



**Condensed Interim Consolidated Financial Statements  
(Unaudited)**

**As at and for the three and six months ended June 30, 2026 and 2025**

**(in Canadian dollars)**

**Talisker Resources Ltd.**  
**Condensed Interim Consolidated Statements of Financial Position (Unaudited)**  
(Expressed in Canadian dollars)

| As at,                                            | Notes  | June 30,<br>2026      | December 31,<br>2025 |
|---------------------------------------------------|--------|-----------------------|----------------------|
| <b>ASSETS</b>                                     |        |                       |                      |
| <b>Current assets</b>                             |        |                       |                      |
| Cash and cash equivalents                         | 4      | \$ 49,745,185         | \$ 32,099,643        |
| Marketable securities                             | 6      | -                     | 397,500              |
| Amounts receivable                                | 5      | 7,654,494             | 2,934,353            |
| Inventory                                         | 7      | 4,204,922             | 3,098,016            |
| Prepaid and other expenses                        |        | 2,502,624             | 1,488,824            |
| Total current assets                              |        | 64,107,225            | 40,018,336           |
| Reclamation and collateral deposits               | 15     | 1,968,300             | 1,468,300            |
| Property, plant and equipment                     | 8      | 64,986,476            | 30,688,906           |
| Exploration and evaluation assets                 | 9      | 18,426,022            | 17,804,579           |
| <b>TOTAL ASSETS</b>                               |        | <b>\$ 149,488,023</b> | <b>\$ 89,980,121</b> |
| <b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>       |        |                       |                      |
| <b>Current liabilities</b>                        |        |                       |                      |
| Accounts payable and accrued liabilities          | 10, 20 | \$ 15,726,199         | \$ 13,307,314        |
| RSU Liability                                     | 18     | 2,062,018             | 1,753,144            |
| Current portion of lease obligation               | 11     | 718,099               | 248,584              |
| Current portion of gold linked notes              | 12     | 633,610               | 539,814              |
| Current portion of deferred revenue               | 14     | 2,479,249             | 433,024              |
| Total current liabilities                         |        | 21,619,175            | 16,281,880           |
| RSU Liability                                     | 18     | 585,695               | 876,572              |
| Provision for site reclamation and closure        | 15     | 18,641,540            | 17,682,507           |
| Lease payable                                     | 11     | 1,357,454             | 385,528              |
| Gold linked notes                                 | 12     | 1,179,747             | 1,295,540            |
| Deferred revenue                                  | 14     | 20,880,795            | 19,122,991           |
| Total liabilities                                 |        | 64,264,406            | 55,645,018           |
| <b>Shareholders' equity</b>                       |        |                       |                      |
| Issued capital                                    | 16     | 197,419,586           | 152,970,069          |
| Share-based payment reserve                       | 18     | 4,835,350             | 1,724,350            |
| Warrant reserve                                   | 17     | 19,599,400            | 11,319,400           |
| Accumulated deficit                               |        | (136,630,719)         | (131,678,716)        |
| Total shareholders' equity                        |        | 85,223,617            | 34,335,103           |
| <b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b> |        | <b>\$ 149,488,023</b> | <b>\$ 89,980,121</b> |

**Nature of operations and going concern (note 1)**

**Events after the reporting period (note 23)**

*On behalf of the Board:*

*Signed: "Terence Harbort"*

Terence Harbort  
Chief Executive Officer and Director

*Signed: "Morris Prychidny"*

Morris Prychidny  
Director

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

**Talisker Resources Ltd.**  
**Condensed Interim Consolidated Statements of Loss and Comprehensive Loss (Unaudited)**

(Expressed in Canadian dollars)

|                                                             |                | Three months ended<br>June 30, |              | Six months ended<br>June 30, |              |
|-------------------------------------------------------------|----------------|--------------------------------|--------------|------------------------------|--------------|
|                                                             | Notes          | 2026                           | 2025         | 2026                         | 2025         |
| <b>Revenues</b>                                             | 5              | \$ 10,592,230                  | \$ -         | \$ 16,368,126                | \$ -         |
| <b>Cost of goods sold</b>                                   |                |                                |              |                              |              |
| Production costs                                            |                | 7,103,502                      | -            | 9,764,729                    | -            |
| Depletion                                                   |                | 508,079                        | -            | 589,338                      | -            |
|                                                             |                | 7,611,581                      | -            | 10,354,067                   | -            |
| <b>Gross Margin</b>                                         |                | 2,980,649                      | -            | 6,014,059                    | -            |
| <b>Expenses</b>                                             |                |                                |              |                              |              |
| Exploration and evaluation expenditures                     | 20             | 26,388                         | (96,686)     | 315,123                      | 1,151,411    |
| Mine care and maintenance costs                             | 20             | 41,221                         | 238,589      | 180,904                      | 547,853      |
| Consulting and wages                                        | 20             | 1,131,975                      | 706,601      | 2,596,584                    | 1,398,454    |
| Administration                                              | 22             | 1,138,447                      | 677,652      | 2,172,153                    | 1,050,384    |
| Share-based expense                                         | 18             | 3,465,780                      | 126,757      | 4,670,558                    | 913,890      |
| Depreciation and depletion of property, plant and equipment | 8              | 66,737                         | 219,607      | 134,804                      | 438,645      |
|                                                             |                | 5,870,548                      | 1,872,520    | 10,070,126                   | 5,500,637    |
| <b>Other income and expense</b>                             |                |                                |              |                              |              |
| Finance expense (income)                                    | 12, 13, 14, 15 | 28,392                         | 1,226,472    | 148,385                      | 2,377,870    |
| Foreign currency translation loss (gain)                    |                | (61,760)                       | 217,901      | (184,593)                    | 266,783      |
| (Gain) loss on marketable securities                        | 6              | 30,000                         | (7,500)      | 37,500                       | (60,000)     |
| Write down of inventory                                     | 7              | -                              | 1,309,871    | -                            | 1,309,871    |
| Change in fair value of derivative in gold linked notes     | 13             | (303,000)                      | (10,603)     | (113,000)                    | 246,523      |
| Write-off of non-recoverable capital equipment deposits     | 8              | 1,007,644                      | -            | 1,007,644                    | -            |
|                                                             |                | 701,276                        | 2,736,141    | 895,936                      | 4,141,047    |
| <b>Net loss and comprehensive loss</b>                      |                | \$ 3,591,175                   | \$ 4,608,661 | \$ 4,952,003                 | \$ 9,641,684 |
| <b>Loss per share - basic and diluted</b>                   |                | \$ 0.02                        | \$ 0.04      | \$ 0.03                      | \$ 0.09      |
| <b>Weighted average common shares outstanding</b>           |                | 207,921,408                    | 117,633,250  | 197,281,485                  | 108,509,896  |

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

**Talisker Resources Ltd.**
**Condensed Interim Consolidated Statements of Changes in Shareholders' Equity (Unaudited)**
*(Expressed in Canadian dollars)*

|                                                                             | Number of Shares   | Issued Capital        | Share-based<br>Payment<br>Reserve | Warrant<br>Reserve   | Conversion<br>Component of<br>Convertible<br>Debentures | Retained<br>Earnings (Deficit) | Total                |
|-----------------------------------------------------------------------------|--------------------|-----------------------|-----------------------------------|----------------------|---------------------------------------------------------|--------------------------------|----------------------|
|                                                                             |                    | (Note 16)             | (Note 18)                         | (Note 17)            | (Note 13)                                               |                                |                      |
| <b>Balance as at December 31, 2024</b>                                      | <b>98,345,016</b>  | <b>\$ 104,587,941</b> | <b>\$ 347,000</b>                 | <b>\$ 6,677,200</b>  | <b>\$ 448,308</b>                                       | <b>\$ (110,889,073)</b>        | <b>\$ 1,171,376</b>  |
| Issue of shares pursuant to private placement, net of issue costs (Note 16) | 43,913,000         | 15,080,316            | -                                 | 5,113,000            | -                                                       | -                              | 20,193,316           |
| Issue of shares for acquisition of mineral properties (Note 9)              | 36,363             | 12,000                | -                                 | -                    | -                                                       | -                              | 12,000               |
| Exercise of RSU's (Note 16)                                                 | 1,072,665          | 359,343               | -                                 | -                    | -                                                       | -                              | 359,343              |
| Exercise of warrants                                                        | 370,250            | 144,850               | -                                 | -                    | -                                                       | -                              | 144,850              |
| Transfer of reserve on exercise of warrants                                 | -                  | 31,600                | -                                 | (31,600)             | -                                                       | -                              | -                    |
| Exercise of stock options                                                   | 140,000            | 50,400                | -                                 | -                    | -                                                       | -                              | 50,400               |
| Transfer of reserve on exercise of stock options                            | -                  | 36,800                | (36,800)                          | -                    | -                                                       | -                              | -                    |
| Share based payments - options                                              | -                  | -                     | 574,000                           | -                    | -                                                       | -                              | 574,000              |
| Expiry of stock options                                                     | -                  | -                     | (16,650)                          | -                    | -                                                       | 16,650                         | -                    |
| Net loss for the period                                                     | -                  | -                     | -                                 | -                    | -                                                       | (9,641,684)                    | (9,641,684)          |
| <b>Balance as at June 30, 2025</b>                                          | <b>143,877,294</b> | <b>\$ 120,303,250</b> | <b>\$ 867,550</b>                 | <b>\$ 11,758,600</b> | <b>\$ 448,308</b>                                       | <b>\$ (120,514,107)</b>        | <b>\$ 12,863,601</b> |
| Issue of shares pursuant to private placement, net of issue costs (Note 16) | 15,333,334         | 20,951,657            | -                                 | 468,000              | -                                                       | -                              | 21,419,657           |
| Exercise of RSU's (Note 16)                                                 | 1,062,564          | 1,476,964             | -                                 | -                    | -                                                       | -                              | 1,476,964            |
| Exercise of warrants                                                        | 7,917,888          | 4,071,992             | -                                 | -                    | -                                                       | -                              | 4,071,992            |
| Transfer of reserve on exercise of warrants                                 | -                  | 907,200               | -                                 | (907,200)            | -                                                       | -                              | -                    |
| Exercise of stock options                                                   | 468,500            | 168,660               | -                                 | -                    | -                                                       | -                              | 168,660              |
| Transfer of reserve on exercise of stock options                            | -                  | 112,200               | (112,200)                         | -                    | -                                                       | -                              | -                    |
| Issued pursuant to agreement                                                | 84,745             | 100,000               | -                                 | -                    | -                                                       | -                              | 100,000              |
| Issued on conversion of convertible debentures                              | 9,964,285          | 4,878,146             | -                                 | -                    | (448,308)                                               | -                              | 4,429,838            |
| Share based payments - options                                              | -                  | -                     | 969,000                           | -                    | -                                                       | -                              | 969,000              |
| Net loss for the period                                                     | -                  | -                     | -                                 | -                    | -                                                       | (11,164,609)                   | (11,164,609)         |
| <b>Balance as at December 31, 2025</b>                                      | <b>178,708,610</b> | <b>\$ 152,970,069</b> | <b>\$ 1,724,350</b>               | <b>\$ 11,319,400</b> | <b>\$ -</b>                                             | <b>\$ (131,678,716)</b>        | <b>\$ 34,335,103</b> |
| Issue of shares pursuant to private placement, net of issue costs (Note 16) | 26,000,000         | 40,072,675            | -                                 | 8,506,000            | -                                                       | -                              | 48,578,675           |
| Exercise of RSU's (Note 16)                                                 | 1,814,933          | 3,044,582             | -                                 | -                    | -                                                       | -                              | 3,044,582            |
| Exercise of warrants                                                        | 1,079,300          | 789,000               | -                                 | -                    | -                                                       | -                              | 789,000              |
| Transfer of reserve on exercise of warrants                                 | -                  | 226,000               | -                                 | (226,000)            | -                                                       | -                              | -                    |
| Exercise of stock options                                                   | 353,500            | 127,260               | -                                 | -                    | -                                                       | -                              | 127,260              |
| Transfer of reserve on exercise of stock options                            | -                  | 90,000                | (90,000)                          | -                    | -                                                       | -                              | -                    |
| Issued pursuant to agreement                                                | 66,890             | 100,000               | -                                 | -                    | -                                                       | -                              | 100,000              |
| Share based payments - options                                              | -                  | -                     | 3,201,000                         | -                    | -                                                       | -                              | 3,201,000            |
| Net loss for the period                                                     | -                  | -                     | -                                 | -                    | -                                                       | (4,952,003)                    | (4,952,003)          |
| <b>Balance as at June 30, 2026</b>                                          | <b>208,023,233</b> | <b>\$ 197,419,586</b> | <b>\$ 4,835,350</b>               | <b>\$ 19,599,400</b> | <b>\$ -</b>                                             | <b>\$ (136,630,719)</b>        | <b>\$ 85,223,617</b> |

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

**Talisker Resources Ltd.**  
**Condensed Interim Consolidated Statements of Cash Flows (Unaudited)**  
(Expressed in Canadian dollars)

| For the six month periods ended June 30,                        | Notes          | 2026                 | 2025                 |
|-----------------------------------------------------------------|----------------|----------------------|----------------------|
| <b>Cash provided by (used in):</b>                              |                |                      |                      |
| <b>Operating activities</b>                                     |                |                      |                      |
| Net loss for the period                                         |                | \$ (4,952,003)       | \$ (9,641,684)       |
| Items not involving cash:                                       |                |                      |                      |
| Change in fair value of derivative in gold linked notes         |                | (113,000)            | 246,523              |
| Loss on revaluation of RSU liability                            |                | 111,236              | 64,743               |
| Share-based expense                                             | 18             | 4,559,322            | 1,104,491            |
| Write down of inventory                                         |                | -                    | 1,309,871            |
| Write-off of non-recoverable capital equipment deposits         | 8              | 1,007,644            | -                    |
| Foreign exchange                                                |                | (182,106)            | 331,832              |
| Loss (gain) on marketable securities                            | 6              | 37,500               | (60,000)             |
| Finance expense                                                 | 12, 13, 14, 15 | 387,212              | 2,438,330            |
| Depreciation of property, plant and equipment, and depletion    | 8              | 724,142              | 438,645              |
| Working capital changes                                         |                |                      |                      |
| Change in amounts receivable                                    |                | (4,720,141)          | 86,711               |
| Change in inventory                                             |                | 1,838,691            | (2,167,338)          |
| Change in prepaid expenses                                      |                | (1,013,800)          | (437,963)            |
| Change in accounts payable and accrued liabilities              |                | (9,420,989)          | (935,250)            |
| Change in deferred revenue                                      |                | 1,953,982            | -                    |
| <b>Cash flows used in operating activities</b>                  |                | <b>(9,782,310)</b>   | <b>(7,221,089)</b>   |
| <b>Investing activities</b>                                     |                |                      |                      |
| Acquisition of exploration and evaluation assets                | 9              | -                    | (38,037)             |
| Acquisition of property, plant and equipment                    | 8              | (21,754,571)         | (6,324,553)          |
| Collateral deposits paid                                        |                | (500,000)            | -                    |
| Sale of marketable securities                                   | 6              | 360,000              | -                    |
| Purchase of guaranteed investment certificates                  | 6              | -                    | (2,104,149)          |
| <b>Cash used in investing activities</b>                        |                | <b>(21,894,571)</b>  | <b>(8,466,739)</b>   |
| <b>Financing activities</b>                                     |                |                      |                      |
| Issue of shares pursuant to private placement                   | 16             | 52,100,000           | 21,956,500           |
| Share issue costs                                               | 16             | (3,521,325)          | (1,763,184)          |
| Exercise of options and warrants                                | 16             | 916,260              | 195,250              |
| Interest paid                                                   | 12, 13         | (159,248)            | (612,263)            |
| Repayment of leases                                             | 11             | (236,751)            | (69,080)             |
| <b>Cash flows provided by financing activities</b>              |                | <b>49,098,936</b>    | <b>19,707,223</b>    |
| <b>Net increase in cash and cash equivalents for the period</b> |                | <b>17,422,055</b>    | <b>4,019,395</b>     |
| <b>Effect of exchange rate changes on cash</b>                  |                | <b>223,487</b>       | <b>(403,894)</b>     |
| <b>Cash and cash equivalents, beginning of the period</b>       |                | <b>32,099,643</b>    | <b>14,811,384</b>    |
| <b>Cash and cash equivalents, end of the period</b>             |                | <b>\$ 49,745,185</b> | <b>\$ 18,426,885</b> |
| <b>Supplementary cash flow information</b>                      |                |                      |                      |
| Interest received                                               |                | \$ 252,371           | \$ 65,875            |
| Interest paid                                                   |                | \$ 174,689           | \$ 617,677           |

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

**1. NATURE OF OPERATIONS AND GOING CONCERN**

Talisker Resources Ltd. ("Talisker" or the "Company") is a publicly listed company incorporated in British Columbia and continued in the Province of Ontario. The Company is engaged in exploration, evaluation and development of mineral properties in British Columbia and production of gold from the Bralorne mine. The Company's shares are traded on the Toronto Stock Exchange (the "TSX") under the symbol TSK. The head office and registered address of the Company is located at 120 Adelaide Street West, Suite 900, Toronto, Ontario, M5H 1T1.

The condensed interim consolidated financial statements have been prepared on a going concern basis. The going concern basis assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. As at June 30, 2026, the Company had initiated and was ramping up production from the Bralorne mine.

Notwithstanding the royalty agreement (Note 8) and gold-linked note financing (Note 12), the Company's ability to continue as a going concern is dependent upon attaining profitable operations, and the ability to raise further public equity or other financing to complete the development expenditures required to attain profitable operations at the Bralorne mine, including the installation of an ore sorting facility intended to improve grades of processed ore and reduce costs. Regarding the ore sorting facility, the crushing circuit is expected to be operational by Q4 2026, the X-ray transmission technology is to be delivered in Q4 2026, and installation is expected in Q1 2027. There is no assurance that these activities will be successful in the future. As at June 30, 2026, the Company had cash and cash equivalents of \$49,745,185 and the Company recorded an accumulated deficit of \$136,630,719. For the six month period ended June 30, 2026, the Company recorded a net loss of \$4,952,003 (2025: \$9,641,684), and net cash used in operating activities of \$9,782,310 (2025: \$7,221,089).

The Company has not achieved profitable operations and remains dependent on its ability to raise capital. The Company's current cash and cash equivalents may not be enough to fund operations for the next 12 months beyond June 30, 2026; therefore, there is a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. The Company continues to prepare its condensed interim consolidated financial statements on a going concern basis. These condensed interim consolidated financial statements do not reflect adjustments to the carrying amounts of assets and liabilities, reported revenues and expenses and the classifications on the balance sheet that would be necessary if the going concern assumption was not valid and the Company were unable to realize its assets or settle its liabilities as a going concern in the normal course of business. These adjustments would be material to the condensed interim consolidated financial statements.

These condensed interim consolidated financial statements were approved and authorized for issuance by the Board of Directors of the Company on August 13, 2026.

## 2. BASIS OF PRESENTATION

### Statement of Compliance

These condensed interim consolidated financial statements, including comparatives, have been prepared in accordance with International Accounting Standards ("IAS") 34 'Interim Financial Reporting' ("IAS 34") using accounting policies consistent with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards").

### Basis of Measurement

These condensed interim consolidated financial statements have been prepared on the basis of accounting policies and methods of computation consistent with those applied in the Company's December 31, 2025 annual financial statements, except as disclosed below.

### Principles of Consolidation

These condensed interim consolidated financial statements for the three and six month periods ended June 30, 2026 and 2025 include the financial position, financial performance and cash flows of the Company and its subsidiaries detailed below:

| Subsidiary               | Country of Incorporation | Economic Interest | Basis of Accounting |
|--------------------------|--------------------------|-------------------|---------------------|
| Bralorne Gold Mines Ltd. | Canada                   | 100%              | Full consolidation  |
| New Carolin Gold Corp.   | Canada                   | 100%              | Full consolidation  |

*Subsidiaries* - Subsidiaries are entities over which the Company has control, whereby control is defined as the power to direct activities of an entity that significantly affect the entity's returns so as to obtain benefit from its activities. Control is presumed to exist where the Company has a shareholding of more than one half of the voting rights in its subsidiaries. The effects of potential voting rights that are currently exercisable are considered when assessing whether control exists. Subsidiaries are fully consolidated from the date control is transferred to the Company, and are de-consolidated from the date at which control ceases.

### New accounting standards and amendments adopted during the period

Effective January 1, 2026, the Company adopted the Amendments to IFRS 9 and IFRS 7, which allow an entity to elect to apply trade-date accounting for the derecognition of financial liabilities when settled in cash through electronic payment systems. The Company has elected to apply trade-date-accounting for payments processed via systems that meet the criteria. The amendments also introduce additional disclosure requirements to improve transparency regarding equity instruments designated at fair value through other comprehensive income ("FVOCI") and financial instruments containing contingent features.

The IFRS 9 amendment allows a financial liability to be derecognized upon the irrevocable settlement instruction via an electronic payment system, even if cash settlement occurs shortly thereafter. This amendment did not have a material affect on the Company's financial position.

The IFRS 7 amendments require enhanced disclosures for (i) equity instruments designated at FVOCI and (ii) financial instruments that include contingent settlement or conversion features. As the Company does not hold any FVOCI-designated equities and has no material contingent payment features in its financial instruments, these new disclosures did not have a material impact on the Company's disclosures.

## 2. BASIS OF PRESENTATION

### *IFRS 18 Presentation and Disclosure in Financial Statements*

In April 2024, the IASB issued *IFRS 18 Presentation and Disclosure in Financial Statements*, which is intended to give investors more transparent and comparable information about companies' financial performance, thereby enabling better investment decisions. IFRS 18 introduces new sets of requirements to improve companies' reporting of financial performance and give investors a better basis for analyzing and comparing companies through:

- Improved comparability in the statement of profit or loss or income statement;
- Enhanced transparency of management-defined performance measures; and
- More useful grouping of information in the financial statements.

IFRS 18 also requires companies to provide more transparency about operating expenses, helping investors to find and understand the information they need. IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027, but companies can apply it earlier. IFRS 18 replaces IAS 1. The Company is currently assessing the impact the adoption of these standards will have on its financial statements.

## 3. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements requires the Company's management to make judgments, estimates and assumptions about future events that affect the amounts reported in the financial statements. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results may differ from those estimates.

The areas which require management to make significant judgments, estimates and assumptions in determining carrying values include, but are not limited to:

- ***Impairment of non-financial assets*** - The Company assesses its cash-generating units at each reporting date to determine whether any indication of impairment exists. Where an indicator of impairment exists or when exploration and evaluation assets are reclassified to property, plant and equipment upon reaching technical feasibility and commercial viability, an estimate of the recoverable amount is made, which is the higher of the fair value less costs of disposal and value in use. The determination of the recoverable amount requires the use of estimates and assumptions such as long-term commodity prices, discount rates, future capital requirements, exploration potential and future operating performance. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's-length transaction between knowledgeable and willing parties.
- ***Provision for site reclamation and closure*** – Provisions for site reclamation and closure have been created based on management estimates. Assumptions, based on the current economic environment, have been made which management believes are a reasonable basis upon which to estimate the future liability as shown in Note 15. These estimates take into account any material changes to the assumptions that occur when reviewed regularly by management and are based on current regulatory requirements. Significant changes in estimates of discount rate, contamination, restoration standards and techniques will result in changes to provisions from period to period. Actual reclamation and closure costs will ultimately depend on future market prices for the costs which will reflect the market condition at the time the costs are actually incurred. The final cost of the currently recognized rehabilitation provisions may be higher or lower than currently provided for.

**3. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS (continued)**

- **Gold Linked Notes** – The Company’s gold-linked notes represent management’s best estimates and judgement in accounting for separate components of financial liability, derivative liability and an equity instrument. The identification of such components embedded within gold-linked notes requires significant judgement given that it is based on the interpretation of the substance of the contractual arrangement. The embedded derivative is separated on issuance at fair value and is marked to **fair value** at each period end with changes in fair value recorded as gain on fair value of derivative. The financial liability, which represents the obligation to pay coupon interest on the gold linked notes in the future, is initially measured at its fair value and subsequently measured at amortized cost. The Company considered various factors to determine fair value, including: market rate of interest and forecast gold price expected over the life of the arrangement that is based on the forward curve for gold.
- **Bill-and-Hold Arrangement / Revenue Recognition**

During the six months ended June 30, 2026, the Company entered into a new ore sales arrangement with Ocean Partners (the “Customer”) that includes bill-and-hold elements under IFRS 15, Revenue from Contracts with Customers.

Under the terms of the arrangement, control of ore inventory transfers to the Customer prior to the completion of transportation services to Taiwan. Management determined that the arrangement contains multiple performance obligations consisting of:

1. The transfer of control of ore inventory; and
2. Transportation and related logistics services to deliver the ore to Taiwan.

The transaction price is allocated to each performance obligation based on management’s estimate of the relative standalone selling prices of each component.

Revenue associated with the transfer of control of the ore is recognized at the point in time when control passes to the Customer. Revenue allocated to the transportation and logistics services is recognized over time as the related services are performed.

The contract liability balance will be recognized as revenue as the transportation and related logistics services are completed.

Contract liabilities represent consideration received or receivable in advance of the satisfaction of remaining performance obligations associated with transportation and logistics services under the Company’s ore sales arrangement.

Management applied significant judgment in determining:

- The identification of separate performance obligations;
- The timing of the transfer of control of the ore inventory;
- Whether the bill-and-hold criteria under IFRS 15 were met; and
- The allocation of the transaction price between the sale of ore and transportation services.

The Company expects to recognize the remaining contract liability balance as revenue during the subsequent shipment and delivery period.

**3. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS (continued)****• Revenue – Assay**

Revenue from concentrate sales is recognized provisionally at shipment and finalized based on assay results issued by an independent laboratory. During the second quarter of 2026, the Company received final assay results from sales recognized during Q1 2026 and Q4 2025, that, if applied in full, would reduce previously recognized revenue and the related trade receivable by \$1,841,161. Management has formally challenged the results for the three affected shipments containing approximately 300 oz, which are inconsistent with the Company's production records and settlement history, and has requested independent re-assay of retained samples. The re-assay process was ongoing at the date these financial statements were authorized for issue; management expects to obtain a final settlement during Q3.

Applying significant judgment, management concluded that the disputed results do not provide reliable evidence of a decrease in the consideration expected to be realized, and no adjustment has been recognized. Depending on the outcome of the re-assay and dispute-resolution process, revenue and trade receivables could be reduced by up to \$1,841,161. This estimate will be revised as new information becomes available.

**4. CASH AND CASH EQUIVALENTS**

The balance at June 30, 2026 consists of cash on deposit with major Canadian banks in interest bearing accounts totaling \$17,529,271 (December 31, 2025 - \$21,344,536) and short term guaranteed investment certificates with major Canadian banks of \$32,215,914 (December 31, 2025 - \$10,755,107) for total cash and cash equivalents of \$49,745,185 (December 31, 2025 - \$32,099,643).

During the six month period ended June 30, 2026, the Company recognized interest income of \$252,371 (2025 - \$65,875).

**5. AMOUNTS RECEIVABLE**

| As at,                               | June 30,<br>2026    | December 31,<br>2025 |
|--------------------------------------|---------------------|----------------------|
| Receivable from gold sales           | \$ 6,691,701        | \$ 1,633,615         |
| HST and other government receivables | 959,265             | 1,291,724            |
| Other receivables                    | 3,528               | 9,014                |
|                                      | <u>\$ 7,654,494</u> | <u>\$ 2,934,353</u>  |

At June 30, 2026, the Company anticipates full recovery of these amounts and therefore no expected credit loss has been recorded against these receivables. The Company holds no collateral for any receivable amounts outstanding as at June 30, 2026 and December 31, 2025.

The Company's revenue for the six month period ended June 30, 2026 consisted of concentrate and ore sales recorded at initial recognition based on forward prices for the expected date of settlement of \$15,570,906 and subsequent provisional pricing adjustments of \$797,220. At June 30, 2026, the volume of concentrate and ore sales subject to final pricing is 2,846 ounces of gold and these provisionally priced gold concentrate sales were recorded at an average price of \$6,208 per ounce. All gold sales and receivables are from one customer. A 10% change in the price of gold used to measure provisionally priced gold sales at June 30, 2026, while holding all other variables constant would result in a change of approximately \$2 million.

**6. MARKETABLE SECURITIES**

As at June 30, 2026, the Company holds nil shares of Westhaven Gold Corp. ("Westhaven") valued at \$nil (December 31, 2025 – 1,500,000 shares with value of \$397,500).

During the three and six month periods ended June 30, 2026, the Company sold 1,500,000 shares of Westhaven it held for proceeds of \$360,000 .

**7. INVENTORY**

Inventory consists of stockpiled ore, ore subject to toll milling, concentrate and supplies required during the course of exploration, development and production from operations. The following is a breakdown of items in inventory:

| <b>As at,</b>               | <b>June 30,<br/>2026</b> | <b>December 31,<br/>2025</b> |
|-----------------------------|--------------------------|------------------------------|
| Stockpiled ore              | \$ 2,385,675             | \$ 1,051,179                 |
| Ore subject to toll milling | -                        | 80,889                       |
| Finished goods              | -                        | 822,961                      |
| Supplies                    | 1,819,247                | 1,142,987                    |
|                             | <b>\$ 4,204,922</b>      | <b>\$ 3,098,016</b>          |

During the six month period ended June 30, 2026, the Company recorded a write down in the amount of \$nil (2025 - \$1,309,871) to reduce the carrying value of inventories to net realizable value.

## Talisker Resources Ltd.

### Notes to the Condensed Interim Consolidated Financial Statements (Unaudited)

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

(Expressed in Canadian dollars)



#### 8. PROPERTY, PLANT AND EQUIPMENT

|                                                  | Construction<br>in<br>Process <sup>(1)</sup><br>\$ | Mineral<br>Property<br>\$ | Machinery and<br>Equipment<br>\$ | Buildings<br>\$        | Land<br>\$       | Water<br>Treatment<br>Facility<br>\$ | Vehicles<br>\$ | Right-of-Use<br>Asset<br>\$ | Total<br>\$       |
|--------------------------------------------------|----------------------------------------------------|---------------------------|----------------------------------|------------------------|------------------|--------------------------------------|----------------|-----------------------------|-------------------|
| Balance at December 31, 2024                     | 1,118,096                                          | -                         | 1,491,341                        | 6,209,430              | 315,000          | 941,321                              | 172,391        | 1,902,462                   | 12,150,041        |
| Additions                                        | 25,116,798                                         | -                         | 543,547                          | 14,698                 | -                | -                                    | 55,000         | 640,464                     | 26,370,507        |
| Impairment <sup>(2)</sup>                        | -                                                  | -                         | (140,476)                        | (923,500) <sup>2</sup> | -                | -                                    | -              | -                           | (1,063,976)       |
| Change in estimate of ARO                        | (874,690)                                          | -                         | -                                | -                      | -                | -                                    | -              | -                           | (874,690)         |
| Reclassification from<br>Construction In Process | (3,546,905)                                        | 3,546,905                 | -                                | -                      | -                | -                                    | -              | -                           | -                 |
| Balance at December 31, 2025                     | 21,813,299                                         | 3,546,905                 | 1,894,412                        | 5,300,628              | 315,000          | 941,321                              | 227,391        | 2,542,926                   | 36,581,882        |
| Additions                                        | 28,665,447                                         | -                         | 1,896,983                        | 1,100,689              | 1,196,756        | -                                    | -              | 1,678,192                   | 34,538,067        |
| Borrowing costs                                  | 2,009,295                                          | -                         | -                                | -                      | -                | -                                    | -              | -                           | 2,009,295         |
| Disposals                                        | -                                                  | -                         | (33,166)                         | (7,531)                | -                | -                                    | -              | (58,958)                    | (1,107,299)       |
| Impairment                                       | (1,007,644) <sup>3</sup>                           | -                         | -                                | -                      | -                | -                                    | -              | -                           | -                 |
| Reclassification from<br>Construction In Process | (2,949,881)                                        | 2,949,881                 | -                                | -                      | -                | -                                    | -              | -                           | -                 |
| Balance at June 30, 2026                         | 48,530,516                                         | 6,496,786                 | 3,758,229                        | 6,393,786              | 1,511,756        | 941,321                              | 227,391        | 4,162,160                   | 72,021,945        |
| <b>ACCUMULATED DEPRECIATION AND DEPLETION</b>    |                                                    |                           |                                  |                        |                  |                                      |                |                             |                   |
| Balance at December 31, 2024                     | -                                                  | -                         | 1,283,349                        | 1,591,402              | -                | 334,888                              | 111,039        | 1,512,408                   | 4,833,086         |
| Additions                                        | -                                                  | 135,333                   | 144,858                          | 498,036                | -                | 61,152                               | 6,608          | 213,903                     | 1,059,890         |
| Balance at December 31, 2025                     | -                                                  | 135,333                   | 1,428,207                        | 2,089,438              | -                | 396,040                              | 117,647        | 1,726,311                   | 5,892,976         |
| Additions                                        | -                                                  | 589,338                   | 113,553                          | 224,451                | -                | 30,576                               | 8,346          | 176,229                     | 1,142,493         |
| Balance at June 30, 2026                         | -                                                  | 724,671                   | 1,541,760                        | 2,313,889              | -                | 426,616                              | 125,993        | 1,902,540                   | 7,035,469         |
| <b>NET BOOK VALUE</b>                            |                                                    |                           |                                  |                        |                  |                                      |                |                             |                   |
| At December 31, 2025                             | 21,813,299                                         | 3,411,572                 | 466,205                          | 3,211,190              | 315,000          | 545,281                              | 109,744        | 816,615                     | 30,688,906        |
| <b>At June 30, 2026</b>                          | <b>48,530,516</b>                                  | <b>5,772,115</b>          | <b>2,216,469</b>                 | <b>4,079,897</b>       | <b>1,511,756</b> | <b>514,705</b>                       | <b>101,398</b> | <b>2,259,620</b>            | <b>64,986,476</b> |

(1) Construction in process relates to the Company's Bralorne mine and primarily includes acquisition costs, expenditures related to development, deposits for equipment, costs incurred to secure the second tranche of the royalty funding, capitalized interest at a rate of 18% and discounted future reclamation costs (Note 15).

(2) Impairment of buildings in the amount of \$923,500 relates to the kitchen and mine office complex which was condemned due to mold.

(3) During the quarter ended June 30, 2026, the Company recognized a write-off of \$1,007,644 of non-recoverable deposits paid for capital equipment relating to the Ore Sorter Project. Following an independent engineering review, the project design was revised and purchase orders for certain equipment were cancelled. The related deposits were confirmed to be non-refundable and were derecognized, with the resulting expense presented as "Write-off of non-recoverable capital equipment deposits" in the statement of operations. The remaining capital equipment deposits relate to equipment required for the revised project and remain recoverable as at June 30, 2026.

## 8. PROPERTY, PLANT AND EQUIPMENT (continued)

On June 12, 2023 the Company entered into a royalty agreement with Sprott Resource Streaming and Royalty Corp. ("Sprott") in relation to the Company's Bralorne Gold Project whereby Sprott will pay the Company up to US\$31,250,000 for a net smelter returns royalty (the "Royalty") covering all minerals produced from the Project (the "Royalty Transaction"). The Royalty Transaction includes:

- A maximum of US\$31,250,000, with a minimum consideration of US\$18,750,000, payable as to:
  - an initial grant of a 1.12% Royalty for a draw of US\$7,000,000 (received) for drilling, detailed engineering and working capital;
  - a further 1.88% Royalty for a subsequent draw of US\$11,750,000 (received) on, among other things, the signing of a toll milling agreement for mobilization, site infrastructure, resource conversion drilling and working capital; and
  - up to a further 2% Royalty, to a maximum of a 5% Royalty, for US\$12,500,000 available as needed for site infrastructure, mine start-up capital and working capital;
  - An option, exercisable solely at the discretion of the Company until December 31, 2028, to repurchase 50% of the Royalty (as more particularly described below);
  - The residual Royalty will be reduced by an additional 50% for no additional consideration following 1.5 million ounces of gold production;

### *Buyback*

The Company will have a right, to be satisfied in cash or in shares (subject to a 4.9% ownership limit, calculated at the time of the buyback), at the Company's sole discretion (and subject to prior approval of the Toronto Stock Exchange (the "TSX")), to repurchase a 50% interest of the Royalty for a price that is equal to half of the then-paid Purchase Price multiplied by the multiplier, as follows:

| On of before  | Multiplier | Based on Minimum<br>3% Royalty | Based on Maximum<br>5% Royalty |
|---------------|------------|--------------------------------|--------------------------------|
| June 30, 2025 | 1.20       | US\$11,250,000                 | US\$18,750,000                 |
| June 30, 2026 | 1.25       | US\$11,718,750                 | US\$19,531,250                 |
| June 30, 2027 | 1.30       | US\$12,187,500                 | US\$20,312,500                 |
| June 30, 2028 | 1.35       | US\$12,656,250                 | US\$21,093,750                 |
| June 30, 2029 | 1.40       | US\$13,125,000                 | US\$21,875,000                 |

### *Production Target and Purchase Price Repayment*

There is an amount payable under the Royalty agreement by the Company if aggregate sales of contained gold in product is not equal to or greater than 38,000 ounces for the period commencing on January 1, 2028 and ending on June 30, 2028 (inclusive). The Purchase price repayment is calculated as follows:

$APP \times (T-P)/T \times (1+r)^Q$ , where:

APP = Aggregate Purchase Price or dollar amount received under the facility.

T = the Target Amount;

P = the aggregate Sales of contained gold in Product during the Sales Testing Period;

r = the Quarterly interest rate of 2.5%; and

Q = the number of Quarter ends that have occurred from the First Closing Date up to (15), and including the last day of the Quarter in which the Sales Testing Period expires.

## 8. PROPERTY, PLANT AND EQUIPMENT (continued)

### Participation Right

The Company has granted a five year pre-emptive right (subject to rights previously granted to OR) to participate up to a maximum of 40%, or US\$40,000,000, in any proposed grant, sale or issuance to any third party of a stream, royalty or similar transaction based on future production from the Project.

On October 9, 2024, the Company completed the second draw of US\$11,750,000 and received proceeds in the amount of \$15,483,327, being \$16,085,750 (US\$11,750,000) less transaction costs of \$602,423. The amount has been recorded as deferred revenue, see Note 13 for details.

## 9. EXPLORATION AND EVALUATION ASSETS

The exploration and evaluation assets for the Company are summarized as follows:

### Six month period ended June 30, 2026:

| Project                       | January 1, 2026      | Additions         | Disposals   | June 30, 2026     |
|-------------------------------|----------------------|-------------------|-------------|-------------------|
| <b>Bralorne Gold Camp</b>     |                      |                   |             |                   |
| Royalle Property              | \$ 243,000           | \$ -              | \$ -        | <b>243,000</b>    |
| NaiKun Wind Crown Grant       | 36,000               | -                 | -           | <b>36,000</b>     |
| Congress Property             | 295,000              | 621,443           | -           | <b>916,443</b>    |
| Big Sheep Property            | 120,000              | -                 | -           | <b>120,000</b>    |
| <b>Southern BC Properties</b> |                      |                   |             |                   |
| Spences Bridge                | 5,456,823            | -                 | -           | <b>5,456,823</b>  |
| Golden Hornet Property        | 183,287              | -                 | -           | <b>183,287</b>    |
| <b>Ladner Gold Project</b>    | <b>11,470,469</b>    | <b>-</b>          | <b>-</b>    | <b>11,470,469</b> |
|                               | <b>\$ 17,804,579</b> | <b>\$ 621,443</b> | <b>\$ -</b> | <b>18,426,022</b> |

## 10. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

| As at,              | June 30,<br>2026     | December 31,<br>2025 |
|---------------------|----------------------|----------------------|
| Accounts payable    | \$ 9,284,180         | \$ 8,043,456         |
| Accrued liabilities | 6,442,019            | 5,263,858            |
|                     | <b>\$ 15,726,199</b> | <b>\$ 13,307,314</b> |

**11. LEASES PAYABLE**

The Company has entered into equipment leases expiring between 2026 and 2029, with interest rates ranging from 2.99% to 9.49% per annum. The Company has the option to purchase the equipment at the end of the lease term for a nominal amount. The Company's obligations under leases are secured by the lessor's title to the leased assets.

The contractual maturities and interest charges in respect of the Company's lease obligations are as follows:

|                                                   | June 30,<br>2026 | December 31,<br>2025 |
|---------------------------------------------------|------------------|----------------------|
| Not later than one year                           | \$ 849,684       | \$ 288,342           |
| Later than one year and not later than five years | 1,463,515        | 408,462              |
| Less: Future interest charges                     | (237,646)        | (62,692)             |
| Present value of lease payments                   | 2,075,553        | 634,112              |
| Less: current portion                             | (718,099)        | (248,584)            |
| Non-current portion                               | \$ 1,357,454     | \$ 385,528           |

Reconciliation of debt arising from lease liabilities:

|                                         | June 30,<br>2026 | December 31,<br>2025 |
|-----------------------------------------|------------------|----------------------|
| Lease liability at beginning of period  | \$ 634,112       | \$ 261,497           |
| Additions                               | 1,678,192        | 640,464              |
| Principal payments on lease liabilities | (236,751)        | (267,849)            |
|                                         | \$ 2,075,553     | \$ 634,112           |

**12. GOLD-LINKED NOTES**

On October 17, 2024, the Company issued notes in the aggregate principal amount of \$1,332,000. The notes bear interest at a rate of 15% per annum and mature on December 31, 2027.

The principal amount of the notes was used to calculate the quantity of gold (the "Gold Quantity") to be represented by the notes, being the deemed number of ounces of gold using a price (the "Floor Price") of US\$2,500. The Gold Quantity on the date of issuance amounted to 386 ounces. The Gold Quantity will be reduced on each of December 31, 2025, December 31, 2026 and December 31, 2027, by that number of ounces that represents 15% (58 ounces), 25% (97 ounces) and 60% (231 ounces), respectively, of the Gold Quantity on the closing of the Gold-Linked Note Financing, by the payment of the Deemed value of such Gold Quantity. The "Deemed Value" means the applicable Gold Quantity multiplied by the Gold Price (the "Gold Price" being the greater of: (a) the Floor Price; and (b) the "London Gold Fix" price per ounce (in U.S. dollars) as of the 15th day of the month of such payment date).

There is no requirement or option to deliver physical gold as a form of repayment under the terms of the Gold-Linked Notes.

Interest shall be calculated and payable quarterly in arrears, with the interest payable being calculated based on the Deemed Value of the Gold Quantity on the applicable interest payment date.

For the six month period ended June 30, 2026, the Company has recorded an interest charge of \$159,248 (2025 - \$136,548) related to the host loan and a gain of \$113,000 (2025 - \$246,523 loss) for the change in fair value of the embedded derivative.

**12. GOLD-LINKED NOTES (continued)**

As at June 30, 2026 and December 31, 2025, the Gold Linked Notes are presented as follows:

|                                                 | <b>June 30,<br/>2026</b> | <b>December 31,<br/>2025</b> |
|-------------------------------------------------|--------------------------|------------------------------|
| <b>Principal</b>                                |                          |                              |
| Beginning balance                               | \$ 942,354               | \$ 1,134,192                 |
| Interest expense                                | 159,248                  | 297,238                      |
| Accretion                                       | 49,622                   | 124,805                      |
| Foreign exchange                                | 41,381                   | (24,439)                     |
| Payment of interest                             | (159,248)                | (340,788)                    |
| Payment of principal                            | -                        | (248,654)                    |
| Ending balance                                  | \$ 1,033,357             | \$ 942,354                   |
| <b>Embedded Derivative</b>                      |                          |                              |
| Beginning balance                               | \$ 893,000               | \$ 298,378                   |
| Loss on revaluation of derivative               | (113,000)                | 594,622                      |
| Ending balance                                  | \$ 780,000               | \$ 893,000                   |
| <b>Total</b>                                    |                          |                              |
| Principal                                       | \$ 1,033,357             | \$ 942,354                   |
| Embedded derivative                             | 780,000                  | 893,000                      |
| Gold-Linked Note Liability                      | 1,813,357                | 1,835,354                    |
| Current portion of Gold-Linked Note Liability   | (633,610)                | (539,814)                    |
| Long term portion of Gold-Linked Note Liability | 1,179,747                | 1,295,540                    |

### 13. CONVERTIBLE DEBENTURES

On October 9, 2024, the Company issued a convertible debenture; an unsecured obligation of the Company in the principal amount of \$4,000,000. The convertible debenture bore interest at a rate of 12% per annum, calculated and payable quarterly in arrears, and had a term of three years. The holder of the convertible debenture had the right to convert the principal amount to common shares of Talisker at a conversion price of \$0.50 up until the trading day prior to the maturity date of the convertible debenture. Talisker had the option to convert all or any portion of the convertible debenture into shares if the closing price of the Shares on the TSX was at least 130% of the Conversion Price for each of the 20 trading days before a notice of conversion is delivered. For shares issued pursuant to the Company's conversion right, if the holder wishes to sell any Shares, Talisker also has the right to identify a purchaser for such shares.

On November 7, 2024, the Company issued a convertible debenture; an unsecured obligation of the Company in the principal amount of \$1,100,000. The convertible debenture bore interest at a rate of 12% per annum, calculated and payable quarterly in arrears, and had a term of three years. The holder of the convertible debenture had the right to convert the principal amount to common shares of Talisker at a conversion price of \$0.56 up until the trading day prior to the maturity date of the convertible debenture. Talisker had the option to convert all or any portion of the convertible debenture into shares if the closing price of the Shares on the TSX was at least 130% of the Conversion Price for each of the 20 trading days before a notice of conversion was delivered. For shares issued pursuant to the Company's conversion right, if the holder wishes to sell any Shares, Talisker also has the right to identify a purchaser for such shares.

On October 3, 2025, the Company exercised its right to convert all of the outstanding principal amounts of its Convertible Debentures into common shares. The Company converted all the outstanding principal amount into 9,964,285 Shares.

As at June 30, 2026 and December 31, 2025, the Convertible Debentures are presented as follows:

|                                                |    | <b>Liability<br/>Component</b> | <b>Equity<br/>Component</b> |
|------------------------------------------------|----|--------------------------------|-----------------------------|
| Balance, December 31, 2024                     | \$ | 4,364,817                      | \$ 448,308                  |
| Interest expense                               |    | 471,155                        | -                           |
| Accretion                                      |    | 193,701                        | -                           |
| Payment of interest                            |    | (599,835)                      | -                           |
| Conversion of Convertible Debentures to shares |    | (4,429,838)                    | (448,308)                   |
| Balance, December 31, 2025 and June 30, 2026   | \$ | -                              | \$ -                        |

## **14. DEFERRED REVENUE**

### **NSR Agreement**

On October 9, 2024, the Company issued a 1.88% NSR royalty under the second tranche of the royalty agreement with Sprott Resource Streaming and Royalty Corp. and received proceeds in the amount of \$16,085,750 (US\$11,750,000), less transaction costs of \$424,675.

The upfront cash payment received under the agreement is accounted for as deferred revenue with a significant financing component. The deferred revenue associated with the royalty agreement is being accreted to reflect the significant financing component at a rate of 18.5%, being the interest rate that it would have used if it were to enter into a separate financing transaction with the customer at contract inception. As the Company produces and sells gold concentrate to third party customers, the balance will be reduced and recognized as revenue in the statement of loss and comprehensive loss.

### **Contract Liabilities**

During the six months ended June 30, 2026, the Company entered into a new ore sales arrangement with Ocean Partners (the "Customer") that includes bill-and-hold elements under IFRS 15, Revenue from Contracts with Customers.

Under the terms of the arrangement, control of ore inventory transfers to the Customer prior to the completion of transportation services to Taiwan. Management determined that the arrangement contains multiple performance obligations consisting of:

1. The transfer of control of ore inventory; and
2. Transportation and related logistics services to deliver the ore to Taiwan.

The transaction price is allocated to each performance obligation based on management's estimate of the relative standalone selling prices of each component.

Revenue associated with the transfer of control of the ore is recognized at the point in time when control passes to the Customer. Revenue allocated to the transportation and logistics services is recognized over time as the related services are performed.

For the six months ended June 30, 2026, the Company recognized \$12,266,971 of revenue related to the transfer of control of ore inventory under this arrangement. As at June 30, 2026, approximately \$2,006,421 (2025 - \$nil) related to unsatisfied transportation performance obligations had not yet been recognized as revenue and was recorded as a contract liability within deferred revenue.

The contract liability balance will be recognized as revenue as the transportation and related logistics services are completed.

**14. DEFERRED REVENUE (continued)**

The changes in the carrying value of deferred revenue are as follows:

|                                                     |    | <b>June 30,<br/>2026</b> |    | <b>December 31,<br/>2025</b> |
|-----------------------------------------------------|----|--------------------------|----|------------------------------|
| <b>Deferred Revenue</b>                             |    |                          |    |                              |
| Balance, beginning of period                        | \$ | <b>19,556,015</b>        | \$ | 16,355,186                   |
| Interest on financing component of deferred revenue |    | <b>1,850,047</b>         |    | 3,229,660                    |
| Deferred revenue recognized                         |    | <b>(52,439)</b>          |    | (28,831)                     |
| Balance, end of period                              | \$ | <b>21,353,623</b>        | \$ | 19,556,015                   |
| <b>Contract Liabilities</b>                         |    |                          |    |                              |
| Balance, beginning of period                        | \$ | -                        | \$ | -                            |
| Deferred revenue on gold sales                      |    | <b>2,006,421</b>         |    | -                            |
| Balance, beginning of period                        | \$ | <b>2,006,421</b>         | \$ | -                            |
| <b>Total</b>                                        | \$ | <b>23,360,044</b>        | \$ | 19,556,015                   |
| Less: current portion                               |    | <b>(2,479,249)</b>       |    | (433,024)                    |
| Non-current portion                                 | \$ | <b>20,880,795</b>        | \$ | 19,122,991                   |

**15. PROVISION FOR SITE RECLAMATION AND CLOSURE**

Provincial laws and regulations concerning environmental protection affect the Company's operations. Under current regulations, the Company is required to meet performance standards to minimize the environmental impact from its activities and to perform site restoration and other closure activities. The Company's provision for future site closure and reclamation costs is based on known requirements.

The breakdown of the provision for site reclamation and closure is as per below:

|          | <b>June 30, 2026</b>                        |                               |                  |                                       | <b>December 31, 2025</b>                    |                               |                  |                                       |
|----------|---------------------------------------------|-------------------------------|------------------|---------------------------------------|---------------------------------------------|-------------------------------|------------------|---------------------------------------|
|          | <b>Balance,<br/>beginning<br/>of period</b> | <b>Change in<br/>estimate</b> | <b>Accretion</b> | <b>Balance,<br/>end of<br/>period</b> | <b>Balance,<br/>beginning<br/>of period</b> | <b>Change in<br/>estimate</b> | <b>Accretion</b> | <b>Balance,<br/>end of<br/>period</b> |
| Bralorne | <b>10,313,449</b>                           | -                             | <b>196,902</b>   | <b>10,510,351</b>                     | 10,827,580                                  | (874,690)                     | 360,559          | 10,313,449                            |
| Ladner   | <b>7,369,058</b>                            | -                             | <b>140,688</b>   | <b>7,509,746</b>                      | 7,381,700                                   | (237,341)                     | 224,699          | 7,369,058                             |
| Congress | -                                           | <b>621,443</b>                | -                | <b>621,443</b>                        | -                                           | -                             | -                | -                                     |
|          | <b>17,682,507</b>                           | <b>621,443</b>                | <b>337,590</b>   | <b>18,641,540</b>                     | 18,209,280                                  | (1,112,031)                   | 585,258          | 17,682,507                            |

**15. PROVISION FOR SITE RECLAMATION AND CLOSURE (continued)**

The present value of the obligation for Bralorne of \$10,510,351 (December 31, 2025 – \$10,313,449) is based on an undiscounted obligation of \$62,177,950, out of which \$12,625,915 is expected to be incurred in 2044 with the remaining \$49,552,035 to be incurred on water treatment and quality monitoring throughout 2144. The provision was calculated using a nominal weighted average risk-free interest rate of 3.85% (December 31, 2025 – 3.85%) and a weighted average inflation rate of 1.98% (December 31, 2025 – 1.98%). Reclamation activities are estimated to begin in 2044 and are expected to be incurred over a period of 100 years.

The present value of the obligation for Ladner Lake of \$7,509,746 (December 31, 2025 – \$7,369,058) is based on an undiscounted obligation of \$15,804,058. The provision was calculated using a nominal weighted average risk-free interest rate of 3.85% (December 31, 2025 – 3.85%) and a weighted average inflation rate of 1.98% (December 31, 2025 – 1.98%). Reclamation activities are estimated to begin in 2027 and are expected to be incurred over a period of 100 years.

During the six months ended June 30, 2026, the Company obtained its first independent engineering estimate of the reclamation and closure costs associated with the Congress Property. Based on the engineering study and management's assessment of the Company's reclamation obligations, the Company recognized an environmental rehabilitation provision of \$621,443 as at June 30, 2026. The present value of the obligation for Congress is based on an undiscounted obligation of \$1,208,256. The provision was calculated using a nominal weighted average risk-free interest rate of 3.77% and a weighted average inflation rate of 2.07%. The measurement of the provision requires significant judgment and is subject to uncertainty with respect to future reclamation methods, timing of closure, regulatory requirements, inflation, discount rates and future reclamation costs. Changes in these assumptions will be recognized prospectively as adjustments to both the rehabilitation provision and the related exploration and evaluation asset, to the extent the asset continues to be recognized.

**Reclamation Deposits**

The Company is required to make reclamation deposits in respect of its expected site reclamation and closure obligations. The reclamation deposits represent collateral for possible reclamation activities necessary on mineral properties in connection with the permits required for exploration activities by the Company.

|                              | June 30, 2026 |           |             |           | December 31, 2025 |           |             |           |
|------------------------------|---------------|-----------|-------------|-----------|-------------------|-----------|-------------|-----------|
|                              | Talisker      | Bralorne  | New Carolin | Total     | Talisker          | Bralorne  | New Carolin | Total     |
| Balance, beginning of period | 58,300        | 1,190,000 | 220,000     | 1,468,300 | 58,300            | 1,190,000 | 220,000     | 1,468,300 |
| Additions                    | -             | -         | -           | -         | -                 | -         | -           | -         |
| Disposals                    | -             | -         | -           | -         | -                 | -         | -           | -         |
| Balance, end of period       | 58,300        | 1,190,000 | 220,000     | 1,468,300 | 58,300            | 1,190,000 | 220,000     | 1,468,300 |

Under regulations set by the Ministry of Energy, Mines and Petroleum Resources ("MEM"), the Company is required to hold reclamation bonds that cover the estimated future cost to reclaim the ground disturbed. Bralorne is required to pay \$2,561,667 by August 1, 2026 (paid subsequent to June 30, 2026), \$2,561,667 by August 1, 2027 and \$2,311,666 by August 1, 2028, until a cumulative security equal to \$12,300,000. At June 30, 2026, the surety amounted to \$4,865,000 and the Company has placed \$1,190,000 in cash (December 31, 2025 - \$1,190,000), totalling \$6,055,000 to cover estimated future costs related to the ground disturbance at the Company's Bralorne Gold Project. As at June 30, 2026 and December 31, 2025, the Company is current with all its obligations with the MEM.

**15. PROVISION FOR SITE RECLAMATION AND CLOSURE (continued)**
**Collateral Deposits**

As part of the Company's arrangement for port services at the Pembina terminal, the Company provided a security facility of \$1,000,000 to secure its obligations under the agreement for transportation and logistics services, which was satisfied by a surety bond that required a \$500,000 payment as cash collateral.

**16. ISSUED CAPITAL**
**Authorized** Unlimited common shares without par value

|                                         | June 30,<br>2026 | December 31,<br>2025 |
|-----------------------------------------|------------------|----------------------|
| Issued capital                          | \$ 197,419,586   | \$ 152,970,069       |
| Fully paid common shares <sup>(1)</sup> | 208,023,233      | 178,708,610          |

(1) As at June 30, 2026 and December 31, 2025, there are 50,000 shares awaiting issuance, the proceeds for which were received in 2008 and are included in share capital.

**Common Shares Issued**

|                                                                   | Number of Shares | Value of<br>Shares |
|-------------------------------------------------------------------|------------------|--------------------|
| Balance as at December 31, 2024                                   | 98,345,016       | \$ 104,587,941     |
| Issue of shares pursuant to private placement, net of issue costs | 59,246,334       | 36,031,973         |
| Issue of shares for acquisition of mineral properties (Note 9)    | 36,363           | 12,000             |
| Exercise of RSU's                                                 | 2,135,229        | 1,836,307          |
| Exercise of warrants                                              | 8,288,138        | 4,216,842          |
| Transfer of reserve on exercise of warrants                       | -                | 938,800            |
| Exercise of stock options                                         | 608,500          | 219,060            |
| Transfer of reserve on exercise of stock options                  | -                | 149,000            |
| Issued pursuant to agreement                                      | 84,745           | 100,000            |
| Issued on conversion of convertible debentures                    | 9,964,285        | 4,878,146          |
| Balance as at December 31, 2025                                   | 178,708,610      | \$ 152,970,069     |
| Issue of shares pursuant to private placement, net of issue costs | 26,000,000       | 40,072,675         |
| Exercise of RSU's                                                 | 1,814,933        | 3,044,582          |
| Exercise of warrants                                              | 1,079,300        | 789,000            |
| Transfer of reserve on exercise of warrants                       | -                | 226,000            |
| Exercise of stock options                                         | 353,500          | 127,260            |
| Transfer of reserve on exercise of stock options                  | -                | 90,000             |
| Issued pursuant to agreement                                      | 66,890           | 100,000            |
| Balance as at June 30, 2026                                       | 208,023,233      | \$ 197,419,586     |

**16. ISSUED CAPITAL (continued)****Financings****For the six month period ended June 30, 2026:**

On March 10, 2026, the Company closed a private placement of 26,000,000 units of the Company at a price of \$2.00 per unit and a partial exercise of the over-allotment option for 625,000 common share purchase warrants of the Company for gross proceeds of \$52,100,000.

Each unit consisted of one common share of the Company and one-half common share purchase warrant. Each warrant entitles the holder thereof to acquire one Common share at an exercise price of \$2.70 until March 10, 2028. The warrants were ascribed a fair value of \$7,499,000 which was valued using the Black-Scholes pricing model with the following assumptions: dividend yield 0%; risk free interest 2.65%; volatility 77% and an expected life of 24 months.

The Company also issued 1,531,914 finders' warrants. Each finder's warrant entitles the holder thereof to purchase one common share at an exercise price of \$2.18 cents until March 10, 2028. The finder warrants were ascribed a fair value of \$1,007,000 which was valued using the Black-Scholes pricing model with the following assumptions: dividend yield 0%; risk free interest 2.65%; volatility 77% and an expected life of 24 months.

In consideration for their services, the Company paid the agents a cash commission and incurred other closing costs totalling \$3,521,325.

**Diluted Weighted Average Number of Shares Outstanding**

|                                             | <b>June 30,<br/>2026</b> | June 30,<br>2025 | <b>June 30,<br/>2026</b> | June 30,<br>2025 |
|---------------------------------------------|--------------------------|------------------|--------------------------|------------------|
| Basic weighted average shares outstanding:  | <b>207,921,408</b>       | 117,633,250      | <b>197,281,485</b>       | 108,509,896      |
| Effect of outstanding securities            | -                        | -                | -                        | -                |
| Diluted weighted average shares outstanding | <b>207,921,408</b>       | 117,633,250      | <b>197,281,485</b>       | 108,509,896      |

During the three and six month periods ended June 30, 2026 and 2025, the Company had a net loss, as such, the diluted loss per share calculation excludes any potential conversion of options and warrants that would decrease loss per share.

**17. WARRANTS RESERVE**

The following is a summary of changes in warrants:

|                              | Number of<br>Warrants | Weighted<br>average<br>exercise price<br>per warrant | Amount        |
|------------------------------|-----------------------|------------------------------------------------------|---------------|
| Balance, January 1, 2025     | 14,700,313            | \$ 0.79                                              | \$ 6,677,200  |
| Issuance of warrants         | 21,956,500            | 0.75                                                 | 4,565,000     |
| Issuance of finders warrants | 3,088,736             | 0.87                                                 | 1,016,000     |
| Expiry of warrants           | (5,679,600)           | 1.19                                                 | -             |
| Exercise of warrants         | (8,288,137)           | 0.51                                                 | (938,800)     |
| Balance, December 31, 2025   | 25,777,812            | \$ 0.76                                              | \$ 11,319,400 |
| Issuance of warrants         | 13,625,000            | 2.70                                                 | 7,499,000     |
| Issuance of finders warrants | 1,531,914             | 2.18                                                 | 1,007,000     |
| Exercise of warrants         | (1,079,300)           | 0.73                                                 | (226,000)     |
| Balance, June 30, 2026       | 39,855,426            | \$ 0.76                                              | \$ 19,599,400 |

As at June 30, 2026, the Company had outstanding warrants as follows:

| Expiry Date                         | Exercise<br>Price | Outstanding and<br>exercisable |
|-------------------------------------|-------------------|--------------------------------|
| August 12, 2026                     | \$0.60            | 2,295,250                      |
| August 12, 2026 – finders warrants  | \$0.46            | 2,430                          |
| September 11, 2026                  | \$0.60            | 375,000                        |
| October 24, 2027 – finders warrants | \$1.68            | 710,996                        |
| November 6, 2027 – finders warrants | \$1.68            | 189,000                        |
| March 10, 2028                      | \$2.70            | 13,625,000                     |
| March 10, 2028 – finders warrants   | \$2.18            | 1,531,914                      |
| May 5, 2028                         | \$0.75            | 20,950,500                     |
| June 6, 2028 – finders warrants     | \$0.50            | 175,336                        |
| <b>Balance, June 30, 2026</b>       |                   | <b>39,855,426</b>              |

**18. SHARE-BASED PAYMENT RESERVE**
**Stock Option Plan**

The Board of Directors of the Company adopted a stock option plan (the "Plan") whereby the aggregate number of common shares reserved for issuance under the Plan, including common shares reserved for issuance under any other share compensation arrangement granted or made available by the Company from time to time, may not exceed 10% of the Company's issued and outstanding common shares. The Plan is administered by the Board of Directors and grants made pursuant to the Plan must at all times comply with regulatory policies.

The terms of any options granted under the Plan are fixed by the Board of Directors and may not exceed a term of five years. The exercise price of the options granted under the Plan is set at the last closing price of the Company's common shares before the date of grant or in accordance with regulatory requirements.

Each share option converts into one common share of the Company on exercise. No amounts are paid or payable by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry.

The following options were outstanding as at June 30, 2026:

| Number of<br>options<br>outstanding | Number of<br>exercisable<br>options | Grant date        | Expiry date       | Exercise<br>price | Fair value<br>vested |
|-------------------------------------|-------------------------------------|-------------------|-------------------|-------------------|----------------------|
| 800,000                             | 800,000                             | December 18, 2023 | December 18, 2028 | \$ 0.360          | 219,300              |
| 3,005,000                           | 3,005,000                           | April 6, 2026     | April 6, 2029     | \$ 1.490          | 3,201,000            |
| 1,998,000                           | 1,998,000                           | January 16, 2025  | January 16, 2030  | \$ 0.360          | 444,050              |
| 1,200,000                           | 1,200,000                           | October 27, 2025  | October 27, 2030  | \$ 1.350          | 971,000              |
| 7,003,000                           | 7,003,000                           |                   |                   |                   | 4,835,350            |

The share options outstanding as at June 30, 2026 had a weighted exercise price of \$1.01 (December 31, 2025: \$0.63) and a weighted average remaining contractual life of 3.23 years (December 31, 2025: 4.01 years).

Options vested on their date of issue, and expire within five years of their issue, or 90 days after the resignation of the director, officer, employee or consultant.

*Fair value of share options granted in the six month period ended June 30, 2026*

On April 6, 2026, 3,005,000 share options were granted to directors, officers, consultants and employees of the Company to acquire the Company's shares at an exercise price of \$1.49 until April 6, 2029. These share options had an estimated fair value of \$3,201,000 at grant date, and vest immediately.

**18. SHARE-BASED PAYMENT RESERVE (continued)**

The fair value of share options granted in the six month period ended June 30, 2026 was calculated using the following assumptions:

|                         |    | Number of Options Granted |
|-------------------------|----|---------------------------|
|                         |    | 06-Apr-26                 |
|                         |    | 3,005,000                 |
| Grant date share price  | \$ | 1.490                     |
| Exercise price          | \$ | 1.490                     |
| Expected volatility     |    | 120%                      |
| Expected option life    |    | 3 years                   |
| Expected dividend yield |    | 0%                        |
| Risk-free interest rate |    | 2.94%                     |

**Movements in Share Options During the Period**

The following reconciles the share options outstanding for the six month period ended June 30, 2026 and year ended December 31, 2025:

|                                 | Number of options | Weighted average exercise price |
|---------------------------------|-------------------|---------------------------------|
| Balance as at December 31, 2024 | 1,250,000         | \$ 0.36                         |
| Granted                         | 3,785,000         | \$ 0.67                         |
| Expired                         | (75,000)          | \$ 0.36                         |
| Exercised                       | (608,500)         | \$ 0.36                         |
| Balance as at December 31, 2025 | 4,351,500         | \$ 0.63                         |
| Granted                         | 3,005,000         | \$ 1.49                         |
| Exercised                       | (353,500)         | \$ 0.36                         |
| Balance as at June 30, 2026     | 7,003,000         | \$ 1.01                         |

**Restricted Share Units**

The Restricted Share Unit Plan (RSU Plan) provides for the grant of restricted share units (each, an “RSU”) convertible into a maximum number of common shares equal to ten percent (10%) of the number of common shares then issued and outstanding, provided, however, the number of common shares reserved for issuance from treasury under the RSU Plan and pursuant to all other security-based compensation arrangements of the Company shall, in the aggregate, not exceed ten percent (10%) of the number of common shares then issued and outstanding. Any common shares subject to a RSU which has been cancelled or terminated in accordance with the terms of the RSU Plan without settlement will again be available under the RSU Plan. When vested, each RSU entitles the holder to receive, subject to adjustments as provided for in the RSU Plan, one common Share or payment in cash for the equivalent thereof based on the volume weighted average trading price of the common shares on the five trading days immediately preceding the redemption date. The terms and conditions of vesting (if applicable) of each grant are determined by the Board at the time of the grant, subject to the terms of the RSU Plan. RSU awards may, but need not, be subject to performance incentives to reward attainment of annual or long-term performance goals.

## **Talisker Resources Ltd.**

### **Notes to the Condensed Interim Consolidated Financial Statements (Unaudited)**

**For the three and six month periods ended June 30, 2026 and 2025**

**(Expressed in Canadian dollars)**

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Any such performance incentives or long term performance goals are subject to determination by the Board and specified in the award agreement.

**18. SHARE-BASED PAYMENT RESERVE (continued)**

The Company uses the fair value method to recognize the obligation and compensation expense associated with the RSUs. The fair value of RSUs issued is determined on the grant date based on the market price of the common shares on the grant date multiplied by the number of RSUs granted. The fair value is expensed over the vesting term. Upon redemption of the RSU the carrying amount is recorded as an increase in common share capital and a reduction in the liability.

The following table summarizes changes in the number of RSUs outstanding:

|                            | <b>Number of<br/>RSU's</b> |
|----------------------------|----------------------------|
| Balance, December 31, 2024 | -                          |
| Granted                    | 6,730,000                  |
| Cancelled                  | (100,000)                  |
| Exercised                  | (2,243,329)                |
| Balance, December 31, 2025 | 4,386,671                  |
| Granted                    | 3,500,000                  |
| Exercised                  | (2,233,333)                |
| Balance, June 30, 2026     | 5,653,338                  |

On April 6, 2026, 3,500,000 RSUs were granted to directors, officers, consultants and employees at a price of \$1.15 vesting 1/3 on issuance, 1/3 after one year and 1/3 after two years.

**RSU liability:**

As at June 30, 2026 a liability of \$2,647,713 (December 31, 2025 - \$2,629,716) has been recorded for RSUs.

**Share-based payment reserve:**

The following table summarizes information about share-based payment reserve:

|                                            |    |           |
|--------------------------------------------|----|-----------|
| Balance as at December 31, 2024            | \$ | 347,000   |
| Share-based expense - options              |    | 1,543,000 |
| Transfer of reserve on exercise of options |    | (149,000) |
| Expiry/cancellation of stock options       |    | (16,650)  |
| Balance as at December 31, 2025            | \$ | 1,724,350 |
| Share-based expense - options              |    | 3,201,000 |
| Transfer of reserve on exercise of options |    | (90,000)  |
| Balance as at June 30, 2026                | \$ | 4,835,350 |

**19. FINANCIAL INSTRUMENTS**

Financial assets and financial liabilities as at June 30, 2026 and December 31, 2025 were as follows:

|                                          | Fair value<br>through<br>profit or loss | Amortized cost | Other financial<br>liabilities | Total         |
|------------------------------------------|-----------------------------------------|----------------|--------------------------------|---------------|
| <b>As at June 30, 2026</b>               |                                         |                |                                |               |
| Cash and cash equivalents                | \$ -                                    | \$ 49,745,185  | \$ -                           | \$ 49,745,185 |
| Amounts receivable                       | -                                       | 3,528          | -                              | 3,528         |
| Receivable from gold sales               | 6,030,297                               | 661,404        | -                              | 6,691,701     |
| Reclamation and collateral deposits      | -                                       | 1,968,300      | -                              | 1,968,300     |
| Accounts payable and accrued liabilities | -                                       | -              | 15,726,199                     | 15,726,199    |
| RSU liability                            | 2,647,713                               | -              | -                              | 2,647,713     |
| Leases payable                           | -                                       | 2,075,553      | -                              | 2,075,553     |
| Gold linked notes                        | -                                       | 1,033,357      | -                              | 1,033,357     |
| Gold linked notes – embedded derivative  | 780,000                                 | -              | -                              | 780,000       |
| <b>As at December 31, 2025</b>           |                                         |                |                                |               |
| Cash and cash equivalents                | \$ -                                    | \$ 32,099,643  | \$ -                           | \$ 32,099,643 |
| Marketable securities                    | 397,500                                 | -              | -                              | 397,500       |
| Amounts receivable                       | -                                       | 9,014          | -                              | 9,014         |
| Receivable from gold sales               | 662,551                                 | 971,064        | -                              | 1,633,615     |
| Reclamation deposits                     | -                                       | 1,468,300      | -                              | 1,468,300     |
| Accounts payable and accrued liabilities | -                                       | -              | 13,307,314                     | 13,307,314    |
| RSU liability                            | 2,629,716                               | -              | -                              | 2,629,716     |
| Leases payable                           | -                                       | 634,112        | -                              | 634,112       |
| Gold linked notes                        | -                                       | 942,354        | -                              | 942,354       |
| Gold linked notes – embedded derivative  | 893,000                                 | -              | -                              | 893,000       |

The Company classifies its financial instruments carried at fair value according to a three level hierarchy that reflects the significance of the inputs used in making the fair value measurements. The three levels of fair value hierarchy are as follows:

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

The carrying value of cash and cash equivalents, amounts receivable (excluding receivables from gold sales), reclamation and collateral deposits, accounts payable and accrued liabilities, and leases payables approximate fair value because of the relatively short term nature of the instruments. The principal amount of the gold linked notes were issued in October 2024, as such, given limited time has elapsed, carrying value approximates fair value. The carrying value of common shares recorded as marketable securities reflect a level 1 fair value measurement. Receivables from gold sales and RSU liability reflect a level 2 fair value measurement. The carrying value of the derivative in gold linked reflects a level 3 fair value measurement.

**20. RELATED PARTY DISCLOSURES**

The following is a summary of the Company's related party transactions during the six month periods ended June 30, 2026 and 2025:

The Company charged rent in the amount of \$20,250 for the six month period ended June 30, 2026 (2025 - \$40,500) paid by JHI Associates Inc., a company with a certain common officer.

**Compensation of Key Management Personnel of the Company**

In accordance with IAS 24, key management personnel, including companies controlled by them, are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company.

The remuneration of directors and key executives is determined by the compensation committee.

The remuneration of directors and other members of key management personnel during the six month periods ended June 30, 2026 and 2025 were as follows:

|                                             | <b>June 30,<br/>2026</b> | <b>June 30,<br/>2025</b> |
|---------------------------------------------|--------------------------|--------------------------|
| Short term employee benefits, director fees | <b>\$ 1,275,728</b>      | <b>\$ 835,015</b>        |
| Share based payments                        | <b>4,533,785</b>         | <b>932,647</b>           |
|                                             | <b>\$ 5,809,513</b>      | <b>\$ 1,767,662</b>      |

As at June 30, 2026, an amount of \$108,866 (December 31, 2025 - \$89,133) due to key management personnel, was included in accounts payable and accrued liabilities. This amount is unsecured, non-interest bearing and without fixed terms of repayment. A member of key management personnel participated in the gold linked note financing during 2024 and the carrying amount of the liability to this member of key management personnel under the gold linked notes at June 30, 2026 is \$205,137 (December 31, 2025 - \$207,626).

**21. COMMITMENTS AND CONTINGENCIES**

Due to the size, complexity and nature of the Company's operations, various legal, tax, environmental and regulatory matters are outstanding from time to time. By their nature, contingencies will only be resolved when one or more future events occur or fail to occur. The assessment of contingencies inherently involves the exercise of significant judgment and estimates of the outcome of future events.

**22. ADMINISTRATION COSTS**

|                            | 2026         | 2025         |
|----------------------------|--------------|--------------|
| General and administrative | \$ 1,094,507 | \$ 447,419   |
| Public company costs       | 1,034,985    | 534,918      |
| Travel and other           | 42,661       | 68,047       |
|                            | \$ 2,172,153 | \$ 1,050,384 |

**23. EVENTS AFTER THE REPORTING PERIOD**

On July 17, 2026, the Company announced that its wholly-owned subsidiary, Bralorne, has entered into a loan agreement (the "Loan Agreement") with Two Shores Capital Corp. ("2Shores"). The Loan Agreement provides for a delayed-draw term loan of up to \$11.0 million (the "Facility") to fund the acquisition of ore sorting and processing equipment (the "Equipment") for the Company's Bralorne Gold Project in southern British Columbia.

**Facility Highlights:**

- Amount: Up to \$11.0 million, comprising an initial advance of \$2.4 million (the "Initial Advance") and subsequent advances of up to \$8.6 million in aggregate, available in one or more tranches as Equipment purchase milestones are reached.
- Use of proceeds: The Initial Advance will reimburse deposits previously paid by Bralorne to Equipment vendors with subsequent advances to be utilized to fund the remaining Equipment purchases.
- Term: 36 months from closing, with blended monthly payments of principal and interest fully amortizing the Facility over the term.
- Interest rate: 14% per annum on amounts drawn.
- Fees: A closing fee of 1% on each advance, withheld from the proceeds of the advance.
- Prepayment: The Facility may be prepaid in whole or in part at any time on seven business days' notice, subject to 2Shores receiving a minimum 1.10x multiple on invested capital.
- Security: The Facility is secured by a first-priority purchase money security interest which is limited to the Equipment and related insurance proceeds, and supported by a performance bond of up to \$5.0 million in aggregate issued by a Canadian surety and a guarantee from Talisker. The Facility places no charge on the Bralorne Gold Project's mineral claims or other project assets.

The Loan Agreement contains covenants, representations, events of default, and conditions to funding customary for a facility of this nature.