INOMIN MINES INC.

(An Exploration Stage Company)

CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2026 AND 2025

(Expressed in Canadian Dollars)

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Inomin Mines Inc.:

Opinion

We have audited the consolidated financial statements of Inomin Mines Inc. and its subsidiary (together the "Company"), which comprise the consolidated statements of financial position as at March 31, 2026 and 2025, and the consolidated statements of loss and comprehensive loss, consolidated statements of changes in equity and consolidated statements of cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at March 31, 2026 and 2025, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with IFRS Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the consolidated financial statements, which describes conditions indicating that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended March 31, 2026. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the *Material Uncertainty Related to Going Concern* section of our auditor's report, we have determined the matter described below to be the key audit matters to be communicated in our report.

<table>
<tr><th>Key audit matter</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td colspan="2">Assessment of the existence of impairment indicators for exploration and evaluation assets</td></tr>
<tr><td>Refer to notes 3 and 4</td><td>Our approach to addressing the matter involved the following procedures, among others:</td></tr>
<tr><td>As at March 31, 2026, the carrying amount of the Company’s exploration and evaluation assets was $792,445.

At each reporting period, management assesses exploration and evaluation assets to determine whether there are any indicators of impairment. If any such indicators exist, the asset’s recoverable amount is estimated. An impairment loss is recognized if the carrying amount of an asset exceeds its estimated recoverable amount.

Management assesses exploration and evaluation assets for impairment based on, at minimum, the presence of any of the following indicators:
(i) the period for which the Company has the right to explore in the specific area has expired during the year or will expire in the near future, and is not expected to be renewed;
(ii) substantive expenditure on further exploration for, and evaluation of, mineral resources in the specific area is neither budgeted nor planned;
(iii) the Company has decided to discontinue exploration for and evaluation of mineral resources in the specific area; and/or
(iv) for areas of likely development, available data indicates that the carrying amount exceeds the recoverable amount.

No impairment indicators were identified by management as at March 31, 2026.

We considered this a key audit matter due to the significance of the exploration and evaluation assets and the judgments made by management in their assessment of impairment indicators related to the exploration and evaluation assets. These factors have resulted in a high degree of subjectivity in performing audit procedures, related to the judgment applied by management.</td><td>Evaluating the judgments made by management in determining the impairment indicators, which included the following:

• Obtained evidence to support the right to explore the properties under the permit titles held by the Company.
• Read the board of directors’ minutes and resolutions and observed evidence supporting the continued and planned exploration expenditures, which included evaluating the Definitive Agreement with Sumitomo Metal Mining Canada Ltd.
• Assessed whether available data indicates the potential for commercially viable mineral resources.
• Based on evidence obtained in other areas of the audit, considered whether other facts and circumstances suggest that the carrying amount may exceed the recoverable amount.</td></tr>
</table>

Other Information

Management is responsible for the other information. The other information comprises the information included in the Management's Discussion and Analysis filed with the relevant Canadian securities commissions.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit and remain alert for indications that the other information appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Company as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Doris Yingying Cen.

Baker Tilly WM LLP

CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, B.C.
July 28, 2026

INOMIN MINES INC.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian dollars)

	Notes	March 31, 2026 $	March 31, 2025 $
ASSETS			
Current assets			
Cash	4a	**593,581**	46,434
Deferred consideration receivable	4b	**150,000**	-
Prepayments		**11,889**	900
GST receivable		**4,182**	6,514
Total current assets		**759,652**	53,848
Non-current assets			
Exploration and evaluation assets	4c, 8c	**792,445**	1,211,571
Security deposits on exploration and evaluation assets	4a	**61,163**	59,805
Equipment		**25,232**	28,712
Total non-current assets		**878,840**	1,300,088
TOTAL ASSETS		**1,638,492**	1,353,936
LIABILITIES			
Current liabilities			
Due to Sumitomo	4a	**328,771**	-
Accounts payable and accrued liabilities	8	**54,098**	149,579
Withholding tax payable	4b	**37,500**	-
Flow-through premium liability	5b	**-**	3,320
TOTAL LIABILITIES		**420,369**	152,899
EQUITY			
Share capital	5	**3,190,962**	2,997,736
Reserve		**631,913**	542,816
Deficit		**(2,604,752)**	(2,339,515)
TOTAL EQUITY		**1,218,123**	1,201,037
TOTAL LIABILITIES AND EQUITY		**1,638,492**	1,353,936

Nature of operations and going concern (Note 1)
Subsequent events (Note 11)

Approved and authorized for issue by the Board of Directors on July 28, 2026

On behalf of the Board:

"Evilio Gomez-Garcia" Director *"Anil Jiwani"* Director

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

(Expressed in Canadian dollars, except for number of shares and loss per share)

	Notes	For the year ended March 31, 2026 $	For the year ended March 31, 2025 $
Operating expenses			
Filing fees		**22,738**	20,322
Insurance		**11,665**	10,745
Interest and bank charges		**1,464**	1,212
Listing fees		**5,021**	5,663
Management fees	8	**60,000**	60,000
Marketing and investor communications	8	**36,376**	7,438
Office costs		**4,007**	2,592
Professional fees	8	**126,690**	123,766
Share-based compensation	5c,8	**77,344**	37,934
Travel costs		**476**	60
Total operating expenses		**(345,781)**	(269,732)
Other items			
Flow through premium liability recovery		**3,320**	17,120
Foreign exchange (loss) gain		**(1,190)**	181
Gain on sale of a Subsidiary	4b	**34,532**	-
Interest income		**1,373**	4,099
Loss on sale of securities		**-**	(18,275)
Operator fees	4a	**130,009**	-
Loss before income taxes		**(177,737)**	(266,607)
Current tax expense	4b,6	**(87,500)**	-
Net loss and comprehensive loss for the year		**(265,237)**	(266,607)
Loss per common share			
Basic and fully diluted		**(0.01)**	(0.01)
Weighted average number of common shares outstanding		**47,345,826**	40,584,073

INOMIN MINES INC.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Expressed in Canadian dollars, except for number of shares)

	Number of Shares	Share Capital $	Reserve $	Deficit $	Total $
Balance, March 31, 2024	38,313,552	2,863,163	480,868	(2,072,908)	1,271,123
Private placement – flow-through units	2,000,000	90,000	10,000	-	100,000
Flow-through shares premium liability	-	(20,000)	-	-	(20,000)
Private placement – non-flow-through units	2,140,000	98,900	8,100	-	107,000
Finder fees and other issuance cost	-	(28,413)	-	-	(28,413)
Finder warrants	-	(5,914)	5,914	-	-
Share-based compensation	-	-	37,934	-	37,934
Net loss and comprehensive loss for the year	-	-	-	(266,607)	(266,607)
Balance, March 31, 2025	42,453,552	2,997,736	542,816	(2,339,515)	1,201,037
Private placement – non-flow-through units	6,565,000	229,775	-	-	229,775
Finder fees and other issuance cost	-	(24,796)	-	-	(24,796)
Finder warrants	-	(11,753)	11,753	-	-
Share-based compensation	-	-	77,344	-	77,344
Net loss and comprehensive loss for the year	-	-	-	(265,237)	(265,237)
Balance, March 31, 2026	**49,018,552**	**3,190,962**	**631,913**	**(2,604,752)**	**1,218,123**

INOMIN MINES INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Canadian dollars)

	Notes	For the year ended March 31, 2026 $	For the year ended March 31, 2025 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss for the year		**(265,237)**	(266,607)
Items not involving cash:			
Gain on sale of the Subsidiary	4b	**(34,532)**	-
Withholding tax payable	4b	**37,500**	-
Share-based compensation	5c,8	**77,344**	37,934
Loss on sale of securities		**-**	18,275
Flow-through premium recovery		**(3,320)**	(17,120)
Interest income		**(1,358)**	(2,666)
Unrealized foreign exchange loss		**(28)**	-
Changes in non-cash working capital items:			
GST receivable		**2,332**	(4,384)
Prepayments		**(7,001)**	262
Accounts payable and accrued liabilities		**(33,567)**	60,460
Net cash used in operating activities		**(227,867)**	(173,846)
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash received from Sumitomo	4a	**1,832,496**	-
Cash spent on Sumitomo exploration and evaluation	4a	**(1,396,166)**	(88,833)
Exploration and evaluation costs		**(22,990)**	(1,618)
Other exploration and evaluation recoveries		**7,001**	-
Proceeds from sale of the Subsidiary net of tax	4b	**150,000**	-
Subsidiary's cash disposed of	4b	**(306)**	-
Proceeds from sale of securities		**-**	36,725
Net cash provided by (used in) investing activities		**570,035**	(53,726)
CASH FLOWS FROM FINANCING ACTIVITIES			
Funds received on private placements, net of finder fees	5	**204,979**	178,587
Net cash provided by financing activities		**204,979**	178,587
Change in cash for the year		**547,147**	(48,985)
Impact of foreign exchange		**-**	(105)
Cash at beginning of year		**46,434**	95,524
Cash at the end of year		**593,581**	46,434
NON-CASH INVESTING AND FINANCING ACTIVITIES:			
Depreciation capitalized to exploration and evaluation assets	4c	**3,480**	3,481
Exploration and evaluation costs payable		**(1,500)**	(22,990)
Interest capitalized to security deposits on exploration and evaluation assets		**1,358**	2,666
Issuance of warrants as issuance costs	5	**11,753**	5,914
SUPPLEMENTAL CASH FLOW INFORMATION:			
Interest received in cash		**15**	1,433
Withholding tax paid	4b	**(50,000)**	-

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Inomin Mines Inc. (the "Company" or "Inomin") was incorporated under the Business Corporations Act (British Columbia) on August 23, 2012, and is an exploration stage public company whose shares trade on the TSX Venture Exchange ("TSX-V") under the symbol "MINE". The Company's principal purpose is the identification, acquisition, and exploration of mineral properties. The Company's registered office and principal place of business is 700 West Georgia Street, Suite 2200, Vancouver, British Columbia V7Y 1K8, Canada.

These consolidated financial statements are prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The Company is in the process of exploring its mineral properties and has not yet determined whether those properties contain ore reserves that are economically recoverable. The recoverability of the amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain necessary financing to fund property commitments and to complete the exploration and development of the properties and upon achieving future profitable production or proceeds from the disposition thereof.

The Company is the operator of the Beaver-Lynx Property and earns 10% fee on the exploration expenditure on the property (Note 4a).

The Company has an accumulated deficit of $2,604,752 as at March 31, 2026 (March 31, 2025 - $2,339,515) and recognized a net loss and comprehensive loss of $265,237 for the year ended March 31, 2026 (2025 - 266,607). During the year ended March 31, 2026, the Company's cash flows used in operating activities were $227,867 (2025 - $173,846). The Company has financed its operations primarily through the issuance of common shares. The Company continues to seek capital through various means including the issuance of equity and/or debt. During the year ended March 31, 2026, the Company closed a non-brokered private placement to raise $229,775 (the "Private Placement") (Note 5b) and sold its Mexican subsidiary holding the La Gitana and Pena Blanca properties for a total gross consideration of $350,000 (Note 4b). While the Company has been successful in securing financing, there is no assurance that it will be able to do so in the future or on terms that are favourable to the Company. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

These consolidated financial statements do not give effect to adjustments, if any, that would be necessary should the Company be unable to continue as a going concern. If the going concern assumption was not used, then the adjustments required to report the Company's assets and liabilities on a liquidation basis could be material to these consolidated financial statements.

2. BASIS OF PRESENTATION

Statement of compliance
These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and Interpretations of the IFRS Interpretations Committee ("IFRIC").

The consolidated financial statements have been approved and authorized for issue by the Board of Directors on July 28, 2026.

Basis of measurement
These consolidated financial statements have been prepared on a historical cost basis, except for certain financial instruments that are measured at fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

These consolidated financial statements are presented in Canadian dollars, unless otherwise noted, which is also the Company's and its Subsidiary's functional currency.

Basis of consolidation
These consolidated financial statements include the financial statements of the Company and its 100% controlled Mexican subsidiary, Minera Rio Dorado S.A. de C.V. (the “Subsidiary”). A subsidiary is an entity in which the Company has control, directly or indirectly. The Company controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Consolidation of an investee begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. All intercompany transactions and balances have been eliminated. During the year, the Company completed the sale of the Subsidiary on November 27, 2025 (Note 4b). The results of the Subsidiary up to the date of sale are included in these consolidated financial statements.

Critical estimates and judgements
The preparation of these consolidated financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, and expenses. Actual results may differ significantly from these estimates.

Critical judgements

Significant judgements made by management affecting the consolidated financial statements include:

Exploration and evaluation assets
The application of the Company’s accounting policy for exploration and evaluation expenditures requires judgement in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after expenditures are capitalized, information becomes available suggesting that the recovery of expenditures is unlikely, the amount capitalized is impaired and recognized in profit or loss in the period the new information becomes available.

Title to exploration and evaluation assets
Title to exploration and evaluation assets involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for uncertainty arising from the frequently ambiguous conveyancing history characteristic of many mineral claims. The Company has investigated title to all its exploration and evaluation assets and, to the best of its knowledge, titles to all its interests are in good standing.

Judgement in assessing control and joint control under the Definitive agreement with Sumitomo Metal Mining Canada (the “Definitive Agreement”)
Management applied judgment in assessing the contractual rights and obligations arising from the Definitive Agreement, including whether control or joint control of the Beaver-Lynx Property exists during Phase 1 of the arrangement. This assessment impacted the accounting treatment and presentation of the arrangement in the consolidated financial statements. The related terms, accounting treatment, and disclosures are described in Note 4a.

Key sources of estimation uncertainty

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. Significant estimates made by management affecting the consolidated financial statements include:

Share-based payments and share issue costs
The Company uses the Black-Scholes option pricing model to fair value the stock options granted and warrants issued as compensation or as share issuance costs during the year. The Black-Scholes option pricing model utilizes subjective assumptions, such as expected price volatility, forfeiture rate and expected life of the option. Changes in these input assumptions can significantly affect the fair value estimate.

3. MATERIAL ACCOUNTING POLICIES

Financial instruments

Recognition

The Company recognizes a financial asset or financial liability on the consolidated statement of financial position when it becomes party to the contractual provisions of the financial instrument. Financial assets are initially measured at fair value and are derecognized either when the Company has transferred substantially all the risks and rewards of ownership of the financial asset, or when cash flows expire. Financial liabilities are initially measured at fair value and are derecognized when the obligation specified in the contract is discharged, cancelled, or expired.

A write-off of a financial asset (or a portion thereof) constitutes a derecognition event. Write-off occurs when the Company has no reasonable expectations of recovering the contractual cash flows of a financial asset.

Classification and measurement

The Company determines the classification of its financial instruments at initial recognition. Financial assets and financial liabilities are classified according to the following measurement categories:

i) those to be measured subsequently at fair value, either through profit or loss ("FVTPL") or through other comprehensive income ("FVTOCI"); and
ii) those to be measured subsequently at amortized cost.

The classification and measurement of financial assets after initial recognition at fair value depends on the business model for managing the financial asset and the contractual terms of the cash flows. Financial assets that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding, are generally measured at amortized cost at each subsequent reporting period. All other financial assets are measured at their fair value at each subsequent reporting period, with any changes recorded through profit or loss or through other comprehensive income (which designation is made as an irrevocable election at the time of recognition). The classification and measurement bases of the Company's financial instruments are as follows:

Financial Instrument	Classification
Cash	Amortized cost
Deferred consideration receivable	Amortized cost
Security deposits on exploration and evaluation assets	Amortized cost
Due to Sumitomo	Amortized cost
Accounts payable and accrued liabilities	Amortized cost

After initial recognition at fair value, financial liabilities are classified and measured at either:
i) amortized cost;
ii) FVTPL, if the Company has made an irrevocable election at the time of recognition, or when required (for items such as instruments held for trading or derivatives); or
iii) FVTOCI, when the change in fair value is attributable to changes in the Company's credit risk.

The Company reclassifies financial assets when and only when its business model for managing those assets changes. Financial liabilities are not reclassified.

Transaction costs for all classifications of financial instruments, other than those at FVTPL, that are directly attributable to the acquisition or issuance of a financial asset or financial liability are included in the fair value of the instrument on initial recognition. Transaction costs for financial instruments classified at FVTPL are expensed in profit or loss.

Financial instruments that are classified and measured at amortized cost utilize the effective interest method. The 'effective interest rate' is the rate that discounts estimated future cash payments through the expected life of the financial asset or liability, or where appropriate, a shorter period. Interest expense is reported in profit or loss.

Impairment
The Company assesses all information available, including on a forward-looking basis the expected credit losses associated with any financial assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition based on all information available, and reasonable and supportable forward-looking information.

Income taxes
Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

The following temporary differences are not provided for: goodwill not deductible for tax purposes; the initial recognition of assets or liabilities that affect neither accounting nor taxable loss; and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the consolidated statement of financial position date and which are expected to be applicable in the period(s) in which realization or settlement of the carrying amount of assets and liabilities is expected to occur.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Flow-through units/shares

Flow-through shares entitle a company that incurs certain resource expenditures in Canada to renounce them for tax purposes allowing the expenditures to be deducted for income tax purposes by the investors who purchase the shares.

At the time of closing a financing involving flow-through shares, the Company allocates proceeds received first to common shares based on the market trading price of the common shares at the time the flow-through shares are issued, and any excess is allocated to flow-through premium liability.

At the time of closing a financing involving flow-through units consisting of common shares and warrants, the Company allocates proceeds received as follows:

- Share capital - the market trading price of the common share or unit;
- Flow-through premium - the estimated premium investors pay for the flow-through feature, which is recognized as a liability.

Thereafter, as qualifying resource expenditures are incurred, these costs are capitalized to exploration and evaluation asset.

At the end of each reporting period, the Company reviews its tax position and records an adjustment to its deferred tax expense/liability accounts for taxable temporary differences, including those arising from the transfer of tax benefits to investors through flow-through shares. For this adjustment, the Company considers the tax benefits (of qualifying resource expenditures already incurred) to have been effectively transferred, if it has formally renounced those expenditures at any time.

The Company may also be subject to a Part XII.6 tax on flow-through proceeds renounced under the look-back rule in accordance with Government of Canada flow-through regulations. When applicable, this flow-through share tax expense is accrued and recorded in profit or loss.

Share capital
Common shares and warrants are classified as equity. Common shares issued for consideration other than cash, are measured at fair value which is the closing market price at the date of issuance.

Share issue costs
Costs directly identifiable with the raising of capital are charged against the related share capital, net of any tax effects. Costs related to shares not yet issued are recorded as deferred financing costs. These costs are deferred until the issuance of the shares to which the costs relate, at which time the costs are charged against the related share capital or charged to profit or loss if the shares are not issued. The Company may issue compensatory warrants to brokers and agents, from time to time. The fair value of the warrants is determined using the Black-Scholes option pricing model, and is recognized as share issuance costs, in reserve within equity, with a corresponding amount charged against share capital.

Valuation of equity units issued in private placements
The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method allocates the private placement proceeds first to the fair value of the shares issued, and the residual value, if any, is assigned to the warrants.

The fair value of the common shares issued in a private placement is measured using the closing quoted bid price on the issuance date. Any fair value attributed to warrants is recorded in reserve within equity.

Share-based compensation
The Company grants stock options to buy common shares to Directors, Officers and technical consultants. The Company may also issue compensatory warrants to agents. The Company recognizes share-based compensation expense based on the estimated fair value of the options at grant date. A fair value measurement is made for each vesting instalment within each option grant and is determined using the Black-Scholes option pricing model. The fair value of the options is recognized over the vesting period of the options granted as share-based compensation expense, with a corresponding amount recognized in reserve within equity. The fair value includes a forfeiture estimate, which is revised for actual forfeitures in subsequent periods. The reserve is subsequently reduced if the options are exercised, and the amount initially recorded is then reclassified/transferred to share capital.

In situations where equity instruments are issued to non-employees and the fair value of some or all of the goods or services received by the Company as consideration cannot be specifically identified, they are measured at the fair value of the share-based compensation. Otherwise, share-based compensation is measured at the fair value of goods or services received.

Earnings (loss) per share
The Company presents basic and diluted earnings (loss) per share data for its common shares, calculated by dividing the earnings (loss) attributed to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted earnings per share is adjusted for potential common shares outstanding. Diluted loss per share is equivalent to basic loss per share, as the effect of adjusting for potential common shares outstanding is anti-dilutive.

Foreign exchange
The functional currency is the currency of the primary economic environment in which an entity operates and has been determined for each entity within the Company. The functional currency for all entities within the Company is the Canadian dollar.

Transactions in currencies other than the Canadian dollar are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, the monetary assets and liabilities of the Company that are denominated in foreign currencies are translated at the rate of exchange at the consolidated statement of financial position date while non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are included in profit or loss.

Exploration and evaluation assets
Pre-exploration costs are expensed in the year in which they are incurred. Once the legal right to explore a property has been acquired, all costs related to the acquisition, exploration, and evaluation are recognized and capitalized by property. These direct expenditures include such costs as materials used, surveying costs, drilling costs, payments made to contractors, and depreciation on plant and equipment during the exploration phase. Recoveries relating to exploration and evaluation assets represent amounts received that are directly attributable to previously capitalized exploration and acquisition expenditures. Costs not directly attributable to exploration and evaluation activities, including general and administrative overhead costs, are expensed in the period in which they occur.

When a project is deemed to no longer have commercially viable prospects to the Company, exploration and evaluation expenditures in respect of that project are deemed to be impaired. As a result, those exploration and evaluation expenditure costs, in excess of estimated recoveries, are written off to profit or loss. The Company assesses exploration and evaluation assets for indicators of impairment at least annually, and whenever facts and circumstances suggest that the carrying amount of property may exceed its recoverable amount. The recoverability of the carrying amounts of exploration and evaluation assets is dependent on maintaining the rights and title to exploration and evaluation assets, continued plans to explore the property in question, identifying the existence of economically recoverable ore reserves and the ability to obtain the necessary financing to complete the exploration

Once the technical feasibility and commercial viability of extracting the mineral resource has been determined, the property is considered to be a mine under development and is classified as “mines under construction”. Exploration and evaluation assets are tested for impairment before the assets are transferred to mines under construction.

Exploration and evaluation assets are classified by the Company as intangible assets.

Provision for environmental rehabilitation
The Company recognizes liabilities for statutory, contractual, constructive, or legal obligations associated with the rehabilitation of exploration and evaluation assets, when those obligations result from the acquisition, construction, development, or normal operation of the assets. The present value of future rehabilitation cost estimates arising from the decommissioning of plant and other site preparation work is capitalized to asset along with a corresponding increase in the rehabilitation provision in the period incurred. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The rehabilitation costs are depreciated on the same basis as the asset. Changes in the present value, excluding changes in the Company’s estimates of rehabilitation costs, are charged to profit or loss for the period.

The Company’s estimates of rehabilitation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to the related assets with a corresponding adjustment to the rehabilitation provision. The Company’s estimates are reviewed annually for changes in regulatory requirements, discount rates, effects of inflation and changes in estimates.

The Company had no material environmental rehabilitation provisions for the years presented.

Recent accounting pronouncements
The following new and amended IFRS Accounting Standards have been issued but are not yet effective and have not been early adopted by the Company. The Company is currently evaluating the impact of these standards and amendments on its consolidated financial statements.

IFRS 18 - Presentation and disclosure in financial statements
In April 2024, the IASB issued IFRS 18, *Presentation and Disclosure in the Financial Statements*. IFRS 18 will replace IAS 1 *Presentation of Financial Statements* but carries forward many of the requirements from IAS 1. The standard introduces new defined subtotals to be presented in the Company's consolidated statement of loss and comprehensive loss, disclosure of any management-defined performance measures related to the consolidated statement of loss and comprehensive loss and requirements for grouping of information. IFRS 18 is effective for annual periods beginning on or after January 1, 2027, with earlier adoption permitted, and will apply retrospectively. The Company is currently in the process of assessing the impact of IFRS 18 (and applicable amendments to other standards) on the consolidated financial statements and notes to the consolidated financial statements.

Amendments to IFRS 9, Financial Instruments, and IFRS 7, Financial Instruments: Disclosures
In May 2024, the IASB issued *Amendments to the Classification and Measurement of Financial Instruments.* The amendments clarify that a financial liability is derecognized on the settlement date and introduce an accounting policy choice to derecognize a financial liability settled using an electronic payment system before the settlement date. Other clarifications include guidance on the classification of financial assets with ESG-linked features, non-recourse loans and contractually linked instruments. The amendments are effective for annual periods beginning on or after January 1, 2026. Early adoption is permitted, with an option to early adopt only the amendments to the classification of financial assets (for contingent features). The Company has determined that the impact of these amendments will have an immaterial effect on the Company's consolidated financial statements.

The Company does not expect their adoption to have a material impact, except for changes in presentation and disclosure that may result from the adoption of IFRS 18.

4. EXPLORATION AND EVALUATION ASSETS

(a) Beaver-Lynx Property

During the 2019 fiscal year, the Company acquired the Beaver and Lynx nickel-magnesium properties located in the Cariboo region of south-central British Columbia through staking.

The Company was issued Mines Act permits on the proposed program of mineral exploration on both the Beaver and Lynx properties by posting reclamation security deposits amounting to $55,000. The carrying amount of the security deposits including accumulated interest is $61,163 (March 31,2025 - $59,805).

The Company subsequently acquired additional mineral claims to join the Beaver and Lynx properties into a single property (Beaver-Lynx).

Definitive Agreement on Beaver-Lynx with Sumitomo Metal Mining Canada

On April 25, 2025, the Company entered into a definitive agreement with Sumitomo Metal Mining Canada Ltd. ("Sumitomo") on the Beaver-Lynx property (the "Definitive Agreement"), pursuant to which the Company granted to Sumitomo the right to earn up to an 80% interest in the Company's Beaver-Lynx project and agreed to form an unincorporated arrangement for the purposes stated in the agreement (the "Arrangement").

(Expressed in Canadian dollars)

Key Terms of Definitive Agreement are as follows:

- Sumitomo and Inomin mutually covenant and agree to form the Arrangement upon the Effective Date for the specified purpose including to evaluate opportunities for, and to conduct exploration on or in respect of Beaver-Lynx;
- Sumitomo is granted an initial option (phase 1) to earn a 60% participating interest in the Arrangement for Beaver-Lynx by incurring minimum exploration expenditures of $3,000,000 by the second anniversary of the Definitive Agreement;
- Provided that Sumitomo has exercised the initial option, Sumitomo will have a second option (phase 2) to earn an additional 20% participating interest in the Arrangement for Beaver-Lynx by incurring minimum exploration expenditures of $5,000,000 by the third anniversary of the date on which the initial option was exercised;
- Provided that Sumitomo has exercised the initial option, Sumitomo will have the option to acquire certain non-mineral rights, including hydrogen, by paying Inomin $500,000 and grant to Inomin a royalty in certain circumstances;
- Inomin will be the operator of the Arrangement during at least the initial option period, entitling the Company to a fee equal to 10% of exploration expenditures incurred by the Company on behalf of Sumitomo; and
- Inomin is to be reimbursed by Sumitomo for exploration and related expenditures the Company incurred at Beaver-Lynx during the exclusivity period under the Definitive Agreement up to $100,000, which expenditures count towards Sumitomo's expenditure requirement under the initial option.

Management applied judgement and assessed the Definitive Agreement and concluded that joint control, as defined in IFRS 11 *Joint Arrangements*, is not established during Phase 1 of the Arrangement. Accordingly, the Arrangement is accounted for as an earn-in arrangement outside the scope of IFRS 11, and the Company continues to recognize 100% of the Beaver-Lynx exploration and evaluation asset.

During the year ended March 31, 2026, in its capacity as the operator under the the Arrangement, the Company received from Sumitomo $90,333 plus $4,163 GST as a reimbursement of the Company's exploration and related expenses incurred substantially in the prior year under the exclusivity period, and $1,738,000 in exploration cost advance totaling to $1,832,496, of which $1,209,753 was incurred by Inomin for exploration expenditures on Beaver-Lynx in the current year. As at March 31, 2026, included within cash is $347,497 which pertained to this exploration cost advance from Sumitomo.

The following table summarizes the continuity of cash received from Sumitomo:

Movement of cash received from Sumitomo	**$**
Balance, March 31, 2025	-
Cash received from Sumitomo	1,832,496
Exclusivity period exploration and evaluation recoveries with GST	(94,496)
Sumitomo exploration and evaluation costs incurred	(1,209,753)
Inomin operator fees	(130,009)
GST collected on Inomin operator fees	(6,500)
GST on Sumitomo exploration and evaluation costs incurred	(62,967)
Change in working capital	18,726
Balance, March 31, 2026	**347,497**

(Expressed in Canadian dollars)

The following table summarizes the continuity of Due to Sumitomo:

Due to Sumitomo	**$**
Balance, March 31, 2025	-
Cash received from Sumitomo	1,832,496
Exclusivity period exploration and evaluation recoveries with GST	(94,496)
Sumitomo exploration and evaluation costs incurred	(1,209,753)
Inomin operator fees	(130,009)
GST collected on Inomin operator fees	(6,500)
GST on Sumitomo exploration and evaluation costs incurred	(62,967)
Balance, March 31, 2026	**328,771**

During the year ended March 31, 2026, the Company, as the operator under the Arrangement, recognized $130,009 operator fees. As at March 31, 2026 the related amount receivable was $13,820 included in change in working capital in movement of cash above.

(b) La Gitana and Pena Blanca Properties

During the 2020 and 2021 fiscal years, the Company acquired a 100% interest in the La Gitana and Pena Blanca gold-silver properties located in Oaxaca, Mexico (collectively, the “Mexico Mining Concessions”) from Gunpoint Exploration Ltd. (“Gunpoint”) for 1,000,000 common shares, $35,000 cash payment, and the grant of a 1.5% Net Smelter Royalty (“NSR”) payable to Gunpoint on the Pena Blanca property (with an option to purchase 0.5% of the NSR at any time for $1,000,000).

Sale of the Subsidiary

On November 27, 2025, the Company completed the sale of the Subsidiary, which holds a 100% interest in the Mexico Mining Concessions. All rights and obligations that derive or may derive from the Mexico Mining Concessions have been transferred.

Under the terms of this transaction, the Company sold all of the issued and outstanding shares of the Subsidiary to Calu Royalty, S.A.P.I. de C.V., an arm’s-length party, for total gross cash consideration of $350,000 (the “Purchase Price”). The Company received $100,000 upon execution of the definitive purchase agreement and a further $100,000 upon closing of the transaction. The remaining gross consideration of $150,000 was receivable as of March 31, 2026 and was received subsequently in May 2026.

In accordance with Mexican income tax legislation, withholding tax of 25% of the Purchase Price, amounting to $87,500, was withheld by the buyer. As of March 31, 2026, $50,000 of this withholding tax had been deducted from the $200,000 of consideration received, and $37,500 was payable and has been deducted from the $150,000 of consideration received in May 2026 subsequent to year end.

At the date of disposal, the gain on the sale of the Subsidiary’s net assets was determined as follows:

Description	**Amount** **$**
Cash	306
Exploration and evaluation assets	328,272
Accounts payable and accrued liabilities	(13,110)
Total net assets	**315,468**
Purchase Price	350,000
Gain on sale of the Subsidiary	**34,532**

(Expressed in Canadian dollars)

(c) Exploration cost for the years ended March 31, 2026 and 2025:

The following table summarizes the continuity of Exploration and evaluation assets:

	Beaver-Lynx Property	**La Gitana and Pena Blanca Properties**	**Total**
	$	**$**	**$**
Balance, March 31, 2024	766,376	328,272	1,094,648
Depreciation	3,481	-	3,481
Geophysics	71,589	-	71,589
Geological and consulting	30,575	-	30,575
Laboratory test work	4,161	-	4,161
Staking	5,537	-	5,537
Travel, logistics and camp costs	1,580	-	1,580
Balance, March 31, 2025	883,299	328,272	1,211,571
Depreciation	3,480	-	3,480
Drilling	785,147	-	785,147
Evaluation and community costs	5,300	-	5,300
Geophysics	4,000	-	4,000
Geological and consulting	293,726	-	293,726
Laboratory test work	124,080	-	124,080
Recoveries received from Sumitomo	(1,300,086)	-	(1,300,086)
Other recoveries	(7,001)	-	(7,001)
Staking	500	-	500
Derecognition due to sale of the Subsidiary	-	(328,272)	(328,272)
Balance, March 31, 2026	**792,445**	**-**	**792,445**

The recoveries received and recognized during the year ended March 31, 2026, consist of $1,300,086 reimbursement (net of GST) from Sumitomo of the exploration and related costs incurred during the year and exclusivity period (Note 4a). Other recoveries include $7,001 for its 2025 British Columbia Mining Exploration Tax Credit ("BCMETC") claims. The Company is eligible for BCMETC on qualifying exploration expenditures of up to 30%.

(d) King's Point Project

The Company holds a 1% NSR on the King's Point Project, including mineral claims acquired by Maritime Resources Corp. within three kilometres from the perimeter of the King's Point Project. The King's Point Project was disposed of when Maritime Resources Corp. earned a 100% interest, and the Company retains only this 1% NSR; accordingly, no exploration and evaluation asset is carried in respect of this property.

5. SHARE CAPITAL

(a) The authorized share capital of the Company consists of an unlimited number of common shares without par value.

(b) Issued and outstanding - 49,018,552 as at March 31, 2026 (March 31, 2025 - 42,453,552).

<u>During the year ended March 31, 2026</u>

2025 Private Placement

On July 4, 2025, the Company completed a non-brokered private placement (the “2025 Private Placement”). The Company issued 6,565,000 units at $0.035 per unit for gross proceeds of $229,775. Each Unit is comprised of one common share of the Company and one share purchase warrant. Each warrant is exercisable to purchase a common share at a price of $0.05 per share for a period of two years from the date of issuance. Out of the gross proceeds received, the entire amount has been recorded in share capital, with no portion allocated to the warrant component under the residual method. The Company incurred a total of $24,796 in commissions and other share issuance costs and issued a total of 438,550 finder warrants as finder fees. Each finder warrant is exercisable for one common share at a price of $0.05 per share for a period of two years.

<u>During the year ended March 31, 2025</u>

2024 Private Placements

On May 28, 2024, and July 23, 2024, the Company completed the first and second tranche of a non-brokered private placement (the “2024 Private Placement”) of 1,600,000 units and 540,000 units at a price of $0.05 per Unit for gross proceeds of $80,000 and $27,000, respectively. Each Unit is comprised of one common share of the Company and one-half of one share purchase warrant. Each whole warrant (“NFT Warrant”) is exercisable to purchase a common share at a price of $0.10 per common share for a period of two years from the date of issuance thereof. The Company has the option to accelerate the expiry date of these warrants. The Company applied the residual method and allocated $8,100 of the proceeds to the share purchase warrants, which was recorded in reserve.

On December 20, 2024, the Company completed the first tranche of a non-brokered flow-through private placement (the “2024 FT Private Placement”) of 2,000,000 FT units at a price of $0.05 per FT Unit for gross proceeds of $100,000. Each FT Unit is comprised of one common share of the Company and one common share purchase warrant. Each whole warrant (“FT Warrant”) is exercisable at a price of $0.10 per common share for a period of three years from the date of issuance thereof. The Company has the option to accelerate the expiry date of these warrants. The Company applied the residual method and allocated $10,000 of the proceeds to the share purchase warrants, which was recorded in reserve. $20,000 was recognized as flow-through premium liability.

In connection with the 2024 Private Placements, the Company issued an aggregate of 226,800 non-transferrable finder warrants and paid finder commissions of an aggregate of $11,340. A total of 86,800 finder warrants were issued on the same terms as the NFT Warrants and 140,000 finder warrants were issued on the same terms as the FT Warrants issued in 2024 Private Placements. The Company also paid other professional and filing fees totaling $17,073.

<u>Reserves</u>

Reserves include the share based compensation and residual portion of warrants issued as a part of private placements.

(Expressed in Canadian dollars)

Flow-through premium liability

The premium received on the issuance of FT units was recognized as a liability on the Company's consolidated statement of financial position. The continuity of the flow-through premium liability was as follows:

Balance, March 31, 2024	$440
Flow-through premium liability recognized	20,000
Recognized to profit or loss upon incurring qualifying expenditures	(17,120)
Balance, March 31, 2025	$3,320
Flow-through premium liability recognized	-
Recognized to profit or loss upon incurring qualifying expenditures	(3,320)
Balance, March 31, 2026	-

(c) Stock options

The Board of Directors of the Company may from time to time, at its discretion, and in accordance with TSX-V requirements, grant to Directors, Officers, and consultants of the Company, non-transferable options to purchase common shares exercisable for a period of up to 10 years from the date of grant, provided that the number of common shares reserved for issuance will not exceed 10% of the then issued and outstanding common shares.

During the year ended March 31, 2026

On November 7, 2025, the Company granted incentive stock options to its directors and two advisors of the Company to acquire 830,000 common shares of the Company at $0.09 per common share, vesting immediately, for a period of five years expiring November 7, 2030. The Company recognized $69,056 as share-based compensation expense for these options granted, determined using Black Scholes model ($54,496 of which was with related parties).

Total share-based compensation expense during the year ended March 31, 2026 was $77,344 (2025 - $37,934) due to the graded vesting of previously granted stock options.

During the year ended March 31, 2025

On August 12, 2024, the Company granted incentive stock options to an independent director and two consultants of the Company to acquire 450,000 common shares of the Company at $0.05 per common share, vesting immediately, for a period of five years expiring August 12, 2029. Fair value of the options was $10,170 ($7,910 of which was with related parties).

On November 7, 2024, the Company granted incentive stock options to a related party, an independent director of the Company, to acquire 300,000 common shares of the Company at $0.05 per common share, vesting immediately, for a period of five years expiring November 7, 2029. Fair value of the options was $12,600.

On November 18, 2024, the Company granted incentive stock options to an advisor of the Company to acquire 500,000 common shares of the Company at $0.05 per common share, for a period of five years expiring November 18, 2029. The options vest quarterly over one year. Total fair value of the options was $23,452. During the year ended March 31, 2026 the Company recognized an expense of $15,164 for these stock options.

(Expressed in Canadian dollars)

The following assumptions were used in the valuation of options granted during the years ended March 31, 2026 and 2025:

	November 7, 2025	**November 18, 2024**	**November 7, 2024**	**August 12, 2024**
Share price at grant date	$0.09	$0.05	$0.05	$0.03
Exercise price	$0.09	$0.05	$0.05	$0.05
Expected volatility	156%	163%	163%	160%
Expected life	5 years	5 years	5 years	5 years
Expected dividends	Nil	Nil	Nil	Nil
Expected forfeiture rate	Nil	Nil	Nil	Nil
Risk-free interest rate	2.74%	3.10%	3.03%	2.98%

The following table summarizes the continuity of stock options:

	Number of options	**Weighted average exercise price $**
Outstanding and exercisable, March 31, 2024	3,475,000	0.11
Expired	(850,000)	0.15
Granted	1,250,000	0.05
Outstanding, March 31, 2025	3,875,000	0.08
Granted	830,000	0.09
Expired	(100,000)	0.07
Outstanding, March 31, 2026	**4,605,000**	**0.08**

As at March 31, 2026, the following stock options were outstanding and exercisable:

Expiry date	**Number of options**	**Exercise price $**	**Remaining contractual life years**
October 5, 2026	1,025,000	0.10	0.52
March 30, 2027	100,000	0.38	1.00
July 3, 2028	1,400,000	0.08	2.26
August 12, 2029	450,000	0.05	3.37
November 7, 2029	300,000	0.05	3.61
November 18, 2029	500,000	0.05	3.64
November 7, 2030	830,000	0.09	4.61
	4,605,000	**0.08**	**2.61**

In May 2026, subsequent to year end, 100,000 stock options were granted (Note 11).

(d) Warrants

<u>During the year ended March 31, 2026</u>

In connection with the 2025 Private Placement described above, the Company granted 6,565,000 warrants. In addition, the Company issued 438,550 finder warrants valued at $11,753. The fair value attributed to the finder warrants was determined using the Black-Scholes valuation model using the following assumptions: expected life of two years, risk free interest rates of 2.67%, and volatility rate of 145%.

(Expressed in Canadian dollars)

During the year ended March 31, 2025

In connection with the 2024 Private Placement, the Company granted 1,070,000 warrants, described above (Note 5b). In addition, the Company paid a total of $4,340 in finder commission, and issued 49,000 and 37,800 finder warrants as finder fees valued at $1,705 and $597, respectively. Each finder warrant is exercisable for one common share at a price of $0.10 per share for a period of two years from the date of issuance. The fair value attributed to the finder warrants was determined using the Black-Scholes option pricing model using the following assumptions: expected life of two years, risk free interest rates of 4.28% and 3.74%, and volatility rates of 134% and 129%, respectively.

In connection with the 2024 FT Private Placement, the Company granted 2,000,000 warrants, described above (Note 5b). In addition, the Company paid a total of $7,000 in finder commission and issued a total of 140,000 finder warrants as finder fees valued at $3,612. Each finder warrant is exercisable for one common share at a price of $0.10 per share for a period of three years from the date of issuance. The fair value attributed to the finder warrants was determined using the Black-Scholes option pricing model using the following assumptions: expected life of three years, risk free interest rate of 2.99%, and volatility rate of 159%.

The following table summarizes the continuity of the Company's warrants:

	Number of warrants	**Weighted average exercise price $**
Outstanding and exercisable, March 31, 2024	8,571,692	0.14
Issued	3,296,800	0.10
Outstanding and exercisable, March 31, 2025	11,868,492	0.13
Issued	7,003,550	0.05
Expired	(4,543,500)	0.15
Outstanding and exercisable, March 31, 2026	**14,328,542**	**0.08**

As at March 31, 2026, the following warrants were outstanding and exercisable:

Expiry date	**Number of warrants**	**Exercise price $**	**Remaining contractual life years**
May 28, 2026	849,000	0.10	0.16
May 29, 2026	4,028,192	0.13	0.16
July 23, 2026	307,800	0.10	0.31
December 20, 2027	2,140,000	0.10	1.72
July 4, 2027	7,003,550	0.05	1.26
	14,328,542	**0.08**	**0.93**

In May and July 2026, subsequent to year end, 721,000 warrants were exercised (Note 11), and 4,463,992 warrants expired unexercised.

(Expressed in Canadian dollars)

6. INCOME TAXES

The tax expense at statutory rates for the Company can be reconciled to the reported loss per the statement of loss and comprehensive loss as follows:

	For the year ended March 31, 2026 $	For the year ended March 31, 2025 $
Loss before income taxes	**(177,737)**	(266,607)
Canadian federal and provincial income tax rates	**27%**	27%
Income tax expense (recovery) based on the above rates	**(48,196)**	(72,238)
Non-deductible expenses and other	**(96,003)**	28,910
Share issue costs	**(7,201)**	(7,672)
Tax benefits renounced to flow through shareholders	**-**	27,000
Impact of deferred tax assets not recognized	**151,400**	24,000
Withholding tax on disposal of subsidiary	**87,500**	-
Total income tax expense	**87,500**	-

The total income tax expense (recovery) comprises of the following:

	For the year ended March 31, 2026 $	For the year ended March 31, 2025 $
Current tax expense – withholding tax on disposal of subsidiary	**87,500**	-
Deferred tax expense (recovery)	**-**	-
Total income tax expense	**87,500**	-

The Company's unrecognized deferred tax assets and liabilities are as follows:

	For the year ended March 31, 2026 $	For the year ended March 31, 2025 $	Expiry date range
Unrecognized deferred tax assets (liabilities)			
Non-capital losses carried forward	**573,400**	538,000	See below
Share issue costs	**15,200**	16,000	2027-2030
Equipment	**2,600**	2,000	Not applicable
Exploration and evaluation assets	**(164,800)**	(281,000)	Not applicable
Net unrecognized deferred tax assets	**426,400**	275,000	

(Expressed in Canadian dollars)

The Company has non-capital losses available of approximately $2,123,800 that may be carried forward to reduce future taxable income. These losses are with respect to Canadian operations, and if not utilized, will expire as follows:

Expiry Date	$
2033	15,800
2034	55,600
2035	269,800
2036	58,400
2037	146,400
2038	161,500
2039	153,400
2040	144,900
2041	105,100
2042	71,700
2043	271,400
2044	315,400
2045	223,300
2046	131,100
	2,123,800

7. FINANCIAL INSTRUMENTS

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 included within level 1 that are observable for the asset or liability either directly or indirectly; and
Level 3 - Inputs that are not observable for the asset or liability.

The following table summarizes information regarding the carrying and fair values of the Company's financial instruments:

	March 31, 2026 $	March 31, 2025 $
Financial assets at amortized cost		
Cash	**593,581**	46,434
Deferred consideration receivable	**150,000**	-
Security deposits on exploration and evaluation assets	**61,163**	59,805
Financial liabilities at amortized cost		
Accounts payable and accrued liabilities	**54,098**	149,579
Due to Sumitomo	**328,771**	-

The carrying values of the Company's deferred consideration receivable, security deposits on exploration and evaluation assets, accounts payable and accrued liabilities, and due to Sumitomo approximate their fair values due to the market rates of interest attached and or due to their short-term nature.

Management of financial risks

The Company has exposure to the following risks from its financial instruments: credit risk, liquidity risk and market risk. Management and Board of Directors monitor risk management activities and review the adequacy of such activities.

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 an obligation. The Company's maximum exposure to credit risk is limited to the carrying values of cash, deferred consideration receivable, and security deposits on exploration and evaluation assets shown on its consolidated statement of financial position, which totaled $804,744 at March 31, 2026 (March 31, 2025 - $106,239). The cash, and security deposits on exploration and evaluation assets are held with high credit quality financial institutions, management considers the risk of loss on these financial instruments to be minimal. Deferred consideration receivable pertains to the remaining gross consideration receivable from the sale of the Subsidiary, which was received subsequent to year end. The Company's management of credit risk has not changed materially from that of the prior year.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Management endeavors to maintain cash in excess of financial liabilities, to enable payment of financial liabilities as they come due. As at March 31, 2026, the Company had cash of $593,581 (March 31, 2025 - $46,434) and working capital of $339,283 (March 31, 2025 - working capital deficit of $99,051). The Company's liquidity risk primarily arises from amounts due to the Sumitomo, together with accounts payable and accrued liabilities, all of which are expected to be settled in the normal course of operations or in accordance with the relevant agreements and legislation. The Company's management of liquidity risk has not changed materially from that of the prior year.

The following are the contractual maturities of financial liabilities as at March 31,2026:

	Carrying amount	Contractual cash flows	Within 1 year	Within 2 years	Over 3 years
	$	$	$	$	$
Accounts payable and accrued liabilities	54,098	54,098	54,098	-	-
Due to Sumitomo	328,771	328,771	328,771	-	-

The following are the contractual maturities of financial liabilities as at March 31,2025:

	Carrying amount	Contractual cash flows	Within 1 year	Within 2 years	Over 3 years
	$	$	$	$	$
Accounts payable and accrued liabilities	149,579	149,579	149,579	-	-

Market risk

Market risk is the risk that the fair values or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk consists of foreign currency risk, interest rate risk and other price risk. Management has determined that the Company is not exposed to material interest rate or other price risk. The Company's management of market risk has not changed materially from that of the prior year.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign currency exchange rates. During the year ended March 31, 2026, the Company maintained its cash reserves in Canadian dollars and Mexican pesos. In connection with the sale of the Subsidiary, all cash balances held by the Subsidiary were disposed of. As at March 31, 2026, all remaining cash held in bank accounts by the Company was denominated in Canadian dollars.

(Expressed in Canadian dollars)

8. RELATED PARTY TRANSACTIONS

Related parties are persons or entities that have control, joint control, or significant influence over the Company, or who are members of key management personnel of the Company.

Key management personnel

Key management personnel include those persons having authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and Corporate Officers. These amounts of key management compensation are included in the amounts shown in profit or loss and statement of financial position:

	For the year ended March 31, 2026 $	For the year ended March 31, 2025 $
Short-term compensation		
Management fees	**60,000**	60,000
Professional fees	**54,000**	54,000
Exploration and evaluation asset expenditures	**1,000**	31,675
Share-based compensation	**54,496**	20,510
Total	**169,496**	166,185

Key management personnel transactions were as follows:

a) The Company has a consulting agreement with its Chief Executive Officer ("CEO") for a fee of $5,000 per month, through Oro Grande Capital, a company controlled by the CEO. During the year ended March 31, 2026, the Company incurred $60,000 (2025 - $60,000) in fees to Oro Grande Capital. These fees are included in Management fees in profit or loss.

b) The Company has a consulting agreement with its Corporate Secretary for a fee of $2,000 per month, through A. Shack Enterprises Inc., a company controlled by the Corporate Secretary. During the year ended March 31, 2026, the Company incurred $24,000 (2025 - $24,000) in fees to A. Shack Enterprises Inc. These fees are included in Professional fees in profit or loss.

c) The Company has arrangements with certain directors of the Company whereby these directors provide exploration related services to the Company. During the year ended March 31, 2026, the Company incurred $1,000 (2025 - $31,675) in such fees to the Directors. These fees are included in Exploration and Evaluation assets in the consolidated statements of financial position. During the year ended March 31, 2026, geological consulting fees separately earned by the Directors of the Company from Sumitomo under the Arrangement (Note 4a) amounted to $153,750 (2025 - $Nil).

d) The Company has a consulting agreement with the Chief Financial Officer ("CFO") of the Company for a monthly fee of $2,500 through Avisar Everyday Solutions Ltd. ("Avisar"), a company where the CFO is a director and an officer, to provide accounting related services. During the year ended March 31, 2026, the Company incurred $30,000 (2025 - $30,000) in professional fees to Avisar. These fees are included in Professional fees in profit or loss. During the year ended March 31, 2026, professional fees separately earned by Avisar from Sumitomo under the Arrangement (Note 4a) amounted to $12,307 (2025 - $Nil).

Key management personnel compensation included share-based compensation related to the fair value of the stock options granted (Note 5c). During the year ended March 31, 2026, share-based compensation for the key management personnel amounted to $54,496 (2025 - $20,510).

(Expressed in Canadian dollars)

In addition, during the year ended March 31, 2026, the Company paid $7,500 (2025 - $Nil) to a close family member of the CEO for social media management. These fees are included in Marketing and investor communications in profit or loss.

The balance due to the Company's related parties included in accounts payables and accrued liabilities was $17,834 as at March 31, 2026 (March 31, 2025 - $48,375). These amounts are unsecured, non-interest bearing and payable on demand.

9. SEGMENTED INFORMATION

The Company operates in one reportable operating segment, being the acquisition, exploration, and evaluation of mineral properties in Canada. Non-current assets by country are as follows:

	March 31, 2026	March 31, 2025		
	Canada	Canada	Mexico	Total
	$	$	$	$
Exploration and evaluation assets	**792,445**	883,299	328,272	1,211,571
Equipment	**25,232**	28,712	-	28,712
Security deposits on exploration and evaluation assets	**61,163**	59,805	-	59,805
Total	**878,840**	971,816	328,272	1,300,088

On November 27, 2025, the Company sold its Mexican subsidiary (Note 4b), and as of March 31, 2026 did not hold assets in Mexico.

10. CAPITAL MANAGEMENT

Capital is comprised of the Company's equity, which totalled $1,218,123 as at March 31, 2026 (March 31, 2025 - $1,201,037). The Company's objectives when managing capital are to maintain financial strength and to protect its ability to meet its on-going liabilities, to continue as a going concern, to maintain creditworthiness and to maximize returns for shareholders over the long term.

The Company manages the capital structure and adjusts it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt, acquire or dispose of assets. Management believes the Company's working capital is presently sufficient for the Company to meet its near-term objectives. The Company's approach to the management of capital has not changed from that of the prior year.

The Company is not subject to any externally imposed capital requirements.

11. SUBSEQUENT EVENTS

2026 Private Placement
On May 29, 2026, the Company closed a non-brokered private placement under the Listed Issuer Financing Exemption, raising aggregate gross proceeds of $615,500. The offering comprised 5,861,900 units at a price of $0.105 per unit. Each unit consists of one common share and one common share purchase warrant, with each warrant entitling the holder to acquire one additional common share at an exercise price of $0.14 per common share until May 29, 2028. In connection with the offering, the Company paid cash finder fees of $43,085 and issued 410,333 non-transferable finder warrants exercisable at $0.105 per common share until May 29, 2028. The Company intends to use the net proceeds to support business development initiatives, due diligence on potential acquisition targets, investor relations activities, and general corporate purposes.

Commencement of 2026 exploration program
In May and June 2026, in connection with the commencement of the 2026 exploration program at Beaver-Lynx, the Company received two funding tranches from Sumitomo totaling $2,100,000.

Stock options granted
On May 8, 2026, in connection with the appointment of the Company's Vice President of Exploration, the Company granted 100,000 stock options pursuant to the Company's stock option plan. The options are exercisable at a price of $0.105 per common share, vest immediately, and expire on May 8, 2031.

Warrants exercised
The Company issued 721,000 common shares resulting from warrants and broker warrants exercised at the weighted average price of $0.11 per common share for the total gross proceeds of $76,600. A total of 4,463,992 warrants expired unexercised.