FINLAY MINERALS LTD.

Condensed Interim Financial Statements

Second Quarter Ended June 30, 2026

(Expressed in Canadian Dollars)
(Unaudited)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, if an auditor has not performed a review of the condensed interim financial statements, they must be accompanied by a note indicating that the condensed interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim financial statements have been prepared by and are the responsibility of management. The Company's independent auditor has not performed a review of these condensed interim financial statements.

FINLAY MINERALS LTD.

Condensed Interim Statement of Financial Position

AS AT JUNE 30, 2026 AND DECEMBER 31, 2025

See accompanying notes to the condensed interim financial statements

All values expressed in Canadian dollars

	June 30, 2026 $	December 31, 2025 $
ASSETS		
Current Assets		
Cash and cash equivalents	3,073,477	3,319,584
GST and other receivables	115,350	59,885
Interest receivables	503	1,586
Marketable securities (Note 4)	58,336	108,283
Prepaid expenses	866,361	64,750
	4,114,027	3,554,088
Non-Current Assets		
Reclamation deposits (Note 5)	157,500	151,900
Exploration and evaluation assets (Notes 6 and 8)	11,862,261	11,838,717
	16,133,788	15,544,705
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities		
Accounts payable and accrued liabilities (Note 7)	108,738	75,906
Project cost advances received (Note 6)	1,476,200	520,460
Flow-through share premium liability (Note 12)	270,350	326,706
	1,855,288	923,072
Non-Current Liabilities		
Deferred income taxes	1,542,282	1,642,452
	3,397,570	2,565,524
Shareholders' Equity		
Share capital (Note 9)	15,726,184	15,726,184
Contributed surplus	2,907,364	2,855,089
Investment revaluation reserve	107,945	97,591
Deficit	(6,005,275)	(5,699,683)
	12,736,218	12,979,181
	16,133,788	15,544,705

Nature and continuance of operations (Note 1)
Subsequent events (Note 14)

Approved by the Board of Directors and authorized for issue on August 31, 2026.

"Robert F. Brown", Director

"Alvin Jackson", Director

FINLAY MINERALS LTD.

Condensed Interim Statement of Comprehensive Loss

FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2026 AND 2025

See accompanying notes to the condensed interim financial statements

All values expressed in Canadian dollars

	Three Months Ended June 30, 2026 $	Three Months Ended June 30, 2025 $	Six Months Ended June 30, 2026 $	Six Months Ended June 30, 2025 $
Operating Costs and Expenses				
Accounting	33,412	6,140	81,013	6,140
Advertising and promotion	47,546	24,260	99,763	57,137
Bank charges and interest	1,027	1,053	1,874	1,953
Consulting	1,224	5,279	1,224	9,991
Insurance	6,941	6,363	14,169	10,559
Legal	42,027	43,803	48,646	92,379
Office and administration	43,892	20,116	77,885	35,164
Rent	4,500	4,345	8,975	8,690
Salaries and benefits (Note 8)	44,542	22,573	86,107	40,983
Stock-option compensation (Note 9)	-	-	52,275	-
Travel and accommodation	2,104	1,082	27,518	5,407
Trust and filing fees	14,477	21,944	23,783	30,001
Loss before other items	(241,692)	(156,958)	(523,232)	(298,404)
Operator's fee income	22,972	47,094	38,220	47,094
Flow-through share premium recovery (Note 12)	47,566	10,176	56,356	10,176
Foreign exchange gain (loss)	2	(501)	(43)	(501)
Dividend income (net)	5	22	9	69
Interest income	11,608	4,606	22,928	6,165
Net loss before income tax	(159,539)	(95,561)	(405,762)	(235,401)
Deferred income tax recovery	56,148	14,909	100,170	51,882
Net loss for the period	(103,391)	(80,652)	(305,592)	(183,519)
Other comprehensive income items that may not be reclassified subsequently to profit or loss:				
Realized gain on sale of marketable securities	-	-	47,933	5,640
Net change in fair value of marketable securities	(3,378)	13,927	(37,579)	17,780
	(3,378)	13,927	10,354	23,420
Net loss and comprehensive loss for the period	(106,769)	(66,725)	(295,238)	(160,099)
Weighted average number of common shares	169,900,985	145,119,230	169,900,985	142,629,065
Basic and diluted loss per share	**(0.00)**	**(0.00)**	**(0.00)**	**(0.00)**

FINLAY MINERALS LTD.

Condensed Interim Statement of Cash Flows

FOR THE SIX MONTHS ENDED JUNE 30, 2026 AND 2025

See accompanying notes to the condensed interim financial statements

All values expressed in Canadian dollars

	Six Months Ended June 30, 2026 $	Six Months Ended June 30, 2025 $
CASH PROVIDED BY (USED FOR):		
Operating Activities		
Net loss for the period	(305,592)	(183,519)
Add (deduct) non-cash items		
Flow-through share premium recovery	(56,356)	(10,176)
Stock-option compensation	52,275	-
Deferred income tax recovery	(100,170)	(51,882)
	(409,843)	(245,577)
Changes in non-cash working capital		
GST and other receivables	(55,465)	(25,534)
Interest receivable	1,083	-
Prepaid expenses	(801,611)	(143,029)
Accounts payable and accrued liabilities	(12,055)	54,644
Project cost advances received	-	1,569,433
Due to related parties	-	(3,232)
Cash provided by (used in) operating activities	(1,277,891)	1,206,705
Investing Activities		
Mineral property costs	(698,365)	(642,420)
Mineral property cost recovery	344,708	215,182
Project cost advances received	955,740	-
Earn-in option payments received	375,000	325,000
Reclamation deposits	(5,600)	(31,000)
Proceeds from sale of marketable securities	60,301	40,970
Cash provided by (used in) investing activities	**1,031,784**	**(92,268)**
Financing Activities		
Warrants exercised	-	266,667
Private placements	-	1,672,670
Share issue costs	-	(108,897)
	-	**1,830,440**
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(246,107)	2,944,877
Cash and cash equivalents, beginning of the period	3,319,584	208,297
CASH AND CASH EQUIVALENTS, END OF PERIOD	3,073,477	3,153,174
Cash and cash equivalents include cash and short-term investments.		
Cash	*1,842,355*	*2,698,894*
Short-term deposits	*15,212*	*14,280*
GICs	*1,215,910*	*440,000*
	3,073,477	*3,153,174*

See Note 13 for Supplemental Cash Flow information.

FINLAY MINERALS LTD.

Condensed Interim Statement of Changes in Equity

FOR THE SIX MONTHS ENDED JUNE 30, 2026 AND 2025

See accompanying notes to the condensed interim financial statements

All values expressed in Canadian dollars

	Number of Shares	Share Capital	Contributed Surplus	Investment Revaluation Reserve	Deficit	Total Equity
		$	$	$	$	$
December 31, 2024	**140,111,232**	**12,918,878**	**2,427,132**	**(22,589)**	**(5,216,149)**	**10,107,272**
Warrants exercised	2,666,666	266,667	-	-	-	266,667
Shares issued	15,606,088	1,560,609	-	-	-	1,560,609
Share issue costs	-	(262,289)	153,392	-	-	(108,897)
Other comprehensive income for the period	-	-	-	23,420	-	23,420
Net loss for the period	-	-	-	-	(183,519)	(183,519)
June 30, 2025	**158,383,986**	**14,483,865**	**2,580,524**	**831**	**(5,399,668)**	**11,665,552**
December 31, 2025	169,900,985	15,726,184	2,855,089	97,591	(5,699,683)	12,979,181
Stock-option compensation	-	-	52,275	-	-	52,275
Other comprehensive income for the period	-	-	-	10,354	-	10,354
Net loss for the period	-	-	-	-	(305,592)	(305,592)
June 30, 2026	**169,900,985**	**15,726,184**	**2,907,364**	**107,945**	**(6,005,275)**	**12,736,218**

1) NATURE AND CONTINUANCE OF OPERATIONS

The Company was incorporated under the Business Corporations Act (British Columbia) and its principal business activity is the acquisition and exploration of resource properties. The properties of the Company are without a known economically feasible ore body. The exploration programs undertaken and proposed constitute an exploratory search. There is no assurance that the Company will be successful in its search. The business of exploring for minerals and mining involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines. Major expenses may be required to establish ore reserves, to develop metallurgical processes, and to construct mining and processing facilities at a particular site. It is not possible to ensure that the current exploration programs planned by the Company will result in a profitable commercial mining operation.

Although the Company has taken steps to verify title to resource properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements and non-compliance with regulatory requirements.

These condensed interim financial statements have been prepared on a going-concern basis, which assumes the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. Several adverse conditions cast substantial doubt on the validity of this assumption. The Company has incurred operating losses since inception with a comprehensive loss for the six months ended June 30, 2026 of $295,238, has limited financial resources, no source of operating cash flow, and no assurances that sufficient funding, including adequate financing, will be available to conduct further exploration and development of its mineral property projects.

The application of the going-concern concept is dependent upon the Company's ability to generate future profitable operations and receive continued financial support from its creditors and shareholders. These condensed interim financial statements do not give effect to any adjustments that might be required should the Company be unable to continue as a going-concern and therefore, be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts differing from those reflected in the condensed interim financial statements.

Management plans to continue to pursue equity or debt financing to support operations. Management believes this plan will be sufficient to meet the Company's liabilities and commitments as they become payable over the next twelve months. There can be no assurance that management's plan will be successful. Failure to maintain the support of creditors and obtain additional external equity financing will cause the Company to curtail operations and the Company's ability to continue as a going-concern will be impaired. The outcome of these matters cannot be predicted at this time.

2) MATERIAL ACCOUNTING POLICY INFORMATION

Statement of Compliance

These condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. Accordingly, these condensed interim financial statements do not include all of the information and footnotes required by IFRS for complete financial statements for year-end reporting purposes. These condensed interim financial statements should be read in conjunction with the Company's financial statements for the year ended December 31, 2025, which have been prepared in accordance with IFRS as issued by the IASB.

All values expressed in Canadian dollars

2) MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Basis of preparation

These condensed interim financial statements have been prepared on the historical cost basis, except for certain financial instruments that have been measured at fair value. In addition, these condensed interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The presentation and functional currency of the Company is the Canadian dollar.

Significant accounting judgments, estimates and assumptions

The preparation of the Company's condensed interim financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and contingent liabilities at the date of the condensed interim financial statements and reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The judgements, estimates and assumptions applied in the condensed interim financial statements, including the key sources of estimation uncertainty, were the same as those applied in the Company's audited financial statements for the year ended December 31, 2025.

3) NEW ACCOUNTING STANDARDS AND RECENT PRONOUNCEMENTS

The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective. The Company has not early adopted any new standards and has determined that there are no standards that are relevant to the Company.

4) MARKETABLE SECURITIES

On July 10, 2023, ATAC Resources Ltd. announced the completion of its merger with Hecla Mining Company ("Hecla") and the spin-out of the new exploration company, Cascadia Minerals Ltd. ("Cascadia"). As a result of this transaction, the Company's 851,285 ATAC Resources Ltd. shares were converted to 14,131 Hecla shares and 85,128 Cascadia shares. On December 8, 2023, Cascadia issued a further 264,690 shares pursuant to the second-year share issuance obligations relating to the PIL Property Option Agreement. During the year ended December 31, 2024, the Company sold 162,000 shares of Cascadia and 4,000 shares of Hecla. During the year ended December 31, 2025, the Company sold 60,000 shares of Cascadia and 7,131 shares of Hecla for gross proceeds of $103,204. During the six months ended June 30, 2026, the Company sold 2,000 shares of Hecla for gross proceeds of $60,301. At June 30, 2026, the Company held a total of 127,818 shares of Cascadia Minerals Ltd. and 1,000 shares of Hecla Mining Company. The shares of Hecla Mining Company are traded on the New York Stock Exchange and the shares of Cascadia Minerals Ltd. are traded on the TSX Venture Exchange.

	June 30, 2026	December 31, 2025
	$	$
Marketable securities -- fair value	$58,336	$108,283
Marketable securities -- cost	$41,968	$54,336

All values expressed in Canadian dollars

5) RECLAMATION BONDS

The Company's reclamation bonds relate to the following properties:

	June 30, 2026	December 31, 2025
	$	$
Silver Hope	35,500	35,500
PIL	98,000	98,000
ATTY	24,000	18,400
	157,500	151,900

In the second quarter of 2026, the Company paid an additional $5,600 bond pursuant to the renewal of its ATTY Property exploration permit.

These bonds are expected to be refunded to the Company once the government agencies are satisfied that the Company has performed all necessary reclamation activities.

6) EXPLORATION AND EVALUATION ASSETS

Omineca Mining Division

British Columbia

Silver Hope Claims

The Company has a 100% interest in 45 mineral tenures, eight of which are subject to a 1½% Net Smelter Returns royalty ("NSR") and were acquired during 2006 by the issuance of two million common shares. One half of the NSR (3/4%) is purchasable prior to a production decision for $1 million dollars.

PIL-Gold Claims

The Company has a 100% interest in 50 mineral tenures of which:

(i) 23 mineral claims were acquired from Electrum Resource Corporation ("Electrum"), a private company controlled by common directors of the Company, for consideration to Electrum of nine million common shares (post-subdivision) and a 3.0% NSR (the "3.0% Electrum NSR"). One half of the 3.0% Electrum NSR (1 1/2%) is purchasable prior to a production decision for $2 million dollars (the "PIL Buy Back Right"). The Company is also obligated to issue a further one million shares to Electrum when the property is put into commercial production;

(ii) 16 mineral tenures were acquired by staking and are subject to the 3.0% Electrum NSR;

(iii) 8 mineral tenures were accepted from Cascadia Minerals Ltd. pursuant to their termination of the PIL Option Agreement on December 27, 2024. 7 of the mineral tenures have an underlying 2.0% NSR in favour of Eagle Plains Resources Ltd. with 1/2 (1%) purchasable prior to a production decision for $500,000; 6 of these mineral tenures are fractional claims. All 8 mineral claims are subject to the Electrum 3.0% NSR; and

(iv) 3 mineral tenures were purchased from a prospector and are subject to the 3.0% Electrum NSR.

On April 17, 2025, the Company entered into an Earn-In Agreement (the "PIL Earn-In Agreement") with Freeport-McMoRan Mineral Properties Canada Inc. ("Freeport"), a wholly-owned subsidiary of Freeport-McMoRan Inc. Freeport has the option to earn an 80% interest in the Company's wholly-owned PIL Property by paying $3.0 million cash and incurring $25 million in exploration expenditures over a six-year term with the Company acting as the operator on the PIL and earning an Operator's Fee.

6) EXPLORATION AND EVALUATION ASSETS (continued)

Following the completion of the PIL earn-in agreement, Freeport and the Company would hold interests of 80% and 20% respectively, and a joint venture would be formed for further exploration and development. In the event that a party does not fund their portion of further joint venture programs, its interests in the joint venture would be diluted. Any party that dilutes below a 10% interest in the joint venture would exchange its joint venture interest for a NSR royalty of 1% on the PIL Property, which is subject to a 0.5% buyback for USD $2.0 million.

Additionally, the Company and Electrum have entered into an amended and restated royalty agreement (the "A&R PIL Royalty Agreement"), pursuant to which, upon and subject to the exercise of the earn-in in respect of the PIL by Freeport, the PIL Buy Back Right would be amended to provide for a 2.0% royalty buy-back, in consideration for an increased buy-back payment that would be sole-funded by Freeport without joint venture dilution to the Company, and would be divided equally between the Company and Electrum as follows:

(i) USD $10 million if the buyback is exercised on or before the date that is 60 days following the report of an initial Pre-Feasibility Study (as defined in National Instrument 43-101 – Disclosure Standards for Mineral Projects ("NI 43-101")) on the PIL Property;

(ii) USD $15 million if the buyback is exercised on or before the date that is 60 days following the report date of an initial Feasibility Study (as defined in NI 43-101) on the PIL Property; or

(iii) USD $20 million if the buyback is exercised on or after commercial production.

Under the A&R PIL Royalty Agreement, the Company and Electrum have also agreed, subject to the exercise of the applicable Freeport earn-in, to extinguish the share issuance obligation of one million common shares owing to Electrum on a production decision.

The Company initially records the amounts of contributions received or receivable from Freeport pursuant to the PIL Earn-In Agreement as a liability (project cost advances received) in the statements of financial position and subsequently reallocates amounts as cost recoveries in exploration and evaluation expenditures as the Company incurs the related expenditures. As at June 30, 2026, the Company recorded the project cost advances received balance of $947,761 (December 31, 2025 - $149,569).

During the six months ended June 30, 2026, the Company recorded a gross amount of cost recovery of $251,736 offsetting the expenditures incurred pursuant to the PIL Earn-In Agreement.

ATTY Claims

The Company has 100% interest in 15 mineral tenures. Pursuant to a 1999 Purchase Agreement with Electrum and a 2018 amending agreement, the ATTY Property is subject to a 3.0% Electrum NSR. One-half of the 3.0% NSR (1 1/2%) is purchasable prior to a production decision for one million dollars (the "ATTY Buy Back Right"). The Company is also obligated to issue five hundred thousand common shares to Electrum on an ATTY production decision.

On August 26, 2022, the Company acquired the ATG Property, comprised of 3 tenures adjacent and contiguous to the ATTY claims from Electrum for consideration consisting of 1,750,000 common shares of the Company with a fair value of $140,000. As a result of the ATG Property purchase, the 3.0% Electrum NSR now applies over the ATG Property and the pre-existing ATTY Claims. Pursuant to the terms of the ATG Purchase Agreement, the Buy Back Right was amended so that the Company retains the right to buy back one-half of the NSR for an aggregate payment of $1.5 million.

6) EXPLORATION AND EVALUATION ASSETS (continued)

On April 17, 2025, the Company entered into an Earn-In Agreement (the "ATTY Earn-In Agreement") with Freeport. Freeport has the option to earn an 80% interest in the Company's wholly-owned ATTY Property by paying $1.1 million cash and incurring $10 million in exploration expenditures over a six-year term with the Company acting as the operator on the ATTY and earning an Operator's Fee.

Following the completion of the ATTY earn-in agreement, Freeport and the Company would hold interests of 80% and 20% respectively, and a joint venture would be formed for further exploration and development. In the event that a party does not fund their portion of further joint venture programs, its interests in the joint venture would be diluted.. Any party that dilutes below a 10% interest in the joint venture would exchange its joint venture interest for a NSR royalty of 1% on the ATTY Property, which is subject to a 0.5% buyback for USD $2 million.

Additionally, the Company and Electrum have entered into an amended and restated royalty agreement (the "A&R ATTY Royalty Agreement"), pursuant to which, upon and subject to the exercise of the earn-in in respect of the ATTY by Freeport, the ATTY Buy Back Right would be amended to provide for a 2.0% royalty buy-back, in consideration for an increased buy-back payment that would be sole-funded by Freeport without joint venture dilution to the Company, and would be divided equally between the Company and Electrum as follows:

(i) USD $5 million if the buyback is exercised on or before the date that is 60 days following the report of an initial Pre-Feasibility Study (as defined in NI 43-101) on the ATTY Property;

(ii) USD $7.5 million if the buyback is exercised on or before the date that is 60 days following the report date of an initial Feasibility Study (as defined in NI 43-101) on the ATTY Property; or

(iii) USD $10 million if the buyback is exercised on or after commercial production.

Under the A&R ATTY Royalty Agreement, the Company and Electrum have also agreed, subject to the exercise of the applicable Freeport earn-in, to extinguish the share issuance obligation of five hundred thousand common shares owing to Electrum on a production decision.

The Company initially records the amounts of contributions received or receivable from Freeport pursuant to the ATTY Earn-In Agreement as a liability (project cost advances received) in the statements of financial position and subsequently reallocates amounts as cost recoveries in exploration and evaluation expenditures as the Company incurs the related expenditures. As at June 30, 2026, the Company recorded a project cost advances received balance of $528,439 (December 31, 2025 - $370,891).

During the six months ended June 30, 2026, the Company recorded a gross amount of cost recovery of $92,972 offsetting the expenditures incurred pursuant to the ATTY Earn-In Agreement.

SAY Claims

The Company has 100% interest in the SAY Property. On July 12, 2024, the Company acquired 18 mineral tenures from Electrum at a cost of $50,000 and subject to a 1.5% NSR in favour of Electrum ("SAY NSR") with the Company retaining the right to buy back one-half of the NSR (0.75%) for $1.5 million. Additionally, on completion of a feasibility study on the SAY, the Company will make an aggregate payment to Electrum of $300,000.

The SAY has been enlarged since July 2024 and is now comprised of 32 mineral tenures totaling 29,105 hectares and the SAY NSR applies to all the SAY mineral tenures.

All values expressed in Canadian dollars

6) EXPLORATION AND EVALUATION ASSETS (continued)

JJB Claims

In February 2025, the Company staked 9 mineral tenures in the Driftwood Corridor of British Columbia ("JJB Property"). The JJB is now comprised of 10 mineral tenures totaling 16,427 hectares.

	December 31, 2024 $	Net Additions $	December 31, 2025 $	Net Additions $	June 30, 2026 $
BRITISH COLUMBIA					
Silver Hope Claims					
Acquisition	166,873	-	166,873	-	166,873
Assay	480,697	-	480,697	68,997	549,694
BCMETC refund	(400,095)	(28,665)	(428,760)	(15,415)	(444,175)
Camp and travel	693,428	11,309	704,737	203,002	907,739
Drilling	2,037,764	-	2,037,764	-	2,037,764
Equipment rental	147,976	-	147,976	-	147,976
Field office	38,218	502	38,720	26	38,746
Geological (Note 8)	1,266,718	65,237	1,331,955	23,688	1,355,643
Geophysical	1,057,889	-	1,057,889	-	1,057,889
Health and Safety	-	-	-	22	22
Indigenous Consulting	-	-	-	1,317	1,317
Road construction	124,675	-	124,675	-	124,675
Tenure management	61,814	-	61,814	-	61,814
	5,675,957	48,383	5,724,340	281,637	6,005,977
PIL Claims					
Acquisition	28,536	-	28,536	-	28,536
Assay	262,918	146,252	409,170	1,541	410,711
BCMETC refund	(94,188)	-	(94,188)	-	(94,188)
Camp and travel	890,817	932,736	1,823,553	40,051	1,863,604
Communications	-	-	-	3,266	3,266
Drilling	1,466,687	-	1,466,687	-	1,466,687
Earn-In Option Payments	-	-	-	(300,000)	(300,000)
Environmental	-	-	-	8,357	8,357
Equipment rental	110,607	61,529	172,136	1,274	173,410
Expense recovery from Freeport	-	(2,612,434)	(2,612,434)	(251,736)	(2,864,170)
Field office	105,081	-	105,081	-	105,081
Geological (Note 8)	1,019,031	724,927	1,743,958	154,216	1,898,174
Geophysical	527,360	493,774	1,021,134	-	1,021,134
Geo Software	-	-	-	4,854	4,854
Health and Safety	-	-	-	2,056	2,056
Indigenous engagement	-	6,586	6,586	4,537	11,123
Insurance	-	-	-	2,669	2,669
Operator’s fees	-	198,719	198,719	26,996	225,715
Recovery	(350,000)	(250,000)	(600,000)	-	(600,000)
Road construction	402,273	68,997	471,270	1,919	473,189
Tenure management	35,215	6,785	42,000	-	42,000
	4,404,337	(222,129)	4,182,208	(300,000)	3,882,208

All values expressed in Canadian dollars

6) EXPLORATION AND EVALUATION ASSETS (continued)

	December 31, 2024 $	Net Additions $	December 31, 2025 $	Net Additions $	June 30, 2026 $
ATTY Claims					
Acquisition	140,540	-	140,540	-	140,540
Assay	52,867	55,272	108,139	616	108,755
BCMETC Refund	(39,986)	-	(39,986)	-	(39,986)
Camp and travel	385,840	249,559	635,399	1,563	636,962
Earn-In Option Payments	-	-	-	(75,000)	(75,000)
Environmental	-	-	-	8,796	8,796
Equipment rental	30,725	-	30,725	8	30,733
Expense recovery from Freeport	-	(673,895)	(673,895)	(92,972)	(766,867)
Field office	13,092	-	13,092	-	13,092
Geological (Note 8)	114,528	140,867	255,395	65,467	320,862
Geophysical	489,198	174,656	663,854	-	663,854
Health and Safety	-	-	-	148	148
Indigenous engagement	-	5,641	5,641	3,901	9,542
Insurance	-		-	1,249	1,249
Tenure management	20,135	-	20,135	-	20,135
Operator’s fees	-	61,545	61,545	11,224	72,769
Recovery	(125,000)	(75,000)	(200,000)	-	(200,000)
Royalty buyback payment	(10,000)	-	(10,000)	-	(10,000)
	1,071,939	(61,355)	1,010,584	(75,000)	935,584
SAY Claims					
Acquisition	50,000	19,163	69,163	-	69,163
Assay	5,295	41,415	46,710	616	47,326
BCMETC refund	-	(15,400)	(15,400)	(28,443)	(43,843)
Camp and travel	20,536	253,433	273,969	19,433	293,402
Community relations	-	-	-	2,750	2,750
Equipment rental	-	-	-	8	8
Field office	-	-	-	297	297
Geological (Note 8)	25,986	97,224	123,210	1,837	125,047
Geophysical	-	103,474	103,474	58,314	161,788
Health and Safety	-	-	-	22	22
Indigenous engagement	-	4,273	4,273	17,395	21,668
Tenure management	11,121	5,078	16,199	-	16,199
	112,938	508,660	621,598	72,229	693,827

All values expressed in Canadian dollars

6) EXPLORATION AND EVALUATION ASSETS (continued)

	December 31, 2024	Net Additions	December 31, 2025	Net Additions	June 30, 2026
	$	$	$	$	$
JJB Claims					
Acquisition	-	27,042	27,042	-	27,042
Assay	-	4,136	4,136	308	4,444
BCMETC refund	-	-	-	(28,214)	(28,214)
Camp and travel	-	81,340	81,340	16,932	98,272
Community relations	-	-	-	2,750	2,750
Equipment rental	-	-	-	8	8
Geological (Note 8)	-	39,950	39,950	38,866	78,816
Geophysical	-	141,879	141,879	-	141,879
Health and safety	-	-	-	22	22
Indigenous engagement	-	3,936	3,936	14,006	17,942
Tenure management	-	1,704	1,704	-	1,704
	-	299,987	299,987	44,678	344,665
Total exploration and evaluation expenditures	**11,265,171**	**573,546**	**11,838,717**	**23,544**	**11,862,261**

7) ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	As at June 30, 2026	As at December 31, 2025
Accounts payable	1,566	30,167
Accrued liabilities	107,172	45,739
	108,738	75,906

8) RELATED PARTY TRANSACTIONS

Key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's executive officers and members of the Board of Directors.

	Six months ended June 30, 2026	Six months ended June 30, 2025
	$	$
Key management personnel compensation:		
Mineral property geological consulting	88,017	23,114
Wages and benefits, and other compensation	149,758	57,152
	237,775	80,266

All related party transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

All values expressed in Canadian dollars

9) SHARE CAPITAL

a) The authorized share capital of the Company consists of: an unlimited number of common shares. 100,000,000 Class A preference shares 100,000,000 Class B preference shares

The continuity of the Company's issued and outstanding common shares and share capital is as follows:

	Six Months Ended June 30, 2026		Year Ended December 31, 2025	
	Number of Shares	**$**	**Number of Shares**	**$**
Balance, beginning of period	**169,900,985**	**15,726,184**	**140,111,232**	**12,918,878**
Private placements	–	–	27,123,087	2,901,758
Warrants exercised	–	–	2,666,666	266,667
Share issue costs	–	–	–	(361,119)
Balance, end of period	**169,900,985**	**15,726,184**	**169,900,985**	**15,726,184**

During the six months ended June 30, 2026:

There was no share capital activity during the six months ended June 30, 2026. See Note 14.

b) Share purchase options

The Company has a new rolling Security Based Compensation ("SBC") Plan whereby a maximum of 10% of the issued shares of the Company may be issued under the SBC Plan. The SBC Plan was approved by the Company's Shareholders at the Annual General and Special Meeting of the Shareholders held on June 19, 2026 and subsequently approved by the TSX Venture Exchange on July 3, 2026.

On March 17, 2026, the Company granted 425,000 stock options to the Company's consultants. The stock options vested immediately and are exercisable at $0.13 per share for five years, expiring on March 17, 2031. A fair value of $52,275 was determined using the Black-Scholes Option Pricing Model using the following assumptions: share price - $0.13; expected life – 5.0 years; expected volatility – 170.38%, risk-free rate – 2.95%; expected dividends – 0%. The expected volatility was determined by reference to the volatility of the Company's historical share price.

The following is a summary of the changes in the Company's outstanding stock options:

	Six Months Ended June 30, 2026		Year Ended December 31, 2025	
	Number of Options	**Weighted Average Exercise Price $**	**Number of Options**	**Weighted Average Exercise Price $**
Balance, beginning of the period	11,925,000	0.10	9,200,000	0.09
Issued	425,000	0.13	2,725,000	0.13
Balance, end of the period	**12,350,000**	**0.10**	**11,925,000**	**0.10**
Exercisable, end of the period	**12,350,000**	**0.10**	**11,925,000**	**0.10**
Weighted-average years to expiry	**2.08**		**2.49**	

All values expressed in Canadian dollars

9) SHARE CAPITAL (continued)

Outstanding options details:

Number of Options	Option Expiry Date	Option Exercise Price $
4,050,000	August 30, 2026	0.14
100,000	September 13, 2027	0.08
5,050,000	August 21, 2028	0.05
2,725,000	December 10, 2030	0.13
425,000	March 17, 2031	0.13
12,350,000		

See Note 14.

c) Share purchase warrants

The continuity of share purchase warrants is as follows:

	Six months ended June 30, 2026		Year ended December 31, 2025	
	Number of Warrants	Weighted Average Exercise Price $	Number of Warrants	Weighted Average Exercise Price $
Balance, beginning of the period	14,600,885	0.22	5,690,049	0.14
Issued	-	-	12,077,502	0.23
Exercised	-	-	(2,666,666)	0.10
Expired	-	-	(500,000)	0.10
Balance, end of the period	14,600,885	0.22	14,600,885	0.22
Weighted average years to expiry	1.01		1.51	

Outstanding warrant details:

Number of Warrants	Warrant Expiry Date	Warrant Exercise Price $
2,523,383	November 18, 2026	0.20
5,229,145	June 9, 2027	0.20
6,848,357	October 17, 2027	0.25
14,600,885		

The weighted average share price on the date warrants were exercised during the six months ended June 30, 2026 was $Nil (year ended December 31, 2025 - $0.12).

d) Contributed surplus

Contributed surplus records the fair value of share-based payments, agent options and agent warrants until such time that the options and warrants are exercised, at which time the corresponding amount will be transferred to share capital.

10) CAPITAL MANAGEMENT

The Company's objectives for the management of capital are to safeguard the Company's ability to continue as a going concern, including the preservation of capital, and to achieve reasonable returns on invested cash after satisfying the objective of preserving capital.

The Company considers its cash and cash equivalents to be its manageable capital. The Company's policy is to maintain sufficient cash and deposit balances to cover operating and exploration costs over a reasonable future period. The Company accesses capital markets as necessary and may also acquire additional funds where advantageous circumstances arise.

The Company currently has no externally imposed capital requirements except to maintain sufficient cash and deposit balances to meet exploration commitments and complete its flow-through expenditure requirements in relation to the flow-through funds raised in June and October 2025 (Notes 9(a) and 12).

11) FINANCIAL INSTRUMENT RISKS

The Company's financial instruments are exposed to the following risks:

Credit Risk

The Company's primary exposure to credit risk is the risk of illiquidity of cash and cash equivalents, amounting to $3,073,477 at June 30, 2026 (December 31, 2025 - $3,319,584). As the Company's policy is to limit cash holdings to instruments issued by major Canadian banks, or investments of equivalent or better quality, the credit risk is considered by management to be negligible.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to pay financial instrument liabilities as they come due. The Company's liquidity risk from financial instruments is its need to meet accounts payable and accrued liabilities obligations. The Company maintained sufficient cash and cash equivalents balances to meet these needs at June 30, 2026.

Interest Rate Risk

The Company has cash balances and only fixed interest-bearing guaranteed investment certificates. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks.

Fair Value of Financial Instruments

The fair value of the Company's financial assets and liabilities approximates the carrying amount. Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2 - Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
Level 3 - Inputs are not based on observable market data.

All values expressed in Canadian dollars

11) FINANCIAL INSTRUMENT RISKS (continued)

The fair value classification of the Company's financial instruments as at June 30, 2026 and December 31, 2025 is as follows:

	Fair value level	June 30, 2026 Fair value through other comprehensive income $	As at December 31, 2025 Fair value through other comprehensive income $
Financial assets:			
Investment in Cascadia Minerals Ltd.	1	36,428	29,398
Investment in Hecla Mining Company	1	21,908	78,885
TOTAL		**58,336**	**108,283**

During the six months ended June 30, 2026 and year ended December 31, 2025, there were no transfers between level 1, level 2, and level 3 classified assets and liabilities.

12) LIABILITY AND INCOME TAX EFFECT ON FLOW-THROUGH SHARES

Funds raised through the issuance of flow-through shares are expected to be expended on qualified Canadian mineral exploration expenditures, as defined pursuant to Canadian income tax legislation. The flow-through gross proceeds less the qualified expenditures made to date represent the funds received from flow-through share issuances that have not been spent and are held by the Company for such expenditures.

During the year ended December 31, 2025, the Company issued 21,840,087 common shares on a flow-through basis for gross proceeds of $2,827,770 and recognized a flow-through share premium liability of $436,802.

During the six months ended June 30, 2026, the Company expended $309,958 (year ended December 31, 2025 - $605,529) of the flow-through funds and recognized a flow-through share premium recovery of $56,356 (year ended December 31, 2025 - $110,096).

The Company must incur an additional $1,912,283 in qualifying flow-through expenditure prior to December 31, 2026, pursuant to its renunciation to investors. As at June 30, 2026, the Company has a flow-through share premium liability of $270,350 (2025 - $326,706) related to unspent funds.

All values expressed in Canadian dollars

13) SUPPLEMENTAL CASH FLOW INFORMATION

	Six months ended June 30, 2026 $	Six months ended June 30, 2025 $
Exploration and evaluation assets included in accounts payable and accrued liabilities	$77,224	26,874

14) SUBSEQUENT EVENTS

On July 3, 2026, 700,000 stock options were exercised at an exercise price of $0.14 per common share for gross proceeds of $98,000. Accordingly, the Company issued 700,000 common shares pursuant to the exercise of these stock options.

On August 28, 2026, the Company announced that the 2026 drill program at its PIL Property was increased by 1,600 meters, bringing the planned program to 4,400 meters, with the additional drilling funded by Freeport under the PIL Earn-In Agreement.

On August 30, 2026, 3,350,000 of the Company's stock options expired unexercised at an exercise price of $0.14. As at August 31, 2026, the Company has 8,300,000 stock options issued and outstanding.