

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED AUGUST 31, 2026 AND 2025

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

Tel: 1-604-688-8700
Email: info@tres-or.com
Website: http://www.tres-or.com

Tres-Or trades on the TSX Venture Exchange under the symbol TRS

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 condensed consolidated interim financial statements of 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 Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

TRES-OR RESOURCES LTD.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
UNAUDITED – PREPARED BY MANAGEMENT
(Expressed in Canadian Dollars)

	Note	August 31, 2026	February 28, 2026
ASSETS			
Current assets			
Cash		$ 29,662	$ 8,901
Marketable securities	3	-	215,402
Receivables	4	5,447	3,097
Prepaids		24,071	-
Total current assets		59,180	227,400
Non-current assets			
Exploration and evaluation assets	5	2,492,381	2,492,381
TOTAL ASSETS		$ 2,551,561	$ 2,719,781
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		$ 149,910	$ 191,901
Due to related parties	7	437,825	391,005
Loans payable	6,7	103,544	103,204
Total current liabilities		691,279	686,110
Non-current liabilities			
Accounts payable and accrued liabilities		135,719	127,873
Due to related parties	7	50,156	47,256
TOTAL LIABILITIES		877,154	861,239
EQUITY			
Share capital	8	18,261,113	18,261,113
Reserves	8	2,272,453	2,272,453
Contributed Surplus		72,397	72,397
Accumulated other comprehensive loss		-	(1,280,448)
Deficit		(18,931,556)	(17,466,973)
TOTAL EQUITY		1,674,407	1,858,542
TOTAL LIABILITIES AND EQUITY		$ 2,551,561	$ 2,719,781

Nature and continuance of operations (Note 1)
Subsequent event (Note 13)

Approved by the Board of Directors on October 26, 2026:

"Kenneth Johnson"	*"Laura Lee Duffett"*
Director	Director

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

TRES-OR RESOURCES LTD.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)
UNAUDITED – PREPARED BY MANAGEMENT
(Expressed in Canadian Dollars)

	Note	Three months ended August 31, 2026	Three months ended August 31, 2025	Six months ended August 31, 2026	Six months ended August 31, 2025
GENERAL AND ADMINISTRATIVE EXPENSES					
Accretion	7	$ 16,102	$ 9,681	$ 32,203	$ 19,363
Management fees	7	27,000	-	27,000	-
Office and miscellaneous		5,965	3,293	6,128	5,933
Professional fees		6,879	9,101	9,232	9,398
Transfer agent and regulatory fees		2,419	4,007	9,826	5,091
Travel and promotion	7	2,742	357	2,742	3,072
		(61,107)	(26,439)	(87,131)	(42,857)
Foreign exchange		1,233	(2,684)	(1,259)	(1,948)
Write-off of accounts payable		10,367	169,353	10,367	169,353
Interest income		153	74	324	186
Income (loss) for the period		(49,354)	140,304	(77,699)	124,734
OTHER COMPREHENSIVE INCOME (LOSS)					
Items that will not be reclassified subsequently to profit or loss					
Unrealized gain (loss) on marketable securities	3	-	26,812	(106,436)	3,200
Total comprehensive income (loss) for the period		$ (49,354)	$ 167,116	$ (184,135)	$ 127,934
Basic and diluted income (loss) per common share		$ (0.00)	$ 0.01	$ (0.00)	$ 0.00
Weighted average number of common shares outstanding – basic and diluted		25,233,863	25,233,863	25,233,863	25,233,863

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

TRES-OR RESOURCES LTD.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY
UNAUDITED – PREPARED BY MANAGEMENT
(Expressed in Canadian Dollars)

	Number of Shares	Share Capital	Reserves	Contributed Surplus	Accumulated Other Comprehensive Income (Loss)	Deficit	Total
Balance – February 28, 2025	**25,233,863**	**$ 18,261,113**	**$ 2,272,453**	**$ 62,953**	**$ (1,415,364)**	**$ (17,000,614)**	**$ 2,180,541**
Unrealized gain on marketable securities	-	-	-	-	3,200	-	3,200
Realized loss on sale of marketable securities	-	-	-	-	1,600	(1,600)	-
Income for the period	-	-	-	-	-	124,734	124,734
Balance – August 31, 2025	**25,233,863**	**$ 18,261,113**	**$ 2,272,453**	**$ 62,953**	**$(1,410,564)**	**$(16,877,480)**	**$2,308,475**
Balance – February 28, 2026	**25,233,863**	**$ 18,261,113**	**$ 2,272,453**	**$ 72,397**	**$ (1,280,448)**	**$ (17,466,973)**	**$ 1,858,542**
Unrealized loss on marketable securities	-	-	-	-	(106,436)	-	(106,436)
Realized loss on sale of marketable securities	-	-	-	-	1,386,884	(1,386,884)	-
Loss for the period	-	-	-	-	-	(77,699)	(77,699)
Balance – August 31, 2026	**25,233,863**	**$ 18,261,113**	**$ 2,272,453**	**$ 72,397**	**$ -**	**$ (18,931,556)**	**$ 1,674,407**

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

TRES-OR RESOURCES LTD.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
UNAUDITED – PREPARED BY MANAGEMENT
(Expressed in Canadian Dollars)

	For the six months ended August 31, 2026	August 31, 2025
CASH FLOWS FROM OPERATING ACTIVITIES		
Income (loss) for the period	$ (77,699)	$ 124,734
Items not affecting cash		
Accretion	32,203	19,363
Foreign exchange	1,156	1,859
Write-off of accounts payable	(10,367)	(169,353)
Changes in non-cash working capital items		
Receivables	(2,350)	5,368
Prepaid expenses	(24,071)	316
Accounts payable and accrued liabilities	(31,624)	(33,924)
Due to related parties	24,547	(4,376)
	(88,205)	**(56,013)**
CASH FLOWS FROM INVESTING ACTIVITIES		
Exploration and evaluation assets expenditures	-	(2,841)
Proceeds from sale of marketable securities	108,966	10,400
	108,966	**7,559**
CASH FLOWS FROM FINANCING ACTIVITIES		
Loan proceeds	-	31,393
	-	**31,393**
Change in cash	20,761	(17,061)
Cash, beginning of the period	8,901	34,690
Cash, end of the period	**$ 29,662**	**$ 17,629**

Supplemental disclosure with respect to cash flows (Note 12)

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

1. NATURE AND CONTINUANCE OF OPERATIONS

Tres-Or Resources Ltd. (the "Company") was incorporated under the laws of the Province of British Columbia and is in the business of exploration and evaluation of mineral properties. To date, the Company has not earned significant revenues and is considered to be in the exploration stage. The Company is listed on the TSX Venture Exchange ("TSX-V") under the trading symbol "TRS".

The Company's registered office address is Suite 1500 – 1055 West Georgia Street, Vancouver, BC, V6E 4N7, Canada.

The condensed consolidated interim financial statements are presented in Canadian dollars unless otherwise indicated, which is the functional currency of the Company and its subsidiaries.

The Company is in the process of exploring its exploration and evaluation assets and has not yet determined whether the properties contain reserves that are economically recoverable. The recoverability of the amounts shown for exploration and evaluation assets and related deferred exploration costs are dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of those reserves and upon future profitable production.

These condensed consolidated interim financial statements of the Company have been prepared using accounting policies applicable to a going concern, which contemplate the realization of assets and settlement of liabilities in the normal course of business as they fall due for the foreseeable future. The Company has working capital deficiency at August 31, 2026 of $632,099 and a deficit of $18,931,556. The Company has not generated revenue from operations; additional financing will be required in the foreseeable future to fund the Company's established business plan. These circumstances comprise a material uncertainty which may cast significant doubt as to the ability of the Company to continue as a going concern. The Company will continue to pursue opportunities to raise additional capital through equity markets and/or related party loans to fund its exploration and operating activities; however, there is no assurance of the success or sufficiency of these initiatives. The Company's ability to continue as a going concern is dependent upon it securing the necessary working capital and exploration requirements and eventually to generate positive cash flows either from operations or additional financing. These condensed consolidated interim financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary if the going concern assumption was inappropriate, and these adjustments could be material.

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION

The condensed consolidated interim financial statements have been prepared on a historical cost basis, except for certain financial instruments that have been measured at fair value.

These condensed consolidated interim financial statements, including comparatives, have been prepared using accounting policies consistent with International Accounting Standards ("IAS") 34, Interim Financial Reporting.

Basis of Consolidation

These condensed consolidated interim financial statements include the accounts of the Company, which is incorporated under the laws of British Columbia, and its wholly owned subsidiaries: Temagami-Diamonds Ltd. and Vaaldiam do Brasil Mineração Ltda. All significant intercompany balances and transactions have been eliminated upon consolidation.

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (Cont'd)

Basis of Consolidation (Cont'd)

Name of subsidiary	Incorporation	Interest August 31, 2026	Interest February 28, 2026
Temagami-Diamonds Ltd.	Canada	100%	100%
Vaaldiam do Brasil Mineração Ltda. ("VBM")	Brazil	100%	100%

Subsidiaries

Subsidiaries are entities controlled by the Company. Control exists when the Company possesses power over an investee, has exposure to variable returns from the investee and has the ability to use its power over the investee to affect its returns. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Company.

Significant Accounting Estimates and Judgments

The preparation of these condensed consolidated interim financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the condensed consolidated interim financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These condensed consolidated interim financial statements include estimates which, by their nature, are uncertain. The impact of such estimates is pervasive throughout the condensed consolidated interim financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and judgment

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, if actual results differ from assumptions made, relate to, but are not limited to, the following:

i. whether or not an impairment has occurred in its exploration and evaluation assets.
ii. the inputs used in the accounting for share-based payments expense; and
iii. the inputs used in the accounting for finders' warrants and compensation options in share capital and equity reserves.

Critical accounting judgments

Examples of significant judgments, apart from those involving estimation, include:

- the accounting policies for exploration and evaluation assets

Significant accounting policies

The accounting policies applied by the Company in these condensed consolidated interim financial statements are the same as those applied by the Company as at and for the year ended February 28, 2026.

3. MARKETABLE SECURITIES

Marketable securities are recorded at fair value through other comprehensive income and are comprised of the following:

	August 31, 2026			February 28, 2026		
	Common shares	Market value	Cost	Common shares	Market value	Cost
Kiboko Gold Inc.	-	-	-	598,340	$ 215,402	$ 1,495,850
		-	-		$ 215,402	$1,495,850

During the period ended August 31, 2026, the Company sold 598,340 (year ended February 28, 2026 - 19,000) Kiboko shares for proceeds of $108,966 (February 28, 2026 - $380).

4. RECEIVABLES

The Company's receivables arise from goods and services tax ("GST") and Quebec sales tax ("QST") receivable due from the Canadian taxation authorities.

	August 31, 2026	February 28, 2026
Current		
GST and QST receivable	$ 5,447	$ 3,097

5. EXPLORATION AND EVALUATION ASSETS

	Quebec Diamond Projects	Brazil Diamond Projects	Total
Balance, February 28, 2025	**2,490,844**	**313,760**	**2,804,604**
Expenditures			
Claims maintenance	2,961	14,063	17,024
Office, Misc, & Travel	28	-	28
	2,989	**14,063**	**17,052**
Impairment	-	(327,823)	(327,823)
Mining tax credits and cost recoveries	(1,452)	-	(1,452)
Balance, February 28, 2026 and August 31, 2026	**$ 2,492,381**	**$ -**	**$ 2,492,381**

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

5. EXPLORATION AND EVALUATION ASSETS (Cont'd)

a) Quebec Diamond Projects

The Company owns a 100% interest in certain mineral claims including the Guigues Kimberlite claims, located in the Témiscamingue region of southwestern Quebec. In 2003, Tres-Or paid $133,920, completed $171,200 of exploration expenditures and issued 280,000 common shares with a value of $70,000 to earn its interest in certain of these claims including the Guigues Kimberlite. The vendors retain a 2.0% NSR. The Company may purchase 1% of the NSR for $1,000,000 at any time prior to commercial production of any mineral discovered on the claims and also retains the First Right of Refusal to buy-back the remaining 1.0% NSR. In addition, the Company agreed to deliver 100,000 common shares one day prior to the commencement of commercial production subject to regulatory approval.

The Company holds 2 mining licences in Sharpe and Savard townships, Ontario covering the Lapointe Kimberlite.

b) Brazil Diamond Projects

During the year ended February 29, 2024, the Company acquired VBM, a private Brazilian company, which holds several mineral explorations permits in the states of Minas Gerais and Mato Grosso, Brazil. The Company granted two 1.0% gross sales royalties from the gross proceeds of the sale of diamonds from the properties. The Company has the right to buy-back the royalties for each property for $1,500,000. During the year ended February 28, 2025, the Company relinquished two non-core permits and recorded an impairment charge of $12,530 (BRL 49,599) related to these two permits.

During the year ended February 28, 2026, the Company decided to cease operations in Brazil and impaired the project's carrying value of $327,823.

6. LOANS PAYABLE

As part of acquisition of VBM, the Company assumed a loan payable of $7,213 (BRL 26,963) from a director of the Company.

During the year ended February 29, 2024, the Company received loans from a director of the Company of $5,350 (BRL 20,000).

During the year ended February 28, 2025, the Company received loans from a director of the Company of $20,000 and $39,243 (BRL 146,700).

During the year ended February 28, 2026, the Company received loans from a director of the Company of $30,000 and $1,738 (BRL 6,500).

As at August 31, 2026, there was $50,000 and $53,544 (BRL 200,163) total loans outstanding. The loans are unsecured, non-interest bearing, and repayable on creditor's demand (Note 7).

During the period ended August 31, 2026, the Company recorded a loss on foreign exchange of $340 (2025 – $1,860) in relation to these loans.

7. RELATED PARTY TRANSACTIONS

Total amounts due to related parties consists of amounts due to private companies controlled by a director.

During the period ended August 31, 2026, the Company entered into the following transactions with related parties:

(a) Incurred $27,000 (2025 - $Nil) for management services to a private company controlled by a director of the Company.

During the year ended February 28, 2025, the Company entered into an agreement with this private company to defer the payment of $418,283 until October 1, 2026. This deferred amount is non-interest bearing and was considered to be made below the Company's estimated borrowing rate of 11% and as such, a contribution benefit of $62,953 was recorded in contributed surplus. During the period ended August 31, 2026, the Company recorded $21,457 (2025 - $19,363) of accretion in relation to the deferred amount owing. Subsequent to the period ended August 31, 2026 the $418,283 is further deferred until February 28, 2027.

During the year ended February 28, 2026, the Company entered into an agreement with this private company to defer another payment of $56,700 until October 1, 2027. This deferred amount is non-interest bearing and was considered to be made below the Company's estimated borrowing rate of 12% and as such, a contribution benefit of $9,444 was recorded in contributed surplus. During the period ended August 31, 2026, the Company recorded $2,900 (2025 - $Nil) of accretion in relation to the deferred amount owing.

As at August 31, 2026, the amount owing to this private company is $487,981 (February 28, 2026 - $438,261).

(b) Incurred $Nil (2025 - $2,550) as automobile allowance (included in travel and promotion) to a private company controlled by a director.

(c) Carries loans from a director of the Company as described in note 6.

8. SHARE CAPITAL AND EQUITY RESERVES

The authorized share capital of the Company consists of an unlimited number of common shares without par value and unlimited number of Class A preferred shares without par value.

There were no share transactions for the period ended August 31, 2026 and the year ended February 28, 2026.

Warrants

There are no warrants outstanding as at and during the period ended August 31, 2026 and the year ended February 28, 2026.

Stock options

The Company has adopted a formal stock option plan which follows the TSX-V policy under which it is authorized to grant options to officers, directors and employees to acquire up to 10% of issued and outstanding common stock. Under the plan, the exercise price of each option shall be fixed by the board of directors but shall be not less than the minimum price permitted by the TSX-V. The options can be granted for a maximum term of 10 years and vested as determined by the board of directors.

There are no stock options outstanding as at and during the period ended August 31, 2026 and the year ended February 28, 2026.

9. MANAGEMENT OF CAPITAL

The Company's capital structure consists of items in equity. The Company's objective when managing capital is to maintain adequate levels of funding to support the development of its businesses and maintain the necessary corporate and administrative functions to facilitate these activities. This is done primarily through equity financing. Future financings are dependent on market conditions and there can be no assurance the Company will be able to raise funds in the future. The Company invests all capital that is surplus to its immediate operational needs in short-term, highly-liquid, high-grade financial instruments. There were no changes to the Company's approach to capital management during the period. The Company is not subject to externally imposed capital requirements. The Company does not currently have adequate sources of capital to complete its exploration plan and ultimately the development of its business and will need to raise adequate capital by obtaining equity financing through private placement or debt financing.

10. FINANCIAL INSTRUMENTS

The Company is exposed to various financial instrument risks and assesses the impact and likelihood of this exposure. These risks include liquidity, credit, currency, interest rate, and price risks. Where material, these risks are reviewed and monitored by the Board of Directors.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with its financial liabilities. The Company has historically relied upon equity financings to satisfy its capital requirements and will continue to depend heavily upon equity capital to finance its activities. There can be no assurance the Company will be able to obtain required financing in the future on acceptable terms. The Company anticipates it will need additional capital in the future to finance ongoing exploration of its properties, such capital to be derived from the exercise of outstanding stock options and warrants, and/or the completion of other equity financings. The Company has limited financial resources, has no source of operating income and has no assurance that additional funding will be available to it for future exploration and development of its projects, although the Company has been successful in the past in financing its activities through the sale of equity securities. The ability of the Company to arrange additional financing in the future will depend, in part, on the prevailing capital market conditions and exploration success. In recent years, the securities markets in Canada have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. Any quoted market for the common shares may be subject to market trends generally, notwithstanding any potential success of the Company in creating revenue, cash flows or earnings. The Company is subject to liquidity risk.

Credit risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash, marketable securities and receivables. The Company limits exposure to credit risk on liquid financial assets through maintaining its cash with high-credit quality financial institutions.

Receivables mainly consist of sales tax refunds due from the governments of Canada.

Currency risk

The Company is exposed to foreign currency risk on fluctuations related to cash and cash equivalents, receivables and accounts payable and accrued liabilities that are denominated in BRL. A 10% fluctuation in the BRL against the Canadian dollar would affect profit and loss by approximately $7,100.

10. FINANCIAL INSTRUMENTS (Cont'd)

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. Cash is generally not exposed to interest rate risk because of its short-term maturity. The loan payable does not bear interest and is therefore not subject to interest rate risk.

Price Risk

The Company is exposed to price risk with respect to commodity and equity 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's investment in marketable securities was classified as FVTOCI. The Company closely monitors its marketable securities, stock market movements and commodity prices of precious metals, individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company.

Fair Value

The Company's financial instruments consist of cash, receivables, marketable securities, accounts payable and accrued liabilities, loans payable and due to related parties. The fair value of these financial instruments approximates their carrying values due to their short term to maturity. 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 was based on level 1 inputs of the fair value hierarchy.

11. SEGMENTED INFORMATION

The Company operates in one reportable operating segment, being the acquisition, exploration, and evaluation of exploration and evaluation assets in Canada and Brazil. Geographical information is as follows:

	Total Assets	Exploration and Evaluation Assets	Other Assets
August 31, 2026			
Canada	$ 2,551,467	$ 2,492,381	$ 59,086
Brazil	94	-	94
	$ 2,551,561	$ 2,492,381	$ 59,180
February 28, 2026			
Canada	$ 2,719,554	$ 2,492,381	$ 227,173
Brazil	227	-	227
	$ 2,719,781	$ 2,492,381	$ 227,400

12. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

Significant non-cash transactions of the Company for the period ended August 31, 2026 were as follows:

(a) Included in exploration and evaluation assets is $61,600 which relates to due to related parties.

Significant non-cash transactions of the Company for the period ended August 31, 2025 were as follows:

(a) Included in exploration and evaluation assets is $119,200 which relates to due to related parties.

13. SUBSEQUENT EVENT

Subsequent to the period ended August 31, 2026, the Company announced that it had entered into a definitive share exchange agreement with 2540575 Ontario Inc. (Ont-Co) and Tres-Or TEC Holding LP, for the previously announced acquisition of the Stonecutter diamond-gold project in Northwestern Ontario. Pursuant to the share exchange agreement, the Company will acquire all of the issued and outstanding common shares of Ont-Co from TEC Holding in exchange for the issuance of common shares of the Company, following which Ont-Co will become a wholly owned subsidiary of the Company.

Pursuant to the share exchange agreement, TEC Holding will be entitled to receive:

- 54,545,455 company shares, representing an aggregate value of $3,000,000 (based on a price of $0.055 per share) plus 1,661,145 company shares in satisfaction of certain expenses of Ont-Co associated with the transaction;
- A follow-on payment of $1,000,000, payable in cash, company shares or a combination thereof, upon the company filing a mineral resource estimate compliant with National Instrument 43-101 containing an estimate of more than 1.0 million carats of commercial-sized diamonds;
- A lump sum cash payment of $1,000,000 upon a commercial production decision for the Stonecutter project;
- A 2% gross sales royalty on diamond and gold sales from the Stonecutter project, up to a maximum aggregate amount of $28,000,000.

13. SUBSEQUENT EVENT (Cont'd)

In conjunction with the transaction, the Company intends to complete the following financings and conversions:

- A non-brokered private placement of approximately 7,272,727 company shares at an expected price of $0.055 per share for gross proceeds of approximately $400,000, to be used for working capital purposes;
- A non-brokered private placement of between 5,405,405 and 6,756,756 flow-through shares at a price of $0.074 per flow-through share for gross proceeds of between $400,000 and $500,000;
- Conversion of approximately $736,546 of the Company's accounts payable owing as of February 28, 2026, into 13,391,746 Company shares at a price of $0.055 per share; and
- Conversion of loans advanced by insiders of the Company to finance transaction costs, in an estimated aggregate amount of $112,863, into an estimated 2,052,054 Company shares at a price of $0.055 per share.

TEC Holding has also agreed to participate in the Company's financing with a lead order of 58% of the lesser of the aggregate gross proceeds of the Company's financing and $400,000.

Completion of the Transaction is subject to a number of conditions, including, but not limited to, Exchange acceptance and, if applicable, disinterested shareholder approval. Where applicable, the Transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the Transaction will be completed as proposed or at all.