1911 Gold Corporation

Condensed Interim Financial Statements

(Unaudited - expressed in thousands of Canadian dollars)

For the three and six months ended June 30, 2026 and 2025

NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3) (a), if an auditor has not performed a review of the condensed interim financial statements they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim financial statements of the Company have been prepared by management and reviewed by the Audit Committee and Board of Directors of the Company.

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

1911 Gold Corporation

Condensed Interim Statements of Financial Position

(Unaudited - expressed in thousands of Canadian dollars)

	Note	June 30, 2026	December 31, 2025
		$	$
Assets			
Current			
Cash and cash equivalents		4,138	23,578
Marketable securities		35	52
Inventories		393	–
Prepaids and other	**5**	1,009	1,276
		5,575	24,906
Non-current			
Restricted cash	**19**	428	400
Mineral properties, plant and equipment, net	**6**	65,256	35,073
Deferred share issuance costs		133	–
Total assets		**71,392**	**60,379**
Liabilities			
Current			
Accounts payable and accrued liabilities	**7**	11,210	5,507
Accrued compensation and benefits		893	747
Borrowings short-term	**8**	4,297	–
Flow-through share premium liability	**11**	1,828	3,585
Lease obligation	**9**	484	564
		18,712	10,403
Non-current			
Deferred share units liability	**10**	887	1,000
Lease obligation	**9**	127	373
Borrowings long-term	**8**	12,890	–
Reclamation obligations	**12**	3,033	2,919
Total liabilities		**35,649**	**14,695**
Share capital	**13**	82,098	79,280
Share-based payment and warrant reserve	**13**	7,604	3,460
Other reserves		130,106	130,106
Deficit		(184,065)	(167,162)
Total shareholders' equity		**35,743**	**45,684**
Total liabilities and shareholders' equity		**71,392**	**60,379**

Nature of operations and going concern – Note 1
Commitments and Contingencies – Note 19
Subsequent events – Note 20

On behalf of the Board:

/s/ Gary O'Connor	/s/ Blair Schultz
Chairman	Director

1911 Gold Corporation

Condensed Interim Statements of Loss and Comprehensive Loss
For the three and six months ended June 30, 2026 and 2025

(Unaudited - expressed in thousands of Canadian dollars, except for per share amounts)

	Note	Three months ended June 30, 2026	Three months ended June 30, 2025	Six months ended June 30, 2026	Six months ended June 30, 2025
		$	$	$	$
Expenses					
Administrative and office		477	189	846	399
Consulting	**15**	681	57	1,036	385
Depreciation	**6**	181	74	392	146
Director's fees	**15**	49	37	97	74
Exploration and evaluation	**16**	3,380	1,678	10,946	4,503
Fuel and utilities		936	863	2,204	1,882
Professional fees		31	41	236	89
Property tax and insurance		111	58	249	117
Salaries and benefits	**15**	1,504	354	2,480	795
Share-based payments	**10,13,15**	278	158	1,161	533
Shareholder communications		263	133	480	298
Loss before other items		(7,891)	(3,642)	(20,127)	(9,221)
Rental revenues and other	**6**	1,140	1,032	2,102	2,149
Flow-through premium recovery	**11**	849	244	1,757	789
Interest income		124	11	251	44
Finance and bank charges		(1)	–	(2)	–
Foreign exchange loss		(396)	(3)	(753)	(3)
Reclamation obligations accretion	**12**	(56)	(45)	(114)	(99)
(Loss) gain on marketable securities		(12)	35	(17)	35
Net loss and comprehensive loss for the period		(6,243)	(2,368)	(16,903)	(6,306)
Loss per share					
Basic and diluted		(0.02)	(0.01)	(0.05)	(0.03)
Weighted average number of shares outstanding					
Basic and diluted		310,543,820	197,832,961	309,208,688	195,645,658

1911 Gold Corporation

Condensed Interim Statements of Cash Flows

For the six months ended June 30, 2026 and 2025

(Unaudited - expressed in thousands of Canadian dollars)

	Six months ended June 30, 2026	2025
	$	$
Cash (used in) provided by:		
Operating activities		
Net loss for the period	(16,903)	(6,306)
Depreciation and depletion	392	146
Reclamation obligations accretion	114	99
Loss (gain) on marketable securities	17	(35)
Share-based payments	1,161	533
Unrealized foreign exchange	750	3
Flow-through premium recovery	(1,757)	(789)
Lease finance costs	28	–
Changes in non-cash working capital items		
Prepaids and other	267	(11)
Inventories	(393)	–
Accounts payable and accrued liabilities	(386)	146
Accrued compensation and benefits	146	(112)
	(16,564)	(6,326)
Investing activities		
Expenditures on mineral properties, plant and equipment	(23,294)	(501)
Restricted Cash	(28)	–
	(23,322)	(501)
Financing activities		
Proceeds from borrowings	20,373	–
Proceeds from exercise of warrants	9	709
Proceeds from exercise of compensation options	297	–
Proceeds from exercise of options	121	51
Lease payments	(354)	(49)
	20,446	711
Decrease in cash and cash equivalents	(19,440)	(6,116)
Cash and cash equivalents – beginning of period	**23,578**	**7,412**
Cash and cash equivalents – end of period	**4,138**	**1,296**
Cash and cash equivalents consist of:		
Cash	4,080	1,238
Cash equivalents	58	58
Total cash and cash equivalents	4,138	1,296

Supplemental cash flow information – Note 18

1911 Gold Corporation
Condensed Interim Statements of Changes in Equity
For the six months ended June 30, 2026 and 2025
(Unaudited - expressed in thousands of Canadian dollars, except for per share amounts)

	Note	Number of common shares	Share capital	Share–based Payment and warrant reserve	Other reserves	Deficit	Total
			$	$	$	$	$
Balance, December 31, 2024		**192,306,002**	**44,207**	**1,597**	**130,106**	**(141,840)**	**34,070**
Shares issued from warrant exercises	**13**	7,089,850	709	–	–	–	709
Shares issued from option exercises	**13**	441,667	81	(30)	–	–	51
Share-based payments	**13**	–	–	335	–	–	335
Net loss and comprehensive loss for the period		–	–	–	–	(6,306)	(6,306)
Balance, June 30, 2025		**199,837,519**	**44,997**	**1,902**	**130,106**	**(148,146)**	**28,859**
Balance, December 31, 2025		**306,860,968**	**79,280**	**3,460**	**130,106**	**(167,162)**	**45,684**
Shares and warrants issued as finance fees for borrowing	**13**	1,858,742	2,119	3,142	–	–	5,261
Shares issued from warrant exercises	**13**	7,500	9	–	–	–	9
Shares issued from compensation option exercises	**13**	1,315,013	480	(183)	–	–	297
Shares issued from option exercises	**13**	638,333	194	(73)	–	–	121
Shares issued from RSU vesting	**13**	108,332	16	(16)	–	–	–
Share-based payments	**13**	–	–	1,274	–	–	1,274
Net loss and comprehensive loss for the period		–	–	–	–	(16,903)	(16,903)
Balance, June 30, 2026		**310,788,888**	**82,098**	**7,604**	**130,106**	**(184,065)**	**35,743**

1. Nature of Operations

1911 Gold Corporation ("1911 Gold" or the "Company") is engaged in the exploration and extraction of precious metals. The Company owns and operates the Rice Lake property which holds the True North gold mine and mill ("True North"), as well as the Apex property near Snow Lake, Manitoba and the Denton-Keefer property near Timmins, Ontario. The Company was incorporated under the British Columbia Business Corporations Act on May 3, 2018 and its common shares are traded on the TSX Venture Exchange ("TSX-V") under the symbol "AUMB" and are quoted on the OTCQX under the symbol "AUMBF". The Company's principal place of business is located at 400 Burrard Street, Suite 1050, Vancouver, BC V6C 3A6.

Going concern

These condensed interim financial statements have been prepared on the basis that the Company will continue as a going concern, which assumes that the Company will be able to meet its commitments, continue operations and realize its assets and discharge its liabilities in the normal course of business for at least twelve months from the period end. At June 30, 2026 the Company had a working capital deficiency (current assets less current liabilities) of $13,137 (at December 31, 2025 –working capital of $14,503). During the six months ended June 30, 2026 the Company incurred a loss of $16,903 (six months ended June 30, 2025 – $6,306) and used cash for operating activities of $16,564 (six months ended June 30, 2025 – $6,326).

The Company has a history of operating losses, has limited financial resources, and no assurance that sufficient funding will be available to enable the Company to continue exploration and development activities. Following the delivery of a Preliminary Economic Assessment on the True North project during the period, on March 1, 2026, the Company transitioned part of True North into the development stage which involves an increased commitment to capital and operational expenditures. Management anticipates that this transition will result in a higher burn rate through the 2026 fiscal year as dewatering, construction, underground rehabilitation, and test mining activities accelerate. The Company's ability to continue as a going concern is dependent upon its ability to obtain the financing necessary to fund its mineral properties through the issuance of common shares, debt, royalty or stream financing, joint ventures, or by realizing proceeds from the disposition of its mineral interests. Management anticipates that existing cash on hand, together with the net proceeds of the bought deal public offering that closed on July 29, 2026 (Note 20), will be sufficient to meet the Company's obligations and objectives as they fall due for at least twelve months from period end. The principal business objectives that the Company intends to accomplish with the proceeds of the Offering are to continue exploration and development of True North, which includes advancing underground mine development through both lateral and vertical work, completing additional pre-production work required to ready the project for a production decision, and carrying out surface and underground exploration drilling programs designed to expand known mineralization zones and test new targets. The Company also intends to advance its technical studies in respect of its mineral projects, supported by ongoing exploration geology and related general and administrative activities. Together, these initiatives are intended to advance True North towards a production decision and to enhance the Company's overall resource base. Should the Company make a positive production decision in respect of True North, additional financing will be required to fund the Company's capital requirements through to any start-up of operations at True North. The ability of the Company to draw upon the second, US$15 million tranche under the Auramet Credit Facility is subject to the satisfaction of conditions precedent by the Company which may be outside of the control of the Company to satisfy. Management plans to continue to secure the necessary financing through these sources; however, there can be no assurance that the Company will be successful in these actions. These conditions, including the Company's dependence on obtaining additional financing to fund its development activities and to achieve start-up of operations at True North, represent a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern, and the Company may be unable to realize its assets and discharge its liabilities in the normal course of business.

These condensed interim financial statements do not give effect to adjustments to the carrying values and classification of assets and liabilities that would be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

2. Basis of Presentation

Statement of compliance and functional currency

These condensed interim financial statements have been presented in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim financial statements, including IAS 34, *Interim Financial Reporting*. These financial statements were approved by the Board of Directors on August 18, 2026. These financial statements have been prepared on a historical cost basis except for certain financial instruments which are measured at fair value. The condensed interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements as at December 31, 2025.

These financial statements are presented in Canadian dollars, which is the functional currency of the Company.

3. Material Accounting Policies

In the preparation of these condensed interim financial statements, the Company has used the same accounting policies and methods of computation as in the most recent annual financial statements for the Company for the year ended December 31, 2025, except for the adoption of new standards effective as of January 1, 2026. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Inventories

Inventories comprise materials and supplies and are measured at the lower of cost and net realizable value. Cost is determined on a weighted-average basis and includes the purchase price and other costs incurred in bringing the inventories to their present location and condition. Net realizable value is the estimated selling price in the ordinary course of business, less applicable selling expenses. As materials and supplies are consumed, their cost is recognized in profit or loss when used in operations, or included in the carrying amount of mineral property, plant and equipment when incorporated into an item of property, plant and equipment under construction. The Company reverses previous write-downs to net realizable value when the circumstances that caused the write-down no longer exist.

Accounting standards adopted during the period

The Company adopted Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) on January 1, 2026. The amendments clarify that a financial liability is derecognized on the settlement date and introduce an accounting policy choice to derecognize a financial liability settled using an electronic payment system before the settlement date. Other clarifications include guidance on the classification of financial assets with ESG-linked features, non-recourse loans and contractually linked instruments. The adoption of the amendments did not have a material impact on the Company's condensed interim financial statements.

Accounting standards issued but not yet effective

In April 2024, the IASB issued IFRS 18, *Presentation and Disclosure of Financial Statements* ("IFRS 18"), which replaces IAS 1, Presentation of Financial Statements. IFRS 18 introduces a specified structure for the income statement by requiring income and expenses to be presented into the three defined categories of operating, investing and financing, and by specifying certain defined totals and subtotals. Where company-specific measures related to the income statement are provided, IFRS 18 requires companies to disclose explanations around these measures, which are referred to as management-defined performance measures. IFRS 18 also provides additional guidance on principles of aggregation and disaggregation which apply to the primary financial statements and the notes. IFRS 18 will not affect the recognition and measurement of items in the financial statements, nor will it affect which items are classified in other comprehensive income and how these items are classified. The standard is effective for reporting periods beginning on or after January 1, 2027, including for interim financial statements. Retrospective application is required, and early application is permitted. The Company is currently assessing the impact of IFRS 18 on its financial statements. While the Company does not expect IFRS 18 to affect the recognition or measurement of items in its financial statements, it is expected to affect the presentation and disclosure of the statement of loss and comprehensive loss, including the classification of income and expenses into the operating, investing and financing categories and the presentation of any management-defined performance measures. The Company will continue to evaluate the impact of the standard, including the required changes to its presentation and disclosures, in advance of the effective date.

(Unaudited - expressed in thousands of Canadian dollars, except per share amounts)

As at June 30, 2026, there are no other IFRS Accounting Standards or IFRIC interpretations with future effective dates that are expected to have a material impact on the Company.

4. Critical Accounting Estimates and Judgments

The preparation of financial statements in conformity with IFRS Accounting Standards requires management to make estimates and assumptions about future events that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the annual financial statements and the reported amounts of revenues and expenses during the reporting period. Such estimates and assumptions, which by their nature are uncertain, affect the carrying value of assets, and impact decisions as to when exploration and evaluation costs should be capitalized or expensed. The Company regularly reviews its estimates and assumptions; however, actual results could differ from these estimates and these differences could be material. Revisions to estimates and the resulting impacts on the carrying amounts of the Company's assets and liabilities are accounted for prospectively.

The Company's critical accounting estimates and judgments applied in the preparation of these condensed interim financial statements are consistent with the most recent annual financial statements for the Company for the year ended December 31, 2025.

5. Prepaids and other

	June 30, 2026	December 31, 2025
	$	$
GST receivable	372	613
Other receivables	17	63
Prepaid expenses[1]	620	600
	1,009	**1,276**

1 Prepaid expenditures primarily include amounts in connection with insurance, investor relations conferences, property taxes, and service agreements.

(Unaudited - expressed in thousands of Canadian dollars, except per share amounts)

6. Mineral Properties, Plant and Equipment

	Mineral properties	Assets under construction	Plant and equipment	Total
	$	$	$	$
Cost:				
Balance at December 31, 2024	61,128	–	13,822	74,950
Additions	–	745	3,801	4,546
Disposals	(201)	–	–	(201)
Balance at December 31, 2025	60,927	745	17,623	79,295
Additions	6,910	20,821	1,519	29,250
Capitalized interest	–	1,325	–	1,325
Balance at June 30, 2026	67,837	22,891	19,142	109,870
Accumulated depreciation and depletion:				
Balance at December 31, 2024	(30,799)	–	(13,059)	(43,858)
Additions	–	–	(364)	(364)
Balance at December 31, 2025	(30,799)	–	(13,423)	(44,222)
Additions	–	–	(392)	(392)
Balance at June 30, 2026	(30,799)	–	(13,815)	(44,614)
Net - December 31, 2025	**30,128**	**745**	**4,200**	**35,073**
Net – June 30, 2026	**37,038**	**22,891**	**5,327**	**65,256**

Following the transition to the development phase of a portion of the True North on March 1, 2026, additions consisted primarily of capitalized mine development costs and purchases of plant and equipment; prior to that date the Company's mineral properties were in the exploration phase and related costs were expensed to the statements of loss and comprehensive loss.

From the shutdown of mining operations in 2018 up until the Company transitioned to the development-stage for part of True North on March 1, 2026, all the Company's mineral properties were considered to be in the exploration phase and accordingly, all costs were expensed to the statements of loss and comprehensive loss.

As at March 1, 2026, management assessed the True North mineral property for impairment in connection with the project's transition from the exploration and evaluation stage to the development stage. Prior to reclassification from exploration and evaluation assets to mineral property, plant and equipment / mine development assets, the Company performed an impairment test in accordance with IFRS 6 and IAS 36 with the recoverable amount determined based on value in use, using a discounted cash flow model based on the True North Preliminary Economic Assessment dated February 10, 2026. The recoverable amount was estimated at $520,900, which exceeded the carrying amount of $60,927 by $459,973. Accordingly, no impairment charge was recognized.

The impairment assessment required significant judgment and the use of estimates, including assumptions related to future gold prices, foreign exchange rates, production volumes, grades, metallurgical recovery, operating and sustaining capital costs, mine life, and the discount rate. The discounted cash flow model applied an after-tax discount rate of 5.0% and long-term gold price assumptions of US$3,500/oz in 2027, US$3,200/oz in 2028, and US$3,000/oz thereafter. Management also performed sensitivity analyses over key assumptions, including lower gold prices and higher operating costs and discount rates, and in each case the estimated recoverable amount continued to exceed the carrying amount. Although management concluded that no impairment existed as at March 1, 2026, changes in these assumptions could impact the estimated recoverable amount in future periods. As of June 30, 2026, there are no indicators of impairment for Mineral Properties, Plant and Equipment.

(Unaudited - expressed in thousands of Canadian dollars, except per share amounts)

Data Centre Agreements
The Company entered into three agreements in June, September and November of 2022 for the lease of a 0.35-hectare parcel of land on the True North site for the purpose of hosting a data processing centre, for a term of 3 to 5 years (the "Data Centre Agreement"). This data centre is independently operated and maintained and will utilize excess hydroelectric power available at the site for the purposes of providing data processing services to third parties. During the three and six months ended June 30, 2026, the Company recognized $938 and $1,876 from the Data Centre Agreement in rental revenues and other in profit or loss (three and six months ended June 30, 2025 – $874 and $1,941).

7. Accounts Payable and Accrued Liabilities

	June 30, 2026	December 31, 2025
	$	$
Accounts payable	8,767	5,389
Accrued liabilities	2,443	118
	11,210	5,507

Accounts payable is mostly made up of amounts owing from exploration expenditures and mineral property expenditures. The increase in accounts payable during the six months ended June 30, 2026, was primarily attributable to additions to mineral property, plant and equipment as the True North project advanced into the development phase.

8. Borrowings

On February 20, 2026, the Company entered into a loan agreement with Auramet International, Inc. ("Auramet") for a US$30,000 secured credit facility (the "Loan Agreement"). Key terms are as follows:

- Tranche 1 (US$15,000): Closed on March 9, 2026.
- Tranche 2 (US$15,000): Available between 90 and 180 days following the closing of Tranche 1, subject to the satisfaction of certain conditions precedent.
- Interest: The facility carries a 12% annual interest rate, payable monthly. Tranche 1 features an interest-free period for the first six months.
- Repayment Schedule: Tranche 1 is repayable in 12 equal monthly installments of US$1,250 starting 13 months after closing. Tranche 2 is repayable as a single payment at the 24-month maturity date.
- Fees: The facility involves a 3.5% arrangement fee due at closing and a 2.5% drawdown fee per tranche. At the Company's discretion, these costs could be settled in either cash or common shares. 1,858,742 shares were issued for a fair value of $2,119 related to the arrangement fee of the Loan Agreement and drawdown fee for Tranche 1.
- Warrants: The Company will issue 4,500,000 common share purchase warrants upon each drawdown (9,000,000 total) to the lender. Tranche 1 warrants were issued with a fair value of $3,142, have an exercise price of $1.07, and expire in 24 months.

(Unaudited - expressed in thousands of Canadian dollars, except per share amounts)

A continuity schedule of borrowings is as follows:

	$
Balance December 31, 2024	–
Balance December 31, 2025	–
Proceeds of borrowings net of transaction fees	20,373
Transaction fees settled in shares and warrants	(5,261)
Accretion of transaction fees	1,325
Foreign exchange adjustment	750
Ending balance	**17,187**

Borrowings are measured at amortized cost. The current portion of $4,297 (December 31, 2025 – $nil) represents the principal installments falling due within twelve months of June 30, 2026, net of the related unamortized transaction costs, with the remaining $12,890 classified as non-current.

The Loan Agreement includes terms and conditions, including certain specified covenants. As at June 30, 2026, the Company is in compliance with all covenants.

9. Lease obligations

The Company entered into two equipment leases during the year ended December 31, 2025. The outstanding balances as at June 30, 2026 and December 31, 2025 are as follows:

	June 30, 2026	December 31, 2025
	$	$
Total lease obligations	611	937
Less: current portion	(484)	(564)
Non-current portion	**127**	**373**

The Company's lease obligations outstanding as at June 30, 2026 and December 31, 2025 and the changes for the periods then ended are as follows:

	$
Balance December 31, 2024	**–**
Lease additions	1,270
Lease payments	(344)
Interest payments	11
Balance December 31, 2025	**937**
Lease payments	(354)
Interest payments	28
Balance June 30, 2026	**611**

(Unaudited - expressed in thousands of Canadian dollars, except per share amounts)

The following is a schedule of the Company's future minimum lease payments related to the equipment lease obligations:

	$
2026	257
2027	385
Total minimum lease payments	642
Less: imputed interest	(31)
Total present value of minimum lease payments	611
Less: Current portion	(484)
Non-current portion	**127**

During the three and six months ended June 30, 2026, the Company recorded $15 and $28 (2025 - $nil and $nil) of interest expense related to the leases.

10. Deferred Share Units ("DSUs")

On June 26, 2024, the shareholders of the Company approved a new long-term incentive plan, which is a rolling 10% plan that provides for the grant of Stock Options, Restricted Share Units ("RSUs") and DSUs. Under the plan, the DSUs can be granted to directors as part of their long-term compensation package, entitling them to receive the payout in either cash or shares. Should the payout be in cash, the cash value of the payout would be determined by multiplying the number of DSUs at the payout date by the closing price of the Company's shares on the day the individual ceased to be a director. Should the payout be in shares, each DSU represents an entitlement to one common share of the Corporation. As at June 30, 2026, the maximum number of common shares issuable under the plan was 31,078,888 (10% of the 310,788,888 common shares then outstanding), of which 14,190,000 stock options, 666,668 RSUs, and 1,386,445 DSUs were outstanding, leaving 14,835,775 available for future grants.

The Company's DSUs outstanding as at June 30, 2026 and December 31, 2025 and the changes for the periods then ended are as follows:

	Number of DSUs
Balance at December 31, 2024	**94,780**
Granted January 8, 2025	166,665
Granted January 21, 2025	500,000
Granted April 9, 2025	125,000
Granted July 9, 2025	125,000
Granted October 7, 2025	125,000
Balance at December 31, 2025	**1,136,445**
Granted January 13, 2026	125,000
Granted April 9, 2026	125,000
Balance at June 30, 2026	**1,386,445**

All grants under the plan are fully vested upon grant; accordingly, all 1,386,445 DSUs outstanding at June 30, 2026 (December 31, 2025 – 1,136,445) were fully vested and no DSUs remained subject to vesting.

During the six months ended June 30, 2026, the Company granted 250,000 DSUs (year ended December 31, 2025 - 1,041,665) with an average market value of $0.97 (2025 - $0.28), at the date of grants, to non-executive directors. During the six months ended June 30, 2026, nil shares were issued as settlement for the DSUs (year ended December 31, 2025 – nil). As at June 30, 2026, there are 1,386,445 (2025 - 1,136,445) DSUs outstanding with a fair value of $0.64 (2025 –

(Unaudited - expressed in thousands of Canadian dollars, except per share amounts)

$0.88). The total share-based payment recovery recognized for DSUs during the three and six months ended June 30, 2026 was $374 and $113 (three and six months ended June 30, 2025 – share-based payment expense of $65 and $198).

11. Flow-Through Share Premium Liability

Flow-through share premium liabilities include the liability portion of the flow-through shares issued. The following is a continuity schedule of the liability portion of the flow-through share premium liability:

	$
Balance at December 31, 2024	**1,406**
Settlement of flow-through share liability on incurred expenditures	(1,920)
Liability incurred on flow-through shares issued during the year	4,099
Balance at December 31, 2025	**3,585**
Settlement of flow-through share liability on incurred expenditures	(1,757)
Balance at June 30, 2026	**1,828**

During the six months ended June 30, 2026, the Company incurred $7,078 in eligible CEE flow-through expenditures and $5,930 in eligible CDE flow-through expenditures and a total flow-through share premium liability of $1,757 was amortized to flow-through premium recovery in profit or loss (six months ended June 30, 2025 – $789).

12. Reclamation Obligations

The reclamation obligations are related to True North and are estimated based upon the present value of expected cash flows using estimates of inflation and a credit-adjusted discount rate. The undiscounted amount of cash flows required to settle the reclamation obligations was estimated at $9,004 as at June 30, 2026 (December 31, 2025 – $9,004).

The key assumptions on which the provision estimates were based on at June 30, 2026 and December 31, 2025 were:

- Expected timing of the cash flows occurs between 2039-2044 based on the expected activities of True North.
- The inflation rate used for the six months ended June 30, 2026 is 2.00% (2025 – 2.00%).
- The discount rate used for the six months ended June 30, 2026 is 7.85% (2025 – 7.85%).

The following table provides a summary of changes in the reclamation obligations:

	$
Balance at December 31, 2024	**2,905**
Accretion expense	215
Change in estimate	(201)
Balance at December 31, 2025	**2,919**
Accretion expense	114
Balance at June 30, 2026	**3,033**

(Unaudited - expressed in thousands of Canadian dollars, except per share amounts)

13. Share Capital

a) **Authorized:** Unlimited common shares without par value.

b) Shares issued

During the six months ended June 30, 2026:

The Company issued 1,858,742 common shares for a fair value of $2,119 related to the arrangement fee of the Loan Agreement and drawdown fee for the Tranche 1;

The Company issued 638,333 common shares from the exercise of share options (note 13(c));

The Company issued 1,315,013 common shares from the exercise of share compensation options (note 13(d));

The Company issued 7,500 common shares from the exercise of share purchase warrants (note 13(e)); and

The Company issued 108,332 common shares from the vesting of RSUs (note 13(f)).

During the six months ended June 30, 2025:

The Company issued 7,089,850 common shares from the exercise of share purchase warrants (note 13(e)); and

The Company issued 441,667 common shares from the exercise of share options (note 13(c)).

c) Options

The options vest as to one-third immediately and one-third after the first and second anniversary of the date of grant, with the exception of 350,000 options that vest 25% after three, six, nine, and twelve months from the grant, 300,000 options that vest six months from the grant date, 500,000 options that vest one-half immediately and one-half after the first anniversary, and 300,000 options that vest four months after the date of grant.

The Company's share options outstanding as at June 30, 2026 and December 31, 2025 and the changes for the periods then ended are as follows:

	Number	Weighted average exercise price
		$
Balance at December 31, 2024	**5,825,000**	**0.27**
Granted – January 21, 2025	5,700,000	0.155
Granted – May 2, 2025	150,000	0.205
Granted – September 8, 2025	700,000	0.345
Granted – October 22, 2025	850,000	0.84
Granted – October 28, 2025	800,000	0.93
Granted – December 8, 2025	600,000	0.90
Exercised	(966,667)	0.16
Expired	(1,115,000)	0.68
Balance at December 31, 2025	**12,543,333**	**0.30**
Granted – January 12, 2026	60,000	1.00
Granted – February 25, 2026	1,175,000	1.15
Granted – March 24, 2026	300,000	0.90
Granted April 21, 2026	750,000	0.96
Exercised	(638,333)	0.19
Balance at June 30, 2026	**14,190,000**	**0.42**

(Unaudited - expressed in thousands of Canadian dollars, except per share amounts)

The total share-based payment expense recorded during the three and six months ended June 30, 2026 was $590 and $1,158 (three and six months ended June 30, 2025 – $86 and $323).

The following table summarizes information about the share options as at June 30, 2026:

Exercise price per share of options outstanding	Number of options outstanding	Weighted average remaining life (years)	Weighted average exercise price of options exercisable	Number of options exercisable	Expiry date
$0.35	450,000	0.59	$0.35	450,000	February 2, 2027
$0.40	300,000	0.71	$0.40	300,000	March 15, 2027
$0.38	300,000	0.75	$0.38	300,000	April 1, 2027
$0.09	300,000	0.96	$0.09	300,000	June 14, 2027
$0.16	800,000	1.56	$0.16	266,666	January 21, 2028
$0.10	1,105,000	2.16	$0.10	1,105,000	August 28, 2028
$0.11	625,000	2.79	$0.11	625,000	April 15, 2029
$0.09	33,333	2.96	$0.09	33,333	June 14, 2029
$0.11	200,000	3.02	$0.11	133,333	July 8, 2029
$0.11	250,000	3.11	$0.11	250,000	August 7, 2029
$0.14	200,000	3.16	$0.14	133,333	August 27, 2029
$0.155	4,491,667	3.56	$0.155	2,802,779	January 21, 2030
$0.205	50,000	3.84	$0.205	16,666	May 2, 2030
$0.345	700,000	4.19	$0.345	291,666	September 8, 2030
$0.84	850,000	4.32	$0.84	283,333	October 22, 2030
$0.93	800,000	4.33	$0.93	266,666	October 28, 2030
$0.90	450,000	4.44	$0.90	150,000	December 8, 2030
$1.00	60,000	4.54	$1.00	20,000	January 12, 2031
$1.15	1,175,000	4.66	$1.15	391,666	February 25, 2031
$0.90	300,000	4.73	$0.90	100,000	March 24, 2031
$0.96	750,000	4.81	$0.96	250,000	April 21, 2031

The fair value of options recognized has been estimated using the Black-Scholes Option Pricing Model with the following assumptions on the grant date of the options:

Grant date	Expected Option life (years)	Risk-free interest rate	Dividend yield	Expected volatility[1]	Weighted average fair value
January 21, 2025	5.00	3.02%	Nil	82%	$0.09
January 21, 2025	3.00	2.94%	Nil	82%	$0.09
May 2, 2025	5.00	2.67%	Nil	81%	$0.13
September 8, 2025	5.00	2.81%	Nil	81%	$0.22
October 22, 2025	5.00	2.64%	Nil	80%	$0.55
October 28, 2025	5.00	2.69%	Nil	79%	$0.61
December 8, 2025	5.00	2.89%	Nil	79%	$0.58
January 12, 2026	5.00	2.74%	Nil	80%	$0.65
February 25, 2026	5.00	2.89%	Nil	81%	$0.75
March 24, 2026	5.00	3.12%	Nil	81%	$0.60
April 21, 2026	5.00	3.10%	Nil	81%	$0.64

[1] The expected volatility was calculated using the Company's historical volatility over the life of the options.

(Unaudited - expressed in thousands of Canadian dollars, except per share amounts)

The weighted average share price on the date of option exercises during the six months ended June 30, 2026 was $0.97 (six months ended June 30, 2025 – $0.22).

d) Compensation Options

As part of the LIFE Offerings on July 17, 2025 and LIFE Offering and private placement on December 4, 2025, the Company agreed to issue the underwriters compensation options (the "July Compensation Options" and the "December Compensation Options" respectively). Each July Compensation Option is exercisable to acquire one common share of the Company at $0.22 for a period of 24 months from the closing date of the LIFE Offering, except Compensation Options issued with respect to president's list purchasers, with such July Compensation Options to be exercisable for a period of nine months from the closing date of the LIFE Offering. Each December Compensation Option is exercisable to acquire one common share of the Company at $0.80 for a period of 24 months from the closing date of the LIFE Offering, except December Compensation Options issued with respect to president's list purchasers, with such December Compensation Options to be exercisable for a period of nine months from the closing date of the LIFE Offering.

The Company's compensation options outstanding as at June 30, 2026 and December 31, 2025 and the changes for the periods then ended are as follows:

	Number	Weighted average exercise price
		$
Balance at December 31, 2024	**–**	**–**
Issued – July 17, 2025	2,505,037	0.22
Issued – December 4, 2025	1,270,525	0.80
Exercised	(1,202,334)	0.22
Balance at December 31, 2025	**2,573,228**	**0.51**
Exercised	(1,315,013)	0.23
Balance at June 30, 2026	**1,258,215**	**0.80**

The fair value of compensation options recognized has been estimated using the Black-Scholes Option Pricing Model with the following assumptions on the grant date of the compensation options:

Grant date	Expected compensation option life	Risk-free interest rate	Dividend yield	Expected volatility[1]	Weighted average fair value
July 17, 2025	0.75	2.38%	Nil	74%	$0.05
July 17, 2025	2.00	2.38%	Nil	77%	$0.09
December 4, 2025	0.75	2.52%	Nil	105%	$0.42
December 4, 2025	2.00	2.52%	Nil	91%	$0.54

[1] The expected volatility was calculated using the Company's historical volatility over the life of the compensation options.

(Unaudited - expressed in thousands of Canadian dollars, except per share amounts)

e) Warrants

The Company's warrants outstanding as at June 30, 2026 and December 31, 2025 and the changes for the periods then ended are as follows:

	Number	Weighted average exercise price
		$
Balance at December 31, 2024	**41,709,915**	**0.18**
Issued	11,212,708	1.20
Exercised	(40,459,915)	0.10
Balance at December 31, 2025	**12,462,708**	**1.37**
Issued (Note 8)	4,500,000	1.07
Exercised	(7,500)	1.20
Balance at June 30, 2026	**16,955,208**	**1.29**

The weighted average share price on the date of warrant exercises during the six months ended June 30, 2026 was $1.31 (six months ended June 30, 2025 – $0.22).

The balance of warrants outstanding as at June 30, 2026 is as follows:

Expiry Date	Exercise Price	Remaining Life (Years)	Warrants Outstanding
December 4, 2027	$1.20	1.43	11,205,208
March 9, 2028	$1.07	1.69	4,500,000
February 11, 2029	$1.52	2.62	625,000
April 3, 2032	$4.24	5.76	625,000

f) Restricted Share Units ("RSUs")

The Company's RSUs outstanding as at June 30, 2026 and December 31, 2025 and the changes for the periods then ended are as follows:

	Number of RSUs
Balance at December 31, 2024	–
Granted January 21, 2025	325,000
Granted October 28, 2025	300,000
Balance at December 31, 2025	**625,000**
Granted April 21, 2026	150,000
Vested	(108,332)
Balance at June 30, 2026	**666,668**

The total share-based payment expense recorded during the three and six months ended June 30, 2026 related to the RSUs was $62 and $116 (three and six months ended June 30, 2025 – $7 and $12).

14. Segment Information

The Company has one operating segment, the Rice Lake property, which is located in Manitoba, Canada. All non-current assets are located within this operating segment.

(Unaudited - expressed in thousands of Canadian dollars, except per share amounts)

15. Related Party Transactions

Key Management Compensation

Key management includes directors and executive officers of the Company. During the three and six months ended June 30, 2026 and 2025, the Company incurred the following charges by key management of the Company and by companies controlled by them:

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	2026	2025
	$	$	$	$
Salaries and wages	598	169	977	338
Consulting fees	22	22	44	44
Directors fees	49	37	97	74
Share–based payments	(35)	126	373	431
	634	354	1,491	887

Of the $977 in salaries and wages, $816 was recorded in salaries and benefits expense and $161 in exploration and evaluation expense (six months ended June 30, 2025 – $220 and $118, respectively).

Of the consulting fees, $14 was recorded in consulting fees and $30 in exploration and evaluation expense (six months ended June 30, 2025 – $14 and $30, respectively).

As at June 30, 2026, $366 was owing to directors, officers or companies controlled by them related to their director fees, salaries, and professional fees (December 31, 2025 - $439).

Other than the amounts disclosed above, there was no other compensation paid or payable to key management for employee services for the reported periods.

16. Exploration expenses

Below is a breakdown of exploration expenses:

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	2026	2025
	$	$	$	$
Salary and wages	401	221	670	466
Consulting fees	481	203	1,959	374
Drilling	1,942	216	2,815	1,566
Field supplies and other costs	343	332	1,299	878
Laboratory and analysis fees	193	98	293	165
Mine delineation	–	598	3,868	1,033
Travel and accommodation fees	20	10	42	21
Total exploration and evaluation expenses	3,380	1,678	10,946	4,503

17. Financial Instruments and Capital Management

Capital Management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern so that it can provide returns for shareholders and benefits for other stakeholders, and to explore and develop assets with a view to building a diversified mineral resource company.

The capital structure of the Company consists of equity attributable to common shareholders of $35,743 and borrowings of $17,187 (December 31, 2025 – $nil). During the six months ended June 30, 2026, the Company drew down Tranche 1 of its secured credit facility with Auramet (Note 8), introducing debt into the Company's capital structure for the first time.

The Company manages the capital structure and adjusts it based on changes in economic conditions and the risk characteristics of the mineral property assets. In order to maintain or adjust the capital structure, the Company may issue new shares through equity offerings or sell assets to fund activities. Management reviews its capital management approach on a regular basis. The Company is not subject to externally imposed capital requirements. There were no changes in the Company's approach to capital management during the six months ended June 30, 2026.

Financial Instruments

Fair value

Financial instrument disclosures establish a fair value hierarchy that requires the Company to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The Company primarily applies the market approach for recurring fair value measurements. This section describes three input levels that may be used to measure fair value:

Level 1 – unadjusted quoted prices in active markets for identical assets or liabilities. An active market for the asset or liability is a market in which transactions for the asset or liability occur with sufficient frequency and volume to provide information on an ongoing basis.

Level 2 – quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 – unobservable inputs that are supported by little or no market activity.

The Company's financial instruments consist of cash and cash equivalents, restricted cash, marketable securities, accounts payable and accrued liabilities, and borrowings. The carrying values of cash and cash equivalents, accounts payable and accrued liabilities approximate their fair values due to the short-term nature of these financial instruments. Restricted cash is measured at fair value. Marketable securities are recorded at FVTPL and are measured at fair value using Level 1 inputs. The borrowings are measured at amortized cost; their fair value approximates their carrying value of $17,187 as the facility was drawn during the quarter at market terms, and is determined using a discounted cash flow technique based on observable market interest rates for instruments with similar terms (Level 2). There have been no movements between levels of the fair value hierarchy during the six months ended June 30, 2026.

The Company's activities potentially expose it to a variety of financial risks, including liquidity risk, credit risk and market risk. These risks are described below. The Company's exposure to liquidity risk, interest rate risk and currency risk changed during the six months ended June 30, 2026 as a result of drawing on the US dollar-denominated secured credit facility (Note 8). The Company's other financial risks have not changed materially during the period.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset (see Note 1). The Company closely monitors and reviews its costs incurred and actual cash flows against the approved budget on a monthly basis to ensure the Company's access to funds is adequate to support the Company's operations on an ongoing basis. Management anticipates that existing cash on hand, together with the net proceeds of the bought deal public offering that closed on July 29, 2026 (Note 20), will be sufficient to meet the Company's obligations as they fall due for at least twelve months from period end. Continuing the Company's planned underground development and test mining programs over that period will require additional financing, and there is no assurance that such financing will be available on acceptable terms, or at all; in the absence of such financing the Company would be required to curtail or defer discretionary development expenditures. At June 30, 2026, the Company had a working capital deficiency (current assets less current liabilities) of $13,137 (December 31, 2025 –working capital of $14,503). In addition to its working capital position, the Company's contractual obligations include monthly interest payments of 12% per annum on the US$15,000 Tranche 1 borrowing commencing six months after the March 9, 2026 drawdown, with principal repayable in 12 equal monthly installments of US$1,250 starting 13 months after closing (Note 8). Future operations, exploration and development programs, and debt service will require additional financing, primarily through equity markets, debt, royalty or stream financing, other forms of financing such as joint venture partnerships, or by realizing proceeds from the disposition of its mineral interests.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises currency risk and interest rate risk. The Company's exposure to currency risk and interest rate risk changed during the six months ended June 30, 2026 as a result of drawing on the US dollar-denominated secured credit facility (Note 8), as described below.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company holds cash and cash equivalents in interest-bearing accounts and, as at June 30, 2026, has borrowings of $17,187 outstanding under its secured credit facility with Auramet (Note 8). The credit facility bears interest at a fixed rate of 12% per annum; accordingly, the Company is not exposed to cash flow interest rate risk on this debt, although changes in market interest rates would affect its fair value. The Company considers interest rate risk to be immaterial.

Currency risk

Currency risk is the risk that future cash flows or the fair value of financial instruments will fluctuate because of changes in foreign exchange rates. The Company is exposed to currency risk primarily through its US dollar-denominated borrowings (Note 8). At June 30, 2026, the Company's borrowings of $17,187 included US$15,000 of principal denominated in US dollars. During the six months ended June 30, 2026, the Company recognized a foreign exchange loss of $753 in profit or loss, of which $750 related to the retranslation of the US dollar-denominated borrowings. A 10% strengthening (weakening) of the US dollar against the Canadian dollar at June 30, 2026, with all other variables held constant, would have increased (decreased) the carrying value of the borrowings, and the loss before income taxes for the period, by approximately $1,719. The Company does not currently hedge its currency risk.

18. Supplemental Cash Flow Information

Investing and financing activities that do not require the use of cash are excluded from the statements of cash flows.

The following transactions were excluded from the statement of cash flows:

During the six months ended June 30, 2026:

- Shares and warrants issued for a value of $5,261 related to the Loan Agreement transaction fees;
- The movement of $5,956 of plant and equipment included in accounts payable during the period;
- The movement of $73 from share-based payment and warrant reserve to equity as the result of option exercises during the period;
- The movement of $183 from share-based payment and warrant reserve to equity as the result of compensation option exercises during the period;
- The movement of $16 from share-based payment and warrant reserve to equity as the result of the vesting of RSUs; and
- The capitalization of interest expense on borrowings of $1,325.

During the six months ended June 30, 2025:

- The recognition of an asset in property, plant and equipment and related lease obligation in the amount of $292 related to two equipment leases; and
- The movement of $30 from stock option reserve to equity as the result of option exercises during the period.

During the six months ended June 30, 2026, the Company paid $nil in interest and $nil in income taxes (2025 – $nil). Interest of $1,325 recognized on the borrowings during the period was capitalized to mineral properties, plant and equipment and no cash interest was payable during the interest-free period.

19. Commitments and Contingencies

True North Mine Closure Plan and Financial Security

In connection with the Company's reclamation obligations (Note 12), the Company is obligated to provide financial security to the Province of Manitoba. The Company has provided partial financial security through the provision of a third-party surety for $1,071 (2025 - $800) which included a cash deposit of $428 (2025 - $400) held by the third-party surety provider with the remaining $643 (2025 - $400) covered by the surety insurance. This cash deposit is included in restricted cash on the Statements of Financial Position. In addition to the financial security amounts to be added to the surety above, the Company will pledge certain physical assets, notably the plant and equipment, as security against the entirety of the reclamation obligations, until such time as the financial security adequately covers the closure costs.

20. Subsequent Events

Equity Offering

Subsequent to June 30, 2026, on July 23, 2026, the Company filed a final short form prospectus with the securities commissions in each of the provinces of Canada (other than Québec) in connection with its previously announced bought deal public offering (the "Offering"). Under the Offering, the Company agreed to issue the following securities for aggregate gross proceeds of $31,000: (i) 7,812,500 units at a price of $0.64 per unit; (ii) 12,610,400 "Canadian development expenses" flow-through units at a price of $0.793 per unit; and (iii) a combination of "Canadian exploration expenses" flow-through units (issuable at $0.864, $1.011 and $0.752 per unit across three tranches), "Canadian development expenses" flow-through units and units, in each case at their respective issue prices.

The Company granted the underwriters an over-allotment option to purchase up to an additional 15% of the Offering, in any combination of the offered securities at their respective issue prices, on the same terms and conditions as the Offering, exercisable in whole or in part until the date that is 30 days following closing. The over-allotment option was exercised in full, resulting in the issuance of additional securities for gross proceeds of $4,650 and increasing the aggregate gross proceeds of the Offering to $35,650.

Haywood Securities Inc. acted as lead agent and sole bookrunner on behalf of a syndicate of underwriters. The Offering closed on July 29, 2026.

In connection with the financing, deferred share issuance costs of $133 were recognized on the Statement of Financial Position.

Stock Option and DSU Grants

On August 13, 2026, the Company granted 1,950,000 stock options to employees of the Company, each exercisable at a price of $0.76 per common share until August 13, 2031. The options vest as to one-third immediately and one-third on each of the first and second anniversaries of the date of grant. On the same date, the Company issued 125,000 deferred share units to directors of the Company.

21. Income taxes

The Company is in a loss position for the period ended June 30, 2026 and, consistent with prior periods, has not recognized deferred tax assets in respect of deductible temporary differences and unused tax losses, as management has determined that it is not probable that sufficient future taxable profit will be available against which such amounts can be utilized. Accordingly, no deferred income tax recovery has been recognized in the condensed interim financial statements.