Condensed Consolidated Interim Financial Statements
(Expressed in Canadian dollars)

AFTERMATH SILVER LTD.
(An Exploration Stage Company)

Three months ended August 31, 2026 and 2025

NOTICE OF NO AUDITOR REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

In accordance with National Instrument 51-102 Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of these condensed consolidated interim financial statements they must be accompanied by a notice indicating that these condensed consolidated interim financial statements have not been reviewed by the Company's auditors.

The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

AFTERMATH SILVER LTD.

Condensed Consolidated Interim Statements of Financial Position
(Unaudited - expressed in Canadian dollars)

As at		August 31, 2026		May 31, 2026
ASSETS				
Current assets:				
Cash	$	16,876,462	$	21,792,036
Receivables		9,775		66,456
Prepaid expenses and advances (note 9)		429,383		373,211
		17,315,620		22,231,703
Restricted cash		12,198		12,714
Mineral properties (note 5)		26,895,609		26,895,609
Equipment (note 7)		63,919		68,875
	$	**44,287,346**	**$**	**49,208,901**
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current liabilities:				
Accounts payable and accrued liabilities	$	1,486,484	$	1,663,207
Due to related parties (note 9)		84,263		97,287
		1,570,747		1,760,494
Shareholders' equity:				
Share capital (note 8)		116,316,244		115,674,882
Reserves		8,282,529		6,921,672
Deficit		(81,882,174)		(75,148,147)
		42,716,599		47,448,407
	$	**44,287,346**	**$**	**49,208,901**

Nature of operations and going concern (note 1)

Approved on behalf of the Board:

"David Terry" Director

"Michael J. Williams" Director

See accompanying notes to the Condensed Consolidated Interim Financial Statements.

AFTERMATH SILVER LTD.

Condensed Consolidated Interim Statements of Loss and Comprehensive Loss
(Unaudited - expressed in Canadian dollars)

For the period ended	August 31, 2026	August 31, 2025
Expenses:		
Accounting and legal (note 9)	$ 79,461	$ 60,328
Accretion expense (note 6)	-	60,298
Conference and exhibition	43,680	49,119
Consulting fees (note 9)	544,841	268,966
Corporate secretarial (note 9)	12,000	9,750
Depreciation (note 7)	8,862	3,203
Directors' fees (note 9)	34,500	28,500
Foreign exchange loss	1,820	8,891
Geological exploration (note 5)	4,098,157	104,182
Insurance	5,642	4,550
Investor relations	185,401	78,765
Listing and filing fees	14,325	23,048
Office and sundry (note 9)	52,057	55,640
Pre-acquisition exploration (notes 6 and 9)	-	1,523,540
Share-based payments (notes 8 and 9)	1,580,120	325,956
Travel and meals	121,972	120,172
Wages and salaries (note 9)	82,502	67,145
	(6,865,340)	(2,792,053)
Loss on modification of acquisition cost payable (note 6)	-	(218,890)
Interest income	131,313	87,489
Loss and Comprehensive loss for the period	$ (6,734,027)	$ (2,923,454)
Loss per share – basic and diluted	$ (0.02)	$ (0.01)
Weighted average number of shares outstanding - basic and diluted	341,943,070	305,089,036

See accompanying notes to the Condensed Consolidated Interim Financial Statements.

AFTERMATH SILVER LTD.

Condensed Consolidated Interim Statements of Changes in Shareholders' Equity
(Unaudited - expressed in Canadian dollars)

	Share Capital				
	Shares	**Amount**	**Reserves**	**Deficit**	**Total**
May 31, 2024	**302,899,011**	**$ 85,603,206**	**$ 7,084,295**	**$ (56,320,708)**	**$ 36,366,793**
Warrants exercised	3,983,923	1,283,759	(8,904)	-	1,274,855
Options exercised	387,500	209,289	(73,664)	-	135,625
Share issuance costs	-	(3,585)	-	-	(3,585)
Share-based payments	-	-	325,956	-	325,956
Loss for the period	-	-	-	(2,923,454)	(2,923,454)
August 31, 2025	**307,270,434**	**87,092,669**	**7,327,683**	**(59,244,162)**	**35,176,190**
Private placements	22,222,250	20,000,025	-	-	20,000,025
Warrants exercised	4,834,265	1,585,461	(38,497)	-	1,546,964
Options exercised	6,337,500	8,118,727	(3,520,477)	-	4,598,250
RSUs exercised	966,664	331,750	(331,750)	-	-
Share issuance costs	-	(1,453,750)	-	-	(1,453,750)
Share-based payments	-	-	3,484,713	-	3,484,713
Loss for the period	-	-	-	(15,903,985)	(15,903,985)
May 31, 2026	**341,631,113**	**115,674,882**	**6,921,672**	**(75,148,147)**	**47,448,407**
Options exercised	650,000	641,763	(219,263)	-	422,500
Share issuance costs	-	(401)	-	-	(401)
Share-based payments	-	-	1,580,120	-	1,580,120
Loss for the period	-	-	-	(6,734,027)	(6,734,027)
August 31, 2026	**342,281,113**	**$ 116,316,244**	**$ 8,282,529**	**$ (81,882,174)**	**$ 42,716,599**

See accompanying notes to the Condensed Consolidated Interim Financial Statements.

AFTERMATH SILVER LTD.

Condensed Consolidated Interim Statements of Cash Flows
(Unaudited - expressed in Canadian dollars)

For the period ended		August 31, 2026		August 31, 2025
Cash flows from operating activities:				
Loss for the period	$	(6,734,027)	$	(2,923,454)
Items not affected by cash:				
Share-based payments		1,580,120		325,956
Accretion expense		-		60,298
Depreciation		8,862		3,203
Loss on modification of acquisition costs payable		-		218,890
Interest accrued on investments		-		(27,415)
Unrealized foreign exchange		516		(4,580)
Changes in non-cash working capital items:				
Receivables		56,681		(40,354)
Prepaid expenses and advances		(56,172)		(36,277)
Accounts payable and accrued liabilities		(176,723)		(257,299)
Due to related parties		(13,024)		73,615
Cash used in operating activities		**(5,333,767)**		**(2,607,417)**
Cash flows from investing activities:				
Purchase of equipment		(3,906)		(762)
Purchase of investments		-		(3,000,000)
Redemption of investments		-		5,091,233
Payments made towards acquisition costs payable		-		(2,163,694)
Cash used in investing activities		**(3,906)**		**(73,223)**
Cash flows from financing activities:				
Proceeds from warrant exercises		-		1,274,855
Proceeds from option exercises		422,500		135,625
Share issuance costs		(401)		(3,585)
Cash provided by financing activities	**$**	**422,099**	**$**	**1,406,895**
Change in cash		(4,915,574)		(1,273,745)
Cash, beginning of the period		21,792,036		8,618,745
Cash, end of the period	**$**	**16,876,462**	**$**	**7,345,000**
Supplemental schedule of non-cash activities				
Reclassification to share capital from reserves on warrant exercises	$	-	$	8,904
Reclassification to share capital from reserves on option exercises	$	219,263	$	73,664

See accompanying notes to the Condensed Consolidated Interim Financial Statements.

1. Nature of operations and going concern:

Aftermath Silver Ltd. ("the Company" or "Aftermath") was incorporated under the laws of British Columbia on January 27, 2011. Its principal business activity is the acquisition, exploration and development of mineral properties. The Company's shares are currently traded on the TSX Venture Exchange ("TSX-V") under the symbol AAG and on the OTCQB under the symbol AAGFF. The Company's registered and records address is Suite 1500 – 409 Granville Street, Vancouver, British Columbia, V6C 1T2.

The Company is in the exploration stage and engages principally in the acquisition and exploration of mineral properties. The recoverability of the amounts shown for mineral properties is ultimately dependent upon the existence of economically recoverable reserves, securing and maintaining title and beneficial interest in the mineral properties, obtaining necessary financing to explore and develop the mineral properties, entering into agreements with others to explore and develop the mineral properties, and upon future profitable production or proceeds from disposition of the mineral properties.

These condensed consolidated interim financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and settle its obligations in the normal course of business. The Company has no operating revenue and has a history of losses. As at August 31, 2026, the Company has a working capital of $15,744,873 (May 31, 2026 - $20,471,209). The ability of the Company to carry out its planned business objectives is dependent on its ability to raise adequate financing from lenders, shareholders and other investors and/or generate operating profitability and positive cash flow. There can be no assurances that the Company will continue to obtain additional financial resources necessary and/or achieve profitability or positive cash flows. If the Company is unable to obtain adequate additional financing, the Company will be required to curtail operations and there would be significant uncertainty whether the Company would continue as a going concern and realize its assets and settle its liabilities and commitments in the normal course of business. The Company is currently evaluating various opportunities and seeking sources of financing. These material uncertainties may cast significant doubt about the Company's ability to continue as a going concern.

2. Material accounting policies:

(a) Basis of presentation:

These condensed consolidated interim financial statements, including comparatives, have been prepared in accordance with International Accounting Standard ("IAS") 34, "Interim Financial Reporting" using accounting policies consistent with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board and Interpretations issued by the IFRS Interpretations Committee ("IFRIC"). The accounting policies and methods of computation applied are the same as those applied in the Company's annual consolidated financial statements for the year ended May 31, 2026.

These condensed consolidated interim financial statements were authorized for issue by the Board of Directors on October 20, 2026.

2. Material accounting policies (continued):

(b) Basis of consolidation:

These condensed consolidated interim financial statements include the accounts of the Company, its wholly owned subsidiaries Minera Cachinal S.A. ("Minera Cachinal"), Aftermath Silver Peru S.A., Minera Aftermath Challacollo Limitada ("MMC"), Minera ISP S. R.L. de C.V., US Critical Metals Corp., Sociedad Minera Berenguela S.A ("SMB"), and Fossores Ltd. ("Fossores"). Intercompany balances and transactions, including any unrealized income and expenses arising from intercompany transactions, are eliminated on consolidation.

3. Material accounting estimates and judgments:

The preparation of financial statements requires management to make estimates, assumptions and judgments that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reported periods. The Company reviews its estimates and assumptions regularly; however, actual results could differ from those estimates.

Significant judgments used are as follows:

Going concern

The assessment of the Company's ability to continue as a going concern involves judgment based on historical experience. Significant judgments are used in the Company's assessment of its ability to continue as a going concern, which are described in Note 1.

Functional currency

The functional currency of an entity is assessed on a standalone basis to determine the economic substance of the currency in which each entity performs its operations.

Acquisition of subsidiary entities

Management determines whether assets acquired, and liabilities assumed constitute a business. A business consists of inputs and processes applied to those inputs that have the ability to create outputs.

Deferred Income tax

The determination of income tax is inherently complex and requires making certain judgments about future events. While income tax filings are subject to audits and reassessments, the Company has adequately provided for all income tax obligations. However, changes in facts and circumstances as a result of income tax audits, reassessments, jurisprudence and any new legislation may result in an increase or decrease in our provision for income taxes.

Mineral properties

The recognition of mineral properties requires judgments regarding future recoverability and carrying cost. The cost model is utilized and the value of the mineral properties is based on the acquisition expenditures incurred. At every reporting period, management assesses the potential impairment which involves assessing whether or not facts or circumstances exist that suggest the carrying amount exceeds the recoverable amount.

3. Material accounting estimates and judgments (continued):

Share-based payments

Share-based payments are subject to estimation of the value of the award at the date of grant using pricing models such as the Black-Scholes option valuation model. The option valuation model requires the input of highly subjective assumptions including the expected stock price volatility. Because the Company's stock options have characteristics significantly different from those of traded options and because the subjective input assumptions can materially affect the calculated fair value, such value is subject to measurement uncertainty.

Shares issued in non-cash transactions

Generally, the valuation of non-cash transactions is based on the value of the goods or services received. When this cannot be determined, it is based on the fair value of the non-cash consideration. When non-cash transactions are entered into with employees and those providing similar services, the non-cash transactions are measured at the fair value of the consideration given up using market prices.

4. New and revised standards and interpretations:

New accounting standards issued but not yet effective:

IFRS 18, Presentation and Disclosure in Financial Statements ("IFRS 18"), which will replace IAS 1, Presentation of Financial Statements aims to improve how companies communicate in their financial statements, with a focus on information about financial performance in the statements of loss and comprehensive loss, in particular additional defined subtotals, disclosures about management-defined performance measures and new principles for aggregation and disaggregation of information. IFRS 18 is effective from January 1, 2027. Companies are permitted to apply IFRS 18 before that date. The Company has not yet determined the impact of this amendment on its financial statements.

5. Mineral Properties:

Berenguela Project, Peru

On December 29, 2025, the Company completed the acquisition of the Berenguela Property (Note 6). Total consideration since execution of the initial letter of intent on July 2, 2020 consisted of cash payments of US$12,425,000 and the issuance of 4,287,049 common shares. The Company also paid aggregate finders' fees of US$644,478 in connection with the acquisition. Upon closing, the Company acquired 100% of the issued and outstanding shares of SMB and Fossores. A sliding scale NSR on all mineral production from the Berenguela Project for the life of mine commencing at the declaration of commercial production, based on the following:

i. 1.0% NSR, on all mineral production when the Silver Market Price is up to and including US$25/ounce; and

ii. 1.25% NSR on all mineral production when the Silver Market Price is over US$25/ounce and when the Copper Market Price is above $2.00/lb.

5. Mineral Properties (continued):

Berenguela Project, Peru (continued):

The acquired companies were not considered businesses under IFRS 3 *Business Combinations* and the acquisition was accounted for as an asset acquisition. A summary of the consideration and net assets acquired is as follows:

Consideration:	
Transaction costs	$ 40,293
Costs previously incurred and reclassified from deferred acquisition costs	17,262,917
	17,303,210
Net assets acquired:	
Cash and other current assets	600,294
Receivables	111,154
Prepaid expenses and advances	2,280
Mineral Property	16,589,520
Accounts payable and accrued liabilities	(38)
Total net assets acquired	$ 17,303,210

Prior to acquisition of SMB and Fossores, all exploration costs related to the Berenguela project were included within pre-acquisition exploration costs (note 6).

Cachinal Project, Chile

During the year ended May 31, 2020, the Company acquired a 100% stake in the Cachinal De La Sierra silver-gold project (the “Cachinal property”) located in Chile, through the acquisition of an 80% ownership in Minera Cachinal S.A. (“Minera Cachinal”) from Halo Labs Inc. (“Halo”) and the acquisition of the 20% in ownership from SSR Mining Inc. (“SSR”). The property is not subject to a net smelter royalty.

Challacollo Project, Chile

On November 8, 2019, the Company entered into a share purchase agreement with Mandalay Resources Corp. (“Mandalay”), pursuant to which the Company would acquire MMC, which owns the Challacollo silver-gold project in Chile. In consideration for the acquisition of MMC, which closed during the year ended May 31, 2023, the Company paid Mandalay a total of $5,000,000 in cash and issued an aggregate of 8,177,242 common shares with a value of $2,836,035. In addition to the purchase consideration, the Company paid a finder’s fee of $357,500 cash and 306,122 common shares valued at $71,939 and incurred closing costs of $210,877.

The property is subject to net smelter royalty (“NSR”) of 3% capped at $3,000,000.

5. Mineral Properties (continued):

The Company incurred the following exploration expenditures on mineral projects during the periods ended August 31, 2026 and 2025:

Period ended August 31, 2026	Berenguela Project	Cachinal Project	Challacollo Project	Total
Analysis	$ 84,320	$ -	$ -	$ 84,320
Drilling	836,927	-	170,497	1,007,424
Engineering	350,565	-	-	350,565
Field and support staff and benefits	595,701	-	21,206	616,907
Field supplies and equipment	228,186	-	49,950	278,136
General and administrative	88,297	2,816	10,026	101,139
Geology and Geophysics	157,915	-	-	157,915
Geological consulting	596,305	7,076	51,688	655,069
Legal fees	28,478	-	8,253	36,731
Maps and reports	3,908	-	-	3,908
Market studies	56,376	-	-	56,376
Metallurgical testwork	98,060	-	-	98,060
Permits and licenses	694	641	21,073	22,408
Travel and meals	170,484	-	5,824	176,308
Value-added tax	408,402	-	44,489	452,891
	$ 3,704,618	$ 10,533	$ 383,006	$ 4,098,157

Period ended August 31, 2025	Cachinal Project	Challacollo Project	Total
Field supplies and equipment	$ 557	$ 4,993	$ 5,550
Field and support staff and benefits	-	6,091	6,091
General and administrative	4,329	5,879	10,208
Geological consulting	37,796	16,244	54,040
Legal fees	-	4,819	4,819
Permits and licenses	909	17,796	18,705
Travel and meals	1,340	2,244	3,584
Value-added tax	-	1,185	1,185
	$ 44,931	$ 59,251	$ 104,182

A continuity of mineral properties for the period ended August 31, 2026 and the year ended May 31, 2026 is as follows:

	Berenguela Project	Cachinal Project	Challacollo Project	Total
Balance, May 31, 2025	$ -	$ 1,852,853	$ 8,453,236	$ 10,306,089
Acquisition of SMB and Fossores	16,589,520	-	-	16,589,520
Balance, May 31, 2026 and August 31, 2026	$ 16,589,520	$ 1,852,853	$ 8,453,236	$ 26,895,609

6. Deferred acquisition costs:

Berenguela Property Acquisition, Peru

On July 22, 2020, the Company entered into a binding Letter of Intent (the "LOI") with SSR to acquire 100% of the Berenguela silver-copper project located in Puno, Peru, through the purchase of 100% of SSR's shares in its Peruvian holding company, Sociedad Minera Berenguela S.A. On September 30, 2020, the acquisition agreement with SSR was signed.

The Company agreed to pay US$12,425,000 *(amended from US$12,725,000 pursuant to a series of amendments, as disclosed below)* made in staged cash payments, 4,287,049 Aftermath Silver common shares, and a sliding scale net NSR on production, as follows:

i. US$1,000,000 deposit, to be paid within 48 hours of signing the LOI *(paid – $1,341,670)*;

ii. US$725,000 cash on the initial closing date (*paid – $953,375*) and 4,287,049 Aftermath common shares (*issued with value of $4,029,826)*;

iii. US$2,250,000 cash to be paid on November 30, 2021 *(paid – $2,862,585)*;

iv. US$2,500,000 cash to be paid on November 30, 2023 (*paid – $3,403,900 - amended from November 30, 2022, as per discussion below)*;

v. US$2,900,000 cash to be paid on December 31, 2024 *(paid – $4,175,652 - amended from US$3,000,000 due on May 15, 2025, as per discussion below)*;

vi. Completion of a Preliminary Feasibility Study ("PFS") and filing on SEDAR of a NI 43-101 technical report summarizing the PFS by November 23, 2025. During the year ended May 31, 2026, pursuant to an amending agreement, this requirement was removed as per discussion below;

vii. US$1,500,000 cash to be paid on June 3, 2025 *(paid – $2,061,465)* and US$1,550,000 cash to be paid by November 30, 2025 *(paid – $2,169,668. Total payments amended from US$3,250,000 due on November 30, 2026, pursuant to two amending agreements entered during the year ended May 31, 2026 as per discussion below);*

During the year ended May 31, 2023, the Company entered into an agreement whereby the payment of US$2,500,000 originally due on November 30, 2022, was deferred by one year to November 30, 2023. In consideration for the deferral, the Company paid US$400,000 ($541,884). Upon entering into the amending agreement, the Company recognized an increase in acquisition costs payable of $157,739.

During the year ended May 31, 2024, the Company entered into a further agreement whereby it made the US$2,500,000 payment due on November 30, 2023 early in exchange for deferment of the November 30, 2024 payment of US$3,000,000 to May 15, 2025. The Company recognized an increase in acquisition costs payable of $6,321 during the year ended May 31, 2023. During the year ended May 31, 2025, the Company entered into a further amendment, whereby the US$3,000,000 payment was reduced to US$2,900,000 by making payment by December 31, 2024. Upon entering into the amending agreement, the Company recognized an increase in acquisition costs payable of $32,997.

6. Deferred acquisition costs (continued):

During the year ended May 31, 2026, the Company entered into an amending agreement whereby the amount of US$3,250,000 previously payable on November 30, 2026 was reduced by US$100,000, in exchange for payment of US$1,500,000 on the date of the agreement and US$1,650,000 on November 23, 2026. Pursuant to the terms of the amendment, the requirement to prepare a PFS was waived. Upon entering into the amending agreement, the Company recognized an increase in acquisition costs payable of $218,890. During the same year, the Company entered into a further amending agreement, whereby the remaining payment of US$1,650,000 due on November 23, 2026 was reduced by US$100,000, in exchange for payment by November 30, 2025. Upon entering into the amending agreement, the Company recognized an increase in acquisition costs payable of $115,806.

On the initial closing date, the Company recognized a total of $10,300,701 to deferred acquisition costs related to the present value of future US$11,000,000 in payments plus US$550,000 (amended to US$535,000 payable) in future finders' fees discounted using a rate of 12%.

A continuity of acquisition costs payable for the period ended August 31, 2026 and year ended May 31, 2026 is as follows:

Acquisition costs payable	August 31, 2026	May 31, 2026
Acquisition costs payable, beginning of the period	$ -	$ 3,960,349
Amendment to acquisition costs payable	-	334,696
Payment towards acquisition costs payable	-	(4,231,133)
Payment of finders' fees	-	(211,634)
Accretion expense	-	112,943
Foreign exchange recognized	-	34,779
	-	-
Current portion of acquisition costs payable	-	-
Acquisition costs payable, end of the period	$ -	$ -

The Company had agreed to pay a finders' fee of US$644,478 (amended from US$659,478) over the term of the agreement of which US$644,478 ($878,429) has been paid to date, and issue 346,279 common shares (issued during the year ended May 31, 2021, with a value of $415,535). No further finders' fees are payable on the acquisition.

6. Deferred acquisition costs (continued):

The Company incurred the following pre-acquisition exploration costs in respect of SMB for the period ended August 31, 2025:

Period ended August 31, 2025	Berenguela Project
Analysis	$ 18,523
Field supplies and equipment	22,470
Field and support staff and benefits	420,726
General and administrative	51,786
Geological consulting	168,229
Legal fees	14,090
Maps and reports	26,695
Metallurgical test work	567,123
Permits & licenses	172,408
Travel and meals	61,490
	$ 1,523,540

Deferred acquisition costs incurred as at August 31, 2026 and May 31, 2026, are as follows:

	Berenguela Project	Total
Balance, May 31, 2025	$ 17,262,917	$ 17,262,917
Reclassified on acquisition of SMB and Fossores	(17,262,917)	(17,262,917)
Balance, May 31, 2026 and August 31, 2026	$ -	$ -

7. Equipment:

	Office Furniture	Computer & Comms Equipment	Field Equipment	Total
Cost				
Balance, May 31, 2025	$ 20,003	$ 41,518	$ 41,179	$ 102,700
Additions	-	2,520	33,644	36,164
Balance, May 31, 2026	20,003	44,038	74,823	138,864
Additions	-	3,157	749	3,906
Balance, August 31, 2026	$ 20,003	$ 47,195	$ 75,572	$ 142,770
Accumulated Depreciation				
Balance, May 31, 2025	$ 9,062	$ 22,165	$ 19,601	$ 50,828
Depreciation	2,623	7,295	9,243	19,161
Balance, May 31, 2026	11,685	29,460	28,844	69,989
Depreciation	548	1,614	6,700	8,862
Balance, August 31, 2026	$ 12,233	$ 31,074	$ 35,544	$ 78,851
Net Book Value				
May 31, 2026	$ 8,318	$ 14,578	$ 45,979	$ 68,875
August 31, 2026	$ 7,770	$ 16,121	$ 40,028	$ 63,919

8. Share capital:

(a) Authorized share capital:

Unlimited number of voting common shares without par value.

8. Share capital (continued):

(b) Issued share capital:

Outside of warrant and stock option exercises, there were no shares issued during the period ended August 31, 2026.

Share issuances for the year ended May 31, 2026 were:

a) The Company closed a brokered private placement by issuing 22,222,250 common shares at a price of $0.90 per common shares for gross proceeds of $20,000,025. In connection with the offering, the Company paid finders' fees of $1,200,000 and incurred additional closing costs of $242,652.

(c) Warrants:

Warrant transactions are summarized as follows:

	Number of Warrants	Weighted Average Exercise Price
Balance, May 31, 2025	27,096,156	$ 0.51
Exercised	(8,818,188)	0.32
Expired	(24,000)	0.32
Balance, May 31, 2026 and August 31, 2026	18,253,968	0.60

At August 31, 2026, the Company had the following warrants outstanding:

Number of Warrants	Exercise Price	Expiry Date
7,142,857	$0.45	September 25, 2026[1]
11,111,111	$0.70	November 28, 2027
18,253,968		

1. Subsequent to the period ended August 31, 2026, all of these warrants were exercised for proceeds of $3,214,286.

8. Share capital (continued):

(d) Long-term incentive plan:

The Company has a long-term incentive plan, approved by the Company's shareholders, that allows the grant of Stock Options, Restricted Share Units, Performance Share Units, Deferred Share Units, and Stock Appreciation Rights subject to the aggregate number of common shares of the Company issuable under all security incentives of the Company not exceeding 10% of the issued and outstanding common shares of the Company at the time of the grant.

8. Share capital (continued):

(e) Stock options:

Stock option grants must be approved by the Board of Directors and options are exercisable over periods of up to ten years to buy shares of the Company at a price not less than the closing market price prevailing on the date the option is granted, less a discount of up to 25%, the amount of the discount varying with market price in accordance with the policies of the TSX-V.

Stock option transactions are as follows:

	Number of Stock Options		Weighted Average Exercise Price
Balance, May 31, 2025	16,175,000	$	0.52
Granted	7,900,000		1.08
Exercised	(6,725,000)		0.70
Balance, May 31, 2026	17,350,000		0.71
Exercised	(650,000)		0.65
Balance, August 31, 2026	16,700,000	$	0.71
Exercisable, August 31, 2026	12,883,334	$	0.60

At August 31, 2026, stock options were outstanding, enabling holders to acquire common shares as follows:

Number of Stock Options		Exercise Price	Expiry Date
250,000	$	0.65	October 27, 2026
2,450,000	$	0.35	December 5, 2027
750,000	$	0.30	March 16, 2028
4,325,000	$	0.35	September 3, 2029
25,000	$	0.485	January 11, 2030
600,000	$	0.495	January 21, 2030
400,000	$	0.60	March 18, 2030
300,000	$	0.68	June 26, 2030
7,600,000	$	1.10	February 24, 2031
16,700,000			

During the period ended August 31, 2026, the Company granted a total of nil (year ended May 31, 2026 – 7,900,000) stock options with a weighted average fair value of $nil per option (year ended May 31, 2026 – $0.73). For the period ended August 31, 2026, the Company recognized share-based payments expense of options granted and vesting of $1,487,472 (2025 - $153,900).

8. Share capital (continued):

(e) Stock options (continued):

The following weighted average assumptions were used for the Black-Scholes option-pricing model valuation of stock options granted:

	August 31, 2026	May 31, 2026
Risk-free interest rate	N/A	2.68%
Expected life of option	N/A	4 years
Expected annualized volatility	N/A	87.82%
Dividend	N/A	$0.00

(f) Restricted Share Units:

The Company did not grant any Restricted Share Units ("RSUs") during the period ended August 31, 2026. During the year ended May 31, 2026, the Company granted a total of 350,000 RSUs to consultants of the Company. The RSUs vest one third each year starting one year from the grant date. During the period ended August 31, 2026, the Company recognized $92,648 (2025 - $172,056) for RSUs granted and vested.

During the year ended May 31, 2026, a total of 966,664 RSUs had vested and were exercised. On issuance of 966,664 common shares, $331,750 was reclassified from reserves to share capital.

RSU transactions are as follows:

	Number of RSUs
Balance, May 31, 2025	2,900,000
Granted	350,000
Vested and exercised	(966,664)
Balance, May 31, 2026 and August 31, 2026	2,283,336

At August 31, 2026, RSUs were outstanding, enabling holders to acquire common shares as follows:

Number of RSUs	Number of unexercised vested RSUs	Grant Date
1,566,669	-	September 3, 2024[1]
366,667	-	January 11, 2025
350,000	-	June 26, 2025
2,283,336	-	

1. Subsequent to August 31, 2026, 783,331 of these RSUs vested of which 583,332 were exercised.

9. Related party balances and transactions:

Key management personnel consist of directors and senior management including the Executive Chairman, President and Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, and Corporate Secretary.

During the periods ended August 31, 2026 and 2025, the Company paid or accrued the following amounts to key management personnel, their spouses, or companies controlled by these individuals:

	August 31, 2026	August 31, 2025
Accounting and legal	$ 38,444	$ 22,500
Consulting	160,500	49,500
Geological consulting fees included within exploration costs	70,067	77,709
Corporate secretarial	12,000	9,750
Directors' fees	34,500	28,500
Investor relations fees	39,810	-
Share-based payments	1,189,262	191,030
Wages and salaries	81,000	66,000
	$ 1,625,583	$ 444,989

In addition, payments to companies with common directors and officers for rent, office, and administration totaled $23,525 (2025 - $23,325).

As at August 31, 2026, due to related parties included $84,263 (May 31, 2026 - $97,287) due to key management personnel. As at August 31, 2026, $31,327 (May 31, 2026 - $37,748) in advances to related parties was included within prepaid expenses and advances.

10. Financial instruments:

The carrying values of cash, receivables, restricted cash, accounts payable and accrued liabilities, and due to related parties approximate their fair values due to their short terms to maturity.

(a) Financial instrument risk exposure and risk management:

Credit risk

Credit risk arises from the possibility that counterparties may be unable to fulfill their commitments to the Company. The Company's credit risk is primarily attributable to its liquid financial assets, including cash, restricted cash, and receivables. The carrying value of these instruments represents the Company's maximum exposure to credit risk. The Company manages and limits exposure to credit risk by maintaining its cash with high-credit quality financial institutions. The Company's receivables primarily related to GST receivable in Canada. As the only amounts owing are from government agencies, the Company has determined the credit risk to be minimal.

10. Financial instruments (continued):

(a) Financial instrument risk exposure and risk management (continued):

Liquidity risk

Liquidity risk is the risk that the Company cannot meet its financial obligations associated with financial liabilities in full. The Company manages liquidity risk through the management of its capital structure, as outlined in note 10(b) of these condensed consolidated interim financial statements.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's interest-bearing financial assets consist primarily of guaranteed investment certificates held with major Canadian financial institutions.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of the changes in foreign currency rates. The Company's functional and reporting currency is the Canadian dollar. The Company incurs foreign currency risk on purchases that are denominated in a currency other than the functional currency of the Company, which will have an impact on the profitability of the Company and may also affect the value of the Company's assets, liabilities and the amount of shareholders' equity.

The Company's main risks are associated with fluctuations in the US dollar ("US"), the Chilean peso ("CLP"), the Peruvian Sol ("PEN"), and the Mexican peso ("MXN"). The Company does not enter into any foreign exchange hedging contracts. As at August 31, 2026, the Company had foreign current assets totaling approximately US$ 6,803, CLP 138,460,564, and PEN 2,825,571 and amounts payable totaling approximately US $310,799, CLP 67,181,141, PEN 1,952,357 and MXN 263,984. The Company has determined that a 10% increase or decrease in these currencies against the Canadian dollar on these instruments, as at August 31, 2026, would result in a $2,656 change to profit or loss for the period.

(b) Capital management:

The Company's objectives of capital management are intended to safeguard the entity's ability to support the Company's exploration and evaluation of its resource properties and support any expansion plans. The capital of the Company consists of the items included in shareholders' equity.

The Company manages the capital structure and makes adjustments in light of changes in economic conditions and the risk characteristics of the Company's underlying assets. To effectively manage the entity's capital requirements, the Company has in place a planning and budgeting process to help determine the funds required to ensure the Company has the appropriate liquidity to meet its financial objectives. Notwithstanding the risks described in note 1 of the condensed consolidated interim financial statements, the Company expects to continue to raise funds, from time to time, to continue meeting its capital management objectives.

The Company is not subject to externally imposed capital requirements. There were no changes in the Company's approach to capital management during the period.

11. Segmented information:

The Company operates in one segment, the acquisition and exploration of mineral properties. Geographical information can be found in notes 5 and 6.

The Company's equipment is located as follows:

	August 31, 2026	May 31, 2026
Peru	$ 40,259	$ 40,527
Chile	23,660	28,348
Total Equipment	**$ 63,919**	**$ 68,875**

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