FORM 5

QUARTERLY LISTING STATEMENT

Name of Listed Issuer: Element79 Gold Corp. (the "Issuer").

Trading Symbol: ELEM

General Instructions

(a) Prepare this Quarterly Listing Statement using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the following items must be in narrative form. When the answer to any item is negative or not applicable to the Issuer, state it in a sentence. The title to each item must precede the answer.

(b) The term "Issuer" includes the Listed Issuer and any of its subsidiaries.

(c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

There are three schedules which must be attached to this report as follows:

SCHEDULE A: FINANCIAL STATEMENTS

Financial statements are required as follows:

For the first, second and third financial quarters interim financial statements prepared in accordance with the requirements under Ontario securities law must be attached.

If the Issuer is exempt from filing certain interim financial statements, give the date of the exempting order.

SCHEDULE B: SUPPLEMENTARY INFORMATION

The supplementary information set out below must be provided when not included in Schedule A.

1. Related party transactions

Provide disclosure of all transactions with a Related Person, including those previously disclosed on Form 10. Include in the disclosure the following information about the transactions with Related Persons:

(a) A description of the relationship between the transacting parties. Be as precise as possible in this description of the relationship. Terms such as affiliate, associate or related company without further clarifying details are not sufficient.

The Company's related parties consist of key management personnel and companies owned directly or indirectly by key management personnel.

(b) A description of the transaction(s), including those for which no amount has been recorded.
All Director and management fees are disclosed in the Financial Statements attached hereto as Schedule A

(c) The recorded amount of the transactions classified by financial statement category.
This information is included in the financial statements attached hereto as Schedule A

(d) The amounts due to or from Related Persons and the terms and conditions relating thereto.
This information is included in the financial statements attached hereto as Schedule A

(e) Contractual obligations with Related Persons, separate from other contractual obligations.
This information is included in the financial statements attached hereto as Schedule A

(f) Contingencies involving Related Persons, separate from other contingencies.
none

2. Summary of securities issued and options granted during the period.

Provide the following information for the period beginning on the date of the last Listing Statement (Form 2A):

(a) summary of securities issued during the period:

Date of Issue	Type of Security (common shares, convertible debentures, etc.)	Type of Issue (private placement, public offering, exercise of warrants, etc.)	Number	Price	Total Proceeds	Type of Consideration (cash, property, etc.)	Describe relationship of Person with Issuer (indicate if Related Person)	Commission Paid
N/A								

(b) summary of options granted during the period,

Date	Number	Name of Optionee if Related Person and relationship	Generic description of other Optionees	Exercise Price	Expiry Date	Market Price on date of Grant
N/A						

3. Summary of securities as at the end of the reporting period.

Provide the following information in tabular format as at the end of the reporting period:

(a) description of authorized share capital including number of shares for each class, dividend rates on preferred shares and whether or not cumulative, redemption and conversion provisions,
The Company has an authorized share capital of an unlimited number of common shares with no par value and has no preferred shares outstanding.

(b) number and recorded value for shares issued and outstanding,
As at February 28, 2026, the Company had 207,373,844 common shares issued and outstanding.

(c) description of options, warrants and convertible securities outstanding, including number or amount, exercise or conversion price and expiry date, and any recorded value, and
As at February 28, 2026, the Company had 13,453,905 warrants outstanding and a total of 7,385,833 Options outstanding.

(d) number of shares in each class of shares subject to escrow or pooling agreements or any other restriction on transfer.
The Company currently does not have any shares in Escrow shares

4. List the names of the directors and officers, with an indication of the position(s) held, as at the date this report is signed and filed.

Michael Smith, CEO
Tammy Gillis, CFO
James C. Tworek, Director
Kim Kirkland, Director
Warren Levy, Director
Mohammad Fazil, Director
Monita Faris, Corporate Secretary

SCHEDULE C: MANAGEMENT DISCUSSION AND ANALYSIS

Please see Attached Schedule “C”

Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Quarterly Listing Statement.

2. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.

3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).

4. All of the information in this Form 5 Quarterly Listing Statement is true.

Dated April 27, 2026___________________.

Tammy Gillis
Name of Director or Senior Officer

cs//"Tammy Gillis"
Signature

CFO
Official Capacity

Issuer Details Name of Issuer Element79 Gold Corp.	For Quarter Ended Feb 2026	Date of Report YY/MM/D 26/04/27
Issuer Address Suite1100-1111 Melville Street, Vancouver BC		
City/Province/Postal Code Vancouver, BC V6E 3V6	Issuer Fax No. (N/A)	Issuer Telephone No. 604-319-6953
Contact Name Michael Smith	Contact Position CEO	Contact Telephone No. +1-613-879-9387
Contact Email Address investors@Element79.gold	Web Site Address www.element79.gold	

SCHEDULE "A"

Element79 Gold Corp.

Interim Condensed Consolidated Financial Statements
For the Six Months Ended February 28, 2026, and 2025

(Expressed in Canadian dollars)

Notice of No Auditor Review of Interim Condensed Consolidated Financial Statements

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

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

April 23, 2026

Element79 Gold Corp.
Interim Condensed Consolidated Statements of Financial Position
(Expressed in Canadian dollars)

	Notes	As at February 28, 2026	As at August 31, 2025
ASSETS		**$**	$
Current assets			
Cash		**46,398**	192,038
Amounts receivable		**82,124**	41,978
Prepaid expenses	6	**156,832**	132,077
Assets held for sale	7	**587,405**	587,405
Total current assets		**872,759**	953,498
Exploration and evaluation assets	4	**4,910,828**	4,835,384
Investments	5	**901,789**	776,800
Reclamation deposit	4	**42,720**	15,188
Deferred financing charges	8	**463,450**	463,450
TOTAL ASSETS		**7,191,546**	7,044,320
EQUITY AND LIABILITIES			
Current liabilities			
Trade payables and accrued liabilities	10	**864,809**	759,937
Due to related parties	12	**2,000**	194,173
Loans payable	8,9	**338,172**	321,490
Liabilities held for sale		**370,921**	354,872
Convertible loan	9(h)	**95,410**	-
Provisions – current	11	**3,407,888**	1,511,598
Total current liabilities		**5,079,200**	3,142,070
Provisions – long-term	11	**-**	1,786,493
TOTAL LIABILITIES		**5,079,200**	4,928,563
EQUITY			
Share capital	13	**39,989,129**	40,057,879
Treasury stock to be cancelled	13	**(31,680)**	(31,680)
Share subscription receivable	13	**(5,000)**	(73,750)
Obligation to issue shares	12	**455,193**	331,571
Contributed surplus	13	**1,065,941**	1,076,254
Accumulated other comprehensive income		**48,812**	87,895
Deficit		**(39,473,079)**	(39,402,708)
Total equity attributable to equity holders of the Company		**2,049,316**	2,045,461
Non-controlling interest	2, 19	**63,030**	70,296
TOTAL EQUITY		**2,112,346**	2,115,757
TOTAL EQUITY AND LIABILITIES		**7,191,546**	7,044,320

Nature of operations and going concern (Note 1)
Commitments and contingencies (Note 18)
Subsequent events (Note 20)

APPROVED ON BEHALF OF THE BOARD OF DIRECTORS ON April 23, 2026:

"James Tworek"
James Tworek

"Mohammad Fazil"
Mohammad Fazil

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

Element79 Gold Corp.
Interim Condensed Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian dollars)

		For the Six-months ended		For the three-months ended	
	Notes	February 28, 2026	February 28, 2025	February 28, 2026	February 28, 2025
				$	$
Expenses					
Advisory fees		**-**	228,855	-	-
Consulting fees	12	**218,060**	346,006	**137,251**	82,896
Financing fees	8,9	**25,410**	178,103	**25,410**	-
Director fees	12	**70,500**	48,120	**37,500**	24,000
Exploration costs	4	**2,883**	16,886	**470**	7,300
Insurance		**4,336**	2,025	**2,046**	-
Investor relations and marketing		**138,093**	305,606	**73,075**	139,491
Management fees	12	**140,315**	353,188	**51,000**	179,617
Office expenses		**46,907**	79,886	**9,314**	26,007
Professional fees	13	**177,092**	108,482	**111,944**	62,114
Share based compensation	12, 13	**-**	926,981	-	-
Transfer agent, listing and filing fees		**40,794**	50,920	**15,212**	20,913
Operating expenses		**(864,390)**	(2,645,058)	**(463,222)**	**(542,338)**
Other items					
Accretion expense	10, 11	**(111,487)**	(130,764)	**(56,359)**	(66,250)
Gain on settlement of debt	12, 13	-	184,930	-	-
Gain/(loss) on revaluation of investment		**223,989**	(306,612)	**2,659**	(523,035)
Foreign exchange loss		**38,573**	(281,901)	**65,869**	(144,463)
Interest expense	8, 9, 10	**(35,849)**	(46,991)	**(18,178)**	(17,850)
Realized gain on sale of investment	5	**661,214**	-	**582,817**	-
Gain/(Loss) for the period		**(87,950)**	(3,226,396)	**113,586**	**(1,293,936)**
Attributable to:					
Equity holders of the parent		**(80,684)**	(3,209,284)	**119,581**	(1,278,095)
Non-controlling interests	19	**(7,266)**	(17,112)	**(5,995)**	(15,841)
Gain/(Loss) for the period		**(87,950)**	(3,226,396)	**113,586**	**(1,293,936)**
Other comprehensive loss					
Foreign currency translation	5	**(39,083)**	-	**19,128**	-
Comprehensive gain/(loss) for the period		**(127,033)**	(3,226,396)	**132,714**	**(1,293,936)**
Attributable to:					
Equity holders of the parent		**(119,767)**	(3,209,284)	**138,709**	(1,278,095)
Non-controlling interests		**(7,266)**	(17,112)	**(5,995)**	(15,841)
Comprehensive gain/(loss) for the period		**(127,033)**	(3,226,396)	**132,714**	**(1,293,936)**
Loss per share					
Basic and diluted		**0.0**	(0.03)	**(0.00)**	**(0.01)**
Weighted average number of common shares issued and outstanding		**207,749,880**	99,116,899	**207,434,955**	**94,137,166**

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

Element79 Gold Corp.
Interim Condensed Consolidated Statements of Cash Flows
For The Periods Ended February 28, 2026 and 2025
(Expressed in Canadian dollars)

	February 28, 2026	February 28, 2025
	$	$
OPERATING ACTIVITIES		
Gain/(Loss) for the period	**(87,950)**	(3,226,396)
Non-cash items		
Accretion expense	**111,487**	130,764
Interest expense	**32,732**	46,991
Financing fees	**25,410**	178,103
Share-based compensation	**-**	926,981
Exchange gain/loss	**(40,773)**	259,460
Gain on settlement of debts	**-**	(184,930)
Fair value loss on investment/(gain)	**(223,989)**	306,612
Realized gain on sale of investment	**(661,214)**	-
Obligation to issue shares – management fees	**123,622**	158,699
Changes in non-cash working capital items:		
Amounts receivable	**(40,146)**	642
Prepaid expenses	**(24,755)**	(39,615)
Trade payables and accrued liabilities	**159,547**	809,737
Reclamation deposit	**(27,532)**	-
Due to related parties	**(192,173)**	162,999
Cash used in operating activities	**(845,734)**	(469,953)
INVESTING ACTIVITIES		
Exploration and evaluation expenditures	**(60,120)**	(97,222)
Proceeds from sale of investment	**760,214**	-
Assets held for sale	**-**	(69,904)
Cash provided by investing activities	**700,094**	(167,126)
FINANCING ACTIVITIES		
Shares issued for private placements	**-**	328,900
Promissory notes and loans received	**-**	237,927
Loans repayment	**-**	(44,430)
Interest paid	**-**	(100)
Share subscriptions received in advance	**-**	118,756
Cash provided by financing activities	**-**	641,053
Change in cash	**(145,640)**	3,974
Cash, beginning of the period	**192,038**	3,216
Cash, end of the period	**46,398**	7,190

Supplemental cash flow information (Note 14)

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

Element79 Gold Corp.
Interim Condensed Consolidated Statements of Change in Equity
For The Periods Ended February 28, 2026 and 2025
(Expressed in Canadian dollars)

	Number of common shares	Share capital	Share subscription received in advance	Treasury stock to be cancelled	Obligation to issue shares	Contributed surplus	Share subscription receivable	Foreign currency translation reserve	Non-controlling interest	Deficit	Total
	#	$	$	$	$	$	$	$	$	$	$
Balances, August 31, 2024	**85,136,183**	**33,926,407**		**(31,680)**	**141,183**	**598,211**	**(5,000)**	**117,249**	**30,098**	**(23,665,141)**	**11,111,327**
Shares issued for private placement	3,976,500	322,646	-	-	-	75,004	(68,750)	-	-	-	**328,900**
Shares issued for debt settlement	6,164,344	616,435	-	-	-	-	-	-	-	-	**616,435**
Shares issued for financing fees	1,542,971	169,874	-	-	-	-	-	-	-	-	**169,874**
Shares issued for mineral properties	-	-	-	-	-	-	-	-	93,000	-	**93,000**
Shares issued for services	1,178,846	153,250	-	-	(133,250)	-	-	-	-	-	**20,000**
Share issuance costs	10,062,500	367,281	-	-	-	-	-	-	-	-	**367,281**
Share subscription received in advance	-	-	185,000	-	-	-	-	-	-	-	**185,000**
Fair value of options granted	-	-	-	-	-	926,981	-	-	-	-	**926,981**
Fair value of fee warrants issued	-	-	-	-	-	91,081	-	-	-	-	**91,081**
Due to related parties (obligation to issue shares)	-	-	-	-	158,699	-	-	-	-	-	**158,699**
Loss for the period	-	-	-	-	-	-	-	-	(17,112)	(3,209,284)	**(3,226,396)**
Balances, February 28, 2025	**108,061,344**	**35,555,893**	**185,000**	**(31,680)**	**166,632**	**1,691,277**	**(73,750)**	**117,249**	**105,986**	**(26,874,425)**	**10,842,182**
Balance, August 31, 2025	208,061,344	40,057,879	-	(31,680)	331,571	1,076,254	(73,750)	87,895	70,296	(39,402,708)	**2,115,757**
Due to related parties (obligation to issue shares)	-	-	-	-	123,622	-	-	-	-	-	**123,622**
Shares returned to treasury	(687,500)	(68,750)	-	-	-	-	68,750	-	-	-	**-**
Fair value of warrants cancelled	-	-	-	-	-	(10,313)	-			10,313	**-**
Loss for the period	-	-	-	-	-	-	-	(39,083)	(7,266)	(80,684)	**(127,033)**
Balances, February 28, 2026	**207,373,844**	**39,989,129**	**-**	**(31,680)**	**455,193**	**1,065,941**	**(5,000)**	**48,812**	**63,030**	**(39,473,079)**	**2,112,346**

1. NATURE OF OPERATIONS AND GOING CONCERN

Element79 Gold Corp. ("Element79" or the "Company") was incorporated under the Company Act (British Columbia) on February 27, 2020. Element79 is an exploration stage company engaged in the acquisition, exploration and development of mineral properties in Peru, USA and Canada. The Company is listed on the Canadian Stock Exchange ("the Exchange") with the trading symbol ELEM, on the OTC and OTCQB with a trading symbol ELMGF and on the Frankfurt Stock Exchange with the trading symbol 7YS.

The address of the Company's corporate office and principal place of business is Suite 1100, 1111 Melville Street, Vancouver B.C., V6E 3V6.

Going concern

These consolidated financial statements (the "Financial Statements") have been prepared on a going concern basis, which assumes that the Company will be able to continue its operations and will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. As at February 28, 2026, the Company had cash of $46,398, current liabilities of $5,079,200 and has incurred accumulated losses of $39,473,079 since inception.

The Company is a mineral exploration company focusing on the acquisition and exploration and evaluation of mineral property interests. The Company's continuation as a going concern and the underlying value and recoverability of the carrying amounts for exploration and evaluation assets are entirely dependent upon the discovery of economically recoverable mineral reserves, the ability of the Company to raise equity capital or borrowings sufficient to meet current and future obligations and to complete the exploration and evaluation of mineral property interests, and achievement of future profitable production or proceeds from the disposition of its mineral property interests. These material uncertainties cast significant doubt upon the Company's ability to continue as a going concern. Should the Company be unable to continue as a going concern, the net realizable value of its assets may be materially less than the amounts on its statements of financial position. These Financial Statements do not reflect the adjustments to the carrying values of the assets and liabilities, the reported expenses and the statements of the financial position classifications that would be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

2. BASIS OF PREPARATION

These Financial Statements have been prepared on an accrual basis and are based on historical costs, modified where applicable. These Financial Statements are presented in Canadian dollars, except where otherwise indicated, and all values are rounded to the nearest dollar except per share values. The functional currency of the Company and its Canadian subsidiaries is the Canadian dollar. The functional currency of the Company's Peruvian subsidiaries is the Peruvian new sol, which is determined to be the currency of the primary economic environment in which the subsidiaries operate.

The Financial Statements were approved and authorized for issue by the directors of the Company on April 23, 2026.

Statement of Compliance and Presentation

These Financial Statements, including comparatives, have been prepared in accordance with accounting policies in compliance with International Accounting Standard ("IAS") 34 – Interim Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). These Financial Statements follow the same accounting policies and methods of application as the most recent annual consolidated financial statements of the Company. These Financial Statements do not contain all of the information required for full annual financial statements. Accordingly, these Financial Statements should be read in conjunction with the Company's August 31, 2025, annual consolidated financial statements, which were prepared in accordance with IFRS as issued by the IASB.

(Expressed in Canadian dollars)

2. BASIS OF PREPARATION (continued)

Consolidation

These Financial Statements include the accounts of the Company, and its subsidiaries of which it has control. All significant intercompany balances and transactions, including unrealized income and expenses arising from intercompany transactions, have been eliminated. The Company's subsidiaries are as follows:

Subsidiary	Ownership Interest (February 28, 2026)	Ownership Interest (August 31, 2025)	Jurisdiction	Nature of Operations
Calipuy Resources Inc. ("Calipuy")	**100%**	**100%**	BC, Canada	Holding company
Calipuy Holdings Inc.	**100%**	**100%**	BC, Canada	Holding company
1316524 B.C. Ltd	**100%**	**100%**	BC, Canada	Inactive
Synergy Metals Inc. ("Synergy")	**60.24%**	**60.24%**	BC, Canada	Holding company
1515041 BC Ltd	**60.24%**	**60.24%**	BC, Canada	Holding company
ELEM US Holdings LLC	**100%**	**100%**	NV, USA	Holding company
ELEM Maverick Springs LLC	**100%**	**100%**	NV, USA	Holding company
ELEM Battle Mountain LLC	**100%**	**100%**	NV, USA	Holding company
Compania Minera Calipuy S.A.C.	**100%**	**100%**	Peru	Holding company
Minas Lucero Del Sur S.A.C.	**100%**	**100%**	Peru	Mining and exploration

On December 18, 2024, Synergy issued 930,000 common shares pursuant to the Dale property option agreement. As a result, the Company's ownership interest in Synergy was reduced from 83.68% to 60.24%

On December 9, 2024, 1515041 BC Ltd was incorporated in the province of British Columbia, Canada and it is 100% owned by Synergy.

Control

The Company controls an investee if and only if the Company has:

- Power over an investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support the presumption and when the Company has less than a majority of the voting rights of an investee, the Company considers all relevant facts and circumstances in assessing whether it has power over the investee, including:

- the contractual arrangements with the other vote holders of the investee
- rights arising from other contractual arrangements
- the Company's voting rights and potential voting rights

The Company reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control over the subsidiary. Assets, liabilities, revenues and expenses of a subsidiary acquired or disposed of during the period ended February 28, 2026 are included in the Financial Statements from the date the Company gains control until the date when the Company ceases to control the subsidiary.

2. BASIS OF PREPARATION (continued)

Consolidation (continued)

Non-controlling interests

Non-controlling interests represent the portion of profit or loss and net assets not held by the Company. Non-controlling interests are presented separately in the consolidated statement of loss and comprehensive loss and within equity in the consolidated statement of financial position and consolidated statement of changes in equity, separate from equity attributable to equity holders of the Company.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Company's accounting policies. All inter-company assets, liabilities, income, expenses and cash flows relating to transactions between members of the Company are eliminated in full on consolidation.

3. MATERIAL ACCOUNTING POLICY INFORMATION

Significant Accounting Judgments and Estimates

The preparation of the Financial Statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, revenues and expenses. Estimates and associated assumptions applied in determining asset or liability values are based on historical experience and various other factors including other sources that are believed to be reasonable under the circumstances but are not necessarily readily apparent or recognizable at the time such estimates or assumptions are made. Actual results may differ from these estimates.

The information about significant areas of estimates considered by management in preparing the consolidated financial statements is as follows:

Exploration and evaluation expenditures

The application of the Company's accounting policy for exploration and evaluation expenditure requires judgment in determining the point at which a property has economically recoverable resources, in which case subsequent exploration costs and the costs incurred to develop the property are capitalized into development assets. The determination may be based on assumptions about future events or circumstances. Estimates and assumptions may change if new information becomes available. If, after an expenditure is capitalized, information becomes available suggesting that the recovery of the expenditure is unlikely, the amount capitalized is written off in profit or loss in the year when new information becomes available.

Determining whether to test for impairment of mineral exploration properties and deferred exploration assets requires management's judgment regarding the following factors, among others: the year for which the entity has the right to explore in the specific area has expired or will expire in the near future, and is not expected to be renewed; substantive expenditure on further exploration and evaluation of mineral resources in a specific area is neither budgeted nor planned; exploration for and evaluation of mineral resources in a specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; or sufficient data exists to indicate that, although a development in a specific area is likely to proceed, the carrying amounts of the exploration assets are unlikely to be recovered in full from successful development or by sale.

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Significant Accounting Judgments and Estimates (continued)

When an indication of impairment loss or a reversal of an impairment loss exists, the recoverable amount of the individual asset must be estimated. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs must be determined. Identifying the cash-generating units requires management judgment. In testing an individual asset or cash-generating unit for impairment and identifying a reversal of impairment losses, management estimates the recoverable amount of the asset or the cash-generating unit. This requires management to make several assumptions as to future events or circumstances. These assumptions and estimates are subject to change if new information becomes available. Actual results with respect to impairment losses or reversals of impairment losses could differ in such a situation and significant adjustments to the Company's assets and earnings may occur during the next year.

Decommissioning and restoration costs

The Company recognizes provisions for statutory, contractual, constructive or legal obligations associated with the reclamation of exploration and evaluation properties and retirement of long-term assets, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future cost estimates arising from the decommissioning of plant, site restoration work and other similar retirement activities is added to the carrying amount of the related asset, and depreciated on the same basis as the related asset, along with a corresponding increase in the provision in the year incurred. Discount rates using a pre-tax rate that reflect the current market assessments of the time value of money are used to calculate the net present value.

The Company's estimates of reclamation 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 asset with a corresponding entry to the provision.

Deferred income taxes

Judgment is required in determining whether deferred tax assets are recognized in the statement of financial position. Deferred tax assets, including those arising from unutilized tax losses require management to assess the likelihood that the Company will generate taxable earnings in future years, in order to utilize recognized deferred tax assets. Estimates of future taxable income are based on forecasted cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that the cash flows and taxable income differ significantly from estimates, the ability of the Company to realize the net deferred tax assets recorded at the statement of financial position date, if any, could be impacted. Additionally, future changes in tax laws in the jurisdictions in which the Company and its subsidiaries operate could limit the ability of the Company to obtain tax deductions in future years.

Convertible debt conversion option

The identification of convertible debt components is based on interpretations of the substance of the contractual arrangement and therefore requires judgment from management. The separation of the components affects the initial recognition of the convertible debenture at issuance and the subsequent measurement of interest on the liability component. The determination of fair value of the liability is also based on a number of assumptions, including contractual future cash flows, discount rates, and the presence of any derivative financial instruments. Additionally, significant judgment is required when accounting for the redemption, conversion or modification of these instruments.

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Significant Accounting Judgments and Estimates (continued)

Stock options and warrants

Determining the fair value of warrants and stock options requires estimates related to the choice of a pricing model, the estimation of stock price volatility, the expected forfeiture rate and the expected term of the underlying instruments. Any changes in the estimates or inputs utilized to determine fair value could have a significant impact on the Company's future operating results or on other components of shareholders' equity.

Fair value of investments in securities not quoted in an active market

Where the fair values of financial instruments cannot be derived from active markets, they are determined using a variety of valuation techniques. The inputs to these models are derived from observable market data where possible, but where observable market data are not available, judgment is required to establish fair values. Changes in estimates and assumptions about these inputs could affect the reported fair value.

Fair value of investments in securities quoted in an active market

Where the fair values of the investment in equity instrument can be derived from active markets. The investment is measured at fair value with changes in fair value recognized in the statements of operations and comprehensive loss. Marketable securities are classified as fair value through profit or loss ("FVTPL").

The information about significant areas of judgment considered by management in preparing the Financial Statements is as follows:

i. the determination of categories of financial assets and financial liabilities has been identified as an accounting policy which involves judgments or assessments made by management;
ii. assessing control and significant influence over an investee;
iii. the determination of the classification and measurements of assets held for sale;
iv. the determination of functional currency;
v. the acquisition of the Gold Mountain Project as a business or asset acquisition and
vi. the Company's assessment of its ability to continue as a going concern requires judgments about the Company's ability to execute its strategy by funding future working capital requirements (Note 1). The Company's objectives are to ensure that there are adequate capital resources to safeguard the Company's ability to continue as a going concern and maintain adequate levels of funding to support its ongoing operations and development such that it can continue to provide returns to shareholders and benefits for other stakeholders.

Exploration and evaluation properties

Costs incurred before the Company has obtained the legal rights to explore an area are expensed as incurred. Exploration and evaluation expenditures include the costs of acquiring licenses and costs associated with exploration and evaluation activity. Option payments are considered acquisition costs, provided that the Company has the intention of exercising the underlying option, and may consist of cash payments and/or share issuances at the market price of the Company's shares at the date of issuance.

Property option agreements are exercisable at the option of the optionee. Therefore, option payments are recorded when payment is made and not accrued.

Exploration and evaluation expenditures are capitalized. The Company capitalizes costs to specific blocks of claims or areas of geological interest. Government tax credits and grants received are recorded as a reduction to the cumulative costs.

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Exploration and evaluation properties (continued)

Exploration and evaluation assets are tested for impairment if facts or circumstances indicate that impairment exists. Examples of such facts and circumstances are as follows:

- The period for which the Company has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed;
- Substantive expenditures on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned;
- Exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; and
- Sufficient data exists to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

After technical feasibility and commercial viability of extracting a mineral resource are demonstrable, the Company tests the asset for impairment. The capitalized balance, net of any impairment recognized, is then reclassified to either tangible or intangible mine development assets according to the nature of the asset and amortized over the life of the mine.

Assets held-for-sale

Non-current assets, or disposal comprising assets and liabilities, are classified as held-for-sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets, or disposals, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal is allocated first to goodwill, and then to the remaining assets and liabilities on a pro-rata basis, except that no loss is allocated to financial assets or investment property, which continue to be measured in accordance with the Company's other accounting policies. Impairment losses on initial classification as held-for-distribution and subsequent gains and losses on re-measurement are recognized in profit or loss.

Foreign currencies

Transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing on the dates of the transactions. At each financial position reporting date, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at the date of the statement of financial position. Non-monetary items that are measured in terms of historical cost in a foreign currency are not re-translated.

Foreign operations

Subsidiaries that have functional currencies other than the Canadian dollar translate their statement of operations items at the average rate during the period. Assets and liabilities are translated at exchange rates prevailing at the end of each reporting period. Exchange rate variations resulting from the retranslation at the closing rate of the net investment in these subsidiaries, together with differences between their statement of operations items translated at actual and average rates, are recognized in accumulated other comprehensive income (loss). On disposition or partial disposition of a foreign operation, the cumulative amount of the related exchange difference is recognized in the statement of operations.

Impairment of long-lived assets

The recoverability of long-lived assets is assessed when an event occurs that indicates impairment. Recoverability is based on factors such as future asset utilization and the future discounted cash flows expected to result from the use or sale of the related assets. An impairment loss is recognized in the period when it is determined that the carrying amount of the asset will not be recoverable. At that time, the carrying amount is written down to the recoverable amount, which equals the higher of fair value less costs to sell and value in use. Impairment losses are recognized in profit or loss.

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Impairment of long-lived assets (continued)

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognized.

Financial instruments

At initial recognition, financial assets are classified and subsequently measured at amortized cost, fair value through other comprehensive income ("FVTOCI") or FVTPL. Financial assets are recognized initially at fair value, unless they are trade receivables that do not contain a significant financing component in accordance with IFRS 15, which shall be measured at their transaction price. The subsequent measurement of financial assets depends on their classification based on both the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets as follows:

Financial assets at amortized cost

The financial asset is subsequently measured at amortized cost if the financial asset is held within a business model whose objective is to hold the financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Such assets are carried at amortized cost using the effective interest method. Gains and losses are recognized in profit or loss when the financial assets are derecognized or impaired, as well as through the amortization process. Transaction costs are included in the initial carrying amount of the asset.

Financial assets at FVTOCI

The financial asset is subsequently measured at FVTOCI if the financial asset is held within a business model whose objectives are achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on principal amount outstanding or if an irrevocable election was made for certain equity instruments at initial recognition. After initial recognition, the financial assets are measured at fair value with gains or losses recognized within other comprehensive income. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in other comprehensive income ("OCI") and are never reclassified to profit or loss. Transaction costs are included in the initial carrying amount of the asset.

Financial assets at FVTPL

A financial asset shall be measured at FVTPL if it is not measured at amortized cost or at FVTOCI. If the financial asset that would otherwise be measured at FVTPL is not acquired or incurred principally for the purpose of selling or repurchasing it in the near term, not part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking or a derivative, the Company may make an irrevocable election at initial recognition to present subsequent fair value changes of the equity instrument in OCI. Transaction costs associated with financial assets at FVTPL are expensed as incurred. These assets are carried at fair value with gains or losses recognized in profit or loss.

Derivatives designed as hedging instruments in an effective hedge

The Company does not hold or have any exposure to derivative instruments.

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Impairment of financial assets

The Company shall recognize a loss allowance for expected credit losses on financial assets measured at amortized cost, a lease receivable, a contract asset or a loan commitment. If the credit risk on the financial instrument has increased significantly since initial recognition, the loss allowance shall be measured at an amount equal to the lifetime expected credit losses, otherwise, it shall be measured at an amount equal to the 12-month expected credit losses.

Financial liabilities

At initial recognition, financial liabilities are classified as financial liabilities measured at amortized cost unless they are financial liabilities at FVTPL (including derivatives that are liabilities). Financial liabilities are recognized initially at fair value. Transaction costs directly attributable to the issue of a financial liability are included in the initial carrying value of financial liabilities if they are not measured at FVTPL. The subsequent measurement of financial liabilities depends on their classification, as follows:

Financial liabilities measured at amortized cost

Financial liabilities are initially recognized at fair value, net of transaction costs. After initial recognition, other financial liabilities are subsequently measured at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any issue costs, and any discount or premium on settlement. Gains and losses arising on the repurchase, settlement or cancellation of liabilities are recognized respectively in interest, other revenues and finance costs.

Financial liabilities at FVTPL

Financial liabilities are carried at fair value with gains or losses recognized in net income (loss). Where the financial liability is designated as at FVTPL, only the amount of change in the fair value of the financial liability that is attributable to the changes in the credit risk of that liability shall be presented in OCI and the remaining amount of changes in fair value presented in profit or loss. Transaction costs on financial liabilities at FVTPL are expensed as incurred.

De-recognition of financial assets and liabilities

Financial assets are derecognized when the contractual rights to the cash flows from the assets expire or, the financial assets are transferred, and the Company has transferred substantially all the risks and rewards of ownership of the financial assets. On de-recognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received (including any new asset obtained less any new liability assumed) is recognized in profit or loss. Where a transfer does not result in a derecognition due to continuing involvement, the Company shall continue to recognize the transferred asset and recognize a financial liability of the consideration received.

For financial liabilities, they are derecognized when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognized and the consideration paid, including any non-cash assets transferred or liabilities assumed is recognized in profit or loss.

Decommissioning, restoration and similar liabilities

The Company recognizes provisions for statutory, contractual, constructive or legal obligations associated with the reclamation of exploration and evaluation properties and retirement of long-term assets, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future cost estimates arising from the decommissioning of plant, site restoration work and other similar retirement activities is added to the carrying amount of the related asset, and depreciated on the same basis as the related asset, along with a corresponding increase in the provision in the period incurred.

Discount rates using a pre-tax rate that reflect the current market assessments of the time value of money are used to calculate the net present value.

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

The Company's estimates of reclamation 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 asset with a corresponding entry to the provision.

Share capital

Common shares are classified as shareholders' equity. Transaction costs directly attributable to the issue of common shares are recognized as a deduction from share capital.

The proceeds from the issuance of units are allocated between common shares and common share purchase warrants based on the residual value method. Under this method, the proceeds are allocated to common shares based on the fair value of a common share at the issuance date of the unit offering and any residual remaining is allocated to common share purchase warrants. Subsequent to the initial recognition of warrants, any modification to the original terms of the warrants attached to units that were initially recognized in accordance with the residual value approach does not result in a re-measurement adjustment. Any fair value attributed to warrants is recorded to reserves. If the warrants expire unexercised, the value attributed to the warrants is transferred to share capital.

Loss per share

Basic loss per share is computed by dividing the net loss applicable to common shares of the Company by the weighted average number of common shares outstanding for the relevant period.

Diluted loss per common share is computed by dividing the net loss applicable to common shares by the sum of the weighted average number of common shares issued and outstanding and all additional common shares that would have been outstanding if potentially dilutive instruments were converted.

Share-based compensation

The grant date fair value of share-based payment awards granted to employees is recognized as share-based compensation expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognized as an expense is adjusted to reflect the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognized as an expense is based on the number of awards that do meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

Where equity instruments are granted to parties other than employees, they are recorded by reference to the fair value of the services received. If the fair value of the services received cannot be reliably estimated, the Company measures the services received by reference to the fair value of the equity instruments granted, measured at the date the counterparty renders service.

All equity-settled share-based payments are reflected in share-based payment reserve, unless exercised. Upon exercise, shares are issued from treasury and the amount reflected in share-based payment reserve is credited to share capital, adjusted for any consideration paid. When options are forfeited or are not exercised at the expiry date, the amount previously recognized in share-based payments is transferred to accumulated losses (deficit).

(Expressed in Canadian dollars)

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Adoption of New Accounting Standards and New Accounting Pronouncements

There were no new amendments adopted by the Company on September1, 2025:

Issued but Not Yet Effective:

(i) In April 2024, the IASB issued a new IFRS accounting standard to improve the reporting of financial performance. IFRS 18 - Presentation and Disclosure in Financial Statements replaces IAS 1 - Presentation of Financial Statements. The standard will become effective January 1, 2027, with early adoption permitted. The Company is in the process of assessing the impact of this new standard on the Company's consolidated financial statements.

4. EXPLORATION AND EVALUATION ASSETS

Exploration and evaluation properties include the following amounts:

	Nevada Portfolio	Gold Mountain	Peruvian Properties	Total
ACQUISITION COSTS	**$**	**$**	**$**	**$**
Balance, August 31, 2024	**-**	**-**	**11,521,052**	**11,521,052**
Shares issued	-	4,500,000	-	4,500,000
Cash consideration payable	-	188,933	-	188,933
Impairment	-	-	(11,521,052)	(11,521,052)
Total Acquisition Costs at August 31, 2025, and February 28, 2026	-	**4,688,933**	-	**4,688,933**
Balance, August 31, 2024	**-**	**-**	**888,921**	**888,921**
Exploration program	82,291	-	272,553	354,844
Claim maintenance fees	54,722	9,438	-	64,160
Impairment	-	-	(1,161,474)	(1,161,474)
Total Exploration Costs at August 31, 2025	**137,013**	**9,438**	**-**	**146,451**
Exploration program	46,874	28,570	-	75,444
Total Exploration Costs at February 28, 2026	**183,887**	**38,008**	**-**	**221,895**
Balance, February 28, 2026	**183,887**	**4,726,941**	**-**	**4,910,828**

Nevada Portfolio

During the year ended August 31, 2022, the Company closed a securities exchange agreement with 1316524 B.C. Ltd. ("Goldco"). Under the terms of the securities exchange agreement, the Company acquired all of the issued and outstanding shares of Goldco by paying $2,000,284 and issued 509,573 common shares to the vendors. Goldco held several projects within Nevada.

During the year ended August 31, 2025, the Company abandoned its 6 claims in North Mill Creek and the 23 claims of Elder Creek claims staked by NQ Holdings, where the Company received US$14,000 in settlement to disclaim all right, title and interest. Further, the Company renew 197 claims of its Elephant Project until August 2026 for further exploration.

In January 2025, the Company received a notice from the United States Department of the Interior Bureau of Land Management ("BLM") stating that various claims, known as the Clover project, have been forfeited and that the claims have been staked by a third-party. As a result, the Company wrote off the carrying value of the Clover project and expensed $39,688 on the property as exploration costs after the mineral claims became void.

4. EXPLORATION AND EVALUATION ASSETS (continued)

Gold Mountain Project, Nevada

During the year ended August 31, 2025, the Company entered into an asset purchase agreement with an arms-length vendor ("Vendor") to acquire 100% interest in 34 unpatented lode mining claims of Gold Mountain Project, located in Lander County, Nevada, USA. The acquisition was accounted as asset acquisition under IFRS 3.

As consideration for the acquisition, the Company issued 100,000,000 common shares valued at $0.045 to the Vendor with a value of $4,500,000 (Note 13).

In further consideration for the acquired assets, the Company shall, following the closing of the next equity financing, pay an aggregate of US$137,486 (CAD$188,933) to the vendor in cash as payment for outstanding consulting invoices, reimbursable expenses, and other prepaid fees.

The Gold Mountain Project is subject to a perpetual 3% net smelter return royalty on all minerals that are mined, extracted, produced, or otherwise recovered from the gold mountain project.

Peruvian Properties

Lucero mine project

On December 21, 2020 (the "MLDS Closing Date"), the Company's subsidiary Calipuy entered into a share purchase agreement (the "MLDS Agreement") with Condor Resources Inc. ("Condor") to acquire all issued and outstanding shares of Minas Lucero Del Sur S.A.C ("MLDS"), a wholly owned subsidiary of Condor, which owns certain rights, titles and interests in and to the Lucero mine project in the District of Chacas in Peru.

Pursuant to the MLDS Agreement, as amended on December 18, 2024, the Company is obligated to make a total cash payment of US$2,065,000 (the MLDS Cash Payment) as follows:

(i) On the MLDS Closing Date US$90,000 (paid - Cdn$115,704);
(ii) On or before June 21, 2022 US$75,000 (paid - Cdn$97,688)*;
(iii) On or before January 31, 2023 US$100,000 (paid – Cdn$133,500)*;
(iv) On or before March 31, 2023 US$200,000 (paid – Cdn$269,900)*;
(v) On or before December 21, 2023 US$500,000 (paid as outlined below)*; and
(vi) On or before June 30, 2025 US$1,100,000*

In addition to the MLDS Cash Payment, the Company will make an additional cash payment of US$1,535,000 (the "MLDS Final Cash Payment") to Condor on or before December 31, 2026, in an amount equal to the additional amount required to make the total aggregate amount of the MLDS Cash Payment and the MLDS Final Cash Payment to be US$3,600,000*. Unless, the Company accelerates the MLDS Cash Payment and all such MLDS Cash Payment are made within thirty-six (36) months of the MLDS Closing Date. In which case, the MLDS Final Cash Payment shall be an amount equal to the additional amount required to make the total aggregate amount of the MLDS Cash Payment and the MLDS Final Cash Payment to be US$3,000,000.

* collectively the "MLDS Subsequent Cash Payment"

The "MLDS Final Cash Payment is subject to the following:

(i) the price of gold averages not less than US$2,500 per ounce during the 30 days prior to the payment date of the MLDS Final Cash Payment, in which case the MLDS Final Cash Payment shall be an amount equal to the additional amount required to make the total aggregate amount of the MLDS Cash Payment and the MLDS Final Cash Payment to be US$4,000,000; or
(ii) the price of gold averages not less than US$3,000 per ounce during the 30 days prior to the payment date of the MLDS Final Cash Payment, in which case the MLDS Final Cash Payment shall be an amount equal to the additional amount required to make the total aggregate amount of the MLDS Cash Payment and the MLDS Final Cash Payment to be US$6,000,000.

4. EXPLORATION AND EVALUATION ASSETS (continued)

Peruvian Properties (continued)

Using a risk-adjusted discount rate of 12%, the fair value of the MLDS Subsequent Cash Payment was calculated as US$2,362,861 and recorded the provision at the MLDS Closing Date, which will be accreted to the face value during the term of the MLDS Subsequent Cash Payment. As at February 28, 2026, the book value of MLDS Subsequent Cash Payment has been accreted to $3,407,888 (August 31, 2025 - $3,298,091) (Note 11).

Pursuant to the MLDS Agreement, until the MLDS Subsequent Cash Payment is settled and subsequent to Calipuy receiving the first $550,000 proceeds from the future financings, Condor has the right but not the obligation to convert all or part of the outstanding MLDS Subsequent Cash Payment into Calipuy's common shares at a discounted price of 20% of the price offered in the future financing.

In addition, in connection with the acquisition of MLDS, the Company and Condor entered into a share pledge agreement (the "MLDS SP Agreement"). Pursuant to the MLDS SP Agreement, the shares of the MLDS are pledged to Condor as collateral for the MLDS.

On December 20, 2022, the Company entered into an amendment agreement to reschedule the December 21, 2022 Subsequent Cash Payment of US$300,000 (paid) into two payments as outlined above. As a consideration for the rescheduled payments, the Company issued 25,000 common shares valued at $40,000 to Condor on December 21, 2022.

As per amendment dated December 19, 2023 and April 5, 2024, the Company and Condor have agreed to reschedule the US$500,000 MLDS Subsequent Cash Payment due on or before December 31, 2023, into two tranches.

(i) Twenty five percent of the payment (US$125,000) and bonus payable of US$12,500 was satisfied by the issuance of common shares of the Company (1,152,422 shares issued with a value of $185,217)
(ii) Balance of US$375,000 is due on or before March 31, 2024 which is further agreed to restructure on April 5, 2024 as follows:
- US$100,000 (paid – Cdn$136,500)
- US$85,000 (US$75,000 plus US$10,000 bonus) will be satisfied by the issuance of units comprising of one common share at $0.23 per common share and one warrant exercisable into one common share of the Company at $0.35 per common share for two years (499,413 units issued with a value of $114,865)
- US$200,000 to be paid on or before the closing of Element79's sale of their Maverick Springs project, which sale is expected to close before the end of June 2024 (paid – $272,042)
- In consideration of the restructure, Element79 paid an additional US$20,000 on or before the closing of Element79's sale of their Maverick Springs project (paid – $27,204)

All other terms remain unchanged.

On December 18, 2024, the Company amended the MLDS Agreement by increasing the cash payment from US$1,000,000 due on or before December 31, 2024 to US$1,100,000 due on or before June 30, 2025. As security the Company has pledged 1,750,000 Sun Silver shares in favour of Condor as collateral. All other terms remain unchanged.

On May 31, 2025, the Company issued a force majeure notice to Condor which has temporarily suspend all payment obligations under the Lucero project agreement. The Company has been unable to access the Lucero project and perform exploration or commercial mining operation. Accordingly, during the period ended February 28, 2026, the Company has written off $Nil (August 31, 2025 - $12,682,526) of acquisition costs and exploration expenses.

Reclamation deposit

As at February 28, 2026, the reclamation deposit in the amount of $42,720 (August 31, 2025 – $15,188) is related to Battle Mountain portfolio projects and Maverick Springs project within Nevada Portfolio.

(Expressed in Canadian dollars)

5. INVESTMENTS

The Company's investments are as following:

	February 28, 2026 $	August 31, 2025 $
Investment in shares of Centra	**1**	1
Investment in shares of Sun Silver Limited	**901,788**	776,799
	901,789	**776,800**

The Company acquired 2,500,000 common shares in Centra Mining Ltd ("Centra"), representing 20% stake in the issued and outstanding shares of Centra. Considering that the Company does not have significant influence or control over Centra, the investment in Centra is classified as FVTPL pursuant to IFRS 9. The fair value of the Company's investment in Centra was $1 as at February 28, 2026 (August 31, 2025 - $1).

During the year ended August 31, 2024, the Company acquired 3,500,000 common shares in Sun Silver Limited ("Sun Silver"). During the year ended August 31, 2025, the Company pledged 1,750,000 Sun Silver common shares in favour of Condor as collateral. During the year ended August 31, 2025, the Company transferred 808,962 shares to Helena Partners to settle the outstanding loan and accrued interest of US$315,000 (CAD $439,529) (Note 9). The Company sold 1,691,038 shares in Sun Silver for a gross consideration of $1,290,989 (August 31, 2024 - $Nil) and recorded a realized gain on sale of investment shares of $1,098,517. As at August 31, 2025, the fair value of the remaining investment of 1,000,000 shares in Sun Silver was $776,799, using the closing market price of Sun Silver shares on the Australian Securities Exchange.

During the period ended February 28, 2026, the Company sold 550,000 shares in Sun Silver for a gross consideration of $760,214 and recorded a realized gain on sale of investment shares of $661,214. As at February 28, 2026, the fair value of the remaining investment of 450,000 shares in Sun Silver was $901,788 using the closing marking price of Sun Silver Shares on the Australian Securities Exchange.

During the period ended February 28, 2026, the Company recorded an unrealized gain on revaluation of the Sun Silver investment totaling $223,989 (February 28, 2025 - $306,612 loss).

6. PREPAID EXPENSES

	February 28, 2026 $	August 31, 2025 $
Consulting fees	**15,386**	69,329
Director fees (note 12)	**91,459**	-
Management fees (note 12)	**11,300**	-
Rent and storage	**-**	1,935
Legal	**8,912**	6,136
Marketing	**254**	25,448
Transfer agent and filing fees	**6,670**	17,948
Other prepayments to vendors	**22,851**	11,281
	156,832	**132,077**

(Expressed in Canadian dollars)

7. ASSETS HELD FOR SALE

As of February 28, 2026, the Dale property was classified as assets held for sale totaling $587,405 (August 31, 2025 - $587,405).

	Dale Property $	Total $
Balance, August 31, 2024	**419,762**	**419,762**
Additions:	167,643	167,643
Balance, August 31, 2025	**587,405**	**587,405**
Additions:	-	-
Balance, February 28, 2026	**587,405**	**587,405**

Dale Property

In 2020, The Company entered into a property option agreement, as amended, with Jean Marc Gaudreau ("Optionor") to acquire a 100% right, title and interest in and to 90 mineral claims located in Ontario, Canada subject to a Net Smelter Return ("NSR") royalty.

Pursuant to the property option agreement, as amended, in order to exercise the option, the Company must complete the following requirements:

a) Make aggregate cash payments of $126,000 (paid).
b) Issue a total of 20,000 common shares of the Company at a price of $0.50 per share within 180 days of the option agreement (issued).
c) Make aggregate share payments calculated at the price of the volume weighted average price ("VWAP") of the 10 trading days prior to the issuance date:

    (i) $30,000 on or before December 31, 2021 (issued 3,030 common shares)
    (ii) $33,000 on or before December 31, 2022 (issued 21,680 common shares)
    (iii) $36,000 on or before December 31, 2023 (issued 390,000 Synergy common shares including 30,000 as bonus shares)
    (iv) $93,000 in Synergy common shares on or before December 31, 2024 (issued 930,000 Synergy common shares)

d) Execute and deliver to the Optionor on the date the Company went public (delivered), the NSR Royalty granting the Optionor a 0.5% NSR royalty, subject to the right of the Company to re-purchase 100% of the NSR royalty for a total consideration of $525,000 at any time.

A pre-existing 1% NSR royalty to the benefit of Keystone Associates Inc. existed on the property prior to this agreement and is additional to the 0.5% NSR royalty required as part of Element79's option to purchase.

In 2020, in addition to the option agreement, the Company paid a finder's fee by issuance of 8,000 common shares of the Company valued at $1,600 to a third-party.

On July 17, 2023, the Company transferred all rights and data related to the Dale Property to its subsidiary, Synergy. The Company intends to spin out and sell Synergy through a Plan of Arrangement. As a result, Dale property with a cost of $327,800 was reclassified from exploration and evaluation assets to assets available for sale.

7. ASSETS HELD FOR SALE (continued)

The Company, through its subsidiary, Synergy, amended the property option agreement whereby 1,320,000 Synergy common shares issued to the Optionor shall be exchanged for $129,000 cash as long as the Optionor effects transfer from the Optionor to Synergy on or before December 31, 2025. On June 15, 2025, Synergy assigned its rights and obligation with respect to $129,000 payment to third party as per the Notice of Assignment.

For the year ended August 31, 2025, the changes in Dale property of $167,643 includes acquisition costs paid in Synergy shares amounting to $93,000, acquisition costs paid in cash of $51,000 and exploration costs on the property of $23,643.

8. EQUITY OR NOTE DRAWDOWN FACILITY

On February 10, 2025, the Company entered into an investment and advisory agreement (the “Crescita Facility”) with Crescita Capital LLC (“Crescita”), that allows the Company to utilize funding for an aggregate amount of $5,000,000. The Company can draw down funds from the Crescita Facility through equity drawdown or note drawdown from time to time during the three-year term at the Company’s discretion by providing a notice to Crescita, and in return for each equity drawdown Notice, the Company will allot and issue fully paid shares to Crescita in the form of a private placement. The note drawdown will bear interest at 15% per annum, calculated monthly.

During the year ended August 31, 2025, the Company paid an 8% commission and initial consulting fees (“financing fees”) by issuing 10,062,500 common shares with a value of $402,500 and issuing 2,939,965 share purchase warrants. Each warrant is exercisable at $0.05 until February 7, 2030. The warrants were valued at $88,964 using the Black-Scholes model (2.75% risk-free rate, 138.49% volatility, 0% dividend yield, 5-year term). These financing fees were recorded as deferred financing charges and are amortized as share issue costs or financing fees based on drawdowns. During the period ended February 28, 2026, the Company amortized $Nil (August 31, 2025 - $28,014) of deferred financing charges to the financing fees. As of February 28, 2026, the deferred financing charge was $463,450 (August 31, 2025 - $463,450).

During the period ended February 28, 2026, the Company received a $Nil (August 31, 2025- $285,000) loan through the note drawdown from the Crescita Facility. As of February 28, 2026, the outstanding amount of the loan was $327,452 (August 31, 2025 - $310,771) including $42,452 (August 31, 2025 - $25,771) as accrued interest. As of February 28, 2026, and August 31, 2025, the Company has $4,715,000 available to drawdown from the Crescita Facility.

9. LOANS PAYABLE

a) During the year ended August 31, 2024, the Company, through its subsidiary, Synergy, entered into a loan agreement with a third-party whereby the third-party loaned $200,000 to Synergy for startup capital, marketing fees, legal fees, listing fees and exploration of the Dale Property for the purposes of preparing for an amalgamation between the Synergy and the third-party. The loan shall be subject to an interest rate of 14% per annum with no payments due in the first calendar year. The Company provided the lender with a full corporate guarantee as security for the loan.

   In the event that either Synergy or the third-party are no longer working towards the proposed amalgamation then the entire loan amount, together with any accrued interest, and any outstanding fees or charges, shall become due on demand at the third-party’s discretion. As per the amendment and restated loan agreement dated October 13, 2025, the loan is repayable on demand.

   During the period ended February 28, 2026, Synergy received an additional loan of $Nil (August 31, 2025- $89,832) from the third-party on the same terms and conditions of the original loan agreement. As at February 28, 2026, the loan payable amount consists of $289,832 (August 31, 2025 - $289,832) principal and $81,089 accrued interest (August 31, 2025 - $65,040).

9. LOAN PAYABLE (continued)

b) During the year ended August 31, 2024, the Company entered into an agreement with a third-party whereby the Company received a loan of US$40,000 repayable on or before July 15, 2024. Pursuant to the agreement, the Company shall pay daily interest of $0.50% per day and US$1,000 for the first 15 days and an additional US$4,000 for day 16 to 30. During the year ended August 31, 2024, the Company repaid the principal amount in full. As of February 28, 2026, the outstanding interest payable is US$7,800 (Cdn$10,719) (August 31, 2025 - US$7,800 (Cdn$10,719).

c) During the year ended August 31, 2025, the Company entered into a loan agreement with a third-party whereby the Company received US$50,000 repayable on or before December 1, 2024 ("Maturity Date"). Pursuant to the agreement, the Company must pay a fee of US$50,000 in common shares of the Company payable during the next capital raise (the "Fee"). Effective December 2, 2024, if the loan is not repaid by the Maturity Date, the third-party will be granted a 0.15% NSR on the Lucero mine project and the unpaid balance will accrue 12% per annum interest. The interest will be payable in common shares of the Company. The Company shall have the right to buy back the 0.15% NSR at any time for a price of $150,000. During the year ended August 31, 2025, the Company issued 519,231 common shares at $0.13 per share in connection with the Fee and repaid the loan amount along with the accrued interest. The Company is renegotiating the terms of NSR and expected to finalize in the current financial year.

d) During the year ended August 31, 2025, the Company entered into a loan agreement with a third-party whereby the Company received US$37,955 (CAD $53,000) repayable on or before May 31, 2025 and secured with the Company's assets until the loan is repaid. Pursuant to the agreement, the Company must pay a fee of US$37,955 in common shares of the Company payable during the next capital raise (the "Fee"). On November 14, 2024, the Company issued 530,000 units at $0.10 per share in connection with the Fee. Additionally, the Company received $77,180 short-term loan from the third party. During the year ended August 31, 2025, the Company repaid the loan in full.

e) During the year ended August 31, 2025, the Company entered into an agreement, as amended, with a third-party whereby the Company received $41,145 repayable on or before June 30, 2025. Pursuant to the agreement, the Company shall pay a fee of $8,229, and an additional fee of US$49,374 payable in common shares of the Company during the next capital raise (the "Fee"). The Company is also liable to pay additional fees of $2,000 per month commencing December 1, 2024. On November 14, 2024, the Company issued 493,740 units at $0.10 per share in connection with the Fee. During the year ended August 31, 2025, the Company repaid the loan in full along with the accrued interest.

f) During the year ended August 31, 2025, the Company received $25,000 from a third-party and repaid by issuing 193,077 shares at $0.13 per share which includes accrued interest of $100.

g) During the year ended August 31, 2025, the Company entered into a loan agreement of $US315,000 with an arm's length lender. The loan bears no interest; however, it is issued at a discount of US$15,000. On May 19, 2025, the Company repaid the loan of US$315,000 by transfer of 808,962 Sun Silver shares valued at $0.543 to the lender. In connection with the settlement of this loan, the Company recognized a loss of $1,943.

h) During the period ended February 28, 2026, the Company entered into a convertible loan agreement with a third-party whereby the Company received a loan at its fair value of $70,000, based on 2,000,000 free trading Element 79 share priced at $0.035 at the funding date. Interest shares accrue on the loan at a rate of 18% per annum until paid in its entirety. The loan value and all accrued interest shall automatically convert into shares at a 1:1.25 value during the next capital raise round (the "Debenture"). The number of shares to be issued to be determined based on the amount of the loan and the price of the next capital raise round. As at February 28, 2026, using the effective interest rate, the outstanding loan payable was $95,410 (August 31, 2025 - $Nil) including accrued interest of $12,600 (August 31, 2025 - $Nil) and premium accretion of $12,810 (August 31, 2025 - $Nil).

(Expressed in Canadian dollars)

10. TRADE PAYABLES AND ACCRUED LIABILITIES

The Company's trade payables and accrued liabilities are principally comprised of amounts for administrative and exploration activities. These are broken down as follows:

As at	February 28, 2026 $	August 31, 2025 $
Trade payables	**727,810**	572,938
Accrued liabilities	**136,999**	186,999
Trade payables and accrued liabilities	**864,809**	**759,937**

During the period ended February 28, 2026 $Nil (August 31, 2025 - $117,381) of accounts payable was extinguished.

11. PROVISIONS

The Company has an obligation to settle the MLDS Subsequent Cash Payment, the fair value of the obligations was initially recognized as a discounted amount by using a risk-adjusted discount rate of 12%, which will be accreted to the face value during the term of the payments.

	MLDS $
As at August 31, 2024	**2,873,604**
Add: Accretion	380,870
Effect of movements in exchange rates	43,617
As at August 31, 2025	**3,298,091**
Current portion	1,511,598
Long-term portion	1,786,493

As at August 31, 2025	**3,298,091**
Add: Accretion	111,487
Effect of movements in exchange rates	(1,690)
As at February 28, 2026	**3,407,888**
Current portion	3,407,888
Long-term portion	-

On December 18, 2024 the Company and Condor have agreed to reschedule the US$1,000,000 payment due on or before December 31, 2024 to $1,100,000 due on or before June 30, 2025 (note 4). During the period ended February 28, 2026, the Company recognized $111,487 of accretion expense (February 28, 2025 - $130,764) with a corresponding increase in the carrying value of the provisions.

On May 31, 2025, the Company issued a force majeure notice to Condor to temporarily suspend all payment obligations under the Lucero project agreement. Obligations under the agreement are extended by a period equal to the duration of the force majeure provided, payments will be resumed within a reasonable amount of time after the force majeure conditions cease to exist. If the conditions of the force majeure conditions continue for more than 24 months, the payments extension will cease and the regular payment schedules will be resumed Accordingly, as of February 28, 2026, the carrying value of the provisions was $3,407,888 (August 31, 2025 – $3,298,091) of which $3,407,888 (August 31, 2025 - $1,511,598) was classified as a current liability.

(Expressed in Canadian dollars)

12. RELATED PARTY TRANSACTIONS

The Company's related parties consist of key management personnel and companies owned directly or indirectly by key management personnel.

Key management personnel compensation

Key management personnel include persons having the 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 Board of Directors and corporate officers.

The remuneration of key management personnel for the period ended February 28, 2026 and 2025 as follows:

	February 28, 2026 $	February 28, 2025 $
Professional fees	-	26,808
Consulting fees	**34,762**	-
Director and management fees	**210,815**	401,308
Share based compensation	-	700,051
Total	**245,577**	**1,128,167**

Amounts due to key management personnel

As at February 28, 2026, a total amount of $2,000 (August 31, 2025 - $194,173) was due to key management personnel. This amount is non-interest bearing and due on demand.

	February 28, 2026	August 31, 2025
	$	$
Due to a company controlled by the former CEO	-	90,321
Due to a company controlled by the CEO	-	1,792
Due to the CFO	-	255
Due to a company controlled by the former COO and VP Global Exploration	-	45,522
Due to a company controlled by the Corporate Secretary	**2,000**	2,000
Due to companies controlled by directors	-	43,824
Due to a director	-	10,459
Total	**2,000**	**194,173**

During the period ended February 28, 2026, related party balance due to former director has been reclassed to accounts payable amounting to $Nil (August 31, 2025 - $84,000)

Other related party transactions

During the year ended August 31, 2025, the Company entered into a debt settlement agreement with various former and current related parties to and aggregate debt of $69,507 and issued 534,668 common shares valued at $53,467, resulting in a gain on settlement of debt of $15,740. Also, during the year ended August 31, 2025, the Company issued 1,025,000 shares at a price of $0.13 for the management fees payable of $32,000 to the former CEO and $101,250 to the former COO for their services. There is no debt settlement during the period February 28, 2026.

Obligation to issue shares: As of February 28, 2026, the Company is also liable to pay management fees in shares of $70,000 (August 31, 2025 - $Nil) to the CEO, $99,552 (August 31, 2025 - $67,815) to the current director and former CEO, $254,141 (August 31, 2025 - $253,256) to the current director and former COO and $31,500 (August 31, 2025 - $10,500) to the CFO.

12. RELATED PARTY TRANSACTIONS (continued)

As at February 28, 2026, $102,759 (August 31, 2025 - $Nil) was prepaid to the directors and officers as advance management and director fees. (Note 6)

13. SHARE CAPITAL

Authorized share capital

The Company has an authorized share capital of an unlimited number of common shares with no par value.

During the year ended August 31, 2024, the Company consolidated the issued share capital on the basis of ten (10) old common shares for one (1) new common share ("the Consolidation"). Outstanding stock options and warrants were adjusted by the Consolidation ratio. All common shares and per common share amounts in these Financial Statements have been retroactively restated to reflect the Consolidation.

As at February 28, 2026, the Company had 207,373,844 (August 31, 2025 –208,061,344) common shares issued and outstanding.

Share issuance

Share transactions for the period ended February 28, 2026

The Company cancelled 687,500 shares valued at $0.10 issued in error to third party.

Share transactions for the year ended August 31, 2025

The Company issued 100,000,000 shares with a fair value of $0.045 amounting to $4,500,000 per the Asset Purchase Agreement for the acquisition of Gold Mountain project, Nevada. (Note 4)

The Company issued an aggregate of 10,062,500 common shares for financing fee valued at $402,500 to Crescita pursuant to the amended drawdown agreement (Note 8).

The Company issued 3,976,500 units at $0.10 for a gross consideration of $397,650 of which $328,900 was received and $68,750 was share subscription receivable as at August 31, 2025, as the shares were issued in error. Each unit is comprised of one common share of the Company and one common share purchase warrant (each a “Warrant”). Each Warrant is exercisable for one common share at a price of $0.15 per common share for two years from the date of issuance. Using the residual valuation method, the Company allocated $331,552 to share capital and $66,098 was allocated to contributed surplus as the fair value of the warrants.

The Company issued 1,025,000 shares for service of $133,250 and 153,846 shares for exploration and evaluation amounting to $14,615, no gain or loss as issued as part of the service agreements.

The Company issued 1,023,740 units valued at $102,374 for fees paid pursuant to a loan agreements and recognized the full amount as financing charges. As part of the unit, the Company issued 1,023,740 warrants. Each warrant is exercisable for one common share at a price of $0.15 per common share for two years from the date of issuance. Using the residual valuation method, the Company allocated $93,469 to share capital and $8,905 was allocated to contributed surplus as the fair value of the warrants. Additionally, the Company issued 519,231 shares valued at $67,500 for fees pursuant to a loan agreement and recognized the full amount as financing charges.

The Company entered into debt settlement agreements with various vendors to settle debt of $801,365 and issued 6,164,344 common shares valued at $588,586 resulting in a loss on settlement of debt of $212,779.

(Expressed in Canadian dollars)

13. SHARE CAPITAL (continued)

Treasury stock to be cancelled

During the year ended August 31, 2023, the Company entered into an agreement to terminate the Machacala mine project and the Urumalqui project located in Peru whereby, 121,030 common shares were to be returned to treasury. 87,682 common shares have been returned leaving 33,348 common shares to be returned as at February 28, 2026 (August 31, 2025 – 33,348 common shares).

Warrants

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

	Number of warrants	Weighted average exercise price $
Balance, August 31, 2024	**7,222,939**	0.44
Granted	7,940,205	0.11
Expired	(1,000,000)	(0.35)
Balance, August 31, 2025	**14,163,144**	0.26
Cancelled	**(709,239)**	(0.26)
Balance, February 28, 2026	**13,453,905**	0.26

As at February 28, 2026, the following warrants were outstanding:

Number of warrants outstanding	Exercise price $	Expiry date	Weighted average remaining contracted life (years)
290,000(1)	0.35(2)	September 8, 2026	0.53
383,309	20.00	June 28, 2027	1.33
1,086,956	0.35	March 14, 2026	0.04
1,304,674	0.35	April 3, 2026	0.09
1,880,543	0.35	April 18, 2026	0.13
1,255,718	0.35	July 15, 2028	2.38
4,312,740	0.15	November 14, 2026	0.71
2,939,965	0.05	February 7, 2030	3.95
13,453,905			**1.46**

(1) Share purchase warrants

(2) During the year ended August 31, 2024, the Company repriced the exercise price from $0.50 to $0.35

During the period ended February 28, 2026, 687,500 share warrants with an exercise price of $0.15 cancelled as issued in error and 21,739 share warrants with an exercise price of $0.35 voided due to non-payment.

During the year ended August 31, 2025, 1,000,000 share warrants with an exercise price of $0.35 expired unexercised.

On June 28, 2022, in connection with the acquisition of Calipuy, the Company granted 383,309 performance bonus warrants to acquire an aggregate of 383,309 common shares of the Company. Each performance bonus warrant is exercisable into one common share of the Company at an exercise price of $20.00 per share expiring on the earlier of (i) three years from the exercise eligibility date, subject to achievement of bonus performance target that is tied to producing a minimum production target of 9,000 tons of ore yielding a minimum of 1,500 oz of gold within a 30-day production period, and (ii) five years from the date of issuance of the performance warrants.

(Expressed in Canadian dollars)

13. SHARE CAPITAL (continued)

Stock options

The Company has an Omnibus Equity Incentive Plan (the "2022 Plan") that supersedes the 2020 rolling stock option plan. The 2022 Plan is a 10% rolling plan, pursuant to which a maximum of 10% of the issued and outstanding common shares of the Company, will be reserved for issuances as stock options, restricted share units, performance share units and deferred share units. The equity instruments granted under the 2022 Plan will be granted at the discretion of the Board of Directors and vest at the discretion of the Board of Directors. The options can be granted for a maximum term of ten years.

Transactions during the period ended February 28, 2026

During the period ended February 28, 2026, 447,200 stock options with an exercise price between $0.25 to $1, expired unexercised.

During the period ended February 28, 2026, 65,000 stock options with an exercise price between $0.15 to $0.50, cancelled due to termination of consulting agreement of a director.

Transactions during the year ended August 31, 2025

During the year ended August 31, 2025, 610,000 stock options cancelled due to termination of consulting agreement of the consultants and officers.

On October 4, 2024, 7,723,333 stock options were granted to the directors, officers and consultants. The fair value of these stock options was determined to be $753,213 using the Black-Scholes Option Pricing Model using the following assumptions:

Risk-free annual interest	2.89%
Expected volatility	131%
Expected life of option	5 years
Expected annual dividend	0%

Also, on October 4, 2024, 362,200 stock options were granted to the third-party advisor. The fair value of these stock options was determined to be $39,176 using the Black-Scholes Option Pricing Model using the following assumptions:

Risk-free annual interest	3.43%
Expected volatility	139%
Expected life of option	1 years
Expected annual dividend	0%

The following table summarizes the continuity of the Company's stock options:

	February 28, 2026		August 31, 2025	
	Number of options	**Weighted- average exercise price**	**Number of options**	**Weighted- average exercise price**
		$		$
Outstanding, beginning	**7,898,033**	**0.17**	422,500	1.82
Granted	**-**	**-**	8,085,533	0.15
Expired/Cancelled	**(512,200)**	**(0.15)**	(610,000)	(1.12)
Outstanding, ending	**7,385,833**	**0.15**	**7,898,033**	**0.17**

(Expressed in Canadian dollars)

13. SHARE CAPITAL (continued)

Stock options (continued)

The following table summarizes information regarding stock options outstanding and exercisable as at February 28, 2026:

Expiry date	Number of options outstanding and exercisable	Exercise price	Remaining life in years
July 19, 2026	102,500	$ 0.50	0.39
October 4, 2029	7,283,333	$ 0.15	3.60
	7,385,833		**3.56**

During the period ended February 28, 2026, the Company expensed $Nil (February 28, 2025 - $926,981) relating to share-based compensation.

14. SUPPLEMENTAL CASH FLOW INFORMATION

During the period ended February 28, 2026 and February 28, 2025, the Company had the following non-cash investing and financing activities:

	Six Months ended	
	February 28, 2026	**February 28, 2025**
	$	$
Non-cash operating activities		
Shares issued for services	**-**	153,250
Non-cash investing activities:		
Fair value of shares issued for exploration and evaluation assets	**-**	20,000
Non-cash financing activities:		
Fair value of shares issued for debt settlements	**-**	616,435
Share subscription receivable	**-**	68,750
Residual value of warrants issued for financing fees	**-**	75,004
Fair value of stock options granted	**-**	926,981
Accounts payable offset by convertible loan	**70,000**	-
Fair value of shar warrants cancelled	**10,313**	-

(Expressed in Canadian dollars)

15. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Categories of financial instruments

	Fair Value Hierarchy	February 28, 2026	August 31, 2025
		$	$
FINANCIAL ASSETS			
Financial assets, at amortized costs			
Cash	N/A	**46,398**	192,038
Amounts receivable	N/A	**82,124**	41,978
Reclamation deposit	N/A	**42,720**	15,188
Financial assets, at fair value through profit and loss			
Investment in private company	Level 3	**1**	1
Investment in public company shares	Level 1	**901,788**	776,799
Total financial assets		**1,073,031**	**1,026,004**
Other liabilities, at amortized cost			
Loans payable	N/A	**338,172**	676,362
Convertible loan	N/A	**95,410**	-
Trade payables and accrued liabilities	N/A	**864,809**	759,936
Due to related parties		**2,000**	194,173
Provisions	N/A	**3,407,888**	3,298,091
Total financial liabilities		**4,708,279**	**4,928,562**

Determination of Fair Value

Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

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 and liabilities

Level 2 – Inputs other than quoted prices that are directly or indirectly observable for the asset or liability; and

Level 3 – Inputs that are not based on observable market data.

When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

The carrying amounts for cash, amount receivable and trade payable, due to related parties and loan payable approximate fair value due to their short-term nature. The carrying value of reclamation deposit, convertible debenture and provisions approximates its fair value because the discount rate approximates market interest rate. The fair value of the Company's investments in Sun Silver (Note 5) was based on level 1 of the fair value hierarchy.

Within Level 3, the Company includes its investment in Centra which is a private company. The key assumptions used in the valuation of these instruments typically include (but are not limited to) company-specific information used in modelling, the valuation and share performance of comparable publicly-traded companies, trends in general market conditions, the value at which a recent financing was done by the investee, liquidation analysis and a strategic review. For investments valued based on trends in comparable entities, general market conditions and specific company information, the inputs used can be highly judgmental. It was concluded by management that the fair value of Company's investment in Centra was indeterminable but management believed that the fair value approximated a nominal value as at February 28, 2026 and August 31, 2025.

15. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

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

Credit risk

Credit risk is the risk of an unexpected loss if a customer or third-party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its cash. The Company limits exposure to credit risk by maintaining its cash with large financial institutions. The Company does not have cash that is invested in asset-backed commercial paper.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages liquidity risk by maintaining adequate cash and restricted cash balances. The Company continuously monitors both actual and forecasted cash flows and matches the maturity profile of financial assets and liabilities.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, commodity and equity prices.

Interest rate risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Company does not have any borrowings that bear variable interest rates. Interest rate risk is limited to potential decreases on the interest rate offered on cash held with chartered Canadian financial institutions. This risk is considered minimal.

Foreign currency risk

The Company may be exposed to currency risk by incurring certain expenditures in currencies other than the Canadian dollar. The Company does not use derivative instruments to reduce its currency risk.

Commodity price risk

Commodity price risk is the risk that future cash flows will fluctuate as a result of changes in commodity prices, affecting results of operations and cash generated from operating activities. Such prices may also affect the value of exploration and development properties and the level of spending for future activities.

Equity price risk

Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market.

As at February 28, 2026, the Company had a cash balance of $46,398 (August 31, 2025– $192,038) and amounts receivable of $82,124 (August 31, 2025 – $41,978) to settle current liabilities due in twelve months or less of $5,079,200 (August 31, 2025– $3,142,070) and carry out its planned exploration program in the coming year. Management seeks additional financing through the issuance of equity instruments to continue its operations.

There can be no assurance it will be able to do so. As at February 28, 2026, the Company has access to $4,715,000 through its equity drawdown Crescita Facility.

(Expressed in Canadian dollars)

16. CAPITAL DISCLOSURES

The Company's objectives when managing capital are to maintain an appropriate capital base in order to:

(i) Advance the Company's corporate strategies to create long-term value for its stakeholders;
(ii) Sustain the Company's operations and growth throughout metals and materials cycles; and
(iii) Ensure compliance with the covenants of any applicable credit facility and other financing facilities used from time to time.

The Company monitors its capital and capital structure on an ongoing basis to ensure it is sufficient to achieve the Company's short-term and long-term strategic objectives. Management primarily funds the Company's exploration by issuing share capital, rather than using other capital sources that require fixed repayments of principal and interest. Management closely monitors its cash balance. The balance of cash as at February 28, 2026, was $46,398 (August 31, 2025 – $192,038).

There are presently no formal capital requirements with which the Company has not complied.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is appropriate. There were no changes to capital management during the period ended February 28, 2026.

17. SEGMENTED INFORMATION

The Company’s business activity is exploration and development of exploration and evaluation properties carried out in Canada, Peru, and the United States of America.

	February 28, 2026			
	Exploration and evaluation assets	**Deferred financing charges**	**Investments**	**Reclamation deposit**
	$	**$**	**$**	**$**
Canada	-	463,450	901,789	-
United States	4,910,828	-	-	42,720
Total	**4,910,828**	**463,450**	**901,789**	**42,720**

	August 31, 2025			
	Exploration and evaluation assets	**Deferred financing charges**	**Investment**	**Reclamation deposit**
	$	**$**	**$**	**$**
Canada	-	463,450	776,800	-
United States	4,835,384	-	-	15,188
Total	**4,835,384**	**463,450**	**776,800**	**15,188**

(Expressed in Canadian dollars)

18. COMMITMENTS AND CONTINGENCIES

On January 10, 2025, the Company entered into an arrangement agreement and merger agreement with Synergy, 1515041 BC Ltd ("Synergy SubCo") and 1425957 BC Ltd ("142"). As per the arrangement, the Company will distribute 1,000,000 out of 2,000,000 Synergy shares to the shareholders of the Company on a pro-rata basis (the "Spin-Out Arrangement") and it will receive an additional 10,000 Synergy shares which will also be distributed to the Company shareholders. After the arrangement, the Company will maintain its business as a gold exploration Company developing gold projects in Peru and the USA, while Synergy will be an exploration company focused on the Dale Property. In December 2025, The Company entered into an amendment agreement to extend the completion of the transaction contemplated by the Arrangement Agreement and Merger Agreement to April 30, 2026.

19. NON-CONTROLLING INTEREST

The financial information of Synergy, the Company's only subsidiary that has a non-controlling interest is provided below. As at February 28, 2026, the Company has 60.24% (August 31, 2025 – 60.24%) interest in Synergy and non-controlling stockholders have 39.76% in Synergy (August 31, 2025 –39.76%).

Summary of Synergy's financial information	February 28, 2026 $	August 31, 2025 $
Current assets	**594,551**	594,551
Current liabilities	**366**	404,479
Net loss	**(45,410)**	(110,116)

The table below summarizes the movements of the non-controlling interest:

	February 28, 2026 $	August 31, 2025 $
Beginning balance	**70,296**	30,098
Addition	**-**	82,092
Net loss	**(7,266)**	(41,894)
Ending balance	**63,030**	70,296

20. SUBSEQUENT EVENTS

Subsequent to the period ended February 28, 2026, the Company:

i. sold 75,000 Sun Silver shares and received gross proceeds of $99,886.
ii. 4,272,173 share warrants with an exercise price range between $0.23 to $0.35 expired unexercised.

SCHEDULE "C"

Management's Discussion and Analysis

Element79 Gold Corp.

For the period ended February 28, 2026 and 2025
(Expressed in Canadian dollars)

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This report may contain forward-looking statements. The words "expect," "anticipate," "estimate," "may," "will," "should," "intend," "believe," "target," "budget," "plan," "projection" and similar expressions are intended to identify such forward-looking statements. Information concerning mineral reserve and mineral resource estimates also may be considered forward-looking statements, as such information constitutes a prediction of what mineralization might be found to be present during operations, or if and when an undeveloped project is actually developed.

Risk and Uncertainties: Forward-looking statements involve a number of known and unknown risks and uncertainties including statements regarding the outlook of Element79's business and results of operations. By their nature, these risks and uncertainties could cause actual results, performance and achievements to differ materially from those indicated. Such factors include, without limitation, risks inherent in mineral exploration, changes in commodity prices, geological and metallurgical assumptions (including with respect to size, grade and recoverability of mineral resources and mineral reserves), the Company's history of operating losses and uncertainty of future profitability, uncertainty of access to additional capital, environmental risks.

Material Assumptions: In making the forward-looking statements in this MD&A, the Company has applied material assumptions, including without limitation, the assumption that any additional financing needed will be available on reasonable terms. Additional factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements include, but are not limited to, weak commodity prices and general metal price volatility; the state of the global economy and economic and political events, including the deterioration of the global capital markets, affecting supply and demand; and securing and the nature of regulatory permits and approvals and the costs of complying with environmental, health and safety laws and regulations.

The Company cannot assure investors that any of these assumptions will prove to be correct. Element79 disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise, except as is required by applicable securities regulations. **Readers are cautioned not to place undue reliance on these forward-looking statements** which speak only as of the date the statements were made, and are also advised to consider such forward-looking statements while considering the risk factors set forth in this MD&A.

INTERIM MD&A

This Management's Discussion and Analysis ("MD&A") provides a detailed analysis of the business of Element79 Gold Corp. ("Element79" or the "Company"). This MD&A should be read in conjunction with the Company's unaudited interim condensed consolidated financial statements and the related notes for the period ended February 28, 2026, and the audited consolidated financial statements and the related notes for the year ended August 31, 2025, which have been prepared under International Financial Reporting Standards ("IFRS").

All financial information in this MD&A has been prepared in accordance with IFRS. All dollar amounts included therein and in the following MD&A are in Canadian dollars, the reporting and functional currency of the Company, except where noted. This MD&A contains information up to and including April 23, 2026 (the "Report Date").

DESCRIPTION OF BUSINESS

Element79 Gold Corp. is a Canadian-incorporated exploration-stage mining Company founded in 2020 and based in Vancouver, British Columbia. The Company is an exploration-stage issuer engaged in the acquisition, exploration, and development of mineral properties in Peru, the United States.

The Company's activities are focused on gold and silver properties, as well as other associated metals. As an exploration stage issuer, the Company has not generated revenue from mining operations and is dependent on external financing to fund its activities.

The Company holds mineral property interests in Peru and the United States. Exploration activities on the Company's Peruvian properties are currently suspended and subject to Force Majeure due to social, political and logistical conditions.

These circumstances have prevented the Company from carrying out planned exploration and development activities. The Company continues to monitor the status of these conditions.

In the United States, the Company's activities are focused on its mineral property interests in Nevada, including the Elephant Project and the Gold Mountain Project. The Gold Mountain Project is considered drill-ready. The Company's activities on these properties consist of exploration and evaluation work, including geological and technical assessment.

The Company previously held an option on the Dale Property located in Ontario, which is subject to a proposed disposition as part of a three-way amalgamation transaction.

The Company is listed on the Canadian Stock Exchange ("CSE") with the trading symbol ELEM, OTCQB with a trading symbol of ELMGF and on the FSE with the trading symbol 7YS.

OVERVIEW

In September 2024, Appointment of Mr. Kevin Arias to the advisory board. Mr. Kevin has over two decades of experience across industries such as mining, energy, and corporate finance. His strong background in business development, investor relations, securities and corporate communications combined with a proven track record in raising over CAD $100 million since 2008, positions him as a valuable addition to the Element79 team.

All technical aspects of the Company for this MD&A report have been reviewed and approved by Kim Kirkland, a Director of the Company and Qualified Person ("QP") under National Instrument ("NI') 43-101. A breakdown of material components of exploration and evaluation assets can be found in the Financial Statements.

Gold Mountain Project, Nevada

On July 31, 2025, the Company entered into an asset purchase agreement with an arms-length vendor ("Vendor") to acquire a 100% interest in 34 unpatented lode mining claims of Gold Mountain Project. The Gold Mountain Project is a strategically located gold asset in Lander County, Nevada, USA. As consideration for the acquisition, the Company issued 100,000,000 common shares to the Vendor. The acquisition was accounted as an asset acquisition under IFRS 3.

In further consideration for the acquired assets, the Company shall, following the closing of the next equity financing, pay an aggregate of US$137,485.85 (CAD $188,933) to the vendor in cash as payment for outstanding consulting invoices, reimbursable expenses, and other prepaid fees.

Notwithstanding the sale and transfer of the Gold Mountain project as contemplated herein, the Vendor hereby reserves and retains, for itself and its successors and assigns, a perpetual 3% Net Smelter Return royalty (the "NSR Royalty") on all Minerals that are mined, extracted, produced, or otherwise recovered from the Gold Mountain project.

In August 2025, the Company engaged Rangefront Mining Services ("Rangefront") to prepare a NI 43-101 technical report. The Rangefront principal geologist and QP conducted a comprehensive site visit to the Gold Mountain project during the week of July 28, 2025. The fieldwork included inspection of historic adits, surface sampling zones, geological structures, and claim boundaries in and around the Long Peak Stock intrusion that underlies the project. The site visit is a critical step in validating data integrity and supports the development of the pending NI 43-101 property of merit report.

Highlights from the report include:

- Historic drilling by Placer Dome (2005) returned intercepts of:
    - 7.62m grading 0.48 g/t Au
    - 10.67m grading 0.99 g/t Au
- Figures 11-14 of the report outline 2023 surface sampling of 116 rock samples, confirming high-grade Au-Ag-Pb mineralization associated with structurally controlled zones and lower-grade porphyry-style mineralization linked to the Long Peak Stock.
- The project lies just 0.5 miles south of the historic Dewitt Mine, which produced high-grade gold and silver ores from the 1930s–1950s.

- A Bureau of Land Management (BLM) Notice of Intent (NOI) has been approved, permitting up to 21 drill pads and associated roads.
- A fully costed exploration program totaling US$800,000 has been recommended, including detailed mapping, geophysics, and 8,000 feet of RC drilling to test high priority targets.

Nevada Portfolio

The Battle Mountain Portfolio

The Battle Mountain Portfolio consists primarily of early-stage exploration properties. During the year ended August 31, 2025, a proposed sale of these projects was not completed and expired. The Company subsequently abandoned the North Mill Creek claims and certain Elder Creek claims, receiving US$14,000 to relinquish its interest, and renewed the 197 Elephant claims until August 2026.

During the period ended February 28, 2026, the Company engaged Rangefront to complete a NI 43-101 technical report on its Elephant Project to further solidify its growing Nevada-focused exploration portfolio. The Report, authored by Steven L. McMillin, MSc, CPG, of Rangefront Mining Services, provides an integrated assessment of geology, geophysics, and the compilation and analysis of historical exploration data. Historical exploration on the property has identified multiple gold-bearing structures, surface sampling anomalies, and drill intercepts that indicate strong potential for both high-grade and bulk tonnage gold mineralization. Previous work identified scattered mineralization in widely spaced holes that, when mineralized, suggest the presence of a larger system at depth. The current report outlines that additional drilling is warranted to evaluate skarn- and porphyry-style gold-copper mineralization.

Key Highlights from the Report:

- The Elephant Project sits on the east-central flank of the Battle Mountain District, with year round access and established infrastructure.
- Approximately 3,740 acres (1,514 ha) across 187 unpatented lode claims
- Historical Work:
    - 32 drill holes totaling 11,868 m (38,937 ft) with 27 holes reaching bedrock
    - Widespread base-metals anomalism and localized high-grade Au within skarn/hornfels near intrusive dikes.
- Notable Intervals (historic):
    - EL04-P3: 1.5 m @ 14.5 g/t Au, plus 1.5 m @ 1.735 g/t Au. o P-3C: 6.2 ft @ 7.70 g/t Au, plus multiple intervals between 0.59–1.60 g/t Au over 1–20 m.
    - These intercepts occur within broader halos of base-metal enrichment (Cu, Pb, Zn), consistent with skarn/porphyry systems. (True widths unknown; all intercepts are historical and reported in the Report.)
- Geophysics-Driven Targets:
    - IP–Resistivity survey defines coherent chargeability anomalies interpreted as sulfides at depth, aligned with intrusive trends.
    - Airborne magnetics show magnetite-destructive alteration consistent with porphyry systems.
    - Priority drill intervals are outlined along four IP lines.

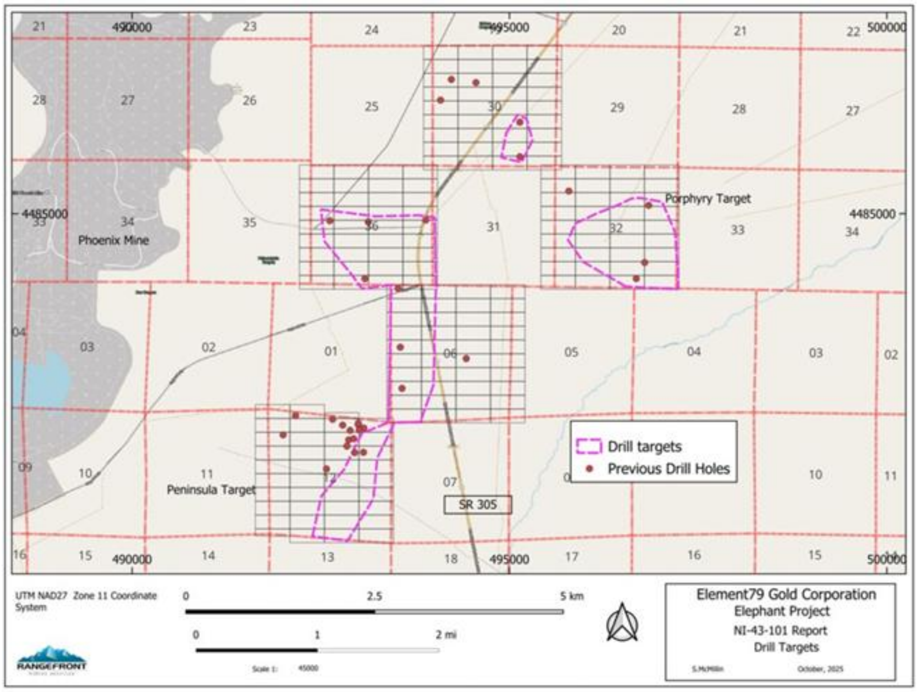

Figure 1: Proposed drill targets

This Report further highlights the potential of the Elephant Project, supporting the Company's intention to advance a Systematic exploration program aimed at expanding on past work and unlocking the project's full potential in a district that already hosts tier-one operations. With high-grade gold intervals reported in historical core and geophysical signatures consistent with sulfide mineralization, our focus is on smart meters that test the heart of this system.

Next Steps:

- **Legacy Core Program:** Re-log, photograph, and digitize historical core; implement QA/QC check assays and petrography.
- **Geophysics Integration:** Complete a property-wide ground/drone magnetics survey and extend IP coverage over remaining claims; merge historical gravity data with public datasets.
- **3D Geologic Model:** Build an integrated model combining structural, geochemical, and geophysical data to rank targets.

1. **Drilling:** Test IP chargeability corridors and the interpreted north-northeast intrusive trend, stepping into Section 12 where multi-element grades are highest.

Reclamation deposit

As at February 28, 2026, the reclamation deposit in the amount of $42,720 (August 31, 2025 - $15,188) is related to projects within the Nevada portfolio.

Dale Property

The Dale Property (the "Property" or "Dale Property") is located approximately 100 km southwest of Timmins, Ontario, in the Porcupine Mining District, Dale Township. The claims are centered over the southern arm of Horwood Lake towards the south boundary of Dale Township. Access to all sides of the property is gained by a series of logging roads that can be entered from Highways 101, 144 and 129. Access to the north from Highway 101 traveling south onto the Kukatush forest road to the east part of the Property which also accesses a boat landing for the north part of Horwood Lake. The Property can be accessed year-round by air using a float plane with skis or a combination of trucks, boat, all-terrain vehicle or snow machine. Exploration work could be carried out year-round. The Property is comprised of 90 unpatented single cell and boundary cell mining claims totaling approximately 1,980.50 hectares. The claims, in the Dale Township, are currently 100% owned by Jean Marc Gaudreau.

The Company entered into a property option agreement, as amended, with Jean Marc Gaudreau ("Optionor") to acquire a 100% right, title and interest in and to the Dale Property subject to a Net Smelter Return ("NSR") royalty.

Pursuant to the property option agreement, as amended; in order to exercise the option, the Company must make cash payments of $126,000 (paid) and issue share payments totaling $129,000 calculated at the price of the volume weighted average price ("VWAP") of the 10 trading days prior to the issuance date (issued 24,710 common shares of the Company and 1,320,000 commons shares of Synergy*).

*Synergy, the Optionor and the assignees shall exchange the above $129,000 of shares for $129,000 of cash, so long as the transfer of Title as outlined in section 2.7 is fulfilled, on or before December 31, 2025. On June 15, 2025, Synergy assigned its rights and obligation with respect to $129,000 payment to third party as per the Notice of Assignment.

Execute and deliver to the Optionor on the date Company went public (delivered), the NSR Royalty granting the Optionor a 0.5% NSR royalty, subject to the right of the Company to re-purchase 100% of the NSR royalty for a total consideration of $525,000 at any time.

A pre-existing 1% NSR royalty to the benefit of Keystone Associates Inc. existed on the property prior to this agreement and is additional to the 0.5% NSR royalty required as part of Element79's option to purchase.

In addition to the option agreement, the Company paid a finder's fee by issuance of 8,000 common shares of the Company valued at $1,600 to a third party.

During the year ended August 31, 2025, the Company entered into an arrangement agreement and merger agreement, as amended with Synergy, Synergy's wholly owned subsidiary, 1515041 BC Ltd. ("Synergy SubCo") and 1425957 BC Ltd ("142").

In anticipation of the reverse takeover of Synergy by 142 under the merger agreement, the arrangement agreement has been entered into by the Company, whereby 1,000,000 of the 2,000,000 Synergy shares held by the Company will be distributed to the shareholders of the Company on a pro-rata basis (the "Spin-Out Arrangement"). In consideration for administrative support provided by the Company in connection with the arrangement transaction and Synergy's proposed subsequent application to list on the Canadian Securities Exchange and pursuant to the arrangement agreement, Synergy will issue an additional 10,000 Synergy shares to the Company, which will also be distributed to the Company Shareholders as part of the Spin-Out Arrangement. The Spin-Out Arrangement will be a court ordered arrangement under the Business Corporations Act (British Columbia), and will be subject to approval by the Company Shareholders, as well as the British Columbia Supreme Court. It is anticipated that the Company will publish and distribute an information circular in respect of the meeting of the Company Shareholders to be held to vote on the Spin-Out Arrangement.

The Company currently holds approximately 60.24% of the Synergy shares, excluding the 10,000 Synergy shares to be issued to the Company under the arrangement agreement, and following the completion of the proposed Spin-Out Arrangement the Company is anticipated to hold approximately 30.03% of the Synergy shares, while the Company Shareholders will hold approximately 30.33% of the Synergy shares.

<u>Merger</u>

Subsequent to the Spin-Out Arrangement, Synergy proposes to acquire all of the issued and outstanding common shares in the capital of 142 ("142 Shares") in exchange for an equivalent number of Synergy shares by way of a three cornered amalgamation whereby Synergy and 142 will amalgamate under the provisions of the Business Corporations Act (British Columbia) (the "Amalgamation") to continue as one corporation pursuant to the terms of the merger agreement. As consideration for the 142 Shares, shareholders of the 142 Shares ("142 Shareholders") will receive, pursuant to the merger agreement, one Synergy Share for each 142 Share held.

Following completion of the Amalgamation under the merger agreement, the issued and outstanding Synergy shares will be held (i) approximately 86.35% by the former 142 Shareholders (excluding participants in the Concurrent Financing (defined herein)), (ii) approximately 4.02% by the Company Shareholders, (iii) approximately 3.98% by the Company (iv) approximately 5.25% by other existing holders of Synergy shares, and (v) 0.40% by participants in the Concurrent Financing. As such, the Amalgamation will constitute a reverse take over of Synergy by 142. Holders of warrants to purchase 142 Shares ("142 Warrants") will also receive one replacement warrant to purchase a Synergy Share for each 142 Warrant held. There are currently 21,000,000 142 Warrants outstanding.

The Amalgamation will be subject to approval by the 142 Shareholders, as well as Synergy (being the sole shareholder of Synergy SubCo). The Amalgamation's closing will also be subject to 142's completion of a private placement of 100,000 142 Shares at a price of $0.10 per 142 Share for gross proceeds of a minimum of $10,000, or an amount otherwise agreed by Synergy and 142 (the "Concurrent Financing"). Upon completion of the Amalgamation, Synergy intends to make an application that the Synergy shares be listed and posted for trading on the Canadian Securities Exchange.

The Company is expected to hold 1,000,000 Synergy shares after the Amalgamation, all of which will be subject to escrow on the same terms of as insiders of Synergy after the Amalgamation.

Together, the Spin-Out Arrangement and the Amalgamation are intended to effect a reorganization of the Company's current business into two separate corporate entities. The Company will maintain its business as a gold exploration Company with the objective of exploring and ultimately developing gold projects in Peru and the USA, while Synergy will be an exploration Company focused on the Project.

In December 2025, The Company entered into an amendment agreement to extend the completion of the transaction contemplated by the arrangement agreement and merger agreement to April 30, 2026.

Peruvian Properties

On June 28, 2022, the Company acquired all of the issued and outstanding common shares of Calipuy Resources Inc. ("Calipuy"), a private B.C. corporation, which, through its subsidiaries, holds a 100-per-cent interest in the past producing Lucero mine, one of the highest-grade underground mines in Peru's history at grades averaging 19.0 grams per tonne gold equivalent (14.0 g/t gold and 373 g/t silver). Operations were suspended in 2005 at Lucero due to the persistence of low gold and silver prices at the time. In May 2025, the Company announced it had issued Force Majeure Notice to Condor to temporarily suspend payment obligations under the Lucero project agreement due to significant difficulties in advancing the project due to the conflicts with the local community and delay of relevant governmental authorities to act on necessary legislation and policies.

The purchase price included the issuance of 1,916,548 common shares of the company and 383,309 performance bonus warrants. Each performance bonus warrant is exercisable into one common share of the Company at an exercise price of $20.00 per share expiring on the earlier of (i) three years from the exercise eligibility date, subject to achievement of bonus performance target that is tied to producing a minimum production target of 9,000 tons of ore yielding a minimum of 1,500 oz gold within a 30-day production period, and (ii) five years from the date of issuance of the performance warrants.

Element79 may accelerate the expiry of the performance bonus warrants if its common shares have a closing price greater than $35.00 per share for a period of 10 consecutive trading days on the exchange at any time after closing. An aggregate of 1,297,150 consideration shares and 259,429 performance bonus warrants were subject to a lock-up agreement, whereby 50% were released on December 28, 2022 and the remaining 50% were released on June 28, 2023.

The acquisition was a related-party transaction pursuant to Multilateral Instrument 61-101 (Protection of Minority Shareholders in Special Transactions). Antonios Maragakis, who was the chief executive officer and a director of Calipuy, is also a director and former chief operating officer of the Company. Mr. Maragakis disclosed his interest in the acquisition to the board of directors of each of the Company and Calipuy and has abstained from voting on approval of the agreement and the acquisition. In addition, Shane Williams, a director of the Company at the time of the acquisition, was also a director of Calipuy. Prior to closing, neither Mr. Maragakis, nor Mr. Williams held any common shares of the Company, and following closing, their beneficial direct and indirect shareholdings increased to 97,688 common shares and 292,509 common shares, respectively. The acquisition and agreement were reviewed and considered by the disinterested members of the board of directors of the Company with Mr. Maragakis recusing himself for discussions relating to the same, and the disinterested members of the board unanimously approved entry into the agreement and completion of the acquisition on the terms of the agreement. The Company believes that the acquisition provides an opportunity to advance the property and deliver value to Element79 shareholders. A special committee was not formed for the purpose of reviewing the acquisition, and an independent valuation was not obtained in connection with closing. Each of Mr. Maragakis and Mr. Williams have terminated any and all compensation agreements with Calipuy, and waived any entitlement to severance or change of control payments by Calipuy that would have otherwise been triggered as a result of the acquisition.

Acquisition of Minas Lucero Del Sur S.A.C, ("MLDS")

On December 21, 2020 (the "MLDS Closing Date"), the Company's subsidiary Calipuy completed a share purchase agreement (the "MLDS Agreement") with Condor Resources Inc. ("Condor") to acquire all issued and outstanding shares of MLDS (the "MLDS Shares") which owns certain rights, titles and interests in and to the Lucero mine project in the District of Chacas in Peru.

Pursuant to the MLDS Agreement, as amended, the Company has made payments (the "MLDS Cash and Share Payments") to Condor totaling US$785,000, issued 1,676,835 common shares and 499,413 warrants with an exercise price of $0.35 expiring two years from issuance. The Company is obligated to make a payment of US$1,100,000 On or before June 30, 2025. As security of the US$1,100,000, the Company has pledged 1,750,000 Sun Silver shares in favour of Condor as collateral. As of the reporting date, 375,000 Sun Silver shares remained outstanding (February 28, 2026 – 450,000 shares).

In addition to the MLDS Cash and Share Payments, the Company will make an additional cash payment of US$1,535,000 (the "MLDS Final Cash Payment") to Condor on or before December 31, 2026 in an amount equal to the additional amount required to make the total aggregate amount of the MLDS Cash and Share Payments and the MLDS Final Cash Payment to be US$3,600,000 (collectively the "MLDS Subsequent Cash Payment") unless:

(i) The Company accelerates the MLDS Cash and Share Payments and all such MLDS Cash and Share Payments are made within thirty-six (36) months of the MLDS Closing Date in which case the MLDS Final Cash Payment shall be an amount equal to the additional amount required to make the total aggregate amount of the MLDS Cash and Share Payments and the MLDS Final Cash Payment to be US$3,000,000;

(ii) Subject to (i), the price of gold averages not less than US$2,500 per ounce during the 30 days prior to the payment date of the MLDS Final Cash Payment, in which case the MLDS Final Cash Payment shall be an amount equal to the additional amount required to make the total aggregate amount of the MLDS Cash and Share Payments and the MLDS Final Cash Payment to be US$4,000,000; or

(iii) Subject to (i), the price of gold averages not less than US$3,000 per ounce during the 30 days prior to the payment date of the MLDS Final Cash Payment, in which case the MLDS Final Cash Payment shall be an amount equal to the additional amount required to make the total aggregate amount of the MLDS Cash and Share Payments and the MLDS Final Cash Payment to be US$6,000,000.

Using a risk-adjusted discount rate of 12%, the fair value of the MLDS Subsequent Cash Payment was calculated as $2,362,861 and recorded the provision at the MLDS Closing Date, which will be accreted to the face value during the term of the MLDS Subsequent Cash Payment. As at February 28, 2026, the book value of MLDS Subsequent Cash Payment has been accreted to $3,407,888 (August 31, 2025 - $3,298,091).

Pursuant to the MLDS Agreement, until the MLDS Subsequent Cash Payment is settled and subsequent to the Company receiving the first $550,000 proceeds from the future financings, Condor has the right but not the obligation to convert all or part of the outstanding MLDS Subsequent Cash Payment into the Company's common shares at a discounted price of 20% of the price offered in the future financing.

In addition, in connection with the acquisition of MLDS, the Company and Condor entered into a share pledge agreement (the "MLDS SP Agreement"). Pursuant to the MLDS SP Agreement, the MLDS Shares are pledged to Condor as collateral for the MLDS.

The Company has been unable to access the Lucero project and perform exploration or commercial mining operation. In May 2025, the Company issued Force Majeure Notice to Condor to temporarily suspend payment obligations under the Lucero project agreement until the sooner of the end of the Force Majeure Event or twenty-four months from the date of notice. At this time, the Company is uncertain as to when the Force Majeure event will cease. The decision was taken considering significant difficulties in advancing the Lucero project due to the conflicts with the local community and significant delays of relevant governmental authorities to act on necessary legislation and policies. Accordingly, during the period ended February 28, 2026, the Company has written off $Nil (August 31, 2025 - $12,682,526) of acquisition costs and exploration expenses.

Lucero mine project

Formerly operated as the Shila mine from 1989 to 2005, Lucero consists of 10,805 hectares located in the Shila range of southern Peru, which contains several historic high-grade gold-silver mines. Lucero consistently delivered high grades during 16 years of operations, and between 1998 and 2004, reported production averaging approximately 18,800 ounces of gold and 435,000 ounces of silver per year at grades of 19.0 g/t AuEq (14.0 g/t Au and 373 g/t Ag), with recoveries at the ore processing facility averaging 94.5 % for gold and 85.5 % for silver.

A 0.5-per-cent NSR (net smelter royalty) is retained by Sandstorm Gold Ltd., one of the largest gold royalty companies in the world.

A NI 43-101 report, dated Sept 4, 2021, prepared for Calipuy (now a wholly owned subsidiary of Element79) on the Lucero mine project by Mining Plus is now available on the Company website. Samples collected by the QP of the report returned up to 116.8 g/t AuEq (78.7 g/t Au and 2,856 g/t Ag). Due to a lack of historical data, the project does not host any resources. However, access to the historic workings is available, and the QP of the report states Lucero is underexplored and has significant exploration potential for extension of known veins and to discover additional veins.

Lucero is one of many low-sulphidation epithermal Au-Ag deposits hosted in tertiary volcanics of the central Andes cordillera of southern Peru. The project hosts 74 recognized epithermal veins, 14 of which have been partially exploited. High-grade bonanza-style direct shipping ore was mined in the past from low- to intermediate-sulphidation quartz-carbonate massive sulphide veins. Prospecting by previous operator Condor Resources Inc. from 2012 to 2020 identified the high-sulphidation epithermal alteration zone with structures that returned peak sample values of 80.1 g/t AuEq (33.4 g/t Au and 3,500 g/t Ag). This alteration zone, measuring approximately 1,300 metres by 1,400 metres, exhibited no evidence of prior sampling or drilling, and is believed to host potential for a bulk-tonnage disseminated gold-silver deposit.

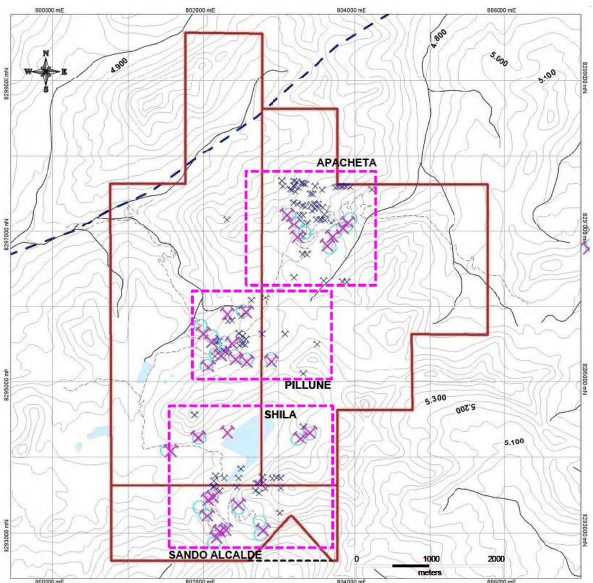

Figure 2. Lucero Project showing major historic mining areas

PROPOSED TRANSACTION

Synergy Spin-Out Arrangements

On January 10, 2025, the Company entered into an arrangement agreement and merger agreement with Synergy, Synergy SubCo and 142. As per the arrangement, the Company will distribute 1,000,000 out of 2,000,000 Synergy shares to the shareholders of the Company on a pro-rata basis (the "Spin-Out Arrangement") and it will receive an additional 10,000 Synergy shares which will also be distributed to the Company shareholders. After the arrangement, the Company will maintain its business as a gold exploration Company developing gold projects in Nevada and Peru, while Synergy will be an exploration Company focused on the Dale Property. In December 2025, The Company entered into an amendment agreement to extend the completion of the transaction contemplated by the Arrangement Agreement and Merger Agreement to April 30, 2026.

FUTURE PLANS

Element79's focus is on advancing the drill programs and project toward resource development on its Elephant Project and Gold Mountain Project with the intent of building long-term value for our shareholders. The Company's option to acquire a 100% interest in the Dale Property is advancing through the plan of arrangement spin-out process through until April 2026.

SELECTED FINANCIAL INFORMATION

	Quarter ended February 28, 2026	Quarter ended November 30, 2025	Quarter ended August 31, 2025	Quarter ended May 31, 2025
	$	$	$	$
Total revenues	-	-	-	-
Operating expenses	(463,222)	(401,168)	(474,249)	(651,999)
Net profit/(loss)	113,586	(201,536)	205,094	(13,532,503)
Net Profit/(loss) per share – Basic & fully diluted	(0.00)	(0.00)	0.00	(0.13)
Total assets	7,191,546	7,080,663	7,044,320	3,168,336

	Quarter ended February 28, 2025	Quarter ended November 30, 2024	Quarter ended August 31, 2024	Quarter ended May 31, 2024
	$	$	$	$
Total revenues	-	-	-	-
Operating expenses	(542,338)	(2,102,720)	(242,188)	(1,902,920)
Net profit/(loss)	(1,008,813)	(1,932,460)	681,348	(3,555,254)
Net loss per share – Basic & fully diluted	(0.01)	(0.02)	0.01	(0.05)
Total assets	15,866,882	15,918,149	15,325,816	19,207,753

Over the past eight quarters, net loss ranged from a high of $13,532,503 in the quarter ending May 31, 2025 to a profit of $205,094 during the quarter ended August 31, 2025.

Significant expenses during the quarter ended May 31, 2024 include consulting fees of $837,153, investor relations and marketing fees of $300,863, management and director fees of $653,503, professional fees of $84,824, loss on settlement of debt of $4,465,900, non-cash accretion expense of $202,953 and gain on sale of mineral property interest of $3,366,868. Net loss significantly higher than previous quarters of 2024 primarily due to a loss on the shares issued for debt settlement.

Significant expenses during the quarter ended August 31, 2024 include investor relations and marketing fees of $211,956, management and director fees of $232,480, professional fees of $112,873, loss on impairment of mineral property interest of $1,572,751, loss on impairment of asset held for sale of $1,305,825, non-cash accretion expense of $203,412 and interest expense of $11,222. Net loss significantly reduced in this quarter mainly because of gain on revaluation of investment of $1,475,656.

Significant expenses during the quarter ended November 30, 2024 include share based compensation $926,981, Advisory fee of $227,855, consulting fees of $263,110, financing fees of $178,103, investor relation and marketing of $166,115 and management fees of $173,571. The net loss is higher during current period mainly due to stock options issuance to directors, officers and consultants.

Significant expenses during the quarter ended February 28, 2025 include professional fees of $62,114, investor relations and marketing fees of $139,491, management and director fees of $24,000, consulting fees of $82,896, office expenses of $26,007, exploration costs of $7,300, non-cash accretion expense of $66,250, unrealized loss on revaluation of investment of $523,035.

Significant expenses during the quarter ended May 31, 2025, include loss on impairment of exploration and evaluation asset of $12,690,525 due to Force Majeure, professional fees of $161,168, investor relations and marketing fees of $68,635, management and director fees of $219,064, consulting fees of $129,879, office expenses of $34,800, exploration costs of $12,125 and non-cash accretion expense of $64,821.

Significant expenses during the quarter ended August 31, 2025, professional fees of $123,360, investor relations and marketing fees of $139,701, management and director fees of $170,599, financing fees of $121,730, office expenses of $32,606, exploration costs of $10,677 and non-cash accretion expense of $185,285. Significant income includes realized gain on sale of investment $813,394.

Significant expenses during the quarter ended November 30, 2025, professional fees of $65,148, investor relations and marketing fees of $65,018, management and director fees of $122,315, office expenses of $37,593 and non-cash accretion expense of $55,128. Significant income includes unrealized gain on revaluation of investment $221,330 and realized gain on sale of investment $78,397.

Significant expenses during the quarter ended February 28, 2026, professional fees of $111,944, management and director fees of $88,500, consulting fees of $137,251, investor relations and marketing $73,075 and non-cash accretion expense of $56,359. Significant income includes realized gain on sale of investment $582,817.

RESULTS OF OPERATIONS

A breakdown of material components of general and administrative expenses can be found in the Financial Statements. The Company incurred a comprehensive loss of $127,033 (February 28, 2025 - $3,226,396) for the six-month period ended February 28, 2026. The decrease in net loss and comprehensive loss for the period ended February 28, 2026, was primarily due to the absence of share-based compensation, realized gain on sale investment and gain on revaluation of investment. Details of material expenses are as follows:

- Professional fees of $177,092 (February 28, 2025 - $108,482) higher compared to the previous period due to higher audit fees for previous year and proportionate audit fees accrual for current period. Professional fees are mainly related to general corporate legal, and audit and accounting fees.
- Management fees of $140,315 (February 28, 2025 - $353,188) reduced due to lower fees charged by the CEO to support the Company and termination of former COO and former CEO consulting agreement.
- Director fees of $70,500 (February 28, 2025 - $48,120) increased in current period due to increase in director and audit committee fees.
- Investor relations and marketing of $138,093 (February 28, 2025 - $305,606) decreased by $167,513 primarily due to termination of IR consulting agreements.
- Gain on settlement of debt of $Nil (February 28, 2025 –$184,930) decreased by $184,930, as there was no debt settlement in current period. In previous period, the gain on $801,365 worth of debt settled by issuing 6,164,344 shares at $0.13 valued at $616,435 during current the period.
- Advisory fees of $Nil (February 28, 2025 - $228,855) decrease by $228,855 due to termination of advisory agreements.
- Consulting fees of $218,060 (February 28, 2025 - $346,006) significantly lower compared to previous period due to termination and expiry of consulting agreements.
- Financing fees of $25,410 (February 28, 2025 - $178,103) decreased significantly as financing activity reduced during the current period. In previous period, financing fees mainly relates to the value of 1,542,971 shares issued as per the convertible loan agreement and legal fees related to the recent financing.
- Share-based compensation of $Nil (February 28, 2025 - $926,981) decreased by $926,981, as there were no stock options issued during the current period. In previous period, the cost relates to due to fair value of 8,085,533 stock options issued to directors, officers and consultants.
- Unrealized gain on revaluation investment of $223,989 (February 28, 2025 - $306,612 loss) relates to the revaluation gain on investment in shares of Sun Silver Limited.
- Realized gain on sale of investment of $661,214 (February 28, 2025 - $Nil) increased in current period and it relates to the gain on sale of investment in Sun Silver shares. In previous period, no shares were sold.

The Company incurred a comprehensive gain of $132,714 (February 28, 2025 - $1,293,936 loss) for the three-month period ended February 28, 2026. The gain for the period ended February 28, 2026 compared to the loss from previous period, was primarily due to reduction in management fees, realized gain on sale investment and gain on revaluation of investment. Details of material expenses are as follows:

- Professional fees of $111,944 (February 28, 2025 - $62,114) higher compared to the previous period due to higher audit fees for previous year and proportionate audit fees accrual for current period. Professional fees are mainly related to general corporate legal, and audit and accounting fees.
- Management fees of $51,000 (February 28, 2025 - $179,617) reduced due to lower fees charged by the CEO to support the Company, termination of COO and CEO consulting agreement.
- Director fees of $37,500 (February 28, 2025 - $24,000) increased in current period due to increase in director and audit committee fees.
- Investor relations and marketing of $73,075 (February 28, 2025 - $139,491) decreased by $66,416 primarily due to termination of IR consulting agreements.
- Consulting fees of $137,251 (February 28, 2025 - $82,896) increased compared to previous period due to engagement of new consultant.

- Unrealized gain on revaluation investment of $2,659 (February 28, 2025 - $523,035 loss) relates to the revaluation gain on investment in shares of Sun Silver Limited.
- Realized gain on sale of investment of $582,817 (February 28, 2025 - $Nil) increased in current period and it relates to the gain on sale of investment in Sun Silver shares. In previous period, no shares were sold.

LIQUIDITY AND CAPITAL RESOURCES

From time to time the Company works to raise additional capital through private placements and other forms of equity financing. Its ability to fund exploration projects is dependent upon its ability to obtain sufficient funding for operations and is ultimately dependent on the recoverability of the amounts capitalized to mineral exploration properties. The Company has not yet determined whether its mineral properties contain mineral reserves that are economically recoverable, and accordingly, the success of any further exploration or development prospects cannot be assured. Because the Company is not yet a producer, the primary source of future funds is through the sale of additional equity capital and optioning of resource properties.

There is no assurance that the Company will be successful in raising sufficient capital to meet its obligations. If it is not successful in raising sufficient capital, it may have to curtail or otherwise limit operations. These material uncertainties cast significant doubt upon the Company's ability to continue as a going concern.

During the year ended August 31, 2024, the Company entered into an agreement with a third-party whereby the Company received a loan of US$40,000 repayable on or before July 15, 2024. Pursuant to the agreement, the Company shall pay daily interest of $0.50% per day and US$1,000 for the first 15 days and an additional US$4,000 for day 16 to 30. During the year ended August 31, 2024, the Company repaid the principal amount in full. As of February 28, 2026, the outstanding interest payable is US$7,800 (Cdn$10,719) (August 31, 2025 - US$7,800 (Cdn$10,719)).

During the year ended August 31, 2024, the Company, through its subsidiary, Synergy, entered into a loan agreement with a third-party whereby the third-party loaned $200,000 to Synergy for startup capital, marketing fees, legal fees, listing fees and exploration of the Dale Property for the purposes of preparing for an amalgamation between the Synergy and the third-party. The loan shall be subject to an interest rate of 14% per annum. In the event that either Synergy or the third-party are no longer working towards the proposed amalgamation then the entire loan amount, together with any accrued interest, and any outstanding fees or charges, shall become due on demand at the third-party's discretion. As per the amendment and restated loan agreement dated October 13, 2025, the loan is repayable in demand.

During the year ended August 31, 2025, Synergy received a subsequent loan of $89,832 from the third-party on the same terms and conditions of the original loan agreement. As at February 28, 2026, the loan payable amount consists of $289,832 (August 31, 2025 - $289,832) principal and $81,089 accrued interest (August 31, 2025 - $65,040) and is presented as liabilities held for sale.

During the year ended August 31, 2025, the Company entered into a loan agreement with a third-party whereby the Company received US$50,000 repayable on or before December 1, 2024 ("Maturity Date"). Pursuant to the agreement, the Company must pay a fee of US$50,000 in common shares of the Company payable during the next capital raise (the "Fee"). Effective December 2, 2024, if the loan is not repaid by the Maturity Date, the third-party will be granted a 0.15% NSR on the Lucero mine project and the unpaid balance will accrue 12% per annum interest. The interest will be payable in common shares of the Company. The Company shall have the right to buy back the 0.15% NSR at any time for a price of $150,000. During the year ended August 31, 2025, the Company issued 519,231 common shares at $0.13 per share in connection with the Fee and repaid the loan amount along with the accrued interest. The company is renegotiating the terms of NSR and expected to finalize in next financial year.

During the year ended August 31, 2025, the Company entered into a loan agreement with a third-party whereby the Company received US$37,955 (Cdn$53,000) repayable on or before May 31, 2025 and secured with the Company's assets until the loan is repaid. Pursuant to the agreement, the Company must pay a fee of US$37,955 in common shares of the Company payable during the next capital raise (the "Fee"). On November 14, 2024, the Company issued 530,000 units at $0.10 per share in connection with the Fee. Additionally, the company received $77,180 short-term loan from the third party. During the year ended August 31, 2025, the Company repaid the loan in full.

During the year ended August 31, 2025, the Company entered into an agreement, as amended, with a third-party whereby the Company received $41,145 repayable on or before June 30, 2025. Pursuant to the agreement, the Company shall pay a fee of $8,229, and an additional fee of US$49,374 payable in common shares of the Company during the next capital raise (the "Fee"). The Company is also liable to pay additional fees of $2,000 per month commencing December 1, 2024. On November 14, 2024, the Company issued 493,740 units at $0.10 per share in connection with the Fee. During the year ended August 31, 2025, the Company repaid the loan in full along with the accrued interest.

During the year ended August 31, 2025, the Company received $25,000 from a third-party and repaid by issuing 193,077 shares at $0.13 per share which includes accrued interest of $100.

During the year ended August 31, 2025, the Company entered into a loan agreement of US$315,000 with an arm's length lender. The loan bears no interest; however, it is issued at a discount of US$15,000. On May 19, 2025, the Company repaid the loan of US$315,000 (Cdn$439,529) by the transfer of 808,962 valued at $0.543 to the lender. In connection with the settlement of this loan, the Company recognized a loss of $1,943.

During the period ended February 28, 2026, the Company entered into a convertible loan agreement with a third-party whereby the Company received a loan at its fair value of $70,000, based on 2,000,000 free trading Element 79 share priced at $0.035 at the funding date. Interest shares accrue on the loan at a rate of 18% per annum until paid in its entirety. The loan value and all accrued interest shall automatically convert into shares at a 1:1.25 value during the next capital raise round (the "Debenture"). The number of shares to be issued to be determined based on the amount of the loan and the price of the next capital raise round. As at February 28, 2026, using the effective interest rate, the outstanding loan payable was $95,410 (August 31, 2025 - $Nil) including accrued interest of $12,600 (August 31, 2025 - $Nil) and premium accretion of $12,810 (August 31, 2025 - $Nil).

As at February 28, 2026, the Company had $46,398 (August 31, 2025 - $192,038) in cash and working capital deficiency of $4,206,441 (August 31, 2025 - $2,188,572).

	February 28, 2026 **$**	February 28, 2025 $
Operating activities	**(845,734)**	(469,953)
Investing activities	**700,094**	(167,126)
Financing activities	**-**	641,053

Operating Activities
Operating activities generated a net cash outflow of $845,734 (February 28, 2025 – $469,953). The increase in use of cash is due to reduced payments to prepaids, payments for consulting, management fees and investor relations and marketing related to previous year.

Investing Activities
The Cash inflow of $700,094 includes proceeds from sale of investment Sun Silver shares of $760,214 during the current period, partially offset by payments of $60,120 related to exploration and evaluation assets. During the previous period, payment of $97,222 on exploration programs and payment of $69,904 related to the expenditure on Dale property.

Financing Activities
In previous period, the net cash inflow of $641,053 relates to money received from private placement financing and loan payable partially offset by the loan and interest repayment.

RELATED PARTY TRANSACTIONS

Key management personnel compensation

As at the Report Date, the Company's key management personnel consist of the following directors:
- James Tworek
- Mohammad Fazil
- Warren Levy
- Kim Kirkland

And management:
- Michael Smith – CEO
- Tammy Gillis – CFO
- Monita Faris – Secretary

As at the Report Date, the Company underwent the following changes in directors and officers:

- September 2025, Zara Kanji resigned as Director and AC chair due to other commitments and Mohammad Fazil appointed as Director and AC Chair of the Company. Mr. Fazil has been active in venture capital for over 35 years. He was employed by boutique investment dealers in Canada as a finance professional focusing on funding junior listed issuers on the TSX and TSX Venture exchange.

- In July 2025, Mr. Michael Smith appointed as Director and Vice President, Corporate Development. Mr. Smith brings over 15 years of diverse business leadership experience across business development, capital raising, public company operations, and investor relations. He has held executive and board-level roles with several CSE-listed companies and is the Founder of Lions Bridge Capital, a boutique advisory firm supporting startups and growth-stage businesses. His expertise spans capital raising, mergers and acquisitions, regulatory compliance, and corporate messaging—skills directly aligned with the Companies objectives as it accelerates exploration and development across its Nevada portfolio, including the Gold Mountain and Elephant projects.

- In August 2025, Mr. James Tworek elected to step down from the role as the CEO and continue to support the Company as a Director and Mr. Smith was appointed as the CEO.

  In August 31, 2025, Neil Pettigrew resigned as Director and QP..

- In August 2025, Kim Kirkland appointed as QP and stepped down from the role of COO. In September 2025, Kim was appointed as the Director of the Company. As outlined above, Kim Kirkland's is a seasoned mining veteran.

- In September 2024, Mr. Antonios Maragakis and Mr. George Tumur resigned as Directors.

Key management personnel include persons having the 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 Board of Directors and corporate officers.

The remuneration of key management personnel for the period ended February 28, 2026 and February 28, 2025 is as follows:

	February 28, 2026 $	February 28, 2025 $
Professional fees	**-**	26,808
Consulting fees	**34,762**	-
Director and management fees	**210,815**	401,308
Share-based compensation	**-**	700,051
Total	**245,577**	1,128,167

Consulting fees consist of $12,000 (February 28, 2025 - $Nil) paid to a Company controlled by the Secretary, Monita Faris, $18,000 (February 28, 2025 - $Nil) paid to a Company controlled by the former CEO, $4,762 (February 28, 2025 - $Nil) paid to the CFO.

Director and management fees consist of $13,000 (February 28, 2025 - $129,450) paid to a Company controlled by the former CEO, $100,000 (February 28, 2025 - $Nil) paid to a Company controlled by the CEO, $42,000 (February 28, 2025 - $24,000) paid to the CFO, Tammy Gillis, $14,315 (February 28, 2025 - $211,738) paid to the Company controlled by the current director and former COO, Kim Kirkland, $Nil (February 28, 2025 - $12,000) paid to a Company controlled by the former Chair of the Audit Committee, Zara Kanji, $Nil (February 28, 2025 - $12,000) paid to former Director, Neil Pettigrew, $26,750 (February 28, 2025, - $12,120) paid to a director, Warren Levy, $14,750 (February 28, 2025 - $Nil) paid to a director, Mohammad Fazil.

Accounting fees presented as part of professional fees consist of $Nil (February 28, 2025 - $26,808) to a Company controlled by the former Chair of the Audit Committee.

On October 4, 2024, the Company granted 5,090,000 stock options with an exercise price of $0.15 within 5 years from the date of issue to the former and current directors and officers of the Company valued at $496,402 as below.

During the period ended February 28, 2026, the Company granted below stock options to its directors and officers.

	February 28, 2026		February 28, 2025	
	Options Granted	**Expense for the year (Vested)**	Options Granted	Expense for the year (Vested)
		$		$
James Twork, Director and Former CEO	**-**	**-**	**2,250,000**	**219,431**
Kim Kirkland, QP and Former COO	**-**	**-**	**1,500,000**	**146,287**
Tammy Gillis, CFO	**-**	**-**	**350,000**	**34,134**
Zara Kanji, Former Director*	**-**	**-**	**50,000**	**4,876**
Neil Pettigrew, Former Director*	**-**	**-**	**390,000**	**38,035**
Warren Levy, Director	**-**	**-**	**550,000**	**53,639**
Total	-	-	**5,090,000**	**496,402**

*Expired unexercised due to resignation.

As at February 28, 2026, a total amount of $2,000 (August 31, 2025 - $194,173) was due to key management personnel. This amount is non-interest bearing and due on demand.

	February 28, 2026	August 31, 2025
	$	$
Due to a Company controlled by the CEO	**-**	1,792
Due to a Company controlled by the former CEO	**-**	90,321
Due to the CFO	**-**	255
Due to a Company controlled by the former COO and VP Global Exploration	**-**	45,522
Due to Companies controlled by former directors	**-**	43,824
Due to Company controlled by company secretary	**2,000**	2,000
Due to companies controlled by a director	**-**	10,459
Total	**2,000**	194,173

As at February 28, 2026, the Company is also liable to pay the management fees in shares of $70,000 (August 31, 2025 - $Nil) to the CEO, $99,552 (August 31, 2025 - $67,815) to the current Director and former CEO, $254,141 (August 31, 2025 - $253,256) to the current director and former COO and $31,500 (August 31, 2025 - $10,500) to the CFO.

Other related party transactions

As of February 28, 2026, $102,759 (August 31, 2025 - $Nil) was prepaid to the directors and officers as advance management and director fees as below.

	Nature of transaction	**February 28, 2026**	August 31, 2025
		$	$
James Twork, Director and Former CEO	Director fees	**9,413**	-
Kim Kirkland, QP and Former COO	Director fees	**19,546**	-
Warren Levy, Director	Director fees	**32,500**	-
Mohammad Fazil, Director	Director fees	**30,000**	-
Michael Smith, CEO	Management fees	**10,000**	-
Tammy Gillis, CFO	Management fees	**1,300**	-
Total		**102,759**	-

During the year ended August 31, 2025, the Company entered into debt settlement agreement with various former and current related parties to settle and aggregate debt of $69,507 and issued 534,668 common shares valued at $53,767, resulting in a gain on settlement of debt of $16,040. Also, during the year ended August 31, 2025, the Company issued 1,025,000 shares at a price of $0.13 for the management fees payable of $32,000 to the former CEO and $101,250 to the former COO for their services. There is no debt settlement during the period February 28, 2026.

OFF-BALANCE SHEET ARRANGEMENTS

During the year ended August 31, 2025, the Company entered into an investment and advisory agreement (the "Crescita Facility") with Crescita, that allows the Company to utilize funding for an aggregate amount of $5,000,000. The Company can draw down funds from the Crescita Facility through Equity Drawdown or Note Drawdown from time to time during the three-year term at the Company's discretion by providing a notice to the Crescita, and in return for each equity Drawdown Notice, the Company will allot and issue fully paid shares to the Investor in form of a private placement. The Note Drawdown will bear interest at 15% per annum calculated monthly.

During the year ended August 31, 2025, the Company paid an 8% commission and initial consulting fees ("financing fees") by issued 10,062,500 common shares with a value of $402,500 and issued. 2,939,965 share purchase warrants. Each warrant is exercisable at $0.05 until February 7, 2030. The warrants were valued at $88,964 using the Black-Scholes model (2.75% risk-free rate, 138.49% volatility, 0% dividend yield, 5-year term). These financing fees were recorded as deferred financing charges and are amortized as share issue costs or financing fees based on drawdowns. During the period ended February 28, 2026, the Company amortized $Nil (August 31, 2025 - $28,014) of deferred financing charges to the financing fees. As of February 28, 2026, the deferred financing charge was $463,450 (August 31, 2025 - $463,450).

During the period February 28, 2026, the Company received $Nil loan through Note Drawdown (August 31, 2025 - $285,000) from the Crescita Facility. As of February 28, 2026, the outstanding amount of the loan was $327,452 (August 31, 2025 - $310,771) including $42,452 (August 31, 2025 - $25,771) as accrued interest. As of February 28, 2026, the Company have $4,715,000 (August 31, 2025 – $4,715,000) available to drawdown from the Crescita Facility.

ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

A number of new standards, and amendments to standards and interpretations are effective for the period ended February 28, 2026. Furthermore, a number of new standards, and amendments to standards and interpretations, are not yet effective for the period ended February 28, 2026, and have not been early adopted in preparing the consolidated financial statements. These new standards, and amendments to standards and interpretations are either not applicable or are not expected to have a significant impact on the Company's consolidated financial statements.

OUTSTANDING SHARE DATA

As at the Report Date, the Company had 207,373,844 (February 28, 2026 – 207,373,844) common shares issued and outstanding.

As at the Report Date, the Company had 9,181,732 (February 28, 2026 – 13,475,644) share purchase warrants outstanding.

As at the Report Date, the Company had 7,385,833 (February 28, 2026- 7,385,833) stock options outstanding.

CAPITAL MANAGEMENT

The Company's objectives when managing capital are to maintain an appropriate capital base in order to:

(i) Advance the Company's corporate strategies to create long-term value for its stakeholders;
(ii) Sustain the Company's operations and growth throughout metals and materials cycles; and
(iii) Ensure compliance with the covenants of any applicable credit facility and other financing facilities used from time to time.

The Company monitors its capital and capital structure on an ongoing basis to ensure it is sufficient to achieve the Company's short-term and long-term strategic objectives. Management primarily funds the Company's exploration by issuing share capital, rather than using other capital sources that require fixed repayments of principal and interest. Management closely monitors its cash balance. The balance of cash as at February 28, 2026, was $46,398 (August 31, 2025 - $192,038).

There are presently no formal capital requirements with which the Company has not complied.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is appropriate. There were no changes to capital management during the period ended February 28, 2026.

FINANCIAL INSTRUMENTS

The Company is exposed to various financial instrument risks and assesses the impact and likelihood of this exposure. These risks include liquidity, credit, foreign exchange rate and interest rate. Where material, these risks are reviewed and monitored by the Board of Directors.

Credit risk

Credit risk is the risk of an unexpected loss if a customer or third-party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its cash. The Company limits exposure to credit risk by maintaining its cash with large financial institutions. The Company does not have cash that is invested in asset-backed commercial paper.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages liquidity risk by maintaining adequate cash and restricted cash balances. The Company continuously monitors both actual and forecasted cash flows and matches the maturity profile of financial assets and liabilities.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, commodity and equity prices.

Interest rate risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Company does not have any borrowings that bear variable interest rates. Interest rate risk is limited to potential decreases on the interest rate offered on cash held with chartered Canadian financial institutions. This risk is considered minimal.

Foreign currency risk

The Company may be exposed to currency risk by incurring certain expenditures in currencies other than the Canadian dollar. The Company does not use derivative instruments to reduce its currency risk.

Commodity price risk

Commodity price risk is the risk that future cash flows will fluctuate as a result of changes in commodity prices, affecting results of operations and cash generated from operating activities. Such prices may also affect the value of exploration and development properties and the level of spending for future activities.

Equity price risk

Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market.

As at February 28, 2026, the Company had a cash balance of $46,398 (August 31, 2025– $192,038) and amounts receivable of $82,124 (August 31, 2025 – $41,978) to settle current liabilities due in twelve months or less of $5,079,200 (August 31, 2025– $3,142,070) and carry out its planned exploration program in the coming year. Management seeks additional financing through the issuance of equity instruments and loan and promissory notes to continue its operations.

There can be no assurance it will be able to do so. As at February 28, 2026, the Company has access to $4,715,000 (August 31, 2025 - $4,715,000) through its equity drawdown facility.

INTERNAL CONTROLS OVER FINANCIAL REPORTING

Management has designed internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. The design of the Company's internal control over financial reporting was assessed as of the Report Date. Based on this assessment, it was determined that certain weaknesses existed in internal controls over financial reporting. As indicative of many small companies, the lack of segregation of duties and effective risk assessment were identified as areas where weaknesses existed. The existence of these weaknesses is to be compensated for by senior management monitoring, which exists. Management will continue to monitor very closely all financial activities of the Company and increase the level of supervision in key areas. It is important to note that this issue would also require the Company to hire additional personnel in order to provide greater segregation of duties. Since there is insufficient work at this time to warrant the additional costs, management has chosen to disclose the potential risk in its filings and proceed with increased personnel only when the budgets and work load will enable the action. The Company has attempted to mitigate these weaknesses, through a combination of extensive and detailed review by management of the financial reports, and the integrity and reputation of senior accounting personnel.

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

Information provided in this MD&A, including the financial statements, is the responsibility of management. In the preparation of these statements, estimates are sometimes necessary to make a determination of future value for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been properly reflected in the accompanying financial statements. Management maintains a system of internal controls to provide reasonable assurances that the Company's assets are safeguarded and to facilitate the preparation of relevant and timely information.

RISK FACTORS

Risk is inherent in all business activities and cannot be entirely eliminated. Our goal is to enable the Company's business processes and opportunities by ensuring that the risks arising from our business activities, the markets and political environments in which we operate are mitigated. The risks and uncertainties described in the MD&A for the period ended February 28, 2026 are considered by management to be the most important in the context of the Company's business and are substantially unchanged as of the Report Date. Those risks and uncertainties are not inclusive of all the risks and uncertainties the Company may be subject to and other risks may apply.

APPROVAL

The Board of Directors of the Company has approved the disclosure contained in this MD&A.