WESTHAVEN GOLD

(An Exploration Stage Company)

Consolidated Condensed Interim Financial Statements
June 30, 2026

Unaudited – Prepared by Management
(Expressed in Canadian Dollars)

Notice of No Auditor Review of 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 interim financial statements, they must be accompanied by a notice indicating that an auditor has not reviewed the financial statements.

The accompanying unaudited consolidated condensed interim financial statements of the Company for the three and six months ended June 30, 2026, have been prepared by and are the responsibility of the Company's management. The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

WESTHAVEN GOLD CORP.
(An Exploration Stage Company)
Consolidated Condensed Interim Statements of Financial Position
Unaudited – Prepared by Management
(Expressed in Canadian Dollars)

	June 30, 2026	December 31, 2025
Assets		
Current		
Cash and cash equivalents (note 4)	$ 3,877,511	$ 1,495,634
Other receivables	468,712	392,672
Amounts receivable from Optionee (note 1)	3,757,944	-
Prepaid expenses	230,717	222,722
	8,334,884	2,111,028
Long-term deposits (note 7 and 8)	263,681	135,000
Property and Equipment (note 5)	402,277	273,268
Right-of-Use Assets (note 6)	213,598	195,848
Mineral Properties (note 8)	44,057,845	43,118,104
	$ 53,272,285	$ 45,833,248
Liabilities		
Current		
Accounts payable and accrued liabilities (note 10)	$ 5,634,528	$ 614,064
Current portion of lease liability (note 6)	110,095	73,829
Current portion of equipment loan (note 5)	20,117	25,805
	5,764,740	713,698
Non-current Portion of Equipment Loan (note 5)	2,042	9,144
Non-current Portion of Lease Liability (note 6)	112,460	126,581
Deferred Income Tax Liability	2,812,926	2,812,926
	8,692,168	3,662,349
Shareholders' Equity		
Capital Stock (note 9)	55,635,002	52,226,099
Reserves (note 9)	4,730,034	5,343,773
Deficit	(15,784,919)	(15,398,973)
	44,580,117	42,170,899
	$ 53,272,285	$ 45,833,248

Note 1 – Nature of Operations
Note 14 – Subsequent Events

These financial statements are signed on behalf of the Board of Directors by:

"Eira Thomas" (signed) *"Hannah McDonald" (signed)*

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

WESTHAVEN GOLD CORP.

(An Exploration Stage Company)
Consolidated Condensed Interim Statements of Loss and Comprehensive Loss
Unaudited – Prepared by Management
(Expressed in Canadian Dollars)

	Three Months Ended		Six Months Ended	
	June 30, 2026	**June 30, 2025**	**June 30, 2026**	**June 30, 2025**
Expenses				
Salary and benefits (note 10)	$ 230,440	$ 287,489	$ 523,201	$ 438,198
Professional fees	138,291	21,506	314,495	69,603
Advertising, promotion and travel	294,826	73,879	526,618	106,383
Amortization (note 5)	13,800	13,799	25,568	27,618
General, administrative, rent and insurance (note 10)	32,208	26,437	55,836	52,407
Interest and bank charges (notes 5 and 6)	8,425	1,054	16,868	7,444
Regulatory and filing fees	20,089	8,947	87,228	20,286
Share-based payments (notes 9(a) and 10)	134,625	34,823	606,109	75,865
Part 12.6 tax	-	5,000	-	16,500
	(872,704)	(472,934)	(2,155,923)	(814,304)
Premium on flow-through shares (note 12)	-	306,576	-	543,650
Operator's fee	380,000	-	380,000	-
Interest income	10,921	-	29,031	-
Net Loss and Comprehensive Loss for Period	$ (481,783)	$ (166,358)	$ (1,746,892)	$ (270,654)
Basic and Diluted Loss Per Share	$ (0.00)	$ (0.00)	$ (0.01)	$ (0.00)
Weighted Average Number of Common Shares Outstanding	259,985,691	206,215,947	259,482,993	197,317,871

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

WESTHAVEN GOLD CORP.
(An Exploration Stage Company)
Consolidated Condensed Interim Statements of Changes in Shareholders' Equity
Unaudited – Prepared by Management
(Expressed in Canadian Dollars)

	Capital Stock		Reserves				Total
	Common Shares	Amount	Warrants	Options	Total Reserves	Deficit	Shareholders' Equity
Balance, December 31, 2024	188,320,927	$ 45,335,503	$ 2,168,008	$ 3,079,814	$ 5,247,822	$ (13,440,543)	$ 37,142,782
Non-flow through shares issued for cash	27,356,041	3,282,725	-	-	-	-	3,282,725
Flow-through shares issued for cash	29,665,000	3,872,300	347,500	-	347,500		4,219,800
Warrants exercised	1,250,000	225,000	-	-	-	-	225,000
Share issue costs	-	(545,821)	-	-	-	-	(545,821)
Share issue costs (non-cash)	-	(124,630)	124,630	-	124,630	-	-
Share issue costs, deferred tax benefit	-	181,022	-	-	-	-	181,022
Share-based payments	-	-	-	203,273	203,273	-	203,273
Expiration of options	-	-	-	(579,452)	(579,452)	579,452	-
Net loss for the year	-	-	-	-	-	(2,537,882)	(2,537,882)
Balance, December 31, 2025	**246,591,968**	**$ 52,226,099**	**$ 2,640,138**	**$ 2,703,635**	**$ 5,343,773**	**$ (15,398,973)**	**$ 42,170,899**
Common shares issued	12,000,000	3,000,000	-	-	-		3,000,000
Warrants exercised	1,430,250	284,685	-	-	-		284,685
Options exercised	600,000	153,368	-	(43,368)	(43,368)	-	110,000
Share issue costs	-	(29,150)	-	-	-	-	(29,150)
Share-based payments	-	-	-	790,575	790,575	-	790,575
Expiration of options	-	-	-	(1,360,946)	(1,360,946)	1,360,946	-
Net loss for the period	-	-	-	-	-	(1,746,892)	(1,746,892)
Balance, June 30, 2026	**260,622,218**	**$ 55,635,002**	**$ 2,640,138**	**$ 2,089,896**	**$ 4,730,034**	**$ (15,784,919)**	**$ 44,580,117**

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

WESTHAVEN GOLD CORP.
(An Exploration Stage Company)
Consolidated Condensed Interim Statements of Cash Flows
Unaudited – Prepared by Management
(Expressed in Canadian Dollars)

	Six Months Ended June 30, 2026	Six Months Ended June 30, 2025
Operating Activities		
Net loss for period	$ (1,746,892)	$ (270,654)
Items not involving cash		
Premium on flow-through shares	-	(543,650)
Share-based payments	606,109	75,865
Amortization	25,568	27,618
Accrued interest	12,479	2,223
	(1,102,736)	(708,598)
Changes in non-cash working capital		
Other receivables	(76,039)	3,221
Prepaid expenses	(7,995)	440
Due from Optionee	(3,757,944)	-
Accounts payable and accrued liabilities	5,020,464	(3,459)
Cash Provided by (Used in) Operating Activities	75,750	(708,396)
Financing Activities		
Issuance of non-flowthrough common shares	-	2,282,725
Issuance of common shares	3,000,000	2,317,275
Share issue costs	(29,150)	(426,635)
Warrants exercised	284,685	-
Options exercised	110,000	-
Repayment of lease obligations	(65,654)	(37,400)
Repayment of loan	(12,790)	(14,413)
Cash Provided by Financing Activities	3,287,091	4,121,552
Investing Activities		
Expenditures on mineral properties, net of BCMETC	(1,094,409)	(2,607,812)
Advance from Optionee (note 8)	8,985,000	-
Project expenditures – Optionee (note 8)	(8,628,189)	-
Expenditures on property and equipment	(229,685)	(56,793)
Long-term deposits	(13,681)	-
Cash Used in Investing Activities	(980,964)	(2,664,605)
Increase in Cash and Cash Equivalents	2,381,877	748,551
Cash and Cash Equivalents, Beginning of the Period	1,495,634	2,698,525
Cash and Cash Equivalents, End of the Period	**$ 3,877,511**	**$ 3,447,076**
Supplemental Cash Flow Information		
Mineral properties included in accounts payable	$ -	$ 292,061
Share-based payments included in mineral properties	$ 87,877	$ 67,437
Amortization included in mineral properties	$ 42,888	$ 53,704
Right-of-use assets and lease liabilities recognized	$ 75,320	$ -
Interest paid	$ 6,733	$ 973

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

1. NATURE OF OPERATIONS

Westhaven Gold Corp. (the “Company”) is an exploration stage company incorporated under the *Business Corporations Act* of British Columbia which commenced operations on May 5, 2010. The Company is engaged in the acquisition and exploration of mineral properties in Canada. These consolidated condensed interim financial statements include the Company’s wholly-owned subsidiary 1585359 B.C. Ltd., incorporated on April 7, 2026.

The head office and records office of the Company is located at 1056 - 409 Granville Street, Vancouver, British Columbia, Canada, V6C 1T2.

On February 17, 2026, the Company’s shareholders approved an earn-in transaction between the Company and Dundee (“Dundee” or the “Optionee”). Under the terms of this transaction, the Company has granted Dundee the sole and exclusive right to acquire up to a 60% interest in the Shovelnose Gold Project, Prospect Valley Project, Skoonka Project and Skoonka North Project (collectively, the “Projects”). As consideration, Dundee will be required to fund certain project expenditures totaling $85,000,000. Dundee has committed to at least $30,000,000 in project expenditures by no later than February 20, 2029 (being the third anniversary of the effective date of the Earn-In Agreement), at which point they must provide notice to the Company of their intent to exercise their right to earn an initial 25% interest in the Projects. As of the date hereof, Dundee will be solely responsible for funding all of the Projects. The Company will remain the operator of the Projects until Dundee earns a 50% interest, at which point Dundee may elect to assume operatorship. The operator of the Projects will earn management fees ranging up to 3% of project expenditures. During the six months ended June 30, 2026, Dundee advanced $8,985,000 to the Company for project expenditures. After the period end, the Company received a further $8,079,000 advance from Dundee.

The Company incorporated a subsidiary on April 7, 2026, to hold the Projects. These consolidated condensed interim financial statements include the accounts of the Company and its wholly owned subsidiary, with all intercompany balances and transactions eliminated on consolidation. The Company will continue to assess the accounting treatment of the arrangement as expenditure milestones are achieved and Dundee exercises its right to earn an interest in the entity that holds the Projects in accordance with the terms of the earn-in agreement.

The business of mineral exploration involves a high degree of risk and there is no assurance that current exploration projects will result in future profitable mining operations. The Company has no source of revenue and has significant cash requirements to meet its administrative overhead, pay its liabilities, and maintain its mineral property interests. The recoverability of amounts shown for mineral property interests is dependent on several factors. These include the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of these mineral property interests, and establish future profitable production, or realize proceeds from the disposition of mineral interests. The carrying value of the Company’s mineral property interests does not reflect current or future values.

2. BASIS OF PRESENTATION

(a) Statement of compliance

These consolidated condensed interim financial statements are prepared in accordance with IFRS Accounting Standards, as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and which the Canadian Accounting Standards Board has approved for incorporation into Part 1 of the CPA Canada Handbook – Accounting, including IAS 34, *Interim Financial Reporting*. The consolidated condensed interim financial statements do not contain all the information required for annual financial statements and should be read in conjunction with the annual financial statements for the year ended December 31, 2025.

The consolidated condensed interim financial statements are not audited and have been prepared on a historical cost basis, except for certain financial instruments carried at fair value. Also, the consolidated condensed interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The Company's functional and presentation currency is the Canadian dollar.

(b) Approval of the consolidated condensed interim financial statements

The consolidated condensed interim financial statements of the Company as at June 30, 2026, were approved and authorized for issue by the Board of Directors on August 18, 2026.

(c) Use of judgments and estimates

The preparation of these consolidated condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, revenues and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, and which form the basis for making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Significant assumptions about the future and other sources of estimation uncertainty that management has made that could result in a material adjustment to the carrying amounts of assets and liabilities if actual results differ from assumptions made, are set out in Note 2(c) of the audited financial statements for the year ended December 31, 2025.

(Expressed in Canadian Dollars)

3. MATERIAL ACCOUNTING POLICIES

These consolidated condensed interim financial statements were prepared using accounting policies consistent with those described in Note 3 of the audited financial statements for the year ended December 31, 2025, except for the following:

Change in accounting estimate

Effective April 1, 2026, the Company changed the method of depreciation for its property and equipment from the declining balance method to the straight-line method. Following a review of the expected pattern of consumption of the future economic benefits embodied in these assets, management concluded that the straight-line method more faithfully represents the manner in which such benefits are consumed.

In accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors and IAS 16 Property, Plant and Equipment, a change in depreciation method is accounted for as a change in accounting estimate. Accordingly, the change has been applied prospectively effective April 1, 2026. Depreciation expense for future periods is based on the net carrying amount of the assets as at April 1, 2026, allocated on a straight-line basis over their remaining estimated useful lives.

New and future accounting pronouncements

IFRS 18 *Presentation and Disclosure in Financial Statements* will replace IAS 1, Presentation of Financial Statements. IFRS 18 sets out requirements for the presentation and disclosure of financial statements to ensure the entity provides relevant and accurate information about its assets, liabilities, equity, income and expenses. IFRS 18 is effective on January 1, 2027. The Company will adopt the new standard once it becomes effective.

4. RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

The Company's risk exposures and the impact on the Company's financial instruments are summarized below.

(a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or a counterparty to a financial instrument fails to meet its contractual obligations. The Company manages credit risk, in respect of cash and cash equivalents, by ensuring that these financial assets are placed with Canadian financial institution which have strong investment-grade ratings. Concentration of credit risk and maximum exposure exists with respect to the Company's cash and cash equivalents to the extent that these amounts are held, from time-to-time, with a single major Canadian financial institution.

		June 30, 2026		**December 31, 2025**
Cash	$	1,791,318	$	137,237
Cash equivalents		2,086,193		1,358,397
Total cash and cash equivalents	**$**	**3,877,511**	**$**	**1,495,634**

4. RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Continued)

(b) 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 managing liquidity is to ensure, as far as possible, that it will always have sufficient liquid funds to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

At June 30, 2026, the Company had current assets in the amount of $8,334,884 (December 31, 2025 - $2,111,028) available to offset current liabilities of $5,764,740 (December 31, 2025 - $713,698). The Company had 33,256,147 warrants and 10,475,000 outstanding options that were exercisable and in-the-money as at June 30, 2026, that, if fully exercised, would generate proceeds of $9,978,000.

Restricted cash represents funds received from Dundee as part of the Earn-In which must be used to fund expenditures on the Projects. All third-party liabilities presented as accounts payable and accrued liabilities are due within 90 days of June 30, 2026. The current portions of the lease liability and equipment loan are due within a year.

The amount of the Company's remaining undiscounted contractual maturities for the lease liability and equipment loan is approximately $264,000 (December 31, 2025 - $343,000). These amounts are due between one to three years. A portion of this amount may be recoverable from sub-leases.

(c) 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 consists of interest rate risk, foreign currency risk, and other price risk.

The Company is not exposed to significant market risk.

(Expressed in Canadian Dollars)

5. PROPERTY AND EQUIPMENT

Cost		**Computer Equipment and Software**		**Furniture and Equipment**		**Vehicles**		**Total**
As at December 31, 2024	$	266,431	$	149,227	$	159,644	$	575,302
Additions		60,417		-		-		60,417
As at December 31, 2025		326,848		149,227		159,644		635,719
Additions		113,730		115,956		-		229,686
As at June 30, 2026	**$**	**440,578**	**$**	**265,183**	**$**	**159,644**	**$**	**865,405**
Accumulated Amortization								
As at December 31, 2024	$	111,365	$	59,814	$	100,029	$	271,208
Charge		55,475		17,883		17,885		91,243
As at December 31, 2025		166,840		77,697		117,914		362,451
Charge		72,771		21,560		6,346		100,677
As at June 30, 2026	**$**	**239,611**	**$**	**99,257**	**$**	**124,260**	**$**	**463,128**
Carrying Value								
As at December 31, 2025	$	160,008	$	71,530	$	41,730	$	273,268
As at June 30, 2026	**$**	**200,967**	**$**	**165,926**	**$**	**35,384**	**$**	**402,277**

5. PROPERTY AND EQUIPMENT (Continued)

During the year ended December 31, 2022, the Company entered into a loan agreement for the purchase of equipment totaling $122,103 payable over five years with an interest rate of 3.49%. The current portion of the equipment loan at June 30, 2026, is $20,117 (December 31, 2025 - $25,085). The loan is secured by the equipment purchased.

During the three months ended June 30, 2026, the Company capitalized $nil (June 30, 2025 - $8,898) of property and equipment amortization to mineral properties. During the six months ended June 30, 2026, the Company capitalized $23,518 of property and equipment amortization to mineral properties (June 30, 2025 - $17,795).

6. RIGHT-OF-USE ASSETS AND LEASE LIABILITY

During the year ended December 31, 2025, the Company extended two lease agreements for a term of two years for office and storage facilities related to the Company's Shovelnose Gold Property in Merritt, British Columbia. The lease liability for each extension was measured at the present value of the remaining lease payments and discounted using an incremental borrowing rate of 10% per annum. Upon entering the lease extensions, the Company recognized $232,434 for ROU assets and $232,434 for lease liabilities.

The Company entered into a lease agreement for office premises effective January 1, 2026. The agreement has a two-year term and a minimum rent commitment of $83,457 over the term. The lease liability was measured at the present value of the remaining lease payments and discounted using an incremental borrowing rate of 10% per annum. Upon entering into the lease agreement, the Company recognized $75,320 for ROU assets and $75,320 for lease liabilities.

(Expressed in Canadian Dollars)

6. RIGHT-OF-USE ASSETS AND LEASE LIABILITY (Continued)

Right-of-use assets		
Value of right-of-use assets as at December 31, 2024	$	37,291
Additions		232,434
Amortization		(73,877)
Value of right-of-use assets as at December 31, 2025	$	195,848
Additions		75,320
Amortization		(57,570)
Value of right-of-use assets as at June 30, 2026	**$**	**213,598**

Lease liability		
Lease liability recognized as at December 31, 2024	$	36,838
Additions		232,434
Lease payments		(80,850)
Lease interest		11,988
Lease liability recognized as at December 31, 2025		200,410
Additions		75,116
Lease payments		(65,654)
Lease interest		12,683
Lease liability recognized as at June 30, 2026	**$**	**222,555**
Current portion	$	110,095
Non-current portion		112,460
	$	**222,555**

During the three months ended June 30, 2026, $nil (June 30, 2025 - $18,083) of ROU asset amortization was capitalized to the Company's mineral properties. For the six months ended June 30, 2026, $19,370 (June 30, 2025 - $35,909) of ROU asset amortization was capitalized to the Company's mineral properties.

7. LONG-TERM DEPOSITS

Long-term deposits consist of deposits held as security and collateral, including $115,000 related to the Company's corporate Mastercard facilities, $13,681 held as security under an office lease agreement (Note 12), and three reclamation deposits totaling $135,000 (Note 8).

(Expressed in Canadian Dollars)

8. MINERAL PROPERTIES

Amounts capitalized as mineral property costs are as follows:

	Shovelnose Gold Property	Prospect Valley Property	Skoonka Creek Property	Skoonka North Property	Total
Balance, December 31, 2024	$ 33,872,177	$ 1,056,155	$ 1,433,664	$ 493,649	$ 36,855,645
Deferred exploration costs					
Geological and assays	2,157,554	155,877	34,194	160,709	2,508,334
Drilling	2,950,568	-	-	-	2,950,568
Lab fees	608,628	24,821	3,110	36,310	672,869
B.C. METC refund	(57,953)	-	-	-	(57,953)
Share-based payments	79,172	-	-	-	79,172
Amortization	109,469	-	-	-	109,469
Total additions during the year	5,847,438	180,698	37,304	197,019	6,262,459
Balance, December 31, 2025	**39,719,615**	**1,236,853**	**1,470,968**	**690,668**	**43,118,104**
Deferred exploration costs					
Geological and assays	419,664	11,300	-	18,991	449,955
Drilling	320,947	-	-	-	320,947
Lab fees	38,074	-	-	-	38,074
Share-based payments	87,877	-	-	-	87,877
Amortization	42,888	-	-	-	42,888
Total additions during the period	909,450	11,300	-	18,991	939,740
Balance, June 30, 2026	**$ 40,629,065**	**$ 1,248,153**	**$ 1,470,968**	**$ 709,659**	**$ 44,057,845**

(Expressed in Canadian Dollars)

8. MINERAL PROPERTIES (Continued)

(a) Dundee Earn-In Agreement

On February 17, 2026, the Company's shareholders approved an earn-in transaction between the Company and Dundee. Under the terms of this transaction, the Company has granted Dundee the sole and exclusive right to acquire up to a 60% interest in the Shovelnose Gold Project, Prospect Valley Project, Skoonka Project and Skoonka North Project (collectively, the "Projects"). As consideration, Dundee will be required to fund certain project expenditures totaling $85,000,000.

Dundee has committed to advance at least $30,000,000 in project expenditures by no later than February 20, 2029 (being the third anniversary of the effective date of the Earn-In Agreement), at which point they must provide notice to the Company of their intent to earn an initial 25% interest in the Projects. As of the date hereof, Dundee will be solely responsible for funding the Project expenditures. The Company will remain the operator of the Projects until Dundee earns a 50% interest, at which point Dundee may elect to assume operatorship. During the earn-in period, the operator of the Projects will earn management fees ranging up to 5% of project expenditures, capped at $500,000 per year.

As at June 30, 2026, Dundee had advanced $8,985,000 to the Company. Details are as follows:

Amount received from Optionee		**$ 8,985,000**
Expenditures:		
Geological and assays	(2,301,314)	
Drilling	(5,493,319)	
Lab fees	(609,587)	
Baseline studies	(2,290,449)	
Engineering studies	(1,231,243)	
Operator's fee	(380,000)	
Deposits, prepaids and PPE	(437,032)	
Subtotal expenditures		(12,742,944)
Receivable from Optionee		**$ (3,757,944)**

8. MINERAL PROPERTIES (Continued)

(b) Shovelnose Gold Property, British Columbia, Canada

The Shovelnose Gold Property is comprised of the Original Shovelnose Property (defined below), the Shovelnose Extension Property (defined below) and a single mineral claim staked by the Company in 2024.

In January 2011, the Company signed an option agreement (the “Shovelnose Agreement”) with Cornish Metals Inc. (formerly Strongbow Exploration Inc.) (“Cornish”) whereby the Company could earn up to a 70% interest in the Original Shovelnose Property near Merritt, British Columbia. At the date of the Shovelnose Agreement, a director of the Company was also a director of Cornish.

Under the terms of the Shovelnose Agreement, the Company could earn an initial 51% interest in the Original Shovelnose Property by issuing a total of 300,000 common shares (issued) to Cornish and incurring $1,500,000 ($750,000 incurred) in exploration expenditures on the property.

On September 1, 2015, the Company entered into a new purchase agreement with Cornish to acquire 100% of the Original Shovelnose Property replacing the January 2011 Shovelnose Agreement (the “Shovelnose Purchase Agreement”). Under the terms of the Shovelnose Purchase Agreement, the Company acquired a 100% interest in the Original Shovelnose Property by issuing 2,000,000 common shares (issued). In addition, Cornish was granted a 2% net smelter returns royalty (“NSR Royalty”) on the Original Shovelnose Property. The Company retains the right to reduce the NSR Royalty to 1% by paying the royalty holder $500,000 at any time prior to the commencement of commercial production.

The Original Shovelnose Property and the single mineral claim staked by the Company in 2024 are subject to the Franco NSR described in Note 8(f).

On September 6, 2024, the Company acquired a 100% interest in a claim package, contiguous to the Original Shovelnose Property, from Talisker Resources Ltd. (“Talisker”) (the “Shovelnose Extension Property”). The Company acquired these claims by making a cash payment of $20,000 (paid) and issuing 1,500,000 common shares (issued) to Talisker. In addition, the Company granted Talisker a 1% NSR Royalty (the ‘’2024 Talisker NSR’’) in respect of the Shovelnose Extension Property. The Company has the option to buy back the 2024 Talisker NSR at any time for $1,000,000.

The Shovelnose Extension Property is subject to a pre-existing 1% Net Smelter Royalty held by a third party. The Shovelnose Extension Property lying within 1km of the Original Shovelnose Property is subject to the Franco NSR described in note 8(f). The portion of the Shovelnose Extension Property lying within 5km of the Original Shovelnose Property is subject to the 2018 Talisker Royalty described in note 8(f).

The Company has a reclamation deposit of $90,000 (December 31, 2025 - $75,000) held with the British Columbia Ministry of Mining and Critical Minerals relating to certain ongoing exploration activities on the Shovelnose Gold Property.

8. MINERAL PROPERTIES (Continued)

(c) Prospect Valley Property, British Columbia, Canada

On September 21, 2015, the Company entered into an option and purchase agreement with Green Battery Minerals Inc. (formerly Berkwood Resources Ltd.) (“Green Battery”) to acquire a 70% interest in the Prospect Valley Property near Merritt. Under the terms of the agreement, the Company paid $20,000 to Green Battery upon signing (paid). The Company subsequently acquired a 70% interest in the property on October 22, 2015, by making a cash payment of $80,000 (paid) and issuing 500,000 common shares (issued) to Green Battery.

On February 2, 2016, the Company and Green Battery entered into a purchase and assumption agreement under which the Company could acquire the remaining 30% interest in the property by making a cash payment of $40,000 (paid) and issuing 500,000 common shares (issued) to Green Battery.

The Prospect Valley Property is subject to the Franco NSR described in note 8(f) and a pre-existing 2% NSR Royalty held by Almadex Minerals Ltd. (“Almadex”).

The Company has a reclamation deposit of $35,000 (December 31, 2025 - $35,000) held with the British Columbia Ministry of Mining and Critical Minerals relating to exploration activities completed on the Prospect Valley Property.

(d) Skoonka Creek Property, British Columbia, Canada

On May 24, 2017, the Company signed a purchase agreement with Cornish and Almadex, under which the Company could acquire a 100% interest in the Skoonka Creek Property, located near Lytton, British Columbia, by issuing 2,000,000 common shares (issued).

The Skoonka Creek Property is subject to the Franco NSR described in note 8(f) and a 2% NSR Royalty held by Almadex.

The Company has a reclamation deposit of $25,000 (December 31, 2025 - $25,000) held with the British Columbia Ministry of Mining and Critical Minerals relating to exploration activities completed on the Skoonka Creek Property.

(e) Skoonka North Property, British Columbia, Canada

In May 2018, the Company staked mineral claims that comprise the Skoonka North Property, near Spences Bridge, British Columbia.

The Skoonka North Property is subject to the Franco NSR described in note 8(f).

8. MINERAL PROPERTIES (Continued)

(f) Net Smelter Return Royalty

On October 6, 2022, the Company sold a 2% NSR Royalty to Franco-Nevada for US$6,000,000 (the "Franco NSR"). The Franco NSR applies to all the Company's claims across the Spences Bridge Gold Belt at the time the royalty was granted. The Company has an option to buy-down 0.5% of the Franco NSR for US$3,000,000 up until October 6, 2027.

Realization

The Company's investment in and its expenditure on mineral properties comprises a substantial portion of the Company's assets. Realization of the Company's investment in the assets is dependent on establishing legal ownership of the property interests, on the attainment of successful commercial production or from the proceeds of its disposal. The recoverability of the amounts shown for the mineral property interests is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the required permits and regulatory approvals as well as the financing necessary to complete the development of the property interests, and future profitable production or proceeds from the disposition thereof.

Title and environmental

Although the Company has taken steps to verify the title to mineral properties in which it has or had a right to acquire an interest in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee title (whether of the Company or of any underlying vendor(s) from whom the Company may be acquiring its interest). Title to mineral properties may be subject to unregistered prior agreements or transfers and may also be affected by undetected defects or the rights of indigenous peoples.

Environmental legislation is becoming increasingly stringent, and costs and expenses of regulatory compliance are increasing. The impact of new and future environmental legislation on the Company's operations may cause additional expenses and restrictions. If the restrictions adversely affect the scope of exploration and development on the mineral properties, the potential for production on the property may be diminished or negated.

9. CAPITAL STOCK

(a) Authorized

Unlimited number of common shares without par value.

(b) Issued and outstanding

On January 2, 2026, the Company issued 12,000,000 common shares to Dundee at a price of $0.25 per share for gross proceeds of $3,000,000.

During the six months ended June 30, 2026, the Company issued 600,000 common shares for gross proceeds of $110,000 pursuant to stock option exercises and 1,430,250 common shares pursuant to warrant exercises for gross proceeds of $284,685.

On July 3, 2025, the Company closed a non-brokered private placement for aggregate gross proceeds of $3,160,000. The Company issued the following:

- 8,333,333 units of the Company (each, a "Unit") at a price of $0.12 per Unit for gross proceeds of $1,000,000.
- 12,500,000 flow-through units of the Company at a price of $0.1728 per Charity FT Unit for gross proceeds of $2,160,000.

Each Unit and Charity FT Unit consists of one common share of the Company (each, a "Unit Share") and one-half of one common share purchase warrant (each whole warrant, a "Warrant"). Each whole Warrant shall entitle the holder to purchase one common share of the Company (each, a "Warrant Share") at a price of $0.18 at any time on or before July 3, 2027. The Company used the Black-Scholes option pricing methodology to determine a value of $347,500, or $0.056 per warrant, for the subscriber warrants issued. In connection with this private placement, the Company paid a cash finder's fee of $66,823 to Red Cloud Securities Inc.

(b) Issued and outstanding (Continued)

On May 15, 2025, the Company completed a brokered private placement for gross proceeds of $4,600,000. The Company issued the following:

- 19,022,708 units at $0.12 per unit for gross proceeds of $2,282,727.
- 17,165,000 'flow-through' common shares at $0.135 per 'flow-through' common share for gross proceeds of $2,317,275.

Each unit consists of one common share and one-half of one common share purchase warrant. Each whole warrant entitles the holder to purchase one common share at price of $0.18 prior to May 15, 2027. The Company paid a cash commission of $276,000 and issued 2,171,262 non-transferable broker warrants with a value of $124,630, or $0.057 per warrant. The Company used the Black-Scholes option pricing methodology to determine the value of the broker warrants. Each broker warrant can be exercised for one common share of the Company at $0.12 per share, until May 15, 2027. The Company used the residual method to calculate a fair value of $257,475 for the tax deduction attached to the flow-through common shares, which was recorded as a flow-through liability at the date of issuance. As at December 31, 2025, this liability was reduced to $nil, as the flow-through obligation was met, and $257,475 was recognized in the statement of loss and comprehensive loss as a flow-through share premium.

(Expressed in Canadian Dollars)

9. CAPITAL STOCK (Continued)

(c) Warrants

The following summarizes the Company's warrants as at June 30, 2026, and December 31, 2025, and changes during the periods:

	Number of Warrants	Weighted Average Exercise Price
Outstanding and exercisable, December 31, 2024	14,770,114	$0.21
Issued – Broker warrants	2,171,262	$0.12
Issued – Subscriber warrants	19,928,021	$0.18
Exercised – Subscriber warrants	(1,250,000)	$0.18
Outstanding and exercisable, December 31, 2025	**35,619,397**	**$0.19**
Exercised – Subscriber warrants	(1,430,250)	$0.20
Outstanding and exercisable, June 30, 2026	**34,189,147**	**$0.19**

(Expressed in Canadian Dollars)

9. CAPITAL STOCK (Continued)

(c) Warrants (Continued)

As at June 30, 2026, the following warrants were outstanding:

Expiry Date	Exercise Price	Outstanding	Weighted Average Remaining Contractual Life (Years)
October 17, 2026	$0.15	1,815,564	0.30
October 17, 2026	$0.22	12,273,550	0.30
May 15, 2027	$0.12	2,171,262	0.87
May 15, 2027	$0.18	7,512,104	0.87
July 3, 2027	$0.18	10,416,667	1.01
		34,189,147	**0.68**

(d) Stock options

The Company has a 10% rolling security-based compensation plan (the "Plan") which allows for the issuance of incentive stock options, deferred share units ("DSUs"), performance share units ("PSUs"), restricted share units ("RSUs"), stock appreciation rights ("SARs") and stock purchase rights (collectively, "Awards"). Under the terms of the Plan, the maximum number of common shares of the Company reserved for issuance, together with all of the Company's other previously established or proposed stock options, stock option plans, employee stock purchase plans or any other compensation or incentive mechanisms involving the issuance or potential issuance of shares, shall not exceed 10% of the issued and outstanding common shares as at the date of grant of any Award. The Plan was most recently approved by Shareholders at an Annual General Meeting held June 24, 2026. To-date, only stock options have been granted pursuant to the Plan. Stock options typically have a five-year term and may be subject to vesting, as determined by the Board of Directors.

For the six months ended June 30, 2026, 600,000 stock options were exercised for gross proceeds of $110,000 (December 31, 2025 – Nil).

The Company transferred $1,360,946 from options reserve to deficit for 4,005,000 stock options which expired or were forfeited during the period (December 31, 2025 - $579,452 for 1,015,000 stock options).

During the six months ended June 30, 2026, the Company granted stock options as follows:

Date of Grant	Number of Options	Exercise Price	Expiry Date
February 4, 2026	7,025,000	$0.25	February 4, 2031
March 30, 2026	150,000	$0.25	March 30, 2031
April 27, 2026	25,000	$0.28	April 27, 2031
	7,200,000		

(Expressed in Canadian Dollars)

9. CAPITAL STOCK (Continued)

(d) Stock options (Continued)

- Of the 7,025,000 stock options granted February 4, 2026, a total of 2,900,000 stock options granted to directors and 50,000 stock options granted to employees vested on the grant date. The remaining 4,075,000 stock options granted to officers and employees vest in thirds over eighteen months from the grant date.
- The 150,000 stock options granted to employees on March 30, 2026, vested on the grant date.
- The 25,000 stock options granted to an employee on April 27, 2026, vested on the grant date.

During the six months ended June 30, 2026, share-based payments of $606,109 were charged to the statement of loss and comprehensive loss (June 30, 2025 - $75,865) and share-based payments of $87,877 were capitalized to mineral properties (June 30, 2025 - $67,437).

The following table summarizes changes to the Company's stock options as at June 30, 2026, and December 31, 2025:

	June 30, 2026		December 31, 2025	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Outstanding, beginning of year	16,805,000	$0.30	12,495,000	$0.39
Granted	7,200,000	$0.25	5,325,000	$0.16
Exercised	(600,000)	$0.18	-	-
Expired / Forfeited	(4,005,000)	$0.51	(1,015,000)	$0.79
Outstanding, end of the period	**19,400,000**	**$0.24**	**16,805,000**	**$0.30**

(Expressed in Canadian Dollars)

9. CAPITAL STOCK (Continued)

(d) Stock options (Continued)

As at June 30, 2026, the following stock options were outstanding and exercisable:

Expiry Date	Exercise Price	Outstanding	Exercisable	Weighted Average Remaining Contractual Life (Years)
Nov. 29, 2026	$0.50	400,000	400,000	0.42
March 20, 2028	$0.35	2,775,000	2,775,000	1.72
January 29, 2029	$0.17	1,000,000	1,000,000	2.59
March 29, 2029	$0.25	2,900,000	2,900,000	2.75
April 30, 2029	$0.25	200,000	200,000	2.84
January 9, 2030	$0.15	3,100,000	2,266,667	3.53
March 31, 2030	$0.15	1,000,000	666,667	3.75
June 26, 2030	$0.15	425,000	358,333	3.99
December 23, 2030	$0.25	400,000	133,333	4.48
February 4, 2031	$0.25	7,025,000	2,950,000	4.60
March 30, 2031	$0.25	150,000	150,000	4.75
April 27, 2031	$0.28	25,000	25,000	4.83
		19,400,000	**13,825,000**	**3.48**

The fair value of the stock options granted during the six months ended June 30, 2026, and the year ended December 31, 2025, was calculated using the Black-Scholes option pricing model with the following assumptions:

	June 30, 2026	December 31, 2025
Expected life (years)	5	5
Interest rate	2.94% to 3.11%	2.61% to 3.02%
Volatility	83% to 84%	77% to 78%
Dividend yield & forfeiture rate	0%	0%
Grant date market value	$0.22 to $0.28	$0.10 to $0.25
Fair value	$0.14 to $0.19	$0.05 to $0.16

Volatility has been calculated based on the historical volatility of the Company's common shares. Interest rates represent rates from the Bank of Canada on bonds with a similar term. The dividend yield represents the expected dividends to be paid by the Company.

(Expressed in Canadian Dollars)

10. RELATED PARTY TRANSACTIONS

The Company entered the following transactions with related parties in addition to those discussed elsewhere in the financial statements.

Key management compensation

Key management includes the Company's directors and officers. During the six months ended June 30, 2026, and 2025, compensation awarded to key management was as follows:

	2026	2025
Remuneration[(1) (2)]	$ 1,001,616	$ 424,400
Directors' fees	94,917	26,400
Share-based compensation[(3)]	637,717	64,555
Total key management compensation	**$ 1,734,250**	$ 515,355

(1) Included in Salaries and Benefits in the statement of loss (Six months ended June 30, 2026 - $564,250; Six months ended June 30, 2025 - $322,500) and capitalized to Mineral Properties (Six months ended June 30, 2026 - $91,320; 2025 - $101,900).

(2) The Company's former CFO and the Company entered into a Mutual Separation Agreement effective January 31, 2025. The amounts paid to the Company's former CFO for the six months ended June 30, 2025 ($112,500), represent a salary continuance payable pursuant to the terms of this agreement.

(3) Share-based compensation expense includes amounts recognized during the current period. Certain awards to officers are subject to vesting provisions over eighteen months following the grant date.

In addition to the above costs, the Company paid $5,342 to reimburse a security deposit for office space (June 30, 2025 - $22,549 for rent and office expenditures) to Anglo Celtic Exploration Ltd. ("Anglo"). Anglo is a company controlled by Grenville Thomas, a former director of the Company, Gareth Thomas, (former CEO) a director, and Eira Thomas, a director. As at June 30, 2026, included in accounts payable is $nil (December 31, 2025 - $10,147) due to Anglo.

As at June 30, 2026, included in accounts payable is $7,356 (December 31, 2025 - $11,913) due to North Arrow Minerals Inc., a company with a common director and officer. The Company paid North Arrow for administrative and investor relations support and for geological support (capitalized to Mineral Properties). At June 30, 2026, amounts receivable from North Arrow totaled $232 (June 30, 2025 - $nil) for shared travel expenses and compensation.

At June 30, 2026, $11,020 (December 31, 2025, $17,310) in respect of expense reimbursements, and fees were due to key management and included in accounts payable and accrued liabilities. The amounts are non-interest bearing and subject to normal trade terms.

(Expressed in Canadian Dollars)

11. CAPITAL MANAGEMENT

The Company considers its capital structure to consist of shareholders' equity. The Company manages its capital structure and adjusts it based on the funds available to the Company, to support the acquisition, exploration and development of mineral properties.

The Board of Directors does not establish quantitative return on capital criteria for management but rather relies on the expertise of the Company's management to sustain future development of the business. The properties in which the Company currently has an interest are in the exploration stage; as such, the Company is dependent on external financing to fund its activities. To carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geological or economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

There were no changes in the Company's approach to capital management during the six months ended June 30, 2026, or the year ended December 31, 2025. The Company is not subject to externally imposed capital requirements.

12. COMMITMENTS

As at June 30, 2026, the Company has the following payments due pursuant to office and building leases and equipment loans:

	2026	2027	2028
Building space(1)	$ 45,000	$ 96,000	$ 32,000
Building space(2)	$ 15,000	$ 30,000	$ 22,500
Equipment loan(3)	$ 13,325	$ 10,250	$ -
Office space(4)	$ 20,650	$ 42,150	$ -
Payments remaining	**$ 93,975**	**$ 178,400**	**$ 54,500**

(1) On June 1, 2025, the Company extended a lease for industrial space in Merrit for an additional three years, to May 31, 2028. Effective August 1, 2026, the terms of this lease were amended.

(2) During the year ended December 31, 2025, the Company entered into a three-year lease extension for building space associated with the Shovelnose Gold Project.

(3) During the year ended December 31, 2022, the Company entered a loan to purchase equipment. The Company is committed to payments of $1,025 bi-weekly until May 13, 2027.

(4) Effective January 1, 2026, the Company entered into a two-year lease agreement for office space. Some amounts may be recovered through subleases.

13. SEGMENTED REPORTING

The Company is organized into business units based on mineral properties and has one reportable operating segment, being that of acquisition and exploration and evaluation activities. The Company's long-term assets are in Canada.

14. SUBSEQUENT EVENTS

The following events occurred after June 30, 2026:

(1) A total of 1,183,000 warrants were exercised for gross proceeds of $250,260.

(2) On August 7, 2026, the Company granted 300,000 stock options to officers. The stock options can be exercised at $0.375 per share and will expire on August 7, 2031.

(3) The Company received a further $8,079,000 pursuant to the Dundee Earn-In Agreement (note 8a).

(4) The Company was notified that certain royalties held by Almadex (Note 8) were sold to Empress Royalty Corp.

(5) The Company entered into two lease agreements for office space. The total commitment over thirty-six months is $110,400.