GIGAMETALS CORPORATION

Consolidated Financial Statements

Years Ended December 31, 2025 and 2024

Expressed in Canadian Dollars

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Independent Auditor's Report

To the Shareholders of Giga Metals Corporation

Opinion

We have audited the consolidated financial statements of Giga Metals Corporation (the "Group"), which comprise the consolidated statements of financial position as at December 31, 2025 and December 31, 2024 and the consolidated statements of comprehensive loss, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2025 and December 31, 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

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

Material Uncertainty Related to Going Concern

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the year ended December 31, 2025. In addition to the matter described in the Material uncertainty related to going concern section, we have determined the matters described below to be a key audit matter to be communicated in our report. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

<u>Asset Retirement Obligations</u>

We draw attention to Notes 2 and 8 in the consolidated financial statements. The Group recognizes asset retirement obligations ("ARO") for future reclamation costs related to its Turnagain Cobalt Nickel Project. At December 31, 2025, the carrying value of the ARO is $590,000.

Why the matter was determined to be a key audit matter

We identified the Group's ARO as a key audit matter due to: (i) the significant judgment and estimate made by management in determining this obligation, including the assessment of the nature and extent of future work to be performed, the future cost of performing the rehabilitation work, and the timing of when the rehabilitation will take place; (ii) a high degree of auditor judgment, subjectivity and effort in performing procedures related to the significant assumptions; and (iii) the audit effort that involved the use of professionals with specialized skill and knowledge in the subject matter.

How the matter was addressed in our audit

In responding to the key audit matter, we performed the following audit procedures:

- Obtained an understanding of management's process to develop their ARO estimate;
- Engaged a subject matter expert to assist us in evaluating the assumptions, methodology, and data used by the Group;
- Evaluated the methodology used and tested the significant assumptions in the ARO calculations;
- Performed recalculation to verify the accuracy of the estimates; and
- Evaluated the adequacy of the Group's disclosures related to the ARO.

Other Information

Management is responsible for the other information. The other information comprises:

- Management's Discussion and Analysis

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the other information prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

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

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

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

Those charged with governance are responsible for overseeing the Group’s financial reporting process.

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

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

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

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

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

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

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

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

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

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Diana Huang.

Crowe MacKay LLP

Chartered Professional Accountants
Vancouver, Canada
April 23, 2026

Giga Metals Corporation
Consolidated Statements of Financial Position
As at December 31, 2025 and 2024
Expressed in Canadian Dollars

	Notes	2025 $	2024 $
ASSETS			
Current assets			
Cash and cash equivalents	16	1,161,543	289,897
Receivables	3,12	23,548	85,867
Prepaid expenses and deposits		65,164	168,113
		1,250,255	543,877
Non-current assets			
Reclamation deposits		424,000	424,000
Equipment and right of use assets	4	523,532	572,833
Exploration and evaluation assets	4, 5	21,925,117	21,125,186
		22,872,649	22,122,019
TOTAL ASSETS		**24,122,904**	**22,665,896**
LIABILITIES			
Current liabilities			
Trade payables and accrued liabilities	6,12	398,428	179,836
Lease obligation – short-term	7	32,090	30,073
Flow-through premium liability	9, 10	169,954	-
		600,472	209,909
Non-current liabilities			
Lease obligation – long-term	7	53,648	-
Asset retirement obligations	8	590,000	590,000
Deferred income tax liability	9	-	700,000
		643,648	1,290,000
TOTAL LIABILITIES		**1,244,120**	**1,499,909**
EQUITY			
Share capital	10	72,022,962	69,726,865
Share-based payment reserve	11	11,659,267	11,428,578
Accumulated deficit		(63,966,104)	(63,055,508)
TOTAL EQUITY ATTRIBUTABLE TO OWNERS		**19,716,125**	**18,099,935**
NON-CONTROLLING INTEREST		**3,162,659**	**3,066,052**
TOTAL EQUITY		**22,878,784**	**21,165,987**
TOTAL LIABILITIES AND EQUITY		**24,122,904**	**22,665,896**

Nature and continuance of operations (Note 1)
Commitments (Notes 7, 8 and 9)
Subsequent events (Notes 10 and 16)

APPROVED ON BEHALF OF THE BOARD OF DIRECTORS:

DIRECTOR *"SCOTT LENDRUM"* **DIRECTOR** *"LYLE DAVIS"*

See accompanying notes to the consolidated financial statements

Giga Metals Corporation
Consolidated Statements of Comprehensive Loss
For the years ended December 31, 2025 and 2024
Expressed in Canadian Dollars

	Notes	2025 $	2024 $
Operating expenses			
Depreciation	4	65,954	116,958
Consulting fees		13,500	32,524
Corporate communications and investor relations		345,117	353,448
Legal, accounting and audit	12	276,145	280,152
Management and directors' fees	12	305,470	403,745
Office and general		312,868	264,009
Travel and accommodation		26,981	54,561
Stock-based compensation	10,12	167,870	153,335
		1,513,905	1,658,732
Other items			
Interest income		(8,685)	(21,976)
Finance charge on lease	7	10,705	13,988
Income from sublease of office	7, 12	(1,690)	(25,715)
Bad debt expense	3, 12	33,950	-
Loss on settlement of debt	10	12,650	-
Flow-through premium income	9	(46,846)	-
		84	(33,703)
Loss for the year before tax		(1,513,989)	(1,625,029)
Deferred income tax recovery (expense)	9	700,000	(700,000)
Loss and comprehensive loss for the year		**(813,989)**	**(2,325,029)**
Loss and comprehensive loss for the year attributable to:			
Owners of the parent company		(910,596)	(2,117,073)
Non-controlling interest		96,607	(207,956)
		(813,989)	**(2,325,029)**
Loss per share attributable to the owners of the parent company – basic and diluted	10	**(0.01)**	**(0.02)**
Weighted average number of shares outstanding – basic and diluted	10	**114,597,992**	**100,945,430**

See accompanying notes to the consolidated financial statements

Giga Metals Corporation
Consolidated Statement of Changes in Equity
For the years ended December 31, 2025 and 2024
Expressed in Canadian Dollars

		Share capital						
	Notes	Number of shares #	Amount $	Share-based payment reserve $	Accumulated deficit $	Total equity attributable to owners $	Non-controlling interest $	Total equity $
Balance at December 31, 2023		97,904,128	68,642,773	11,261,049	(60,938,435)	18,965,387	3,274,008	22,239,395
Private placement of units	10	7,683,333	1,152,500	-	-	1,152,500	-	1,152,500
Share issuance costs								
Cash finders' fees	10	-	(35,560)	-	-	(35,560)	-	(35,560)
Finders' warrants	10	-	(14,194)	14,194	-	-	-	-
Other fees	10	-	(18,654)	-	-	(18,654)	-	(18,654)
Stock-based compensation	10	-	-	153,335	-	153,335	-	153,335
Comprehensive loss for the year		-	-	-	(2,117,073)	(2,117,073)	(207,956)	(2,325,029)
Balance at December 31, 2024		105,587,461	69,726,865	11,428,578	(63,055,508)	18,099,935	3,066,052	21,165,987
Flow-through private placement	10	13,042,288	1,519,314	-	-	1,519,314	-	1,519,314
Transfer to flow-through premium liability	10	-	(216,800)	-	-	(216,800)	-	(216,800)
Private placement of units	10	12,149,109	1,180,452	-	-	1,180,452	-	1,180,452
Share issuance costs								
Cash finders' fees	10	-	(154,384)	-	-	(154,384)	-	(154,384)
Finders' warrants	10	-	(62,819)	62,819	-	-	-	-
Other fees	10	-	(45,566)	-	-	(45,566)	-	(45,566)
Shares issued for debt	10	632,500	75,900	-	-	75,900	-	75,900
Stock-based compensation	10	-	-	167,870	-	167,870	-	167,870
Comprehensive loss for the year		-	-	-	(910,596)	(910,596)	96,607	(813,989)
Balance at December 31, 2025		**131,411,358**	**72,022,962**	**11,659,267**	**(63,966,104)**	**19,716,125**	**3,162,659**	**22,878,784**

Giga Metals Corporation
Consolidated Statements of Cash Flows
For the years ended December 31, 2025 and 2024
Expressed in Canadian Dollars

	2025 $	2024 $
Operating activities		
Loss for the year	(813,989)	(2,325,029)
Adjustments for:		
Depreciation	65,954	116,958
Stock-based compensation	167,870	153,335
Loss on settlement of debt	12,650	-
Bad debt expense	33,950	-
Flow-through premium income	(46,846)	-
Deferred income tax (recovery) expense	(700,000)	700,000
Changes in non-cash working capital items:		
Receivables	28,369	11,437
Prepaid expenses and deposits	102,949	(24,323)
Trade payables and accrued liabilities	241,727	(52,335)
Net cash flows used in operating activities	(907,366)	(1,419,957)
Investing activities		
Expenditures on exploration and evaluation assets	(825,096)	(816,597)
British Columbia mining tax credits	161,586	16,794
Purchase of equipment	(4,507)	(392)
Net cash flows used in investing activities	(668,017)	(800,195)
Financing activities		
Proceeds from issuance of common shares	2,699,766	1,152,500
Share issuance costs	(199,950)	(54,214)
Principal repayment of lease obligation	(52,787)	(109,408)
Net cash flows provided by financing activities	2,447,029	988,878
Increase (decrease) in cash and cash equivalents	871,646	(1,231,274)
Cash and cash equivalents, beginning	289,897	1,521,171
Cash and cash equivalents, ending	**1,161,543**	**289,897**
Cash	1,161,543	260,414
Cash equivalents	-	29,483
	1,161,543	289,897
Cash received for interest	8,824	21,882
Cash paid for interest	19,666	13,988
Cash paid for taxes	-	-

Supplemental cash flow information (Note 14)

See accompanying notes to the consolidated financial statements

1. Nature and continuance of operations

Giga Metals Corporation (the "Company" or "Giga Metals") was incorporated on January 17, 1983, under the laws of the province of British Columbia, Canada, and its principal activity is the acquisition and exploration of mineral properties in Canada. The Company's common shares are listed for trading on the TSX Venture Exchange ("TSXV") under the symbol "GIGA" and the OTCQB under the symbol "GIGGF".

The head office, principal address and records office of the Company are located at 700 West Pender Street, Suite 604, Vancouver, British Columbia, Canada, V6C 1G8. The Company's registered address is 2500 Park Place, 666 Burrard Street, Vancouver, British Columbia, Canada, V6C 2X8.

These consolidated financial statements have been prepared on the assumption that the Company and its subsidiaries will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. As at December 31, 2025, the Company's accumulated deficit was $63,966,104, the Company had not advanced its mineral properties to commercial production and the Company has no other source of revenue from its operations. The Company's continuation as a going concern is dependent upon the successful results from its mineral property exploration activities and its ability to attain profitable operations and generate funds there from and/or raise equity capital or borrowings sufficient to meet current and future obligations. These material uncertainties may cast significant doubt upon the Company's ability to continue as a going concern. As at December 31, 2025, the Company had working capital of $649,783, which is insufficient to continue operations for the next twelve months. Subsequent to December 31, 2025, the Company completed a flow through share financing raising gross proceeds of $900,000 (Note 16).

The Company's business may be affected by changes in political and market conditions, such as interest rates, availability of credit, inflation rates, tariffs, changes in laws, and national and international circumstances. Recent regional conflicts and potential economic global challenges such as the risk of higher inflation and energy crises, may create further uncertainty and risk with respect to the prospects of the Company's business.

2. Material accounting policies and basis of preparation

These consolidated financial statements were authorized for issue on April 23, 2026 by the directors of the Company.

Statement of compliance

The consolidated financial statements of the Company comply with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

Basis of preparation

The consolidated financial statements of the Company have been prepared on an accrual basis and are based on historical costs, modified where applicable. The consolidated financial statements are presented in Canadian dollars unless otherwise noted.

Consolidation

The consolidated financial statements include the accounts of the Company and the entities controlled by the Company (its subsidiaries). The results of each subsidiary will continue to be included in the consolidated financial statements of the Company until the date that the Company's control over the subsidiary ceases. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Inter-company balances and transactions, including unrealized income and expenses arising from inter-company transactions, are eliminated on consolidation.

Expressed in Canadian Dollars

Details of the subsidiaries are as follows:

		Percentage owned	
	Incorporated in	**December 31, 2025**	**December 31, 2024**
Canadian Metals Exploration Ltd.	Canada	100%	100%
Hard Creek Nickel Corp.	Canada	85%	85%

Hard Creek Nickel Corp. was incorporated on June 21, 2022.

Significant estimates and assumptions

The preparation of the consolidated 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 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 provisions for restoration and environmental obligations.

Significant judgments

The preparation of the consolidated 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 in applying the Company's consolidated financial statements include:
- The assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty; and
- The assessment of impairment of the Company's exploration and evaluation assets.

Cash and cash equivalents

Cash and cash equivalents include cash and highly liquid investments held in the form of money market investments and certificates of deposit with investment terms that allow for penalty free redemption after one month.

Exploration and evaluation expenditures

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.

Property option agreements are exercisable entirely at the option of the optionee. Therefore, option payments (or recoveries) are recorded when payment is made (or received) and are 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 are recorded as a reduction to the cumulative costs incurred and capitalized on the related property on an accrual basis.

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 expenditure 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 exist 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 stops capitalizing expenditures for the applicable block of claims or geological area of interest and 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.

Share-based payments

The Company operates an employee stock option plan. Share-based payments to employees are measured at the fair value of the instruments issued and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of 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 corresponding amount is recorded to the share-based payment reserve. The fair value of options when measured at the fair value of the instruments is determined using the Black–Scholes option pricing model which incorporates all market vesting conditions. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

When options are exercised, the corresponding amounts previously recorded in the share-based payment reserve are transferred to share capital. When options expire unexercised, the corresponding amounts remain in the share-based payment reserve.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

Financial Instruments

Cash and cash equivalents are recorded at fair value through profit and loss (“FVTPL”). Interest receivable and other receivables, reclamation deposits, trade payables and accrued liabilities and lease obligation, initially recognized at fair value, are subsequently recorded at amortized cost using the effective interest rate method.

Impairment of non-financial assets

The carrying amount of the Company’s assets (which include equipment and right of use assets, and exploration and evaluation assets) 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.

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. Any reversal of impairment cannot increase the carrying value of the asset 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.

Foreign currencies

The financial statements for the Company and each of its subsidiaries are prepared using their functional currencies. Functional currency is the currency of the primary economic environment in which an entity operates. The presentation currency of the Company is Canadian dollars. The functional currency of Giga Metals Corporation, Hard Creek Nickel Corp. and Canadian Metals Exploration Ltd. is the Canadian dollar.

Foreign currency transactions are translated into the functional currency using exchange rates prevailing at the dates of the transactions. At the end of each reporting period, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary assets and liabilities are translated using the historical rate on the date of the transaction. All gains and losses on translation of these foreign currency transactions are charged to profit or loss.

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.

Restoration and environmental obligations

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the 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 restoration cost estimates arising from the decommissioning of plant and other site preparation work is capitalized to the related asset along with a corresponding increase in the restoration provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value.

The Company’s estimates of restoration 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 restoration provision. The Company’s estimates are reviewed annually for changes in regulatory requirements, discount rates, effects of inflation and changes in estimates.

Changes in the net present value, excluding changes in the Company’s estimates of restoration costs, are charged to profit or loss for the period.

The net present value of restoration costs arising from subsequent site damage that is incurred on an ongoing basis during production are charged to profit or loss in the period incurred.

The costs of restoration projects that were included in the provision are recorded against the provision as incurred. The costs to prevent and control environmental impacts at specific properties are capitalized in accordance with the Company’s accounting policy for exploration and evaluation assets.

Equipment and right of use assets

Equipment and right of use assets are stated at historical cost less accumulated depreciation and accumulated impairment losses.

Subsequent costs are included in the asset’s carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized in profit or loss.

Depreciation is calculated on a declining balance method to write off the cost of the assets to their residual values over their estimated useful lives, except for right of use assets that use the straight line method. The depreciation rates applicable to each category of equipment and right of use assets are as follows:

Class	**Depreciation rate**
Motor vehicles	30% declining balance
Computer equipment	30% declining balance
Exploration and office equipment	20% declining balance
Right of use asset – office lease	Straight line over lease term

Leases

At inception of a contract, the Company assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Leases of right of use assets are recognized at the lease commencement date at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, and otherwise at the Company’s incremental borrowing rate. At the commencement date, a right of use asset is measured at cost, which is comprised of the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any decommissioning and restoration costs, less any lease incentives received.

Each lease payment is allocated between repayment of the lease principal and interest. Interest on the lease liability in each period during the lease term is allocated to produce a constant periodic rate of interest on the remaining balance of the lease liability. Except where the costs are included in the carrying amount of another asset, the Company recognizes in profit or loss (a) the interest on a lease liability and (b) variable lease payments not included in the measurement of a lease liability in the period in which the event or condition that triggers those payments occurs. The Company subsequently measures a right of use asset at cost less any accumulated depreciation and any accumulated impairment losses; and adjusted for any remeasurement of the lease liability. Right of use assets are depreciated over the shorter of the asset's useful life and the lease term, except where the lease contains a bargain purchase option a right of use asset is depreciated over the asset's useful life.

Share capital

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

The Company has adopted a residual method with respect to the measurement of shares and warrants issued as units. The residual method first allocates fair value to the component with the best evidence of fair value and then the residual value, if any, to the less easily measurable component. The fair value of the common shares issued was determined to be the component with the best evidence of fair value. The remaining balance, if any, was allocated to the attached warrants.

Adoption of New Accounting Standards

None.

Accounting Standards Issued But Not Yet Effective

Certain accounting standards or amendments to existing accounting standards that have been issued that are not mandatory for the current period and have not been early adopted.

Amendments to IFRS 9 and IFRS 7 - Amendments to the Classification and Measurement of Financial Instruments

In May 2024, the International Accounting Standards Board ("IASB") issued Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7). These amendments updated classification and measurement requirements in IFRS 9 Financial Instruments and related disclosure requirements in IFRS 7 Financial Instruments: Disclosures. The IASB clarified the recognition and derecognition date of certain financial assets and liabilities, and amended the requirements related to settling financial liabilities using an electronic payment system. It also clarified how to assess the contractual cash flow characteristics of financial assets in determining whether they meet the solely payments of principal and interest criterion, including financial assets that have environmental, social and corporate governance ("ESG")-linked features and other similar contingent features. The IASB added disclosure requirements for financial instruments with contingent features that do not relate directly to basic lending risks and costs and amended disclosures relating to equity instruments designated at fair value through other comprehensive income.

The amendments are effective for annual periods beginning on or after January 1, 2026, with early application permitted. Management is currently assessing the effect of these amendments on the Company's financial statements.

Expressed in Canadian Dollars

IFRS 18 – Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, Presentation and Disclosure of Financial Statements (IFRS 18), which replaces IAS 1, Presentation of Financial Statements. IFRS 18 introduces a specified structure for the income statement by requiring income and expenses to be presented into the three defined categories of operating, investing and financing, and by specifying certain defined totals and subtotals. Where company-specific measures related to the income statement are provided, IFRS 18 requires companies to disclose explanations around these measures, which are referred to as management-defined performance measures. IFRS 18 also provides additional guidance on principles of aggregation and disaggregation which apply to the primary financial statements and the notes. Retrospective application is required, and early application is permitted.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with early application permitted. Management will be assessing the effect of the standard on the Company's consolidated financial statements.

3. Receivables

	December 31, 2025 $	December 31, 2024 $
Goods and Service sales tax	23,548	51,778
Interest receivable and other receivables	-	34,089
	23,548	85,867

During the year ended December 31, 2025, $33,950 of bad debt expense was recognized for other receivables (Note 12).

Expressed in Canadian Dollars

4. Equipment and right of use assets

	Right of use assets - leases $	Motor Vehicles $	Computer equipment $	Exploration and office equipment $	Total $
Cost:					
At December 31, 2023	243,963	102,526	101,965	752,699	1,201,153
Additions	-	-	392	-	392
At December 31, 2024	243,963	102,526	102,357	752,699	1,201,545
Additions	108,452	-	4,507	-	112,959
Disposals	(243,963)	-	-	-	(243,963)
At December 31, 2025	108,452	102,526	106,864	752,699	1,070,541
Depreciation:					
At December 31, 2023	121,980	59,391	62,358	130,445	374,174
Charge for the year	97,584	12,791	5,954	138,209	254,538
At December 31, 2024	219,564	72,182	68,312	268,654	628,712
Charge for the year	51,512	8,953	4,986	96,809	162,260
Disposals	(243,963)	-	-	-	(243,963)
At December 31, 2025	27,113	81,135	73,298	365,463	547,009
Net book value:					
At December 31, 2024	24,399	30,344	34,045	484,045	572,833
At December 31, 2025	81,339	21,391	33,566	387,236	523,532

During the year ended December 31, 2025, $96,306 depreciation (2024 - $137,580) was capitalized to exploration and evaluation assets.

Expressed in Canadian Dollars

5. Exploration and evaluation assets

The Company's deferred exploration costs are as follows:

	Balance, December 31, 2023 $	Change in year 2024 $	Balance, December 31, 2024 $	Change in year 2025 $	Balance, December 31, 2025 $
Turnagain Nickel Cobalt Project					
Mineral property interests	179,500	-	179,500	-	179,500
Assays and testing	2,677,685	18,000	2,695,685	21,673	2,717,358
Claims renewal / staking	489,178	12,225	501,403	525	501,928
Drilling	17,467,503	-	17,467,503	-	17,467,503
Environmental studies	2,529,248	165,658	2,694,906	22,674	2,717,580
Exploration data management	1,010,452	-	1,010,452	-	1,010,452
First Nations	515,841	76,375	592,216	64,582	656,798
Geochemistry	111,066	-	111,066	-	111,066
Geological and engineering services	16,383,348	332,185	16,715,533	423,991	17,139,524
Geophysical services	972,398	-	972,398	-	972,398
Metallurgy	5,830,379	84,887	5,915,266	76,900	5,992,166
Petrographic work	43,957	-	43,957	-	43,957
Project management	106,015	-	106,015	-	106,015
Survey, mapping and camp	5,760,543	358,227	6,118,770	347,438	6,466,208
Transportation	3,816,546	15,706	3,832,252	9,026	3,841,278
Advances	171,300	(163,051)	8,249	(5,292)	2,957
Cost recovery	(56,480)	-	(56,480)	-	(56,480)
Asset retirement obligations	590,000	-	590,000	-	590,000
Property impairments	(33,058,924)	-	(33,058,924)	-	(33,058,924)
BC refundable mining exploration tax credits	(3,459,225)	(16,794)	(3,476,019)	(161,586)	(3,637,605)
Federal non-refundable mining tax credits, net of valuation allowance	(61,185)	-	(61,185)	-	(61,185)
Book value at date of sale of net smelter royalty	(1,777,377)	-	(1,777,377)	-	(1,777,377)
	20,241,768	883,418	21,125,186	799,931	21,925,117

Expressed in Canadian Dollars

Turnagain Cobalt-Nickel Project

The Company has an 85% interest in certain mineral claims, located along the Turnagain River in British Columbia, Canada. One claim is subject to a 4% net smelter return royalty ("NSR"). The Company has the option to purchase all or part of the NSR within four years of commercial production for a price of $1,000,000 per 1% NSR.

In July 2018, the Company sold a 2% NSR on all future metal production from the Turnagain Nickel-Cobalt Project. The purchaser of the NSR has a right of first refusal on any future sale by Giga Metals of a royalty or product stream or similar instrument.

Joint Venture with Mitsubishi Corporation

On August 15, 2022, the Company announced that it had entered into a binding agreement with Mitsubishi Corporation ("MC") to form a new company, Hard Creek Nickel Corp. ("Hard Creek"), to jointly pursue the development of the Turnagain Nickel-Cobalt Project. The transaction closed on September 1, 2022.

Hard Creek issued 15% of its common shares to MC for cash consideration of $8,000,000 and 85% of its common shares to Giga Metals Corporation in exchange for all related assets and liabilities of the Turnagain Nickel-Cobalt Project. Pursuant to the terms of a shareholders' agreement governing Hard Creek, the Company, with support from MC, will operate the joint venture.

The $8,000,000 cash consideration was used to complete a Pre-Feasibility Study ("PFS"). Once the Company completes a PFS, further expenditures in the joint venture will be split in accordance with the equity interests of the parties. The PFS was completed in October 2023. The proceeds on sale of the 15% interest in Hard Creek were recognized as non-controlling interest.

6. Trade payables and accrued liabilities

	December 31, 2025 $	**December 31, 2024 $**
Trade payables	192,355	79,071
Accrued liabilities	206,073	100,765
	398,428	179,836

7. Lease obligations

The Company entered into an office lease on April 1, 2019 and the Company recognized a lease obligation with respect to the lease expiring March 31, 2023. On October 7, 2022, the lease was extended to March 31, 2025 and treated as a lease modification under IFRS 16, leases.

The Company entered into a new office lease on December 11, 2024, with a commencement date of April 1, 2025 and an ending date of March 31, 2028.

The terms and the outstanding balances as at December 31, 2025 and 2024 are as follows:

Expressed in Canadian Dollars

	2025 $	2024 $
Right of use asset from office lease repayable in monthly instalments of approximately $3,700 and an internal borrowing rate of 16.5% per annum and an end date of March 31, 2028	85,738	-
Right of use asset from office lease repayable in monthly instalments of $10,283 and an internal borrowing rate of 16.5% per annum and an end date of March 31, 2025	-	30,073
Less: current portion	(32,090)	(30,073)
Non-current portion	53,648	-

The following is a schedule of the Company's future minimum lease payments related to the office lease obligation:

	December 31, 2025 $
2026	44,577
2027	45,981
2028	11,583
Total minimum lease payments	102,141
Less: imputed interest	(16,403)
Total present value of minimum lease payments	85,738
Less: current portion	(32,090)
Non-current portion	53,648

The Company subleases part of their office space to company that is a related party (Note 12). The sublease is a month to month lease at a rate of $2,346 per month, which was revised to $1,129 effective November 1, 2024 and which ceased effective December 31, 2024 other than a nominal rent for storage. The total lease income from the subleasing of the office for the year ended December 31, 2025 was $1,690 (2024 - $25,715).

8. Asset retirement obligations

The Company's asset retirement obligation provision consists of costs associated with future reclamation activities on its Turnagain Nickel-Cobalt Project. These activities, which are site specific, include costs of labor and materials for earthworks, revegetation, waste management and demolition.

At December 31, 2025, the Company estimated that the fair value of the asset retirement obligations was $590,000 (2024 - $590,000). The fair value of the liability was determined to be equal to the estimated remediation costs. Due to the early stages of the project, and that extractive activities have not yet begun, the Company is unable to predict with any precision the timing of the cash flow related to the reclamation activities.

9. Income taxes

The actual income tax provision differs from the expected amounts calculated by applying the Canadian combined statutory federal and provincial corporate income tax rates to the Company's loss before income taxes. The components of the Company's income tax recovery are as follows:

Expressed in Canadian Dollars

	Year ended December 31, 2025 $	Year ended December 31, 2024 $
Loss before income taxes	(1,513,989)	(1,625,029)
Statutory tax rate	27%	27%
Expected income tax recovery at the statutory tax rate	(408,777)	(438,758)
Items not deductible for tax and other	36,886	42,776
True-up	(5,407)	12,290
Flow-through share renunciation	111,946	-
Change in unrecognized tax benefits	(434,648)	1,083,692
Income tax (recovery) expense	(700,000)	700,000

The following is the analysis of recognized deferred tax liabilities and deferred tax assets for the years ended December 31:

	December 31, 2025 $	December 31, 2024 $
Deferred tax liabilities		
Exploration and evaluation assets	-	(2,029,725)
Deferred tax assets		
Non-capital losses	-	1,098,688
Asset retirement obligations	-	159,300
Equipment and others	-	71,737
Net deferred tax assets (liabilities)	-	(700,000)

The summary of the Company's unrecognized deductible temporary differences, unused tax losses, and unused tax credits as at December 31, 2025 and 2024 is as follows:

	2025 $	Expiry	2024 $	Expiry
Non-capital losses	23,501,000	2026-2045	17,951,000	2026-2044
Capital losses	3,885,000	None	3,885,000	None
Exploration and evaluation assets	11,020,000	None	17,311,000	None
Equipment and others	485,000	None	110,000	None
Share issuance costs	299,000	2026-2030	411,000	2025-2028

During the year ended December 31, 2025, the Company issued flow through shares for gross proceeds of $1,519,314. The gross proceeds of the flow through financing will not be available to the Company for future deduction from taxable income after renouncing the flow through proceeds to the subscribers effective December 31, 2025. Accordingly, the Company has recorded a flow-through premium liability in the aggregate amount of $216,800 representing the value of the tax benefit to be renounced to subscribers. The flow-through premium liability will be reduced and recorded as an other income item as eligible Canadian Exploration Expenditures are incurred. As at December 31, 2025, the Company had incurred eligible Canadian Exploration Expenditures of $414,614 and accordingly, recorded flow-through premium income of $46,846. As at December 31, 2025, the Company had a remaining flow-through commitment in the amount of $1,104,700.

10. Share capital

Authorized share capital

Unlimited number of common shares without par value.

Financings

During the year ended December 31, 2025, the following equity financings were completed:

I) On April 4, 2025, the Company completed the first tranche of a private placement of units. The Company issued 4,320,000 units at $0.10 per unit for gross proceeds of $432,000. Each unit consists of one common share and one share purchase warrant. Each warrant entitles the holder to purchase one common share at an exercise price of $0.15 per share up to April 4, 2028.

The Company used the residual method to value the share purchase warrants within the units with a value of $nil allocated to the share purchase warrants.

In connection with the first tranche of the private placement, the Company paid finders' fees of $14,120 and issued 141,200 finders' warrants. Each finders' warrant entitles the holder to purchase one common share at an exercise price of $0.15 per share up to April 4, 2026.

The fair value of $1,211 for the finders' warrants was estimated using the Black-Scholes Option Pricing Model and was charged to share issue costs and credited to share-based payment reserve. The assumptions used in the Black-Scholes Option Pricing Model were as follows: share price of $0.10; exercise price of $0.15; expected volatility of 62%; expected life of 1 year; a risk-free interest rate of 2.70%; and an expected dividend rate of nil.

II) On April 14, 2025, the Company completed the final tranche of a private placement of units. The Company issued 250,000 units at $0.10 per unit for gross proceeds of $25,000. Each unit consists of one common share and one share purchase warrant. Each warrant entitles the holder to purchase one common share at an exercise price of $0.15 per share up to April 14, 2028.

The Company used the residual method to value the share purchase warrants within the Units with a value of $nil allocated to the share purchase warrants.

III) On July 30, 2025, the Company completed the first tranche of a private placement of units. The Company issued 5,399,039 units for gross proceeds of $466,414. The units consisted of 1,950,000 non-flow through units priced at $0.08 per unit and 3,449,039 flow through units priced at $0.09 per unit. Each non-flow through unit consists of one non-flow through common share and one share purchase warrant. Each flow through unit consists of one flow-through common share and one share purchase warrant. Each warrant entitles the holder to purchase one common share at an exercise price of $0.11 per share up to July 30, 2028.

The flow through premium was determined to be $0.01 per flow-through unit and accordingly, $34,490 was allocated to the flow-through premium liability. The Company used the residual method to value the share purchase warrants within the units with a value of $nil allocated to the share purchase warrants.

In connection with the first tranche of the private placement, the Company paid finders' fees of $24,739 and issued 281,488 finders' warrants. Each finders' warrant entitles the holder to purchase one common share at an exercise price of $0.08 per share up to July 30, 2028.

The fair value of $9,489 for the finders' warrants was estimated using the Black-Scholes Option Pricing Model and was charged to share issue costs and credited to share-based payment reserve. The assumptions used in the Black-Scholes Option Pricing Model were as follows: share price of $0.08; exercise price of $0.08 expected volatility of 60%; expected life of 3 years; a risk-free interest rate of 2.67%; and an expected dividend rate of nil.

IV) On August 13, 2025, the Company completed the second tranche of a private placement of units. The Company issued 2,280,556 units for gross proceeds of $188,000. The units consisted of 1,725,000 non-flow through units priced at $0.08 per unit and 555,556 flow through units priced at $0.09 per unit. Each non-flow through unit consists of one non-flow through common share and one share purchase warrant. Each flow through unit consists of one flow-through common share and one share purchase warrant. Each warrant entitles the holder to purchase one common share at an exercise price of $0.11 per share up to August 13, 2028.

The flow through premium was determined to be $0.01 per flow-through unit and accordingly, $5,556 was allocated to the flow-through premium liability. The Company used the residual method to value the share purchase warrants within the units with a value of $nil allocated to the share purchase warrants.

In connection with the second tranche of the private placement, the Company paid finders' fees of $9,100 and issued 108,889 finders' warrants. Each finders' warrant entitles the holder to purchase one common share at an exercise price of $0.08 per share up to August 13, 2028.

The fair value of $2,909 for the finders' warrants was estimated using the Black-Scholes Option Pricing Model and was charged to share issue costs and credited to share-based payment reserve. The assumptions used in the Black-Scholes Option Pricing Model were as follows: share price of $0.08; exercise price of $0.08; expected volatility of 60%; expected life of 3 years; a risk-free interest rate of 2.67%; and an expected dividend rate of nil.

V) On August 28, 2025, the Company completed the final tranche of the private placement of units. The Company issued 400,000 flow through units priced at $0.09 for gross proceeds of $36,000. Each flow through unit consists of one flow-through common share and one share purchase warrant. Each warrant entitles the holder to purchase one common share at an exercise price of $0.11 per share up to August 28, 2028.

The flow through premium was determined to be $0.01 per flow-through unit and accordingly, $4,000 was allocated to the flow-through premium liability. The Company used the residual method to value the share purchase warrants within the units with a value of $nil allocated to the share purchase warrants.

VI) On October 29, 2025, the Company completed the first tranche of a private placement of units. The Company issued 12,041,802 units for gross proceeds of $1,497,352. The units consisted of 3,404,109 non-flow through units priced at $0.11 per unit and 8,637,693 flow-through units priced at $0.13 per unit. Each non-flow through unit consists of one non-flow through common share and one share purchase warrant. Each flow through unit consists of one flow-through common share and one share purchase warrant. Each warrant entitles the holder to purchase one common share at an exercise price of $0.25 per share up to October 29, 2028.

The flow through premium was determined to be $0.02 per flow-through unit and accordingly, $172,754 was allocated to the flow-through premium liability. The Company used the residual method to value the share purchase warrants within the units with a value of $nil allocated to the share purchase warrants.

In connection with the first tranche of the private placement, the Company paid finders' fees of $102,575, and issued 822,563 finders' warrants. Each finders' warrant entitles the holder to purchase one common share at an exercise price of $0.13 per share up to October 29, 2028.

The fair value of $47,559 for the finders' warrants was estimated using the Black-Scholes Option Pricing Model and was charged to share issue costs and credited to share-based payment reserve. The assumptions used in the Black-Scholes Option Pricing Model were as follows: share price of $0.11; exercise price of $0.13; expected volatility of 60%; expected life of 3 years; a risk-free interest rate of 2.45%; and an expected dividend rate of nil.

VII) On November 6, 2025, the Company completed the final tranche of a private placement of units. The Company issued 500,000 non-flow through units at $0.11 per unit for gross proceeds of $55,000. Each non-flow through unit consists of one non-flow through common share and one share purchase warrant. Each warrant entitles the holder to purchase one common share at an exercise price of $0.25 per share up to November 6, 2028.

The Company used the residual method to value the share purchase warrants within the units with a value of $nil allocated to the share purchase warrants.

In connection with the final tranche of the private placement, the Company paid finders' fees of $3,850 and issued 35,000 finders' warrants. Each finders' warrant entitles the holder to purchase one common share at an exercise price of $0.13 per share up to November 6, 2028.

The fair value of $1,651 for the finders' warrants was estimated using the Black-Scholes Option Pricing Model and was charged to share issue costs and credited to share-based payment reserve. The assumptions used in the Black-Scholes Option Pricing Model were as follows: share price of $0.11; exercise price of $0.13; expected volatility of 60%; expected life of 3 years; a risk-free interest rate of 2.45%; and an expected dividend rate of nil.

VIII) On November 6, 2025, the Company issued 632,500 common shares at a fair value of $75,900 to settle total debt of $63,250 and a loss on settlement of debt of $12,650 was recorded.

The Company incurred other cash issuance costs including legal and filing fees of $45,566 in connection with the private placements.

During the year ended December 31, 2024, the following equity financings were completed:

I) On August 7, 2024, the Company completed the first tranche of a private placement of units. The Company issued 6,516,667 units at $0.15 per unit for gross proceeds of $977,500. Each unit consists of one common share and one share purchase warrant. Each warrant entitles the holder to purchase one common share at an exercise price of $0.22 per share up to August 7, 2027.

The Company used the residual method to value the share purchase warrants within the Units with a value of $nil allocated to the share purchase warrants.

In connection with the first tranche of the private placement, the Company paid finders' fees of $27,300 and issued 182,000 finders' warrants. Each finders warrant entitles the holder to purchase one common share at an exercise price of $0.22 per share up to August 7, 2025.

The fair value of $10,755 for the finders' warrants was estimated using the Black-Scholes Option Pricing Model and was charged to share issue costs and credited to share-based payment reserve. The assumptions used in the Black-Scholes Option Pricing Model were as follows: share price of $0.15; exercise price of $0.22; expected volatility of 69%; expected life of 1 year; a risk-free interest rate of 3.65%; and an expected dividend rate of nil.

II) On August 21, 2024, the Company completed the final tranche of a private placement of units. The Company issued 1,166,666 units at $0.15 per unit for gross proceeds of $175,000. Each unit consists of one common share and one share purchase warrant. Each warrant entitles the holder to purchase one common share at an exercise price of $0.22 per share up to August 21, 2027.

The Company used the residual method to value the share purchase warrants within the Units with a value of $nil allocated to the share purchase warrants.

In connection with the final tranche of the private placement, the Company paid finders' fees of $8,260 and issued 55,067 finders' warrants. Each finders warrant entitles the holder to purchase one common share at an exercise price of $0.22 per share up to August 21, 2025.

The fair value of $3,439 for the finders' warrants was estimated using the Black-Scholes Option Pricing Model and was charged to share issue costs and credited to share-based payment reserve. The assumptions used in the Black-Scholes Option Pricing Model were as follows: share price of $0.15; exercise price of $0.22; expected volatility of 69%; expected life of 1 year; a risk-free interest rate of 3.52%; and an expected dividend rate of nil.

The Company incurred other cash issuance costs including legal and filing fees of $18,654 in connection with the private placements.

Basic and diluted loss per share

The calculation of basic and diluted loss per share for the year ended December 31, 2025 was based on the loss attributable to common shareholders of $910,596 (2024 - $2,117,073) and the weighted average number of common shares outstanding of 114,597,992 (2024 – 100,945,430).

Diluted loss per share did not include the effect of 9,660,000 stock options and 34,263,870 warrants as the effect would be anti-dilutive.

Stock options

The Company has adopted an incentive stock option plan, which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the Exchange requirements, grant to directors, officers, employees and technical consultants to the Company, non-transferable stock options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the Company's issued and outstanding common shares. Such options will be exercisable for a period of up to 10 years from the date of grant. In connection with the foregoing, the number of common shares reserved for issuance to any one optionee will not exceed five percent (5%) of the issued and outstanding common shares and the number of common shares reserved for issuance to all investor relations and technical consultants will not exceed two percent (2%) of the issued and outstanding common shares. Options may be exercised no later than

Expressed in Canadian Dollars

90 days following cessation of the optionee's position with the Company or 30 days following cessation of an optionee conducting investor relations activities' position.

On exercise, each option allows the holder to purchase one common share of the Company. The changes in options during the years ended December 31, 2025 and 2024 are as follows:

	Year ended December 31, 2025		Year ended December 31, 2024	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Options outstanding, beginning	10,555,000	$ 0.44	9,255,000	$ 0.47
Options granted	5,125,000	0.13	1,300,000	0.20
Options expired/forfeited	(4,120,000)	0.49	-	-
Options cancelled	(1,900,000)	0.52	-	-
Options outstanding, ending	9,660,000	$ 0.24	10,555,000	$ 0.44
Options exercisable, ending	5,173,750	$ 0.32	8,763,750	$ 0.47

Details of options outstanding as at December 31, 2025 are as follows:

Exercise price	Weighted average contractual life	Number of options outstanding
$0.15	4.88 years	3,125,000
$0.10	4.51 years	2,000,000
$0.20	3.87 years	1,000,000
$0.30	2.79 years	570,000
$0.40	1.18 years	1,675,000
$0.45	0.82 years	1,290,000
$0.24	3.39 years	9,660,000

Stock-based compensation

During the year ended December 31, 2025, the Company granted 5,125,000 stock options (2024 – 1,300,000 stock options) with the weighted average grant date fair value of $0.06 per option (2024 - $0.07 per option). The stock options vest as to 25% on the grant date and 25% every year thereafter. The fair value was determined using the Black-Scholes option pricing model using the following weighted average assumptions:

	2025	2024
Share price	$0.10	$0.14
Exercise price	$0.13	$0.20
Expected life of options	5.0 years	4.3 years
Annualized volatility	71%	79%
Risk-free interest rate	2.81%	3.25%
Dividend rate	0%	0%

The expected volatility was calculated using the historical stock prices of the Company.

Expressed in Canadian Dollars

During the year ended December 31, 2025, the Company recorded $167,870 (2024 - $153,335) of stock-based compensation to the consolidated statement of comprehensive loss based on the vesting of stock options granted.

Warrants

On exercise, each warrant allows the holder to purchase one common share of the Company.. The changes in warrants outstanding during the years ended December 31, 2025 and 2024 are as follows:

	Year ended December 31, 2025		Year ended December 31, 2024	
	Number of warrants	**Average exercise price**	**Number of warrants**	**Average exercise price**
Warrants outstanding, beginning	20,720,642	$ 0.36	28,372,224	$ 0.53
Warrants issued	26,580,537	0.18	7,920,400	0.22
Warrants expired	(13,037,309)	0.45	(15,571,982)	0.59
Warrants outstanding, ending	34,263,870	$ 0.19	20,720,642	$ 0.36

Details of warrants outstanding as at December 31, 2025 are as follows:

Exercise price	Weighted average contractual life	Number of warrants outstanding
$0.08	2.59 years	(1)390,377
$0.11	2.60 years	8,079,595
$0.13	2.83 years	857,563
$0.15	2.20 years	(2)4,711,200
$0.22	1.61 years	7,683,333
$0.25	2.83 years	12,541,802
$0.19	2.41 years	34,263,870

(1) Subsequent to December 31, 2025, 21,000 of these warrants were exercised for gross proceeds of $1,680.
(2) Subsequent to December 31, 2025, 141,200 of these warrants expired unexercised.

11. Share-based payment reserve

The share-based payment reserve records items recognized as stock-based compensation expense and the fair value of warrants until such time that the stock options or warrants are exercised, at which time the corresponding amount will be transferred to share capital.

12. Related party transactions

	Year ended December 31, 2025 $	2024 $
Accounting fees	48,261	41,820
Directors' fees	24,000	27,000
Management fees	265,275	360,000
Stock-based compensation	105,379	84,204
	442,915	513,024

There was $99,739 owing to related parties at December 31, 2025 (2024 - $5,520) included in trade payables. The balances owing are unsecured, non-interest bearing, and have no specific terms of repayment. On November 6, 2025, the Company settled $25,000 in accounts payable due to a former officer through the issuance of 250,000 common shares at a fair value of $30,000 resulting in a loss on settlement of debt of $5,000.

There was $Nil receivable from a company with common directors at December 31, 2025 (2024 - $33,950). During the year ended December 31, 2025, $33,950 of bad debt expense was recognized.

Key management includes the Chief Executive Officer, the President, the Chief Financial Officer and the directors of the Company. Compensation paid or payable to key management for services during the year ended December 31, 2025 amounted to $214,261 (2024 - $356,820) for short-term benefits and $98,219 (2024 - $77,380) for stock-based compensation.

The Company has a month to month office sublease with a company with common directors (Note 7). During the year ended December 31, 2025, the Company recorded office sublease income of $1,690 (2024 – $25,715) relating to the sublease.

13. Financial instruments and financial risk management

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash and cash equivalents held in bank accounts and financial institutions. This risk is managed by using major banks and financial institutions that are high credit quality financial institutions as determined by rating agencies. The Company's secondary exposure to risk is on its receivables. The risk is minimal as receivables consist primarily of refundable government taxes.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash and cash equivalents.

Historically, the Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placements. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding.

The following is an analysis of the contractual maturities of the Company's undiscounted liabilities as at December 31, 2025:

	Within one year	Between one and five years	More than five years
Trade payables and accrued liabilities	$ 398,428	$ -	$ -
Lease obligation	44,577	57,564	-
	$ 443,005	$ 57,564	$ -

Foreign exchange risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company has exposure to foreign exchange risk with respect to its cash balances. As at December 31, 2025, the Company had cash held in US dollars of US$734.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have any significant interest rate risk.

Other price risk

Other price risk is the risk that the fair value of a financial instrument changes due to market risks other than foreign exchange risk or interest rate risk. The Company has no exposure to this risk.

Classification of financial instruments

Financial assets included in the consolidated statement of financial position are as follows:

	December 31, 2025 $	December 31, 2024 $
Amortized cost:		
Interest receivable and other receivables	-	34,089
Reclamation deposits	424,000	424,000
Fair value through profit or loss:		
Cash and cash equivalents	1,161,543	289,897
	1,585,543	747,986

Financial liabilities included in the consolidated statement of financial position are as follows:

	December 31, 2025 $	December 31, 2024 $
Amortized cost:		
Trade payables and accrued liabilities	398,428	179,836
Lease obligation	85,738	30,073
	484,166	209,909

Expressed in Canadian Dollars

Fair value

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

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

The following is an analysis of the Company's financial assets measured at fair value as at December 31, 2025 and 2024:

	As at December 31, 2025		
	Level 1	**Level 2**	**Level 3**
Cash and cash equivalents	$ 1,161,543	$ -	$ -
Total	$ 1,161,543	$ -	$ -

	As at December 31, 2024		
	Level 1	**Level 2**	**Level 3**
Cash and cash equivalents	$ 289,897	$ -	$ -
Total	$ 289,897	$ -	$ -

14. Supplemental cash flow information

Investing and financing activities that do not have a direct impact on current cash flows are excluded from the consolidated statements of cash flows. During the year ended December 31, 2025, the following transactions were excluded from the consolidated statement of cash flows:

a) Exploration and evaluation asset expenditures of $130,935 included in accounts payable and accrued liabilities at December 31, 2025, less expenditures included in accounts payable at December 31, 2024 of $90,820 (net exclusion of $40,115);

b) The issuance of 1,389,140 brokers' warrants at the fair value of $62,819;

c) The issuance of 632,500 common shares at the fair value of $75,900 to settle total debt of $63,250 resulting in a loss on settlement of debt of $12,650; and,

d) Recognizing a lease obligation and right of use asset of $108,452.

During the year ended December 31, 2024, the following transactions were excluded from the consolidated statement of cash flows:

a) Exploration and evaluation asset expenditures of $90,820 included in accounts payable and accrued liabilities at December 31, 2024, less expenditures included in accounts payable at December 31, 2023 of $144,785 (net inclusion of $53,965); and,

The issuance of 237,067 brokers' warrants at the fair value of $14,194.

15. Segmented information

Operating segments

The Company operates in a single reportable operating segment – the acquisition, exploration and development of mineral properties.

Geographic segments

As at December 31, 2025 and 2024, the Company's assets are located in Canada.

16. Subsequent events

Exercise of warrants

21,000 share purchase warrants were exercised for gross proceeds of $1,680.

Private placement

On March 20, 2026, the Company completed a private placement of flow through shares. The Company issued 8,181,818 flow through shares at $0.11 per share for gross proceeds of $900,000.

In connection with the private placement, the Company paid finders' fees of $72,000 and issued 654,545 finders' units. Each finders' unit consists of one common share and one share purchase warrant. Each warrant entitles the holder to purchase one common share at an exercise price of $0.11 per share up to March 20, 2028.