TSX-V: CTM OTCQB: CTMCF

CANTERRA MINERALS CORPORATION

Condensed Consolidated Interim Financial Statements

For the Six Months Ended

June 30, 2026

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited interim consolidated financial statements of Canterra Minerals Corporation (the "Company") have been prepared by and are the responsibility of the Company's management.

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

CANTERRA MINERALS CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (Unaudited)
(Expressed in Canadian Dollars)

		June 30, 2026		December 31, 2025
ASSETS				
Current				
Cash and cash equivalents	$	5,165,159	$	7,323,695
Marketable securities (Note 3)		91		236,297
Receivables (Note 10)		175,618		170,848
Prepaid expenses (Note 8)		164,166		229,544
		5,505,034		7,960,384
Land use deposits (Note 5)		4,000		4,000
Mineral Properties (Note 6)		15,577,241		15,577,241
	$	21,086,275	$	23,541,625
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current liabilities				
Accounts payable and accrued liabilities (Notes 7,9)	$	761,964	$	387,783
Deferred flow-through premium (Note 4)		419,789		918,849
		1,181,753		1,306,632
Shareholders' equity				
Share capital (Note 11)		142,273,622		141,196,113
Reserves (Note 11)		2,812,112		3,413,487
Deficit		(125,181,212)		(122,374,607)
		19,904,522		22,234,993
	$	21,086,275	$	23,541,625

Nature and continuance of operations (Note 1)
Basis of preparation (Note 2)
Subsequent events (Note 15)

Approved and authorized by the Board on August 21, 2026

"Chris Pennimpede"	*"Andrew Farncomb"*
Chris Pennimpede, CEO	Andrew Farncomb, Chairman

CANTERRA MINERALS CORPORATION

CONDENSED CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS (Unaudited)

(Expressed in Canadian Dollars)

For the six months ended June 30, 2026 and 2025

		2026		2025
Expenses				
Business development	$	154,102	$	119,721
Insurance		8,596		9,580
Legal, audit and accounting		36,355		31,957
Consulting fees (Note 9)		34,667		42,169
Office and miscellaneous		35,765		44,031
Regulatory and transfer agent fees		38,909		29,054
Rent		12,217		43,024
Share-based compensation (Notes 9, 11c)		278,153		159,415
Travel		37,470		21,370
Wages and benefits (Note 9)		200,144		217,539
Exploration expenditures (Note 6)		3,074,129		2,208,832
		(3,910,507)		(2,926,692)
Flow-through premium (Note 4)		499,060		379,915
Unrealized gain (loss) on marketable securities (Note 3)		44		524,850
Realized gain (loss) on marketable securities (Note 3)		(22,940)		-
Miscellaneous revenue		-		8,856
Interest income		55,907		31,890
		532,071		945,511
Loss and comprehensive loss for the period	$	(3,378,436)	$	(1,981,181)
Basic and diluted loss per common share	$	(0.01)	$	(0.01)
Weighted average number of common shares outstanding – basic and diluted		390,922,516		343,321,385

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

CANTERRA MINERALS CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)
(Expressed in Canadian Dollars)
For the six months ended June 30, 2026 and 2025

		2026		2025
Cash flows from operating activities				
Loss for the period	$	(3,378,436)	$	(1,981,181)
Items not affecting cash and cash equivalents:				
Share-based compensation		278,153		159,415
Real loss (gain) on marketable securities		22,940		-
Unreal loss (gain) on marketable securities		(44)		(524,850)
Flow-through premium		(499,060)		(379,915)
Changes in non-cash working capital items:				
Decrease (increase) in receivables		(4,770)		65,398
Decrease (increase) in prepaid expenses		65,378		(52,029)
Increase in accounts payable and accrued liabilities		374,181		745,618
Net cash and cash equivalents used in operating activities		(3,141,658)		(1,967,543)
Cash flows from investing activities				
Proceeds received from sale of marketable securities		213,310		181,554
Acquisition of mineral properties		-		(23,710)
Net cash and cash equivalents provided by investing activities		213,310		157,844
Cash flows from financing activities				
Proceeds on stock option exercise		31,633		-
Proceeds on warrant exercise		738,179		-
Net cash and cash equivalents provided by financing activities		769,812		-
Change in cash and cash equivalents during the period		(2,158,536)		(1,809,699)
Cash and cash equivalents, beginning of the period		7,323,695		4,889,161
Cash and cash equivalents, end of the period	$	5,165,159	$	3,079,462
Cash and cash equivalents consist of:				
Cash, end of the period	$	709,931	$	43,851
Cash equivalent, end of the period		4,455,228		3,035,611
Total	**$**	**5,165,159**	**$**	**3,079,462**

CANTERRA MINERALS CORPORATION

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (Unaudited)

(Expressed in Canadian Dollars)

	Share Capital				
	Number	Amount	Reserves	Deficit	Total
Balance, December 31, 2024	343,321,385	$ 134,555,766	$ 2,877,346	$ (117,414,081)	$ 20,019,031
Share-based compensation (Note 11c)	-	-	159,415	-	159,415
Reserves transferred on cancelled options (Note 11c)	-	-	(51,153)	51,153	-
Loss for the period	-	-	-	(1,981,181)	(1,981,181)
Balance, June 30, 2025	343,321,385	$ 134,555,766	$ 2,985,608	$ (119,344,109)	$ 18,197,265
Balance, December 31, 2025	387,637,679	$ 141,196,113	$ 3,413,487	$ (122,374,607)	$ 22,234,993
Issued on stock option exercise	426,666	61,094	(29,461)	-	31,633
Issued on warrant exercise	8,269,773	988,524	(250,345)	-	738,179
Issued on RSU exercise	328,125	27,891	(27,891)	-	-
Share-based compensation (Note 11c)	-	-	278,153	-	278,153
Reserves transferred on cancelled options (Note 11c)	-	-	(550,030)	550,030	-
Reserves transferred on expired warrants (Note 11d)	-	-	(21,801)	21,801	-
Loss for the period	-	-	-	(3,378,436)	(3,378,436)
Balance, June 30, 2026	396,662,243	$ 142,273,622	$ 2,812,112	$ (125,181,212)	$ 19,904,522

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

1. NATURE AND CONTINUANCE OF OPERATIONS

Canterra Minerals Corporation (the "Company") is incorporated under the Business Corporations Act, British Columbia and is considered to be in the exploration stage with respect to its mineral properties. Based on the information available to date, the Company has not yet determined whether its mineral properties contain ore reserves.

The Company's head office and principal address is 580-625 Howe Street, Vancouver, British Columbia, Canada, V6C 3A6. The Company's registered and records office is 2200 – 885 W Georgia Street, Vancouver, British Columbia, Canada, V6C 3E8.

These condensed consolidated interim financial statements have been prepared by management on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The Company has incurred ongoing losses and has no source of recurring revenue. These material uncertainties may cast significant doubt upon the Company's ability to continue as a going concern. A number of alternatives including but not limited to selling an interest in one or more of its properties or completing a financing, are being evaluated with the objective of funding ongoing activities and obtaining additional working capital. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future and repay its liabilities arising from normal business operations as they become due.

The recovery of the amounts comprised in mineral properties is dependent upon the confirmation of economically recoverable reserves, the ability of the Company to obtain necessary financing to successfully complete their exploration and development, and upon future profitable production.

The condensed consolidated interim financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence.

2. BASIS OF PREPARATION

Statement of Compliance

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standards ("IAS") 34, "Interim Financial Reporting" on a basis consistent with the accounting policies disclosed in the audited consolidated financial statements for the fiscal year ended December 31, 2025.

These condensed consolidated interim financial statements should be read in conjunction with the most recently issued audited consolidated financial statements, which include information necessary or useful to understanding the Company's business and financial statement presentation. In particular, the Company's significant accounting policies which were presented in Note 3 to the Consolidated Financial Statements for the fiscal year ended December 31, 2025, and have been consistently applied in the preparation of the Company's condensed consolidated interim financial statements.

The Company's condensed consolidated interim financial statements are unaudited. Financial information in this report reflects any adjustments (consisting of normal recurring adjustments) that are, in the opinion of management, necessary to a fair presentation of results for the interim periods in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

(Expressed in Canadian Dollars)

2. BASIS OF PREPARATION *(continued)*

Critical accounting estimates and judgements

The preparation of condensed consolidated interim financial statements in conformity with IFRS requires management to make judgements, estimates, and assumptions about future events that affect the reported amounts of assets and liabilities at the date of financial statements and the reported amounts of revenue and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, events or actions, actual results may differ from these estimates. The effect of a change in an accounting estimate is recognized prospectively by including it in profit or loss in the year of the change, if the change affects that year only, or in the year of the change and future years, if the change affects both.

The most significant areas that require judgement and estimate as the basis for determining the stated amounts include going concern, the recoverability of mineral properties, valuation of share-based payments, and recognition of deferred tax amounts. Going concern and recoverability of mineral properties are discussed in Note 1.

Share-based Compensation Transactions

The Company uses the Black-Scholes Option Pricing Model for valuation of share-based payments. Option pricing models require the input of subjective assumptions including expected price volatility, interest rate, and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company's earnings and equity reserves.

Income Taxes

In assessing the probability of realizing income tax assets, management makes estimates related to expectations of future taxable income, applicable tax opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified.

3. MARKETABLE SECURITIES

As at June 30, 2026, the Company holds the following common shares of public companies listed on the TSX Venture Exchange:

	June 30, 2026			December 31, 2025		
	# of shares		Value	# of shares		Value
Vault Strategic Mining Corp.[1]	345	$	91	345	$	47
Star Diamond Corporation	-		-	6,750,000		236,250
		$	**91**	**$**	**$**	**236,297**

[1] formerly Margaret Lake Diamonds

(Expressed in Canadian Dollars)

3. MARKETABLE SECURITIES *(continued)*

On August 1, 2024, the Company received 17,500,000 common shares of Star Diamond Corporation with a fair value of $1,050,000, related to the sale of the Buffalo Hills Project (Note 6). For the six months ended June 30, 2025, 3,301,000 shares of Star Diamond Corporation were sold for $181,554 proceeds and recognized a realized loss of $nil. For the six months ended June 30, 2026, 6,750,000 shares of Star Diamond Corporation were sold for $213,310 gross proceeds and the Company recognized a realized loss of $22,940.

For the six months ended June 30, 2026, the Company recognized an unrealized gain of $44 on its holdings of marketable securities (June 30, 2025 - $524,850).

4. DEFERRED FLOW-THROUGH PREMIUM

The Company's transactions related to the recognition of the flow-through premium liability are summarized below:

	June 30, 2026	December 31, 2025
Balance, beginning of the period	$ 918,849	$ 692,590
Deferred premium liability recognized on flow-through	-	918,849
Income recognized based on corresponding eligible expenses	(499,060)	(692,590)
Balance, end of period	$ 419,789	$ 918,849

As at June 30, 2026, the Company has an obligation to spend $2,676,398 by December 31, 2026 (December 31, 2025 - $5,705,362 by December 31, 2026) in relation to flow-through proceeds.

5. LAND USE DEPOSITS

Land use deposits are interest-bearing and are held by major financial institutions on behalf of mining regulators. These deposits are held primarily for prospecting permits and will be released upon the Company incurring certain exploration expenditures on specific mineral properties. Land use deposits surrendered to mining regulators are expensed.

6. MINERAL PROPERTIES

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

The Company holds interest in various mineral claims located in Canada, the acquisition costs of which are as follows:

(Expressed in Canadian Dollars)

6. MINERAL PROPERTIES *(continued)*

		June 30, 2026		December 31, 2025
Newfoundland, Canada				
Wilding	$	**2,391,228**	$	**2,391,228**
A 100% interest (up to 3.5% NSR)				
Lemarchant		**2,046,985**		**2,046,985**
A 100% interest (up to 2.0% NSR)				
Buchans Mine		**8,218,436**		**8,218,436**
A 100% interest (up to 3.0% NSR)				
South Tally Pond		**1,219,982**		**1,219,982**
A 100% interest. Project amalgamated with Lemarchant in 2024.				
Tulks South		**959,326**		**959,326**
A 100% interest (up to 2.0% NSR on the Boomerang deposit). Project amalgamated with Boomerang in 2024.				
Lake Douglas		**383,171**		**383,171**
A 100% interest. Project amalgamated with Noel Paul in 2024.				
Tulks North		**268,923**		**268,923**
A 100% interest (up to 1.5% NSR on Daniel's Pond deposit and up to 3.0% NSR on the Bobby's Pond deposit)				
Tulks Hill		**88,085**		**88,085**
A 100% interest (up to 3.5% NSR)				
Seal Pond		**1,105**		**1,105**
A 100% interest				
Ontario, Canada				
Ring of Fire		**-**		**-**
A 100% interest.				
Total Mineral Properties	**$**	**15,577,241**	**$**	**15,577,241**

Newfoundland, Canada
On December 17, 2020, the Company acquired Teton Opportunities Inc. ("Teton"), a private company incorporated under the laws of British Columbia, Canada which held an option agreement with Altius Resources Inc. ("Altius") for the Wilding Project ("Wilding") located in the Province of Newfoundland, Canada. The total purchase price of $2,042,533 was affected by way of share exchange whereby the Company issued 9,677,250 common shares and 4,398,750 warrants in exchange for all the issued and outstanding securities held by Teton shareholders. The Company satisfied the option agreement to own 100% of Wilding which is subject to a 2% Net Smelter Return ("NSR") payable to Altius and 1.5% NSR payable to the original property owners. The Company may buyback 1% of the NSR held by the original property owners by payment of $1,000,000.

6. MINERAL PROPERTIES *(continued)*

On November 15, 2021, the Company completed the previously announced acquisition of mineral rights to four resource staged projects in central Newfoundland, adding 67 km^2 to the Newfoundland property position. The projects were acquired from NorZinc Ltd. and its affiliate NorZinc-Newfoundland Ltd. ("NorZinc") for $250,000 in cash and 6,625,000 common shares valued at $1,788,750.

On April 18, 2022, the Company issued 250,000 shares to Sokoman Minerals Corp. as part of the East Alder agreement, with a fair value of $60,000. In the second quarter of 2022, the Company staked additional ground at Wilding for $22,750 and at Noel-Paul for $2,535.

On April 18, 2023, the Company issued 250,000 shares to Sokoman Minerals Corp. as part of the East Alder agreement, with a fair value of $15,000, and a further 100,000 shares, with a fair value of $6,000 on June 27, 2023, as part of an amendment to the East Alder agreement. In the third quarter of 2023, the Company paid holding costs at Noel Paul for $1,600.

On December 20, 2023, the Company completed an asset purchase agreement (the "APA") with Buchans Resources Limited and its subsidiary Buchans Minerals Corporation, whereby various critical and precious metals projects in central Newfoundland were acquired for total consideration of $11,509,816 consisting of 24,910,000 common shares valued at $1,868,250 and warrants to acquire 128,554,216 common shares valued at $9,641,566.

On August 2, 2024, the Company entered into an option agreement with local prospectors ("Optionors") to acquire a 100% interest in adjacent properties to the Company's Tulks North (Victoria Project). Pursuant to the terms of the agreement, the Company must make cash payments and issue common shares of the Company to the Optionors over two years as follows:

- $10,000 and 100,000 shares, with a fair value of $5,000, of the Company upon execution of the agreement (completed in 2024)
- $20,000 and 200,000 shares of the Company on or before the first anniversary of the agreement (August 2025)
- $30,000 and 300,000 shares of the Company on or before the second anniversary of the agreements (August 2026).

The agreement assigns a 2% Net Smelter Return ("NSR") to the Optionors upon commencement of production, with the Company retaining right to buy-down 50% of the NSR for $1,000,000 and right of first refusal on the remaining NSR (1%). This agreement was terminated on May 1, 2025.

Alberta, Canada

On August 1, 2024, the Company completed the sale of the Buffalo Hills Diamond Project (the "Project") located in north central Alberta, Canada to Star Diamond Corporation (TSX: DIAM) ("Star Diamond"), whereby Star Diamond acquired 100% interest in the Project from the Company. The Company sold its interest in the Project to Star Diamond in exchange for an aggregate nominal consideration of 17,500,000 common shares (the "Consideration Shares") of Star Diamond, representing an implied purchase price of $1.05 million. One half of the Consideration Shares are subject to a 12-month lock-up period and all of the Consideration Shares were subject to a customary four-month hold period. The Company also received a 1% royalty interest in the Project in addition to the Consideration Shares. Star Diamond may buyback 0.5% of the NSR by payment of $1,000,000 to the Company.

(Expressed in Canadian Dollars)

6. MINERAL PROPERTIES *(continued)*

Ontario, Canada

The Company holds 100% interest in the Ring of Fire property which was staked in July 2023 for $7,650. On September 17, 2024, the Company entered into an Option Agreement (the "Agreement") with Teck Resources Limited ("Teck"), granting Teck the option to acquire a 100% interest in the Ring of Fire project. Under the terms of the Agreement, Teck may, at its option, elect to exercise the Option by paying the Company $275,000 in cash according to the following payment schedule:

- payment of $50,000 payable on or before two days following the date of the Agreement (paid September 19, 2024);
- payment of $125,000 payable on or before two business days following the date upon which Teck has obtained all regulatory permits and access rights to commence drilling; and
- payment of $100,000 payable on or before thirty business days following the earliest to occur of the Drill Program Completion Date and September 17, 2026.

Canterra will retain a 1.5% Net Smelter Returns ("NSR") royalty that can be reduced to 0.5% with a further payment of $2,000,000 to Canterra. In March 2026, Teck notified the Company that it had terminated the option agreement.

During the six months ended June 30, 2026, the Company incurred exploration expenditures as follows:

	Geology & Geophysics	Drilling	Land Use & Tenure	Data Evaluation	Recoveries	Total for the period
NEWFOUNDLAND						
Wilding	$ 229,305	$ 1,028,308	$ 11,775	$ 147,900	$ -	**$ 1,417,288**
Noel-Paul	1,181	-	12,225	-	-	**13,406**
Boomerang	-	4,766	3,600	124,406	-	**132,772**
Buchans Mine	227,526	697,203	8,015	406,310	(152,650)	**1,186,404**
Lemarchant	29,962	56,506	7,000	141,826	-	**235,294**
Long Lake	33,573	21,257	-	9,550	-	**64,380**
Tulks North	151	984	5,200	8,128	-	**14,463**
Tulks Hill	-	7,058	-	2,909	-	**9,967**
Victoria Mine	155	-	-	-	-	**155**
	$ 521,853	**$ 1,816,082**	**$ 47,815**	**$ 841,029**	**$ (152,650)**	**$ 3,074,129**

During the six months ended June 30, 2025, the Company incurred exploration expenditures as follows:

	Geology & Geophysics	Drilling	Land Use & Tenure	Data Evaluation	Recoveries	Total for the period
NEWFOUNDLAND						
Wilding	$ 8,454	$ -	$ 180	$ 12,962	$ -	**$ 21,596**
Noel-Paul	45,534	-	45,600	82,639	-	**173,773**
Boomerang	2,375	-	-	20,361	(31,104)	**(8,368)**
Buchans Mine	1,476,541	419,071	-	275,728	-	**2,171,340**
Lemarchant	-	-	-	-	(186,731)	**(186,731)**
Seal Pond	-	-	-	941	-	**941**
Tulks North	3,251	-	5,665	23,050	-	**31,966**
Victoria Mine	762	-	-	3,553	-	**4,315**
	$ 1,536,917	**$ 419,071**	**$ 51,445**	**$ 419,234**	**$ (217,835)**	**$ 2,208,832**

(Expressed in Canadian Dollars)

7. ACCOUNTS PAYABLES AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities are as follows:

	June 30, 2026	December 31, 2025
Accounts payables	$ 450,764	$ 153,908
Accrued liabilities	311,200	233,875
Total	**$ 761,964**	**$ 387,783**

8. PREPAID EXPENSES AND DEPOSITS

Prepaid expenses and deposits are as follows:

	June 30, 2026	December 31, 2025
Exploration prepaids	$ 66,236	$ 207,209
Conferences, investor relations, and insurance	97,930	22,335
Total	**$ 164,166**	**$ 229,544**

9 . RELATED PARTY TRANSACTIONS

Key Management Personnel and Directors

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

Compensation paid or payable to key management personnel for services rendered are as follows:

	Six months ended June 30, 2026	Six months ended June 30, 2025
Wages & Benefits	$ 168,584	$ 167,058
Share-based compensation(1)	189,239	102,942
Total	**$ 357,823**	**$ 270,000**

(1) Represents the fair-value of stock options, RSUs and DSUs granted to officers.

Included in accounts payable and accrued liabilities at June 30, 2026 is $nil and $32,500 respectively (December 31, 2025 – $nil and $3,673 respectively) which is due to related parties.

10. RECEIVABLES

Receivables are as follows:

	June 30, 2026	December 31, 2025
Sales tax recoverable	$ 175,618	$ 170,848
Total	**$ 175,618**	**$ 170,848**

11. SHARE CAPITAL AND RESERVES

a) Authorized share capital

The authorized share capital of the Company is an unlimited number of common shares without par value and an unlimited number of preferred shares without par value. All issued shares, consisting only of common shares are fully paid.

b) Issued share capital

In the six months ended June 30, 2026, the Company issued:

During the six months ended June 30, 2026, the Company issued 8,269,773 shares pursuant to the exercise of warrants at exercise prices ranging from $0.06 to $0.09 per share for gross proceeds of $738,179. The Company reallocated the fair value of these warrants previously recorded in the amount of $250,345 from reserves to share capital.

During the six months ended June 30, 2026, the Company issued 426,666 shares pursuant to the exercise of options at exercise prices ranging from $0.07 to $0.08 per share for gross proceeds of $31,633. The Company reallocated the fair value of these options previously recorded in the amount of $29,461 from reserves to share capital.

During the six months ended June 30, 2026, the Company issued 328,125 shares pursuant to the exercise of RSUs and reallocated the fair value of these RSUs previously recorded in the amount of $27,891 from reserves to share capital.

In the year ended December 31, 2025, the Company issued:

During the year ended December 31, 2025, the Company issued 2,792,626 common shares on exercise of warrants with a value of $114,749 and 972,531 common shares on exercise of stock options with a value of $80,614.

On December 23, 2025, the Company closed a private placement consisting of Critical Minerals flow-through shares and National flow-through shares for total gross proceeds of $5,705,362. The Company issued 10,980,000 Critical Minerals flow-through shares at a price of $0.25 per share (each, a "CMFT Share") for gross proceeds of $2,745,000 and issued 12,871,137 National flow-through shares at a price of $0.23 per share (each, a "FT Share") for gross proceeds of $2,960,362. In connection with the private placement, the Company paid finders fees of $50,000 cash and 135,848 non-transferable finders' warrants. The 49,000 finders' warrants issued in respect of subscriptions for CMFT Shares are exercisable at $0.25 per warrant and valid for 12 months from issuance (the "CMFT Finders' Warrants") and have a value of $3,509. The Company paid $89,210 in share issuance costs, with $16,285 being allocated to the flow-through premium. The 86,848 finders' warrants issued in respect of subscriptions for FT Shares are exercisable at $0.23 per warrant, are valid for 12 months from issuance (the "FT Finders' Warrants") and have a value of $6,635. The Company recognized a deferred flow-through premium of $918,849 related to the flow-through portion of the financing.

(Expressed in Canadian Dollars)

11. SHARE CAPITAL AND RESERVES *(continued)*

b) Issued share capital *(continued)*

In the year ended December 31, 2025, the Company issued: *(continued)*

On October 28, 2025, the Company closed a non-brokered private placement and issued 16,700,000 units ("the Units") at $0.12 per unit and received gross proceeds of $2,004,000. Each Unit will consist of one common share of the Company (a "Share") and one-half of one common share purchase warrant (each whole warrant a "Warrant"). Each of the 8,350,000 warrants issued will entitle the holder to purchase one additional Share at an exercise price of $0.20 per Share for a period of 12 months following the closing of the Private Placement. The warrants issued were valued at $522,951, which was allocated to reserves. The Company paid $12,273 in share issuance costs related to this financing.

c) Omnibus incentive plan

The Company adopted a new omnibus incentive plan (the "New Plan") on June 25, 2025. The New Plan is a "rolling up to 10%" share-based compensation plan that allows the board of directors ("the Board") to grant stock options ("Options"), restricted share units ("RSUs") and deferred share units ("DSUs") of the Company (collectively, "Awards") to directors, officers, employees and consultants to acquire up to 10% of the

Company's issued and outstanding common shares. Awards are issued non-assignable and non-transferrable and are subject to vesting terms determined by the Board with RSUs and DSUs not vesting until at least 12 months from the date of grant. Options may be granted for a term not exceeding that permitted by the Exchange, currently ten years and the exercise price shall be determined by the Board but shall not be less than the market value of the Company' common shares at the time of grant.

i) Stock options

As at June 30, 2026, the Company had outstanding stock options, enabling the holders to acquire further common shares as follows:

Number of Options	Exercise Price	Expiry Date
1,825,000	$0.31	October 18, 2026
2,450,000	$0.07	May 11, 2028
250,000	$0.07	June 7, 2028
2,320,000[1]	$0.08	February 9, 2029
100,000	$0.07	March 13, 2029
200,000	$0.05	September 17, 2029
390,000	$0.10	December 30, 2029
1,846,667[2]	$0.08	February 20, 2030
1,505,000	$0.20	February 3, 2031
10,886,667		

[1] 100,000 options exercised subsequently
[2] 33,333 options exercised subsequently

(Expressed in Canadian Dollars)

11. SHARE CAPITAL AND RESERVES *(continued)*

i) Stock options *(continued)*

Stock option transactions are summarized as follows:

	June 30, 2026		December 31, 2025	
	Number of Options	**Weighted Average Exercise Price**	**Number of Options**	**Weighted Average Exercise Price**
Balance, beginning of the period	11,525,000	$ 0.15	11,548,151	$ 0.15
Granted	1,505,000	0.20	6,213,991	0.08
Exercised	(426,666)	0.07	(972,531)	0.08
Expired/cancelled/forfeited	(1,716,667)	0.33	(5,264,611)	0.08
Balance outstanding, end of the period	10,886,667	$ 0.13	11,525,000	$ 0.15
Options exercisable, end of the period	8,217,501	$ 0.13	9,585,000	$ 0.17

As at June 30, 2026, the weighted average remaining contractual life of unexercised options was 2.54 years (June 30, 2025 – 2.57 years).

On February 3, 2026, the Company granted 1,505,000 stock options at a price of $0.20 with 1,255,000 stock options vesting one-third every year, starting one year from the date of grant and the remaining 250,000 stock options vesting one-quarter every 3 months, starting three months from the date of grant.

During the six months ended June 30, 2026, the Company received $31,633 related to 426,666 stock options that were exercised.

For the six months ended June 30, 2026, $142,337 was expensed as share-based compensation related to stock options (June 30, 2025 - $77,179). The following assumptions were used for the Black-Scholes valuation of stock options granted:

	Period ended June 30, 2026	**Year ended December 31, 2025**
Risk-free interest rate	2.95%	2.76-2.91%
Expected life of options	5.0 years	5.0 years
Annualized volatility	134.1%	183.3-197.1%
Weighted average FV	$0.16	$0.08
Expected dividend rate	0%	0%

(Expressed in Canadian Dollars)

11. SHARE CAPITAL AND RESERVES *(continued)*

ii) Deferred share units

Deferred share units transactions are summarized as follows:

	June 30, 2026 Number of DSUs	December 31, 2025 Number of DSUs
Balance, beginning of the period	1,725,000	600,000
Granted	1,257,500	1,125,000[1]
Balance outstanding, end of the period	2,982,500[1]	1,725,000

[1] 225,000 DSUs redeemed subsequently

On February 3, 2026, the Company granted 1,257,500 DSUs to certain directors which will vest in one year from the date of grant.

For the six months ended June 30, 2026, $106,827 was expensed as share-based compensation related to deferred share units (June 30, 2025 - $63,987).

iii) Restricted share units

Restricted share units transactions are summarized as follows:

	June 30, 2026 Number of RSUs	December 31, 2025 Number of RSUs
Balance, beginning of the period	984,375	-
Granted	300,000	984,375
Exercised	(328,125)	-
Balance outstanding, end of the period	956,250	984,375

On February 3, 2026, the Company granted 300,000 RSUs to certain officers which vest equally over three years, beginning one year from the date of grant.

For the six months ended June 30, 2026, $28,989 was expensed as share-based compensation related to restricted share units (June 30, 2025 - $18,249).

(Expressed in Canadian Dollars)

11. SHARE CAPITAL AND RESERVES *(continued)*

d) Warrants

As at June 30, 2026, the Company had outstanding share purchase warrants, enabling the holders to acquire further common shares as follows:

Number of Warrants	Exercise Price	Expiry Date
20,783,600	$0.075	April 24, 2028
8,349,999	$0.20	October 28, 2026
86,848	$0.23	December 23, 2026
49,000	$0.25	December 23, 2026
2,500,000	$0.15	December 19, 2027
1,892,180	$0.10	December 19, 2027
33,661,627		

Share purchase warrant transactions were as follows:

	June 30, 2026		December 31, 2025	
	Number of Warrants	Weighted Average Exercise Price	Number of Warrants	Weighted Average Exercise Price
Balance, beginning of the period	42,764,733	$ 0.11	37,084,450	$ 0.08
Issued	-	-	8,485,847	0.20
Exercised	(8,269,773)	0.09	(2,792,628)	0.06
Expired	(833,333)	0.09	(12,936)	0.07
Balance outstanding, end of the period	33,661,627	$ 0.11	42,764,733	$ 0.11
Warrants exercisable, end of the period	33,661,627	$ 0.11	42,764,733	$ 0.11

During the six months ended June 30, 2026, the Company received $738,179 related to 8,269,773 warrants that were exercised.

At June 30, 2026, the weighted average remaining contractual life of the unexercised warrants was 1.40 years (June 30 2025 – 2.17 years).

The following assumptions were used for the Black-Scholes valuation of warrants granted:

	Period ended June 30, 2026	Year ended December 31, 2025
Risk-free interest rate	-	2.36-2.55%
Expected life of options	-	1 year
Annualized volatility	-	109.2-120.4%
Weighted average FV	-	$0.05-$0.08
Expected dividend rate	-	0%

12. SEGMENT INFORMATION

The Company operates in one reportable operating segment, being the acquisition, exploration, and evaluation of mineral properties in Canada. All of the Company's capital assets are located in Canada.

13. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

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

The fair value of marketable securities is measured based on level 1 of the fair value hierarchy. The fair values of cash and cash equivalents, receivables, land use deposits and accounts payable and accrued liabilities approximate their book values because of the short-term nature of these instruments.

The Company is exposed to a variety of financial risks by virtue of its activities, including credit risk, interest rate risk and liquidity risk. The overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on financial performance. Risk management is carried out by management under the direction and guidance of the Board of Directors. Management is responsible for establishing controls and procedures to ensure that financial risks are mitigated to acceptable levels.

Credit risk - Credit risk is the risk of a financial loss to the Company if a counter-party to a financial instrument fails to meet its contractual obligation. The Company manages credit risk by carrying short-term investments, if any, with investment grade ratings. The Company's receivables consist primarily of sales tax receivable due from federal and provincial government agencies. The Company's cash is invested in interest bearing accounts at major Canadian chartered banks. Because of these circumstances, the Company does not believe it has a material exposure to credit risk.

Interest rate risk - Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Financial assets and liabilities with variable interest rates expose the Company to cash flow interest rate risk. The Company is not exposed to any significant interest rate risk.

Liquidity risk - Liquidity risk is the risk that the Company will not be able to meet its obligations as they become due. The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuances, asset sales or a combination thereof. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments.

13. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT *(continued)*

Price risk - The Company is exposed to price risk with respect to commodity, equity and marketable security prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of precious and base metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

14. CAPITAL MANAGEMENT

The Company manages its capital structure and makes adjustments based on the funds available to the Company, in order to support the acquisition and exploration of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management but rather relies on the expertise of the Company's management to sustain future development of the business. The Company defines capital that it manages as shareholders equity, consisting of common shares, stock options and warrants. There were no changes in the Company's approach to capital management during the six months ended June 30, 2026. The Company is not subject to externally imposed capital requirements.

The properties in which the Company currently has an interest in are in the exploration stage; as such the Company has historically relied on the equity markets to fund its activities. In addition, the Company is dependent upon external financings to fund activities. In order to carry out planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it believes there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

15. SUBSEQUENT EVENTS

Subsequent to June 30, 2026, the Company:

- Issued 133,333 shares pursuant to the exercise of options at exercise price of $0.08 per share for gross proceeds of $10,667
- Issued 225,000 shares from vesting of DSUs