



**SUPERQ QUANTUM COMPUTING INC.  
(Formerly known as ATCO MINING INC.)**

**INTERIM FINANCIAL STATEMENTS**

**For the nine months ended September 30, 2025 and 2024**

Expressed in Canadian Dollars

## **MANAGEMENT’S COMMENTS ON UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS NOTICE OF AUDITOR REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS**

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has performed a review of the condensed interim financial statements, this must be disclosed.

The accompanying unaudited condensed interim financial statements of SuperQ Quantum Computing inc. (formerly known as Atco Mining Inc.) (the “Company”) for the nine months ended September 30, 2025 have been prepared by and are the responsibility of the Company’s management. These interim financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) applicable to the preparation of interim financial reports and reflect management’s best estimates and judgments based on information currently available.

The Company’s independent auditor has performed a review of these condensed interim 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 auditor.

**SUPERQ QUANTUM COMPUTING INC. (Formerly known as ATCO MINING INC.)**  
**INTERIM STATEMENTS OF FINANCIAL POSITION**  
**As at September 30, 2025 and December 31, 2024**  
**Expressed in Canadian Dollars**

	<b>September 30, 2025</b>	<b>December 31, 2024</b>
	\$	\$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	400,582	161,712
Receivable (Note 6)	44,329	9,778
Prepaid expenses	134,143	5,624
<b>Total current assets</b>	<b>579,054</b>	<b>177,114</b>
Exploration and evaluation assets (Notes 4, 5 and 6)	-	70,839
<b>TOTAL ASSETS</b>	<b>579,054</b>	<b>247,953</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current Liabilities</b>		
Accounts payable (Note 6)	66,646	278,048
Accrued liabilities	40,000	40,967
<b>TOTAL LIABILITIES</b>	<b>106,646</b>	<b>319,015</b>
<b>Equity</b>		
Share capital (Note 5)	9,939,641	5,872,666
Share reserve (Note 5)	1,494,433	409,134
Deficit	(10,961,666)	(6,352,862)
<b>TOTAL EQUITY</b>	<b>472,408</b>	<b>(71,062)</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>579,054</b>	<b>247,953</b>

Nature and continuance of operations and going concern (Note 1)  
Commitments (Note 9)

Approved and authorized for issue on behalf of the Board on November 25, 2025

“Muhammad Khan”  
MUHAMMAD KHAN

“Manoj Joseph”  
MANOJ JOSEPH

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

**SUPERQ QUANTUM COMPUTING INC. (Formerly known as ATCO MINING INC.)**  
**INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS**  
**For the nine months ended September 30, 2025 and 2024**  
**Expressed in Canadian Dollars**

	Three months ended, September 30,		Nine months ended, September 30,	
	2025	2024	2025	2024
	\$	\$	\$	\$
<b>EXPENSES</b>				
Accounting and audit	35,500	15,200	73,338	72,651
Advertising and marketing	43,545	15,978	92,334	242,173
Bank charges	508	201	1,340	1,633
Consulting fees (Note 6)	68,746	135,000	223,871	471,000
Filing fees	84,776	3,839	112,727	25,725
Foreign exchange	3,841	-	3,933	-
Management fees	111,508	34,500	179,939	187,569
Office expenses	10,906	968	16,063	3,365
Professional fees	35,915	3,205	123,330	39,006
Share-based compensation (Notes 5, 6)	1,085,299	-	1,085,299	6,713
<b>Total expenses</b>	<b>(1,480,544)</b>	<b>(208,891)</b>	<b>(1,912,174)</b>	<b>(1,049,835)</b>
Impairment loss (Note 4)	(4,999)	-	(80,838)	-
Other income (Note 6)	26,450	-	26,450	-
Transaction costs (Notes 6 and 8)	(2,750,000)	-	(2,750,000)	-
Write-off of accounts payable	9,492	-	107,758	3,844
<b>Net loss and comprehensive loss for the period</b>	<b>(4,199,601)</b>	<b>(208,891)</b>	<b>(4,608,804)</b>	<b>(1,045,991)</b>
Basic and diluted loss per share	(0.16)	(0.03)	(0.26)	(0.15)
<b>Weighted average number of shares outstanding</b>	<b>25,834,104</b>	<b>7,765,585</b>	<b>17,781,789</b>	<b>6,883,465</b>

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

**SUPERQ QUANTUM COMPUTING INC. (Formerly known as ATCO MINING INC.)**  
**INTERIM STATEMENTS OF CHANGES IN EQUITY**  
**Expressed in Canadian Dollars**

	Number of shares	Share capital	Share reserve	Deficit	Total equity
		\$	\$	\$	\$
<b>Balances, December 31, 2023 (after share consolidation)</b>	<b>4,960,413</b>	<b>4,403,165</b>	<b>396,258</b>	<b>(3,139,388)</b>	<b>1,660,035</b>
Shares issued for cash (Note 5)	2,485,173	1,312,878	-	-	1,295,221
Share issuance cost (Note 5)	-	(17,657)	(6,713)	-	(24,370)
Shares issued for mineral properties (Notes 4 and 5)	320,000	295,000	-	-	295,000
Share-based compensation	-	-	6,713	-	6,713
Net loss for the period	-	-	-	(1,045,991)	(1,045,991)
<b>Balances, September 30, 2024</b>	<b>7,765,586</b>	<b>5,993,386</b>	<b>396,258</b>	<b>(4,185,379)</b>	<b>2,204,265</b>
		\$	\$	\$	\$
<b>Balances, December 31, 2024 (after share consolidation)</b>	<b>7,765,586</b>	<b>5,872,666</b>	<b>409,134</b>	<b>(6,352,862)</b>	<b>(71,062)</b>
Shares issued for cash (Note 5)	7,700,000	1,155,000	-	-	1,155,000
Share issuance cost (Note 5)	-	(8,400)	-	-	(8,400)
Shares issued pursuant to change of business transaction (Notes 6 and 8)	11,000,000	2,750,000	-	-	2,750,000
Shares issued for debt settlement (Notes 5 and 6)	137,812	165,375	-	-	165,375
Shares issued for mineral properties acquisition (Notes 4 and 5)	20,000	5,000	-	-	5,000
Share-based compensation (Notes 5 and 6)	-	-	1,085,299	-	1,085,299
Net loss for the period	-	-	-	(4,608,804)	(4,608,804)
<b>Balances, September 30, 2025</b>	<b>26,623,397</b>	<b>9,939,641</b>	<b>1,494,433</b>	<b>(10,961,666)</b>	<b>472,408</b>

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

**SUPERQ QUANTUM COMPUTING INC. (Formerly known as ATCO MINING INC.)**  
**INTERIM STATEMENTS OF CASH FLOWS**  
**Expressed in Canadian Dollars**

	<b>Nine months ended September 30, 2025</b>	<b>Nine months ended September 30, 2024</b>
	\$	\$
<b>OPERATING ACTIVITIES</b>		
Net loss for the period	(4,608,804)	(1,045,991)
Non-cash items		
Impairment loss	80,839	
Share-based compensation	1,085,299	6,713
Transaction costs	2,750,000	
Write-off of accounts payable	(107,758)	(3,844)
Changes in working capital items:		
Accounts payable and accrued liabilities	60,764	58,816
Prepaid expense	(128,519)	112,070
Receivable	(34,551)	-
Cash used in operating activities	(902,730)	(872,236)
<b>INVESTING ACTIVITIES</b>		
Exploration and evaluation assets	(5,000)	(1,312,394)
Cash used in investing activities	(5,000)	(1,312,394)
<b>FINANCING ACTIVITIES</b>		
Shares issued for cash	1,155,000	1,312,878
Share issue costs	(8,400)	(24,370)
Cash from financing activities	1,146,600	1,288,508
<b>Change in cash</b>	<b>238,870</b>	<b>(896,122)</b>
Cash, beginning of the period	161,712	1,131,497
<b>Cash, end of the period</b>	<b>400,582</b>	<b>235,375</b>

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

**SUPERQ QUANTUM COMPUTING INC. (Formerly known as ATCO MINING INC.)**  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS**  
**For the nine months ended September 30, 2025 and 2024**  
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**1. NATURE AND CONTINUANCE OF OPERATIONS AND GOING CONCERN**

SuperQ Quantum Computing Inc. (formerly known as Atco Mining Inc.) (the “Company”) was incorporated under the Business Corporations Act of British Columbia on January 28, 2021. The address of the Company’s corporate office and its principal place of business is 340 Midpark Way SE #300, Calgary, AB T2X 1P1, Canada.

The Company is engaged in the development and application of quantum annealing, gate-based quantum computing, and high-performance computing technologies. Its principal business is to provide solutions for complex problem-solving and enterprise transformation.

On September 19, 2022, the Company change its name from EV Ventures Inc. to Atco Mining Inc.

On October 25, 2022, the Company completed its Initial Public Offering (“IPO”). The Company’s shares are listed on the Canadian Securities Exchange (the “CSE”) under the trading symbol “ACTM”.

On March 21, 2025, the Company entered into an asset purchase agreement, with Staque Computing FZ-LLC to acquire the supercomputing software platform known as Super from Staque. Under the terms of the definitive agreement, the Company agrees to acquire the Staque assets in exchange for 10,000,000 (pre-consolidation:100,000,000) common shares of the Company, and the Company will continue as a technology issuer with a focus on quantum computing.

On July 9, 2025, Atco Mining Inc. consolidated its issued and outstanding common shares on a ten 10 for 1 basis.

On July 9, 2025, the Company completed its fundamental change through asset acquisition from Staque and changed its name from Atco Mining Inc. to SuperQ Quantum Computing Inc., commencing trading on the CSE under a new trading symbol of “QBTQ”.

On September 9, 2025, the Company completed its listing on the OTCQB Markets, under the symbol “QBTQF”.

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**1. NATURE AND CONTINUANCE OF OPERATIONS AND GOING CONCERN**  
**(continued)**

These interim financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. As at September 30, 2025, the Company has not generated revenue or cash flow from operations to fund its activities and therefore relies principally upon the issuance of securities for financing. Future capital requirements will depend on many factors including the Company's ability to execute its business plan. These factors form a material uncertainty which may cast significant doubt upon the Company's ability to continue as a going concern. The Company intends to continue relying upon the issuance of securities to finance its future activities but there can be no assurance that such financing will be available on a timely basis under terms acceptable to the Company.

The business of mining and exploration involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The carrying value of the Company's exploration and evaluation assets do not reflect current or future values. The Company has not yet determined whether its exploration and evaluation assets contain economically recoverable ore reserves. The Company has no source of operating revenue and has significant cash requirements to meet its administrative overhead and maintain its exploration and evaluation assets. The recoverability of amounts shown for exploration and evaluation assets is dependent on several factors, which include the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development of these properties, and future profitable production or proceeds from disposition of exploration and evaluation assets.

Although these interim financial statements do not include any adjustments that may result from the inability to secure future financing, such a situation would have a material adverse effect on the Company's recoverability of assets, classification of assets and liabilities, and results of operations should the Company be unable to continue as a going concern. Such adjustments could be material.

**Statement of Compliance**

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

These interim financial statements were approved by the Board of Directors of the Company on November 25, 2025.



## **2. MATERIAL ACCOUNTING POLICY INFORMATION**

### **Basis of presentation**

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

The presentation and functional currency of the Company is the Canadian dollar.

### **Significant accounting estimates and judgments**

#### **Use of estimates and assumptions**

The preparation of interim financial statements in accordance with IFRS requires the Company to make estimates and assumptions concerning the future. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include the fair value measurements for financial instruments, the recoverability and measurement of deferred tax assets, provisions for restoration and environmental obligations and contingent liabilities.

#### **Significant judgments**

The preparation of interim financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments applying to the Company's interim financial statements include:

#### **Going concern**

The assessment of whether the going concern assumption is appropriate requires management to take into account all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. The Company has disclosed a material uncertainty regarding going concern in Note 1 which requires the use of management's judgment on the ability of the Company to continue its operations and to develop or acquire a self-sustaining business or assets.

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**2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)**

Going concern (continued)

While management believes judgements and the estimates are reasonable, actual results could differ from those judgements and estimates and could impact future results of operations and cash flows.

Income taxes and recoverability of potential deferred tax assets

In assessing the probability of realizing income tax assets recognized, management makes estimates related to expectations of future taxable income, applicable tax planning opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities.

Share-based payments

The Company has an equity-settled share-based program for directors, officers, employees and consultants. Management determines values for share-based payments using market-based valuation techniques. The fair value of the market-based and performance-based non-vested share awards are determined at the date of grant using generally accepted valuation techniques. Assumptions are made and judgment used in applying valuation techniques. These assumptions and judgments include estimating the future volatility of the stock price, expected dividend yield, future employee turnover rates and for stock-based compensation, future employee stock option exercise behaviors and corporate performance. Such judgments and assumptions are inherently uncertain, and any changes in these assumptions affect the fair value estimates.

**Exploration and evaluation assets**

Pre-exploration costs are expensed as incurred. Costs directly related to the acquisition and exploration of mineral properties are capitalized once the legal rights to explore the mineral properties are acquired or obtained. When the technical and commercial viability of a mineral resource have been demonstrated and a development decision has been made, the capitalized costs of the related property are first tested for impairment and transferred to mining assets and amortized over the estimated useful life of the mining assets following commencement of commercial production.

## **2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)**

### **Exploration and evaluation assets (continued)**

The costs include cash or other consideration and the fair value of shares issued, if any, on the acquisition of exploration and evaluation assets. Costs related to properties acquired under option agreements or joint ventures, whereby payments are made at the sole discretion of the Company, are recorded in the accounts at such time as the payments are made. The Company does not accrue estimated future costs of maintaining its exploration and evaluation assets in good standing.

Capitalized costs as reported on the statements of financial position represent costs incurred to date and may not reflect present, or future values. Recovery of carrying value is dependent upon future commercial success or proceeds from disposition of the exploration and evaluation property interests.

Management assesses exploration and evaluation assets for impairment when facts and circumstances suggest that the carrying amount of an asset may exceed its recoverable amount. Write-downs due to impairment in value are charged to profit or loss.

If it is determined that capitalized acquisition, exploration, and evaluation costs are not recoverable, or the property is abandoned or management has determined an impairment in value, the property is written down to its recoverable amount. Exploration and evaluation assets are reviewed for impairment when facts and circumstances suggest that the carrying amount may exceed its recoverable amount.

General exploration costs not related to specific properties and general administrative expenses are charged to profit or loss in the period in which they are incurred.

### **Impairment of assets**

The carrying amount of the Company's assets (which include exploration and evaluation interests) is reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognized in profit or loss.

The recoverable amount of assets is the greater of an asset's fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

## **2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)**

### **Exploration and evaluation assets (continued)**

#### **Impairment of assets (continued)**

An impairment loss is only reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount, however, not to an amount higher than the carrying amount that would have been determined had no impairment loss been recognized in previous years. Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment.

#### **Share-based compensation**

The Company grants share purchase options and restricted share units to acquire common shares of the Company to directors, officers, employees, and consultants. An individual is classified as an employee when the individual is an employee for legal or tax purposes or provides services like those performed by an employee. Share-based payments to employees and others providing similar services are measured at the estimated fair value of the instruments issued on the grant date and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of the goods or services received or the fair value of the equity instruments issued if it is determined the fair value of the goods or services cannot be reliably measured and are recorded at the date the goods or services are received. The fair value of the stock options is determined using the Black-Scholes Option Pricing Model. The fair value of stock options is recognized to expense over the vesting period.

Consideration paid for the shares on the exercise of share purchase options is credited to share capital.

#### **Share issue costs**

Costs directly identifiable with the raising of capital will be charged against the related share capital. Costs related to shares not yet issued are recorded as deferred financing costs. These costs will be deferred until the issuance of the shares to which the costs relate, at which time the costs will be charged against the related share capital or charged to operations if the shares are not issued.

The value of compensatory warrants granted to agents in a private placement is determined using the Black-Scholes Option Pricing Model. The fair value of these compensatory warrants is recognized as share issuance costs, with the offsetting credit to reserves.

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**2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)**

**Basic and diluted loss per share**

Basic earnings (loss) per share is computed by dividing net earnings (loss) available to common shareholders by the weighted average number of shares outstanding during the reporting period. Diluted earnings per share is computed similar to basic earnings (loss) per share except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of stock options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that the proceeds from such exercises were used to acquire common stock at the average market price during the reporting periods. This calculation proved to be anti-dilutive for the periods presented.

**Flow-through shares**

On the issuance of flow-through shares, any premium received in excess of the market price of the Company's common shares is initially recorded as a liability ("flow-through tax liability"). Provided that the Company has renounced the related expenditures, or that there is a reasonable expectation that it will do so, the flow-through tax liability is reduced on a pro-rata basis as the expenditures are incurred. If such expenditures are capitalized, a deferred tax liability is recognized. To the extent that the Company has suitable unrecognized deductible temporary differences, an offsetting recovery of deferred income taxes would be recorded.

**(i) Classification**

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

The following table shows the classification of financial assets and liabilities:

Financial assets/liabilities	Classification
Cash	FVTPL
Accounts payable	Amortized cost

## **2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)**

### **Financial instruments (continued)**

#### **(ii) Measurement**

##### **Financial assets and liabilities at amortized cost**

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

##### **Financial assets and liabilities at FVTPL**

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statements of comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statements of comprehensive loss in the period in which they arise.

#### **(iii) Derecognition**

##### **Financial assets**

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity.

##### **Financial liabilities**

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when the terms of the liability are modified such that the terms and / or cash flows of the modified instrument are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

Gains and losses on derecognition are recognized in profit or loss.

## **2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)**

### **Financial instruments (continued)**

#### **Income taxes**

##### Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date, in the country where the Company operates and generates taxable income.

Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

##### Deferred tax

Deferred tax is provided for based on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

#### **Valuation of equity units issued in private placements**

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the most easily measured component based on fair value and then the residual value, if any, to the less easily measurable component.

### **3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT**

The Company's financial instruments consist of cash and accounts payable.

#### **Fair values**

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

The fair value hierarchy has the following levels:

Level 1 - quoted prices (unadjusted) in active markets for identical assets and liabilities;

Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair value of cash is determined using level 1 of the fair value hierarchy. The carrying values of the accounts payable approximate their fair values due to the expected maturity of these financial instruments.

#### **Financial instrument risk exposure and risk management**

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company considers the fluctuations of financial markets and seeks to minimize potential adverse effects on financial performance.

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board approves and monitors the risk management process.



### **3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)**

#### **Financial instrument risk exposure and risk management (continued)**

##### **(a) Credit risk**

Credit risk is the risk of a financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligation. The Company's exposure to credit risk is limited to cash. The Company manages credit risk, in respect of cash, by placing its cash with a major Canadian financial institution in accordance with the Company's investment policy.

Concentration of credit risk exists with respect to the Company's cash as all amounts are held at a single major Canadian financial institution. The Company's concentration of credit risk and maximum exposure thereto is considered moderate.

The maximum exposure to credit risk is equal to the fair value or carrying value of cash.

##### **(b) Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in obtaining funds to meet commitments. The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuances. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments. The Company's liquidity risk is considered high.

##### **(c) Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and commodity price risk.

###### **i. Interest rate risk**

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in market interest rates. Certain of the Company's accounts payable are subject to interest on unpaid balances. Additionally, the Company holds cash balances in an interest-bearing bank account. The interest rate risk is considered minimal.

### **3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)**

#### **Financial instrument risk exposure and risk management (continued)**

ii. Commodity price risk

Commodity price risk is the risk that the fair or future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company actively monitors commodity price changes and stock market prices to determine the appropriate course of action to be taken by the Company. Commodity price risk is minimal.

iii. Foreign Currency Risk

Currency risk is the risk that the fair values or future cash flows of a financial instrument will fluctuate as they are denominated in currencies that differ from the respective functional currency. The Company's expenses are denominated in Canadian dollars. The Company's corporate office is based in Canada and current exposure to exchange rate fluctuations is minimal. The functional currency of the Company is the Canadian dollar. As of September 30, 2025, the Company had no financial assets and liabilities that are subject to currency risk. Foreign currency risk is assessed to be minimal.

#### **Accounting standards and interpretations issued but not yet effective**

The Company has reviewed the accounting standards or amendments to existing accounting standards that have been issued but have future effective dates and determined that these are either not applicable or are not expected to have a significant impact on the Company's financial statements.

In April 2024, the IASB issues IFRS 18 Presentation and Disclosure in Financial Statements ("IFRS 18"), which will replace IAS 1 and includes requirements for all entities applying IFRS Accounting Standards for the presentation and disclosure of information in the financial statements. IFRS 18 will introduce new totals, subtotals, and categories for income and expenses in the statement of income, as well as requiring disclosure about management-defined performance measures and additional requirements regarding the aggregation and disaggregation of certain information. It will be effective on January 1, 2027, with earlier adoption permitted, and it must be adopted on a retrospective basis. The Company is currently evaluating the impact on its financial statements.

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

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**4. EXPLORATION AND EVALUATION ASSETS**

The Company incurred the following exploration and evaluation costs related to the Salt Properties, Flat Bay Project and Atlantic Project.

	<b>Salt Properties</b>	<b>Flat Bay Project</b>	<b>Total</b>
	<b>\$</b>		
<b>ACQUISITION COST</b>			
<b>Balance, December 31, 2024</b>	-	-	-
Shares issued (Note 5)	-	4,999	4,999
<b>Balance, September 30, 2025</b>	-	<b>4,999</b>	<b>4,999</b>
<b>EXPLORATION AND EVALUATION COSTS</b>			
<b>Balance, December 31, 2024</b>	<b>70,839</b>	-	<b>70,839</b>
Administration	5,000	-	5,000
Total deferred exploration costs for the period	<b>75,839</b>	-	<b>75,839</b>
Impairment	(75,839)	(4,999)	(80,838)
<b>Balance, September 30, 2025</b>	-	-	

  

	<b>Salt Properties</b>	<b>Flat Bay Project</b>	<b>Atlantic Project</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>ACQUISITION COST</b>				
<b>Balance, December 31, 2023</b>	<b>264,250</b>	<b>72,500</b>	-	<b>336,750</b>
Cash payments	-	-	110,000	110,000
Shares issued (Note 5)	-	10,000	285,000	295,000
<b>Balance, December 31, 2024</b>	<b>264,250</b>	<b>82,500</b>	<b>395,000</b>	<b>741,750</b>
<b>EXPLORATION AND EVALUATION COSTS</b>				
<b>Balance, December 31, 2023</b>	<b>173,662</b>	<b>52,500</b>	-	<b>226,162</b>
Administration	2,659	-	-	2,659
Field costs, including drilling	-	-	1,199,535	1,199,535
Geological (Note 6)	200	-	-	200
Total deferred exploration costs for the year	<b>176,521</b>	<b>52,500</b>	<b>1,199,535</b>	<b>1,428,556</b>
Impairment	(369,932)	(135,000)	(1,594,535)	(2,099,467)
<b>Balance, December 31, 2024</b>	<b>70,839</b>	-	-	<b>70,839</b>

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**4. EXPLORATION AND EVALUATION ASSETS (continued)**

**Salt Properties - Terminated**

The Salt properties are comprised of the following projects:

Newfoundland and Labrador Project – terminated

On March 9, 2022, the Company signed a mineral property agreement to purchase 100% interest in the Newfoundland and Labrador Project Mineral Property located in the Province of Newfoundland and Labrador, Canada.

During the year ended December 31, 2024, the Company decided to not proceed with this project and recorded an impairment of \$44,130.

During the nine months ended September 30, 2025, the Company recorded a total impairment of \$75,839 to fully impair all of Salt Properties.

Lunar North Project - terminated

On November 3, 2022, the Company acquired the Lunar North project which consists of 16 claims.

Adonis Project – terminated

On December 6, 2022, the Company staked the Adonis Project which consists of 190 claims.

During the year ended December 31, 2024, the Company decided to not proceed 42 out of the 190 mining claims and therefore recorded a partial impairment of \$6,048.

During the nine months ended September 30, 2025, the Company recorded a total impairment of \$75,839 to fully impair all of Salt Properties.

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**4. EXPLORATION AND EVALUATION ASSETS (continued)**

**Salt Properties (Newfoundland and Labrador Project) (continued)**

Rocky Salt Project - terminated

On December 13, 2022, the Company acquired the Rocky Salt Project.

The project was acquired from certain vendors pursuant to the terms of a mineral property acquisition agreement. In consideration for the project, the Company will issue an aggregate of 700,000 common shares (issued with a fair value of \$217,000) and will issue an additional 1,050,000 common shares (issued with a fair value of \$47,250 on the 12-month anniversary of closing).

As further consideration for the acquisition of the project, the company has granted the vendors a 2% NSR on commercial production from the project. One-half of the NSR may be purchased by the company at any time for a cash payment of \$1,000,000.

During the year ended December 31, 2024, the Company decided not to pursue the project and recognized an impairment loss of \$308,380.

**Flat Bay Project – Terminated**

On April 24, 2023, the Company entered into a mineral property acquisition agreement to acquire a project on the west coast of Newfoundland. The Flat Bay project, will be 100% owned by the Company upon completion of the acquisition. The project consists of 1 licence.

The definitive agreement was entered into with Voa Exploration Inc., a private corporation existing under the laws of the Province of British Columbia. Pursuant to the definitive agreement, the Company agreed to purchase the project for and in consideration of the issuance of 700,000 common shares in the capital of the Company, and a one-time cash payment of \$20,000 (paid). Upon closing of the acquisition, 300,000 consideration shares will be issued (issued with a fair value of \$52,500) to the vendor along with the consideration payment, with a further 200,000 consideration shares issued on or before the 12-month anniversary of the closing date (issued with a fair value of \$10,000), and the final 200,000 consideration shares issued on or before the 24-month anniversary of the closing date (issued with a fair value of \$4,999).

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**4. EXPLORATION AND EVALUATION ASSETS (continued)**

**Flat Bay Project – Terminated (continued)**

Following issuance of the consideration shares, the Company will grant a 2% NSR on returns from the commercial production of minerals from the project. The royalty shall be freely assignable, upon written notice to the purchaser, and one-half (1%) of the NSR may be purchased at any time for a cash payment of \$1,500,000.

During the year ended December 31, 2024, the Company decided not to pursue the project and recognized an impairment loss of \$135,000.

During the nine months ended September 30, 2025, the Company issued the final 200,000 consideration shares issued with a fair value of \$4,999 and impaired immediately.

**Atlantic Project**

On February 16, 2024, the Company signed a definitive option agreement, to acquire up to 75% interest in the Atlantic uranium project (“Project”), located in the eastern Athabasca basin of Northern Saskatchewan.

Pursuant to the Option Agreement, the Company has been granted the option to earn a 75% interest over two years in the Project. The option is exercisable by the Company making cash payments, issuing common shares to the optionor and incurring exploration expenditures on the Project, summarized as follows:

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**4. EXPLORATION AND EVALUATION ASSETS (continued)**

**Atlantic Project (continued)**

	Consideration payments	Consideration shares	Exploration expenditures	Operator fee (10-12%)
	\$		\$	\$
		3,000,000 (issued, with a fair value of		
On signing	110,000 (paid)	\$285,000)	-	-
Year 1	120,000	6,000,000	1,300,000	130,000
Year 2	200,000	6,000,000	2,000,000	240,000
Year 3	-	-	3,000,000	360,000
Total	430,000	15,000,000	6,300,000	730,000

During the year ended December 31, 2024, the Company decided not to pursue the project and recognized an impairment loss of \$1,594,535.

**5. SHARE CAPITAL**

**Share Capital**

(a) Authorized:

The Company is authorized to issue an unlimited number of common shares without par value.

(b) As at September 30, 2025, the Company has 26,623,397 (December 31, 2024: 7,765,585 (pre-consolidation: 77,655,853)) common shares issued and outstanding.

During the nine months ended September 30, 2025:

- i. On September 5, 2025, the Company settled its debt with non-arm's length party by issuance of 137,812 common shares (Note 6).
- ii. On July 9, 2025, the Company completed consolidated its issued and outstanding common shares on a 10 for 1 basis (one new share for 10 old shares)
- iii. On July 9, 2025, the Company issued 10,000,000 (pre-consolidation: 100,000,000) common shares to Staque and 1,000,000 (pre-consolidation: 10,000,000) common shares to two arm's length party finders upon completion of its fundamental change (Notes 6 and 8).
- iv. On April 4, 2025, the Company issued 20,000 (pre-consolidation: 200,000) common shares at a fair value of \$4,999 as final consideration for the Flat Bay Project (Note 4).

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**5. SHARE CAPITAL (continued)**

**Share Capital (continued)**

During the nine months ended September 30, 2025 (continued):

- v. On February 12, 2025, the Company closed its non-brokered private placement and issued 7,700,000 (pre-consolidation: 77,000,000) common shares of the company at a price of \$0.15 (pre-consolidation: \$0.015) per share for gross proceeds of \$1,155,000. In connection with closing of the offering, the company paid finders' fees of \$8,400.

During the year ended December 31, 2024:

- i. On May 17, 2024, the Company closed its non-brokered private placement and issued 411,487 (pre-consolidation: 4,114,870) flow-through units ("FT") at a price of \$0.575 (pre-consolidation: \$0.0575) per FT unit for gross proceeds of \$236,605 (Note 7). Each FT unit consists of one common share of the company and one transferable common share purchase warrant entitling the holder thereof to purchase one additional share at a price of \$1.50 (pre-consolidation: \$0.15) until May 17, 2026. In connection with closing of the offering, the company paid finders' fees of \$19,580, legal fees of \$3,195 and issued 14,140 (pre-consolidation: 141,395) finders' units and 2,240 (pre-consolidation: 22,400) finders' warrants with a total fair value of \$7,867 to certain arm's-length parties. Each finder's unit comprised one common share of the company and one warrant.
- ii. On April 24, 2024 the Company issued 20,000 (pre-consolidation: 200,000) common shares at a fair value of \$10,000 as partial consideration for the Flat Bay Project (Note 4).
- iii. On April 11, 2024, the Company issued 363,546 (pre-consolidation: 3,635,463) non-flow-through ("NFT") units at a price of \$0.50 (pre-consolidation: \$0.05) per NFT unit for gross proceeds of \$181,773. Each NFT Unit consists of one common share of the company and one transferable common share purchase warrant, entitling the holder thereof to purchase one additional share at a price of \$1.50 (pre-consolidation: \$0.15) until April 11, 2026.



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**5. SHARE CAPITAL (continued)**

During the year ended December 31, 2024 (continued):

- iv. On March 18, 2024, the Company issued 620,000 (pre-consolidation: 6,200,000) FT units at a price of \$0.575 (pre-consolidation: \$0.0575) per FT unit (Note 7) and 1,076,000 (pre-consolidation: 10,760,000) NFT at a price of \$0.50 (pre-consolidation: \$0.05) per NFT unit for gross proceeds of \$894,500. Each unit consists of one common share of the company and one transferable common share purchase warrant, entitling the holder thereof to purchase one additional share at a price of \$1.50 (pre-consolidation: \$0.15) until March 18, 2026. In connection with closing of the offering, the company paid finders' fees of \$4,790 and issued 9,400 (pre-consolidation: 94,000) warrants with a total fair value of \$5,009 to certain arm's-length parties. Each finder's unit comprised one common share of the company and one warrant.
- v. On February 16, 2024, the Company issued 300,000 (pre-consolidation: 3,000,000) common shares at a fair value of \$285,000 as partial consideration for the Atlantic Project (Note 4).

**Warrants**

During the nine months ended September 30, 2025, there were no additional warrants.

During the year ended December 31, 2024:

In connection with the private placement held on May 17, 2024, the Company issued 411,487 (pre-consolidation: 4,114,870) share purchase warrants entitling the holder thereof to purchase one additional share at a price of \$1.50 (pre-consolidation: \$0.15) until May 17, 2026. Under the residual method, the 411,487 (pre-consolidation: 4,114,870) warrants issued attached to the private placement units was valued at \$nil.

In connection with closing of the offering on May 17, 2024, the Company issued 14,140 (pre-consolidation: 141,395) finders' units and 2,240 (pre-consolidation: 22,400) finders' warrants. Each finder's unit comprised one common share of the company and one warrant valued at \$7,070. The fair value of 2,240 (pre-consolidation: 22,400) finders' warrants of \$797 was calculated using Black-Scholes Option Pricing Model with the following assumptions: stock price – \$0.045; exercise price – \$0.150; expected life – two years; volatility – 181.4%; dividend yield – \$nil; and risk-free rate – 4.31%.

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**5. SHARE CAPITAL (continued)**

**Warrants (continued)**

In connection with the private placement held on April 11, 2024, the Company issued 363,546 (pre-consolidation: 3,635,463) share purchase warrants entitling the holder thereof to purchase one additional share at a price of \$0.15 (pre-consolidation: \$0.15) until April 11, 2026. Under the residual method, the 363,546 (pre-consolidation: 3,635,463) warrants issued attached to the private placement units was valued at \$nil.

In connection with the private placement held on March 18, 2024, the Company issued 1,696,000 (pre-consolidation: 16,960,000) common share purchase warrants entitling the holder thereof to purchase one additional common share at a price of \$1.50 (pre-consolidation: \$0.15) until March 18, 2026. Under the residual method, the 1,696,000 (pre-consolidation: 16,960,000) warrants issued attached to the private placement units was valued at \$nil.

In connection with closing of the offering held on March 18, 2024, the Company issued 9,400 (pre-consolidation: 94,000) warrants. The fair value of 9,400 (pre-consolidation: 94,000) finders' warrants of \$5,009 was calculated using Black-Scholes Option Pricing Model with the following assumptions: stock price – \$0.065; exercise price – \$0.150; expected life – two years; volatility – 216%; dividend yield – \$nil; and risk-free rate – 4.33%.

A summary of warrants activity is:

	<b>Number of warrants</b>	<b>Weighted Average Exercise Price</b>
<b>After consolidation</b>		\$
Balance, December 31, 2023	1,932,988	1.80
Issued	2,496,813	1.50
Expired	(62,284)	1.00
Balance, December 31, 2024 and September 30, 2025	4,367,517	1.60

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**5. SHARE CAPITAL (continued)**

Details of warrants outstanding are:

<b>Expiry date</b>	<b>Exercise price</b>	<b>Number outstanding</b>	<b>Outstanding life (years)</b>
	\$		
August 15, 2025 (extended to February 16, 2026)	1.50	1,199,400	0.38
March 7, 2026	2.40	671,250	0.43
March 18, 2026	2.40	1,705,400	0.46
April 11, 2026	1.50	363,546	0.53
May 17, 2026	1.50	427,921	0.63
		4,367,517	0.46

**Share Purchase Options**

The Company has adopted a Stock Option Plan under which the aggregate number of shares that may be issued pursuant to the exercise of the stock options awarded under the Stock Option Plan and all other security-based compensation arrangements of the Company shall not exceed 10% of the issued and outstanding shares at any given time.

During the nine months ended September 30, 2025, the Company granted 1,040,000 share purchase options to certain directors, officers and consultants, entitling the holder thereof to purchase one additional share at a price of \$1.08 until August 8, 2028. The fair value of \$935,730 was calculated using Black-Scholes Option Pricing Model with the following assumptions: stock price – \$1.36; exercise price – \$1.08; expected life – three years; volatility – 97.50%; dividend yield – \$nil; and risk-free rate – 2.69%.

During the nine months ended September 30, 2025, the Company granted 200,000 share purchase options to an arm's length party, entitling the holder thereof to purchase one additional share at a price of \$1.20 until August 19, 2028. The fair value of \$130,440 was calculated using Black-Scholes Option Pricing Model with the following assumptions: stock price – \$1.09; exercise price – \$1.20; expected life – three years; volatility – 97.50%; dividend yield – \$nil; and risk-free rate – 2.69%.

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**5. SHARE CAPITAL (continued)**

**Share Purchase Options (continued)**

A summary of share options activity is:

	<b>Number of share purchase options</b>	<b>Weighted Average Exercise Price</b>
<b>After consolidation</b>		\$
Balance, December 31, 2023	150,000	2.20
Cancelled	(20,000)	2.00
Expired	(10,000)	3.10
Balance, December 31, 2024	120,000	2.20
Granted	1,240,000	1.10
Expired	(40,000)	2.50
Balance, September 30, 2025	1,320,000	1.15

Details of share options outstanding are:

<b>Expiry date</b>	<b>Exercise price</b>	<b>Number Outstanding</b>	<b>Number Exercisable</b>	<b>Outstanding life (years)</b>
	\$			
November 14, 2025	2.00	60,000	60,000	0.12
November 28, 2025	2.00	20,000	20,000	0.16
August 5, 2028	1.08	1,040,000	1,040,000	2.85
August 19, 2028	1.20	200,000	125,000	2.89
	1.15	1,320,000	1,245,000	2.69

**Restricted Share Units**

The Company has a Restricted Share Unit (RSU) Plan that allows for the granting of RSU's to eligible officers, employees, directors and consultants. The maximum RSU term is 10 years.

Each RSU represents the right to receive, upon vesting, one common share of the Company.

During the nine months ended September 30, 2025 and the year ended December 31, 2024, there were no restricted share units were granted.

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**5. SHARE CAPITAL (continued)**

**Share reserve**

The share reserve includes stock-based compensation expense related to fair value of stock options granted and also the fair value of warrants issued for services, until such time that the stock options or warrants are exercised, at which time the corresponding amount will be transferred to share capital. The reserve also includes the relative fair value of attachable warrants issued as a part of units in conjunction with private placements of common shares.

**Escrow shares**

As at September 30, 2025 and December 31, 2024, there were nil shares held in escrow.

**6. KEY MANAGEMENT COMPENSATION AND RELATED PARTY BALANCES AND TRANSACTIONS**

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

Key management includes directors and key officers of the Company, including the Chief Executive Officer (“CEO”), Chief Financial Officer (“CFO”), Chief Operating Officer (“COO”), Chief Business Officer (“CBO”) and other officer, and companies controlled by directors and key officers of the Company.

	<b>Nine months ended September 30, 2025</b>	<b>Nine months ended September 30, 2024</b>
	\$	\$
Consulting fees <sup>1)</sup>	52,478	232,500
Management and directors’ fees <sup>2)</sup>	89,000	13,500
CFO and accounting fees	90,000	90,000
Salary	85,000	168,545
Share-based compensation (Note 5)	595,088	472
Exploration and evaluation costs (Note 4)	-	2,859
<b>Total key management compensation</b>	<b>911,566</b>	<b>507,876</b>

1) Consulting fees were paid to companies controlled by a certain officer, a director, and an employee of the Company

2) Management and directors’ fees include former directors’ fees of \$9,000 during the nine months ended September 30, 2025 (2024 - \$13,500)

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**6. KEY MANAGEMENT COMPENSATION AND RELATED PARTY BALANCES AND TRANSACTIONS (continued)**

As at September 30, 2025, \$6,000 (December 31, 2024: \$137,675) was payable to companies controlled by directors and officers and is included in accounts payable. The amounts due bear no interest and are payable on demand.

During the nine months ended September 30, 2025, the Company settled its debt of \$165,375 with a company having a common CFO and controlled by other officer through the issuance of 137,812 common shares at a deemed price of \$1.20 per share.

During the nine months ended September 30, 2025, 10,000,000 (pre-consolidation: 100,000,000) common shares of the Company were issued to a company controlled by a director and an officer at a deemed price of \$0.25 (pre-consolidation: \$0.025) per share.

During the nine months ended September 30, 2025, the Company entered into an agreement with a company controlled by a director and an officer to share revenue from development services, starting July 10, 2025. The Company incurred \$12,600, which was recorded in other income. The underlying revenue was from another company controlled by the same director and officer and was receivable as of September 30, 2025 (December 31, 2024: \$Nil).

**7. FLOW-THROUGH PREMIUM**

A summary of premium on flow-through shares is as follows:

	<b>Nine months ended September 30, 2025</b>	<b>Year ended December 31, 2024</b>
	\$	\$
Balance, beginning of period	-	-
Premium of flow-through shares issues (Note 5)	-	97,936
Flow-through share premium reversal	-	(97,936)
<b>Balance, end of period</b>	<b>-</b>	<b>-</b>

On May 17, 2024, the Company issued 411,487 (pre-consolidation: 4,114,870) FT units for gross proceeds of \$236,605 (Note 5) and recognized a deferred flow-through premium of \$51,436, non-cash, as the difference between the amounts recognized in common shares and the amounts the investors paid for the shares. The premium was reversed during the year ended December 31, 2024.

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**7. FLOW-THROUGH PREMIUM (continued)**

On March 18, 2024, the Company issued 620,000 (pre-consolidation: 6,200,000) FT units for gross proceeds of \$356,500 (Note 5) and recognized a deferred flow-through premium of \$46,500, non-cash, as the difference between the amounts recognized in common shares and the amounts the investors paid for the shares. The premium was reversed during the year ended December 31, 2024.

**8. CHANGE OF BUSINESS**

On July 9, 2025, the Company completed its asset acquisition (the “Transaction”) of Super from Staque.

In connection with the Transaction, Staque was issued 10,000,000 (pre-consolidation: 100,000,000) common shares at a deemed price of \$0.25 (pre-consolidation: \$0.025) per common share. Additionally, in connection with the completion of the Transaction, the Company issued an aggregate of 1,000,000 common shares at a deemed price of \$0.25 (pre-consolidation: \$0.025) per common share to two arm’s length third-parties who assisted with the Transaction.

.At the time of the transaction, the Company will not constitute a business as defined under IFRS 3 Business Combination; therefore, the transaction will be accounted for under IFRS 2 Share-Based Payment, where the difference between the consideration given to acquire the Company and the net assets of the Company acquired is recorded as transaction costs.

The total consideration and allocation of the consideration are as follows:

	\$
Fair value of 10,000,000 (pre-consolidation:100,000,000) common shares issued to Staque	2,500,000
Fair value of 1,000,000 (pre-consolidation:10,000,000) common shares issued to finders	250,000
	<u>2,750,000</u>

Allocation of Purchase Consideration:

Transaction costs	2,750,000
	<u>2,750,000</u>

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**9. CAPITAL MANAGEMENT**

The Company manages its capital structure and makes adjustments to it based on the funds available and the operational needs of the business. The Company's primary objective in managing capital is to ensure it has sufficient financial flexibility to support the continued development and commercialization of its proprietary technology platforms and to maintain the ability to pursue strategic opportunities that enhance shareholder value.

The Board of Directors does not establish specific quantitative return-on-capital criteria for management but relies on the expertise of management to balance the Company's development objectives with prudent financial risk management.

Since the Company is in the development and early commercialization stage, it is dependent on external financing to fund its operations, research and development activities, and general administrative expenditures. The Company's capital management strategy is to preserve a strong working capital position while seeking to raise additional funds through equity issuance, debt financing, or strategic partnerships as necessary.

Management continuously reviews its capital structure and funding requirements in light of economic conditions, business prospects, and market opportunities, and believes that its current approach is appropriate given the Company's stage of development and scale of operations.

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

**10. SUBSEQUENT EVENTS**

On October 1, 2025, the Company appointed Renae Barlow as vice-president of the Company and granted 430,000 share purchase options to her related company, Summit Stream Inc., entitling the holder thereof to purchase one additional share at a price of \$1.26 until October 1, 2029.

On October 21, 2025, the Company issued a total of 3,285,713 units at a price of \$1.05 per unit for aggregate gross proceeds of \$3,450,000.

Each unit consists of one common share and one share purchase warrant. Each warrant entitles the holder thereof to acquire one additional share at a price of \$1.40 per share for a period of 36 months from the closing of the offering.

The offering was led by Hampton which received a cash commission equal to 7% of the gross proceeds of the offering and was issued non-transferable broker warrants equal to 7% of the number of units issued pursuant to the offering. Each broker warrant is exercisable to acquire one share at the issue price for a period of 36 months from the closing of the offering.