**KO GOLD INC.**

**CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

**For the period ended September 30, 2025 and September 30, 2024**

**EXPRESSED IN CANADIAN DOLLARS**

**NOTICE TO READER**

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 condensed interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim consolidated financial statements have been prepared by management and approved by the Audit Committee.

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

**KO Gold Inc.**
**Condensed Interim Consolidated Statements of Shareholder's Equity**
**For the periods ended September 30, 2025 and 2024**
(Expressed in Canadian dollars)

| As at, | Notes | **September 30, 2025 Unaudited $** | **March 31, 2025 Audited $** |
|---|---|---|---|
| **Assets** | | | |
| **Current assets** | | | |
| Cash | | 65,257 | 235,401 |
| Sales tax receivable | | 17,792 | 20,763 |
| Prepaid expenses and deposits | | 63,416 | 21,950 |
| **Total assets** | | 146,465 | 278,114 |
| | | | |
| **Liabilities and Shareholders' Equity** | | | |
| **Current liabilities** | | | |
| Accounts payable and accrued liabilities | 5 | 711,749 | 688,510 |
| Loans payable | 6 | 193,000 | 20,000 |
| Convertible note | 7 | - | 196,773 |
| **Total liabilities** | | 904,749 | 905,283 |
| | | | |
| **Shareholders' Equity** | | | |
| Share capital | 8 | 4,167,475 | 4,042,475 |
| Equity portion of convertible debentures | 7 | - | 3,227 |
| Warrants | 8 | 432,893 | 432,893 |
| Contributed surplus | 8 | 497,668 | 497,668 |
| Accumulated deficit | | (5,849,270) | (5,600,002) |
| Accumulated other comprehensive income | | (7,050) | (3,430) |
| **Total shareholders' equity** | | (758,284) | (627,169) |
| **Total liabilities and shareholders' Equity** | | 146,465 | 278,114 |

**Nature of operations and going concern (note 1)**
**Commitments and contingencies (note 10)**

**Approved by the Board of Directors:**

***"Gregory Isenor"***
Director (Signed)

***" Paul Teniere"***
Director (Signed)

The accompanying notes are an integral part of these condensed interim consolidated financial statements

**KO Gold Inc.**
**Condensed Interim Consolidated Statements of Loss and Comprehensive Loss**
**For the periods ended September 30, 2025 and 2024**
(Expressed in Canadian dollars)

| | | Three month period ended, | | Six month period ended | |
|---|---|---|---|---|---|
| | | September 30, 2025 | September 30, 2024 | September 30, 2025 | September 30, 2024 |
| | **Notes** | **$** | **$** | **$** | **$** |
| **Expenses** | | | | | |
| Corporate and administrative | 9 | 128,922 | 193,906 | 283,299 | 373,134 |
| Exploration and evaluation | 10 | 175,644 | 31,172 | 229,196 | 367,053 |
| Share-based payments | 8 | - | 9,752 | - | 28,351 |
| **Total expenses** | | 304,566 | 234,830 | 512,495 | 768,538 |
| **Other Items** | | | | | |
| Interest income | | - | (33) | - | (33) |
| Disposition of mining permits | 10 | (260,000) | - | (260,000) | - |
| Total other items | | (260,000) | (33) | (260,000) | (33) |
| **net loss for the period** | | (44,566) | (234,797) | (252,495) | (768,505) |
| **Other comprehensive income** | | | | | |
| Foreign currency translation adjustment | | (3,620) | (205) | (3,620) | (81) |
| **Total other items** | | (3,620) | (205) | (3,620) | (81) |
| **Net comprehensive loss for the period** | | (48,186) | (235,002) | (256,115) | (768,586) |
| Basic and diluted loss per share for the period | | (0.00) | (0.01) | (0.01) | (0.03) |
| Weighted average number of common shares outstanding | | 23,730,052 | 23,027,960 | 23,775,723 | 23,027,960 |

**KO Gold Inc.**
**Condensed Interim Consolidated Statements of Shareholder's Equity**
**For the periods ended September 30, 2025 and 2024**
(Expressed in Canadian dollars)

| | Number of shares # | Share Capital $ | Equity component convertible debentures $ | Warrants $ | Contributed Surplus $ | Deficit $ | Accumulated Comprehensive Loss $ | Total $ |
|---|---|---|---|---|---|---|---|---|
| **Balance, March 31, 2024** | 23,027,960 | 3,917,475 | - | 432,893 | 461,858 | (4,229,293) | (5,361) | 577,572 |
| Share-based payments | - | - | - | - | 28,351 | - | - | 28,351 |
| Net loss for the period | - | - | - | - | - | (768,505) | - | (768,505) |
| Foreign currency translation adjustment | - | - | - | - | - | - | (81) | (81) |
| **Balance, September 30, 2024** | 23,027,960 | 3,917,475 | - | 432,893 | 490,209 | (4,997,798) | (5,442) | (162,663) |
| **Balance, March 31, 2025** | 23,685,854 | 4,042,475 | 3,227 | 432,893 | 497,668 | (5,600,002) | (3,430) | (627,169) |
| Foreign currency translation adjustment | - | - | - | - | - | - | (3,620) | (3,620) |
| Shares issued for mineral properties | 735,294 | 125,000 | - | - | - | - | - | 125,000 |
| Repayment of convertible debenture | - | - | (3,227) | - | - | 3,227 | - | - |
| Net loss and comprehensive loss for the period | - | - | - | - | - | (252,495) | - | (252,495) |
| **Balance, September 30, 2025** | **24,421,148** | **4,167,475** | **-** | **432,893** | **497,668** | **(5,849,270)** | **(7,050)** | **(758,284)** |

**KO Gold Inc.**
**Condensed Interim Consolidated Statements of Cash Flow**
**For the periods ended September 30, 2025 and 2024**
(Expressed in Canadian dollars)

| | | **September 30, 2025** | | September 30, 2024 |
|---|---|---|---|---|
| **Cash provided by (used in):** | | | | |
| **OPERATING ACTIVITIES** | | | | |
| Loss for the period | **$** | **(252,495)** | $ | (768,505) |
| | | | | |
| Items not affecting operating cash: | | | | |
| Finance expense | | **15,227** | | - |
| Exploration and evaluation | | **125,000** | | - |
| Share-based payments | | **-** | | 28,351 |
| | | **(112,268)** | | (740,154) |
| **Net changes in non-cash working capital:** | | | | |
| Sales tax receivable | | **2,971** | | 17,169 |
| Prepaid expenses and deposits | | **(41,466)** | | 37,355 |
| Accounts payable and accrued liabilities | | **23,239** | | 41,815 |
| **Cash used in operating activities** | | **(127,524)** | | (643,815) |
| | | | | |
| **FINANCING ACTIVITIES** | | | | |
| Loans | | **173,000** | | - |
| Repayment of convertible note | | **(212,000)** | | - |
| **Cash received from financing activities** | | **(39,000)** | | - |
| | | | | |
| Change in cash | | **(166,524)** | | (643,815) |
| | | | | |
| Effect of foreign exchange on cash | | **(3,620)** | | (81) |
| Cash, beginning of the period | | **235,401** | | 779,576 |
| **Cash, end of the period** | **$** | **65,257** | $ | 135,680 |

## 1. NATURE OF OPERATIONS AND GOING CONCERN

KO Gold Inc. (the "Company") is in the business of acquiring and exploring mineral properties in New Zealand and became a public issuer on September 18, 2023. On October 11, 2023, the Company's common shares were listed for trading on the Canadian Securities Exchange (CSE) under the symbol "KOG". The address of the Company's registered office is 217 Queen Street West, Suite 401, Toronto, Ontario, M5V 0R2.

Going Concern

The business of exploration, development and mining of minerals involves a high degree of risk and there can be no assurances that future exploration activities will result in the discovery of economically recoverable mineral deposits. The success and continuation of the Company as a going concern is dependent upon the Company's ability to arrange financing, which in part, depends on prevailing market conditions, acquiring or discovering economically viable mineral properties, exploration success, and securing title and beneficial interest in its properties.

Further funds will be required for the Company to continue as a going concern, fulfil its obligations and fund its activities. The Company does not produce revenues from its exploration activities or have a regular source of cash flow. There can be no assurance that the Company will be able to obtain sufficient financing in the future or at favourable terms.

As at September 30, 2025, the Company had working capital deficit of $758,284 (March 31, 2025 –$627,169), incurred comprehensive losses for the current period of $256,115 (September 30, 2024 – $768,586), and, had an accumulated deficit of $5,849,270 (March 31, 2025 – $5,600,002).

These condensed interim consolidated financial statements have been prepared using accounting principles applicable to a going concern, which assume that the Company will be able to realize its assets and discharge its liabilities in the normal course of operations. However, due to uncertainties surrounding a number of factors, such as, but not limited to, the ability to raise additional funds, ability to acquire mineral properties, exploration results, prices of underlying commodities, investor sentiment and financial market conditions, it is not possible to predict if this assumption will prove to be accurate. These factors indicate the existence of material uncertainties that may cast significant doubt about the Company's ability to continue as a going concern.

These condensed interim consolidated financial statements do not include the necessary adjustments to reflect the recoverability and classification of recorded assets and liabilities and related expenses that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

## 2. BASIS OF PREPARATION

**Statement of Compliance**

These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and International Accounting Standard ("IAS") 34, Interim Financial Reporting, as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee ("IFRIC").

These condensed interim consolidated financial statements are for the period ended September 30, 2025 were approved and authorized for issue by the Company's board of directors on November 18, 2025.

## 2. BASIS OF PREPARATION (CONTINUED)

These condensed interim consolidated financial statements include the accounts of the Company and its two wholly-owned New Zealand domiciled subsidiaries: KO Gold NZ Limited and Hyde Resources Limited ("Hyde"). The results of Hyde are from the date of acquisition of November 27, 2023. All significant inter-company transactions and balances have been eliminated upon consolidation.

**Basis of Consolidation and Presentation**

These condensed interim consolidated financial statements are prepared on the historical cost basis, except for financial instruments classified as fair value through profit and loss. These consolidated financial statements are presented in Canadian dollars, which is the Company's functional currency. The functional currency of the Company's subsidiaries is the is the New Zealand dollar.

## 3. MATERIAL ACCOUNTING POLICIES

In preparing these condensed interim consolidated financial statements, the significant accounting policies and the significant judgments made by management in applying the Company's significant accounting policies and key sources of estimation uncertainty were the same as those that applied to the Company's audited financial statements for the year ended December 31, 2024.

The preparation of condensed interim financial statements requires that the Company's management make judgments and estimates of effects of uncertain future events on the carrying amounts of the Company's assets and liabilities at the end of the reporting period. Actual future outcomes could differ from present estimates and judgments, potentially having material future effects on the Company's condensed interim financial statements. Estimates are reviewed on an ongoing basis and are based on historical experience and other facts and circumstances. Revisions to estimates and the resulting effects on the carrying amounts of the Company's assets and liabilities are accounted for prospectively.

## 4. CAPITAL MANAGEMENT

The Company's objectives when managing capital are: to safeguard its ability to continue as a going concern; and, to have sufficient capital to fund the exploration and development of its mineral properties and the acquisition of other mineral properties for the benefit of its shareholders.

The Company considers its capital structure to consist of shareholder equity. In order to maintain its capital structure, the Company is dependent on equity funding. Funding through equity instruments is comprised of common shares, warrants and incentive stock options. The Board of Directors does not establish quantitative targets on its capital criteria for management, however, it relies on management to review its capital management methods and requirements on an ongoing basis and make adjustments, accordingly, to sustain future development of the business.

There were no changes in the Company's management of its capital during the current twelve-month period. The Company is not subject to any externally imposed capital requirements.

*(expressed in Canadian dollars)*

## 5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

| | Notes | September 30, 2025<br>$ | March 31, 2025<br>$ |
|---|---|---|---|
| Suppliers | | 284,303 | 424,110 |
| Accrued liabilities | | 37,125 | 30,000 |
| Subscriptions received | | 70,000 | 70,000 |
| Related parties | 11 | 320,321 | 164,400 |
| Total | | 711,749 | 688,510 |

## 6. LOANS PAYABLE

The following summarizes the transactions on loans payable:

| | Amount<br>$ |
|---|---|
| Balance, March 31, 2024 | - |
| Additions | 60,000 |
| Deductions | (40,000) |
| Balance, March 31, 2025 | 20,000 |
| Additions | 173,000 |
| Balance, September 30, 2025 | 193,000 |

In September 2023, the Company received unsecured and non-interest-bearing cash loans of $60,000, of which $10,000 was provided by Company directors/officers (note 12). These loans are payable on demand any time after October 1, 2024, though the Company has the right to prepay the loans at any time, without bonus or penalty. During fiscal 2024, the Company repaid a $40,000 loan provided by a third party.

During the period ended September 30, 2025, the Company received a loan of $173,000 from a related party (Note 11). This loan is non-interest bearing, due on demand and unsecured.

## 7. CONVERIBLE NOTE

On March 31, 2025, the Company entered into two definitive convertible loan agreements for aggregate proceeds of $200,000, and these loan agreements were replaced on April 8, 2025 by two promissory notes “Convertible Notes”, with the same terms as the loans that were issued. The convertible loans were pursued as a complementary source of short-term financing.

The convertible loans bear interest at a rate of 12% per annum calculated monthly not in advance and are due six months from the date of closing. As security, the Company has agreed to grant a fixed and floating charge over all of its present and future assets, undertaking, and property. The Lenders may register such security at its discretion under the applicable personal property security legislation.

*(expressed in Canadian dollars)*

## 7. CONVERIBLE NOTE (CONTINUED)

Settlement of the Convertible notes:

The Company closed the Convertible Notes on April 8, 2025. At any time prior to maturity, the principal and accrued interest may be converted into units of the Company, at the Lender's option, on the same terms as the private placement of $0.20 per unit being each unit will be comprised of one common share and one transferable common share purchase warrant. Each warrant will entitle the holder thereof to acquire one additional share at a price of $0.25 for a period of two years from issuance.

| | Convertible note<br>$ | Equity portion of Convertible note<br>$ | Total<br>$ |
|---|---|---|---|
| Balance, as at March 31, 2024 | - | - | - |
| Additions | 196,773 | 3,227 | 200,000 |
| Balance, as at March 31, 2025 | 196,773 | 3,227 | 200,000 |
| Finance expense | 15,227 | - | 15,227 |
| Repayment | (212,000) | - | (212,000) |
| Reversal of equity portion of convertible note | - | (3,227) | (3,227) |
| Balance, as at September 30, 2025 | - | - | - |

In accordance with IFRS 9, the equity conversion option embedded in the Convertible Note was determined to be a derivative liability, which has been recognized separately at its fair value. Subsequent changes in the fair value of the equity conversion option are recognized through profit and loss. The equity conversion option was classified as a derivative liability as it can be settled through the issuance of a variable number of shares, cash or a combination thereof, based on the outstanding amount at the time of settlement.

The debt host has been recognized at amortized cost of $196,773, which represents the remaining fair value allocated from total net proceeds received of $200,000 after $3,227 was allocated to the equity portion. There were no transaction costs.

Upon initial recognition, the conversion option had a fair value of $196,773 and the Company recognized a change in convertible liability of $Nil to date. The initial fair value of the conversion option was determined based on the present value with the following assumptions: Interest rate per month of 1.25%, total number of months 6, payment per month $Nil, future value $212,000. During the period ended September 30, 2025, the Company repaid the note in full and transferred the equity portion of $3,227 to deficit upon derecognition of the note.

## 8. SHARE CAPITAL

**Authorized**

Unlimited common shares

**Special Shares**

Unlimited and issuable in one or more series. The current rights attached to the special shares are: voting, with certain restrictions; preference over common shares with respect to payment of discretionary dividends declared; convertible into any class of special shares or common shares at a rate to be determined by the directors of the Company at their discretion. There have been no special shares issued.

*(expressed in Canadian dollars)*

## 8. SHARE CAPITAL (CONTINUED)

### Outstanding

On September 30, 2025, the Company had 24,421,148 (2024 – 23,685,854) common shares outstanding at $4,167,475 (2024 – $4,042,475) and Nil (2024 - Nil) special shares outstanding at $Nil (2024 - $Nil).

### Share transactions:

i) During the period ended September 30, 2025.

During the period ended September 30, 2025, the Company issued 735,294 common shares with a fair value of $125,000, pursuant to its acquisition agreement (Note 10).

ii) During the year ended March 31, 2025

On February 11, 2025, the Company issued 657,894 common shares at $0.19 per share for gross payment of $125,000 pursuant to an acquisition agreement to acquire the New Peak permits (note 12).

### Escrowed shares

The Company entered into a voluntary escrow agreement during October 2023 releasing shares in stages, six monthly until October 11, 2026. On September 30, 2025, there were 1,791,000 shares in escrow, with the next release of 597,000 on October 11, 2025; 597,000 on April 11, 2025 and 597,000 on October 11, 2026.

### Stock Options

On September 29, 2024, the Company adopted a stock option plan (“Plan”) that authorizes the Company to issue up to a maximum of 10% of its issued common shares with an exercise period not to exceed ten years. The term, exercise price and vesting conditions of the options are fixed by the Company’s Board of Directors at the time of grant.

Stock option transactions since inception of the Plan and the number of stock options outstanding are as follows:

| | Number of Options | | Weighted Average Exercise Price |
|---|---|---|---|
| Balance, March 31, 2024 | 1,800,000 | $ | 0.45 |
| Additions | 150,000 | $ | 0.45 |
| Balance, March 31, 2025 | 1,950,000 | $ | 0.45 |
| Balance, September 30, 2025 | 1,950,000 | $ | 0.45 |

(i) On April 1, 2024, the Company granted 150,000 stock options to an investor relations consultant. These options were issued with an exercise price of $0.45 and a two-year term, expiring on April 1, 2026. The options vest in instalments of 37,500 options every three months

Fair value of the options issued were estimated using the Black-Scholes option-pricing model with the following weighted average assumptions:

*(expressed in Canadian dollars)*

## 8. SHARE CAPITAL (CONTINUED)

| | April 1, 2024 | March 31 2024 |
|---|---|---|
| Dividend yield | Nil | Nil |
| Expected volatility (based on historical prices) | 120% | 122% |
| Risk-free rate of return | 4.13% | 4.00% |
| Expected life | 2 Years | 2 Years |
| Share price | $0.40 | $0.39 |

Share-based payment expense recognized for the current period was $Nil (2024 - $18,599). The offsetting credit was charged to contributed surplus. Consultants' options were measured using the Black-Scholes option pricing model due to the absence of a reliable measurement of the services granted.

The following summarizes information on the outstanding stock options:

| Number of Options | Number of options - exercisable | Weighted Avg Life | Expiry date | Exercise Price |
|---|---|---|---|---|
| 1,800,000 | 1,800,000 | 0.415 | March 12, 2026 | 0.45 |
| 150,000 | 150,000 | 0.035 | April 1, 2026 | 0.45 |
| 1,950,000 | 1,950,000 | 0.45 | | |

### Warrants

The Company's warrant transactions and warrants outstanding and exercisable are as follows:

| | Number of Warrants | | Weighted Average Exercise Price |
|---|---|---|---|
| Balance, Balance, March 31, 2024 | 3,384,772 | $ | 0.40 |
| Balance, March 31, 2025 | 3,384,772 | $ | 0.40 |
| Balance, September 30, 2025 | 3,384,772 | $ | 0.40 |

Weighted average remaining life of outstanding warrants as at September 30, 2025 is 0.28 years.

The following summarizes information on the outstanding warrants:

| Number of warrants | Number of warrants exercisable | Weighted average Life | Expiry date | Exercise Price |
|---|---|---|---|---|
| 3,384,772 | 3,384,772 | 0.28 | January 10, 2026 | 0.40 |
| 3,384,772 | 3,384,772 | 0.28 | | |

*(expressed in Canadian dollars)*

## 9. CORPORATE AND ADMINISTRATIVE

| | | Three month period ended, | | Six month period ended | |
|---|---|---|---|---|---|
| | | September 30, 2025 | September 30, 2024 | September 30, 2025 | September 30, 2024 |
| | **Notes** | **$** | **$** | **$** | **$** |
| **Expenses** | | | | | |
| Consulting fees | 12 | 23,340 | 26,662 | 46,680 | 53,906 |
| Corporate development and promotion | | (6,502) | 65,799 | 38,236 | 114,506 |
| Filing and transfer agent fees | | 3,136 | 8,821 | 7,930 | 12,970 |
| Finance expense | 7 | 7,620 | - | 15,227 | - |
| Management fees | 11 | 68,500 | 73,500 | 137,000 | 147,000 |
| Office and general | | 4,786 | 324 | 7,713 | 1,209 |
| Professional fees | | 16,360 | 18,799 | 18,831 | 25,328 |
| Travel | | 11,682 | 1 | 11,682 | 18,215 |
| **Total expenses** | | 128,922 | 193,906 | 283,299 | 373,134 |

## 10. EXPLORATION AND EVALUATION

### Otago Gold Project – New Zealand

The Otago Gold Project is located in New Zealand in the Otago region on the South Island and consists of nine permits that encompasses approximately 740 sq. kms. Beginning April 1, 2024, the Company considers the Otago Gold Project and the Smylers Gold Project to be one project, with the Otago Gold Project being the survivor. All comparative amounts have been adjusted accordingly. The Otago Gold Project consists of two prospecting permits and six exploration permits.

On December 15, 2024, the Company relinquished its Tokomairiro prospecting permit (PP 60674) due to the lack of significant results from exploration programs on this permit.

The following table the exploration activities during the period.

| | Three month period ended, | | Six month period ended | |
|---|---|---|---|---|
| | September 30, 2025 | September 30, 2024 | September 30, 2025 | September 30, 2024 |
| | **$** | **$** | **$** | **$** |
| **Expenses** | | | | |
| Property costs | 148,044 | 150 | 171,044 | 48,060 |
| Assaying | - | 1,634 | - | 1,634 |
| Consulting/Contracting | 27,606 | 16,492 | 56,105 | 271,370 |
| Site costs | (6) | 8,085 | 2,047 | 16,554 |
| Equipment and supplies | - | 28,193 | - | 28,193 |
| Travel/transportation | - | 1,242 | - | 1,242 |
| **Total exploration fees** | 175,644 | 31,172 | 229,196 | 367,053 |

## 10. EXPLORATION AND EVALUATION (CONTINUED)

*Hyde Resources Ltd. Acquisition (Smylers Gold Project)*

On November 27, 2023, the Company completed the purchase of 100% of the shares of Hyde Resources Limited from Smylers Gold Limited. The effective date of the acquisition was November 1, 2023. Hyde Resources holds the Smylers and Glenpark exploration permits (the HR Permits), located in the Otago gold district of the South Island of New Zealand.

The purchase price was $910,738, which consisted of 3,500,000 common shares, having a fair value of $875,000 and transaction costs of $35,738. The acquisition of Hyde Resources was treated as an asset acquisition, whereby the consideration paid for the acquisition was allocated to the fair value of the identifiable assets and liabilities assumed with the remainder allocated to the mineral properties acquired. The consideration attributed to the acquisition was expensed in accordance with the Company's accounting policy for exploration and evaluation expenditures.

In addition, Smylers Gold Ltd. retained:

a) a 2-per-cent net smelter return ("NSR") royalty for the life of the HR Permits, of which 1 per cent, such that the remaining NSR shall be reduced to 1 per cent, may be purchased by the Company, at anytime, for NZ $2 million; and,

b) the right to receive $20 for each ounce of gold produced from the HR Permits for the life of the project.

*NewPeak NZ permit acquisition*

On February 15, 2024, as amended on May 16, 2024, the Company entered into an agreement with NewPeak NZ Limited to acquire the Garibaldi and Raggedy Range exploration permits (the "NP Permits"), encompassing a combined area of approximately 92 sq. kms.

As consideration for the acquisition of the NP Permits, the Company:

(i) issued an aggregate of 595,238 common shares on February 23, 2024 having a value of $261,905;

(ii) issued an aggregate of 657,894 common shares on February 11, 2025 having a value of $125,000; and

(iii) shall issue such number of common shares having a value of $125,000 on February 15, 2026 (the "Third Tranche").

The common shares issued/to be issued in the Second Tranche and the Third Tranche shall be issued at the Market Price (as such term is defined in the policies of the Canadian Securities Exchange) on the date of issuance.

Completion of the acquisition of the NP Permits is also subject to receipt of New Zealand ministerial approval to transfer the NP Permits to the Company by August 31, 2024 pursuant to the New Zealand Crown Minerals Act. Approved September 18, 2024.

The Company entered into a definitive agreement with an arm's length party (the "Purchaser") dated September 22, 2025, for the sale of certain New Zealand exploration and prospecting permits, namely Exploration Permit EP 60733, Exploration Permit EP 60677, and Prospecting Permit PP 60705 (together, the "Permits"). The Company sold the Permits for total consideration of $260,000, and recorded a gain on disposition of mining permits of $260,000.

*(expressed in Canadian dollars)*

## 10. EXPLORATION AND EVALUATION (CONTINUED)

As part of the transaction, the Subsidiary will retain a 2% Net Smelter Royalty ("NSR") on future production from the Permits. The Purchaser will have the right, at any time following closing, to repurchase 1% of the NSR for CDN $1,000,000.

## 11. RELATED PARTY TRANSACTIONS AND BALANCES

A summary of the compensation of key management (directors/officers) of the Company is included in the table below. Key management are those persons having authority and responsibility for planning, directing and controlling activities, directly or indirectly, of the Company.

| Name | Relationship | Purpose of transaction: | September 30, 2025<br>$ | September 30, 2024<br>$ |
|---|---|---|---|---|
| Jim Henning | Company controlled by a director | Management fees (ii) | 3,000 | - |
| Greg Isenor | Company controlled by a director | Management fees (ii) | 75,000 | 147,000 |
| Norman Stacey | Company controlled by a director | Management fees (ii) | 5,000 | - |
| Paul Teniere | Company controlled by a director | Management fees (ii) | 54,000 | - |
| Total | | | 137,000 | 147,000 |

(i) Management fees were paid or became payable to Company officers or companies controlled by Company officers.

Included in accounts payable and accrued liabilities is $320,321 (March 31, 2025 – $164,400) payable to entities controlled by or associated with Company directors/officers.

In September 2023, Company directors/officers provided the Company with cash loans of $10,000. These loans are unsecured, non-interest bearing and payable on demand any time after October 1, 2024. The Company has the right to prepay the loans at any time, without bonus or penalty.

During the period ended September 30, 2025, the Company received loans from a Company controlled by Greg Isenor or $178,000. The loan is unsecured, due on demand and non-interest bearing.

## 12. LOSS PER SHARE

Loss per share is calculated using the weighted average number of shares outstanding for the year. For the purposes of calculating the basic and diluted loss per share the effect of the potentially dilutive options and warrants were not included in the calculation as the result would be anti-dilutive.

*(expressed in Canadian dollars)*

## 13. SEGMENTED REPORTING

The Company operates in a single segment, which is the acquisition and exploration of mineral properties in New Zealand.

**Assets and liabilities by geographic region**

| As at, | September 30, 2025 | March 31, 2025 |
|---|---|---|
| Current assets | | |
| Canada | 79,471 | 236,239 |
| New Zealand | 66,994 | 41,875 |
| Total | 146,465 | 278,114 |

**Comprehensive loss by geographic region**

| For the period ended, September 30 | 2025 | 2024 |
|---|---|---|
| Canada | 282,083 | 338,623 |
| New Zealand | (29,588) | 429,963 |
| Total | 252,495 | 768,586 |

## 14. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

**Fair Value**

The carrying value of cash, and accounts payable and accrued liabilities approximates fair value due to the relative short-term maturity of these financial instruments. Fair value represents the amount that would be exchanged in an arms-length transaction between willing parties and is best evidenced by a quoted market price if one exists.

IFRS 13 establishes a fair value hierarchy that prioritizes the valuation techniques for each financial instrument measured at fair value. Fair value amounts represent point-in-time estimates and may not reflect fair value in the future. The measurements are subjective in nature, involve uncertainties and are a matter of significant judgement.

The methods and assumptions used to develop fair value measurements are: Level 1 - includes quoted prices (unadjusted) in active markets for identical assets or liabilities; Level 2 - includes inputs, other than quoted prices included in Level 1, that are observable for an asset or liability, either directly (i.e. as process) or indirectly (i.e. derived from process); and, Level 3 - includes inputs that are not based on observable data.

As at September 30, 2025 and September 30, 2024, the Company had no financial assets measured at fair value.

## 14. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

### Risk Management

The primary objectives of the Company's financial risk management procedures are to ensure that the outcome of activities involving elements of risk are consistent with the Company's objectives and risk tolerance, while maintaining an appropriate risk/reward balance and protecting the Company's financial position, from events that have the potential to materially impair its financial strength. These activities include the preservation of its capital by minimizing risk related to its cash.

The Company does not trade financial instruments for speculative purposes and does not have a risk management committee or written risk management policies. The Company's financial instruments are exposed to the risks described below:

### Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party, by failing to discharge their obligations. Financial instruments that potentially expose the Company to this risk consist of cash. The Company mitigates the risk to its cash by depositing a majority of its cash with Canadian and New Zealand banks.

### Currency Risk

The Company operates in Canada and New Zealand, thus exposing the Company to market risks from fluctuations in foreign exchange rates. The Company has certain corporate and administrative expenditures, exploration and evaluation expenditures and future potential financial commitments (Note 11) denominated in New Zealand dollars. The Company monitors foreign exchange rates and has not entered into any financial arrangements to hedge or protect the Company from unfavourable changes in foreign exchange rates. As at September 30, 2025, a 10% change in the New Zealand dollar (NZD) would impact the Company's loss by approximately $1,000 (2024 - $4,000).

### Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in interest rates. The Company's excess cash is invested in low-risk financial instruments that provide flexibility for early redemption. The Company's excess cash is subject to interest rate risk resulting from fluctuations in prime rates.

### Liquidity Risk

Liquidity risk management requires maintaining sufficient cash, liquid investments or credit facilities to meet the Company's operating expenditures and commitments, as they come due. The Company manages liquidity risk through the management of its capital structure as described in Note 5. The Company does not have any income from operations or a regular source of income and is highly dependent on its working capital and equity funding to support its exploration and corporate activities. There can be no assurance that the Company will be successful in its fund-raising activities.

Accounts payable and accrued liabilities are generally due within 30 days and loans payable are due on demand. As at September 30, 2025, the Company had cash of $65,257 (March 31, 2025 – $235,401) to settle current liabilities of $904,749 (March 31, 2025 – $905,283). The Company will need to raise additional capital to fully fund its activities for the next year.