LION ONE METALS LIMITED

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

FOR THE PERIOD ENDED SEPTEMBER 30, 2025

NOTICE OF NO AUDITOR REVIEW OF CONDENSED CONSOLIDATED 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 condensed consolidated interim financial statements, they must be accompanied by a notice indicating that an auditor has not reviewed the financial statements.

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.

LION ONE METALS LIMITED
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)
(Unaudited)

	September 30, 2025	June 30, 2025
ASSETS		
Current		
Cash	$ 14,891,430	$ 5,102,192
Receivables (Note 4)	11,547,868	8,721,020
Inventory (Note 6)	17,833,972	16,587,541
Prepaid expenses	3,490,119	2,291,641
	47,763,388	32,702,394
Non-current assets		
Right-of-use asset (Note 10)	283,084	311,392
Deposits (Note 5)	2,643,951	2,602,253
Other assets (Note 8)	445,427	445,427
Mineral property, plant and equipment (Note 5, 17)	178,354,441	167,682,351
Exploration and evaluation asset (Note 5, 17)	37,381,498	36,641,501
	$ 266,871,789	$ 240,385,318
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities (Note 9, 17)	$ 11,418,450	$ 7,368,567
Lease liability (Note 10, 17)	120,255	114,437
Loan facility (Note 7)	41,047,916	7,615,910
Accrued interest – loan facility (Note 7)	4,364,632	402,072
	56,951,253	15,500,986
Non-current liabilities		
Loan facility (Note 7)	2,388,432	35,384,189
Accrued interest – loan facility (Note 7)	547,020	4,411,495
Lease liability (Note 10, 17)	231,613	263,949
Reclamation and closure provision (Note 11)	1,191,038	1,170,333
	61,309,356	56,730,952
Shareholders' equity		
Share capital (Note 16)	235,332,854	227,086,021
Reserves (Note 16)	55,766,858	46,129,964
Accumulated other comprehensive income	6,272,729	2,881,393
Deficit	(91,810,008)	(92,443,012)
	205,562,433	183,654,366
	$ 266,871,789	$ 240,385,318

Nature of operations (Note 1)
Subsequent events (Note 21)

Approved and authorized by the Board on November 28, 2025:

"Walter H. Berukoff" Director *"Richard Meli"* Director

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

LION ONE METALS LIMITED
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME
(Expressed in Canadian Dollars)
FOR THE PERIOD ENDED SEPTEMBER 30

	2025	2024
Revenue (Note 12)	$ 18,197,453	$ 10,468,452
Cost of sales (Note 13)	(11,448,093)	(8,938,474)
Mine operating income	6,749,360	1,529,978
Expenses		
General and administrative (Note 14)	(1,792,272)	(1,089,235)
Depreciation (Note 10)	(28,308)	(28,308)
Share-based compensation (Note 16)	(2,704)	(260,717)
	(1,823,284)	(1,378,260)
Other income (expense)		
Foreign exchange gain (loss)	(1,403,129)	783,717
Interest and finance expense (Note 15)	(2,924,641)	(2,027,177)
Interest income	34,698	103,368
Income (loss) for the period	633,004	(988,374)
Other comprehensive income		
Foreign currency translation adjustment	3,391,336	3,583,507
Comprehensive gain for the period	$ 4,024,340	$ 2,595,133
Basic and diluted loss per share	$ (0.00)	$ (0.00)
Weighted average number of common shares outstanding		
Basic and diluted	301,632,807	253,137,578

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

LION ONE METALS LIMITED
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)
FOR THE THREE MONTHS ENDED SEPTEMBER 30

		2025		2024
CASH FLOWS (USED IN) OPERATING ACTIVITIES				
Net income (loss) for the period	$	633,004	$	(988,374)
Non-cash items:				
Foreign exchange loss (gain)		1,346,181		(783,717)
Depreciation (Note 10)		28,308		28,308
Depreciation in cost of sales (Note 13)		1,695,627		1,408,373
Interest and finance expense (Note 15)		416,819		354,749
Share-based payments		2,704		260,717
Changes in non-cash working capital items:				
Receivables		(2,705,656)		2,289,880
Prepaid expenses		(1,198,176)		(144,134)
Inventory		(1,454,737)		(5,297,923)
Accounts payable and accrued liabilities		2,817,889		1,666,172
		1,581,963		(1,205,949)
CASH FLOWS (USED IN) INVESTING ACTIVITIES				
Purchase of mineral property, plant and equipment		(7,466,462)		(4,664,741)
Exploration and evaluation asset expenditures		(462,648)		(441,126)
Deposits and other assets		(17,358)		(26,427)
		(7,946,468)		(5,132,294)
CASH FLOWS FROM FINANCING ACTIVITIES				
Cash proceeds from sale of shares – private placement		19,023,113		11,649,590
Share issuance costs on private placement		(861,601)		(1,304,537)
Repayment on debt facility		(2,017,536)		-
Payment of lease liability		(45,000)		(45,000)
		16,098,976		10,300,053
Effect of exchange rate changes on cash		54,767		831,521
Change in cash during the period		9,789,238		4,793,331
Cash, beginning of the period		5,102,192		6,731,873
Cash, end of the period	$	14,891,430	$	11,525,204
Supplementary cash flow information:				
Non-cash transactions:				
Depreciation expense capitalized to exploration and evaluation assets	$	(46,979)	$	(338,278)
Share-based payments expense capitalized to mineral property, plant and equipment, and exploration and evaluation assets		27,471		93,180
Depreciation included in inventory		904,521		128,550
Reclass from exploration and evaluation assets to mineral property assets		-		-
Value of warrants issued in private placement		9,316,236		2,046,550
Share-based payments expense – share issuance costs		290,483		199,673
Shares issued in lieu of finders fee – share issuance costs		315,000		-
Accounts payable and accrued liabilities in mineral property assets		2,473,866		5,477,733

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

LION ONE METALS LIMITED
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Expressed in Canadian Dollars)

	Share Capital					
	Number	Amount	Reserves	Deficit	Accumulated Other Comprehensive Income (Loss)	Total
Balance, June 30, 2024	230,550,241	$ 210,257,725	$ 41,359,397	$ (89,727,950)	$ 3,336,382	$ 165,225,554
Share-based payments – stock options	-	-	353,897	-	-	353,897
Private placement	31,485,379	11,649,590	-	-	-	11,649,590
Share issuance costs	-	(1,504,210)	199,673	-	-	(1,304,537)
Value of warrants issued in private placement		(2,046,550)	2,046,550	-	-	-
Comprehensive loss for the period	-	-	-	(988,374)	3,583,507	2,595,133
Balance, September 30,2024	262,035,620	$ 218,356,555	$ 43,959,517	$ (90,716,324)	$ 6,919,889	$ 178,519,637
Share-based payments – stock options	-	-	339,185	-	-	339,185
Private placement	31,798,761	10,811,579	-	-	-	10,811,579
Share issuance costs	-	(1,468,995)	238,144			(1,230,851)
Value of warrants issued in private placement	-	(1,593,118)	1,593,118	-	-	-
Deferred debt cost – shares issued	3,920,000	980,000	-	-	-	980,000
Shares return to treasury	(2)	-	-	-	-	-
Comprehensive loss for the period	-	-	-	(1,726,688)	(4,038,496)	(5,765,184)
Balance, June 30, 2025	297,754,379	$ 227,086,021	$ 46,129,964	$ (92,443,012)	$ 2,881,393	$ 183,654,366
Share-based payments – stock options	-	-	30,175	-	-	30,175
Private placement	59,469,228	19,030,153	-	-	-	19,030,153
Share issuance costs	-	(1,467,084)	290,483	-	-	(1,176,601)
Value of warrants issued in private placement	-	(9,316,236)	9,316,236	-	-	-
Comprehensive loss for the period	-	-	-	633,004	3,391,336	4,024,340
Balance, September 30,2025	357,223,607	$ 235,332,854	$ 55,766,858	$ (91,810,008)	$ 6,272,729	$ 205,562,433

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

1. NATURE OF OPERATIONS

Lion One Metals Limited ("Lion One" or the "Company") was incorporated on November 12, 1996 under the laws of the Province of British Columbia, Canada. The Company is in the business of mine development and exploration of mineral properties in Fiji. The Company is listed for trading on the TSX Venture Exchange ("TSX-V") under the symbol LIO and was listed on the Australian Securities Exchange ("ASX") under the symbol LLO until August 2024. The Company's head office and principal address is 306 - 267 West Esplanade, North Vancouver, BC, Canada, V7M 1A5. The address of the Company's registered and records office is Suite 1700 – 1055 West Hastings Street, Vancouver, BC, V6E 2E9.

The Company's condensed interim consolidated financial statements are presented in Canadian dollars.

These condensed interim consolidated financial statements have been prepared in accordance with IFRS Accounting Standards ("IFRS") with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The Company has not advanced its properties to commercial production. The Company estimates that it has adequate financial resources for the next twelve months and has negative working capital of $9,187,865 *(Note 20)*. In September and October 2025, the Company closed market public offerings (*Note 16, 21*), for gross proceeds of $33,632,005 and paid $2,081,141 of cash finders fees in relation to the Offering. The Company's continuation as a going concern is dependent upon the successful results from its exploration activities and its ability to attain profitable operations and generate funds therefrom and/or raise equity capital or borrowings sufficient to meet current and future obligations.

The condensed interim consolidated financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations. Continued operations of the Company are dependent on the Company's ability to receive financial support, obtain necessary financings, and/or generate profitable operations in the future.

2. BASIS OF PREPARATION

Statement of Compliance

These condensed interim consolidated financial statements, including comparatives, have been prepared in accordance with International Accounting Standards ("IAS") 34 'Interim Financial Reporting' ("IAS 34") using accounting policies consistent with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB"). As such, these interim financial statements do not contain all the disclosures required by IFRS for annual financial statements and should be read in conjunction with the Company's audited consolidated financial statements for the years ended June 30, 2025 and 2024 ("annual consolidated financial statements").

The condensed interim consolidated financial statements have been prepared on a historical cost basis except for certain financial assets measured at fair value. All dollar amounts presented are in Canadian dollars unless otherwise specified.

These condensed interim consolidated financial statements incorporate the financial statements of the Company and its wholly controlled subsidiaries. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The condensed interim consolidated financial statements include the accounts of the Company and its direct wholly-owned subsidiaries. All significant intercompany transactions and balances have been eliminated.

Basis of Consolidation and Presentation

Use of Estimates

The preparation of these condensed interim consolidated 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 financial statements and the reported expenses during the period. Actual results could differ from these estimates.

2. BASIS OF PREPARATION (cont'd…)

Judgments

The functional currency of each of the subsidiaries and the Company were assessed to determine the economic substance of the currency in which each entity performed its operations. The functional currency of the Company is the Canadian dollar. The functional currencies of the Company's subsidiaries have been assessed as follows:

	Country of Incorporation	Effective Interest	Functional currency
American Eagle Resources Inc.	Canada	100%	Canadian Dollar
Laimes International Inc.	BVI	100%	Canadian Dollar
Auksas Inc.	BVI	100%	Canadian Dollar
Lion One Pte Limited	Fiji	100%	Fijian Dollar
Lion One Australia Pty Ltd.	Australia	100%	Australian Dollar
Piche Resources Pty Ltd.	Australia	100%	Australian Dollar

These condensed interim consolidated financial statements have been prepared 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. If the going concern assumptions were not appropriate for these condensed interim consolidated financial statements, then adjustments would be necessary in the carrying value of assets and liabilities, the reported expenses and the condensed interim consolidated statements of financial position.

Estimates

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting period, that could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made, are as follows:

The carrying value and recoverability of exploration and evaluation assets and mineral property, plant and equipment requires management to make certain estimates, judgments and assumptions about its project. Management considers the economics of the project, including the latest resource prices and the long-term forecasts, and the overall economic viability of the project.

The determination of income tax is inherently complex and requires making certain estimates and assumptions about future events. While income tax filings are subject to audits and reassessments, the Company has adequately provided for all income tax obligations. However, changes in facts and circumstances as a result of income tax audits, reassessments, jurisprudence and any new legislation may result in an increase or decrease in the Company's provision for income taxes.

Share-based payments are subject to estimation of the value of the award at the date of grant using pricing models such as the Black-Scholes option valuation model. The option valuation model requires the input of highly subjective assumptions including the expected share price volatility. Where such valuations are applied, such as the time of a stock option grant or issuance of shares from trust, management provides detailed valuation assumptions.

Stockpiled mineralized materials, work-in-process inventory, and finished goods are measured at the lower of weighted average cost or net realizable value ("NRV"). The assumptions used in the valuation of work-in process inventory include estimates of the amount of gold and silver in the mill circuits and assumptions of the gold and silver prices expected to be realized when the metals are recovered. If these estimates or assumptions prove to be inaccurate, the Company could be required to write-down the recorded value of its work-in-process inventory, which would reduce the Company's earnings. The Company allocates mining costs between capital mine development activities and operating activities on a monthly basis, by using capital and operating meters advanced and ore tonnes and waste tonnes mined ore as a basis to allocate.

(Expressed in Canadian Dollars)

3. MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies and methods of computation applied by the Company in these condensed interim consolidated financial statements are the same as those applied in the Company's annual financial statements for the year ended June 30, 2025.

New accounting standards issued

Amendments to IAS 1, Presentation of Financial Statements
In January 2020, the International Accounting Standards Board ("IASB") issued "*Classification of Liabilities as Current or Non-current (Amendments to IAS 1)"*. The amendments clarify that the classification of liabilities as current or non-current should be based on rights that exist at the end of the reporting period. The amendments also clarify the definition of a settlement and provide situations that would be considered as a settlement of a liability. In October 2022, the IASB issued "*Non-current Liabilities with Covenants (Amendments to IAS 1)"*. These further amendments clarify how to address the effects on classification and disclosure of covenants that an entity is required to comply with on or before the reporting date and covenants that an entity must comply with only after the reporting date. The amendments are effective for reporting periods beginning on or after January 1, 2024. The Company has determined that there is no material impact on the condensed interim consolidated financial statements.

New accounting standards issued but not yet effective

IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 Presentation and Disclosure in Financial Statements, which will replace IAS 1, Presentation of Financial Statements aims to improve how companies communicate in their financial statements, with a focus on information about financial performance in the statement of profit or loss, in particular additional defined subtotals, disclosures about management-defined performance measures and new principles for aggregation and disaggregation of information. IFRS 18 is accompanied by limited amendments to the requirements in IAS 7 Statement of Cash Flows. IFRS 18 is effective from January 1, 2027. Companies are permitted to apply IFRS 18 before that date. The Company is in the process of assessing if the new accounting standards will have a significant effect on the Company's condensed interim consolidated financial statements.The Company will defer implementation until the effective date.

4. RECEIVABLES

Accounts receivables	September 30, 2025	June 30, 2025
GST and VAT receivables	$ 10,151,326	$ 8,429,148
Trade receivables	1,207,771	219,092
Other receivables	188,771	72,780
Balance, end of the period	$ 11,547,868	$ 8,721,020

(Expressed in Canadian Dollars)

5. MINERAL PROPERTY, PLANT AND EQUIPMENT

	Property, plant and equipment	Construction in progress (CIP) Mill	Construction in progress (CIP) Mine	Mill	Mineral property	Exploration and evaluation assets	Total
Acquisition costs							
Balance, June 30, 2024	$ -	$ -	$ -	$ -	$ 11,163,198	$ 10,751,865	$ 21,915,063
Transfer to mineral property	-	-	-	-	-	-	-
Balance, June 30, 2025 and September 30, 2025					11,163,198	10,751,865	21,915,063
Costs							
Balance, June 30, 2024	$ 42,773,383	$ 2,096,011	$ 24,088,020	$ 27,151,598	$ 54,724,521	$ 24,258,104	$ 175,091,637
Additions for the period	7,787,731	265,212	9,909,527	2,968,864	4,108,697	1,652,741	26,692,772
Reclass from Mill to PPE	1,208,568	(794,305)	-	(414,263)	-	-	-
Transfer from CIP Mill to Mill	-	(608,586)	-	608,586	-	-	-
Foreign currency translation	(51,757)	(13,677)	(256,417)	(66,034)	(106,206)	(21,209)	(515,300)
Balance, June 30, 2025	51,717,925	944,655	33,741,130	30,248,751	58,727,012	25,889,636	201,269,109
Additions for the period	4,117,142	1,147,452	4,046,334	1,217,686	184,940	524,863	11,238,417
Foreign currency translation	431,141	285,176	1,001,917	302,631	45,963	215,134	2,281,962
Balance, September 30, 2025	$ 56,266,208	$ 2,377,283	$ 38,789,381	$ 31,769,068	$ 58,957,915	$ 26,629,633	$ 214,789,488
Accumulated depreciation							
Balance, June 30, 2024	$ 9,327,061	$ -	$ 17,918	$ 2,313,326	$ 4,586	$ -	$ 11,662,891
Additions for the period	4,615,788	-	36,134	2,570,416	9,248	-	7,231,586
Cumulative translation	(34,157)	-	-	-	-	-	(34,157)
Balance, June 30, 2025	13,908,692	-	54,052	4,883,742	13,834	-	18,860,320
Additions for the year	1,345,615	-	9,108	623,469	2,331	-	1,980,523
Cumulative translation	127,769	-	-	-	-	-	127,769
Balance, September 30, 2025	$ 15,382,076	$ -	$ 63,160	$ 5,507,211	$ 16,165	$ -	$ 20,968,612
Net book value							
As at June 30, 2025	$ 37,809,233	$ 944,655	$ 33,687,078	$ 25,365,009	$ 69,876,376	$ 36,641,501	$ 204,323,852
As at September 30, 2025	$ 40,884,132	$ 2,377,283	$ 38,726,221	$ 26,261,857	$ 70,104,948	$ 37,381,498	$ 215,735,939

(Expressed in Canadian Dollars)

5. MINERAL PROPERTY, PLANT AND EQUIPMENT (cont'd…)

Tuvatu Gold Project

The Company's primary asset is the Tuvatu Gold Project located near Nadi on the island of Viti Levu, Fiji.

In January 2015, the Mineral Resources Department ("MRD") of Fiji granted Special Mining Lease 62 ("SML 62") on the Tuvatu project to the Company. SML 62 is a designated area within the original boundaries of the Company's Special Prospecting Licenses ("SPL's") 1283 and 1296. SML 62 provides exclusive rights for the potential development, construction, and operation of mining, processing, and waste management infrastructure at Tuvatu. The terms of the mining lease provide for certain performance and reporting requirements. The SML has been granted for a term of ten years provided the Company complies with the terms of the lease. Extensions to the term can be applied subject to the terms of the lease and the Mining Act. In August 2022, SML 62 was extended for an additional 10 year term renewable to February 28, 2035. A performance and environmental bond of FJD$2,634,795 ($1,613,253) (June 30, 2025 - FJD $2,634,795 ($1,598,304) has been placed on deposit with the MRD. The SML is subject to annual lease payments of FJD$73,697 ($45,124).

The Fiji properties are subject to a perpetual production royalty of 0.5% to 1.5% of net smelter returns. This NSR is payable to Laimes Global Inc., a company controlled by Walter Berukoff, director of the Company. In addition, SML 62 is subject to a step royalty payable to the government of Fiji starting at 0% in 2023, 0.5% in 2024, 1.1% in 2025, 2% in 2026, 3% in 2027 and 5% then onwards.

Surface Lease Agreement

The Company holds a 21-year Surface Lease agreement with the iTaueki Land Trust Board ("TLTB") which governs the native land ownership rights in Fiji. The TLTB manages the lease agreements between native land owners and tenants. Under the terms of the Surface Lease, the Company must make a one-time payment of FJD$1,000,000 of which FJD$700,000 ($428,602) was paid upon acceptance of the Surface Lease agreement. In March 2019, the Company paid FJD$249,497 ($152,764) to the TLTB with FJD$50,503 ($30,922) remaining is due upon the first gold production from mining operations in Tuvatu. An additional lease payment of FJD$30,000 ($18,369) is payable per annum to the local communities for education and community development over the 21-year term of the Surface Lease agreement.

The application of the Company's accounting policy for mineral property development costs required judgement to determine when the Tuvatu Project Project's technical feasibility and commercial viability had been demonstrated. The Company considered the approval of the Company's Board of Directors to start the detailed engineering, procurement, and construction of the 500 tonne per day Tuvatu Project process plant, along with the substantial amount of work that had been completed on the 300 tonne per day pilot plant to date, and concluded that the technical feasibility and commercial viability had been achieved.

Fiji Exploration Properties

The Company holds four exploration licenses (SPL's) for the Tuvatu properties as granted by the MRD. Under the terms of the SPL's, the Company is required to spend a minimum threshold of expenditures on each of the licenses.

SPL	Issued	Expiry Date	Bond (Fijian $)	Bond (Canadian $)	Expenditure Requirement (Fijian $)	Expenditure Requirement (Canadian $)
1283**	Aug. 24, 2020	Aug. 23, 2025	158,180	96,852	1,400,000	857,203
1296**	Aug. 24, 2020	Aug. 23, 2025	158,180	96,852	1,600,000	979,661
1465**	Mar. 5, 2022	Mar. 4, 2025	67,979	41,623	679,789	416,227
1512	Dec. 11, 2024	Dec. 11, 2029	633,223	387,715	1,200,000	734,746

**The Company is in the process of renewing SPL 1283, SPL 1296 & SPL 1465.

(Expressed in Canadian Dollars)

5. MINERAL PROPERTY, PLANT AND EQUIPMENT (cont'd…)

Deposits

As at September 30, 2025, the Company paid $367,732 other deposits in Fiji (June 30, 2025 - $347,128).

Bonds

The SPL's require the posting of bonds as security against future reclamation obligations. As at September 30, 2025, the Company has bonds of $2,236,294 (June 30, 2025 - $2,215,571) held with the MRD pursuant to SML62 and the SPL's and an environmental bond of $39,925 (June 30, 2025 – $39,554) held with the Ministry of Environment. These are recorded as Deposits on the statements of financial position.

6. INVENTORY

The Company's inventory is comprised of the following:

	September 30, 2025	June 30, 2025
Mineralized materials	$ 358,388	$ 380,959
Work-in-process	4,040,075	4,184,377
Finished goods	821,674	841,059
Materials and supplies	12,613,835	11,181,146
Total inventory	$ 17,833,972	$ 16,587,541

7. LONG TERM DEBT

Financing Facility

On January 19, 2023 the Company entered into a facility agreement with Nebari Gold Fund 1, LP, Nebari Natural Resources Credit Fund I, LP and Nebari Natural Resources Credit Fund II, LP (collectively, "Nebari"), with Nebari Collateral Agent, LLC as collateral agent and certain Lion One subsidiaries as guarantors, for a financing facility of up to US$37,000,000 (the "Financing Facility"). The Financing Facility consists of a US$35,000,000 senior secured first lien term loan (the "Loan Facility") and a US$2,000,000 ($2,687,800) equity investment ("the Equity Investment") in common shares of the Company.
The total amount of the Loan Facility was funded in three tranches, with the US$23,000,000 funded on February 9, 2023 ("Tranche 1"), US$6,000,000 funded on December 29, 2023 and US$2,000,000 funded on January 3, 2024 ("Tranche 2") net of 2% closing fee, US$4,000,000 funded on December 2, 2024 ("Tranche 3") net of 2% closing fee. Tranche 1 was subject to interest of 8% plus the three-month secured overnight financing rate, as administered by Federal Reserve Bank of New York ("SOFR"), with no scheduled principal repayments until maturity on August 8, 2026. Tranche 2 was subject to an 8% Original Issue Discount ("OID") and interest is 10% plus SOFR, with progressive amortization over 42 months from the funding date. Tranche 2 principal repayments are to be made in seven equal installments starting on December 31, 2025 to June 30, 2027. Tranche 3 was subject to an 8% OID and interest is 10% plus SOFR, with progressive amortization over 6 months from June 30, 2025. Tranche 3 principal repayments are in three equal installments starting on June 30, 2025, September 30, 2025 and December 31, 2025. As at October 2024, in Nebari's opinion under the market disruption terms in the loan agreement, the Term SOFR rate did not accurately reflect the cost of funding the Loan, and 4.61% which was the SOFR rate as at September 30, 2024 better reflects the cost of funding and was used to calculate the interest rate from October 1, 2024 to June 30, 2025. Following the first month in which the Tuvatu Project produces at least 2,000 ounces of gold, the Company shall pay to Nebari a royalty equal to 0.5% of the net smelter returns on the first 400,000 ounces of gold produced and sold from the Tuvatu Project.

On February 9, 2023, the Company received total proceeds of US$25,000,000 from its Financing Facility, which was comprised of US$23,000,000 ($30,452,000) from Tranche 1 and completion of the US$2,000,000 ($2,687,800) Equity Investment, with Nebari purchasing 3,125,348 common shares of the Company at a price of $0.86 per share. The Tranche 1 interest accrued from February 9, 2023 to June 30, 2024 was capitalized and added to the principal amount outstanding of the Loan Facility.

7. LONG TERM DEBT (cont'd…)

The Company received US$7,840,000 net of 2% closing fee for Tranche 2 which was comprised of US$6,000,000 ($7,935,600) received on December 29, 2023 and US$2,000,000 ($2,671,200) received on January 3, 2024. The Company recorded an OID fee of $944,000 to the principal. The interest with respect to Tranche 2 was to be expensed and added to the principal amount outstanding of the Loan Facility from December 29, 2023 to September 30, 2024, with monthly interest payments beginning on September 30, 2024.

The Company received US$4,000,000 ($5,622,400) net of 2% closing fee from Tranche 3. The Company recorded an OID fee of $488,904 to the principal. The interest with respect to Tranche 3 will be expensed and with monthly interest payments beginning on December 31, 2024. The Company issued 3,920,000 common shares of the Company to Nebari. These common shares were valued at $980,000 and netted with the proceeds from Tranche 3 as debt issue costs.

In September 2024, the Company entered into an agreement to defer interest payments related to Tranche 1 and 2, due on September 30, 2024 to November 22, 2024. During the period ended September 30, 2025, the Company paid interest payments of $1,730,665 (June 30, 2025 - $7,236,808) to Nebari for Tranche 1, 2 and 3. As at September 30, 2025, interest accrued was $4,911,652 (June 30, 2025- $4,813,567).

On September 9, 2025, the Company announced that it has entered into a forbearance agreement (the "Forbearance Agreement") with Nebari pursuant to which Nebari has agreed to waive the application of the working capital covenant under the Financing Facility. Subsequent to the year ended June 30, 2025, on maturity of Tranche 1 of the Financing Facility in August 2026, Tranche 1 was reclassified as a current liability. The Forbearance Agreement extends to December 31, 2025 and is subject to ongoing compliance covenants, including the raising of capital to ensure the timely principal and accrued interest repayments, which the Company satisfied by closing non brokered private placement offerings in September and October 2025, with a total of 105,100,016 common shares issued at a price of $0.32 each for gross proceeds of $33,632,005 (Note 21).

On October 23, 2025, the Company made the final Tranche 3 principal payment of US $1,449,275 ($2,036,231) to fully extinguish Tranche 3 and also made Tranche 2 prinical payment of US 1,341,813 ($1,855,247) in advance of the December 31, 2025 due date.

Debt Issue Costs

As part of the Tranche 1 loan facility with Nebari, the Company issued 15,333,087 warrants ("Tranche 1 Warrants") of the Company to Nebari, exercisable into common shares of the Company at a price of $1.49 for a period of 42 months from issuance (Note 16 (d)).

The Tranche 1 Warrants were valued at $5,194,865 using the Black-Scholes option pricing model using the following assumptions: risk free interest rate 2.99%, expected life of 3.5 years, annualized volatility 75% and dividend rate at nil. The Company also incurred deferred debt costs for professional and legal fees of $850,804. Of the total debt issue costs incurred, the Company recorded $559,100 as transaction costs which are netted against Tranche 1 with the debt and amortized over the term of the Loan Facility on an effective interest basis, and $194,469 was recorded as transaction costs for Tranche 2, recognized during the year ended June 30, 2024. The remainder of $97,235 was recorded as transaction costs for Tranche 3, recognized during the year ended June 30, 2025. All transaction costs are netted with the proceeds and amortized over the term of each respective Tranche on an effective interest rate basis.

As part of Tranche 2, the Company amended the facility agreement to re-price the 15,333,087 Tranche 1 Warrants issued from $1.49 to $1.15 with expiry date extended from August 9, 2026 to February 9, 2027. The Company also incurred deferred debt costs for professional and legal fees of $186,132, a closing fee of $213,696 and an OID fee of $944,000.

As part of Tranche 3, the Company issued 3,920,000 common shares of the Company to Nebari, the common shares were valued at $980,000. The Company also incurred deferred debt costs for professional and legal fees of $577,379, a closing fee of $112,448 and an OID fee of $488,904. The Company recognized a $259,926 debt modification gain.

During the period ended September 30, 2025, the Company recorded $1,165,735 (June 30, 2025 - $4,051,371) of accretion and $1,730,665 (June 30, 2025 - $7,236,808) to interest and finance expenses.

(Expressed in Canadian Dollars)

7. LONG TERM DEBT (cont'd…)

All debts under the Loan Facility are guaranteed by the Company and its subsidiaries: American Eagle Resources, Inc., Laimes International Inc., Auksas Inc., and Lion One Pte Limited, and secured by the assets of the Company and pledges of the securities of the aforementioned Company's subsidiaries. The Loan Facility includes certain covenants that are calculated on the last day of each calendar month. As at September 30, 2025, the Company was in compliance with all covenants.

Repayment of current and long-term debt:

The annual commitments over the term of the loan is as follows:

Less than one year	$43,588,418
One to two years	$7,464,287

Loan Facility	September 30, 2025	June 30, 2025
Balance, beginning of the period	$ 43,000,099	$ 37,634,301
Drawdown	-	6,223,752
Deferred debt costs incurred	-	(2,255,966)
Loan repayment	(2,017,536)	(1,981,884)
Debt modification gain	-	(259,926)
Deferred debt costs amortized	1,165,735	4,051,371
Foreign exchange (gain) loss	1,288,050	(411,549)
Total debt, net of deferred debt costs	43,436,348	43,000,099
Loan facility (current)	41,047,916	7,615,910
Loan facility (long-term)	2,388,432	35,384,189
Current accrued interest	4,364,632	402,072
Non-current accrued interest	547,020	4,411,495
	$ 48,348,000	$ 47,813,666

Deferred Debt Cost	September 30, 2025	June 30, 2025
Balance, beginning of the period	$ (3,950,099)	$ (5,745,504)
Deferred debt costs incurred	-	(2,255,966)
Deferred debt costs amortized	1,165,735	4,051,371
Total deferred debt costs	$ (2,784,364)	$ (3,950,099)

8. OTHER ASSETS

Mining Equipment Deposit

In July 2018, the Company paid an AUD$1,097,280 ($1,075,334) deposit to an Australian mining contractor towards the refurbishment and purchase of certain mining equipment. In May 2021, the Company requested the delivery of the mining equipment to Fiji and to date it has not been delivered. During the year ended June 30, 2021, the Company wrote down the deposit by $632,147 to its estimated carrying value. As at September 30, 2025, the estimated carrying value is $445,427 (June 30, 2025 - $445,427).

(Expressed in Canadian Dollars)

9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities	September 30, 2025	June 30, 2025
Trade payables	$ 9,125,877	$ 5,192,967
Accrued liabilities	1,525,797	1,734,800
Payroll related liabilities	766,776	440,800
Balance, end of the period	$ 11,418,450	$ 7,368,567

10. RIGHT-OF-USE ASSET AND LEASE LIABILITY

On April 1, 2023, the Company recognized $566,168 for a right-of-use-asset for the office space lease and $566,168 for the lease liability equal to the present value of office space lease payments over a 60-month period ending March 31, 2028, discounted by using the Company's estimated incremental borrowing rate of 20.0%.

Right-of-use asset

	September 30, 2025	June 30, 2025
Opening balance	$ 311,392	$ 424,626
Depreciation	(28,308)	(113,234)
	$ 283,084	$ 311,392

Lease liability

	September 30, 2025	June 30, 2025
Opening balance	$ (378,386)	$ (472,234)
Payments	45,000	180,000
Accreted interest	(18,482)	(86,152)
	$ (351,868)	$ (378,386)
Lease liability (current)	(120,255)	(114,437)
Lease liability (non-current)	(231,613)	(263,949)
	$ (351,868)	$ (378,386)

The annual commitment over the term of the lease is as follows:

Less than one year	$180,000
One to two years	$180,000
Two to three years	$90,000

11. RECLAMATION AND CLOSURE PROVISION

The Company has recorded a reclamation provision of $1,191,038 (June 30, 2025 - $1,170,333) for future reclamation costs associated with the Tuvatu pilot plant and gold mine project currently in construction in Fiji. The reclamation costs has been calculated to reflect the amount of expected future net cash outflows discounted to present value for the future reclamation of disturbances incurred as at September 30, 2025. The reclamation provision has been recorded using a discount rate of 3.9% and an inflation factor of approximately 5.1%. As at September 30, 2025, total undiscounted estimated reclamation costs are approximately $981,000 (June 30, 2025 - $981,000).

	September 30, 2025	June 30, 2025
Balance, beginning of the period	$ 1,170,333	$ 1,132,300
Increase in estimated cash flows resulting from current activities	-	-
Accretion	9,759	38,973
Effect of changes in foreign exchange rates	10,946	(940)
Balance, end of the period	$ 1,191,038	$ 1,170,333

(Expressed in Canadian Dollars)

12. REVENUE

The Company had revenue of $18,197,453 (2024 - $10,468,452) from sale of 3,813 (2024 – 3,129) gold ounces and 2,246 (2024 – 1,093) silver ounces to one customer.

A summary of revenue for the period ended September 30:

Revenue	2025	2024
Gold	$ 18,075,099	$ 10,424,524
Silver	122,354	43,928
Total revenue	$ 18,197,453	$ 10,468,452

13. COST OF SALES

A summary of cost of sales for the period ended September 30:

Cost of sales	2025	2024
Production costs	$ 9,191,384	$ 7,275,261
Depreciation	1,695,627	1,408,373
Refining and transportation costs	94,365	29,810
Royalties	466,717	225,030
Total cost of sales	$ 11,448,093	$ 8,938,474

14. GENERAL AND ADMINISTRATIVE

A summary of general and administrative expenses for the period ended September 30:

General and administrative	2025	2024
Professional fees	$ 658,072	$ 387,353
Office expenses	251,215	245,444
Investor relations	154,392	103,806
Management fees	156,498	80,000
Shareholder communications and filings	22,485	52,012
Travel	70,686	52,070
Licenses, dues, and insurance	196,583	60,827
Consulting fees	251,656	103,723
Directors' fees	30,685	4,000
Total general and administrative expenses	$ 1,792,272	$ 1,089,235

(Expressed in Canadian Dollars)

15. INTEREST AND FINANCE EXPENSE

A summary of interest and finance expense for the period ended September 30:

Interest and finance		2025		2024
Accretion expense – Lease liability (Note 10)	$	18,482	$	23,253
Interest expense – Financing facility (Note 7)		1,730,665		1,662,724
Accretion expense – Deferred debt costs (Note 7)		1,165,735		331,497
Accretion expense - Reclamation and closure provision (Note 11)		9,759		9,703
Total interest and finance expense	$	2,924,641		$2,027,177

16. SHARE CAPITAL AND RESERVES

a) Authorized share capital

Unlimited number of common shares without par value.

b) Bought Deal Offering

On September 24, 2025, the Company closed a market public offering, of 58,484,853 units at a price of $0.32 per unit for gross proceeds of $18,715,153. Each unit consists of a common share of the Company and one common share purchase warrant. Each common share purchase warrant may be exercised to purchase a common share purchase at a price of $0.42 until September 24, 2028. The Company recognized $9,316,236 residual value relating to the share purchase warrants from the offering.

In connection to the Offering, the Company incurred broker, filing and legal fees of $861,601 and recognized $290,483 of share issuance costs related to the issuance of 3,306,087 non-transferable compensation options ("CO") (Note 16(e)), each CO is exercisable to purchase a common share at a price of $0.32 until September 24, 2027. The fair value of the CO's of $290,483 was determined using the Black-Scholes option pricing model using the following assumptions: risk free interest rate 2.65%, expected life of 2 years, annualized volatility 69.5% and dividend rate at nil. In lieu of receiving $315,000 of cash finders fee, one finder received 984,375 Offered Units at the issue price of $0.32.

On February 14, 2025, the Company closed a market public offering, of 31,798,761 units at a price of $0.34 per unit for gross proceeds of $10,811,579. Each unit consists of a common share of the Company and one common share purchase warrant. Each common share purchase warrant may be exercised to purchase a common share purchase at a price of $0.41 until February 14, 2028. The Company recognized $1,593,118 residual value relating to the share purchase warrants from the offering.

In connection to the Offering, the Company incurred broker, filing and legal fees of $1,230,850 and recognized $238,144 of share issuance costs related to the issuance of 2,000,375 non-transferable compensation options ("CO") (Note 16(e)), each CO is exercisable to purchase a common share at a price of $0.34 until February 14, 2028. The fair value of the CO's of $238,144 was determined using the Black-Scholes option pricing model using the following assumptions: risk free interest rate 2.51%, expected life of 3 years, annualized volatility 66.33% and dividend rate at nil.

(Expressed in Canadian Dollars)

16. SHARE CAPITAL AND RESERVES (cont'd…)

On July 26, 2024, the Company completed a market public offering of 31,485,379 units, at price of $0.37 per unit for gross proceeds of $11,649,590 (the "Offering"). Each unit consists of a common share of the Company and one common share purchase warrant. Each common share purchase warrant, may be exercised to purchase a common share at a price of $0.50 until July 26, 2027. The Company recognized $2,046,550 residual value relating to the share purchase warrants from the offering.

In connection to the Offering, the Company incurred broker, filing and legal fees of $1,304,538 and recognized $199,673 of share issuance costs related to the issuance of 1,996,891 non-transferable compensation options ("CO") (Note 16(e)), each CO is exercisable to purchase a common share at a price of $0.37 until July 26, 2026. The fair value of the CO's of $199,673 was determined using the Black-Scholes option pricing model using the following assumptions: risk free interest rate 3.92%, expected life of 2 years, annualized volatility 64.99% and dividend rate at nil.

On December 12, 2024, in connection with the amended Loan Facility agreement, on receipt of Tranche 3 funds, the Company issued 3,920,000 common shares of the Company to Nebari, valued at $980,000 (2024 - $Nil) (Note 7).

c) Stock options

The TSX-V accepted the Company's Stock Option Plan, which was approved by the Company's shareholders at the Annual General Meeting ("AGM") held on December 12, 2024. A rolling stock option plan has been implemented whereby a maximum of 10% of the issued shares will be reserved for issuance under the plan. Options can be granted for a term not to exceed ten years. Shareholder approval must also be obtained yearly at the Company's AGM and in addition, submitted for review and acceptance by the TSX-V each year.

Stock option transactions are summarized as follows:

	Number of Stock Options	Weighted Average Exercise Price
Balance, June 30, 2024	14,131,666	$ 1.17
Forfeited and expired	(2,611,666)	1.35
Balance, June 30, 2025	11,520,000	1.13
Forfeited and expired	(800,000)	1.09
Balance, September 30, 2025	10,720,000	$ 1.13

The following stock options are outstanding and exercisable as at September 30, 2025:

	Number of Options Outstanding	Exercise price	Number of Options Exercisable	Expiry date
Stock Options	2,745,000	$1.25	2,745,000	June 2, 2026
	2,811,666	1.25	2,811,666	September 3, 2027
	4,830,000	1.00	3,220,006	December 13, 2028
	10,720,000		8,776,672	

During the period ended September 30, 2025, the Company granted Nil (2024 – Nil) stock options. The weighted average fair value of options granted during the period was $Nil per share (2024 - $Nil). Total share-based payments recognized for the period ended September 30, 2025 was $30,175 (2024 - $353,897) for incentive options granted and vested. Share-based payments expense of $2,704 (2024 - $260,717) was recognized in the condensed interim consolidated statement of loss and comprehensive loss with the balance of $15,237 (2024 – $26,132) capitalized to exploration and evaluation assets, $12,234 (2024 - $67,048) was recognized in mineral property, plant and equipment, which relates to employees and consultants working on the Tuvatu property.

(Expressed in Canadian Dollars)

16. SHARE CAPITAL AND RESERVES (cont'd…)

d) Warrants

The warrants were issued from May 2023, Feb. 2024, July 2024, Feb. 2025 and Sep. 2025 private placements.

Warrant transactions are summarized as follows:

	Number of Warrants	Weighted Average Exercise Price	Expiry Date
Balance, June 30, 2024	62,832,087	$ 0.78	
Warrants issued – Note 16(b)	31,485,379	0.50	July 26, 2027
Warrants issued – Note 16(b)	31,798,761	0.41	February 14, 2028
Balance, June 30, 2025	126,116,227	$ 0.62	
Warrants issued – Note 16(b)	59,469,228	0.42	September 24,2028
Warrants expired	(8,674,000)	1.05	September 29,2025
Balance, September 30, 2025	176,911,455	$ 0.53	

On November 11, 2025, 14,675,000 of the outstanding Warrants at exercise price of $1.25 expired.

e) Compensation Options

The compensation options were issued from May 2023, Feb. 2024, July 2024, Feb. 2025 and Sep. 2025 private placements.

Compensation Options are summarized as follows:

	Number of Options	Weighted Average Exercise Price	Expiry Date
Balance, June 30, 2024	4,244,880	$ 0.79	
Issued – Note 16(b)	1,996,891	0.37	July 26, 2026
Issued – Note 16(b)	2,000,375	0.34	February 14, 2028
Balance outstanding and exercisable, June 30, 2025	8,242,146	$ 0.58	
Expired	(1,040,880)	0.77	September 29,2025
Issued – Note 16(b)	3,306,087	0.32	September 24, 2028
Balance outstanding and exercisable, September 30, 2025	10,507,353	$ 0.48	

On November 11, 2025, 1,755,000 of the Compensation Options at exercise price of $0.92 expired.

(Expressed in Canadian Dollars)

17. RELATED PARTY TRANSACTIONS

Management Compensation

Key management personnel comprise of the: Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, Senior Vice President Exploration and Vice President, Corporate Secretary of the Company, members of the Board of Directors and related companies. The remuneration of the key management personnel is as follows for the period ended September 30:

		2025		2024
Payments to key management personnel:				
Cash compensation expensed to management fees, professional fees, investor relations, directors fees and consulting fees	$	619,453	$	366,484
Cash compensation capitalized to mineral property, plant and equipment and exploration and evaluation assets		268,077		223,820
Share-based payments		(27,088)		138,254

During the period ended September 30, 2025, the Company paid $45,000 (2024 - $45,000) in rent to Cabrera Capital Corp. (“Cabrera”), a company controlled by Walter Berukoff, a director of the Company. As at September 30, 2025, the Company had a lease liability of $351,868 (June 30, 2025 – $378,386) due to Cabrera equal to the present value of office space lease payments over the term of the lease. As at September 30, 2025, the Company has a payable of $143,338 (June 30, 2025 – $234,706).

The Company had a management and corporate services agreement with Cabrera pursuant to which Cabrera provides a fully furnished and equipped business premises as well as management and administration services to the Company. With the exception of rent expense, Cabrera charges the Company on a cost-recovery basis. On April 1, 2023, the Cabrera management and corporate services agreement was renewed for an additional 5-year term.

During the period ended September 30, 2025, the Company paid $63,066 (2024 - $52,009) in rent to Lions Den (Fiji) Pte Limited, a company controlled by Walter Berukoff, the director of the Company, for short-term and long-term accommodations including utilities in Fiji, and as of September 30, 2025, has a receivable of $42,179 (June 30, 2025 – receivable $37,382).

During the period ended September 30, 2025, the Company paid $268,768 (2024 – $154,984) in royalty to Laimes Global, Inc, a company controlled by Walter Berukoff, the director of the Company. As at September 30, 2025, the Company has a payable of $348,078 (June 30, 2025 – $249,961).

During the period ended September 30, 2025, the Company paid professional fees of $2,703 (2024 - $13,704) to a management services company owned by David McArthur, a director of the Company’s subsidiary, Lion One Australia Pty Ltd. As at September 30, 2025, the Company had a payable of $2,013 (June 30, 2025 - $984).

During the period ended September 30, 2025, the Company paid professional fees of $60,000 (2024 - $40,000) to Richard Meli, a director of the Company, for consulting services. As at September 30, 2025, the Company had a payable of $2,250 (June 30, 2025 - $Nil).

(Expressed in Canadian Dollars)

18. SEGMENTED INFORMATION

The Company operates in one industry segment, the mine development and mineral exploration industry. Geographical segmented information of the Company's non-current assets and loss for the period is presented as follows:

September 30, 2025	Fiji	Corporate	Australia	Total
Exploration and evaluation assets	$ 37,381,498	$ -	$ -	$ 37,381,498
Mineral property, plant and equipment	178,354,441	-	-	178,354,441
Right-of-use asset	-	283,084	-	283,084
Deposits	2,643,951	-	-	2,643,951
Other assets	-	445,427	-	445,427
Gold and silver sale	18,197,453	-	-	18,197,453
Income (loss) for the period	6,415,955	(5,780,703)	(2,248)	633,004

June 30, 2025	Fiji	Corporate	Australia	Total
Exploration and evaluation assets	$ 36,641,501	$ -	$ -	$ 36,641,501
Mineral property, plant and equipment	167,682,351	-	-	167,682,351
Right-of-use asset	-	311,392	-	311,392
Deposits	2,602,253	-	-	2,602,253
Other assets	-	445,427	-	445,427
Gold and silver sale	57,968,173	-	-	57,968,173
Income (loss) for the year	12,930,524	(15,618,571)	(27,015)	(2,715,062)

19. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial instruments

Cash, receivables, deposits, accounts payable and accrued liabilities, lease liability, loan facility and accrued interest are carried at amortized cost. The Company considers the carrying amount of the current financial assets and liabilities measured at amortized cost to approximate their fair value due to the short-term nature of the financial instruments. The fair value of long-term liabilities are initially recorded at fair value and subsequently carried at amortized cost using rates comparable to market interest rates.

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

Financial risk factors

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, cash equivalents, short-term investments and receivables. The Company limits exposure to credit risk on liquid financial assets through maintaining its cash, cash equivalents, short-term investments with high-credit quality financial institutions.

Receivables mainly consist of Goods and Services Tax ("GST") receivable from the Government of Canada and Value Added Tax ("VAT") receivable from the Government of Fiji. The Company has not had issues with respect to collectability of these amounts and believes that the credit risk concentration with respect to receivables is minimal.

19. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (cont'd…)

Financial risk factors (cont'd…)

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 will raise funds for future use from equity financings and other methods as contemplated by management to satisfy its capital requirements and will continue to depend heavily upon these financing activities. All of the Company's current financial liabilities have contractual maturities of 30 days or due on demand and are subject to normal trade terms. Subsequent to the year ended June 30, 2025, on maturity of Tranche 1 of the Financing Facility in August 2026, Tranche 1 was reclassified as a current liability. As at September 30, 2025, the Company had negative working capital of $9,187,865. On September 9, 2025, the Company announced that it has entered into a forbearance agreement (the "Forbearance Agreement") with Nebari pursuant to which Nebari has agreed to waive the application of the working capital covenant under the Financing Facility. In October 2025, the Company closed Tranche 2 Market public offering and a Side car placement (*Note 21*), for total gross proceeds of $14,248,592.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. The Company does not have a practice of trading derivatives.

a) Interest rate risk

The Company has cash balances, investment-grade short-term deposit certificates issued by its banking institution and long-term debt under the loan facility. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. Advances under the loan facility will bear interest at the 3 month SOFR +8% for Tranche 1 and +10% for Tranche 2/3. The Company manages this risk by monitoring fluctuations in SOFR and in the event 3-month SOFR is in excess of 5%, the Company has the option to pay that portion of the interest attributable to Term SOFR that exceeds 5% by issuing shares of the Company subject to the approval of the TSX-V.

b) Foreign currency risk

The Company's revenue is generated in US dollars and has Fijian mine operations expenditures that are conducted in Fijian dollars, US dollars, Canadian dollars and Australian dollars. A portion of the Company's financial assets (liabilities) and other assets are denominated in US dollars and Australian dollars. As such, the Company is exposed to foreign currency risk in fluctuations. The Company manages this risk by entering into short term forward exchange contracts with durations of one to two months on a intermittent basis to minimize foreign exchange fluctuations.

As at September 30, 2025, the Company's net foreign denominated financial assets (liabilities) are as follows:

	Foreign currency	Canadian dollar equivalent
Australian Dollar	(1,026,470)	(939,322)
Fijian Dollar	9,264,446	5,672,509
USD Dollar	(33,942,634)	(47,251,541)

The sensitivity of the Company's comprehensive loss due to changes in the carrying values of monetary assets and liabilities denominated in foreign currencies is as follows.

Increase / decrease in foreign exchange rate	September 30, 2025	June 30, 2025
+ 5%	$ 2,115,590	$ 2,186,860
- 5%	(2,115,590)	(2,186,860)

19. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (cont'd…)

Financial risk factors (cont'd…)

c) Price risk

The Company is exposed to price risk with respect to commodity and equity prices. The Company closely monitors commodity prices to determine the appropriate strategic action to be taken by the Company. The Company sells gold production in the world market. The market prices of gold are the primary drivers of the Company's profitability and ability to generate cash flow.

20. CAPITAL MANAGEMENT

The Company's capital management policy has the objective of maintaining a strong, but flexible capital structure that optimizes the cost of capital, creditor and market confidence while sustaining the future development of the business.

The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions. The Company's capital structure includes shareholders' equity of $205,562,433 (June 30, 2025 - $183,654,366). In order to maintain or adjust the capital structure, the Company may from time-to-time issue shares, seek debt financing and adjust its capital spending to manage current and working capital requirements. There were no changes to the Company's approach to capital management during the period ended September 30, 2025.

21. SUBSEQUENT EVENTS

Tranche 2 – Market public offering:

On October 17, 2025, the Company closed the second tranche of its market public offering, offering of 18,557,334 units at a price of $0.32 per unit for gross proceeds of $5,938,347. Each unit consists of a common share of the Company and one common share purchase warrant. Each common share purchase warrant may be exercised to purchase a common share purchase at a price of $0.42 for a period of 36 months following the closing date of the Offering.

The Company will issue 1,202,403 compensation warrants (the "CO") to the Underwriters . Each CO is exercisable to purchase a common share at a price of $0.32 for a period of 24 months following the closing date of the Offering. The Company will pay $384,769 of cash finders fees in relation to the Offering. In lieu of receiving $31,500 of cash finders fee, one finder received 98,437 Offered Units at the issue price of $0.32.

Sidecar private placement:

On October 23, 2025, the Company closed brokered sidecar private placement for gross proceeds, offering of 25,969,517 units at a price of $0.32 per unit for gross proceeds of $8,310,245. Each unit consists of a common share of the Company and one common share purchase warrant. Each common share purchase warrant may be exercised to purchase a common share purchase at a price of $0.42 for a period of 36 months following the closing date of the Offering.

The Company will issue 1,987,200 compensation warrants (the "CO") to the Underwriters. Each CO is exercisable to purchase a common share at a price of $0.32 for a period of 24 months following the closing date of the Offering. The Company will pay $635,904 of cash finders fees in relation to the Offering. In lieu of receiving $321,760 of cash finders fee, one finder received 1,005,500 Offered Units at the issue price of $0.32.

Financing facility – advance payments for Tranche 2 and Tranche 3:

The Financing Facility Tranche 2 principal repayments are payable in seven equal instalments of US $1,341,813 starting on December 31, 2025 to June 30, 2027 and Tranche 3 principal repayments are payable in three equal instalments of US $1,449,275 on June 30, 2025 to December 31, 2025. On October 23, 2025, the Company made the final Tranche 3 principal payment of US $1,449,275 ($2,036,231) to fully extinguish Tranche 3 and also made Tranche 2 principal payment of US $1,341,813 ($1,855,247) in advance of the December 31, 2025 due date.