any off-balance sheet arrangements.

COMMITMENTS

The Company is committed to certain cash payments with respect to its loan agreements.

APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING NEW ACCOUNTING STANDARDS ISSUED AND EFFECT

New and amended IFRS standards that are effective for the current year:

In the current year, the Company has applied the below amendments to IFRS Standards and Interpretations issued by the IASB that were effective for annual periods that begin on or after January 1, 2023, with earlier application permitted. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures re: Classification and Measurement of Financial Instruments

The amendments clarify the date of recognition and derecognition of some financial assets and liabilities, provide additional clarity and guidance for assessing whether a financial asset meets the solely payments of principal and interest criterion, add new disclosures for certain financial instruments with contractual terms that can change cash flows and update the disclosures for equity instruments designated at fair value through other comprehensive income. The amendments are effective for reporting periods beginning on or

after January 1, 2026. The impact to the consolidated financial statements of these amendments is being determined.

IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 will replace IAS 1 Presentation of financial statements. IFRS 18 will retain many of the existing principles in IAS 1 and will focus on updates to the statement of profit or loss. Key new concepts relate to the structure of the statement of profit or loss; required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements; and enhanced principles on aggregation and disaggregation. IFRS 18 will not impact the recognition or measurement of items in the financial statements, but it might change what an entity reports as its 'operating profit or loss'.

IFRS 18 is effective for reporting periods beginning on or after January 1, 2027. Earlier adoption is permitted. The impact to the consolidated financial statements of the adoption of this standard is being determined.

CRITICAL ACCOUNT POLICIES

Significant accounting estimates and judgments

The preparation of these consolidated financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and reported expenses during the fiscal year. Actual outcomes could differ from these estimates.

Critical accounting judgments and estimates

Significant judgments made by management in the application of IFRS during the preparation of the consolidated financial statements and estimates with a risk of material adjustment are as follows:

(a) **Going concern**

The assumption that the Company will be able to continue as a going concern is subject to critical judgments of management with respect to assumptions surrounding the short and long-term operating budget, expected profitability, investment and financing activities and management's strategic planning. Should those judgments prove to be inaccurate, management's continued use of the going concern assumptions may be inappropriate.

(b) **Impairment assessment**

At each financial position reporting date, the carrying amounts of the Company's long-term assets are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

While management believes these judgments and estimates are reasonable, actual results could differ from those estimates and could impact future results of comprehensive loss and cash flows. The estimates and underlying assumptions are reviewed on an ongoing basis.

SIGNIFICANT CHANGES FROM PREVIOUS DISCLOSURE

N/A

BOARD OF DIRECTORS AND OFFICERS

Our Board of Directors and Officers are as follows:

Gregory Thomas – Director, Chief Executive Officer, President and Secretary

Tony Louie – Director

Drew Brass – Director

David Kirk - Director

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying financial statements of the Company and all the information in this Management's Discussion and Analysis are the responsibility of management and have been approved by the Board of Directors.

The financial statements have been prepared by management in accordance with International Financial Reporting Standards. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. Financial statements are not precise since they include certain amounts based on estimates and judgments. Management has determined such amounts on a reasonable basis in order to ensure that the financial statements are presented fairly, in all material respects. Management has prepared the financial information presented fairly, in all material respects. Management has prepared the financial information presented elsewhere in the Management's Discussion and Analysis and has ensured that it is consistent with that in the financial statements.

The Company maintains systems of internal accounting and administrative controls in order to provide, on a reasonable basis, assurance that the financial information is relevant, reliable and accurate and that the Company's assets are appropriately accounted for and adequately safeguarded.

The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financials.