ELEMENT 29
RESOURCES

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(Unaudited - Expressed in Canadian dollars)

Three and six month periods ended June 30, 2026

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

CONDENSED CONSOLIDATED INTERIM FINANCIAL REPORTING

The accompanying condensed consolidated interim financial statements of Element 29 Resources Inc. (the "Company") have been prepared by management in accordance with International Financial Reporting Standards ("IFRS"). Management acknowledges responsibility for the preparation and presentation of the condensed consolidated interim financial statements, including responsibility for significant accounting estimates and the choice of accounting principles and methods that are appropriate to the Company's circumstances.

NOTICE OF NO AUDITOR REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

The Company's independent auditor has not performed a review of these condensed consolidated interim financial statements in accordance with standards established by the Canadian Institute of Chartered Professional Accountants for a review of interim financial statements by a company's auditor

Element 29 Resources Inc.

Condensed Consolidated Interim Statements of Financial Position

As at June 30, 2026 and December 31, 2025 (Unaudited)

(expressed in Canadian dollars, except where indicated)

	Note	June 30, 2026	December 31, 2025
Assets			
Current assets			
Cash and cash equivalents		$ **36,392,002**	$ 7,572,828
Receivables	6	**157,093**	10,700
Prepaid expenses		**197,012**	216,687
Deposit		**5,519**	5,519
		36,751,626	7,805,734
Non-current assets			
Property and equipment		**100,582**	114,597
Exploration and evaluation assets	3	**21,313,512**	16,448,483
		21,414,094	16,563,080
Total assets		$ **58,165,720**	$ 24,368,814
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities		**$ 1,185,828**	$ 1,419,796
Current portion of lease liability	4	**30,898**	33,294
		1,216,726	1,453,090
Non-current liabilities			
Lease liability	4	**$ 29,701**	43,714
Total liabilities		**1,246,427**	1,496,804
Shareholders' equity			
Share capital	5	**76,350,315**	41,436,389
Reserves	5	**7,200,877**	4,514,946
Deficit		**(26,631,899)**	(23,079,325)
Total shareholders' equity		**56,919,293**	22,872,010
Total liabilities and shareholders' equity		**$ 58,165,720**	$ 24,368,814

Nature of operations (Note 1)

Subsequent events (Note 10)

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

Element 29 Resources Inc.

Condensed Consolidated Interim Statements of Comprehensive Loss

For the three and six month periods ended June 30, 2026 and 2025 (Unaudited)

(expressed in Canadian dollars, except where indicated)

		Three months ended June 30		Six months ended June 30	
	Note	2026	2025	2026	2025
General and administrative expenses					
Administration and office		**$ 21,837**	$ 10,462	**$ 37,261**	$ 21,145
Corporate development		**21,263**	28,020	**54,102**	62,454
Investor relations		**182,479**	172,352	**364,560**	325,192
Personnel costs	6	**243,923**	118,635	**380,498**	234,580
Professional fees		**94,139**	80,360	**99,323**	83,900
Filing fees		**24,260**	27,901	**44,284**	47,948
Share-based compensation	5,6	**2,634,795**	231,272	**2,706,511**	763,423
Depreciation		**10,178**	14,819	**19,612**	34,855
Operating loss		**3,232,874**	683,821	**3,706,151**	1,573,497
Foreign exchange (gain) loss		**(32,859)**	56,389	**(58,177)**	(116,587)
Interest income		**(227,624)**	(26,510)	**(264,060)**	(26,525)
Finance expenses		**4,113**	4,841	**6,768**	9,906
Other		**161,892**	-	**161,892**	-
Loss and comprehensive loss		**$ 3,138,396**	$ 718,541	**$ 3,552,574**	$ 1,440,291
Loss per common share					
Basic and fully diluted		**$ (0.02)**	$ (0.01)	**$ (0.02)**	$ (0.01)
Weighted average number of common shares outstanding		**180,800,322**	124,386,528	**168,291,255**	124,184,537
Total common shares issued and outstanding	5	**188,697,567**	125,245,099	**188,697,567**	125,245,099

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

Element 29 Resources Inc.

Condensed Consolidated Interim Statements of Changes in Shareholders' Equity

For the six months ended June 30, 2026 and 2025 (unaudited)

(expressed in Canadian dollars, except where indicated)

	Note	Number of Shares	Share capital	Reserves	Deficit	Total
Balance at December 31, 2025		155,508,476	$ 41,436,389	$ 4,514,946	$ (23,079,325)	$ 22,872,010
Issuance of share capital – private placement	5	**32,245,269**	**35,469,796**	**-**	**-**	**35,469,796**
Share issue costs – private placement	5	**-**	**(698,950)**	**-**	**-**	**(698,950)**
Issuance of share capital – RSU redemption	5	**41,999**	**20,580**	**(20,580)**	**-**	**-**
Issuance of share capital – warrant exercises	5	**215,000**	**122,500**	**-**	**-**	**122,500**
Issuance of share capital – option exercises	5	**686,823**	**-**	**-**	**-**	**-**
Loss and comprehensive loss		**-**	**-**	**-**	**(3,552,574)**	**(3,552,574)**
Share-based compensation	5	**-**	**-**	**2,706,511**	**-**	**2,706,511**
Balance at June 30, 2026		**188,697,567**	**$ 76,350,315**	**$ 7,200,877**	**$ (26,631,899)**	**$ 56,919,293**

	Note	Number of Shares	Share capital	Reserves	Deficit	Total
Balance at December 31, 2024		121,407,598	$ 29,760,249	$ 3,591,330	$ (20,511,682)	$ 12,839,897
Issuance of share capital – warrant exercises		**3,837,501**	**1,174,375**	**(80,625)**	**-**	**1,093,750**
Loss and comprehensive loss		**-**	**-**	**-**	**(1,440,291)**	**(1,440,291)**
Share-based compensation		**-**	**-**	**763,423**	**-**	**763,423**
Balance at June 30, 2025		**125,245,099**	**$ 30,934,624**	**$ 4,274,128**	**$ (21,951,973)**	**$ 13,256,779**

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

Element 29 Resources Inc.

Condensed Consolidated Interim Statements of Cash Flows

For the six months ended June 30, 2026 and 2025 (Unaudited)

(expressed in Canadian dollars, except where indicated)

	Note	2026	2025
Cash flows used in operating activities			
Loss and comprehensive loss for the period		**$ (3,552,574)**	$ (1,440,291)
Items not affecting cash:			
Share-based compensation	5	**2,706,511**	763,423
Unrealized foreign exchange (gain) loss		**(6,519)**	7,180
Depreciation		**19,612**	34,855
Interest expense on lease liability	4	**3,483**	1,092
		(829,487)	(633,741)
Changes in non-cash operating working capital:			
Increase in receivables and prepaid expenses		**(126,719)**	(74,051)
Increase in accounts payable and accrued liabilities		**156,591**	218,495
Decrease in deposits		**-**	19,966
		(799,615)	(469,331)
Cash flows used in investing activities			
Payments for exploration and evaluation assets	3	**(5,251,831)**	(1,493,289)
Purchase of property and equipment		**(5,416)**	(4,777)
		(5,257,247)	(1,498,066)
Cash flows from financing activities			
Proceeds from issuance of common shares – private placement	5	**35,469,796**	-
Share issue costs – private placement	5	**(698,950)**	-
Proceeds from issuance of common shares – warrant exercises	5	**122,500**	1,093,750
Lease payments	4	**(17,310)**	(13,949)
		34,876,036	1,079,801
Increase (decrease) in cash and cash equivalent		**28,819,174**	(887,596)
Cash and cash equivalent - beginning of the period		**7,572,828**	1,189,987
Cash and cash equivalent - end of the period		**$ 36,392,002**	$ 302,391

Supplemental cash flow information (Note 8)

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

1 Nature of operations

Nature of operations

Element 29 Resources Inc., together with its subsidiaries (collectively referred to as the "Company" or "E29"), is focused on the exploration of mineral property interests in Peru.

The Company was incorporated on August 30, 2017 in British Columbia. The Company's registered office is at 1005-409 Granville Street, Vancouver, BC, V6C 1T2, Canada. The Company's common shares commenced trading on the TSX Venture Exchange ("TSX-V") on December 7, 2020 under the symbol "ECU" and on the Over-the-Counter OTCQB Venture Market ("OTCQB") under the symbol "EMTRF". On November 16, 2022, the Company commenced trading on the Bolsa de Valores de Lima Exchange ("BVL") under the symbol "ECU".

All amounts are expressed in Canadian dollars, except for certain amounts denoted in United States dollars ("US$").

The Company has not yet determined whether its exploration and evaluation assets contain mineral reserves that are economically recoverable. The recoverability of the amounts shown for exploration and evaluation assets is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of those reserves and upon future profitable production. To date, the Company has not earned any revenues and is considered to be in the exploration stage.

The Company has not generated revenues from its operations to date. As at June 30, 2026, the Company has accumulated net losses of $26,631,899 since inception and has working capital of $35,534,900. The operations of the Company have primarily been funded by the issuance of common shares. The Company estimates it has adequate financial resources to satisfy its obligations over the next 12 month period.

2 Basis of presentation

Basis of presentation

The Company prepares its condensed consolidated interim financial statements in accordance with International Accounting Standards 34, Interim Financial Reporting ("IAS 34"), under International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretation of the International Reporting Interpretations Committee ("IFRIC"). These should be read in conjunction with the Company's annual audited consolidated financial statements as at and for the year ended December 31, 2025 ("annual financial statements"). The accounting policies and critical estimates and judgements applied by the Company in these condensed consolidated interim financial statements are the same as those applied in the Company's annual financial statements, unless otherwise stated.

These condensed consolidated interim financial statements of the Company have been prepared on an accrual basis and are based on historical costs, except for financial instruments measured at fair value or amortized cost.

The Board of Directors of the Company approved these condensed consolidated interim financial statements and authorized them for issue on August 27, 2026.

Basis of consolidation

These condensed consolidated interim financial statements include the accounts of the Company and its wholly owned subsidiaries:

- Candelaria Resources S.A.C. ("Candelaria")
- Elida Resources S.A.C. ("Elida")
- Pahuay Resources S.A.C. ("Pahuay")

All significant intercompany accounts and transactions between the Company and its subsidiaries have been eliminated upon consolidation.

A subsidiary is an entity over which the Company has control. The Company controls an entity when the Company is exposed to, or has the rights to, variable returns from the Company's involvement with the entity and has the ability to affect those returns through the Company's power over the entity.

3 Exploration and evaluation assets

Title to exploration and evaluation assets involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristics of many mineral properties. The Company has investigated title to its mineral properties and, to the best of its knowledge, title to the mineral property assets remains in good standing.

Flor de Cobre copper project

The Company owns a 100% interest of the Flor de Cobre copper project. Globetrotters Resource Group Inc. ("Globetrotters") retains a 2% net smelter royalty ("NSR") on certain Flor de Cobre claims except for concessions acquired after the Company's initial public offering.

Elida copper project

The Company owns 100% of the Elida copper project in Peru, subject to a 2% NSR to Globetrotters.

Pahuay copper skarn project

The Company owns 100% interest of the Pahuay copper skarn project, subject to a 2% NSR to Globetrotters.

Paka copper skarn project

The Company owns 100% interest of the Paka copper skarn porphyry project, subject to a 2% NSR to Globetrotters.

All projects are located in Peru.

(expressed in Canadian dollars, except where indicated)

Expenditures for the period ended June 30, 2026 were as follows:

	Flor de Cobre	Elida	Pahuay and Paka	Total
Balance at December 31, 2025	**$ 82,829**	**$ 16,262,123**	**$ 103,531**	**$ 16,448,483**
Additions:				
Drilling	-	3,356,305	-	**3,356,305**
Geological and mapping	1,053	73,823	-	**74,876**
Geophysics and geochemistry	-	330,801	-	**330,801**
Permitting, concessions and taxes	12,284	776,854	20,820	**809,958**
Community, health, safety and environment	-	59,918	-	**59,918**
Geology salaries	-	-	1,051	**1,051**
Property maintenance and administration	14,943	217,177	-	**232,120**
Total additions for the period	28,280	4,814,878	21,871	**4,865,029**
Balance at June 30, 2026	**$ 111,109**	**$ 21,077,001**	**$ 125,402**	**$ 21,313,512**

Expenditures for the year ended December 31, 2025 were as follows:

	Flor de Cobre	Elida	Pahuay and Paka	Total
Balance at December 31, 2024	**$ 1**	**$ 11,909,193**	**$ 1**	**$ 11,909,195**
Additions:				
Drilling	471	2,509,846	8,894	**2,519,211**
Geological and mapping	8,661	-	24,202	**32,863**
Geophysics and geochemistry	-	390,135	3,428	**393,563**
Permitting, concessions and taxes	31,408	479,697	55,682	**566,787**
Community, health, safety and environment	-	145,136	8,244	**153,380**
Geology salaries	189	115,228	1,047	**116,464**
Property maintenance and administration	42,099	712,888	2,033	**757,020**
Total additions for the year	82,828	4,352,930	103,530	**4,539,288**
Balance at December 31, 2025	**$ 82,829**	**$ 16,262,123**	**$ 103,531**	**$ 16,448,483**

4 Lease liability

	June 30, 2026	December 31, 2025
Lease liability	**$ 60,599**	**$ 77,008**
Less: current portion	**(30,898)**	**(33,294)**
Long-term portion	**$ 29,701**	**$ 43,714**

(expressed in Canadian dollars, except where indicated)

Undiscounted lease payments

	June 30, 2026	December 31, 2025
Less than one year	$ 34,680	$ 34,620
One to five years	32,401	49,772
	$ 67,081	$ 84,392

The Company's leased asset is the right to use an office space in Vancouver. The lease liability is discounted at the Company's incremental borrowing rate of 10%. Interest expense on the lease liability amounted to $3,483 for the six months ended June 30, 2026 (2025 – $1,092). During the six months ended June 30, 2026, lease payments made amounted to $17,310 (2025 – $13,949).

5 Share capital and reserves

a) **Common shares**

The Company's authorized share capital consists of unlimited common shares without par value. At June 30, 2026, the Company had 188,697,567 (December 31, 2025 – 155,508,476) shares issued and outstanding and nil common shares (2025 – nil) held in escrow.

b) **Issued share capital**

The Company's share capital transaction for the six months ended June 30, 2026 is as follows:

- On April 22, 2026, the Company closed a non-brokered private placement consisting of 32,245,269 common shares at a price of $1.10 per share for aggregate gross proceeds of $35,469,796. The Company paid aggregate finder's fees totaling $629,999.99.

The Company's share capital transaction for the year ended December 31, 2025 is as follows:

- On August 19, 2025, the Company closed a non-brokered private placement consisting of 12,649,000 units at a price of $0.50 per unit which raised gross proceeds of $6,324,500. Each unit consists of one common share of the Company and one-half of one non-transferable common share purchase warrant. Each whole warrant is exercisable to acquire one common share at a price of $0.70 per share for a period of three years from the closing date. The Company paid an aggregate finder's fees totaling $254,415.

c) **Share options**

The Company provides share-based compensation to its directors, officers, employees, and consultants through grants of share options.

The Company has adopted a stock option plan (the "Plan"), as amended, to grant options to directors, officers, employees and consultants to acquire up to 10% of the issued and outstanding shares of the Company. Vesting is determined at the discretion of the Board of Directors.

Under the Plan, an option holder may elect to terminate an option, in whole or in part and, in lieu of receiving shares to which the terminated option relates (the "Designated Shares"), receive the number of shares, disregarding fractions, which, when multiplied by the weighted average trading price of the shares on the TSX-V during the five trading days immediately preceding the day of termination (the "Fair Value" per share) of the Designated Shares, has a total dollar value equal to the number of Designated Shares multiplied by the difference between the Fair Value and the exercise price per share of the Designated Shares.

The Company uses the Black-Scholes option pricing model to determine the fair value of stock options granted.

(expressed in Canadian dollars, except where indicated)

The Company uses historical data to estimate option exercise, forfeiture and employee termination within the valuation model. The risk-free interest rate is based on a treasury instrument whose term is consistent with the expected term of the share options. Since the Company has not paid and does not anticipate paying dividends on its common shares, the expected dividend yield is assumed to be zero. Companies are required to utilize an estimated forfeiture rate when calculating the share-based compensation expense for the reporting period. Based on the best estimate, management applied the estimated forfeiture rate of nil in determining the share-based compensation expense recorded in profit or loss.

Share option transactions are summarized as follows:

	Number of share options	Weighted average exercise price $
Outstanding – December 31, 2024	8,270,000	0.34
Granted	2,870,000	0.50
Exercised	(282,458)	0.29
Cancelled	(467,542)	0.33
Expired / forfeited	(650,000)	0.36
Outstanding – December 31, 2025	9,740,000	0.38
Granted	**4,900,000**	**1.35**
Exercised	**(686,823)**	**0.46**
Cancelled	**(413,177)**	**0.46**
Expired / forfeited	**(120,000)**	**0.36**
Outstanding – June 30, 2026	**13,420,000**	**0.73**

At June 30, 2026, the following share options were outstanding:

Number of share options	Number of share options vested	Exercise price per share option $	Expiry date
900,000	900,000	0.57	March 2027
4,650,000	4,650,000	0.255	September 2029
100,000	100,000	0.255	October 2029
2,370,000	2,370,000	0.49	February 2030
400,000	400,000	0.52	May 2030
100,000	75,000	0.54	July 2030
4,900,000	2,450,000	1.35	April 2031
13,420,000	**10,945,000**		

	June 30, 2026
Weighted average exercise price for exercisable share options	**$ 0.73**
Weighted average fair value for share options exercised	**$ 0.35**
Weighted average years to expiry for exercisable share options	**3.43 years**

(expressed in Canadian dollars, except where indicated)

The following weighted average assumptions were used for the Black-Scholes valuation of share options granted:

	2026
Risk-free interest rate	3.40%
Expected life of share options	5.0 years
Expected volatility	71.02%
Expected dividend	0.00%

d) **Share purchase warrants**

Share purchase warrant transactions are summarized as follows:

	Number of share purchase warrants	**Weighted average exercise price**
Outstanding as at December 31, 2024	34,291,738	$0.35
Exercised	(21,092,754)	0.25
Expired	(140,000)	0.25
Granted	6,324,500	0.70
Outstanding as at December 31, 2025	19,383,484	$0.57
Exercised	**(215,000)**	**0.57**
Outstanding as at June 30, 2026	**19,168,484**	**$0.57**

At June 30, 2026, the following share purchase warrants were outstanding:

Number of share purchase warrants	**Exercise price per share purchase warrant $**	**Expiry date**
12,918,984	0.50	August 29, 2027
6,249,500	0.70	August 19, 2028
19,168,484		

During the six months ended June 30, 2026, share purchase warrants to purchase 215,000 common shares with exercise prices ranging from $0.50 to $0.70 were exercised resulting in gross proceeds of $122,500 being received by the Company.

e) **Deferred Share Units ("DSU")**

DSUs are granted to the Company's directors as a part of compensation under the terms of the Company's deferred share units plan (the "DSU Plan"). Each DSU entitles the participant to receive the value of one common share of the Company (a "Common Share"). The maximum number of awards under the combined DSU Plan and RSU Plan shall not exceed 5.0 million of the Company's common shares.

Participants are entitled to the value of the Common Share upon termination of their service. In accordance to the DSU Plan, upon each vesting date the Company shall decide, at its sole discretion, whether participants receive (a) the issuance of Common Shares equal to the number of DSUs vesting, or (b) a cash payment equal to the number of vested DSUs multiplied by the fair market value of a Common Share, calculated as the volume weighted average trading price of the Company's Common Shares on the TSX-V calculated by dividing the total value by the total volume of such Common Shares traded for the five trading days immediately preceding such payment date; or (c) a combination of (a) and (b).

(expressed in Canadian dollars, except where indicated)

On the grant date of DSUs, the Company determines whether it has a present obligation to settle in cash. If the Company has a present obligation to settle in cash, the DSUs are accounted for as liabilities, with the fair value remeasured at the end of each reporting period and at the date of settlement, with any changes in fair value recognized in profit or loss for the period. The Company has a present obligation to settle in cash if the Company has a past practice or a stated policy of settling in cash, or generally settles in cash whenever the counterparty asks for cash settlement. If no such obligation exists, DSUs are accounted for as equity settled share-based payments and are valued using the share price of the Common Share on grant date. Since the Company controls the settlement, the DSU's are considered equity settled.

DSU transactions are summarized as follows:

	Number of DSUs
Outstanding – December 31, 2024	375,000
Granted	150,000
Outstanding – December 31, 2025	525,000
Granted	428,750
Expired / forfeited	(20,000)
Outstanding – June 30, 2026	**933,750**

f) **Restricted Share Units ("RSU")**

RSUs are granted to the Company's directors, officers, employees and consultants as a part of compensation under the terms of the Company's restricted share units plan (the "RSU Plan"). Each RSU entitles the participant to receive the value of one Common Share. The maximum number of awards under the combined RSU Plan and DSU Plan shall not exceed 5.0 million of the Company's common shares.

The number of RSUs awarded and underlying vesting conditions are determined by the Board of Directors in its discretion. In accordance with the RSU Plan, upon each vesting date the Company shall decide, at its sole discretion, whether participants receive (a) the issuance of Common Shares equal to the number of RSUs vesting, or (b) a cash payment equal to the number of vested RSUs multiplied by the fair market value of a Common Share, calculated as the volume weighted average trading price of the Company's Common Shares on the TSX-V calculated by dividing the total value by the total volume of such Common Shares traded for the five trading days immediately preceding such payment date; or (c) a combination of (a) and (b).

On the grant date of RSUs, the Company determines whether it has a present obligation to settle in cash. If the Company has a present obligation to settle in cash, the RSUs are accounted for as liabilities, with the fair value remeasured at the end of each reporting period and at the date of settlement, with any changes in fair value recognized in profit or loss for the period. The Company has a present obligation to settle in cash if the Company has a past practice or a stated policy of settling in cash, or generally settles in cash whenever the counterparty asks for cash settlement. If no such obligation exists, RSUs are accounted for as equity settled share-based payments and are valued using the share price of the Common Share on grant date. Since the Company controls the settlement, the RSU's are considered equity settled.

(expressed in Canadian dollars, except where indicated)

RSU transactions are summarized as follows:

	Number of RSUs
Outstanding – December 31, 2024	280,000
Redeemed	(76,666)
Forfeited	(50,000)
Granted	161,000
Outstanding – December 31, 2025	314,334
Redeemed	(53,665)
Expired / forfeited	(16,667)
Outstanding – June 30, 2026	**244,002**

6 Related party transactions

The Company's related parties include key management personnel and directors. Key management personnel include 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 consists of members of the Board of Directors and corporate officers, including the Company's Chief Executive Officer, Chief Financial Officer, Vice President Investor Relations and Marketing, Chief Technical Officer, and Corporate Secretary.

Direct remuneration paid to the Company's directors and key management personnel during the six months ended June 30, 2026 and 2025 was as follows:

	June 30, 2026	June 30, 2025
Consulting fees – personnel costs	**323,036**	367,505
Directors' fees – personnel costs	**71,648**	49,220
Share-based compensation	**2,085,785**	590,285
	$ **2,480,469**	$ 1,007,010

As at June 30, 2026, included in accounts payable and accrued liabilities was an amount of $120,500 (December 31, 2025 - $19,399) due to the Company's related parties.

As at June 30, 2026, included in receivables was an amount of $130,610 (December 31, 2025 - $nil) due from the Company's related parties. Amounts due from the Company's related parties are without interest or stated terms of repayment.

7 Segmented information

The Company has one business segment, the exploration of mineral properties. As at June 30, 2026, all of the Company's significant non-current non-financial assets are located in Peru.

(expressed in Canadian dollars, except where indicated)

8 Supplemental cash flow information

	June 30, 2026	June 30, 2025
Non-cash investing activities		
- Exploration and evaluation expenditures included in accounts payable	**$ 868,354**	$ 27,684

9 Financial instruments

a) Fair value classification of financial instruments

The fair value hierarchy establishes three levels to classify the inputs to valuation techniques used to measure fair value. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 inputs are other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (prices) or indirectly (derived from prices). Level 3 inputs are for the assets or liabilities that are not based on observable market data (unobservable inputs).

The Company's financial instruments consist of cash and cash equivalents, receivables, deposits, accounts payable and accrued liabilities and lease liability.

The carrying values of these financial instruments approximate their fair value due to their short terms to maturity.

The following table summarizes the classification and carrying values of the Company's financial instruments at June 30, 2026:

	FVTPL	Amortized cost (financial assets)	Amortized cost (financial liabilities)	Total
Financial assets				
Cash and cash equivalents	$ -	$ 36,392,002	$ -	$ 36,392,002
Receivables	-	157,093	-	157,093
Deposit	-	5,519	-	5,519
Total financial assets	$ -	$ 36,554,614	$ -	$ 36,554,614
Financial liabilities				
Accounts payable and accrued liabilities	$ -	$ -	$ 1,185,828	$ 1,185,828
Lease liability	-	-	60,599	60,599
Total financial liabilities	$ -	$ -	$ 1,246,427	$ 1,246,427

10 Subsequent events

Subsequent to June 30, 2026, the following events occurred:

- On August 10, 2026, the Company closed a non-brokered private placement and issued 7,272,727 common shares of the Company at a price of $1.65 per share for aggregate gross proceeds of $11,999,999.55. The Company paid an aggregate cash finders' fees totaling $405,396.92.

- Stock options to purchase 425,000 Designated Shares with exercise prices ranging from $0.255 to $1.35 were terminated and an aggregate of 264,160 common shares were issued.
- Share purchase warrants to purchase 35,000 common shares with an exercise price of $0.70 were exercised resulting in gross proceeds of $24,500 being received by the Company.
- 11,667 RSUs with grant date fair value of $0.52 were redeemed for 11,667 common shares of the Company.