



**NiCAN Limited**  
**Financial Statements**

(Expressed in Canadian dollars)

**December 31, 2025**



## INDEPENDENT AUDITOR'S REPORT

To the Shareholders of  
NiCAN Limited

### Opinion

We have audited the accompanying financial statements of NiCAN Limited (the "Company"), which comprise the statements of financial position as at December 31, 2025 and 2024 and the statements of loss and comprehensive loss, cash flows, and changes in shareholders' equity for the years then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2025 and 2024, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (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 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 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 in our audit is sufficient and appropriate to provide a basis for our opinion.

### Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the financial statements, which indicates that the Company incurred losses since inception and has no source of recurring revenue. As stated in Note 1, these events and conditions indicate 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 financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Except for the matter described in the Material Uncertainty Related to Going Concern section, we have determined that there are no other key audit matters to communicate in our auditor's report.

### Other Information

Management is responsible for the other information. The other information obtained at the date of this auditor's report includes Management's Discussion and Analysis.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. 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. We have nothing to report in this regard.

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

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

In preparing the 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 Financial Statements**

Our objectives are to obtain reasonable assurance about whether the 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 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:

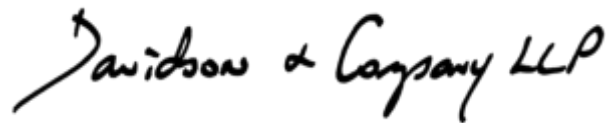
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 financial statements of the current year 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 Carmen Newnham.

A handwritten signature in black ink that reads "Davidson & Company LLP". The signature is written in a cursive, flowing style.

Chartered Professional Accountants  
Licensed Public Accountants

Vancouver, Canada

April 9, 2026

## STATEMENTS OF FINANCIAL POSITION

(Expressed in Canadian dollars)

	Note	December 31, 2025	December 31, 2024
		\$	\$
<b>ASSETS</b>			
<b>Current</b>			
Cash		1,190,486	974,493
Prepaid expenses		55,635	33,827
Receivables		84,344	15,259
<b>Total Current Assets</b>		<b>1,330,465</b>	<b>1,023,579</b>
<b>TOTAL ASSETS</b>		<b>1,330,465</b>	<b>1,023,579</b>
<b>LIABILITIES</b>			
<b>Current</b>			
Accounts payable and accrued liabilities	<b>5,9</b>	1,019,413	211,815
Flow-through share premium liability	<b>6</b>	–	195,237
<b>Total Current Liabilities</b>		<b>1,019,413</b>	<b>407,052</b>
<b>TOTAL LIABILITIES</b>		<b>1,019,413</b>	<b>407,052</b>
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	<b>7</b>	11,402,529	10,017,512
Share-based payments reserve	<b>7</b>	599,249	555,066
Deficit		(11,690,726)	(9,956,051)
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<b>311,052</b>	<b>616,527</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>1,330,465</b>	<b>1,023,579</b>

**Nature and continuance of operations** – Note 1

**Subsequent events** – Note 13

**Approved on behalf of the Board on April 9, 2026:**

/s/ Mike Hoffman  
Chairman

/s/ Brad Humphrey  
Director

## STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

(Expressed in Canadian dollars)

	Note	Year Ended December 31, 2025	Year Ended December 31, 2024
		\$	\$
<b>OPERATING EXPENSES</b>			
Exploration expenditures	10	1,111,702	720,895
Management fees	9	348,200	449,900
General and administrative		212,383	286,708
Director fees	9	127,874	204,135
Marketing and investor relations		76,364	148,409
Professional fees		68,820	103,302
Share-based compensation	7,9	–	234,596
<b>TOTAL OPERATING EXPENSES</b>		<b>(1,945,343)</b>	<b>(2,147,945)</b>
<b>OTHER INCOME</b>			
Flow-through premium recovery	6	195,237	434,763
Gain on settlement of liability	7	–	256,299
Interest income		15,431	47,508
<b>TOTAL OTHER INCOME</b>		<b>210,668</b>	<b>738,570</b>
<b>LOSS AND COMPREHENSIVE LOSS</b>		<b>(1,734,675)</b>	<b>(1,409,375)</b>
<b>LOSS PER SHARE</b>			
Basic and diluted		(0.02)	(0.02)
<b>WEIGHTED AVERAGE NUMBER OF SHARES</b>			
Basic and diluted		88,092,345	79,667,567

## STATEMENTS OF CASH FLOWS

(Expressed in Canadian dollars)

	Year Ended December 31, 2025	Year Ended December 31, 2024
	\$	\$
<b>CASH (USED IN) PROVIDED BY:</b>		
<b>OPERATING ACTIVITIES</b>		
Loss and comprehensive loss for the year	(1,734,675)	(1,409,375)
Flow-through premium recovery	(195,237)	(434,763)
Gain on settlement of liability	-	(256,299)
Share-based compensation	-	234,596
Changes in non-cash working capital items		
Prepaid expenses	(21,808)	25,448
Receivables	(69,085)	115,422
Accounts payable and accrued liabilities	807,598	(58,091)
Total cash flows used in operating activities	(1,213,207)	(1,783,062)
<b>FINANCING ACTIVITIES</b>		
Proceeds from private placement of shares	1,500,000	1,830,000
Share issuance costs	(70,800)	(221,364)
Total cash flows from financing activities	1,429,200	1,608,636
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	215,993	(174,426)
<b>CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR</b>	974,493	1,148,919
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	1,190,486	974,493
<b>SUPPLEMENTAL CASH FLOW INFORMATION:</b>		
Agents options issued for payment of financing fees	44,183	-
Agents warrants issued for payment of financing fees	-	60,506
Flow-through share premium liability	-	630,000
Shares issued for debt settlement	-	13,500

## STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

(Expressed in Canadian dollars)

	Number of common shares	Share capital	Share-based payments reserve	Deficit	Total
		\$	\$	\$	\$
<b>BALANCE, DECEMBER 31, 2023</b>	<b>69,398,902</b>	<b>9,085,882</b>	<b>259,964</b>	<b>(8,546,676)</b>	<b>799,170</b>
Shares issued by private placement	12,000,000	1,830,000	–	–	1,830,000
Share issue costs	–	(221,364)	–	–	(221,364)
Share issue costs – agents' warrants	–	(60,506)	60,506	–	–
Flow-through share premium	–	(630,000)	–	–	(630,000)
Shares issued for debt	300,000	13,500	–	–	13,500
Share-based compensation	–	–	234,596	–	234,596
Loss for the year	–	–	–	(1,409,375)	(1,409,375)
<b>BALANCE, DECEMBER 31, 2024</b>	<b>81,698,902</b>	<b>10,017,512</b>	<b>555,066</b>	<b>(9,956,051)</b>	<b>616,527</b>
Shares issued by private placement	30,000,000	1,500,000	–	–	1,500,000
Share issue costs	–	(114,983)	44,183	–	(70,800)
Loss for the year	–	–	–	(1,734,675)	(1,734,675)
<b>BALANCE, DECEMBER 31, 2025</b>	<b>111,698,902</b>	<b>11,402,529</b>	<b>599,249</b>	<b>(11,690,726)</b>	<b>311,052</b>

## 1. NATURE AND CONTINUANCE OF OPERATIONS

NiCAN Limited (the "Company" or "NiCAN") was incorporated under the laws of the Province of Ontario, Canada on April 6, 2022, and its principal business activity is the exploration and evaluation of mineral properties. The Company's corporate office is located at 130 King Street West, Suite 3680, Toronto, Ontario. The Company trades on the TSX Venture Exchange ("TSX-V") under the symbol "NICN" and on the OTCQB Venture Market under the symbol "NILTF".

These financial statements are prepared on a going concern basis that 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 has incurred losses since its inception and has no source of recurring revenue. The success of the Company is dependent upon the ability of the Company to obtain necessary financing to continue its exploration and development activities, the confirmation of economically recoverable reserves, and upon establishing future profitable production, or realization of proceeds on disposal. All of the preceding indicates the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. These financial statements do not give effect to the adjustments that would be necessary to the carrying value and classification of assets and liabilities should the Company be unable to continue as a going concern.

## 2. BASIS OF PRESENTATION

### Statement of compliance

The financial statements have been prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

### Basis of Measurement and Presentation

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

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

## 3. MATERIAL ACCOUNTING POLICY INFORMATION

### Financial Instruments

#### a) Financial Assets

##### *Initial recognition and measurement*

Non-derivative financial assets within the scope of IFRS 9 are classified and measured as "financial assets at fair value", as either fair value through profit and loss ("FVTPL") or fair value through other comprehensive income ("FVOCI"), and "financial assets at amortized costs", as appropriate. The Company determines the classification of financial assets at the time of initial recognition based on the Company's business model and the contractual terms of the cash flows.

All financial assets are recognized initially at fair value plus, in the case of financial assets not at FVTPL, directly attributable transaction costs on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

Financial assets with embedded derivatives are considered in their entirety when determining their classification at FVTPL or at amortized cost. Cash and receivables held for collection of contractual cash flows are measured at amortized cost.

#### *Subsequent Measurement*

Financial assets measured at amortized cost are subsequently measured at the end of each reporting period at amortized cost using the Effective Interest Rate (“EIR”) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and any fees or costs that are an integral part of the EIR. EIR amortization is included in finance income in the statement of loss and comprehensive loss.

Financial assets measured at FVTPL include financial assets management intends to sell in the short term and any derivative financial instrument that is not designated as a hedging instrument in a hedge relationship. Financial assets measured at FVTPL are carried at fair value in the statement of financial position with changes in fair value recognized in other income or expense in the statement of loss and comprehensive loss.

#### *Impairment of financial assets*

An ‘expected credit loss’ impairment model applies which requires a loss allowance to be recognized based on expected credit losses. The estimated present value of future cash flows associated with the asset is determined and an impairment loss is recognized for the difference between this amount and the carrying amount as follows: the carrying amount of the asset is reduced to estimated present value of the future cash flows associated with the asset, discounted at the financial asset’s original effective interest rate, either directly or through the use of an allowance account and the resulting loss is recognized in profit or loss for the period.

### **b) Financial Liabilities**

#### *Initial recognition and measurement*

Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL as is the case for held for trading or derivative instruments, or the Company has opted to measure the financial liability at FVTPL. The Company’s financial liabilities include accounts payable and accrued liabilities, which are measured at amortized cost. All financial liabilities are recognized initially at fair value.

#### *Subsequent measurement – financial liabilities at amortized cost*

After initial recognition, financial liabilities measured at amortized cost are subsequently measured at the end of each reporting period at amortized cost using the EIR method. Amortized cost is calculated by taking into account any discount or premium on acquisition and any fees or costs that are an integral part of the EIR. The EIR amortization is included in finance cost in the statements of loss and comprehensive loss.

### **c) Derecognition**

- **Financial assets** - The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in the consolidated statements of loss and comprehensive loss.
- **Financial liabilities** - The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled, or expired. Generally, the difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets.

### **Cash and Cash Equivalents**

Cash and cash equivalents are unrestricted as to use and consist of deposits and short-term interest-bearing accounts with original maturities of 90 days or less.

### **Exploration and Evaluation Expenditures**

Exploration and evaluation expenditures include the costs of acquiring licenses, costs associated with exploration and evaluation activity, and the acquisition date fair value of exploration and evaluation assets acquired in a business combination or an asset acquisition. Exploration and evaluation expenditures are expensed as incurred. Once a project has been established as commercially viable and technically feasible, related development expenditures are capitalized into property, plant and equipment. On the commencement of commercial production, depletion of each mining property will be provided on a unit-of-production basis using estimated resources as the depletion base.

### **Decommissioning Liabilities**

A legal or constructive obligation to incur decommissioning liabilities may arise when environmental disturbance is caused by the exploration, development or ongoing production of a mineral property interest. Such costs arising from the decommissioning of plant and other site work, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the asset as soon as the obligation to incur such costs arises. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either a unit-of-production or the straight-line method as appropriate. The related liability is adjusted each period for the unwinding of the discount and for changes to the current market-based discount rate, amount or timing of the underlying cash flows needed to settle the obligation. Costs for restoration of subsequent site disturbance, which is created on an ongoing basis during production, are provided for at their net present values and charged against profits as extraction progresses.

### **Impairment of Non-Financial Assets**

Impairment tests on intangible assets with indefinite useful economic lives are undertaken annually at the financial year-end. Other non-financial assets, including equipment, are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount, which is the higher of value in use and fair value less costs to sell, the asset is written down accordingly.

Where it is not possible to estimate the recoverable amount of individual assets, the impairment test is carried out on the asset's cash-generation unit, which is the lowest group of assets in which the asset belongs for which there are separately identifiable cash inflows that are largely dependent of the cash inflows from other assets. An impairment loss is charged to the profit or loss, except to the extent they reverse gains previously recognized in other comprehensive income/loss.

### **Income Taxes**

Income tax on the profit or loss for the periods presented comprises current and deferred tax. 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 taxes payable with regards to previous years. Current income taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the year-end date.

Deferred tax assets and liabilities are recognized for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. 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 financial position reporting date. 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. At the end of each reporting year, the Company reassesses unrecognized tax deferred assets. The Company recognizes a previously unrecognized deferred tax asset to the extent that it is probable that future taxable profit will allow the deferred tax asset to be recovered.

### **Share-Based Payments**

Where equity-settled share options are awarded to employees and consultants, the fair value of the options at the date of grant is charged to the statements of loss and comprehensive loss over the vesting period. Performance vesting conditions are considered by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognized over the vesting period is based on the number of options that eventually vest. Non-vesting conditions and market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether these vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition when a non-vesting condition is not satisfied.

Where the terms and conditions of options are modified, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the statements of loss and comprehensive loss over the remaining vesting period. When stock options and warrants are granted by the Company the corresponding increase is recorded to share-based payments reserve.

The fair value determined at the grant date of the equity-settled share-based payments is expensed over the vesting period based on the Company's estimate of options that will eventually vest. The number of forfeitures likely to occur is estimated on the grant date.

Where equity instruments are granted to employees, they are recorded at the fair value at the grant date. The grant date fair value is recognized in loss/income over the vesting period, described as the period during which all the vesting conditions are to be satisfied.

Where equity instruments are granted to non-employees, they are recorded at the fair value of the goods or services received in the statements of loss and comprehensive loss. When the value of goods or services received in exchange for the share-based payment cannot be reliably estimated, the transaction is measured at the fair value of the equity instrument granted.

All equity-settled share-based payments are reflected in share-based payments reserve, until exercised. Upon exercise, the shares are issued from treasury and the amount reflected in share-based payments reserve is credited to share capital for any consideration paid.

Where cash-settled share-based payments are granted, the goods or services acquired, and the liability incurred is measured at the fair value of the liability. Until the liability is settled, the fair value is re-measured at the end of each reporting period and at the date of settlement, by applying an option pricing model, with any changes in fair value recognized in profit or loss for the period. The measurement of the liability takes into account, the terms and conditions on which the share appreciation rights were granted and to the extent to which the employees or consultants have rendered service to the date of measurement. Unexercised expired stock options and warrants are transferred to deficit.

**Income (Loss) per Share**

Basic income (loss) per share is based on the weighted average number of common shares of the Company outstanding during the period. The diluted income (loss) per share is calculated by assuming that any proceeds from the exercise of dilutive stock options and warrants would be used to repurchase common shares at the average market price during the period, with the incremental number of shares being included in the denominator of the diluted income (loss) per share calculation. The diluted Income (loss) per share calculation excludes any potential conversion of options and warrants that would decrease loss per share or increase income per share. The diluted income (loss) per share is the same as basic income (loss) per share for the periods presented as the effects of including all outstanding options and warrants would be anti-dilutive.

**Flow-through Shares**

The Company may, from time to time, issue flow-through common shares to finance a portion of its exploration program. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource properties to investors. On the date of issuance of the flow-through shares, the premium relating to the proceeds received in excess of the fair value of the Company's common shares is allocated to flow-through share premium liability. Renunciation is prospective, the Company derecognizes the premium liability as qualifying flow-through expenditures are incurred. The reduction to the premium liability in the period of renunciation is recognized through the statements of loss and comprehensive loss.

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 the Government of Canada flow-through regulations. When applicable, this tax is reflected as a financial expense.

**Government Assistance**

The Company records the proceeds of government assistance programs when the amounts are known and recovery is reasonably assured. When the grant relates to an expense item, it is recognized as a deduction against the related expense over the period necessary to match the grant on a systematic basis to the cost that it is intended to compensate. Where the grant relates to an asset, it reduces the carrying amount of the asset. Government and other grants received in advance that relate to expenses to be incurred in future periods are accounted for as liabilities in the statement of financial position and deducted against the related expenditures as incurred.

**Significant Accounting Estimates and Judgments**

The preparation of these financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The areas which require management to make significant judgments, estimates and assumptions in determining carrying values include, but are not limited to:

**a) Share-Based Payments**

Management determines costs for share-based payments using market-based valuation techniques. The fair value of the market-based and performance-based share awards are determined at the date of grant using generally accepted valuation techniques. Assumptions are made and judgment used in applying valuation techniques. These

assumptions and judgments include estimating the future volatility of the stock price, expected dividend yield, future employee turnover rates and future employee stock option exercise behaviors, and corporate performance. Such judgments and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates. The expected volatility assumptions for the Company’s option and warrant grants are based on comparable public companies.

#### 4. Accounting Standards Issued but Not Yet Applied

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods commencing on or after January 1, 2025. Many are not applicable or do not have a significant impact to the Company and have been excluded. The following have not yet been adopted and are being evaluated to determine their impact on the Company.

**IFRS 9 Financial Instruments and IFRS 7 Financial Instruments - Disclosures** were amended by the IASB in May 2025. The amendments clarify the derecognition of financial liabilities and introduce an accounting policy option to derecognize financial liabilities that are settled through an electronic payment system. The amendments also clarify how to assess the contractual cash flow characteristics of financial assets, including environmental, social and governance linked features and other similar contingent features and the treatment of non-recourse assets and contractually linked instruments. Further, the amendments mandate additional disclosures in IFRS 7 for financial instruments with contingent features and equity instruments classified at FVOCI. The amendments are effective for annual periods starting on or after January 1, 2026. Retrospective application is required and early adoption is permitted.

**IFRS 18 Presentation and Disclosure in Financial Statements** was issued by the IASB in April 2025 to improve reporting of financial performance. The new standards replace IAS 1 Presentation of Financial Statements. IFRS 18 introduces new categories and required subtotals in the statement of profit and loss and also requires disclosure of management-defined performance measures. It also includes new requirements for the location, aggregation and disaggregation of financial information. The standard is effective for annual reporting periods beginning on or after January 1, 2027, including interim financial statements. Retrospective application is required and early adoption is permitted.

The Company is currently assessing the impact these standards or amendments will have on its consolidated financial statements.

#### 5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	December 31, 2025	December 31, 2024
Accounts payable	\$ 736,655	\$ 166,648
Accrued liabilities	282,758	45,167
<b>TOTAL</b>	<b>\$ 1,019,413</b>	<b>\$ 211,815</b>

## 6. FLOW-THROUGH SHARE PREMIUM LIABILITY

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

	Amount
<b>BALANCE AT DECEMBER 31, 2023</b>	\$ -
Liability incurred on flow-through shares issued during the year	630,000
Settlement of flow-through share liability on incurred expenditures	(434,763)
<b>BALANCE AT DECEMBER 31, 2024</b>	<b>195,237</b>
Settlement of flow-through share liability on incurred expenditures	(195,237)
<b>BALANCE AT DECEMBER 31, 2025</b>	<b>\$ -</b>

During the year ended December 31, 2024, the Company issued 8,400,000 flow-through shares at \$0.175 per share for gross proceeds of \$1,470,000 (Note 7). A flow-through premium liability of \$0.075 per share was recorded for the flow-through shares. The Company also incurred \$1,014,419 of eligible flow-through expenditures, and a total flow-through share premium liability of \$434,763 was amortized to flow-through premium recovery in the statements of loss and comprehensive loss. The Company incurred the remaining \$455,581 of eligible flow-through expenditures during the year ended December 31, 2025, fulfilling the remaining spending commitment required.

During the year ended December 31, 2025, the Company issued 18,570,000 flow-through shares at \$0.05 per share for gross proceeds of \$928,500 (Note 7). The shares were issued with no premium; therefore, no premium liability has been recorded for the flow-through shares. The Company incurred \$593,906 of eligible flow-through expenditures during the year ended December 31, 2025.

## 7. SHARE CAPITAL

### a) Share capital

**Authorized:** an unlimited number of common shares with no par value.

**Issued:** 111,698,902 common shares.

On February 23, 2024, the Company closed a brokered private placement of 3,600,000 common shares (the "Common Shares") of the Company at a price of \$0.10 per Common Share and 8,400,000 common shares that qualify as "flow through shares" (within the meaning of subsection 66(15) of the Income Tax Act (Canada)) (the "Flow Through Shares") at a price of \$0.175 per Flow Through Share for aggregate gross proceeds of \$1,830,000. In connection with the brokered private placement, the Company paid a cash commission of \$128,100 and issued 840,000 non-transferable broker warrants of the Company (the "Broker Warrants") to the underwriters, with each Broker Warrant exercisable to acquire one common share in the capital of the Company at an exercise price of \$0.10 per share until February 23, 2026.

On December 20, 2024, the Company negotiated the settlement of \$269,799 related to accounts payable in consideration for the issuance of 300,000 common shares of the Company at a fair value of \$13,500. A gain on shares issued for debt of \$256,299 was recorded.

On October 14, 2025, the Company closed a non-brokered private placement for aggregate gross proceeds of \$1,500,000 (the "Offering"). The Offering consisted of the sale of (i) 11,430,000 hard-dollar units of the Company (the "HD Units") at a price of \$0.05 per HD Unit for gross proceeds of \$571,500, and (ii) 18,570,000 flow-through units of the Company (the "FT Units") at a price of \$0.05 per FT Unit for gross proceeds of \$928,500. Each HD Unit was comprised of one common share of the Company and one common share purchase warrant of the Company (each, a "Warrant"), with each Warrant entitling the holder thereof to purchase an additional common share at an exercise price of \$0.06 each for 24 months from the closing of the Offering. Each FT Unit was comprised of one common share of the Company and one Warrant. The Company may elect to accelerate the expiry date of the Warrants in the event that the volume-weighted average trading price of the Company's common shares on the TSX-V equals or exceeds \$0.18 for twenty consecutive trading days, in which case the Warrants will expire thirty days after the date that the Company provides written notice of acceleration. In connection with the brokered private placement, the Company paid a cash commission of \$69,000 and issued 36,000 non-transferable warrants of the Company (the "Finders Warrants") to the agents, with each Finders Warrant exercisable to acquire one common share in the capital of the Company at an exercise price of \$0.05 per share until October 14, 2028. The Company also granted another 1,380,000 in stock options to an agent of the Company, exercisable to acquire one common share in the capital of the Company at an exercise price of \$0.05 per share until October 14, 2028.

**b) Stock Options**

The Company has a stock option plan (the "Plan") that authorizes the Board of Directors to grant options to directors, officers, consultants and key employees. The maximum number of common shares issuable pursuant to the exercise of the options granted under the plan is 10% of the total issued and outstanding common shares of the Company at time of grant. The maximum number of stock options granted to any one individual in a twelve-month period may not exceed 5% of the outstanding common shares of the Company. The maximum number of stock options granted to any one consultant or an individual providing investor relations services in a twelve-month period may not exceed 2% of the outstanding common shares of the Company. Options granted to consultants or individuals providing investor relations services will vest over at least twelve months with no more than one-quarter of the options vesting in any three-month period. The exercise price of the options is fixed by the Board of Directors of the Company at the time of the grant. These options are non-transferrable and are valid for a maximum of ten years from the date of issue, and except for where previously noted, are subject to vesting provisions as determined by the Board of Directors.

On March 26, 2024, the Company granted 3,600,000 incentive stock options to directors, management, and consultants of the Company, exercisable at \$0.11 per share for a period of five years, vesting immediately. On October 15, 2025, the Company granted 1,380,000 incentive stock options to an agent of the Company, exercisable at \$0.05 per share for a period of three years, vesting immediately. The value of the stock options were recorded as share issuance costs.

During the year ended December 31, 2025, the Company recorded share-based compensation of \$nil (2024 - \$234,596).

The following table summarizes information about the share options as at December 31, 2025:

Grant Date	Number of options outstanding	Exercise price per share of options	Weighted average remaining life	Grant date fair value	Number of options exercisable	Expiry date
December 13, 2021	2,500,000	\$0.25	0.95	\$0.08	2,500,000	December 13, 2026
August 10, 2022	500,000	\$0.25	1.61	\$0.13	500,000	August 10, 2027
March 26, 2024	3,600,000	\$0.11	3.24	\$0.07	3,600,000	March 26, 2029
October 15, 2025	1,380,000	\$0.05	2.79	\$0.03	1,380,000	October 15, 2028

Stock option transactions are summarized as follows:

	Number	Weighted Average Exercise Price
<b>BALANCE, DECEMBER 31, 2023</b>	<b>3,000,000</b>	<b>\$ 0.25</b>
Granted	3,600,000	0.11
<b>BALANCE, DECEMBER 31, 2024</b>	<b>6,600,000</b>	<b>0.17</b>
Granted	1,380,000	0.05
<b>DECEMBER 31, 2025</b>	<b>7,980,000</b>	<b>\$ 0.15</b>

c) **Warrants**

Warrant transactions are summarized as follows:

	Number	Weighted Average Exercise Price
<b>BALANCE, DECEMBER 31, 2023</b>	<b>-</b>	<b>-</b>
Issued <sup>(1)</sup>	840,000	0.10
<b>BALANCE, DECEMBER 31, 2024</b>	<b>840,000</b>	<b>0.10</b>
Issued	30,036,000	0.06
<b>BALANCE, DECEMBER 31, 2025</b>	<b>30,876,000</b>	<b>\$ 0.06</b>

<sup>(1)</sup> These warrants expired on February 23, 2026.

The fair value of the warrants issued was estimated using the Black-Scholes option pricing model with the following assumptions:

Issue date	Expected Warrant life (years)	Risk free interest rate	Dividend yield	Expected volatility <sup>(1)</sup>	Weighted average fair value
February 23, 2024	2.00	4.18%	nil	96%	\$0.07
October 14, 2025	3.00	2.42%	Nil	219%	\$0.04

<sup>(2)</sup> Expected volatility has been determined using the historical share price of comparable companies for the period equivalent to the expected life of the warrants.

## 8. INCOME TAXES

A reconciliation of the Company's effective tax rate with the statutory tax rate for the periods ended December 31, 2025 and 2024 are as follows:

	December 31, 2025	December 31, 2024
<b>LOSS BEFORE TAX</b>	<b>(1,734,675)</b>	<b>(1,409,375)</b>
Statutory tax rate	27%	27%
Income tax (benefit) at statutory rate	(468,000)	(381,000)
<b>RECONCILING ITEMS:</b>		
Permanent differences	(52,000)	181,000
Change in statutory, foreign tax, foreign exchange rates and other	17,000	14,000
Impact of flow-through share	255,000	274,000
Share issuance cost	(19,000)	(60,000)
Adjustment to prior year statutory tax return	(332,000)	(346,000)
Change in unrecognized deductible temporary differences	599,000	318,000
<b>DEFERRED INCOME TAX PROVISION</b>	<b>—</b>	<b>—</b>

The significant components of the Company's temporary differences, unused tax credits and unused tax losses that have not been included on the statements of financial position are as follows:

	December 31, 2025	Expiry Date Range
<b>TEMPORARY DIFFERENCES</b>		
Exploration and evaluation costs	\$ 1,232,000	No expiry date
Share issuance costs	386,000	2046 to 2050
Non-capital losses carried forward	4,463,000	2041 to 2045

Tax attributes are subject to review, and potential adjustment, by tax authorities.

## 9. RELATED PARTY BALANCES AND TRANSACTIONS

### Key Management Compensation

The 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 consists of executive and non-executive members of the Company's Board of Directors and corporate officers. Their remuneration includes the following:

	Year Ended December 31, 2025	Year Ended December 31, 2024
Management fees	\$ 348,200	\$ 449,900
Director fees	127,874	204,135
Share-based compensation	—	173,014
<b>TOTAL</b>	<b>\$ 476,074</b>	<b>\$ 827,049</b>

As at December 31, 2025, accounts payable and accrued liabilities include \$365,485 (2024 - \$133,189) payable to directors and officers of the Company.

## 10. EXPLORATION PROPERTIES

	Wine	Pipy	Total
<b>CUMULATIVE EXPENDITURES, DECEMBER 31, 2023</b>	<b>\$ 5,234,768</b>	<b>\$ 535,770</b>	<b>\$ 5,770,538</b>
Assays	46,154	\$ –	46,154
Camp supplies and field expenses	20,669	–	20,669
Consulting	188,034	9,600	197,634
Drilling	223,639	–	223,639
Equipment rental	6,099	–	6,099
Field transportation	322,325	–	322,325
General and administrative	196	16,213	16,409
Government grants	(300,000)	–	(300,000)
Ground geophysics	183,453	4,513	187,966
<b>CUMULATIVE EXPENDITURES, DECEMBER 31, 2024</b>	<b>5,925,337</b>	<b>566,096</b>	<b>6,491,433</b>
Airborne geophysics	–	14,000	14,000
Assays	1,228	3,592	4,820
Camp supplies and field expenses	–	31,290	31,290
Consulting	35,553	167,608	203,161
Drilling	–	460,952	460,952
Equipment rental	–	56,446	56,446
Field transportation	7,680	234,293	241,973
General and administrative	–	88,573	88,573
Government grants	–	(100,000)	(100,000)
Ground geophysics	–	103,477	103,477
Line cutting	–	7,010	7,010
<b>TOTAL, DECEMBER 31, 2025</b>	<b>44,461</b>	<b>1,067,241</b>	<b>1,111,702</b>
<b>CUMULATIVE, DECEMBER 31, 2025</b>	<b>\$ 5,969,798</b>	<b>\$ 1,633,337</b>	<b>\$ 7,603,135</b>

### a) Wine Property

The Wine property, comprised of 24 mineral claims, is located in northwestern Manitoba. The Company acquired two of these claims from W.S. Ferreira Limited (“Ferreira”) through a Mineral Property Acquisition Agreement (“Wine MPAA”) for \$150,000 in cash consideration, final payment completed in 2022, and 1,000,000 shares at a value of \$0.05 per share issued in 2021. The Company also issued a 2% net smelter royalty to Ferreira in connection with the Wine MPAA, with an option to repurchase 50% (1%) of the royalty for \$1,000,000 at any time and an option to repurchase an additional 50% (0.5%) of the remaining royalty for \$1,000,000 at any time.

The claims have an annual expenditure requirement of \$12.50 per hectare (\$70,825 total) for the first ten years and then \$25 per hectare thereafter (\$141,650 total). The Company has assessment credits available from past exploration activity to meet the annual expenditure requirements.

On January 9, 2024, the Company received a \$150,000 grant from the Manitoba Mineral Development Fund (“MMDF”) pursuant to a grant agreement signed on January 2, 2024, in support of exploration at the Wine

property. An additional \$150,000 was received from the MMDF on March 18, 2024, based upon substantially completing the exploration program.

b) Pipy Property

The Pipy property, comprised of 21 mineral claims, is located in northeastern Manitoba. The Company acquired 3 of these claims from Ferreira through a Mineral Property Acquisition Agreement (“Pipy MPAA”) for \$150,000 in cash consideration, final payment completed in 2022, and 1,000,000 shares at a value of \$0.05 per share issued in 2021. The Company also issued a 2% net smelter royalty to Ferreira in connection with the Pipy MPAA, with an option to repurchase 50% (1%) of the royalty for \$1,000,000 at any time and an option to repurchase an additional 50% (0.5%) of the remaining royalty for \$1,000,000 at any time.

On January 28, 2025, the Company signed an Exploration Agreement (“Agreement”) with the Nisichawayasihk Cree Nation (“NCN”) related to the Pipy property. The Agreement establishes how the two parties will support and collaborate to advance exploration activities at the Pipy property, which lies within NCN’s Traditional and Ancestral Territory. The terms of the Agreement include protocols for environmental monitoring and the potential for business relationships and training, and an annual fee to be paid to NCN.

On August 21, 2025, the Company received a \$100,000 grant from the MMDF to a grant agreement signed on August 11, 2025, in support of exploration at the Pipy property. The remaining \$200,000 is expected in early 2026, following the completion of the exploration program.

The claims have an annual expenditure requirement of \$12.50 per hectare (\$32,625 total) for the first ten years and then \$25 per hectare thereafter (\$65,250 total).

## 11. CAPITAL MANAGEMENT

The Company’s objective when managing capital is to safeguard the entity’s ability to continue as a going concern. The Company monitors its adjusted capital, which comprises all components of shareholders’ equity. The Company manages and adjusts its capital structure based on current economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may issue common shares through private placements. The Company is not exposed to any externally imposed capital requirements. No changes were made to the Company’s capital management practices during the year ended December 31, 2025.

## 12. FINANCIAL RISK MANAGEMENT

The Company is exposed to a variety of risks related to financial instruments. The Board approves and monitors the risk management processes. The principal types of risk exposure and the way in which they are managed are as follows:

a) Credit Risk

The Company’s credit risk is primarily attributable to cash and receivables. The Company has no significant concentration of credit risk arising from its operations. Cash consists of bank balances for which the Company considers credit risk to be immaterial as cash is mainly held through large Canadian financial institutions. Receivables balance consists of sales taxes due from the Federal Government of Canada.

**b) Liquidity Risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations when they become due. On December 31, 2025, the Company had working capital of \$311,052 (December 31, 2024 – \$616,527).

**c) Interest rate risk**

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. There is no interest rate risk related to the Company's financing liabilities. Interest rate risk is limited to potential decreases on the interest rate offered on cash held with a Canadian chartered bank. The Company considers this risk to be immaterial.

**d) Commodity price risk**

The Company is exposed to price risk with respect to commodity prices. Metal prices fluctuate daily and are affected by numerous factors outside of the Company's control, including, but not limited to, the perception of market participants about the price and future price prospects for nickel, changes in manufacturing and construction activity as well as other industrial demands, levels of worldwide production, and forward sales by producers and speculators.

**e) Fair value**

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 that are not based on observable market data.

The fair value of the Company's cash, receivables and accounts payable and accrued liabilities approximates their carrying value because of the short-term nature of the financial instruments.

## 13. SUBSEQUENT EVENTS

- On March 12, 2026, the Company closed a non-brokered private placement for aggregate gross proceeds of \$1,270,000 (the "2026 Offering"). The 2026 Offering consisted of the sale of 7,900,000 hard-dollar units of the Company (the "HD2 Units") at a price of \$0.05 per HD2 Unit for gross proceeds of \$395,000 and 10,000,000 charity flow-through units of the Company (the "CFT2 Units", and together with the HD2 Units, the "2026Units") at a price of \$0.0875 per CFT2 Unit for gross proceeds of \$875,000. Each HD2 Unit comprised one common share of the Company (each, a "Share") and one common share purchase warrant of the Company (each, a "2026 Warrant"), with each Warrant entitling the holder thereof to purchase an additional Share of the Company (a "2026 Warrant Share") at an exercise price of \$0.075 per Warrant Share for 36 months from the closing of the Offering. Each CFT2 Unit comprised one common share of the Company (each, a "CFT2 Share") issued as a "flow-through share" within the meaning of subsection 66(15) of the Income Tax Act (Canada) and one 2026Warrant, which was also issued as a "flow-through share" within the meaning of subsection 66(15) of the Income Tax Act (Canada).
- 1,136,000 common shares were issued from the exercise of warrants for proceeds of \$67,800