FIRST CANADIAN GRAPHITE INC.

(An Exploration Stage Company)

Consolidated Audited Financial Statements

For The Years Ended February 28, 2026 and 2025

(Expressed in Canadian dollars)

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INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF FIRST CANADIAN GRAPHITE INC.

Opinion

We have audited the consolidated financial statements of First Canadian Graphite Inc. and its subsidiaries (the "Company"), which comprise:

- the consolidated statements of financial position as at February 28, 2026 and 2025;
- the consolidated statements of loss and comprehensive loss for the years then ended;
- the consolidated statements of changes in shareholders' equity for the years then ended;
- the consolidated statements of cash flows for the years then ended; and
- the notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at February 28, 2026 and 2025, and its consolidated financial performance and consolidated cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards").

Basis for Opinion

We conducted our audits 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 Company 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 in our audits is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the consolidated financial statements, which indicates that the Company, has incurred a net loss of $1,324,398 during the year ended February 28, 2026 and, as of that date, the Company had an accumulated deficit of $46,437,482. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended February 28, 2026. 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.

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

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Other Information

Management is responsible for the other information. The other information comprises the information included in 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 Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards, 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the 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.

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

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 Company 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 Company as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for 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.

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The engagement partner on the audit resulting in this independent auditor's report is Michelle Chi Wai So.

Smythe LLP

Chartered Professional Accountants

Vancouver, British Columbia

June 29, 2026

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FIRST CANADIAN GRAPHITE INC.
Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)

As at	Notes		February 28 2026		February 28 2025
ASSETS					
Current					
Cash		$	2,690,781	$	293,468
Accounts Receivable			30,387		29,413
Prepaid expenses			47,944		37,875
			2,769,112		360,756
Non-Current					
Furniture and equipment	4		2,237		2,797
Mineral properties	5		1,236,126		1,213,516
		$	4,007,475	$	1,577,069
LIABILITIES					
Current					
Accounts payable and accrued liabilities		$	61,895	$	534,567
Due to related parties	6		60,382		395,508
			122,277		930,075
EQUITY					
Share capital	7		44,958,802		40,422,263
Contributed surplus	8		5,363,878		5,337,815
Deficit			(46,437,482)		(45,113,084)
			3,885,198		646,994
		$	4,007,475	$	1,577,069

These consolidated financial statements were approved by the Board of Directors on June 29, 2026.

"John LaGourgue"	***"Michael Iverson"***
Director – John LaGourgue	Director – Michael Iverson

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

FIRST CANADIAN GRAPHITE INC.
Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)

For the years end February 28,	Notes		2026		2025
EXPENSES					
Amortization	4	$	560	$	3,769
Consulting fees	6		273,334		359,819
Exploration and evaluation	5 & 6		386,101		544,093
Investor relations			100,097		79,397
Office and administration			75,403		53,362
Professional fees	6		97,461		153,898
Share-based payments	6 & 8		337,670		114,113
Transfer agent and filing fees			83,141		66,180
			(1,353,767)		(1,374,631)
OTHER INCOME (EXPENSE)					
Impairment of mineral property	5		-		(584,999)
Write off of accounts receivable			(1,780)		-
Write off of accounts payable			31,149		18,579
Flow-through share liabilty recovery	14		-		25,573
			29,369		(540,847)
Loss for the year		$	(1,324,398)	$	(1,915,478)
Basic and diluted loss per share		$	(0.05)	$	(0.18)
Weighted average number of common shares outstanding - basic and diluted			24,927,013		10,839,742

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

FIRST CANADIAN GRAPHITE INC.
Consolidated Statements of Changes in Shareholders' Equity
(Expressed in Canadian Dollars)

	Note	Number of shares		Share capital		Contributed surplus		Deficit		Total
Balance, February 29, 2024		8,858,838	$	39,599,196	$	5,305,269	$	(43,197,606)	$	1,706,859
Shares issued pursuant to exercise of RSU	7	100,000		90,000		(90,000)		-		-
Private placements – net of share issuance costs	7	11,588,603		733,067		8,433		-		741,500
Stock-based compensation	6 & 8	-		-		114,113		-		114,113
Loss for the year		-		-		-		(1,915,478)		(1,915,478)
Balance, February 28, 2025		20,547,441		40,422,263		5,337,815		(45,113,084)		646,994
Private placement, net of issuance costs	7	20,428,413		3,952,710		97,241		-		4,049,951
Exercise of warrants	7	548,846		54,885		-		-		54,885
Allocation to share capital on warrant exercise	7	-		8,433		(8,433)		-		-
Exercise of stock options	7	1,117,200		120,096		-		-		120,096
Allocation to share capital on option exercise	7	-		400,415		(400,415)		-		-
Stock-based compensation	6 & 8	-		-		337,670		-		337,670
Loss for the year		-		-		-		(1,324,398)		(1,324,398)
Balance, February 28, 2026		42,641,900	$	44,958,802	$	5,363,878	$	(46,437,482)	$	3,885,198

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

FIRST CANADIAN GRAPHITE INC.
Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)

		2026		2025
CASH FLOWS FROM OPERATING ACTIVITIES				
Loss for the year	$	(1,324,398)	$	(1,915,478)
Items not affecting cash:				
Amortization		560		3,769
Share-based payments		337,670		114,113
Impairment of mineral property		-		584,999
Write off of accounts payable		(31,149)		(18,579)
Write off of accounts receivable		1,780		-
Flow-through share liability		-		(25,573)
Changes in non-cash working capital items:				
Accounts receivable		(2,754)		(21,846)
Prepaid expenses		(10,069)		(24,009)
Accounts payable and accrued liabilities		(441,523)		422,105
Due to related parties		(335,126)		192,292
Net cash used in operating activities		(1,805,009)		(688,207)
CASH FLOWS FROM INVESTING ACTIVITY				
Payments for acquisition of mineral properties		(22,610)		-
Net cash used in investing activities		(22,610)		-
CASH FLOWS FROM FINANCING ACTIVITY				
Shares issued for cash, net of issuance costs		4,224,932		741,500
Net cash provided by financing activity		4,224,932		741,500
Change in cash for the year		2,397,313		53,293
Cash, beginning of year		293,468		240,175
Cash, end of year	$	2,690,781	$	293,468

Supplemental disclosure with respect to cash flows (Note 11)

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

1. NATURE OF OPERATIONS AND GOING CONCERN

First Canadian Graphite Inc. (the "Company") was incorporated under the laws of British Columbia on January 15, 1979 and its principal business activities include the exploration and development of natural resource properties. The Company is publicly listed on the TSX Venture Exchange (the "Exchange") under the symbol "FCI". The Company's corporate office and principal place of business is at 206-837 West Hastings Street, Vancouver, BC, V6C 3N6.

On April 29, 2025, the Company announced that the board of directors have approved a change of the Company's name to "First Canadian Graphite Inc.", subject to acceptance of the TSX Venture Exchange. On June 18, 2025, the Company received TSX approval to change its name from "Green Battery Minerals Inc." to "First Canadian Graphite Inc.", and effective June 20, 2025, the Company's common shares will commence trading under a new symbol FCI.

These consolidated financial statements are prepared on a going concern basis, which assumes that the Company will be able to realize assets and discharge liabilities in the normal course of business. The Company has incurred ongoing losses since inception. During the year ended February 28, 2026, the Company reported a net loss of $1,324,398 (February 28, 2025 - $1,915,478) and as of that date had an accumulated deficit of $46,437,482 (February 28, 2025 - $45,113,084).

The ability of the Company to continue as a going concern and meet its commitments as they become due, including exploration and development of its mineral property interests, is dependent on the Company's ability to obtain the necessary financing. Management is currently assessing alternatives to raising additional funding, which includes additional equity offerings or alternatively to dispose of its interests in certain mineral properties. The outcome of these matters cannot be predicted at this time. If the Company is unable to obtain additional financing, management will be required to curtail the Company's operations.

The business of mining exploration involves a high degree of risk and there is no assurance that current exploration projects will result in future profitable mining operations. The Company has no source of revenue and has significant cash requirements to meet its administrative overhead, pay its debts and liabilities, and maintain its mineral property interests. The recoverability of amounts shown for mineral property interests is dependent on several factors. These include the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development of these properties, and future profitable production or proceeds from disposition of mineral property interests. The carrying value of the Company's mineral property interests may not reflect current or future values.

The above indicate material uncertainties that raise significant doubt about the Company's ability to be able to continue as a going concern. These consolidated financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

2. BASIS OF PREPARATION

(a) Statement of compliance

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

(b) Basis of measurement

These consolidated financial statements are presented in Canadian dollars which is the functional currency of the Company and its subsidiaries. These consolidated financial statements have been prepared on a historical cost basis, except for certain financial instruments carried at fair value, and use the accrual basis of accounting, except for cash flow information.

The material accounting policies set out in Note 3 have been applied consistently by the Company and its subsidiaries for all periods presented.

3. MATERIAL ACCOUNTING POLICIES

The following is a summary of material accounting policies used in the preparation of these consolidated financial statements.

(a) Basis of consolidation

The consolidated financial statements of the Company include its wholly owned subsidiaries, Berkwood Resources PTE. Ltd., incorporated in Singapore, and 1215616 B.C. Ltd., incorporated in Canada. A subsidiary is an entity in which the Company has control, where control requires exposure or rights to variable returns, and the ability to affect those returns through power over the investee. All intercompany transactions and balances have been eliminated upon consolidation.

(b) Mineral property interests

Acquisition costs for mineral property interests, net of recoveries, are capitalized on a property-by-property basis. Acquisition costs may include cash consideration, the value of common shares issued based on fair values, and the fair value of share purchase warrants and options issued based on amounts determined using the Black-Scholes option pricing model.

Exploration and evaluation expenditures, net of recoveries, are charged to operations as incurred. After a property is determined by management to be commercially feasible, development expenditures on the property are capitalized.

When there is little prospect of further work on a property being carried out by the Company, when a property is abandoned, or when the capitalized costs are no longer considered recoverable, the related property costs are written down to management's estimate of their net recoverable amount. Acquisition costs are also tested for impairment before the assets are transferred to development properties. The costs related to a property from which there is production, together with the costs of production equipment, will be depleted and amortized using the unit-of-production method.

Mineral property interests acquired under an option agreement where payments are made at the sole discretion of the Company are capitalized at the time of payment.

3. MATERIAL ACCOUNTING POLICIES (continued)

(b) Mineral property interests (continued)

The Company may occasionally enter into farm-out arrangements, whereby the Company will transfer part of a mineral interest, as consideration, for an agreement by the transferee to meet certain exploration and evaluation expenditures, which would have otherwise been undertaken by the Company. The Company does not record any expenditures made by the farmee on its behalf. Any cash consideration received from the agreement is credited against the costs previously capitalized, with any excess cash recognized in profit or loss.

(c) Impairment of non-current assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there are any indicators of impairment. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit ("CGU") (the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflow from other assets or groups of assets (the CGU), where the recoverable amount of the CGU is the greater of the CGU's fair value less costs to sell and its value in use) to which the assets belong.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognized in profit or loss for the period, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

The Company uses its best efforts to fully understand all of the aforementioned to make an informed decision based upon historical and current facts surrounding the projects.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or CGU) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or CGU) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

(d) Mining exploration tax credit

The Company recognizes mining exploration tax recoveries in the period in which the related recoveries are received. The amount recoverable is subject to review and approval by the taxation authorities.

3. MATERIAL ACCOUNTING POLICIES (continued)

(e) Financial instruments

Financial assets

(i) Recognition and measurement of financial assets

The Company recognizes a financial asset when it becomes a party to the contractual provisions of the instrument.

(ii) Classification of financial assets

The Company classifies financial assets at initial recognition as financial assets: measured at amortized cost, measured at fair value through other comprehensive income, or measured at fair value through profit or loss.

Financial assets measured at amortized cost

A financial asset that meets both of the following conditions is classified as a financial asset measured at amortized cost:

- The Company's business model for the such financial assets, is to hold the assets in order to collect contractual cash flows.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the amount outstanding.

A financial asset measured at amortized cost is initially recognized at fair value plus transaction costs directly attributable to the asset. After initial recognition, the carrying amount of the financial asset measured at amortized cost is determined using the effective interest method, net of impairment loss, if necessary.

Financial assets measured at fair value through other comprehensive income ("FVTOCI")

A financial asset measured at fair value through other comprehensive income is recognized initially at fair value plus transaction costs directly attributable to the asset. After initial recognition, the asset is measured at fair value with changes in fair value included as "financial asset at fair value through other comprehensive income" in other comprehensive income.

Financial assets measured at fair value through profit or loss ("FVTPL")

A financial asset measured at fair value through profit or loss is recognized initially at fair value with any associated transaction costs being recognized in profit or loss when incurred. Subsequently, the financial asset is re-measured at fair value, and a gain or loss is recognized in profit or loss in the reporting period in which it arises. The Company's cash is classified as FVTPL.

(iii) Derecognition of financial assets

The Company derecognizes a financial asset if the contractual rights to the cash flows from the asset expire, or the Company transfers substantially all the risks and rewards of ownership of the financial asset. Any interests in transferred financial assets that are created or retained by the Company are recognized as a separate asset or liability. Gains and losses on derecognition are generally recognized in the consolidated statement of comprehensive loss. However, gains and losses on derecognition of financial assets classified as FVTOCI remain within accumulated other comprehensive loss.

3. MATERIAL ACCOUNTING POLICIES (continued)

(e) Financial instruments (continued)

Financial liabilities

(i) Recognition and measurement of financial liabilities

The Company recognizes financial liabilities when it becomes a party to the contractual provisions of the instruments.

(ii) Classification of financial liabilities

The Company classifies financial liabilities at initial recognition as financial liabilities: measured at amortized cost or measured at fair value through profit or loss.

Financial liabilities measured at amortized cost

A financial liability at amortized cost is initially measured at fair value less transaction costs directly attributable to the issuance of the financial liability. Subsequently, the financial liability is measured at amortized cost based on the effective interest rate method. Accounts payable and accrued liabilities and amounts due to related parties are classified as measured at amortized cost.

Financial liabilities measured at fair value through profit or loss

A financial liability measured at fair value through profit or loss is initially measured at fair value with any associated transaction costs being recognized in profit or loss when incurred. Subsequently, the financial liability is re-measured at fair value, and a gain or loss is recognized in profit or loss in the reporting period in which it arises.

(iii) Derecognition of financial liabilities

The Company derecognizes a financial liability when the financial liability is discharged, cancelled, or expired. Generally, the difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in the consolidated statement of comprehensive loss.

Financial assets and liabilities are offset and the net amount is presented in the statement of financial position only when the Company has a legally enforceable right to set off the recognized amounts and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Fair value hierarchy

Financial instruments measured at fair value are classified into one of the 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.

3. MATERIAL ACCOUNTING POLICIES (continued)

(f) Flow-through shares

Flow-through shares entitle a company that incurs certain resource expenditures in Canada to renounce them for tax purposes allowing the expenditures to be deducted for income tax purposes by the investors who purchased the shares.

At the time of closing a flow-through shares financing, the Company allocates proceeds received first to share capital based on the market close price of the common shares at the time the flow-through shares are priced, and any excess is allocated to flow-through share liability. At the time of closing a financing involving flow-through units consisting of common shares and warrants, the Company allocates proceeds received as follows:

- Share capital – the market close price of the common share;
- Warrant reserve – based on the valuation derived using the Black-Scholes option pricing model; and
- Flow-through premium liability – any excess, recorded as a liability.

Thereafter, as qualifying resource expenditures are incurred, these costs are charged to operations and the flow-through share liability, if any, is amortized to profit or loss.

At the end of each reporting period, the Company reviews its tax position and records an adjustment to its deferred tax accounts for taxable temporary differences, including those arising from the transfer of tax benefits to investors through flow-through shares. For this adjustment, the Company considers the tax benefits (of qualifying resource expenditures already incurred) to have been effectively transferred, if it has formally renounced those expenditures at any time.

The Company may also be subject to a Part XII.6 tax on flow-through proceeds renounced under the Look-back Rule that remains unspent, in accordance with Government of Canada flow-through regulations. When applicable, this tax is accrued and recorded to profit or loss.

(g) Non-monetary transactions

Equity instruments issued for consideration other than cash are valued at the fair value of assets received or services rendered or the estimated fair value of the equity instruments at the date of issuance, whichever is determined to be the more reliable measure.

(h) Accounting for equity units

The Company uses the residual value method with respect to the measurement of common shares and share purchase warrants issued as private placement units. The proceeds from the issue of units are allocated between common shares and share purchase warrants on a residual value basis, wherein the fair value of the common shares is based on the market close price on the date the units are priced and the balance, if any, is allocated to the attached warrants. Share issue costs are recorded against share proceeds.

(i) Share-based payments

Share-based payments to employees are measured at the fair value of the equity 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 contributed surplus.

3. MATERIAL ACCOUNTING POLICIES (continued)

(i) Share-based payments (continued)

The fair value of options 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.

The Company has established a restricted share plan under which restricted share units ("RSUs") are granted to eligible directors, employees, and consultants of the Company. The RSUs are considered equity-settled and are measured using the quoted market price of the Company's common shares at the grant date and recognized as share-based compensation over the vesting period, with a corresponding amount recognized as equity.

(j) Loss per share

Loss per share is calculated using the weighted average number of common shares outstanding during the period. The Company uses the treasury stock method to compute the dilutive effect of options, warrants and similar instruments. Under this method the dilutive effect on earnings per share is calculated presuming the exercise of outstanding options, warrants and similar instruments. It assumes that the proceeds of such exercise would be used to repurchase common shares at the average market price during the period. However, the calculation of diluted loss per share excludes the effects of various conversions and exercise of options and warrants that would be anti-dilutive. Basic and diluted loss per share is the same for the years presented.

(k) Use of judgments and estimates

Apart from making estimates and assumptions as described below, the Company's management makes critical judgments in the process of applying its accounting policies that have significant effect on the amounts recognized in the Company's consolidated financial statements. The significant judgments that the Company's management has made in the process of applying the Company's accounting policies, apart from those involving estimation uncertainties, that have the most significant effect include, but are not limited to:

(i) Indicators of impairment of mineral property interests

Assets or CGUs are evaluated at each reporting date to determine whether there are any indications of impairment. The Company considers both internal and external sources of information when making the assessment of whether there are indications of impairment for the Company's mineral property interests. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefit, including geologic and metallurgic information, economics assessment/studies, accessible facilities, and existing permits.

(ii) Mining exploration tax credits and eligibility of flow through expenditures

The Company is entitled to refundable tax credits on qualified resource expenditures incurred in Canada. Management's judgment is applied in determining whether the resource expenditures are eligible for claiming such credits.

The Company is required to spend proceeds received from the issuance of flow-through shares on qualifying resources expenditures. Differences in judgment between management and regulatory authorities with respect to qualified expenditures may result in disallowed expenditures by the tax authorities. Any amount disallowed may result in the Company's required expenditures not being fulfilled.

3. MATERIAL ACCOUNTING POLICIES (continued)

(k) Use of judgments and estimates (continued)

(iii) Going concern

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay for its ongoing operating expenditures, meet its liabilities for the ensuing year, and to fund planned and contractual exploration programs, involves significant judgment based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

Significant areas requiring the use of management estimates include:

(i) Assumptions in the Black-Scholes option pricing model

The fair values of warrants and options granted are subject to the limitations of the Black-Scholes option pricing model that incorporates market data and involves uncertainty in estimates used by management in the assumptions. Because the Black-Scholes option pricing model requires the input of highly subjective assumptions, including the volatility of future share prices, changes in subjective input assumptions can materially affect the fair value estimate.

(ii) Recoverable value of mineral property interests

The carrying value and recoverability of mineral property interests require management to make certain estimates, judgments, and assumptions about each project. Management considers the economics of the project, including the latest resource prices and the long-term forecasts and overall economic viability of the project. Management has assessed these indicators and recognized an impairment provision for the Jupiter Project and Stallion Project in the prior year (Note 5).

While management believes that these estimates are reasonable, actual results could differ from those estimates and could impact financial performance and cash flows.

(l) New and upcoming standards

Presentation and Disclosure in Financial Statements (IFRS 18) - IFRS 18 will replace IAS 1, Presentation of Financial Statements which aims to improve how companies communicate in their financial statements, with a focus on information about financial performance in the statement of profit or loss, in particular additional defined subtotals, disclosures about management-defined performance measures and new principles for aggregation and disaggregation of information. IFRS 18 is accompanied by limited amendments to the requirements in IAS 7 Statement of Cash Flows. IFRS 18 is effective for years commencing on or after January 1, 2027. Companies are permitted to apply IFRS 18 before that date. The Company is not yet able to determine the impact to the consolidated financial statements from the adoption of this standard.

Certain pronouncements were issued by the IASB but are not yet effective as at February 28, 2026. The Company intends to adopt these standards when they become effective but does not expect these amendments to have a material effect on its consolidated financial statements.

(Expressed in Canadian Dollars)

4. FURNITURE AND EQUIPMENT

	Furniture ($)	Field Equipment ($)	Total ($)
Cost			
Balance at February 28, 2026 and 2025	11,739	30,704	42,443
Accumulated amortization			
Balance at February 29, 2024	8,243	27,634	35,877
Addition	699	3,070	3,769
Balance at February 28, 2025	8,942	30,704	39,646
Addition	560	-	560
Balance at February 28, 2026	9,502	30,704	40,206
At February 28, 2026	2,237	-	2,237
At February 28, 2025	2,797	-	2,797

5. MINERAL PROPERTIES

The Company has capitalized the following acquisition expenditures as at February 28, 2026 and 2025:

	Lac Gueret South	Stallion	Jupiter	Total
Balance, February 29, 2024	$ 1,213,515	$ 535,000	$ 50,000	$ 1,798,515
Impairment	-	(534,999)	(50,000)	(584,999)
Balance, February 28, 2025	1,213,515	1	-	1,213,516
Additions	22,610	-	-	22,610
Balance, February 28, 2026	$ 1,236,125	$ 1	$ -	$ 1,236,126

The Company expensed the following exploration and evaluation expenditures during the year ended February 28, 2026:

	Lac Gueret South	Stallion	Jupiter	Total
Geological consulting	$ 62,837	$ -	$ -	$ 62,837
Field and camp costs	12,057	-	-	12,057
Travel	8,600	-	-	8,600
Assays and Lab Process	6,581	-	-	6,581
Survey	232,026	44,000	-	276,026
Settlement & release	-	-	20,000	20,000
	$ 322,101	$ 44,000	$ 20,000	$ 386,101

(Expressed in Canadian Dollars)

5. MINERAL PROPERTIES (continued)

The Company expensed the following exploration and evaluation expenditures during the year ended February 28, 2025:

	Lac Gueret South	Stallion	Jupiter	Total
Geological consulting (Note 6)	$ 238,653	$ -	$ -	$ 238,653
Field and camp costs	135,339	2,500	-	137,839
Travel	94,599	-	-	94,599
Mobility/Demobilize	25,074	-	-	25,074
Assays and lab	28,000	-	-	28,000
Freight	7,513	-	-	7,513
Claims renewal	34,678	-	-	34,678
Others	5,636	-	-	5,636
Mining tax credit	(27,899)	-	-	(27,899)
	$ 541,593	$ 2,500	$ -	$ 544,093

(a) **Lac Gueret South Property, Quebec**

The Company entered into an option agreement dated July 26, 2014 to acquire a 100% interest in the Lac Gueret South Property. The agreement was approved by the Exchange on August 13, 2014.

Under the terms of the option agreement, the Company may acquire a 100% interest in the Lac Gueret South graphite property by making cash payments and issuing the Company's securities as set forth below:

(i) On signing of the option agreement: $15,000 (paid);
(ii) Within seven days of the date of approval of the agreement by the Exchange: $10,000 (paid) and 3,750 units (issued). Each unit comprised one common share and one common share purchase warrant, exercisable for 24 months at $4.00 to acquire an additional common share;
(iii) Within thirty days of the date of approval of the agreement by the Exchange: $10,000 (paid);
(iv) Within six months of the date of approval of the agreement by the Exchange: $25,000 (amended to be due July 29, 2016) (paid); and
(v) Within 12 months of the date of approval of the agreement by the Exchange: $25,000 (amended to be due January 29, 2017) (paid).

A 2% net smelter return ("NSR") is payable to the optionors on all minerals produced from the property. The Company has the right at any time to buy back 2% of the NSR from the optionors for $1,000,000. During the year ended February 28, 2018, the Company expanded its Lac Gueret Extensions project (South & East blocks).

The Company acquired more claims adjacent to and on-trend with Mason Graphite. The Company paid $25,000 and issued 6,250 common shares of the Company fair valued at $56,250.

During the year ended February 28, 2018, the Company issued 15,750 common shares by way of a share exchange agreement fair valued at $220,500 and paid $15,000 to an arm's-length party. There are no royalties payable and the Company owns 100% of the Turkey Lake property.

5. MINERAL PROPERTIES (continued)

(a) **Lac Gueret South Property, Quebec** (continued)

During the year ended February 28, 2019, the Company entered into an agreement with 1137794 B.C. Ltd. to acquire fifty-eight (58) claims located adjacent to Lac Gueret South Property. The Company has issued 70,000 common shares by way of a share exchange agreement fair valued at $392,000 and paid $20,000 to an arm's-length party. There are no royalties payable and the Company increased its landholding at the Company's 100% owned Lac Gueret Project.

On October 30, 2018, the Company signed an agreement with Progressive Planet Solutions Inc. (PLAN-TSX:V) ("Progressive Planet"). The terms of the agreement allow Progressive Planet to earn a 5% interest to the Lac Gueret South Graphite property in exchange for expenditure of $250,000 on the project by December 31, 2018. During a period of six months, either party will have the right to execute a buy-back scenario in which the Company would purchase the 5% back by issuing to Progressive Planet 43,750 units in the Company. Each unit will entitle Progressive Planet to receive one share, and one-half warrant of the Company, which at the time of signing this agreement constitutes 5% of the issued and outstanding shares of the Company. This transaction has been approved by the Exchange.

On January 29, 2019, the Company bought back the 5% interest from Progressive Planet by issuing 43,750 common shares of the Company fair valued at $140,000 and 87,500 warrants fair valued at $20,800 Each warrant is exercisable at a price of $1.50 per share for a period of two years from the date of closing.

During the year ended February 28, 2019, the Company signed an agreement with Intact Gold Corp. (ITG-TSX:V) ("Intact"). The terms of the agreement allow Intact to earn a 2.5% interest to the Lac Gueret South Graphite property in exchange for expenditure of $125,000 on the project by December 31, 2018. During a period of six months, either party will have the right to execute a buy-back scenario in which the Company would purchase the 2.5% back by issuing to Intact 2,187 units in the Company. Each unit will entitle Intact to receive one share, and one-half warrant of the Company.

On April 18, 2019, the Company bought back the 2.5% interest from Intact by issuing 2,187 common shares of the Company fair valued at $52,500 and 4,375 warrants fair valued at $5,179. Each warrant is exercisable at a price of $6.00 per share for a period of two years from the date of closing.

On August 7, 2019, the Company entered into an agreement to acquire 1215616 B.C. Ltd., a private British Columbia company, which sole asset is fifty-eight (58) claims located adjacent to Lac Gueret South Property. The Company has issued 48,750 common shares by way of a share exchange agreement fair valued at $68,250 and paid $11,500 to an arm's-length party. The sole asset of 1215616 B.C. Ltd. was the fifty-eight claims located adjacent to the Lac Gueret South Property. For accounting purposes, the acquisition has been recorded as an asset acquisition as 1215616 B.C. Ltd. did not meet the definition of a business, as defined in IFRS 3 *Business Combinations* ("IFRS 3").

The Company staked an additional claims for $22,610 in the surrounding and immediate area of its Lac Gueret South project.

5. MINERAL PROPERTIES (continued)

(a) **Lac Gueret South Property, Quebec** (continued)

On January 27, 2023, the Company entered into an agreement to acquire from Contigo Resources Ltd., seven (7) claims located adjacent to Lac Gueret South Property. The Company paid $5,728 to an arm's-length party.

On February 8, 2023, the Company entered into an agreement to acquire from arm's length parties, twenty-two (22) claims located adjacent to Lac Gueret South Property. The Company has issued 58,700 warrants by way of a share exchange agreement and paid $3,520 to an arm's-length party. The warrants have a fair value of $34,869.

On February 23, 2023, the Company entered into an agreement to acquire from arms-length parties, thirty (30) claims located adjacent to Lac Gueret South Property. The Company has issued 61,300 warrants by way of a share exchange agreement to an arm's-length party. The warrants have a fair value of $20,908

(b) **Stallion Gold Project, British Columbia**

On October 27, 2020, the Company entered into a definitive agreement to acquire mineral claims in British Columbia's Golden Horseshoe region.

During the year ended February 28, 2021, the Company acquired all of the issued and outstanding shares of Bench Minerals Corp. ("Bench") by the issuance of 400,000 common shares (issued) of the Company with a fair value of $520,000 and $15,000 cash (paid) in consideration for the acquisition. The sole asset of Bench was the Stallion Gold Project claim. For accounting purposes, the acquisition has been recorded as an asset acquisition as Bench did not meet the definition of a business, as defined in IFRS 3. Bench was subsequently dissolved in August 2021.

During the year ended February 28, 2025, the Company did not renew any claims. Indicators of impairment existed leading to test of recoverable amount, which resulted in the recognition of an impairment loss of $534,999 in accordance with Level 3 of the fair value hierarchy. A value in use calculation is not applicable as the Company does not have any expected cash flows from using the property at this stage of operations. In estimating the fair value less costs of disposal, management did not have observable or unobservable inputs to estimate the recoverable amount greater than $nil.

On March 31, 2026, the Company completed the sale of the claims known as the Stallion Gold Project for total consideration of $10,000 cash (received) and 137,000 common shares with a fair value of $39,730 (received) of the acquirer, Hi-View Resources Inc.

5. MINERAL PROPERTIES (continued)

(c) **Jupiter Project, Quebec**

On May 3, 2023, the Company entered into an option agreement to acquire from Contigo Resources Ltd., one hundred twenty-two (122) claims located in Quebec, known as the Jupiter Project.

Under the terms of the option agreement, the Company may acquire a 100% interest in the lithium property as per terms as set forth below:

(i) Cash payment of $50,000 upon approval by the Exchange (paid);
(ii) Minimum expenditure of $100,000 to be incurred by December 31, 2023 (incurred);
(iii) Minimum expenditure of $500,000 to be incurred by October 31, 2024; and
(iv) Cash payment of $250,000 by October 31, 2024.

A 2% NSR is payable to the optionors on all minerals produced from the property. The royalty will be reduced from 2.0% to 1.0% at any time prior to commencement of commercial production upon payment by optionee to the optionors of $1,500,000.

During the year ended February 28, 2025, management decided not to pursue this project. Indicators of impairment existed leading to test of recoverable amount, which resulted in the recognition of an impairment loss of $50,000 in accordance with Level 3 of the fair value hierarchy. A value in use calculation is not applicable as the Company does not have any expected cash flows from using the property at this stage of operations. In estimating the fair value less costs of disposal, management did not have observable or unobservable inputs to estimate the recoverable amount greater than $nil.

During the year ended February 28, 2026, the Company made a cash settlement of $20,000 to Contigo Resources Ltd. as part of the settlement and release agreement for the Jupiter Project, which is included in exploration and evaluation expenses in the statement of loss.

(d) **Realization**

The Company's investment in and expenditures on mineral property interests comprise a significant portion of the Company's assets. Realization of the Company's investment in the assets is dependent on establishing legal ownership of the property interest, on the attainment of successful commercial production, or from the proceeds of its disposal. The recoverability of the amounts shown for the mineral property interest is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of the property interest, and upon future profitable production or proceeds from the disposition thereof.

a. Title
Although the Company has taken steps to ensure the title to the mineral properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures may not guarantee the Company's title. Property title may be subject to unregistered prior agreements or transfers and title may be affected by undetected defects.

b. Environmental
Environmental legislation is becoming increasingly stringent and costs and expenses of regulatory compliance are increasing. The impact of new and future environmental legislation on the Company's operations may cause additional expenses and restrictions. If the restrictions adversely affect the scope of exploration and development on the mineral property interest, the potential for production on the property may be diminished or negated.

(Expressed in Canadian Dollars)

6. RELATED PARTY TRANSACTIONS

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

Key Management Compensation

Key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's executive officers and Board of Director members. Compensation paid to key management included the amounts above as follows:

	February 28, 2026	February 28, 2025
Consulting fees	$ 181,333	$ 210,000
Consulting fees exploration	-	7,719
Consulting (close family members)	38,200	72,600
Professional fees	47,720	80,000
Share-based compensation	33,518	75,170
	$ 300,771	$ 445,489

(a) During the year ended February 28, 2026, the Company incurred consulting fees of $181,333 (2025 - $210,000) with directors and companies controlled by the directors.

As at February 28, 2026, $60,382 (February 28, 2025 - $301,438) was owed to directors and companies controlled by the directors. The amounts are non-interest bearing and there are no specified terms of repayment.

(b) During the year ended February 28, 2026, the Company incurred professional fees for financial services of $47,720 (2025 - $80,000) with an officer and director of the Company.

(c) During the year ended February 28, 2026, the Company incurred consulting fees of $38,200 (2025 - $72,600) with close family members of a director.

As at February 28, 2026, $nil (February 28, 2025 - $94,070) was owed to a close family member of a director. The amounts are non-interest bearing and there are no specified terms of repayment.

7. SHARE CAPITAL

(a) Authorized

Unlimited common shares without par value. All shares issued are fully paid.

(b) Issued and outstanding

As at February 28, 2026, the issued share capital was comprised of 42,641,900 (February 28, 2025 - 20,547,441) common shares.

During the year ended February 28, 2026, the Company issued common shares as follows:

- On July 24, 2025, the Company closed a private placement of 2,122,500 non-flow-through units at a price of $0.08 per non-flow-through unit for gross proceeds of $169,800. Each non-flow-through unit is comprised of one common share and one common share purchase warrant. Each whole warrant is exercisable at a price of $0.10 per share for a period of three years from the date of closing. The Company paid cash finders fees of $2,820 and paid legal fees of $7,790.

- On August 6, 2025, the Company closed a private placement of 2,550,000 non-flow-through units at a price of $0.08 per non-flow-through unit for gross proceeds of $204,000. Each non-flow-through unit is comprised of one common share and one common share purchase warrant. Each whole warrant is exercisable at a price of $0.10 per share for a period of three years from the date of closing. The Company paid cash finders fees of $1,800 and paid legal fees of $13,550.

- On September 4, 2025, 200,000 warrants were exercised for total gross proceeds to the Company of $20,000.

- On September 5, 2025, 50,000 options were exercised for total gross proceeds to the Company of $4,000. Upon exercise, $4,528 in contributed surplus was allocated to share capital.

- On September 29, 2025, 173,846 warrants were exercised for total gross proceeds to the Company of $17,385. Upon exercise, $8,433 in contributed surplus was allocated to share capital.

- On December 15, 2025, the Company completed a flow-through private placement of 1,500,000 units at a price of $0.20 per unit for gross proceeds of $300,000. Each unit is comprised of one flow-through common share and one-half common share purchase warrant. Each full warrant is exercisable at a price of $0.25 per share for a period of two years from the date of closing. The Company has paid cash finders fees of $24,000, legal fees of $4,375 and issued 120,000 finder warrants with a fair value of $10,620. The finder fee warrants have the same terms as the common share purchase warrants. On issuance, the Company bifurcated the flow-through units into i) share capital of $270,000, and ii) warrants of $30,000, which was allocated to contributed surplus.

- On January 7, 2026, the Company completed a non-flow-through private placement of 4,916,333 units at a price of $0.15 per unit for gross proceeds of $737,450. Each unit is comprised of one common share and one common share purchase warrant. Each warrant is exercisable at a price of $0.20 per share for a period of two years from the date of closing. The Company has paid cash finders fees of $30,231, legal fees of $18,550 and issued 186,550 finder warrants with a fair value of $30,523. The finder fee warrants have the same terms as the common share purchase warrants.

- On January 14, 2026, 175,000 warrants were exercised for total gross proceeds to the Company of $17,500.

(Expressed in Canadian Dollars)

7. SHARE CAPITAL (continued)

(b) Issued and outstanding (continued)

- On January 19, 2026, 852,500 options were exercised for total gross proceeds to the Company of \$85,450. Upon exercise, \$109,418 in contributed surplus was allocated to share capital.

- On January 28, 2026, 92,700 options were exercised for total gross proceeds to the Company of \$11,686. Upon exercise, \$108,984 in contributed surplus was allocated to share capital.

- On February 17, 2026, 122,000 options were exercised for total gross proceeds to the Company of \$18,960. Upon exercise, \$177,485 in contributed surplus was allocated to share capital.

- On February 17, 2026, the Company completed a non-flow-through private placement of 9,339,580 units at a price of \$0.30 per unit for gross proceeds of \$2,801,874. Each unit is comprised of one common share and one-half common share purchase warrant. Each full warrant is exercisable at a price of \$0.50 per share for a period of two years from the date of closing. The Company has paid cash finders fees of \$38,802, legal fees of \$21,255 and issued 125,440 finder warrants with a fair value of \$26,098. The finder fee warrants have the same terms as the common share purchase warrants.

During the year ended February 28, 2025, the Company issued common shares as follows:

- On March 7, 2024, the Company issued 100,000 shares pursuant to exercise of Restricted Shares Units ("RSUs").

- On December 11, 2024, the Company closed a private placement of 7,303,460 non-flow-through units at a price of \$0.065 per non-flow-through unit for gross proceeds of \$474,725. Each non-flow-through unit is comprised of one common share and one common share purchase warrant. Each whole warrant is exercisable at a price of \$0.10 per share for a period of three years from the date of closing. The Company paid cash finders fees of \$15,280, issued 173,846 broker warrants with a fair value of \$8,433 and paid legal fees of \$7,250.

- On February 5, 2025, the Company closed a private placement of 4,285,143 non-flow-through units at a price of \$0.07 per non-flow-through unit for gross proceeds of \$299,960. Each non-flow-through unit is comprised of one common share and one common share purchase warrant. Each whole warrant is exercisable at a price of \$0.10 per share for a period of two years from the date of closing. The Company paid cash finders fees of \$2,730 and paid legal fees of \$7,925.

The fair value of brokers warrants issued were calculated using the Black-Scholes Option Pricing Model using the following weighted average assumptions:

		February 28, 2026	February 28, 2025
Risk-fee interest rate		2.47%	3.06%
Expected dividend yeild		-	-
Expected stock price volatility		120.89%	103.74%
Expected option life in years		2.00	3.00
Forfeiture rate		-	0%
Fair value on grant date	$	0.16	$0.05

(Expressed in Canadian Dollars)

7. SHARE CAPITAL (continued)

(c) Share purchase warrants

As at February 28, 2026 and 2025, the Company had the following changes in warrants outstanding:

	February 28, 2026		Weighted Average Exercise Price	February 28, 2025		Weighted Average Exercise Price
Opening balance	13,001,926	$	0.18	1,799,477	$	0.29
Granted	15,440,613	$	0.27	11,762,449	$	-
Exercised	(548,846)	$	0.10	-	$	0.29
Expired	(200,000)	$	0.60	(560,000)	$	0.29
Ending balance	27,693,693	$	0.23	13,001,926	$	0.18

At February 28, 2026 and 2025, the following warrants were outstanding and exercisable:

		February 28, 2026		February 28, 2025	
Expiry Date	Exercise price	Warrants	Weighted Average Expected life (years)	Warrants	Weighted Average Expected life (years)
22-Nov-25	$0.60	-	-	200,000	0.73
3-Mar-26	$0.90	58,700	0.01	58,700	1.01
25-Jul-26	$1.00	455,727	0.40	455,727	1.4
27-Jul-26	$0.90	61,300	0.41	61,300	1.41
6-Sep-26	$1.00	294,000	0.52	294,000	1.52
7-Sep-26	$1.00	19,750	0.52	19,750	1.52
29-Dec-26	$1.00	125,000	0.83	125,000	1.83
29-Dec-26	$0.70	25,000	0.83	25,000	1.83
11-Dec-27	$0.10	6,928,460	1.78	7,477,306	2.78
5-Feb-27	$0.10	4,285,143	0.94	4,285,143	1.94
24-Jul-28	$0.10	2,122,500	2.40	-	-
6-Aug-28	$0.10	2,550,000	2.44	-	-
16-Dec-27	$0.25	870,000	1.80	-	-
7-Jan-28	$0.20	5,102,883	1.86	-	-
17-Feb-28	$0.50	4,795,230	1.97	-	-
		27,693,693	1.76	13,001,926	2.37

(Expressed in Canadian Dollars)

7. SHARE CAPITAL (continued)

(d) **Restricted Share Units**

A summary of the status of the Company's restricted share units as at February 28, 2026 and 2025 and changes during those periods are presented below:

	Options Outstanding	Weighted Average Exercise Price
Balance February 29, 2024	100,000	$ 0.90
Exercised	(100,000)	$ (0.90)
Balance February 28, 2026 and 2025	-	$ -

(e) **Stock options**

During the years ended February 28, 2026 and 2025, the Company had the following changes in stock options outstanding:

	February 28, 2026	Weighted Average Exercise Price		February 28, 2025	Weighted Average Exercise Price	
Opening balance	1,947,500	$	0.52	760,250	$	1.30
Granted	1,750,000	$	0.27	1,260,000	$	0.08
Exercised	(1,117,200)	$	0.11	(72,750)	$	1.02
Expired/Cancelled	(420,000)	$	0.18	-	$	-
Ending balance	2,160,300	$	0.39	1,947,500	$	0.52

(Expressed in Canadian Dollars)

7. SHARE CAPITAL (continued)

(e) **Stock options** (continued)

As at February 28, 2026 and 2025, the following stock options were outstanding and exercisable:

		February 28, 2026		February 28, 2025	
Expiry Date	Exercise price	Options	Weighted Average Expected life (years)	Options	Weighted Average Expected life (years)
December 29, 2025	$1.10	-	-	112,500	0.05
February 16, 2026	$4.15	-	-	51,500	0.03
April 16, 2026	$2.00	15,300	0.13	50,000	0.03
January 6, 2027	$1.45	145,000	0.85	155,000	0.15
April 14, 2027	$1.00	45,000	1.12	54,000	0.06
March 3, 2028	$0.90	25,000	2.01	49,500	0.08
May 12, 2028	$0.80	40,000	2.20	70,000	0.12
October 4, 2028	$0.50	40,000	2.60	80,000	0.15
November 29, 2028	$0.50	-	2.75	10,000	0.02
January 19, 2026	$0.08	-	-	35,000	0.02
February 6, 2030	$0.15	450,000	3.94	1,260,000	3.22
August 26, 2030	$0.15	100,000	4.49	-	-
January 8, 2031	$0.30	1,250,000	4.86	-	-
January 26, 2031	$0.30	50,000	4.91	-	-
		2,160,300	4.15	1,927,500	3.91

(Expressed in Canadian Dollars)

8. CONTRIBUTED SURPLUS

The Company has adopted a share incentive plan. The maximum number of shares issuable under the plan shall not exceed 10% of the Company's issued and outstanding shares on each date where options are granted. Options granted may have a maximum term of ten years and must have an exercise price greater than or equal to the closing price of the Company's shares on the day preceding the grant date. Options that have been cancelled or expired continue to be issuable under the plan.

When the Company issues options, it records a stock-based payment compensation expense in the year or period in which the awards are granted and/or vested. Stock-based compensation expense related to options is estimated using the following assumptions. The expected volatility assumption is based on the historical and implied volatility of the Company's common share price on the Exchange. The risk-free interest rate assumption is based on yield curves on Canadian government zero-coupon bonds with a remaining term equal to the stock options' expected life. The Company uses historical data to estimate option exercise, forfeiture, and employee termination within the valuation model. The Company has not paid and does not anticipate paying dividends on its common stock. Companies are required to utilize an estimated forfeiture rate when calculating the expense for the reporting period. Based on the best estimate, management applied the estimated forfeiture rate of 0% in determining the expense recorded in the accompanying consolidated statements of loss and comprehensive loss.

During the year ended February 28, 2026, the Company has recognized $337,670 (February 28, 2025 - $114,113) in share-based compensation relating to the granting of 1,750,000 (2025 - 1,260,000) options. The options are vested 100% on the grant date.

The fair values of options were determined on the date of the grant using the Black-Scholes option pricing model with the following weighted average assumptions:

	February 28, 2026	February 28, 2025
Risk-free interest rate	2.96%	2.88%
Expected stock price volatility	101.46%	109.00%
Expected option life in years	5.00	5.00
Fair value on grant date	$0.18	$0.09

9. CAPITAL MANAGEMENT

The Company's objective in managing its capital is to maintain the ability to continue as a going concern and to continue to explore on mineral property interests for the benefits of its stakeholders.

The Company considers its capital to be the components of shareholders' equity. Capital requirements are driven by the Company's exploration activities on its mineral property interests. To effectively manage the Company's capital requirements, the Company has a planning and budgeting process in place to ensure that adequate funds are available to meet its strategic goals.

The Company monitors actual expenses to budget on all exploration projects and overheads to manage costs, commitments, and exploration activities.

As the Company is in the exploration stage, its operations have been and will likely continue to be funded by the sale of equity to investors. Although the Company has been successful in raising funds in the past through issuing common shares, it is uncertain whether it will be able to continue to raise financing due to difficult conditions.

The Company is not subject to any externally imposed capital requirements and did not change its approach to capital management during the year ended February 28, 2026.

10. RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

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 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:

(a) **Fair value of financial instruments**

As at February 28, 2026 and 2025, the Company's financial instruments consist of cash, accounts payable and accrued liabilities, and due to related parties.

The fair value of cash is determined based on Level 1 inputs which consist of quoted prices in active markets for identical assets. As at February 28, 2026 and 2025, the Company believes that the carrying values of accounts payable and accrued liabilities and due to related parties approximate the fair values because of their nature and relatively short maturity dates or durations.

(b) **Credit risk**

Credit risk is the risk of a financial loss to the Company if counterparties to a financial instrument fail to meet their contractual obligations.

The Company's primary exposure to credit risk is on its cash held in financial institutions. The majority of cash is deposited in bank accounts held with major financial institutions in Canada. Credit risk is managed by using major banks that are high credit quality financial institutions as determined by ratings agencies.

(c) **Market risk**

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

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company is not exposed to significant interest rate risk.

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair values or future cash flows of a financial instrument will fluctuate, as they are denominated in currencies that differ from the respective functional currency. The Company is not exposed to significant foreign currency risk.

(iii) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company is not exposed to any other price risk.

10. RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

(d) **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 endeavours to have sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash. Historically, the Company's main source of funding has been from the issuance of equity securities for cash, primarily through private placements.

At February 28, 2026, the Company had accounts payable and accrued liabilities of $122,277 (February 28, 2025 - $534,567) and amounts due to related parties of $nil (February 28, 2025 - $395,508). The Company's accounts payable and accrued liabilities and amounts due to related parties have contractual maturities of less than 30 days and are subject to normal trade terms.

11. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

Non-cash investing and financing activities for the year ended February 28, 2026:

(a) Issued 431,990 warrants with a value of $67,241 as broker compensation (Note 7(b)).

Non-cash investing and financing activities for the year ended February 28, 2025:

(b) Issued 100,000 shares pursuant to exercise of RSU with a value of $400,415 (Note 7(b)); and

(c) Issued 173,846 warrants with a value of $8,433 as broker compensation (Note 7(b)).

12. SEGMENTED INFORMATION

The Company's one reportable operating segment is the acquisition and exploration of mineral property interests. All assets and operations of the Company are located in Canada.

13. COMMITMENTS

Funds raised through the issuance of flow-through shares are required to be expended on qualified Canadian mineral exploration expenditures, as defined under Canadian income tax legislation. The flow-through gross proceeds less the qualified expenditures made to date represent the funds received from flow-through share issuances that are allotted for such expenditure but have not yet been spent. As of February 28, 2026, the Company had flow-through share expenditure obligations of approximately $55,000 (February 28, 2025 - $nil).

(Expressed in Canadian Dollars)

14. INCOME TAXES

The reconciliation of income tax provision computed at the combined federal and provincial statutory rate of 27% (2025 - 27%) for the years ended February 28, 2026 and February 28, 2025 to the reported income tax expense is as follows:

		2026		2025
Loss before income taxes	$	(1,324,398)	$	(1,915,478)
Statutory tax rate		27%		27%
Income tax recovery computed at statutory rate		(357,587)		(517,179)
Change in timing differences		21,965		(39,844)
Items not deductible for tax purposes		92,606		46,877
Under provided in prior years		99,448		120,424
Unused tax losses and tax offsets not recognized		143,568		389,722
	$	-	$	-

The Company's unrecognized deductible temporary differences and unused tax losses for which no deferred tax asset is recognized consist of the following amount:

Tax Losses		2026		2025
Non-capital losses	$	17,342,150	$	16,550,512
Mineral properties		8,182,841		8,457,164
Share issuance costs		183,942		170,083
Equipment		41,311		40,752
Net capital losses		30,156		30,156
Total	**$**	**25,780,400**	**$**	**25,248,667**

15. EVENTS AFTER THE REPORTING PERIOD

- On March 11, the Company granted 400,000 stock options with an exercise price of $0.50 that are exercisable five years from the date of grant.

- On March 6, 2026, the Company completed a flow-through share private place and issued 2,050,000 shares at a price of $0.50 for total gross proceeds of $1,025,000. The Company paid finders fees of $70,000 and issued 140,000. Each finder's warrant is exercisable into one common share of the Company at an exercise price of $0.50 for a period of two years.

- Subsequent to February 28, 2026, 847,714 warrants were exercised for total gross proceeds to the Company of $128,254.

FIRST CANADIAN GRAPHITE INC.

Management's Discussion and Analysis

For the Year Ended February 28, 2026

INTRODUCTION

The following Management's Discussion and Analysis ("MD&A") of First Canadian Graphite Inc., ("the Company") has been prepared as of June 29, 2026, should be read in conjunction with the consolidated audited financial statements for years ended February 28, 2026 and February 28, 2025 and related notes attached thereto, which are prepared in accordance with the International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

All financial results presented in this MD&A are expressed in Canadian dollars unless otherwise indicated.

DESCRIPTION OF BUSINESS

The Company was incorporated under the Companies Act of British Columbia. The Company is engaged in the acquisition, exploration and development of natural resource properties. The Company is trading on the following exchanges:

- TSX Venture Exchange under the symbol (FCI)
- Frankfurt Exchange under the symbol (BK2P)
- OTC Exchange under the symbol (GRAPF)

The Company has yet to receive any revenue from its natural resource exploration operations. Accordingly, the Company has no operating income or cash flows. Its continued existence has relied almost exclusively upon equity financing activities, which is not expected to significantly change in the immediate future.

On April 29, 2025, the Company announced that the board of directors have approved a change of the Company's name to "First Canadian Graphite Inc.", subject to acceptance of the TSX Venture Exchange. On June 18, 2025, the Company received TSX approval to change its name from "Green Battery Minerals Inc." to "First Canadian Graphite Inc.", and effective June 20, 2025, the Company's common shares will commence trading under a new symbol FCI.

DEPENDENCE ON MANAGEMENT

The Company strongly depends on the business and technical expertise of its management and there is little possibility that this dependence will decrease in the near term.

FORWARD LOOKING INFORMATION

Certain statements in this Management Discussion and Analysis constitute forward-looking statements under applicable securities legislation. Forward-looking statements or information typically containing statements with words such as "anticipate", "believe", "expect", "plan", "intend", "estimate", "propose" or similar words suggesting future outcomes or statements regarding, and outlook. Forward-looking statements or information in this Management Discussion and Analysis include, but are not limited to, statements regarding:

- Business objectives, plans and strategies;
- Exploration objectives, plans and strategies; and,
- Certain geological interpretations and expectations.

Such forward-looking statements or information are based on a number of assumptions which may prove to be incorrect. In addition to other assumptions identified in this MD&A, assumptions have been made regarding, among other things:

- The ability of the Company to continue to fund its operations through financings, options and joint ventures;
- The ability of the Company to obtain equipment, services and supplies in a timely manner to carry out its activities;
- The level of exploration activities and opportunities;
- The ability of the Company to retain access and develop its mineral claims; and
- Current and future mineral commodity prices.

Although the Company believes that the expectations reflected in such forward-looking statements or information are reasonable, undue reliance should not be placed on forward-looking statements because the Company can give no assurance that such expectations will prove correct. Forward-looking statements or information are based on current expectations, estimates and projections that involve a number of risks and uncertainties which could cause actual results to differ materially from those anticipated by the Company and described in the forward-looking statements or information. These risks and uncertainties include but are not limited to:

- The ability of management to execute objectives, plans and strategies;
- Exploration, development and operational risks inherent in the mining industry;
- Market conditions;
- Risks and uncertainties inherent in geology and exploration for deposits;
- Potential delays and changes in plans;
- The Company's ability to retain land tenure;
- Uncertainties regarding financings and funding;
- General economic and business conditions;
- Possibility of governmental policy changes;
- Changes in First Nations policies; and
- Other risks and uncertainties described within this document.

The forward-looking statements or information contained in this Management Discussion and Analysis are made as of the date hereof and the Company undertakes no obligation to update publically or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities law.

HIGHLIGHTS

Subsequent to February 28, 2026:

- On June 29, 2026, the Company mobilized field crews to Lac Gueret South to begin the 2026 summer field work program.

- On May 20, 2026, the Company announced encouraging results from an airborne survey at Lac Gueret South.

- On March 6, 2026, the Company announced the closing of a flow-through financing for total gross proceeds to the Company of $1,025,000.

MINERAL PROPERTIES

Lac Gueret South Property, Quebec

The Company entered into an option agreement dated July 26, 2014 to acquire 100% interest in the Lac Gueret South Property. The agreement was approved by the TSX Venture Exchange on August 13, 2014. Under the terms of the option agreement, the Company may acquire a 100% interest in the Lac Gueret South Property by making cash payments and issuing the Company's securities as set forth below:

(i) On signing of the option agreement: $15,000 (paid);
(ii) Within seven days of the date of approval of the agreement by the Exchange: $10,000 (paid) and 150,000 units (issued). Each unit comprised one common share and one common share purchase warrant, exercisable for 24 months at $0.10 to acquire an additional common share;
(iii) Within thirty days of the date of approval of the agreement by the Exchange: $10,000 (paid);
(iv) Within six months of the date of approval of the agreement by the Exchange: $25,000 (amended to be due July 29, 2016) (paid); and
(v) Within 12 months of the date of approval of the agreement by the Exchange: $25,000 (amended to be due January 29, 2017) (paid).

A 2% NSR is payable to the optionors on all minerals produced from the property. The Company has the right at any time to buy-back 2% of the NSR from the optionors for $1,000,000.

The Lac Gueret South Property consists of 74 claims totaling 5,714 hectares and borders the southern boundary of Nouveau Monde Graphite (NYSE-NMG) Lac Gueret project, where a National Instrument 43-101-compliant mineral resource estimate with measured and indicated mineral resources of 50 million tonnes grading 15.6% Cgr (including 6.6 million tonnes grading 32.4% Cgr) was announced (see Mason Graphite public disclosures on www.sedar.com).

In January 2026, the Company acquired an additional 125 claims, 6769.41 hectares, have been staked in the surrounding and immediate area of its Lac Gueret South project. This puts the total claims at the Lac Gueret South Project at 315 claims covering 16,542 ha or 165.42 km. [2] The Company has already started reviewing the new claims and may add additional EM flyover plans to these additional properties. These additional claims represent a 72% increase in the Company's land holdings and makes First Canadian Graphite the largest land holder in the area.

On August 29, 2017, the Company acquired a further two hundred and ninety five (295) claims in its Lac Gueret Extensions project (South & East blocks) region, to extend the previously held 3,942Ha (hectares) covered by 73 claims to a new total of 19,884Ha covered by 368 claims. The controlled claims were acquired by direct staking (95 claims, 5,122Ha) and by purchase of additional claims from an arms length party (200 claims, 10,820Ha).

On February 27, 2018, the Company increased in landholding at the Company's 100% owned Lac Gueret Project. The acquisition is an arm's-length transaction in which the Company has issued 250,000 common shares and paid $25,000. On September 18, 2018, the Company further issued 125,000 shares as per agreement fair valued at $46,875.

On August 7, 2019, the Company entered into an agreement to acquire 1215616 B.C. Ltd. a private British Columbia company, which sole asset is fifty-eight (58) claims located adjacent to Lac Gueret South Property. The Company has issued 1,950,000 common shares by way of a share exchange agreement fair valued at $68,250 and paid $11,500 to an arm's-length party. The sole asset of 1215616 B.C. Ltd. was the fifty-eight claims located adjacent to the Lac Gueret South Property.

On January 27, 2023, the Company acquired additional 380 hectares of private patented mining claims for $5,728.00 from an arm's length party.

This group of claims are strategically located next to the Company's La Gueret South Project and covers ground within the same geological structures as the Company's previously drilled graphite resource. The transaction was approved by TSX.

On February 8, 2023, the Company acquired additional 1,168.07 hectares of mineral claims semi-contiguous to the La Gueret South Project located in Northern Quebec. In consideration for 100% interest in the new claims, the Company has issued to the property vendor a warrant to purchase up to 587,000 common shares, exercisable at the price of $0.09 per share for three years from the approval date, as well as payment of $3,520.00. It is an arm's length transaction, and there are no finders' fees payable. The transaction was approved by TSX.

On February 23, 2023, the Company entered into an agreement to acquire from an arm's length party, thirty (30) claims located adjacent to Lac Gueret South Property. The Company has issued 613,000 warrants by way of a share exchange agreement.

COMPLETED PROPERTY WORK PROGRAMS

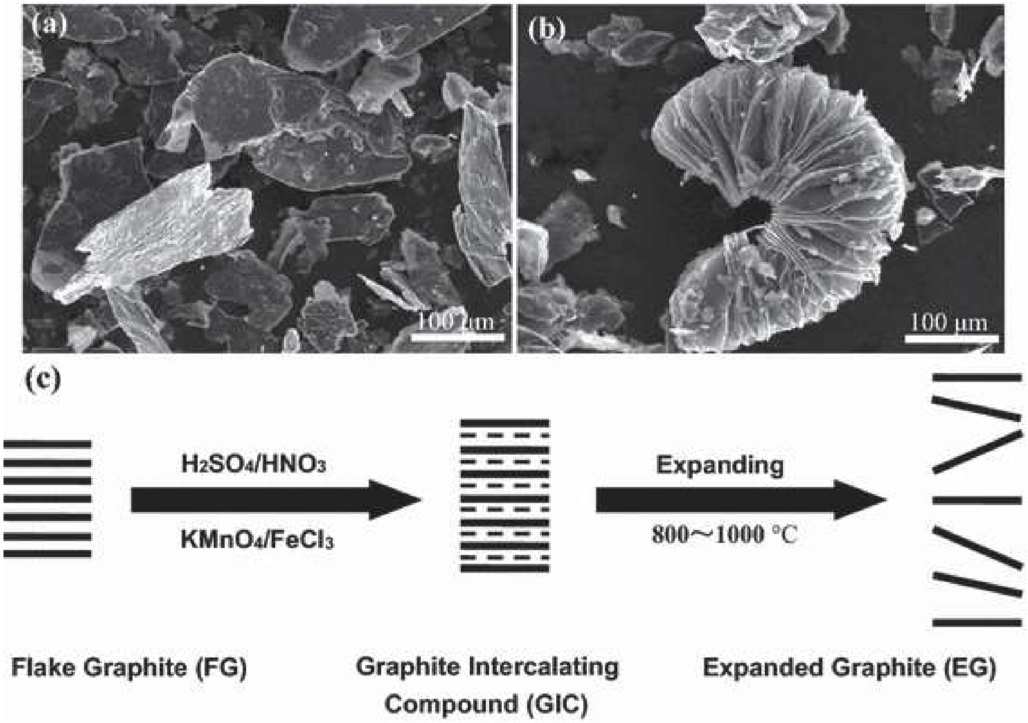
On August 27, 2019, the Company received results from recently completed testwork conducted by ProGraphite GmbH ("ProGraphite") in Germany. The Company commissioned ProGraphite to test the company's high-grade flake graphite concentrate from the Lac Guéret South deposit in Northern Quebec, Canada for the production of purified and expandable graphite.

The company ProGraphite GmbH offers professional expertise and a wide range of laboratory services in natural graphite. ProGraphite's laboratory expertise is well recognized in the industry for the determination of flake graphite qualities specific to various end uses. For more information about ProGraphite, please visit: www.pro-graphite.com

The main findings of ProGraphite are:

- The size distribution of the flake graphite in the concentrate shows a coarse flake size, above market standard (based on the two screened samples "Berkwood 20x50" and "Berkwood 50x100").
- Graphitic carbon grade of the tested graphite samples is above 98% Cgr.
- The tested material is very suitable for the production of expandable graphite. Expansion rates of 380 ml/g (H_2O_2 method) and 390 ml/g ($KMnO_4$ method) have been achieved easily.
- The carbon content obtained after a standard alkaline purification process was 99.95%.

Based on these encouraging results, ProGraphite draws the following conclusion and recommends further tests: "The results of the production of expandable graphite using both, $KMnO_4$ or H_2O_2 as oxidation reagent, showed excellent results with expansion rates well above 350 ml/g. The testwork was done using standard formulations. It is probable, that changes of process parameters (like amount of acids, change of retention time etc.) and perhaps the usage of additional chemicals will lead to even higher expansion rates. ProGraphite recommends performing further tests for verification. Alkaline purification of the graphite showed excellent results as well. The carbon content obtained after a standard alkaline purification process was 99.95%, which is a very good result."



What is Expandable Graphite?

Due to the layered structure of highly crystalline natural flake graphite, it is possible to insert molecules between the carbon layers. During this process which is named intercalation, the expanded graphite material takes on new properties. Intercalated graphite flakes with outstanding expansion rates have a high amount of intercalated layers. Most commonly, sulphuric or nitric acid are used as intercalation agents. Under the influence of high temperatures and within several hours, the carbon layers separate and small, several millimetres large "graphite worms" show up. The result is a significant increase in the volume of the graphite of up to 375 times, an overall decrease in bulk density and an approximately a 10-fold increase in surface area.

Uses of Expandable Graphite

The worldwide market for expandable graphite is one of the fastest growing markets along with Li-Ion batteries. Over the last couple of years the market has experienced significant price increases. Expandable graphite can be used in many applications including:

- Flame retardant
- Thermal management in consumer electronics
- High end gaskets that are heat and corrosion resistant
- Flow batteries and fuel cells
- Electrically conductive fillers
- Coatings
- Automotive Industry
- Aerospace
- Energy Storage
- Wind Energy
- Compound Semiconductors
- Other products

On October 1, 2019, the Company received assay results for samples from a recently completed sampling and Beep Mat prospecting program. The program targeted dispersed locations over shallow conductive and surface outcrop features at seven selected Zones of the Company's Lac Guéret Extensions Property ("the Property"), located around its Lac Guéret South Project in Quebec, where a resource calculation was recently filed (see NR of August 19, 2019). Results justify high-priority further work at five of the seven targeted showings.

The assay results represent samples from sixty four (64) one-meter channel samples collected from seven sawn channels at Zone 6, and 55 grab samples collected at Zones 1, 3, 4, 5, 6, 7 and 9. Although multiple grabs and blocks of interest are found in the different zones, Zone 6 showed the most potential as multiple channels sampled from the same area show high grade mineralization. Grab samples are selective in nature and are not representative of the mineralization hosted on the Property. Notable results are listed in Table 1.

Table 1: Best results from the completed work program.

Zone	Result Summary (% Cg, graphitic carbon)	
	Grab and Float Samples	**Channel Samples**
1	28.80	N/A
3	5.78	N/A
4	4.03	N/A
5	20.02	N/A
6	55.80; 38.30 and 30.30	32.12 over 7m, *including 39.95 over 5m;* 32.83 over 5m; 32.02 over 5m
7	0.39	N/A
9	27.80	N/A

The Company's Lac Guéret Extensions target Zones (see figure 1) were previously identified from historic records of surface graphite exposures, samples taken by prior workers, and near surface conductor data collected using Beep Mat (refer NR of July 24, 2019). Based upon the recently completed pit-constrained mineral resource at its Lac Guéret South Project (refer NR of August 19, 2019), the Company has determined that a long-term graphite exploration strategy is best served by evaluating multiple proximally located graphite showings to include them in a future resource calculation and economic study.

The exploration program accessed the first round of targets using existing roads and forest trails. The work was led by Quebec based teams. Channel sampling and prospecting work were supervised by David Fafard, P.Geo OGQ1814 and Steven Lauzier, P.Geo OGQ1430.

The **Zone 1** outcrop sample was collected 500m NE of the Zone 1 drilling location, coincident with an area recommended for further work following the 2018 Mise à la Masse survey (refer NRs of October 24, 2018, and December 14, 2018). The graphitic outcrop indicates good potential to further extend the mineralization of the Zone 1 graphite body toward NE.

The **Zone 3** sampling targeted an historic conductor suggestive of a broadly folded graphitic unit, and historic drilling that reported 22m at 20.1% Cg from 4.4m depth downhole. The 2019 campaign confirmed graphite in the area and the Zone remains a mechanical trenching target for the Company.

The **Zone 4** sampling was unsuccessful in locating the prime target under surficial cover, though a mineralized float sample was found and assayed.

The **Zone 5** prospecting effort located historically reported outcrop, where Cg above 20% was reported. Further outcrop was not located and the zone is targeted for mechanical trenching. The Company was successful in duplicating the historical result in a grab sample that assayed 20.02% Cg.

The **Zone 6** was generated from a distinct airborne electromagnetic conductor that appears to extend for over three kilometers, and appears folded at its southernmost extent (as seen in figure 2). Sampling has focused on the southern end of the feature (6 channels sampled) and an area near the northern extent of the anomaly (2 channels sampled). The two locations are accessible and have shallow cover which will ease future stripping of outcrops.

The channel results on Zone 6 comprise 64 samples collected from saw-cut channel taken approximately perpendicular to the strike of the local schistosity and cleared surfaces located by Beep Mat. The samples comprise the results for eight (8) cut channels, with each sample comprising a 1m interval along each channel. Channels range from 2m to 22m in length. The Cg results range from 0.025% to 42.7% Cg and are shown in Figure 2. Table 2 reflects the best intersection for each channel. A channel sample (BKZ6-19-CH5) was cut at the hinge zone and following further inspection was found to be at a low angle to the graphite layering in the paragneiss. The Company considers this channel as a succession of grab samples taken along the strike of the mineralization which assayed up to 24.7% Cg. The best grab sample at Zone 6 assayed 55.80% Cg. Additional mechanical trenching and drilling at Zone 6 is supported by the results obtained from this 2019 summer program. Figures 2 and 3 illustrate the channel locations and the channel results.

Table 2: Channel Sample Summary Table.

Channel	**Length (m)**	**Lowest Value (% Cg)**	**Highest Value (% Cg)**	**Best Intersection (% Cg)**
BKZ6-19-CH01	7	6.1	42.7	**32.12% over 7m**
BKZ6-19-CH02	5	6.0	36.7	**32.83% over 5m**
BKZ6-19-CH03	22	0.0	39.6	**32.02 % over 5m**
BKZ6-19-CH04	5	0.0	13.0	11.8 % over 3m
BKZ6-19-CH05	15	0.8	24.7	Parallel to strike
BKZ6-19-CH06	6	0.1	16.3	11.01 % over 3m
BKZ6-19-CH07	2	6.5	6.8	6.69 % over 2 m
BKZ6-19-CH08	4	0.3	2.9	1.61 % over 4m
Total	**66**			

At **Zone 7** only a float sample was recovered with poor graphite content, although an historic 'paragneiss with graphite' is reported. Zone 7 is not slated for further near-term exploration.

Zone 9 prospecting verified the existence of historic trenching and additional graphitic outcrop was cleared following Beep Mat detection of shallow conductors. Historic trench samples returned in excess of 25% Cg, a result confirmed by the Company with a sample up to 27.8% Cg. The Zone 9 anomaly is scheduled for high priority mechanical trenching.

On May 6, **2022**, The Company provided initial assay results from twelve diamond drill holes that were completed as part of the Company's successful first phase of drilling on the newly discovered Zone 6 area at the Lac Gueret South Project, situated 280 km north of Baie-Comeau, Quebec. The program drilled into the outcrops and proved up our concept that our graphite is open to depth.

A total of 12 exploratory drill holes were completed for a total of 970 metres. Six of the twelve drill locations were drilled into outcrops and intersected significant graphite enrichment. The other 6 holes where exploratory holes meant to explore various areas on our airborne geophysical anomaly.

Highlights intersections from initial Zone 6 assay results:

BK6-21-01 intersected 39.3 m of graphite enrichment from 28.0 m to 67.3 m and 8 m of graphite enrichment from 15.0 m to 23.0 m, for a total of 46 samples submitted.

BK6-21-04 intersected 13.2m graphite enrichment from 26.0 m to 40.0 m for a total of 11 samples submitted.

BK6-21-07 with 9.3m graphite enrichment from 32.0 m to 41.3 m for a total of 12 samples submitted.

Table 1: Summary of Zone 6 graphite mineralisation intercepts.

Hole ID	Sampled From (m)	Sampled To (m)	Sampled Interval (m)	C (Graphite) % SPM-140	Lower Cut off
BK6-21-01	15	23	8	7.26	
including	16.15	22	5.85	9.82	@1% Cutoff
BK6-21-01	28	57.5	29.5	27.39	
including	29.02	57.5	28.48	28.37	@1% Cutoff
and including	30	34.3	4.3	30.46	@20% Cutoff
and including	34.7	39	4.3	38.14	@20% Cutoff
and including	41	49	8	33.27	@20% Cutoff
and including	52	56.2	4.2	35.65	@20% Cutoff
BK6-21-01	61.5	67.3	5.8	5.95	
including	62.5	66.3	3.8	8.74	@1% Cutoff
BK6-21-04	26	31	5	4.76	
including	26	30.05	4.05	5.67	@1% Cutoff
BK6-21-04	31.85	40	8.15	7.24	
including	32.85	39	6.15	9.58	@1% Cutoff
BK6-21-07	32	41.3	9.3	9.18	
including	33	34.6	1.6	14.69	@1% Cutoff
and including	36.5	40.35	3.85	15.73	@1% Cutoff
BK6-21-08	41.65	49.85	8.2	15.51	
including	42.65	48.15	5.5	22.37	@1% Cutoff
BK6-21-10	16.5	19	2.5	0.92	
BK6-21-11	44.6	47	2.4	0.71	

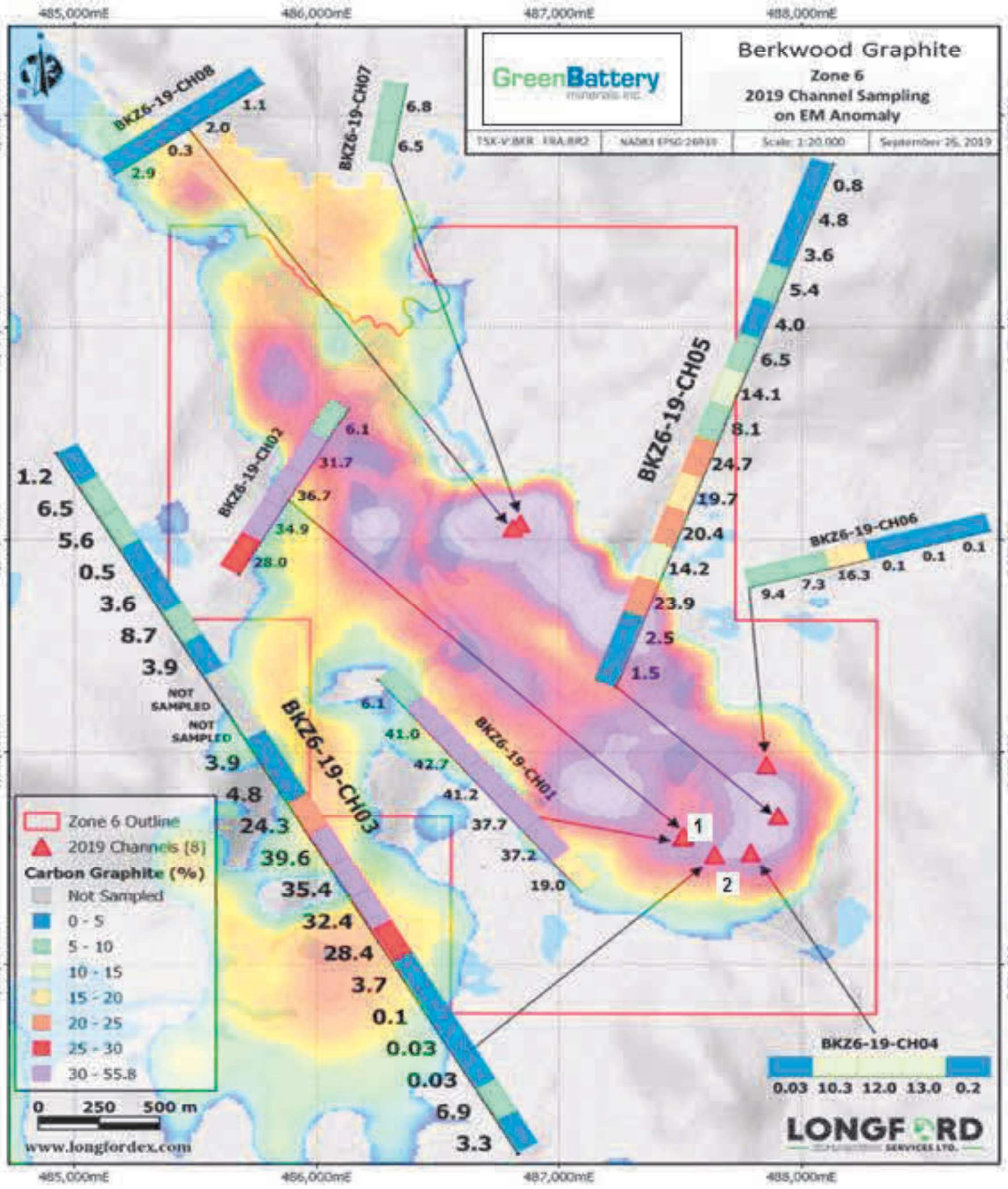

Berkwood Graphite
Zone 6
2019 Channel Sampling
on EM Anomaly
GreenBattery
Scale: 1:20,000
September 26, 2019
BKZ6-19-CH08
BKZ6-19-CH07
BKZ6-19-CH05
BKZ6-19-CH02
BKZ6-19-CH06
BKZ6-19-CH03
BKZ6-19-CH01
BKZ6-19-CH04
NOT SAMPLED
Zone 6 Outline
2019 Channels (8)
Carbon Graphite (%)
Not Sampled
0 - 5
5 - 10
10 - 15
15 - 20
20 - 25
25 - 30
30 - 55.8
0 250 500 m
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Table 2: Summary of Zone 6 graphite mineralisation intercepts.

HOLE-ID	FROM (m)	TO (m)	LENGTH (m)	LITHOLOGY
BK6-21-01	15.0	23.0	8.0	Graphite Zone
BK6-21-01	28.0	67.3	39.3	Graphite Zone
BK6-21-04	26.0	40.0	14.0	Graphite Zone
BK6-21-07	32.0	41.3	9.3	Graphite Zone
BK6-21-08	41.5	49.9	8.2	Graphite Zone
BK6-21-10	16.5	19.0	2.5	Graphite Zone
BK6-21-11	44.6	47.0	2.4	Graphite Zone

The above intervals are drilling lengths, not true widths, because the true orientation of the enrichment horizons has not yet been established.

The programs first drill hole (BK6-21-01) encountered a cumulative total of 43.3 m of graphite enrichment contained within two distinct enriched horizons, the drilling intersected the enriched horizons at an oblique angle thus true thicknesses are not known. While the fourth drillhole (BK6-21-04), located to scissor the successful intersection from the first hole to confirm grade thickness of the graphite enrichment, the precise orientation of the intersected enriched horizons is not known therefore true thicknesses cannot be inferred.

Drillhole BK6-21-07 and BK6-21-08 targeted enriched horizons between BK6-21-04 and BK6-21-05 to further confirm further continuation of the graphite horizon along strike. These two drillholes were successful and intersected enrichment from 32.0 m to 41.3 m (9.3 m graphite enrichment) and 41.7 m to 49.9 m (8.2 m graphite enrichment) respectively.

BK6-21-10, and BK6-21-11 similarly targeted along strike extensions from BK6-21-01 toward the west and intersected 2.5 m of graphite enrichment from 16.5 m to 19.0 m , and 2.4 m of graphite enrichment, from 44.6 m to 47.0 m in BK6-21-11

The 2021 drilling focused on the southern limb of the interpreted fold structure, the successful intersections suggest a structurally controlled antiform hosts the graphite enriched horizons, and distribution is broadly coincident with the magnetic anomaly.

Table 3: Summary of Phase 1 drill hole locations and down hole specifications.

HOLE-ID	EASTING (UTM NAD 83)	NORTHING (UTM NAD 83)	ELEVATION (m AMSL)	LENGTH (m)	AZIMUTH (degree)	DIP (degree)
BK6-21-01	487536	5651586	471	102	190	-50
BK6-21-02	487200.7	5651750.6	433	33	225	-50
BK6-21-03	487202	5651760	435	102	45	-50
BK6-21-04	493085	5655730	455	79	77	-50
BK6-21-05	487553	5651475	491	87	45	-50
BK6-21-06	487553	5651475	491	24	45	-88
BK6-21-07	487537	5651536	495	102	51	-50
BK6-21-08	487537	5651536	495	102	0	-50
BK6-21-09	487455	5651601.2	452	102	10	-50

BK6-21-10	487368	5651714.6	452	102	20	-50
BK6-21-11	487280	5651930	441	102	320	-50
BK6-21-12	487420	5652102	429	33	210	-50

Eighty-six diamond drill core samples of sawn core have been collected from core lengths usually varying from 0.3 to 1.50 m depending upon geological and mineralogical constraints. Every tenth sample, a QAQC measure was entered in the sample submission in the order of standard-blank-standard-duplicate. The standard selected is OREAS 723; a certified reference material containing 5.87% TGC (Total Graphitic Carbon). For the eighty-six core samples submitted, there were ten QAQC samples – 11.5%.

Samples were delivered to MSALABS in Langley, British Columbia, an ISO accredited laboratory. There they were crushed to a nominal minus 2 mm, split into representative sub-samples and then pulverized to at least 85% minus 75 microns before collecting sub-sample pulps for each of the core samples.

All sub-sample pulps were analysed for both Total Carbon + Total Sulphur (SPM-512) and Graphite Carbon (SPM-140). The Graphite Carbon analysis process involves the sample to be washed, leached, and the residue measured by induction. The detection range for this analysis is between 0.02-50%, while the SPM-512 detection limit for both Carbon and Sulphur is 0.01-50%.

ZONE 6

Prior to the new knowledge of Zone 6 the Company had previously completed a drill program (NR May 6, 2022) on Zone 6 for a total of 760 meters in 12 drill holes. Six of the twelve drill locations were drilled into outcrops and intersected significant graphite enrichment. These intersections support an evolving structural model of multiple recumbently folded graphitic horizons hosting thick and presumably continuous graphitic intervals of compelling grade and true thickness. There are still many outcrops on Zone 6 that have not been drilled.

In-pit Resource at Lac Gueret South Project (rounded numbers)

Mineral Resource Category	Current Resource (as of June 17th, 2019)		
	Tonnage (Mt)	Grade (% Cgr)	Cgr (t)
Indicated	1.76	17.0	299,200
Inferred	1.53	16.4	250,200

The mineral resource estimates above are described in the technical report entitled NI 43-101 Technical Report Mineral Resource Estimate on the Lac Gueret South Property, Quebec, Canada. With an effective date of June 19th, 2019, dated June 30th, 2019, by Edward Lyons, PGeo., Florent Baril, ing., and Claude Duplessis, ing. Link to Report:

https://wp-firstcanadiangraphite-2025.s3.ca-central-1.amazonaws.com/media/2025/09/ReportFINAL_compressed.pdf

On August 11, 2022, the Company provided assay results from 11 diamond drill holes that were completed as part of the Company's successful Zone 1, resource infill and expansion drilling at the Lac Gueret South Project, situated 280 km north of Baie-Comeau, Quebec.

The program which commenced on April 1, 2022 was completed for a total of 11 holes and 1,152 meters. Highlights of these holes include.

- **BK1-46-22** - 51.2m (from 42.2m) at 22.61%, including 21m (from 43.7m) at 30.09%, and including 12.1m (from 75.3m) at 28.52%
- **BK1-47-22** - 45.95m (from 66.05m) at 17.58%, including 9.05m (from 67.55m) at 26.26%, and including 10.5m (from 100.7m) at 29.96%
- **BK1-50-22** - 36.1m (from 72.9m) at 18.46%, including 10.5m (from 75.9m) at 31.73%

- **BK1-51-22** - 62m (from 47m) at 16.37%, including 9m (from 48.5m) at 29.71%, and including 12m (from 69.5m) at 27.68%
- **BK1-52-22** - 58m (from 50m) at 11.44%, including 9m (from 51.5m) at 28.85%
- **BK1-54-22** - 42.5m (from 43m) at 14.74% including 13m (from 44.5m) at 24.07%
- **BK1-55-22** - 46.5m (from 56m) at 21.97% including 19.5m (from 80m) at 35.52%

Table 1: Summary of Zone 1 graphite enrichment intersections

Hole ID	From (m)	To (m)	Interval (m)	Grade (% TCG)	Cut Off
BK1-46-22	9	9.74	0.74	21.91	
and	10.19	11.05	0.86	16.86	
and	11.28	12.24	0.96	16.56	
and	17.7	18.95	1.25	5.14	
and	30.67	32.32	1.65	20.00	
and	37.1	39.5	2.40	20.80	
and	42.2	93.4	51.20	22.61	
including	42.2	63.2	21.00	30.09	20%
and including	75.3	87.4	12.10	28.52	20%
BK1-47-22	8.6	14.6	6.00	27.77	
and	36.55	39.84	3.29	7.21	
and	42.84	44.85	2.01	9.68	
and	66.05	112	45.95	17.58	
including	66.05	75.1	9.05	26.26	20%
and including	100.7	111.2	10.50	29.96	20%
BK1-48-22	84.2	85.56	1.36	6.12	
and	98.3	100.2	1.90	29.64	20%
and	109.5	112.5	3.00	4.27	
BK1-49-22	4.7	7	2.30	12.73	
and	13.7	14.15	0.45	1.16	
and	22.6	24.65	2.05	1.45	
and	33.2	33.8	0.60	6.22	
and	48.38	48.9	0.52	9.01	
BK1-50-22	7.32	7.58	0.26	16.90	
and	72.9	109	36.10	18.46	
and including	75.9	86.4	10.50	31.73	20%
BK1-51-22	9.7	11.4	1.70	32.68	20%
and	47	109	62.00	16.37	
including	47	56	9.00	29.71	
and including	69.5	81.5	12.00	27.68	
BK1-52-22	14.5	45	30.50	8.02	
and	50	108	58.00	11.44	
including	51.5	60.5	9.00	28.85	20%
BK1-53-22	21.5	26	4.50	1.76	
and	35.5	37.5	2.00	2.69	

and	43	89	46.00	8.72	
and	99.5	102.5	3.00	14.19	
BK1-54-22	19.5	25.5	6.00	1.80	
and	43	85.5	42.50	14.74	
including	43	56	13.00	24.07	20%
and	95	96	1.00	3.75	
and	108	109	1.00	10.40	
BK1-55-22	8.25	10.75	2.50	4.98	
and	28.75	29.3	0.55	31.60	20%
and	56	102.5	46.50	21.97	
including	80	99.5	19.50	35.52	20%
BK1-56-22	18	21	3.00	7.28	
and	77	81	4.00	4.80	
and	92	96	4.00	10.78	

The above intervals are drilling lengths, not true widths, because the true orientation of the enrichment horizons is highly deformed and folded and has not yet accurately been established.

The infill drilling focused on the core of the syncline at the west of the deposit area, infilling at the 'nose' of the syncline continued to produce wide intersection in, and adjacent to areas of known graphite enrichment. Step out drilling along the southern limb of the of the interpreted fold structure was completed and graphite enrichment encountered suggest additional structural controls disrupt the continuity of the enrichment horizon to the east. This distribution is broadly coincident with the magnetic anomaly.

A total of 347 diamond drill core samples of ½ cut core were collected, individual sample lengths vary from 0.3 to 1.50 m depending upon geological and mineralogical constraints. Every tenth sample was submitted as a standard, blank, or duplicate. The standard used was OREAS 723; a certified reference material containing 5.87% TGC (Total Graphitic Carbon).

Samples were delivered to MSALABS in Langley, British Columbia, an ISO accredited laboratory. There they were crushed to a nominal minus 2 mm, split into representative sub-samples and then pulverized to at least 85% minus 75 microns before collecting sub-sample pulps for each of the core samples.

All sub-sample pulps were analysed for both Total Carbon + Total Sulphur (SPM-512) and Graphite Carbon (SPM-140). The Graphite Carbon analysis process involves the sample to be ashed, leached, and the residue measured by induction. The detection range for this analysis is between 0.02-50%, while the SPM-512 detection limit for both Carbon and Sulphur is 0.01-50%.

Table 2: Summary of drill hole locations and down hole specifications.

HOLE-ID	EASTING (UTM NAD 83)	NORTHING (UTM NAD 83)	ELEVATION (m AMSL)	LENGTH (m)	AZIMUTH (degree)	DIP (degree)
BK1-46-22	493189	5655689	626	100	0/360	-65
BK1-47-22	493117	5655668	665	112	0/360	-50
BK1-48-22	493285	5655688	656	121	0/360	-50
BK1-49-22	493384	5655742	637	109	0/360	-50
BK1-50-22	493074	5655677	662	109	0/360	-50

BK1-51-22	493074	5655677	662	109	0/360	-75
BK1-52-22	493019	5655699	651	109	45	-50
BK1-53-22	493025	5655694	631	110	60	-70
BK1-54-22	493063	5655711	641	55	0/360	-75
BK1-55-22	493153	5655671	642	109	0/360	50
BK1-56-22	493239	5655684	659	109	0/360	-50

On October 6, 2022 the Company provided initial results from twenty (20) diamond drill holes that were completed as part of the Company's successful second phase of drilling on the Zone 6 area at the Lac Gueret South Project, situated 280 km north of Baie-Comeau, Quebec.

A total of 20 exploratory drill holes were completed for a total of 2,058m. Seven of the twenty holes intersected significant graphite enrichment contiguous with previous drill results, extending the initial strike length of the graphite enrichment horizon to 350 m along the southern limb.

Highlights intersections from initial assay results:

- BK6-22-21 intersected 16.5 m of graphite enrichment from 35.7 m to 52.2 m for a total of 16 samples submitted, (See figure 2 below).
- BK6-22-17 intersected 3.5 m of graphite enrichment from 44.4 m to 47.9 m, and 8.6 m of graphite enrichment from 53.1 m to 61.7 m for a total of 12 samples submitted.
- BK6-21-24 with 2.8 m graphite enrichment from 64.5 m to 67.3 m for a total of 3 samples submitted.

The 2nd Phase of drilling was successful in delineating along strike continuation of graphite enrichment along the southern limb of the host antiform fold structure. Initial results show the mineralization to be continuous along strike for a length of approximately 350 m.

Approximately 100 narrow intersections of graphite enrichment (both massive and disseminated) were encountered in a total of 18 of the 20 holes completed. These intervals ranged in thickness from 0.5 to 4 m in length and often identified new (unknown) zones of graphite enrichment, of these a total of 24 were greater than 1 m with observed massive graphite enrichment.

Table 1: Summary of Zone 6 significant graphite enrichment intercepts.

HOLE-ID	FROM (m)	TO (m)	LENGTH (m)	LITHOLOGY
BK6-22-13	30.43	33.55	3.12	massive graphite enrichment
BK6-22-14	54.66	57.41	2.75	massive graphite enrichment
BK6-22-17	44.36	47.9	3.54	massive graphite enrichment
BK6-22-17	53.14	61.73	8.59	massive graphite enrichment
BK6-22-19	58.9	61.13	2.23	massive graphite enrichment
BK6-22-21	35.65	52.15	16.5	massive graphite enrichment
BK6-22-22	16.1	17.7	1.6	massive graphite enrichment

The above intervals are drilling lengths, not true widths, because the true orientation of the enrichment horizons has not yet been established.

The 2022 drilling focused on the outcrops 1 to 3 along the southern limb, and outcrop 4 at the 'fold nose' area. Intersections in holes 32 and 13 successfully extended the westward strike of graphite enrichment by approximately 100 m – open to the west. Intersections in holes 14, 15, 17, 16, 20, and 18, extended the enriched horizon to the east connecting it with the Outcrop 3 area, where the thickest intersection were encountered in hole 21. Additional intersections in the neighbouring holes 22, and 24 appear to show local folding and replication of the enriched horizon within the antiform which hosts the graphite enriched horizon.

The results from the drilling show a complex fold interference pattern across the zone 6 area. The diamond drilling program was completed with oriented core allowing the collection important structural data to aid in interpretation of the spatial extent and controls on the enrichment horizon. Interpretations are currently underway to better understand the fold geometry at the zone 6 area, and to understand controls on localised replication of the enrichment horizon as identified at the outcrop 3 area.

Drilling at the outcrop 4 area structure encountered numerous variably thick intersections of graphite enrichment where shallow dips exposed large areas of outcropping graphite at surface. Oriented core measurements are currently being interpreted to resolve the complex fold interference pattern which controls the spatial distribution of graphite enrichment at the nose of the antiform area.

Table 3: Summary of Phase 1 drill hole locations and down hole specifications.

HOLE-ID	EASTING (UTM NAD 83)	NORTHING (UTM NAD 83)	ELEVATION (m AMSL)	LENGTH (m)	AZIMUTH (degree)	DIP (degree)
BK6-22-13	487541.4	5651554	453.222	76	0	-50
BK6-22-14	487561.5	5651503	466.151	109	0	-60
BK6-22-15	487564.7	5651503	468.909	109	30	-50
BK6-22-16	487655.3	5651496	497.037	109	0	-50
BK6-22-17	487653.9	5651493	497.177	109	315	-50
BK6-22-18	487656.9	5651503	497.646	109	45	-50
BK6-22-19	487664.8	5651471	496.96	109	0	-50
BK6-22-20	487662.9	5651472	496.978	107	335	-45
BK6-22-21	487784	5651541	541.985	70	0	-90
BK6-22-22	487813.2	5651525	544.228	109	315	-50
BK6-22-23	487822.1	5651500	543.868	109	0	-50
BK6-22-24	487819	5651499	543.528	109	315	-50
BK6-22-25	487889.7	5651533	555.213	124	320	-50
BK6-22-26	487933.3	5651649	584.392	109	90	-50
BK6-22-27	487932.2	5651648	584.74	19	312	-50
BK6-22-28	487923.7	5651649	584.511	142	300	-45
BK6-22-29	487912.7	5651721	585.721	109	75	-45
BK6-22-30	487918.4	5651706	585.764	109	180	-45
BK6-22-31	487548.9	5651563	452.452	109	45	-45
BK6-22-32	487462.5	5651548	425.72	103	15	-50

179 diamond drill core samples of sawn core have been collected from core lengths usually varying from 0.3 to 1.50 m depending upon geological and mineralogical constraints. Every tenth sample, a QAQC measure was entered in the sample submission in the order of standard-blank-standard-duplicate. The standard selected is OREAS 723; a certified reference material containing 5.87% TGC (Total Graphitic Carbon).

Samples were delivered to MSALABS in Langley, British Columbia, an ISO accredited laboratory. There they were crushed to a nominal minus 2 mm, split into representative sub-samples and then pulverized to at least 85% minus 75 microns before collecting sub-sample pulps for each of the core samples.

All sub-sample pulps were analysed for both Total Carbon + Total Sulphur (SPM-512) and Graphite Carbon (SPM-140). The Graphite Carbon analysis process involves the sample to be ashed, leached, and the residue measured by induction. The detection range for this analysis is between 0.02-50%, while the SPM-512 detection limit for both Carbon and Sulphur is 0.01-50%.

On February 16, 2023, the Company announced assay results from the surface work conducted at Zone 6 last summer. The program was planned to follow up on a previous prospecting efforts covering a regional EM anomaly.

A total of 4 areas of graphite outcrop over a strike length of ~600m were exposed and cleaned for the collection of 117 channel samples. An additional 19 grab samples were collected over a total strike length of ~1600m at Zone 6. Surface observations indicate that Zone 6 is a fold with separate limbs extending westwards from a fold nose at Area 4. Graphite encountered on surface during this campaign proved to be much broader than initially discovered during the 2019 prospecting campaign where teams were limited to hand tools (see October 1, 2019 news release), however steep terrain prevented the excavator from reaching core of the fold nose.

Graphite horizons were consistently noted amidst the quartz rich gneisses in the lower section of the highly prospective Mehinek formation and often in association with a hornblende-garnet-amphibole gneiss which marks the base of the graphite rich paragneiss unit.

Notable results from the channel sampling are presented in the table and Figures 1-4 below:

Area 1	9.0m @ 17.02% Cgr
Area 2	4.2m @ 18.15% Cgr
Area 3	8.2m @ 13.30% Cgr
	8.7m @ 9.53% Cgr
	7.8m @ 20.70% Cgr
Area 4	7.7m @ 7.49% Cgr

On September 6, 2023, the Company received assay results from its drilling program conducted at Zone 6 on its Lac Gueret South Property in Quebec. The program was designed to follow up on surface work conducted over the target area last summer (see February 16, 2023 news release) and was successful in intercepting graphite mineralization at depth over the previously defined 600m of strike length with a total of 20 holes and 2058m drilled.

The headline intercept was drilled down dip out of an abundance of curiosity on the most impressive outcrop. Typical high-grade intercepts were approximately 4.0m long at close to true thickness with other minor intervals present throughout. Intercepts and collars are presented in Tables 1 and 2 below:

Table 1: Significant intercepts from the Fall 2022 drill program.

	From (m)	To (m)	Length (m)	Cgr%
BK6-22-13	29.40	33.55	4.15	15.49
BK6-22-13	72.33	76.00	3.67	2.07
BK6-22-14	54.00	58.00	4.00	20.55
BK6-22-14	60.77	61.76	0.99	23.02
BK6-22-15	29.22	30.24	1.02	20.22
BK6-22-16	42.48	44.32	1.84	4.91
BK6-22-17	44.00	47.00	3.00	24.80
BK6-22-17	53.00	61.00	8.00	21.20
BK6-22-18	70.75	72.75	2.00	2.81
BK6-22-19	58.00	61.13	3.13	9.05
BK6-22-20	67.14	71.92	4.78	9.93
BK6-22-21	0.82	4.00	3.18	24.07
BK6-22-21	9.72	12.42	2.70	10.79
BK6-22-21	35.65	54.74	19.09	14.41
BK6-22-22	16.06	19.74	3.68	13.92
BK6-22-22	53.40	58.07	4.67	13.77
BK6-22-22	90.27	92.00	1.73	7.50
BK6-22-23	14.78	19.00	4.22	3.85
BK6-22-24	64.48	68.06	3.58	17.82
BK6-22-24	84.00	89.25	5.25	8.57
BK6-22-25	9.05	10.85	1.80	2.29
BK6-22-26	30.43	31.54	1.11	6.91
BK6-22-27	Hole Abandoned			
BK6-22-28	49.93	50.84	0.91	6.95
BK6-22-29	2.00	4.36	2.36	3.81
BK6-22-30	1.90	4.20	2.30	9.38
BK6-22-31	10.08	15.00	4.92	10.06
BK6-22-32	No Significant Results			

Table 2: Collar coordinates from the Fall 2022 drill program.

	Easting_Z19	Northing_Z19	Elevation (m)	Azimuth	Dip	Length (m)
BK6-22-13	487541.4	5651553.7	453.2	0	-50	76
BK6-22-14	487561.5	5651502.9	466.2	0	-60	109
BK6-22-15	487564.7	5651502.7	468.9	30	-50	109
BK6-22-16	487655.3	5651496.5	497.0	0	-50	109
BK6-22-17	487653.9	5651493.0	497.2	315	-50	109
BK6-22-18	487656.9	5651502.6	497.6	45	-50	109
BK6-22-19	487664.8	5651470.7	497.0	0	-50	109
BK6-22-20	487662.9	5651471.5	497.0	335	-45	107
BK6-22-21	487784.0	5651541.0	542.0	0	-90	70
BK6-22-22	487813.2	5651524.6	544.2	315	-50	109
BK6-22-23	487822.1	5651499.6	543.9	0	-50	109
BK6-22-24	487819.0	5651498.8	543.5	315	-50	109
BK6-22-25	487889.7	5651532.6	555.2	320	-50	124
BK6-22-26	487933.3	5651648.8	584.4	90	-50	109
BK6-22-27	487932.2	5651648.2	584.7	312	-50	19
BK6-22-28	487923.7	5651649.2	584.5	300	-45	142
BK6-22-29	487912.7	5651721.4	585.7	75	-45	109
BK6-22-30	487918.4	5651706.2	585.8	180	-45	109
BK6-22-31	487548.9	5651562.6	452.5	45	-45	109
BK6-22-32	487462.5	5651548.0	425.7	15	-50	103

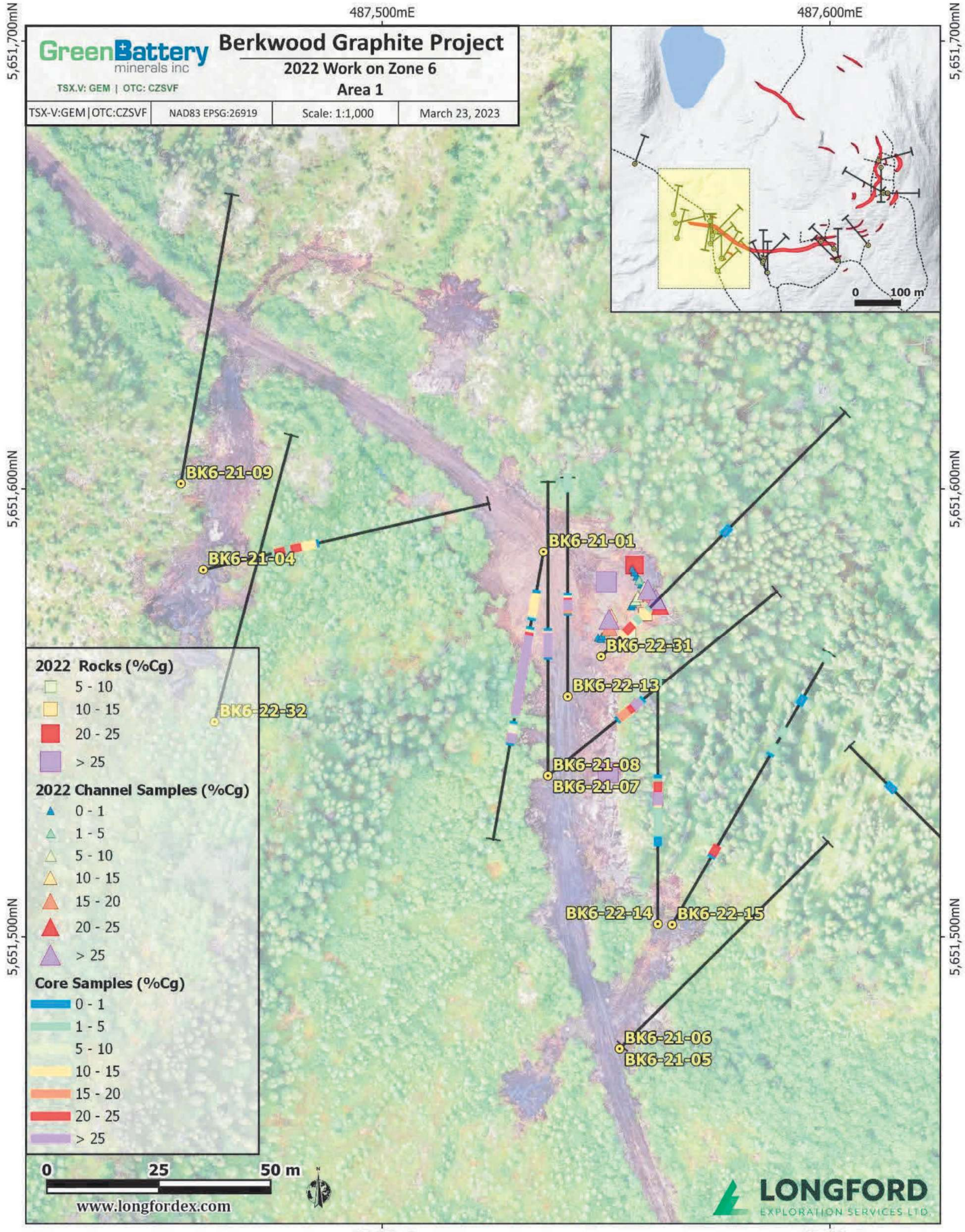

Figure 1: Drilling and surface work on Area 1.

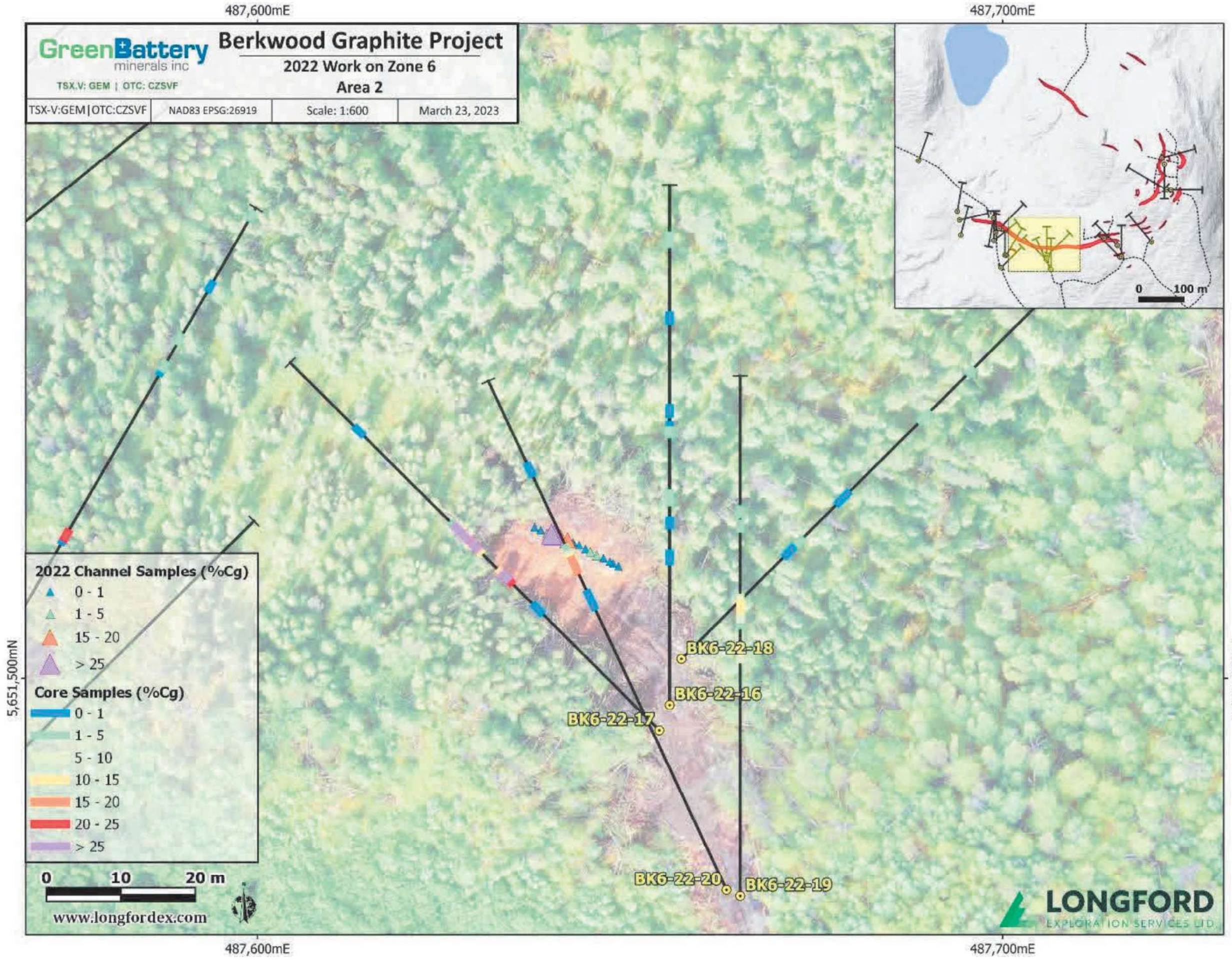

Figure 2: Drilling and surface work on Area 2.

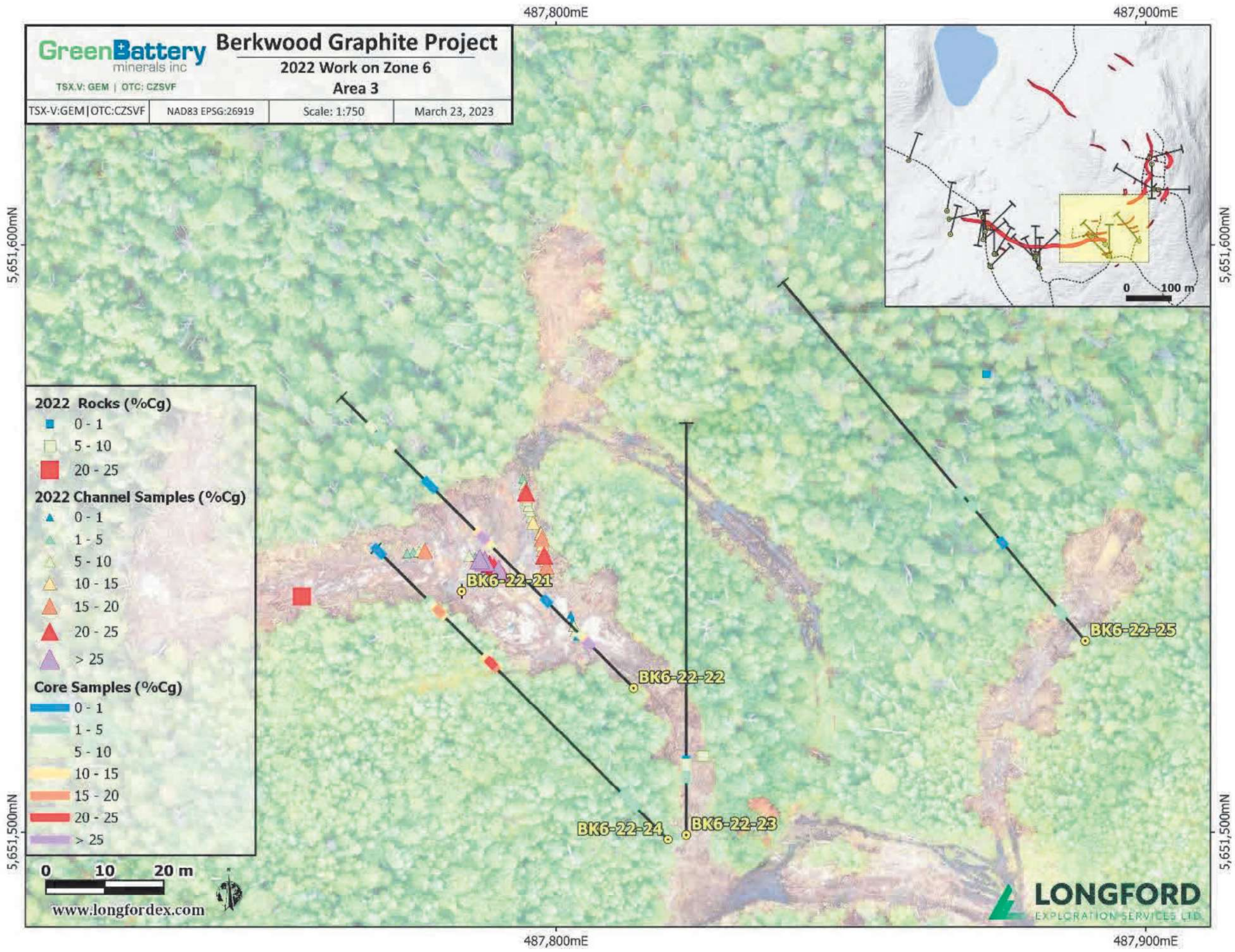

Figure 3: Drilling and surface work on Area 3.

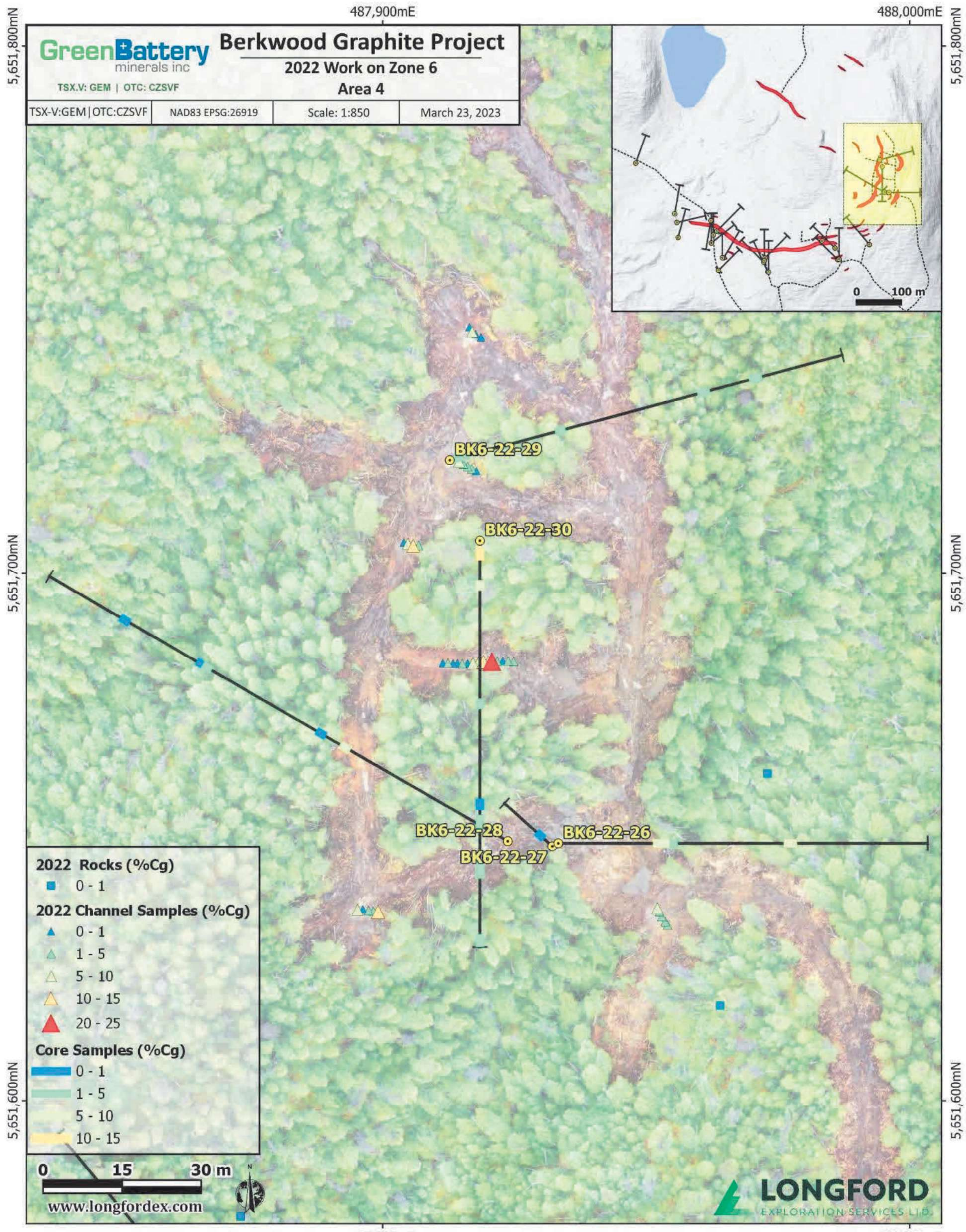

Figure 4: Drilling and surface work on Area 4.

The core of the fold nose and the north limb of the structure, representing 1000m of strike length, remain untested and will require more aggressive earthworks to properly evaluate.

On November 22, 2023 The Company completed prospecting and MAG/EM ground surveys using beep-mat at the underexplored Zone 3 prospect at its Lac Gueret South Project in Quebec. The work has further defined the prospect and has crystallized compelling targets for further exploration.

Zone 3 Highlights

- Zone 3 comprises 12 mineral claims for a total of 604.6 Ha and is road accessible via gravel forestry service roads that crisscross the project area;
- Zone 3 is strategically located 6 km from the Lac Guéret property JV of Nouveau Monde Graphite and Mason Graphite;
- 1.4 km strike length EM conductivity anomaly with potential for a further 1.6 km extension along a prospective interpreted fold hinge;
- Historical drilling of coarse flake graphite at LG-13-04N included 22.0 m @ 20.91% CG (from 4.40 m in depth) and a secondary zone of 4.50 m @ 7.78% CG (from 74.25 m).

Zone 3 Exploration Target

Zone 3 is strategically located 6 km from the Lac Guéret property joint venture, a collaboration between Nouveau Monde Graphite and Mason Graphite. The Company recently consolidated claims covering the Zone 3 prospect to secure the core of the conductive anomaly where historical drilling intersected high-grade graphite.

The prospect was initially identified in 2003 by SOQUEM and has emerged as a promising electromagnetic (EM) target that has remained underexplored. Zone 3 shares key characteristics with the neighboring Lac Guéret property and the Company's Zone 1 resource (Figure 1). The 1.4 km by 200 m conductivity anomaly extends southward displaying an apparent fold structure as the potential to thicken and concentrate graphite mineralization within hinge. Mapped thrust faults bound the conductor which when combined with inferred folding imply favorable conditions for thickening and thrust duplication of graphite mineralization (Figure 2).

Historical exploration involved mechanical excavation and drilling. High grade graphite concentrations of up to 40-60% are reported for samples from two drillholes: however, records for these holes are incomplete. Reliable exploration from drilling in 2013 confirmed Zone 3 potential including the near surface 22.0 m @ 20.91% Cgr and 4.5 m @ 7.78% Cgr detailed in Table 1 below.

Table 4: Assay results from LG-13-04N as described by Caron, Y., 2013[2] GM 68992.

LG-13-04N	**489939mE**	**5666044mN**	**589m Elev**	**Dip/Azi**	**-45**	**300**
SampleID	**From (m)**	**To (m)**	**Interval (m)**	**Weight (kg)**	**C (%)**	**Graphitic Cgr (%)**
E5610261	4.4	6.4	2	5.84	13.7	**13.3**
E5610262	6.4	8.4	2	5.28	17.3	**16.9**
E5610263	8.4	10.4	2	4.64	23.5	**23.2**
E5610264	10.4	12.4	2	4.42	28.2	**27.8**
E5610265	12.4	14.4	2	4.88	23.8	**23.6**
E5610266	14.4	16.4	2	4.72	22.8	**22.8**
E5610267	16.4	18.4	2	4.88	22.7	**22.7**
E5610268	18.4	20.4	2	5	23.4	**23.1**
E5610269	20.4	22.4	2	5.16	20.5	**20.4**
E5610270	22.4	24.4	2	5.34	21	**20.9**
E5610271	24.4	26.4	2	5.36	15.5	**15.3**
E5610272	26.4	27.9	1.5	3.08	0.22	**0.22**
Composite	**4.4**	**26.4**	**22**			**20.9**
E5610274	72.75	74.25	1.5	2.3	0.87	**0.81**
E5610275	74.25	75.25	1	2.26	9.77	**9.37**
E5610276	75.25	76.25	1	2.12	9.22	**8.86**
E5610277	76.25	77.25	1	2.8	14	**13.8**
E5610278	77.25	78.75	1.5	3.3	2.37	**1.99**
Composite	**74.25**	**78.75**	**4.5**			**7.78**

2023 Prospecting and EM Conductivity ground geophysics
In July 2023, the Company further defined targets at Zone 3 using ground MAG/EM beep mat tool. Led by Laurentia Exploration the site investigations focused along strike from historical workings and confirmed anomalies at nine locations and included definition of a 200m strike extension northward from historical drillhole LG-13-04N (Figure 3).

Rock sampling was completed from exposed outcrop at three locations approximately 250 m north of LG-13-04N. The localized natural clearing exposed coarse graphite outcrops which were sampled along a continuous trend of 50 m along strike around 2004 trenching and drilling.

Jupiter Project, Quebec

On May 3, 2023, the Company entered into an option agreement to acquire from Contigo Resources Ltd., one hundred twenty-two (122) claims located in Quebec, known as the Jupiter Project.

Under the terms of the option agreement, the Company may acquire a 100% interest in the lithium property as per terms as set forth below:

(i) Cash payment of $50,000 upon approval by the Exchange (paid);
(ii) Minimum expenditure of $100,000 to be incurred by December 31, 2023 (incurred);
(iii) Minimum expenditure of $500,000 to be incurred by October 31, 2024;
(iv) Cash payment of $250,000 by October 31, 2024.

A 2% NSR is payable to the optionors on all minerals produced from the property. The royalty will be reduced from 2.0% to 1.0% at any time prior to commencement of commercial production upon payment by optionee to the optionors of $1,500,000.

During the year ended February 28, 2025, management decided not to pursue this project. Indicators of impairment existed leading to test of recoverable amount, which resulted in the recognition of an impairment loss of $50,000 in accordance with Level 3 of the fair value hierarchy. A value in use calculation is not applicable as the Company does not have any expected cash flows from using the property at this stage of operations. In estimating the fair value less costs of disposal, management did not have observable or unobservable inputs to estimate the recoverable amount greater than $nil.

During the year ended February 28, 2026, the Company made a cash settlement of $20,000 to Contigo Resources Ltd. as part of the settlement and release agreement for the Jupiter Project, which is included in exploration and evaluation expenses in the statement of loss.

Stallion Gold Project, British Columnia

On October 27, 2020, the Company entered into a definitive agreement to acquire mineral claims in British Columbia's Golden Horseshoe region.

During the year ended February 28, 2021, the Company acquired all of the issued and outstanding shares of Bench Minerals Corp. ("Bench") by the issuance of 400,000 common shares (issued) of the Company with a fair value of $520,000 and $15,000 cash (paid) in consideration for the acquisition. The sole asset of Bench was the Stallion Gold Project claim. For accounting purposes, the acquisition has been recorded as an asset acquisition as Bench did not meet the definition of a business, as defined in IFRS 3. Bench was subsequently dissolved in August 2021.

During the year ended February 28, 2025, the Company did not renew any claims. Indicators of impairment existed leading to test of recoverable amount, which resulted in the recognition of an impairment loss of $534,999 in accordance with Level 3 of the fair value hierarchy. A value in use calculation is not applicable as the Company does not have any expected cash flows from using the property at this stage of operations. In estimating the fair value less costs of disposal, management did not have observable or unobservable inputs to estimate the recoverable amount greater than $nil.

On March 31, 2026, the Company completed the sale of the claims known as the Stallion Gold Project for total consideration of $10,000 cash (received) and 137,000 common shares with a fair value of $39,730 (received) of the acquirer, Hi-View Resources Inc.

SELECTED ANNUAL FINANCIAL INFORMATION

	February 28, 2026	February 28, 2025	February 29, 2024
Total revenues	$ -	$ -	$ -
Loss before other items	(1,353,767)	(1,374,631)	(1,727,060)
Comprehensive loss for the year	(1,324,398)	(1,915,478)	(1,784,254)
Loss per share basic and diluted	(0.05)	(0.18)	(0.22)
Total assets	$ 4,007,475	$ 1,577,069	$ 2,066,689

SELECTED QUARTERLY INFORMATION

The following table presents certain selected financial information on a quarterly basis:

Quarter ended	Revenue $	Net loss $	Net loss per share $
February 28, 2026	-	(797,012)	(0.02)
November 30, 2025	-	(184,724)	(0.01)
August 31, 2025	-	(130,184)	(0.01)
May 31, 2025	-	(212,478)	(0.01)
February 28, 2025	-	(1,312,429)	(0.12)
November 30, 2024	-	(239,394)	(0.03)
August 31, 2024	-	(155,231)	(0.01)
May 31, 2024	-	(208,424)	(0.02)

RESULTS OF OPERATIONS

Year Ended February 28, 2026 Compared to Year Ended February 28, 2025

The Company recorded a net loss of $1,324,398 for the twelve months ended February 28, 2026 (the "current year") compared to a net loss of $1,915,478 for the twelve months ended February 28, 2025 (the "prior year"), an decrease of $591,080 as explained in the following:

- Consulting fees were $273,334 (2025 - $359,819), a decrease of $86,485.
- The Company spent $386,101 on explorations expenses (2025 - $544,093), a decrease of $157,992.
- Investor relations expenses were $100,097 (2025 - $79,397), an increase of $20,700.
- Office and administration expenses were $75,403 (2025 – $53,362), an increase of $22,041.
- Professional fees of $97,461 (2025 - $153,898), a decrease of $56,437.
- The Company recognized $337,670 (2025 - $114,113) in share-based payments expense, a non-cash expense.
- The Company incurred transfer agent and filling fees of $83,141 (2025 - $66,180), an increase of $16,961.

Three Months Ended February 28, 2026 Compared to Three Months Ended February 28, 2025

The Company recorded a net loss of $797,012 for the three months ended February 28, 2026 (the "current period") compared to a net loss of $1,312,429 for the three months ended February 28, 2025 (the "prior period"), an decrease of $15,952, as explained in the following:

- Consulting fees were $71,182 (2025 - $78,410), a decrease of $7,228.
- The Company spent $284,020 on explorations expenses (2025 - $452,817), a decrease of $168,797.
- Investor relations expenses were $34,067 (2025 - $29,417), an increase of $4,650.
- Office and administration expenses were $25,573 (2025 – $33,963), an increase of $19,606.
- Professional fees of $25,573 (2025 - $75,052), a decrease of $49,479.
- The Company recognized $285,377 (2025 - $114,113) in share-based payments expense, a non-cash expense.
- The Company incurred transfer agent and filling fees of $51,702 (2025 - $35,256), an increase of $16,446.

Liquidity

As at February 28, 2026, the Company had cash of $2,690,781 (2025 - $293,468) and working capital of $2,646,835 (2025 - $569,319 deficit). The Company has sufficient cash and cash equivalents to fund its operations for the next twelve months.

The Company's cash is held at a major Canadian financial institution.

		February 28, 2026		February 28, 2025
Operating activities	$	(1,805,009)	$	(688,207)
Investing activities		(22,610)		-
Financing activities		4,224,932		741,500
Total Change in Cash		2,397,313		53,293
Cash, Beginning of the Year		293,468		240,175
Cash, End of the Year	$	2,690,781	$	293,468

Operating Activities

During the year ended February 28, 2026, the Company incurred $273,334 (2025 - $359,819) in consulting fees, $386,101 (2025 - $544,093) in exploration expenses, and $100,097 (2025 - $79,397) in investor relations expenses.

Investing Activities

The Company spent $22,610 (2025 – $nil) relating to the acquisition of mineral properties.

Financing Activities

The Company received cash, net of issuance costs, of $4,224,932 (2025 - $741,500) relating to the closing of private placements, exercise of stock options and the exercise of warrants.

CAPITAL RESOURCES

The Company's objective in managing its capital is to maintain the ability to continue as a going concern and to continue to explore on mineral property interests for the benefits of its stakeholders.

The Company considers its capital to be the components of shareholders' equity. Capital requirements are driven by the Company's exploration activities on its mineral property interests. To effectively manage the Company's capital requirements, the Company has a planning and budgeting process in place to ensure that adequate funds are available to meet its strategic goals.

The Company monitors actual expenses to budget on all exploration projects and overheads to manage costs, commitments, and exploration activities.

As the Company is in the exploration stage, its operations have been and will likely continue to be funded by the sale of equity to investors. Although the Company has been successful in raising funds in the past through issuing common shares, it is uncertain whether it will be able to continue to raise financing due to difficult conditions.

The Company is not subject to any externally imposed capital requirements and did not change its approach to capital management during the year ended February 28, 2026.

COMMITMENTS

Funds raised through the issuance of flow-through shares are required to be expended on qualified Canadian mineral exploration expenditures, as defined under Canadian income tax legislation. The flow-through gross proceeds less the qualified expenditures made to date represent the funds received from flow-through share issuances that are allotted for such expenditure but have not yet been spent. As of February 28, 2026, the company had flow-through share expenditure obligations of approximately $55,000 (2025-Nil).

OFF_BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements.

RELATED PARTY TRANSACTIONS

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

Key Management Compensation

Key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's executive officers and Board of Director members. Compensation paid to key management included the amounts above as follows:

	February 28, 2026	February 28, 2025
Consulting fees	$ 181,333	$ 210,000
Consulting fees exploration	-	7,719
Consulting (close family members)	38,200	72,600
Professional fees	47,720	80,000
Share-based compensation	33,518	75,170
	$ 300,771	$ 445,489

(a) During the year ended February 28, 2026, the Company incurred consulting fees of $181,333 (2025 - $210,000) with directors and companies controlled by the directors.

As at February 28, 2026, $60,382 (February 28, 2025 - $301,438) was owed to directors and companies controlled by the directors. The amounts are non-interest bearing and there are no specified terms of repayment.

(b) During the year ended February 28, 2026, the Company incurred professional fees for financial services of $47,720 (2024 - $80,000) with an officer and director of the Company.

(c) During the year ended February 28, 2026, the Company incurred consulting fees of $38,200 (2024 - $72,600) with close family members of a director.

As at February 28, 2026, $nil (February 28, 2025 - $94,070) was owed to a close family members of a director. The amounts are non-interest bearing and there are no specified terms of repayment.

CRITICAL ACCOUNTING ESTIMATES

The presentation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and would impact future results of operations and cash flows.

CHANGE IN ACCOUNTING POLICIES

None

RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

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 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:

(a) **Fair value of financial instruments**

As at February 28, 2026 and 2025, the Company's financial instruments consist of cash, accounts payable and accrued liabilities, and due to related parties.

The fair value of cash is determined based on Level 1 inputs which consist of quoted prices in active markets for identical assets. As at February 28, 2026 and 2025, the Company believes that the carrying values of accounts payable and accrued liabilities and due to related parties approximate the fair values because of their nature and relatively short maturity dates or durations.

(b) **Credit risk**

Credit risk is the risk of a financial loss to the Company if counterparties to a financial instrument fail to meet their contractual obligations.

The Company's primary exposure to credit risk is on its cash held in financial institutions. The majority of cash is deposited in bank accounts held with major financial institutions in Canada. Credit risk is managed by using major banks that are high credit quality financial institutions as determined by ratings agencies.

(c) **Market risk**

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

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company is not exposed to significant interest rate risk.

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair values or future cash flows of a financial instrument will fluctuate, as they are denominated in currencies that differ from the respective functional currency. The Company is not exposed to significant foreign currency risk.

(iii) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company is not exposed to any other price risk.

(d) **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 endeavours to have sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash. Historically, the Company's main source of funding has been from the issuance of equity securities for cash, primarily through private placements.

At February 28, 2026, the Company had accounts payable and accrued liabilities of $122,277 (February 28, 2025 - $534,567) and amounts due to related parties of $nil (February 28, 2025 - $395,508). The Company's accounts payable and accrued liabilities and amounts due to related parties have contractual maturities of less than 30 days and are subject to normal trade terms.

OUTSTANDING SHARE DATA

Outstanding Share Data

a) The Company's authorized share capital consists of unlimited common shares without par value. The Company has only one kind and class of shares and there are no unusual rights or restrictions attached to that class.

b) As at June 29, 2026, the Company had a total of 45,539,614 (February 28, 2026 – 42,641,900) common shares issued and outstanding.

c) As at June 29, 2026, the Company had 26,787,279 (February 28, 2026 – 27,693,693) warrants outstanding.

d) As at June 29, 2026, the Company had 2,185,000 (February 28, 2026 – 2,160,300) stock options outstanding.

e) As at June 29, 2026, fully diluted shares outstanding is 74,511,893 (February 28, 2026 – 72,495,893)

RISKS AND UNCERTAINTIES

The Company is in the mineral exploration and development business and has not commenced commercial operations and has no assets other than cash and mineral property agreements under option. It has no history of earnings, and it is not expected to generate earnings or pay dividends in the foreseeable future.

Precious and Base Metal Price Fluctuations

The profitability of the precious and base metal operations in which the Company has an interest will be significantly affected by changes in the market prices of precious and base metals. Prices for precious and base metals fluctuate on a daily basis, have historically been subject to wide fluctuations and are affected by numerous factors beyond the control of the Company such as the level of interest rates, the rate of inflation, central bank transactions, world supply of the precious and base metals, foreign currency exchange rates, international investments, monetary systems, speculative activities, international economic conditions and political developments. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving adequate returns on invested capital or the investments retaining their respective values. Declining market prices for these metals could materially adversely affect the Company's operations and profitability.

Fluctuations in the Price of Consumed Commodities

Prices and availability of commodities consumed or used in connection with exploration, development and mining, such as natural gas, diesel, oil, electricity, cyanide and other reagents fluctuate affecting the costs of exploration in our operational areas. These fluctuations can be unpredictable, can occur over short periods of time and may have a materially adverse impact on our operating costs or the timing and costs of various projects.

Competitive Conditions

Significant competition exists for natural resource acquisition opportunities. As a result of this competition, some of which is with large, well established mining companies with substantial capabilities and significant financial and technical resources, the Company may be unable to either compete for or acquire rights to exploit additional attractive mining properties on terms it considers acceptable. Accordingly, there can be no assurance that the Company will be able to acquire any interest in additional projects that would yield reserves or results for commercial mining operations.

Operating Hazards and Risks

Exploration activities may generally involve a high degree of risk, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. These risks include, but are not limited to, the following: environmental hazards, industrial accidents, third party accidents, unusual or unexpected geological structures or formations, fires, power outages, labor disruptions, floods, explosions, cave-ins, land-slides, acts of God, periodic interruptions due to inclement or hazardous weather conditions, earthquakes, war, rebellion, revolution, delays in transportation, inaccessibility to property, restrictions of courts and/or government authorities, other restrictive matters beyond the reasonable control of the Company, and the inability to obtain suitable or adequate machinery, equipment or labor and other risks involved in the normal course of exploration activities.

Operations in which the Company has a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration, development and production of precious and base metals, any of which could result in work stoppages, delayed production and resultant losses, increased production costs, asset write downs, damage to or destruction of mines and other producing facilities, damage to life and property, environmental damage and possible legal liability for any or all damages. The Company may become subject to liability for pollution, cave-ins or hazards against which it cannot insure or against which it may elect not to insure. Any compensation for such liabilities may have a material, adverse effect on the Company's financial position.

Infrastructure

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants, which affect capital and operating costs. The lack of availability of acceptable terms or the delay in the availability of any one or more of these items could prevent or delay exploitation or development of the Company's projects. If adequate infrastructure is not available in a timely manner, there can be no assurance that the exploitation or development of the Company's projects will be commenced or completed on a timely basis, if at all.

Exploration and Development

There is no assurance given by the Company that its exploration and development programs and properties will result in the discovery, development or production of a commercially viable ore body resulting in a royalty that provides future income.

The business of exploration for minerals and mining involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines.

The economics of developing silver, gold and other mineral properties are affected by many factors including capital and operating costs, variations of the tonnage and grade of ore mined, fluctuating mineral markets, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection. Depending on the prices of silver, gold or other minerals produced, the Company may determine that it is impractical to commence or continue commercial production. Substantial expenditures are required to discover an ore-body, to establish reserves, to identify the appropriate metallurgical processes to extract metal from ore, and to develop the mining and processing facilities and infrastructure. The marketability of any minerals acquired or discovered may be affected by numerous factors which are beyond the Company's control and which cannot be accurately foreseen or predicted, such as market fluctuations, conditions for precious and base metals, the proximity and capacity of milling and smelting facilities, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting minerals and environmental protection. In order to commence exploitation of certain properties presently held under exploration concessions, it is necessary for the Company to apply for an exploitation concession. There can be no guarantee that such a concession will be granted. Unsuccessful exploration or development programs could have a material adverse impact on the Company's operations and profitability.

Business Strategy

As part of the Company's business strategy, it has sought and will continue to seek new royalty opportunities as well as properties with exploration and development opportunities with the potential to generate royalties. In pursuit of such opportunities, it may fail to select appropriate acquisition candidates, negotiate appropriate acquisition terms, conduct sufficient due diligence to determine all related liabilities or to negotiate favorable financing terms. The Company may encounter difficulties in transitioning the business, including issues with the integration of the acquired businesses or its personnel into the Company. The Company cannot assure that it can complete any acquisition or business arrangement that it pursues, or is pursuing, on favorable terms, or that any acquisitions or business arrangements completed will ultimately benefit its business.

Environmental Factors

All phases of the Company's operations are subject to environmental regulation in the various jurisdictions in which it operates. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that any future changes in environmental regulation, will not adversely affect the Company's operations. The costs of compliance with changes in government regulations have the potential to reduce the profitability of future operations. Environmental hazards that may have been caused by previous or existing owners or operators may exist on the Company's mineral properties, but are unknown to the Company at the present.

Title to Assets

Although the Company has or will receive title opinions for any properties in which it has a material interest, there is no guarantee that title to such properties will not be challenged or impugned. The Company has not conducted surveys of the claims in which it holds direct or indirect interests and, therefore, the precise area and location of such claims may be in doubt. The Company's claims may be subject to prior unregistered agreements or transfers, or native land claims, and title may be affected by unidentified or unknown defects. The Company has conducted as thorough an investigation as possible on the title of properties that it has acquired or will be acquiring to be certain that there are no other claims or agreements that could affect its title to the concessions or claims. If title to the Company's properties is disputed, it may result in the Company paying substantial costs to settle the dispute or clear title and could result in the loss of the property, which events may affect the economic viability of the Company.

Uncertainty of Funding

The Company has limited financial resources, and the mineral claims in which the Company has an interest or an option to acquire an interest require financial expenditures to be made by the Company. There can be no assurance that adequate funding will be available to the Company so as to exercise its option or to maintain its interests once those options have been exercised. Further exploration work and development of the properties in which the Company has an interest or option to acquire depend upon the Company's ability to obtain financing through joint venturing of projects, debt financing or equity financing or other means. Failure to obtain financing on a timely basis could cause the Company to forfeit all or parts of its interests in mineral properties or reduce or terminate its operations.

Agreements with Other Parties

The Company has entered into agreements with other parties relating to the exploration of its properties. The Company may in the future, be unable to meet its share of costs incurred under agreements to which it is a party, and the Company may have its interest in the properties subject to such agreements reduced as a result. Furthermore, if other parties to such agreements do not meet their share of such costs, the Company may be unable to finance the costs required to complete recommended programs.

Potential Conflicts of Interest

The directors and officers of the Company may serve as directors and/or officers of other public and private companies and may devote a portion of their time to manage other business interests. This may result in certain conflicts of interest. To the extent that such other companies may participate in ventures in which the Company is also participating, such directors and officers of the Company may have a conflict of interest in negotiating and reaching an agreement with respect to the extent of each company's participation. The laws of British Columbia, Canada, require the directors and officers to act honestly, in good faith, and in the best interests of the Company and its shareholders. However, in conflict of interest situations, directors and officers of the Company may owe the same duty to another company and will need to balance the competing obligations and liabilities of their actions.

There is no assurance that the needs of the Company will receive priority in all cases. From time to time, several companies may participate together in the acquisition, exploration and development of natural resource properties, thereby allowing these companies to: (i) participate in larger properties and programs; (ii) acquire an interest in a greater number of properties and programs; and (iii) reduce their financial exposure to any one property or program. A particular company may assign, at its cost, all or a portion of its interests in a particular program to another affiliated company due to the financial position of the company making the assignment. In determining whether or not the Company will participate in a particular program and the interest therein to be acquired by it, it is expected that the directors and officers of the Company will primarily consider the degree of risk to which the Company may be exposed and its financial position at that time.

Third Party Reliance

The Company's rights to acquire interests in certain mineral properties may have been granted by third parties who themselves may hold only an option to acquire such properties. As a result, the Company may have no direct contractual relationship with the underlying property holder.

Assurance on Financial Statements

We prepare our financial reports in accordance with accounting policies and methods prescribed by IFRS. In the preparation of financial reports, management may need to rely upon assumptions, make estimates or use their best judgment in determining the financial condition of the Company. Significant accounting policies and practices are described in more detail in the notes to our consolidated financial statements for the years ended December 31, 2025 and 2024. In order to have a reasonable level of assurance that financial transactions are properly authorized, assets are safeguarded against unauthorized or improper use and transactions are properly recorded and reported, we have implemented and continue to analyze our internal control systems for financial reporting. Although we believe our financial reporting and consolidated financial statements are prepared with reasonable safeguards to ensure reliability, we cannot provide absolute assurance in that regard.

General Economic Conditions

The unprecedented events in global financial markets during the last few years have had a profound effect on the global economy. Many industries, including the gold and silver mining industry, are affected by these market conditions. Some of the key effects of the current financial market turmoil include contraction in credit markets resulting in a widening of credit risk, devaluations and high volatility in global equity, commodity, foreign exchange and precious metal markets, and a lack of market liquidity. A continued or worsened slowdown in the financial markets or other economic conditions, including but not limited to, consumer spending, employment rates, business conditions, inflation, fuel and energy costs, consumer debt levels, lack of available credit, the state of the financial markets, interest rates, and tax rates may adversely affect the Company's growth and profitability.

Substantial Volatility of Share Price

In recent years, the securities markets have experienced a high level of price and volume volatility, and the securities of many mineral exploration companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. The price of the Company's common shares is also likely to be significantly affected by short-term changes in mineral prices or in the Company's financial condition or results of operations as reflected in its quarterly financial reports.

Potential dilution of present and prospective shareholdings

In order to finance future operations and development efforts, the Company may raise funds through the issue of common shares or the issue of securities convertible into common shares. The Company cannot predict the size of future issues of common shares or the issue of securities convertible into common shares or the effect, if any, that future issues and sales of the Company's common shares will have on the market price of its common shares. Any transaction involving the issue of shares, or securities convertible into shares, could result in dilution, possibly substantial, to present and prospective holders of shares.

Additional information related to the Company is found on SEDAR at www.sedar.com.