

PASINEX RESOURCES LIMITED

CONDENSED INTERIM
CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED
JUNE 30, 2026

(EXPRESSED IN CANADIAN DOLLARS)

(UNAUDITED)

Management's Comments on Unaudited Consolidated Interim Financial Statements

The accompanying unaudited condensed interim consolidated financial statements of Pasinex Resources Limited. ("Pasinex" or the "Company") for the three months ended June 30, 2026, and 2025 have been prepared by management of Pasinex, reviewed by the Audit Committee of the Board of Directors, and approved by the Board of Directors.

In accordance with National Instrument 51-102, Continuous Disclosure Obligations of the Canadian Securities Administrators, the Company herewith discloses that the accompanying unaudited interim consolidated financial statements have not been reviewed by an auditor.

August 31, 2026

"Larry Seeley"

Larry Seeley

Executive Chairman

"Ian Atacan"

Ian D. Atacan

Director and Chief Financial Officer

Pasinex Resources Limited

Condensed Interim Consolidated Statements of Financial Position
(Expressed in Canadian Dollars, Unaudited)

	Note Reference		As at June 30, 2026		As at March 31, 2026
Assets					
Current Assets					
Cash		**$**	**820,715**	**$**	1,807,179
Receivables			**425,715**		167,326
Due from related parties	13		**-**		-
Prepaid expenses and deposits			**450,698**		397,992
Inventory			**617,013**		171,880
Financial asset	6		**-**		-
			2,314,141		2,544,377
Non-current assets					
Property, plant, and equipment	5		**492,330**		551,574
Deposits and value added tax receivable			**66,342**		64,098
Exploration and evaluation assets	4		**1,963,617**		1,934,891
Goodwill	6		**3,274,954**		3,442,551
Intangible assets	6		**315,032**		237,336
Total non-current assets			**6,112,275**		6,230,450
Total assets		**$**	**8,426,416**	**$**	8,774,827
Shareholders' equity (deficiency) and liabilities					
Current liabilities					
Accounts payable and accrued liabilities	7	**$**	**579,588**	**$**	693,609
Deferred consideration payable - current	6		**1,666,632**		1,343,157
Due to related parties	13		**30,340**		113,951
Shareholder loans	8,13		**1,779,055**		1,856,683
Loan payable - current	9		**7,569**		7,569
			4,063,184		4,014,969
Non-current liabilities					
Deferred consideration payable -non-current	6	**$**	**-**		323,476
Loan payable - non-current	8,9		**432,814**	**$**	428,239
Deferred tax liability			**270,057**		187,822
Long-term provisions for employee benefits			**182,786**		172,610
Total liabilities			**4,948,841**		5,127,116
Shareholders' equity					
Share capital	10	**$**	**22,975,373**		22,043,758
Reserves	11		**2,872,064**		3,126,799
Deficit			**(19,764,396)**		(19,019,373)
Accumulated other comprehensive loss			**(2,605,466)**		(2,503,473)
Total shareholders' equity			**3,477,575**		3,647,711
Total liabilities and shareholders' equity		**$**	**8,426,416**	**$**	8,774,827
Notice of operations and going concern	1				
Subsequent events	16				

On behalf of the Board:

"Larry Seeley", Executive Chairman "Jonathan Challis", Director

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

Pasinex Resources Limited

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars, Unaudited)

	Note reference		Three Months Ended June 30, 2026		Three Months Ended June 30, 2025
Revenues		**$**	**223,650**	$	-
Cost of sales			**(210,097)**		-
Mine operating income			**13,553**		-
Share of total comprehensive income from joint venture	6	**$**	**-**	$	18,633
Expenses					
Selling and marketing costs			**(9,233)**		-
Exploration costs			**(2,978)**		(2,464)
General and administrative costs	12		**(715,460)**		(329,543)
Total expenses			**(727,671)**		(332,007)
Other income					
Other income			**38,848**		823
Interest accrual	6,8,9,13		**(23,635)**		(74,912)
Foreign exchange loss			**(97,986)**		(93,514)
Gain on net monetary position			**132,269**		201,450
Total other income			**49,496**		33,847
Net loss before income taxes			**(664,622)**		(279,527)
Provision for income tax					
Current			**-**		(3,408)
Deferred			**(80,401)**		-
Total provision for income tax			**(80,401)**		(3,408)
Net loss			**(745,023)**		(282,935)
Other comprehensive income					
Item that may be reclassified subsequently to profit and loss:					
Currency translation adjustment			**(101,993)**		(133,043)
Total comprehensive loss for the period		**$**	**(847,016)**	$	(415,978)
Net loss per share - basic and diluted		**$**	**(0.003)**	$	(0.002)
Weighted average number of shares outstanding - basic and diluted			**261,333,768**		144,554,370

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

Pasinex Resources Limited

Condensed Interim Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars, Unaudited)

	Note reference	Three Months Ended June 30, 2026	Three Months Ended June 30, 2025
Operating activities			
Net loss for the period		**$ (745,023)**	$ (282,935)
Share of total comprehensive (loss) income from joint venture		**-**	(18,633)
Adjustments for items not involving cash:			
Stock option expense		**-**	13,200
Interest accrual		**27,288**	74,912
Foreign exchange (gain) loss		**(84,117)**	144,016
Loss on net monetary position		**57,429**	201,450
Changes in non-cash working capital items:			
Prepaid expenses and deposits		**(512,763)**	9,849
Trade receivables		**(250,834)**	-
Accounts payable and accrued liabilities		**(279,191)**	33,745
Due to related parties		**(83,611)**	(224,456)
Other		**336,565**	(273,260)
Net cash used in operating activities		**(1,534,257)**	(322,112)
Investing activities			
Acquisition of property, plant and equipment	5	**53,732**	6,797
Net cash used in investing activities		**53,732**	6,797
Financing activities			
Proceeds from shares issued in private placement	10	**401,880**	-
Proceeds from shareholder loan	8	**-**	350,000
Cash received from exercise of options		**97,000**	-
Cash received (repaid) on loan payable		**4,575**	(1,441)
Net cash generated from financing activities		**503,455**	348,559
Net change in cash		**(977,070)**	33,244
Effect of foreign exchange rate changes on cash		**(9,394)**	(4,327)
Cash, beginning of period		**1,807,179**	40,630
Cash, end of period		**$ 820,715**	$ 69,547
Supplemental cash flow information			
Cash interest paid		**$ 302**	$ 2,158
Cash income taxes paid		**-**	-
Non-cash transactions (Note 6)			
Consideration payable for Aydin Teknik (US$ instalments to June 30, 2027)		**$ 1,125,000**	

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

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Pasinex Resources Limited

Condensed Interim Consolidated Statements of Changes in Shareholders' Equity (Deficiency)
(Expressed in Canadian Dollars, Unaudited)

	Note reference	Number of Shares	Share Capital	Reserves	Deficit	Accumulated Other Comprehensive Loss	Total
Balance as at December 31, 2024		**144,554,371**	**$ 12,888,506**	**$ 2,157,117**	**$ (13,263,120)**	**$ (3,126,130)**	**$ (1,343,627)**
Stock option expense		-	-	60,700	-	0	60,700
Currency translation adjustment		-	-	-	-	129,059	129,059
Net loss for the year		-	-	-	(1,171,412)	-	(1,171,412)
Balance as at June 30, 2025		**144,554,371**	**$ 12,888,506**	**$ 2,217,817**	**$ (14,434,532)**	**$ (2,997,071)**	**$ (2,325,280)**
Balance as at March 31, 2026		**254,489,081**	**$ 22,043,758**	**$ 3,126,799**	**$ (19,019,373)**	**$ (2,503,473)**	**$ 3,647,711**
Shares issued in private placement	10	4,247,616	401,880	-	-	-	401,880
Shares issued for exercise of options	11	6,875,000	598,000	(323,000)	-	-	275,000
Warrants issued		-	(68,265)	68,265	-	-	-
Currency translation adjustment		-	-	-	-	(101,993)	(101,993)
Net loss for the period		-	-	-	(745,023)	-	(745,023)
Balance as at June 30, 2026		**265,611,697**	**$ 22,975,373**	**$ 2,872,064**	**$ (19,764,396)**	**$ (2,605,466)**	**$ 3,477,575**

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Pasinex Resources Limited ("Pasinex" or the "Company") is a publicly listed company incorporated in British Columbia. The Company's shares are listed on the Canadian Securities Exchange ("CSE") under the symbol "PSE" and on the Frankfurt Stock Exchange ("FSE") under the symbol "PNX". The head and registered records office of the Company are located at 550 Burrard Street, Suite 2900, Vancouver, BC V6C 0A3 with its mailing address at 82 Richmond Street East, Toronto, Ontario, Canada, M5C 1P1.

Through its wholly owned Turkish subsidiary, Pasinex Arama ve Madencilik Anonim Şirketi ("Pasinex Arama"), the Company owns 100% of Horzum Maden Arama ve İşletme Anonim Şirketi ("Horzum A.Ş." or "Horzum"), which owns and operates the producing Pinargözü high-grade zinc mine in Türkiye. Zinc material produced from Pinargözü is sold directly to zinc smelters and refiners through commodity brokers.

The Company also owns 100% of Aydın Teknik Madencilik ve İnşaat Sanayi ve Ticaret A.Ş. ("Aydın Teknik"), the holder of the Sarıkaya Group IV lead-zinc operating licence located in Kayseri Province, Türkiye. The Sarıkaya licence represents significant potential for near-term production and additional zinc discoveries.

In the United States, Pasinex holds a 51% interest in the Gunman Project, a high-grade zinc exploration project located in Nevada through its wholly owned subsidiary, Pasinex Resources Nevada Limited ("Pasinex Nevada").

These unaudited condensed interim consolidated financial statements were approved and authorized for issuance by the Audit Committee and Board of Directors on August 31, 2026.

These unaudited condensed interim consolidated financial statements have been prepared on a going concern basis. The application of the going concern concept assumes that the Company will continue in operation for at least the next twelve months and will be able to realize its assets and discharge its liabilities in the normal course of operations. As at June 30, 2026, the Company had a deficit of $ 19,764,396 and had a working capital deficiency position of $1,749,043. During the three-month period ended June 30, 2026, the Company had a net loss of $745,023, and negative cash flows from operations of $1,534,257, and accordingly does not have enough cash on hand to fund its payables and its expected nondiscretionary obligations for the next twelve months.

The Company has not yet achieved the sales volumes necessary to generate positive operating cash flows. Management believes it can meet its budgeted administrative, exploration, mining, and selling costs for the current year and beyond, based on the current financial forecast. Pasinex continues to pursue strategic agreements and financing arrangements to support its operations. As noted in Note 8, shareholder loans have been provided since August 2018.

The going concern assessment involves significant judgments, including the assumption that some option holders will exercise their rights. Although the Company has demonstrated the ability to secure funding through loans and capital raises, future financing availability—and whether it can be obtained on favourable terms—remains uncertain. The timing and sufficiency of future operating cash flows to cover expenditures and obligations beyond June 30, 2026, is also uncertain. In making its assessment, management acknowledges material uncertainties that may cast significant doubt on the Company's ability to continue as a going concern. These financial statements do not reflect any adjustments that may be required if the Company is unable to continue as a going concern. Such adjustments could be material.

2. BASIS OF PRESENTATION AND STATEMENT OF COMPLIANCE

The unaudited condensed interim consolidated financial statements of the Company have been prepared in accordance with IFRS Accounting Standards ("IFRS") and IFRS Interpretations Committee ("IFRIC") interpretations applicable to companies reporting under IFRS, including IAS 34, Interim Financial Reporting and include the operating results of Pasinex and its subsidiaries and joint ventures. Accordingly, certain information and disclosure normally included in annual financial statements prepared in accordance with IFRS have been omitted or condensed. These unaudited condensed interim consolidated financial statements should be read in conjunction with the Company's annual financial statements for the fifteen-month period ended March 31, 2026, which were prepared in accordance with IFRS.

3. MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies adopted are consistent with those of the Company's financial statements for the fifteen-month period ended March 31, 2026.

4. EXPLORATION AND EVALUATION ASSETS

	Akkaya Property	Gunman Project	Total
Balance as at December 31, 2024	**$ 483,161**	**$ 1,525,271**	**$ 2,008,432**
Foreign exchange adjustment	(25,840)	(47,701)	(73,541)
Balance as at March 31, 2026	**$ 457,321**	**$ 1,477,570**	**$ 1,934,891**
Foreign exchange adjustment	-	28,726	28,726
Balance as at June 30, 2026	**$ 457,321**	**$ 1,506,296**	**$ 1,963,617**

(a) Akkaya Property

The Company, through Pasinex Arama owns an exploration license (the "Akkaya Property") located near the Pinargozu mine. As at June 30, 2026, the Company's Akkaya Property consisted of an operational exploration license in good standing until November 2032. Pasinex Arama is in the process of converting the operational license to an operational permit. In order to receive the operational permit, Pasinex Arama must obtain all essential permits including forestry and working permits according to the mining laws and completion of an environmental impact assessment.

(b) Gunman Project

Pasinex, through its wholly owned subsidiary Pasinex Nevada, entered into an option agreement with Century Lithium Corp. ("Century") and Caliber Minerals Inc. ("Caliber") to earn up to an 80% interest in the Gunman Project located in White Pine County, Nevada ("Option Agreement"). The Option Agreement's total consideration to acquire an 80% interest is a combination of cash and Pasinex common shares. The Company has to incur minimum exploration expenditures totalling US$2,950,000. Century holds the title to the Gunman Project mineral rights.

The Company has completed the following to earn its initial 51% of the Gunman Project:

- US$425,000 in cash payments,
- the issuance of 4.6 million Pasinex Common Shares. and
- exploration expenditures of US$1,850,000.

5. PROPERTY, PLANT AND EQUIPMENT

During the three-month period ended June 30, 2026, depreciation of $69,614 was capitalized to inventory (2025 – $Nil).

5. PROPERTY, PLANT AND EQUIPMENT (continued)

COST	Land improvements	Buildings	Plant, machinery and equipment	Vehicles	Furniture and fixtures	Total
Balance, December 31, 2024	**$ -**	**$ -**	**$ -**	**$ -**	**$ 83,734**	**$ 83,734**
Assets acquired through business combination	127,512	98,590	608,303	962,896	601,391	2,398,693
Additions	-	-	21,550	126,765	32,548	180,864
Reclassification	-	(38,373)	(112,366)	(397,205)	(177,842)	(725,785)
Effect of foreign exchange differences	(2,398)	(1,854)	(11,441)	(18,111)	(95,046)	(128,851)
Balance, March 31, 2026	**$ 125,114**	**$ 58,363**	**$ 506,046**	**$ 674,346**	**$ 444,786**	**$ 1,808,655**
Additions	4,618	3,343	-	290,766	99,535	398,261
Disposals	-	-	(103,854)	-	-	(103,854)
Effect of foreign exchange differences	5,369	2,508	21,312	29,811	19,359	78,359
Balance, June 30, 2026	**$ 135,100**	**$ 64,214**	**$ 423,504**	**$ 994,922**	**$ 563,681**	**$ 2,181,421**
ACCUMULATED DEPRECIATION						
Balance, December 31, 2024	**$ -**	**$ -**	**$ -**	**$ -**	**$ (79,796)**	**$ (79,796)**
Assets acquired through business combination	(94,020)	(72,694)	(448,525)	(709,980)	(443,429)	(1,768,649)
Charge for the period	(4,701)	(605)	(38,418)	(137,945)	(32,548)	(214,217)
Reclassification	-	38,373	112,366	397,205	177,842	725,785
Effect of foreign exchange differences	-	-	-	-	79,796	79,796
Balance, March 31, 2026	**$ (98,721)**	**$ (34,926)**	**$ (374,578)**	**$ (450,720)**	**$ (298,135)**	**$ (1,257,081)**
Charge for the period	(2,052)	(1,280)	(75,916)	(270,683)	(130,904)	(480,835)
Disposals	-	-	103,854	-	-	103,854
Effect of foreign exchange differences	(4,231)	(1,499)	(15,936)	(20,176)	(13,188)	(55,029)
Balance, June 30, 2026	**$ (105,004)**	**$ (37,705)**	**$ (362,576)**	**$ (741,580)**	**$ (442,227)**	**$ (1,689,091)**
CARRYING AMOUNT						
Balance, December 31, 2024	$ -	$ -	$ -	$ -	$ 3,938	$ 3,938
Balance, March 31, 2026	$ 26,393	$ 23,437	$ 131,468	$ 223,625	$ 146,651	$ 551,574
Balance, June 30, 2026	**$ 30,096**	**$ 26,509**	**$ 60,928**	**$ 253,342**	**$ 121,454**	**$ 492,330**

6. GOODWILL AND INTANGIBLE ASSETS

Business combinations — provisional acquisition accounting (measurement period)

During the fifteen-month period ended March 31, 2026, the Company acquired Horzum A.Ş. through a step acquisition from 50% to 100% ownership and acquired 100% of Aydın Teknik. The acquisitions were accounted for as business combinations in accordance with IFRS 3, *Business Combinations*.

The acquisition accounting for both business combinations has been determined provisionally as at June 30, 2026. The initial accounting is incomplete because an independent fair value allocation of the identifiable assets acquired and liabilities assumed, including mineral properties, mining licenses, property and equipment, and any identifiable intangible assets, had not been completed as of the date these financial statements were authorized for issue.

Pending completion of the independent valuation, the provisional amounts recognized for the identifiable assets acquired and liabilities assumed were based on the information available to management at the acquisition dates, including the acquirees' carrying amounts and management's best estimates. Accordingly, the amounts recognized for the identifiable assets acquired and the resulting goodwill are provisional and may be revised upon completion of the valuation process in accordance with IFRS 3.

As at June 30, 2026, no measurement-period adjustments had been recognized in respect of these acquisitions.

In accordance with IFRS 3, the Company will retrospectively adjust the provisional amounts recognized at the acquisition dates to reflect any new information obtained during the measurement period about facts and circumstances that existed at the respective acquisition dates and that, if known, would have affected the measurement of the amounts recognized. Any such adjustments will be recorded with corresponding adjustments to goodwill. The measurement period will not exceed one year from the respective acquisition dates.

(a) Aydin Teknik

On December 31, 2025, Pasinex Arama completed the acquisition of 100% of the shares of Aydın Teknik, a Turkish mining company that holds the Group IV lead-zinc operating licence for the Sarıkaya Project in Kayseri Province, Türkiye.

The primary reasons for the acquisition were to secure ownership and control of the Sarıkaya Project, expand the Company's Turkish zinc project portfolio, and provide the Company with access to a near-term production opportunity that is expected to complement the Company's existing Turkish operations at Pınargözü. The acquisition is also expected to provide operational synergies, including the use of existing management, technical, logistics and commercial capabilities in Türkiye.

Under the terms of the Option and Purchase Agreement, Pasinex Arama agreed to pay total consideration of US$2,600,000. As at June 30, 2026, cumulative payments of US$1,475,000 had been made, with the remaining US$1,125,000 payable in quarterly instalments through June 30, 2027. The shares of Aydın Teknik have been pledged as security for the deferred note payable. Under the related pledge agreement, the Aydın Teknik mining licence cannot be transferred to third parties without the required consent and if mining operations cease, the licence is required to be returned to the seller, free of charge.

Upon full payment of the purchase price, Pasinex Arama is also required to pay the seller an 8% Net Smelter Return ("NSR") royalty on zinc sulphide sales and a 5% NSR royalty on zinc carbonate sales from the Sarıkaya licence.

No separate identifiable acquisition-related costs were incurred in connection with the acquisition of Aydın Teknik.

6. GOODWILL AND INTANGIBLE ASSETS (continued)

Management assessed whether any identifiable intangible assets were acquired as part of the Aydın Teknik acquisition. The primary asset held by Aydın Teknik was the Sarıkaya mining licence / mineral property. No additional separable intangible assets meeting the recognition criteria under IFRS 3, such as customer relationships, technology, brand names, contracts or similar rights, were identified.

Separately, management assessed the acquisition-date fair value of the identifiable assets acquired and liabilities assumed. As there is no active market for comparable mining licences in Türkiye, no NI 43-101 or equivalent independent mineral resource estimate supporting a higher value, and no other observable evidence from which a reliable fair value could be determined as at the acquisition date, the fair value allocation was determined provisionally based on the information available to management, including the acquiree's carrying amounts and management's best estimates.

Accordingly, the excess of the consideration transferred over the provisional identifiable net assets acquired was recognized as goodwill. The acquisition accounting remains subject to measurement-period adjustments in accordance with IFRS 3, as described above.

The purchase price allocation for Aydın Teknik was as follows:

Aydin Teknik Purchase Price Allocation		
Consideration transferred before discount	$	3,352,962
Less: fair value discount on deferred consideration		100,373
Share capital acquired		667,757
Deficit acquired		(857,719)
Goodwill recognized	**$**	**3,442,551**

The deferred consideration payable was measured at its acquisition-date fair value using a present value calculation. The resulting discount of $100,373 reduced the fair value of consideration transferred and, accordingly, reduced goodwill recognized on acquisition. Subsequent accretion of the discount is recognized as finance expense over the term of the payable and does not affect goodwill. Other than the Sarıkaya mining licence, Aydın Teknik did not hold material tangible assets at the acquisition date.

Goodwill recognized on the acquisition of Aydın Teknik represents expected future economic benefits, including the opportunity to develop additional mineral resources, production potential, operational synergies with the Company's existing Turkish operations, and other benefits that do not qualify for separate recognition as identifiable intangible assets. None of the goodwill in expected to be deductible for income tax purposes.

(b) Horzum A.Ş

On December 29, 2025, Pasinex Arama acquired the remaining 50% interest in Horzum through negotiations with the joint venture partner. As a result, the Company obtained control of Horzum and consolidated its assets, liabilities, revenues and expenses from the acquisition date.

Prior to the acquisition date, Horzum was accounted for as a joint venture using the equity method. (Note 5) Upon obtaining control, the Company accounted for the transaction as a business combination achieved in stages in accordance with IFRS 3.

The primary reasons for the acquisition were to obtain full ownership and control of Horzum, including the Pınargözü mine, to consolidate the Company's Turkish operating platform, and to allow the Company to directly manage production, sales, logistics, commercial arrangements and future development activities. The acquisition is also expected to provide operational and commercial synergies with the Company's other Turkish mineral properties, including Sarıkaya and Akkaya.

6. GOODWILL AND INTANGIBLE ASSETS (continued)

The purchase price allocation for Horzum was as follows:

Horzum Purchase Price Allocation		
Fair value of investment in joint venture	$	349,322
Property, plant and equipment acquired		(349,322)
Goodwill recognized	**$**	**-**

No identifiable intangible assets or goodwill were recognized in connection with the Horzum acquisition.

The acquisition of Horzum was accounted for as a business combination achieved in stages. Immediately before obtaining control, the Company accounted for its 50% interest in Horzum as a joint venture using the equity method. Upon obtaining control, management assessed the fair value of the previously held interest and concluded that no material remeasurement gain or loss arose on the transaction.

Intangible assets

The Company's intangible assets consist of mining licences acquired through the business combination of Aydin Teknik described above. As at June 30, 2026, intangible assets were $315,032 (March 31, 2026 – $237,336).

Goodwill

Goodwill arose on the acquisition of Aydın Teknik and represents the excess of the consideration transferred over the fair value of identifiable net assets acquired. Goodwill is not amortized and is tested annually for impairment, or more frequently when events or changes in circumstances indicate that it may be impaired, in accordance with IAS 36, *Impairment of Assets*.

Goodwill was allocated to the cash-generating unit ("CGU") expected to benefit from the acquisition, being the Sarıkaya Project / Aydın Teknik CGU within the Company's Turkish mining operations.

The goodwill continuity was as follows:

Balance as at December 31, 2024	**$**	**-**
Goodwill recognized on acquisition of Aydın Teknik		3,442,551
Goodwill recognized on acquisition of Horzum		-
Impairment		-
Balance as at March 31, 2026	**$**	**3,442,551**
Foreign exchange adjustment		(167,597)
Balance as at June 30, 2026	**$**	**3,274,954**

Management assessed goodwill for impairment as at June 30, 2026, in accordance with IAS 36. The goodwill was allocated to the Sarıkaya Project / Aydın Teknik CGU, which is expected to benefit from the acquisition. In performing its assessment, management considered zinc prices, permitting status, development plans, expected future cash flows, discount rates, the status of the Sarıkaya licence, and the absence of adverse technical, legal, regulatory or economic developments since the acquisition date. Based on this assessment, management concluded that no impairment of goodwill was required as at June 30, 2026.

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

		As at June 30, 2026		As at March 31, 2026
Trade payables	**$**	**472,932**	$	533,609
Accrued liabilities		**106,656**		160,000
Total accounts payable and accrued liabilities	**$**	**579,588**	$	693,609

8. SHAREHOLDER LOANS

The Company entered into loans with certain shareholders and directors of the Company (the "Lenders") in the form of promissory notes. The promissory notes are payable on demand to the Lenders and bear 6% annual interest. The promissory notes are secured by the collateral guarantees on property and assets of the Company.

On January 29, 2026, the Company received a $200,000 bridge loan from an insider of the Company. The bridge loan matures six months from the initial issuance date, bear 12% annual interest, 5% loan set up fee, and is secured by the assets of the Company.

A continuity of shareholder loans, including the bridge loan and accrued interest, is as follows:

		Shareholder Loans
Balance as at December 31, 2024		4,249,649
Shareholder loans issued		850,000
Accrued interest		240,532
Less: principal and interest payment		(3,483,498)
Balance as at March 31, 2026		1,856,683
Accrued interest		21,102
Less: principal and interest payment		(98,730)
Balance as at June 30, 2026	$	1,779,055

As at June 30, 2026, the outstanding shareholder loans, bridge loan and accrued interest totalled $1,779,055 (March 31, 2026 – $1,856,683). During the three-month period ended June 30, 2026, the Company recorded interest expense of $21,102 (2025 – $74,470) on the shareholder loans and bridge loan. See Note 13.

9. LOAN PAYABLE

		As at June 30, 2026		As at March 31, 2026
CEBA loan (a)		7,569		7,569
Loan payable - current	**$**	**7,569**	$	7,569
CEBA loan		**9,256**		10,845
Shareholder's loan (b)		**423,558**		417,394
Loan payable - non-current		**432,814**	$	428,239
Total loan payable	**$**	**440,383**	$	435,808

9. LOAN PAYABLE (continued)

(a) On April 24, 2020, the Company applied for the Canada Emergency Business Account ("CEBA") interest-free loan. In 2024, the Company entered into a loan agreement with its principal banker from which the proceeds were used to repay the CEBA loan balance outstanding, less $10,000, which was forgiven. The term of the loan is five years, at an interest rate of prime + 2.34%, with monthly payments of $631. The loan can be prepaid at any time without fee or premium. During the three months ended June 30, 2026, the Company booked interest expense of $302 (2025 - $902).

(a) On January 12, 2026, the Company received a $412,110 ($300,000 USD) loan from a shareholder of the Company. The loan matures thirty-six months from the initial issuance date, bear 6% annual interest, and is secured by the assets of the Company. As of June 30, 2026, amount owed including accrued interest was $423,558 (March 31, 2026 - $417,394).

10. SHARE CAPITAL

(a) Authorized: Unlimited common shares with no par value.

(b) Issued and outstanding common shares:

	Number of Shares		Amount
Balance as at March 31, 2026	**254,489,081**	**$**	**22,043,758**
Common shares issued for exercise of options (a)	6,875,000		598,000
Private placement of common shares (b)	4,247,616		401,880
Warrants issued	-		(68,265)
Balance as at June 30, 2026	**265,611,697**	**$**	**22,975,373**

(a) A total of 6,875,000 stock options expiring on April 30, 2026, were exercised at an exercise price of C$0.04 per option, resulting in the issuance of 6,875,000 common shares for aggregate proceeds of C$275,000.

(b) On May 5, 2026, the Company completed an additional tranche of its previously announced non brokered private placement. The Company issued 4,247,616 units at a price of $0.10 per unit for gross proceeds of $401,880, including 228,816 units issued as non-cash finder's fees. Each unit consisted of one common share and one-half warrant, with each full warrant exercisable at $0.15 per share for a period of two years from the date of issuance. In connection with this tranche, the Company issued 2,123,808 warrants.

11. STOCK OPTIONS

The Company has a stock option plan (the "Plan") in place under which it is authorized to grant options of up to 10% of its outstanding shares to officers, directors, employees and consultants. The exercise price of each option is to be determined by the Board of Directors but shall not be less than the discounted market price as defined by the CSE. The expiry date for each option should be for a maximum term of five years. The Plan was most recently approved at the Company's 2015 Annual General Meeting.

The following table reflects the continuity of stock options for the periods presented:

11. STOCK OPTIONS (continued)

	Number of Options		Weighted Average Exercise Price
Balance as at December 31, 2024	10,000,000	$	0.040
Granted	2,900,000	$	0.041
Forfeited	(3,500,000)	$	0.040
Balance as at June 30, 2025	9,400,000	$	0.040
Balance as at March 31, 2026	16,900,000	$	0.063
Exercised	(6,875,000)	$	0.040
Expired	(625,000)	$	0.040
Balance as at June 30, 2026	9,400,000	$	0.082

The Company had the following stock options outstanding as at June 30, 2026:

	Number of Options			Weighted Average Remaining Contractual
Expiry Date	**Outstanding**	**Exercisable**	**Exercise Price**	**Life (Years)**
January 2, 2030	1,500,000	1,500,000	$ 0.040	3.51
April 4, 2030	400,000	400,000	$ 0.050	3.76
September 29, 2030	2,500,000	2,500,000	$ 0.075	4.25
January 12, 2031	5,000,000	5,000,000	$ 0.100	4.54
Total	**9,400,000**	**9,400,000**	**$ 0.082**	**4.27**

12. GENERAL AND ADMINISTRATIVE COSTS

General and administration costs are as follows:

		Three Months Ended	
	Note	June 30, 2026	June 30, 2025
Consulting fees	17	**$ 41,638**	$ 16,800
Investor relations		**20,423**	17,125
Management fees and salaries	17	**187,802**	54,000
Stock option expense	15	**-**	13,200
Director fees	17	**30,000**	24,000
Legal fees		**106,811**	-
Professional fees, office and general		**116,514**	173,761
Amortization		**-**	-
Transfer agent and regulatory fees		**8,126**	19,027
Travel and accommodation		**87,646**	13,730
Mining license		**120,238**	-
Other		**(3,738)**	(2,100)
Total general and administrative costs		**$ 715,460**	$ 329,543

13. RELATED PARTY BALANCES AND TRANSACTIONS

Related parties and related party transactions impacting the accompanying consolidated financial statements are summarized below and include transactions with key management personnel, which includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers. A number of key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of these entities. A number of these entities had transactions with the Company during the year.

A summary of the related party transactions and balances is as follows:

	Three Months Ended	
	June 30, 2026	**June 30, 2025**
Management fees and salaries	**$ 54,000**	$ 54,000
Consulting fees	**8,038**	-
Director fees	**30,000**	24,000
Interest expense on shareholder loans (Note 8)	**21,103**	74,469
	$ 113,141	$ 152,469

As at June 30, 2026, the Company had related party payables of $30,340 (March 31, 2026 – $113,951) owing to directors and officers of the Company. These amounts relate to management fees, director fees, and expense reimbursements.

In addition to these related party payables, as at June 30, 2026, the Company had shareholder loans outstanding of $1,779,055 ((March 31, 2026 – $1,856,683). See Note 8.

During the three-month period ended June 30, 2026, the Company recorded share-based compensation of $Nil (2025 - $13,200) relating to stock options granted to directors of the Company. The amounts were measured in accordance with IFRS 2 and were recorded as share-based compensation expense with a corresponding credit to contributed surplus.

All balances due to and from related parties are unsecured, non-interest bearing and due on demand except for shareholder loans which are disclosed separately.

To the knowledge of the directors and officers of the Company, as at June 30, 2026, no person or corporation beneficially owns or exercises control or direction over common shares of the Company carrying more than 10% of the common shares of the Company other than set out below:

	Number of Common Shares	**Percentage of Outstanding Common Shares**
Larry Seeley	**43,170,817**	**16.3%**
Kevin Seeley	**30,908,592**	**11.6%**

14. SEGMENTED INFORMATION

The Company has one operating segment, acquisition, exploration and development of mineral properties. The table below shows consolidated data by geographic segment based on the location:

		As at June 30, 2026		As at March 31, 2026
Non-current assets by geographic segment				
Türkiye	**$**	**4,605,979**	$	4,752,880
United States		**1,506,296**		1,477,570
	$	**6,112,275**	$	6,230,450
Total assets by geographic segment				
Canada	**$**	**712,909**	$	1,552,285
Türkiye		**6,207,211**		5,744,972
United States		**1,506,296**		1,477,570
	$	**8,426,416**	$	8,774,827

		Three Months Ended June 30, 2026		June 30, 2025
Revenues				
Canada	**$**	**-**	$	-
Türkiye		**223,650**		-
United States		**-**		-
Total	**$**	**223,650**	$	-
Net loss				
Canada	**$**	**(133,659)**	$	(42,540)
Türkiye		**(608,385)**		(237,931)
United States		**(2,979)**		(2,464)
Total	**$**	**(745,023)**	$	(282,935)

15. FINANCIAL INSTRUMENTS

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

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

As at June 30, 2026, and March 31, 2026, the Company did not have any financial assets or liabilities that are measured at fair value.

16. SUBSEQUENT EVENTS

N/A