COMET INDUSTRIES LTD.

CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED

APRIL 30, 2026, AND 2025

(unaudited)

Notice to No Auditor Review of Condensed Interim Financial Statements

The accompanying unaudited condensed interim financial statements have been prepared by management and approved by the Board of Directors. The Company's independent auditors have not performed a review of these condensed interim financial statements in accordance with the standards established for a review of interim financial statements by an entity's auditors.

COMET INDUSTRIES LTD.
Condensed Interim Statements of Comprehensive Loss
For the Three Months Ended April 30, 2026 and 2025
(Expressed in Canadian Dollars)

	Note	2026	2025
Expenses			
Advertising		$ **12,721**	$ -
Amortization and depreciation	**7, 10**	**3,524**	3,524
Bank charges and interest		**122**	94
Insurance expense		**1,111**	-
Interest on loan payable		**36,011**	-
Interest on leased assets	**7**	**515**	686
Management fees	**4**	**31,250**	23,125
Office and miscellaneous		**6,665**	84
Professional fees		**116,743**	36,665
Property taxes and utilities		**3,186**	9,752
Rent		**3,300**	3,300
Salaries and benefits	**4**	**17,856**	18,065
Share based compensation	**13**	**-**	145,776
Telephone		**609**	635
Transfer agent		**10,261**	624
Travel		**738**	8,838
		244,612	251,168
Loss before other items		**(244,612)**	(251,168)
Other items			
Interest income		**-**	51,936
Share of loss in equity investments	**8**	**(700)**	(3,283)
Loss before income taxes		**(245,312)**	(202,515)
Net loss and comprehensive loss		**(245,312)**	(202,515)
Basic and diluted loss per share		$ **(0.05)**	$ (0.04)
Weighted average number of common shares outstanding – basic		**4,794,528**	**4,794,528**
Weighted average number of common shares outstanding – diluted		**4,794,528**	**4,854,528**

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

COMET INDUSTRIES LTD.
Condensed interim Statements of Financial Position
As at April 30, 2026 and January 31, 2026
(Expressed in Canadian Dollars)

	Note	April 30, 2026	January 31, 2026
Assets			
Current assets			
Cash and cash equivalents		**$ 6,250,817**	$ 656,472
Prepaid expenses		**830,085**	-
Sales tax receivable		**129,336**	89,440
Corporate tax receivable		**165,000**	165,000
Other receivable		**728,259**	-
Total current assets		**8,103,497**	910,912
Equipment	**10**	**11,925**	12,600
Long-term investments	**8**	**101,763**	102,463
Right of use asset	**7**	**28,485**	31,334
Investment properties	**9**	**1,691,084**	1,691,084
Property under development	**11**	**12,476,609**	9,731,032
Total assets		**22,413,363**	12,479,425
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities		**2,565,251**	1,119,748
Due to related parties	**4**	**847,403**	96,440
Deferred revenue	**5**	**8,500,000**	-
Loan payable - current	**6**	**1,479,415**	1,993,903
Lease liabilities – current	**7**	**8,454**	11,182
Total current liabilities		**13,400,523**	3,221,273
Lease liabilities – long term	**7**	**21,400**	21,400
Total liabilities		**13,421,923**	3,242,673
Equity			
Share capital	**12**	**3,836,760**	3,836,760
Share based payment reserve	**13**	**974,938**	974,938
Retained earnings		**4,179,742**	4,425,054
		8,991,440	9,236,752
		$ 22,413,363	$ 12,479,425

Nature of operations - 1

Approved on Behalf of the Board on June 29, 2026:

"Michael O'Reilly"	*"Jess Alfonso"*
Michael O'Reilly, Director	Jess Alfonso, Director

COMET INDUSTRIES

COMET INDUSTRIES LTD.
Condensed Interim Statements of Changes in Equity
For the Three months Ended April 30, 2026 and 2025
(Expressed in Canadian Dollars)

	Number of Common Shares	Share Capital	Share Based Payment Reserve	Accumulated Surplus	Total Equity
Balance, January 31, 2025	4,794,528	$ 3,836,760	$ 844,619	$ 4,992,599	$ 9,673,978
Share based compensation	–	–	145,776	–	145,776
Comprehensive loss	–	–	–	(202,515)	(202,515)
Balance, April 30, 2025	4,794,528	3,836,760	990,395	4,790,084	9,617,239
Balance, January 31, 2026	4,794,528	3,836,760	974,938	4,425,054	9,236,752
Comprehensive loss	–	–	–	(245,312)	(245,312)
Balance, April 30, 2026	**4,794,528**	**$ 3,836,760**	**$ 974,938**	**$ 4,179,742**	**$ 8,991,440**

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

COMET INDUSTRIES LTD.
Condensed Interim Statements of Changes in Cash Flows
For the Three Months Ended April 30, 2026 and 2025
(Expressed in Canadian Dollars)

	Note		2026		2025
Operating activities					
Net loss for the period		$	**(245,312)**	$	(202,515)
Items not involving cash:					
Amortization			**3,524**		3,524
Interest accrued			**-**		(50,910)
Interest on lease liability			**-**		686
Share based compensation	13		**-**		145,776
Share of loss in equity investments	8		**700**		3,283
			(241,088)		(100,164)
Changes in non-cash working capital items:					
Prepayments and deposits			**(830,085)**		(27,286)
Accounts payable and accrued liabilities			**1,454,098**		(92,849)
Sales tax receivable			**(54,385)**		202,527
Other receivable			**(728,259)**		-
Deferred revenue	5		**8,500,000**		-
			8,100,280		(117,936)
Investing activities					
Property development costs	11		**(2,745,577)**		(182,152)
			(2,745,577)		(182,152)
Financing activities					
Lease payments			**(2,727)**		(3,243)
Loan repayments	6		**(500,000)**		-
Proceeds from notes payable	4		**742,368**		
			239,641		(3,243)
Increase (decrease) in cash			**5,594,345**		(203,167)
Cash, beginning of period			**656,472**		3,789,490
Cash, end of period		$	**6,250,817**	$	3,586,323
Supplemental disclosures					
Interest paid			**-**		-
Income Taxes			**-**		-
Development costs included in accounts payable		$	**2,181,584**	$	-

1. NATURE OF OPERATIONS

Comet Industries Ltd. (“Comet” or the “Company”) was incorporated in the Province of British Columbia and is listed on the TSX Venture Exchange. The address of the Company’s corporate office and its principal place of business is 900-234 1st Avenue, Kamloops, BC V2C 3J5.

The Company is in the business of developing properties currently Iron Mask, and holding and managing real properties, all in British Columbia (“BC”). The Company owns unimproved land in Green Bay on Nelson Island, BC on a freehold basis.

2. BASIS OF PREPARATION

a) Statement of compliance and basis of measurement

These unaudited interim condensed consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (“IFRS”).

These financial statements are prepared on the historical cost basis except for certain financial instruments, which are measured at fair value as explained in the accounting policies set out in Note 3. All amounts are expressed in Canadian dollars unless otherwise stated.

b) Going concern

The interim condensed consolidated financial statements are presented on a going concern basis, which assumes the Company will continue to realize its assets and discharge its liabilities in the normal course of operations. There are conditions and events that form a material uncertainty which may cast significant doubt on the validity of this assumption. During the three months ended April 30, 2026, the Company incurred a loss of $245,312 and has a working capital deficient of $5,297,026 as at April 30, 2026. The Company may relay principally on the issuance of equity securities, debt facilities, and proceeds from the sale of land at the Company’s IMIP project, to finance its operation activities to the extent that such instruments are issuable under terms acceptable to the Company. If future financing is unavailable, the Company may not be able to fund operations and develop its property under development, in which case the realizable values of its assets may decline materially from current estimates. These factors may indicate the existence of a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern. The financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue operations.

Although the Company has been successful in the past in obtaining financing, there can be no assurances that the Company will continue to obtain the additional financial resources necessary and/or achieve profitability or positive cash flows from its future operations. If the Company is unable to obtain adequate additional financing, the Company would be required to curtail its planned operations.

2. BASIS OF PREPARATION (continued)

c) Significant accounting judgments and estimates

The preparation of these interim condensed consolidated financial statements requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in future periods affected.

Information about critical judgments and estimates in applying accounting policies that have the most significant effect of amounts recognized in the financial statements is as follows:

<u>Significant judgments</u>

Going concern

The assessment of the Company's ongoing viability as an operating entity and determination of the related disclosures require significant judgment. The assumption that the Company will be able to continue as a going concern is subject to critical judgments by management with respect to assumptions surrounding the short and long-term operating budget, expected profitability, investing and financing activities and management's strategic planning. Should those judgments prove to be inaccurate, management's continued use of the going concern assumption could be inappropriate.

Deferred Revenue

Deferred revenue represents consideration received from customers in advance of the Company satisfying its performance obligations under contracts for the sale of development properties. Amounts received are recognized as a contract liability until delivers a fully serviced industrial parcel meeting the contractual specifications.

Revenue from the sale of development properties is recognized at the point in time when control of the property transfers to the purchaser. This generally occurs upon legal closing, when the purchaser obtains legal title, possession, significant risks and rewards of ownership, and the Company delivers a fully serviced industrial parcel. In addition, management considers whether the development has been substantially completed such that the property is capable of being used for its intended purpose, including the completion of the infrastructure and services required under the applicable purchase agreement. At that time, any related deferred revenue is recognized as revenue in the statement of income.

Proceeds from customers are presented as deferred revenue within current liabilities unless the transfer of control is expected to occur more than twelve months after the reporting date, in which case the amounts are classified as non-current liabilities.

The Company assesses each contract to determine whether all performance obligations have been satisfied in accordance with IFRS 15 before recognizing revenue.

(Expressed in Canadian Dollars)

3. CHANGES IN ACCOUNTING POLICIES AND RECENT ACCOUNTING PRONOUNCEMENTS

New Accounting Standards and Interpretations

A number of new standards, and amendments to standards and interpretations, are not effective for the three months ended April 30, 2026, and have not been early adopted in preparing these financial statements. These new and amended standards are not expected to have a material impact on the Company's financial statements with the exception of IFRS 18 which is summarized as follows: IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 introduces three sets of new requirements to give investors more transparent and comparable information about companies' financial performance for better investment decisions.

- Three defined categories for income and expenses (operating, investing and financing) to improve the structure of the income statement, and require all companies to provide new defined subtotals, including operating profit.
- Requirement for companies to disclose explanations of management-defined performance measures (MPMs) that are related to the income statement.
- Enhanced guidance on how to organise information and whether to provide it in the primary financial statements or in the notes.

This new standard is effective for reporting periods beginning on or after January 1, 2027.

There are no other IFRS Accounting Standards or International Financial Reporting Interpretations Committee interpretations that are not yet effective or early adopted that are expected to have a significant impact on the Company.

4. RELATED PARTY BALANCES AND TRANSACTIONS

Key management personnel include those persons having authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that the key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

a. Key management personnel compensation is comprised of the following:

The remuneration of directors and other members of key management personnel during the 3 months ended April 30, 2026 and 2025, were as follows:

	2026	2025
Management fees	$ 31,250	$ 24,375
Professional fees	9,000	54,375
Salaries and benefits	17,856	13,125
Share-based payments	-	145,776
	$ 58,106	$ 237,651

b. Amounts due to/from related parties

As at April 30, 2026, the Company had payables totaling $847,403 (2025 - $54,375) owing to directors and officers of the Company or to companies controlled by those officers.

4. RELATED PARTY BALANCES AND TRANSACTIONS (continued)

b. Amounts due to/from related parties (continued)

During the period, the Company entered into unsecured promissory notes with companies controlled by directors of the Company, providing aggregate gross proceeds of approximately $742,000. The notes bear interest at 10% per annum and were obtained to finance construction activities related to the subdivision of the Company's Iron Mask Project. The loans were measured and recorded at their transaction amounts, as management determined the terms to be consistent with those that would have been obtained in an arm's length transaction. The loans were repaid subsequent to April 30, 2026.

Related party transactions and amounts paid or received are established by contract or as agreed upon by the Company and the related party.

5. DEFERRED REVENUE

Deferred revenue represents consideration received from a customer in advance of the Company satisfying its performance obligations under a contract for the sale of industrial development land within the Iron Mask Industrial Park.

During the period, the Company closed the sale of a 24.36-acre parcel of land for total consideration of $22,000,000. As at April 30, 2026, the Company had received deposits totaling $8,500,000, which have been recognized as deferred revenue, as the performance obligations under the contract had not been satisfied and control of the property had not transferred to the purchaser. The remaining proceeds of $13,500,000 are subject to contractual holdback provisions and are expected to be received over the coming months as the remaining development work is substantially completed and the conditions for release of the holdbacks are satisfied. Upon delivery of a fully serviced industrial lot, the Company expects to recognize the full transaction price of $22,000,000 as revenue together with the related cost of sales associated with the development property.

6. LOAN PAYABLE

During the year ended January 31, 2026, the Company received a loan with a principal amount of $2,020,000 which included a $20,000 commitment fee, bearing interest at a rate of 10% per annum calculated semi annually and maturing on January 9, 2027. In connection to the loan, the Company also paid an additional transaction cost of $20,585.

The Iron Mask property and related development assets were pledged as security under a secured non-revolving term loan agreement with a syndicate of four arm’s length private lenders. The loan is secured by first ranking mortgages over certain land parcels comprising the Iron Mask project, together with an assignment of rents and a general security agreement over the Company’s present and after acquired property. Under the terms of the loan agreement, the Company is subject to certain restrictions, including limitations on additional indebtedness, asset dispositions, encumbrances, and distributions without prior lender consent. As at April 30, 2026, the Company was in compliance with all loan conditions which include insurance coverage.

The Company has accounted for the loan using the effective interest rate method, recognizing total interest expense of $36,011 and accretion expense of $14,488. In accordance with IAS 23, *Borrowing Costs*, borrowing costs incurred in connection with the loan, including interest expense, were capitalized to properties under development. Further, the Company made a one time repayment of $500,000 during the period. The carrying value of the loan payable as at April 30, 2026, is $1,479,415 (January 31, 2026 – $1,993,903).

(Expressed in Canadian Dollars)

7. RIGHT OF USE ASSET AND LEASE LIABILITIES

On October 1, 2024, the Company entered into a 48-month equipment lease agreement. In accounting for the lease agreement, the Company applied the lease accounting model pursuant to IFRS 16 and considered all the facts and circumstances surrounding the inception of the agreement. The lease term expires on October 6, 2028. For the three months ended April 30, 2026, depreciation of the right of use asset was $2,849 (2025 - $2,849). The right of use asset is depreciated on a straight-line basis over 48 months.

Right of use asset, January 31, 2025	$	-
Additions		42,727
Depreciation of right of use asset		(11,393)
Right of use asset January 31, 2026	$	31,334
Depreciation of right of use asset		(2,849)
Right of use asset April 30, 2026	**$**	**28,485**

For the three months ended April 30, 2026, finance charges on the lease liability were $515 (April 2025 – $686):

Lease liabilities, January 31, 2025	$	43,061
Accretion		2,490
Payments		(12,969)
Lease liabilities, January 31, 2026	**$**	**32,582**
Accretion		515
Payments		(3,243)
Lease liabilities, April 30, 2026	**$**	**29,854**
Current lease liabilities		8,454
Long-term lease liabilities		21,400
Total lease liabilities at April 30, 2026	**$**	**29,854**

8. LONG-TERM INVESTMENTS

		April 30, 2026		January 31, 2026
DVO Industries Ltd.:				
315,302 common shares of DVO Industries Ltd. ("DVO"), 26.6% owned and common directors with Comet				
Carrying value at beginning of year	**$**	**94,567**	$	100,047
Share of current period loss		**(700)**		(5,480)
Carrying value at end of period		**93,867**		94,567
Advances to DVO Industries Ltd.:				
Advances beginning of year		**7,896**		7,896
Settlement during the year		**-**		-
Advances during the year		**-**		-
Advances end of period		**7,896**		7,896
Long-term investment in DVO Industries Ltd. at end of period	**$**	**101,763**	$	102,463

(Expressed in Canadian Dollars)

8. LONG-TERM INVESTMENTS (continued)

Initial Developers Limited:	**April 30, 2026**	January 31, 2026
1,800,000 common shares of Initial Developers Limited ("Initial"), 35.8% owned, carrying value at beginning and end of year	**-**	-
Advances to Initial, beginning and end of year	**-**	**-**
Impairment of advances to Initial	**-**	**-**
Long-term investment in Initial Developers Limited at end of period	**-**	-
Total long-term investment end of period	**$ 101,763**	$ 102,463

The Company, DVO and Initial have a combined interest of 25% in Property B comprised of exploration and evaluation assets. The three companies are entitled to receive a total of 25% of the net project derived from this mining operation. Currently, the only activity for DVO is property rental and Initial is an inactive holding company. During the year ended January 31, 2023, the Company impaired the advances receivable from Initial totaling $51,974, however, the amount remains outstanding and due to the Company.

As required by the IAS 28 – *Investments in associates and joint ventures*, the Company records its investments using the equity method, whereby the investment is initially recorded at cost and the carrying value, adjusted thereafter to include the Company's pro-rata share of post-acquisition earnings or loss in DVO and Initial. The Company's share in the associate's gains or losses resulting from transactions with associates are eliminated.

For both DVO and Initial, the principal place of business is BC and the country of incorporation is Canada.

The Company's unrecognized share of Initial's loss, as at April 30, 2026 is $Nil (2025 - $Nil) and cumulatively is $Nil (2025 - $Nil).

The following is summarized financial information for DVO, which has an April 30 year-end.

	April 30, 2026	January 31, 2026
Current assets	**$ 84,553**	$ 87,051
Non-current assets	**258,234**	258,234
TOTAL ASSETS	**342,787**	345,285
Current liabilities and financial liabilities	**60,550**	60,550
Due to related parties	**7,896**	7,896
TOTAL LIABILITIES	**68,446**	68,446
	Period ended April 30, 2026	Year ended January 31, 2026
	$	$
Revenue	**$ 9,500**	$ 34,060
Depreciation and amortization	**(125)**	(125)
Interest expense	**(28)**	(145)
Loss from continuing operations	**(11,971)**	(54,338)
Impairment of long-term assets	**-**	-
Comprehensive loss	**$ (2,624)**	$ (20,548)

(Expressed in Canadian Dollars)

8. LONG-TERM INVESTMENTS (continued)

During the year ended January 31, 2024, DVO sold land to the Company and recorded a gain of $140,481 related to the sale of land in the books of DVO. Since the gain was a result of the transaction with an associate, the Company eliminated the gain when recognizing its shares of the current year's loss in DVO in accordance with IAS 28 – *Investments in associates and join ventures*.

The following is summarized financial information for Initial. Since Initial is inactive, no Statement of Comprehensive Income is available. Initial holds 750,000 common shares of the Company.

	2026	2026
Current assets	**$ 22,423**	$ 22,423
Non-current assets	**157,793**	157,793
Total assets	**180,216**	180,216
Current liabilities and financial liabilities	**203,501**	203,501
Total liabilities	**$ 203,501**	$ 203,501

9. INVESTMENT PROPERTIES

The Company's investments in land include the following:

	Kamloops	**Pender Harbor**	**Terrace**	**Green Bay**	**Nelson Island**	**Total**
	$	$	$	$	$	$
Balance – January 31, 2024						
Cost	544,053	178,288	-	543,219	1,147,865	2,413,425
Reclassification to property under development	(544,053)	-	-	-	-	(544,053)
Disposal	-	(178,288)	-	-	-	(178,288)
Balance – April 30, 2025 and 2026	**-**	**-**	**-**	**543,219**	**1,147,865**	**1,691,084**

During the year ended January 31, 2025, the Company completed a sale of Pender Harbour property for total gross proceeds of $180,000. Net sales proceeds of $160,406 less the net book value of 178,288 resulted in a loss on disposal of $17,882.

During the year ended January 31, 2024, the Company disposed of the Powell Street land and building for $10,200,000. Net sales proceeds of $9,903,471 less the net book value of 119,112 resulted in a gain on disposal of $9,784,359.

During the year ended January 31, 2024, the Company disposed of the Terrace land for $143,810. Net sales proceeds of $131,473 less the net book value of 152,300 resulted in a loss on disposal of $20,827.

During the year ended January 31, 2024, the Company disposed of a portion of the Pender Harbor for $520,000. Net sales proceeds of $497,184 less the net book value of 127,019 resulted in a gain on disposal of $370,165.

(Expressed in Canadian Dollars)

10. EQUIPMENT

	Machinery and Equipment	Total
Cost	**$**	**$**
As at January 31, 2024	18,000	18,000
Additions	-	-
As at January 31, 2025	18,000	18,000
Additions	-	-
As at April 30, 2026	**18,000**	**18,000**
Accumulated amortization	**$**	**$**
As at January 31, 2024	-	-
Additions	(2,700)	(2,700)
As at January 31, 2025	(2,700)	(2,700)
Additions	(2,700)	(2,700)
As at January 31, 2026	(5,400)	(5,400)
Additions	(675)	(675)
As at April 30, 2026	**(6,075)**	**(6,075)**
Net book value	**$**	**$**
As at January 31, 2026	12,600	12,600
As at April 30, 2026	**11,925**	**11,925**

11. PROPERTY UNDER DEVELOPMENT

The Company presents its investment properties under development separately. As at April 30, 2026 the Company has capitalized costs related to assets under development totaling $12,476,609 (Fiscal 2026: $9,731,032).

The Company began to capitalize development costs for the Iron Mask project during the fiscal 2025 year end when management determined that it would proceed with the land development based on its judgment that the Company would be successful in its efforts to obtain zoning as light industrial land after improvements were made to redevelop the properties.

Properties under development represent expenditures incurred on the development of the Company's Iron Mask project located in Kamloops British Columbia. These expenditures relate to the development of Iron Mask as a light industrial commercial real-estate project. Properties under development are recorded at cost in accordance with IAS 40 – Investment Property.

A continuity schedule of investment properties under development is as follows:

		April 30, 2026	January 31, 2026
Opening balance		$ 9,731,032	$ 3,950,970
Development costs incurred		2,745,577	5,780,062
Closing balance		$ 12,476,609	$ 9,731,032

Management has not identified any indicators of impairment relating to properties under development as at April 30, 2026 and 2025.

(Expressed in Canadian Dollars)

12. SHARE CAPITAL

Authorized: 50,000,000 common shares without par value

	Number of Shares	Amount
		$
Issued and outstanding: January 31, 2025	4,794,528	3,836,760
Issued and outstanding: January 31, 2026	4,794,528	3,836,760
Issued and outstanding: April 30, 2026	**4,794,528**	**3,836,760**

The Company did not issue any common shares during the three months ended April 30, 2026 and 2025. The issued and outstanding common shares above are presented net of 341,567 common shares that are based upon a reciprocal interest calculation of the Company's ownership interests with DVO and Initial (see Note 8).

13. SHARE-BASED PAYMENTS

Share based compensation recognized in the statements of comprehensive loss for the periods ending April 30, 2026 and 2025 includes:

	2026	2025
Share based compensation	**$ -**	$ 145,776

The Company's Stock Option Plan ("the Plan") provides certain directors, officers, employees, and consultants of the Company an opportunity to purchase common shares and to benefit from their appreciation.

The Company has in place a rolling stock option plan whereby a maximum of 10% of the issued shares will be reserved for issuance under the plan.

Options vest as set forth in the Option Agreement as determined by the Board at the time of granting the Option. The Board of Directors shall determine the exercise price and the term of the stock options at the time of grant. If the shares are listed on a stock exchange, then the exercise price for the options granted will not be less than the minimum prevailing price permitted by the stock exchange. If the shares are not listed, posted and trading on any stock exchange or quoted on any quotation system, the exercise price will be determined by the Board at the time of granting.

	April 30, 2026			**April 30, 2025**		
	# of options	Weighted average price $	Remaining life (years)	# of options	Weighted average price $	Remaining life (years)
Balance, beginning of year	200,000	3.62	1.93	200,000	3.62	2.17
Granted	60,000	3.85	3.92	60,000	3.85	4.12
Balance, end of year	260,000	3.67	2.93	260,000	3.67	3.15
Exercisable, beginning of year	140,000	3.62	2.93	140,000	3.62	3.18
Vested	80,000	3.55	-	80,000	3.55	2.17
Exercisable, end of year	220,000	3.67	2.93	220,000	3.67	3.15

13. SHARE BASED PAYMENTS (continued)

On March 2, 2025, 60,000 options were granted to various directors of the Company. All options vested immediately, contain an exercise price of $3.85 per option, and have an expiry date of March 2, 2030. The stock options were valued using the Black-Scholes model based on the following assumptions: expected life: 5 years, volatility: 43.77%, dividend yield: 0%, risk-free interest rate: 2.76%, expected fair value: $1.61.

On April 3, 2023, 110,000 options were granted to the Company's President. 30,000 of these options vested immediately. 80,000 of these options vest over a four-year period, with 20,000 options vesting per year. All options contain an exercise price of $3.55 per option and have an expiry date of April 3, 2028. The stock options were valued using the Black-Scholes model based on the following assumptions: expected life: 5 years, volatility: 50.11%, dividend yield: 0%, risk-free interest rate: 2.85%, expected fair value: $1.65.

On April 3, 2023, 70,000 options were granted to various directors of the Company. All options vested immediately, contain an exercise price of $3.55 per option, and have an expiry date of April 3, 2028. The stock options were valued using the Black-Scholes model based on the following assumptions: expected life: 5 years, volatility: 50.11%, dividend yield: 0%, risk-free interest rate: 2.85%, expected fair value: $1.65.

On November 27, 2023, 20,000 options were granted to various directors of the Company. All options vested immediately, contain an exercise price of $4.25 per option, and have an expiry date of April 3, 2028. The stock options were valued using the Black-Scholes model based on the following assumptions: expected life: 4.35 years, volatility: 46.23%, dividend yield: 0%, risk-free interest rate: 3.74%, expected fair value: $1.98.

14. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern to maintain the rental business and to pursue the sourcing and exploration of mineral properties. The Company does not have any externally imposed capital requirements to which it is subject.

As at April 30, 2026, the Company considers capital to consist of all components of shareholders' equity, long-term debt, and loans payable. The Company manages the capital structure and adjusts it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue common shares or dispose of assets.

15. FINANCIAL INSTRUMENTS AND RISK

Fair Values and Classification of Financial Instruments

As at April 30, 2026, the Company's financial instruments consist of cash and cash equivalents, accounts payable (excluding GST payable), due to related parties, loan payable and lease labilities. The fair values of these financial instruments approximate their carrying values except long-term investments, which are accounted under the equity method.

The Company classifies its fair value measurements in accordance with the three level fair value hierarchies as follows:

Level 1

Level 1 applies to assets or liabilities for which there are quoted prices in active markets for identical assets or liabilities.

(Expressed in Canadian Dollars)

15. FINANCIAL INSTRUMENTS AND RISK (continued)

Fair Values and Classification of Financial Instruments (continued)

Level 2

Level 2 applies to assets or liabilities for which there are inputs other than quoted prices that are observable for the asset or liability such as quoted prices for similar assets or liabilities in active markets; quoted prices for identical assets or liabilities in markets with insufficient volume or infrequent transactions (less active markets); or model-derived valuations in which significant inputs are observable or can be derived principally from, or corroborated by, observable market data.

Level 3

Level 3 applies to assets or liabilities for which there are unobservable inputs to the valuation methodology that are significant to the measurement of the fair value of the assets or liabilities.

Assets and liabilities measured at fair value on a recurring basis as of April 30, 2026, are as follows:

	Fair Value Measurements Using			
	(Level 1)	(Level 2)	(Level 3)	Balance, April 30, 2026
	$	$	$	$
Assets:				
Cash and cash equivalents	6,250,817	-	-	6,250,817
Total assets measured at fair value	6,250,817	-	-	6,250,817

Financial risk management objectives and policies

The Company's financial instruments include cash, advances to related entities, accounts payable, loan payable and long-term debt. The risks associated with these financial instruments and policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist of cash and advances to related entities. To minimize its credit risk the Company deposits its cash with financial institutions.

The Company's amounts receivable primarily consists of cost recoveries owing from tenants who rent the Company's investment property and are less than 30 days, which is not considered as past due. Credit risk from amounts receivable encompasses the default risk of its tenants. The Company manages its exposure to credit risk by only working with reputable tenants. In addition, on an ongoing basis, management monitors the level of amounts receivable attributable to each tenant and the length of time taken for amounts to be settled and where necessary, takes appropriate action to follow up on those balances considered overdue.

Management does not believe that there is significant credit risk arising from any of the Company's tenants. However, should one of the Company's main tenants be unable to settle amounts the maximum exposure to loss arising from amounts receivable is equal to their total carrying amounts.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure and financial leverage as outlined in Note 14.

15. FINANCIAL INSTRUMENTS AND RISK (continued)

The following are the contractual maturities of financial liabilities as at April 30, 2026:

	Carrying Amount	Contractual Cash Flows	Within 1 year	Within 2 years	Within 3 + years
	$	$	$	$	$
Accounts payable & Accrued Liability	2,565,251	-	2,565,251	-	-
Deposit	750	(750)	-	-	-
Due to related parties	847,403	742,000	847,403	-	-
Loan payable	1,479,415	1,479,415	1,479,415	-	-
Lease liabilities	29,854	29,854	12,970	12,970	3,914
Total	4,992,673	2,250,519	4,905,039	12,970	3,914

The following are the contractual maturities of financial liabilities as at April 30, 2025:

	Carrying Amount	Contractual Cash Flows	Within 1 year	Within 2 years	Within 3 + years
	$	$	$	$	$
Accounts payable & Accrued Liability	97,750	97,750	97,750	-	-
Deposit	750	(750)	-	-	-
Lease liabilities	40,505	40,505	7,924	22,015	10,566
Total	139,005	137,505	201,080	22,015	10,566

The Company monitors its ability to meet its short-term exploration and administrative expenditures by raising additional funds through share issuance when required. Most of the Company's financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms.

Market risk

Market risk is the risk that the fair value of, or future cash flows from, the Company's financial instruments will significantly fluctuate due to changes in market prices. The sale of the financial instruments can be affected by changes in interest rates, foreign exchange rates, and equity prices. The Company is exposed to market risk and unfavourable market conditions could result in dispositions of investments at less than favourable prices. The Company's investments are accounted for at estimated fair values and are sensitive to changes in market prices, such that changes in market prices result in a proportionate change in the carrying value of the Company's investments. The Company's ability to raise capital to fund mineral resource exploration is subject to risks associated with fluctuations in mineral resource prices. Management closely monitors commodity prices, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

a. Currency Risk

The Company does not have significant foreign exchange risk as all of its transactions and financial instruments are denominated in Canadian dollars.

b. Interest Rate Risk

The Company is not subject to interest rate risk on its long-term debt which is at fixed rates of interest.