Mining Americas Inc.

(formerly Minera Alamos Inc.)

Condensed Interim Consolidated Financial Statements

Three and Six Months ended June 30, 2026 and 2025

(Unaudited and stated in thousands of United States dollars,
except where otherwise stated)

Notice to Reader

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 interim consolidated financial statements of the Company have been prepared by management and approved by the Audit Committee and Board of Directors of the Company. The Company's independent auditor has not performed a review of these financial statements in accordance with the standards established by Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

Mining Americas Inc. (formerly Minera Alamos Inc.)
Condensed Interim Consolidated Statements of Financial Position
(Unaudited - Stated in thousands of United States dollars)

	Notes	June 30, 2026 $	Restated December 31, 2025 $	Restated January 1, 2025 $
Assets				
Current assets				
Cash and cash equivalents		**43,451**	43,962	8,585
Restricted cash		**45**	50	23
Receivables, prepaids and other current assets		**4,318**	4,602	3,326
Inventories	13	**80,084**	81,445	7,523
Total current assets		**127,898**	130,059	19,457
Mineral properties, property, plant and equipment	15	**117,152**	107,369	14,276
Long term deposits	12	**8,600**	6,117	-
Other assets		**3,355**	1,077	892
Total assets		**257,005**	244,622	34,625
Liabilities				
Current liabilities				
Accounts payable and accrued liabilities		**13,690**	28,278	3,715
Current portion of lease payable	16	**32**	72	73
Deferred revenue	11	**8,532**	8,630	1,359
Current portion of debt	17b,c	**-**	11,367	2,987
Total current liabilities		**22,254**	48,347	8,134
Long term debt	17a,	**45,000**	13,938	1,529
Lease payable	16	**-**	-	72
Provision for asset retirement obligation	21	**18,734**	18,333	489
Long term deferred revenue	17d	**7,058**	6,566	-
Deferred tax liability		**15,849**	15,299	-
Total liabilities		**108,895**	102,483	10,224
Shareholders' equity				
Share capital	18	**234,310**	225,551	93,370
Contributed surplus		**3,553**	3,428	3,074
Options and warrant reserve	19,20	**21,719**	20,166	1,263
Cumulative translation adjustment		**(3,041)**	(3,438)	(238)
Deficit		**(108,431)**	(103,568)	(73,068)
Total shareholders' equity		**148,110**	142,139	24,401
Total liabilities and shareholders' equity		**257,005**	244,622	34,625

Basis of Presentation – Note 2
Commitments and contingencies - Note 25
Subsequent Events – Note 28

Approved by the Board:

Signed: *"Bruce Durham"* Signed: *"Darren Pylot"*

Director Director

Please see accompanying notes to the consolidated financial statements

Mining Americas Inc.
Condensed Interim Consolidated Statements of Earnings (Loss) and Comprehensive Earnings (Loss)
Three and Six Months Ended June 30, 2026 and 2025
(Unaudited - Stated in thousands of United States dollars, except share and per share amounts)

		For the three months ended		For the six months ended	
	Notes	**June 30, 2026 $**	Restated June 30, 2025 $	**June 30, 2026 $**	Restated June 30, 2025 $
Revenues	5	**32,648**	2,278	**71,840**	4,698
Cost of sales:					
Production costs	6	**16,675**	2,458	**33,319**	4,200
Royalty and production taxes		**1,708**	52	**3,354**	107
Depreciation and amortization		**1,072**	53	**2,310**	114
Total cost of sales		**19,455**	2,563	**39,183**	4,421
Earnings from mine operations		**13,193**	(285)	**32,657**	277
Expenses:					
General and administrative	7	**(1,551)**	(899)	**(2,744)**	(1,956)
Exploration	8,14	**(6,530)**	(858)	**(8,376)**	(22,804)
Share-based compensation expense	20	**(1,569)**	(18)	**(2,700)**	(968)
Foreign exchange gain		**286**	1,360	**423**	2,637
Other expenses	9	**(28)**	(10)	**(54)**	(534)
Operating income (loss)		**3,801**	(710)	**19,206**	(23,348)
Finance expense	10	**(17,694)**	(875)	**(18,979)**	(1,231)
Change in fair value of investments		**(101)**	-	**40**	-
Income (loss) before taxes		**(13,994)**	(1,585)	**267**	(24,579)
Current tax expense		**(3,568)**	-	**(4,580)**	-
Deferred tax expense		**1,839**	-	**(550)**	-
Net earnings (loss) for the period		**(15,723)**	(1,585)	**(4,863)**	(24,579)
Foreign currency translation income (loss)		**(2,078)**	(268)	**(1,542)**	(606)
Net earnings (loss) and comprehensive earnings (loss) for the period		**(17,801)**	(1,853)	**(6,405)**	(25,186)
Net earnings (loss) per share:					
Basic and diluted		**(0.144)**	(0.02)	**(0.044)**	(0.44)
Weighted average number of common shares outstanding:					
Basic and diluted		109,433,719	57,895,267	108,886,877	56,315,714

Please see accompanying notes to the consolidated financial statements

Mining Americas Inc.
Condensed Interim Consolidated Statement of Changes in Equity
Three and Six Months Ended June 30, 2026 and 2025
(Unaudited - Stated in thousands of United States Dollars except share amounts)

		Share Capital				Foreign		
		Number of		Contributed		Currency		
	Notes	Shares	Amount	Surplus	Equity Reserve	Translation	Deficit	Total Equity
Balance, December 31, 2024		49,901,685	93,370	3,074	1,263	(238)	(73,068)	24,401
Shares issued on acquisition of Sabre	18	7,649,911	18,160	-	99	-	-	18,259
Shares issued for debt	18	529,002	1,104	-	-	-	-	1,104
Options issued	20a	-	-	-	968	-	-	968
Options expired		-	-	-	(92)	-	92	-
Net loss for the period		-	-	-	-	(607)	(24,579)	(25,186)
Balance, June 30, 2025		58,080,598	112,634	3,074	2,238	(845)	(97,555)	19,546
Balance, December 31, 2025		**108,043,726**	**225,551**	**3,428**	**20,166**	**(3,438)**	**(103,568)**	142,139
Shares issued on exercise of options and warrants	18,19	1,010,000	4,269	-	(1,022)	-	-	3,247
Shares issued for debt	18	895,572	4,490	-	-	-	-	4,490
Options issued	20a	-	-	-	2,700	-	-	2,700
Options forfeited		-	-	125	(125)	-	-	-
Net income for the period		-	-	-	-	397	(4,863)	(4,466)
Balance, June 30, 2026		**109,949,298**	**234,310**	**3,553**	**21,719**	**(3,041)**	**(108,431)**	**148,110**

The share numbers have been adjusted retroactively to reflect a consolidation of the Company’s common shares on a one new share for ten old shares basis effective January 5, 2026.

Please see accompanying notes to the consolidated financial statements

Mining Americas Inc.
Condensed Interim Consolidated Statements of Cash Flows
Three and Six Months Ended June 30, 2026 and 2025
(Unaudited - Stated in thousands of United States Dollars)

	Notes	Six months ended June 30, 2026 $	Restated 2025 $
Cash flows from operating activities			
Net earnings (loss) for the period		**(4,863)**	(24,579)
Adjustments to reconcile net loss to net cash flows:			
Non-cash adjustments:			
Loss on settlement of debt	10	**9,585**	-
Settlement of call option commitment	10	**7,121**	-
Shares issued for debt	14	**4,500**	-
Depreciation and depletion	15	**2,310**	114
Accretion		**2,533**	1,322
Interest on lease liability		**2**	5
Current tax		**4,581**	**-**
Deferred tax		**550**	**-**
Exploration and evaluation acquired through issuance of shares			**21,811**
Marketable securities revaluation		**(40)**	**-**
Share-based compensation expense		**2,700**	968
Unrealized foreign exchange loss (gain)		**(2,666)**	(1,831)
		26,313	(2,190)
Working capital changes in non-cash operating activities		**(20,466)**	(3,156)
Net cash provided by (used in) operating activities		**5,847**	(5,346)
Cash flows from investing activities			
Acquisition of property plant and equipment		**(10,046)**	(146)
Long term deposits	12	**(2,612)**	**(1)**
Cash acquired on acquisition of Sabre Gold Mines		**-**	**12**
Cash advanced as part of acquisition of Sabre Gold Mines			**(179)**
Net cash used in investing activities		**(12,658)**	(315)
Cash flows from financing activities			
Issuance of debt	17a	**45,000**	-
Repayment of debt	17b	**(35,861)**	-
Settlement of call option commitment		**(7,121)**	-
Issuance of common shares on exercise of options and warrants	18	**4,266**	-
Lease payments	16	**(42)**	(40)
Net cash provided by (used in) financing activities		**6,242**	(40)
Effect of changes in foreign exchange		58	39
Net increase (decrease) in cash and cash equivalents		**(511)**	(5,662)
Cash and cash equivalents, beginning of period		**43,962**	8,180
Cash and cash equivalents, end of period		**43,451**	2,518
Supplemental information:			
Interest paid		268,705	370
Shares issued for debt		4,500	1,104
Property plant and equipment acquired through issuance of shares		-	6,197

Please see accompanying notes to the consolidated financial statements

1) NATURE OF OPERATIONS

Mining Americas Inc. formerly Minera Alamos Inc. (the "Company"), individually or collectively with its subsidiaries located in the United States and Mexico is a gold mining and mine development Company. In the United States, the Company owns the Pan Operating Complex, consisting of the Pan Mine, a gold producing heap leach operation, including the satellite permitted, development-stage Gold Rock Project and the past-producing Illipah Gold Project, all located in Nevada, and the Copperstone Mine, a permitted advanced gold underground development project, located in Arizona. The Company owns the Copperstone project through its acquired subsidiaries Sabre Gold Mines and its subsidiaries, American Bonanza Gold Corp. and Bonanza Explorations Inc. These consolidated financial statements also include the accounts of the Company's Mexican subsidiaries: Minera Alamos de Sonora S.A. de C.V., Molibdeno Los Verdes S.A. de C.V., Minera Mirlos, S. de R.L. de C.V., and Corex Global S de RL de SV together with its wholly owned subsidiary.

The Company's head office is located at 70 York Street, Suite 402, Toronto, Ontario, Canada, M5J 1S9.

2) BASIS OF PRESENTATION

a) Basis of Presentation and Statement of Compliance

These unaudited condensed interim consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) applicable to the preparation of interim financial statements, including International Accounting Standard 34, Interim Financial Reporting. These unaudited condensed interim consolidated financial statements should be read in conjunction with the annual audited consolidated financial statements for the year ended December 31, 2025, which have been prepared in accordance with IFRS Accounting Standards.

The material accounting policies and basis of presentation applied in the preparation of these unaudited condensed interim consolidated financial statements are consistent with those applied and disclosed in the Company's audited annual consolidated financial statements for the year ended December 31, 2025, unless otherwise noted. Comparative information has been presented for the three and six months ended June 30, 2025 and has been reclassified where necessary to conform to the current year's presentation.

These unaudited condensed interim consolidated financial statements were approved by the Board of Directors of the Company on August 14, 2026.

These consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the settlement of liabilities in the normal course of business.

b) Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries. Subsidiaries are entities controlled by the Company. Control is achieved when the Company is exposed to variable returns and has the ability to affect those returns through power to direct the relevant activities associated with those returns. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. Subsidiaries will be de-consolidated from the date that control ceases to exist.

(Expressed in thousands of United States Dollars, except share and per share amounts and otherwise noted)

2) BASIS OF PRESENTATION (CONTINUED)

b) Basis of Consolidation (continued)

The Company's subsidiaries' names, percentage ownership, and principal activities are presented below. As at June 30, 2026, the consolidated financial statements include the following principal subsidiaries.

Material subsidiaries	Ownership	Principal activity
Calibre USA Holdings and subsidiaries (USA)	100%	Production and development – Pan operating complex (Nevada)
Sabre Gold Mines Corp. and subsidiaries (USA)	100%	Development – Copperstone project (Arizona)
Minera Alamos de Sonora S.A. de C.V.(Mexico)	100%	Exploration
Molibdeno Los Verdes S.A. de C.V (Mexico)	100%	Exploration
Minera Mirlos, S. de R.L. (Mexico)	100%	Exploration
Corex Global, S. de R.L. de C.V. (Mexico)	100%	Development – Santana project

The Company had no material associates or joint ventures as at June 30, 2026.

Presentation Currency

The Company has elected to change the presentation currency from Canadian dollars to United States dollars ("USD"). The change in presentation currency is a voluntary change which is accounted for retrospectively. The comparative periods have been restated to USD using the procedures outlined below:

1. Statements of Loss and Comprehensive Loss and Statement of Cash Flows have been translated into USD using average foreign currency rates for the relevant periods.
2. Assets and liabilities in the Statement of Financial Position have been translated into USD at the closing currency rates on the relevant reporting dates.
3. The equity section of the Statement of Financial Position, including foreign currency translation reserve, deficit, share capital and reserves, have been translated into USD using historical rates.
4. Earnings per share has also been restated to USD to reflect the change in presentation currency.
5. Translation differences are recorded in Other comprehensive income (loss) as currency translation adjustments.

In making this change in presentation currency, the Company followed the requirements set out in IAS 21, - The Effect of Change in Foreign Exchange Rates ("IAS 21"). In accordance with IAS 21, comparative financial information has been retroactively restated to reflect the Company's results as if they had been historically presented in USD (see Note 28).

Functional Currency

The functional currency of the Company's Canadian parent company is the Canadian dollar. The functional currencies of the Company's foreign subsidiaries are primarily the United States dollar and the Mexican peso ("MXN"), reflecting the primary economic environments in which they operate.

3) MATERIAL ACCOUNTING POLICIES

These unaudited condensed interim consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2025. The Company's significant accounting policies are presented under Note 3 in the audited consolidated financial statements as at and for the year ended December 31, 2025 and have been consistently applied in the preparation of these unaudited condensed interim consolidated financial statements.

a) Deferred revenue on stream arrangement

Deferred revenue arises from up-front payments received by the Company or obligations acquired in consideration for future commitments as specified in its various streaming arrangements. The accounting for streaming arrangements is dependent on the facts and terms of each of the arrangements. Revenue from streaming arrangement is recognized when the customer obtains control of the gold metal and the Company has satisfied its performance obligations.

The Company identified significant financing components related to its streaming arrangements resulting from a difference in the timing of the up-front consideration received and delivery of the promised goods.

b) Foreign Currencies

Foreign Currency Transactions and Translations

Transactions denominated in currencies other than an entity's functional currency are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the closing exchange rates at the reporting date. Foreign exchange gains and losses arising on settlement and on translation of monetary items are recognized in profit or loss.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions and are not subsequently retranslated. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

The results and financial position of entities whose functional currency differs from the Company's presentation currency are translated into the presentation currency in accordance with IAS 21 The Effects of Changes in Foreign Exchange Rates as follows:

- assets and liabilities are translated at the closing exchange rates at the reporting date;
- income and expenses are translated at average exchange rates for the period, unless such rates are not a reasonable approximation of the exchange rates at the dates of the transactions, in which case the actual rates are used;
- 28 items are translated at historical exchange rates; and
- all resulting exchange differences are recognized in other comprehensive income and accumulated in equity as a foreign currency translation reserve.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities are recognized in OCI. The exchange gains and losses are recognized in earnings upon the substantial disposition, liquidation or dissolution of the entity that gave rise to such amounts.

(Expressed in thousands of United States Dollars, except share and per share amounts and otherwise noted)

4) SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on the historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

In preparing these unaudited condensed interim consolidated financial statements, the significant judgements and estimates made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the audited consolidated financial statements as at and for the year ended December 31, 2025.

5) REVENUE

	Three months ended June 30,		Six months ended June 30,	
Description	**2026**	2025	**2026**	2025
	$	$	$	$
Gold revenue	**32,648**	2,278	71,840	4,698

During the three months ended June 30, 2026, the Company recognized revenue of $32,648 from the delivery of 8,249 ounces of gold from the US operation and 80 ounces of gold recovered from re-stripped carbon from the Mexican operation at an average realized gold price of $3,920 per ounce as compared to revenue of $2,278 on 898 ounces of gold from the Mexican operation during the three months ended June 30, 2025. During the six months ended June 30, 2026, the Company realized revenue of $71,840 from the delivery of 16,951 ounces of gold from the US and Mexican operations at an average realized gold price of $4,114 per ounces as compared to revenue of $4,698 from the delivery of 1,912 ounces of gold at an average realized gold price of $3,462 per ounce from the Mexican operation during the six months ended June 30, 2025.

6) PRODUCTION COSTS

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	**2026**	2025
	$	$	$	$
Raw material and consumables	**6,457**	459	**10,896**	1,027
Salaries and employee benefits	**2,072**	222	**4,310**	275
Contracted services	**9,764**	1,068	**15,469**	2,003
Electricity and power	**203**	47	**387**	203
Site administration and other	**1,326**	289	**2,720**	292
Refining and transportation	**52**	32	**104**	59
Change in inventories	**(3,199)**	341	**(567)**	341
Total	**16,675**	2,458	**33,319**	4,200

(Expressed in thousands of United States Dollars, except share and per share amounts and otherwise noted)

7) GENERAL AND ADMINISTRATIVE EXPENSES

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	**2026**	2025
	$	$	$	$
Salaries, wages and benefits	**568**	305	926	554
Consulting and professional fees	**230**	196	535	666
Corporate administration and other	**753**	398	1,283	736
Total	**1,551**	899	**2,744**	1,956

8) EXPLORATION EXPENSES

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	**2026**	2025
	$	$	$	$
Exploration costs expensed on acquisition of Sabre Gold Mines	**-**	-	-	21,811
Exploration expenses	**6,530**	858	8,376	993
Total	**6,530**	858	**8,376**	22,804

9) OTHER EXPENSES

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	**2026**	2025
	$	$	$	$
Acquisition costs	**-**	-	-	524
Other expenses	**28**	10	54	10
Total	**28**	10	**54**	534

10) FINANCE EXPENSES

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	**2026**	2025
	$	$	$	$
Accretion of mine restoration provision	**179**	83	**352**	107
Accretion of loan facility	**652**	315	**1,669**	681
Accretion on deferred revenue stream	**260**	534	**512**	534
Interest income and other finance costs, net	**(103)**	(57)	**(260)**	(91)
Settlement of call options and gold loan	**16,706**	-	**16,706**	-
Total	**17,694**	875	**18,979**	1,231

(Expressed in thousands of United States Dollars, except share and per share amounts and otherwise noted)

11) DEFERRED REVENUE

As at June 30, 2026, the Company had received payments that were recorded as deferred revenue of $8,532 (December 31, 2025 – $8,630) in respect of gold sales for which control had not yet transferred to customers. These amounts are recognized as deferred revenue and are included in current liabilities. Revenue is recognized when the related performance obligations are satisfied in accordance with the Company's revenue recognition policy.

12) LONG TERM DEPOSITS

As at June 30, 2026, the Company's long term deposits were $8,600 (December 31, 2025 - $6,117) and relate to reclamation deposits that serve as security against any current and future estimated reclamation obligations with the Pan mine, Gold Rock project, Copperstone project and the Santana project.

13) INVENTORIES

As at June 30, 2026, the Company received payments that were recorded as deferred revenue of $8,532 (December 31, 2025 - $8,630) in exchange for the sale of gold which had been extracted from the leach pads and was undergoing further refinement. The gross proceeds are recorded as deferred revenue until the gold has been recovered through the separation and refinement process and then delivered, in full, to the customer. The carrying value of the related inventory included in work-in-process at June 30, 2026 was $1,515 (December 31, 2025 – $1,145). Inventories are measured at cost in accordance with IAS 2 Inventories.

The composition of inventories was as follows:

	June 30, 2026	December 31, 2025
Inventory:	**$**	$
Leach pad mineralized material	**76,847**	78,865
Work-in-process	**1,515**	1,145
Supplies	**1,722**	1,435
Total	**80,084**	81,445

The amount of cost of sales expensed from inventory for gold dore ore on leach pads and ore stockpiles was $26,314 during the six month period ended June 30, 2026 (June 30, 2025 - $2,590).

(Expressed in thousands of United States Dollars, except share and per share amounts and otherwise noted)

14) MINERAL PROPERTIES - EXPLORATION AND EVALUATION EXPENSE

During the six months ended June 30, 2026 and 2025, the Company incurred exploration and evaluation expenditures in respect of its mineral properties.

Exploration and evaluation expenditures expensed during the periods were as follows:

Project (i)	**June 30, 2026 $**	June 30, 2025 $
Pan and Gold Rock, Nevada	**1,541**	-
Copperstone, Arizona[(ii),(iii)]	**1,554**	22,258
Santana, Mexico	**3**	61
Cerro de Oro, Mexico (ii)	**4,917**	286
La Fortuna, Mexico	**263**	130
Los Verdes, Mexico	**98**	69
Total	**8,376**	22,804

(i) The amounts above include property holding costs and other site-related expenditures. As at June 1, 2026, the Company started capitalizing E&E expenses based on a formal construction decision.

(ii) Inclusive of the buyback of .75% of a 1% royalty on the project for a total of $4,500.

(iii) Upon the acquisition of Sabre Gold Mines in February 2025, the Company recorded $21,811 in Exploration expenditures that were expensed in accordance with the Company's policy.

15) MINERAL PROPERTIES AND PROPERTY PLANT AND EQUIPMENT

Pan Operating Complex

Pan Mine, Nevada, US

The 100% owned Pan mine was acquired through the Company's acquisition of Calibre from Equinox on October 1, 2025. The mine is located in east-central Nevada along the Battle Mountain-Eureka gold trend, from where gold is mined from and is an open pit, heap-leach operation.

Gold Rock Project, Nevada, US

The 100% owned Gold Rock project was acquired through the Company's acquisition of Calibre from Equinox on October 1, 2025. The project is located in east central Nevada along the Battle Mountain-Eureka gold trend and is a former open-pit, heap-leach gold project.

Illipah Gold Project, Nevada, US

The 100% owned Illipah Gold project was acquired through the Company's acquisition of Calibre from Equinox on October 1, 2025. The past producing project is located in east-central Nevada approximately 16 miles northeast of the Pan Operating Complex along the Battle Mountain–Eureka gold trend.

Copperstone Project, Arizona, US

The 100% owned Copperstone project, located in La Paz County, Arizona, U.S., is a brownfield underground gold project. The Copperstone Project, which encompasses mineral rights related to certain federal unpatented mining claims, was acquired with the acquisition of Sabre.

15) MINERAL PROPERTIES AND PROPERTY PLANT AND EQUIPMENT (CONTINUED)

Santana Project – Sonora, Mexico

The 100% owned Santana project is located in the State of Sonora, Mexico and is comprised of contiguous mining concessions, including the Santana, Santa Lucia, and Hilda 35 Fracción 1 concessions. The Hilda 35 Fracción 1 concession is subject to a 1% net smelter return royalty.

During the six months ended June 30, 2026, the Company continued infrastructure support activities. The Company suspended mining activities in 2025 while it awaits permit amendment approvals.

Cerro de Oro Project – Zacatecas, Mexico

The 100% owned Cerro de Oro project is located near Concepción del Oro in the State of Zacatecas, Mexico and is held through a wholly owned subsidiary. The Company acquired a 100% interest in the project pursuant to option agreements entered into in September 2020, which provided for staged cash payments and share issuances. The final earn-in payment was completed in 2024, and, as at December 31, 2025, the Company holds a 100% interest in the project with no underlying royalties. Under the option agreements, an additional contingent payment of US$1,000 is payable upon the production of 50,000 ounces of gold from the project. As the triggering event had not occurred as at June 30, 2026, no liability has been recognized in respect of this obligation.

La Fortuna Project – Durango, Mexico

The 100% owned La Fortuna project is located in the State of Durango, Mexico and is held through a wholly owned subsidiary.

Los Verdes Project – Sonora, Mexico

The 100% owned Los Verdes project is a molybdenum-copper property located in the State of Sonora, Mexico and is held through a wholly-owned subsidiary. Certain claims within the project area are subject to a 2% net smelter returns royalty. The Company also holds interests in the adjacent Potreritos concessions, which form part of the broader Los Verdes mineral system.

Cobre 4H – Sonora, Mexico

In 2024, the Company entered into a merger agreement with Minera Gold Copper de Sonora, S.DE R.L. de CC (“Minera Gold Copper”), an unrelated third party to form a joint share ownership through Cobre 4H de Sonora de Mexico, pursuant to which ownership is held 50% by each party.

The joint operation is intended to hold certain copper exploration properties contributed by both parties. As at June 30, 2026, the transfer of certain mineral property interests had been substantially completed.

Mineral properties and property, plant and equipment are recorded at cost less accumulated depreciation, depletion, and accumulated impairment losses. Mineral properties include capitalized development expenditures and assets under construction that are not yet available for use. Property, plant and equipment include mining, processing, office, and site infrastructure assets, vehicles, and right-of-use assets.

(Expressed in thousands of United States Dollars, except share and per share amounts and otherwise noted)

15) MINERAL PROPERTIES AND PROPERTY PLANT AND EQUIPMENT (CONTINUED)

Cobre 4H – Sonora, Mexico (Continued)

Depreciation and depletion are calculated in accordance with the Company's accounting policies and are recognized in cost of sales and operating expenses, as applicable. Depletion of mineral properties is calculated using the units of production method based on proven and probable mineral reserves.

Right-of-use assets are depreciated over the shorter of their estimated useful lives and lease terms.

Cost	Mineral Interest	Property, Plant and Equipment	Right of Use Building (i)	Total
Balance at December 31, 2024	$ 14,380	$ 1,355	$ 539	$ 16,275
Additions (disposals)	4,586	120	-	4,706
Assets acquired upon acquisition of Calibre USA Holdings	63,252	22,255	-	85,507
Assets acquiried upon acquisition of Sabre Gold Mines	-	6,488	-	6,488
Effect of changes in foreign exchange	(1,131)	(603)	-	(1,734)
Balance at December 31, 2025	81,087	29,615	539	111,242
Additions (disposals)	**5,035**	**5,011**	-	**10,046**
Disposal	-	(122)	-	**(122)**
Effect of changes in foreign exchange	**2,577**	**940**	**(9)**	**3,508**
Balance at June 30, 2026	**88,699**	**35,444**	**530**	**124,674**
Accumulated depreciation				
Balance at December 31, 2024	1,575	593	570	2,738
Depreciation and depletion	1,614	77	65	1,756
Effect of changes in foreign exchange	75	43	-	118
Balance at December 31, 2025	2,838	553	481	3,873
Depreciation and depletion	**2,725**	**1,085**	**16**	**3,826**
Disposal	**-**	(87)	**-**	**(87)**
Effect of changes in foreign exchange	**(66)**	**(13)**	**(11)**	**(90)**
Balance at June 30, 2026	**$ 5,497**	**$ 1,538**	**$ 486**	**$ 7,522**
Carrying amounts				
Balance at December 31, 2024	$ 13,231	$ 922	$ 123	$ 14,276
Balance at December 31, 2025	$ 78,250	$ 29,062	$ 58	$ 107,369
Balance at June 30, 2026	**$ 83,202**	**$ 33,906**	**$ 45**	**$ 117,152**

(I) Depreciation related to right-of-use assets is included in office and administration expenses.
As at June 30, 2026, the Company has recorded deferred stripping costs of $5,035
Mineral properties include assets under construction and development expenditures that are not yet available for use totaling $6,488.

16) LEASES

The Company leases office and site facilities and certain equipment under non-cancellable operating lease arrangements. Lease liabilities are recognized in accordance with IFRS 16 Leases and are measured at the present value of future lease payments discounted using the Company's incremental borrowing rate.

The following table presents the contractual undiscounted cash flows related to lease liabilities:

	June 30, 2026 $	December 31, 2025 $
Remaining life	-	75
Total undiscounted lease liabilities	**33**	**75**
Effect of discounting	(1)	(3)
Present value of lease payments	**32**	**72**
Less: current portion	(32)	(72)
Non-current portion	-	**-**

(Expressed in thousands of United States Dollars, except share and per share amounts and otherwise noted)

16) LEASES (CONTINUED)

The following table summarizes the movement in lease liabilities during the year:

	June 30, 2026	December 31, 2025
	$	$
Balance, beginning of period	72	145
Interest accretion	2	9
Lease payments	(42)	(82)
Balance, end of period	32	**72**

17) DEBT

As at June 30, 2026, the Company's debt obligations included a secured revolving credit facility secured against the Company's Nevada and certain Mexican assets and a deferred revenue stream arrangement secured against the Copperstone assets and as at December 31, 2025, also included a secured gold prepayment loan secured against the Company's Nevada assets which was repaid as of May 26, 2026. All borrowings are measured at amortized cost using the effective interest method.

The carrying amounts of the Company's debt obligations were as follows:

	Revolving Credit Facility (a)	**Gold Prepay (b)**	**Loan Facility (c)**
	$	**$**	**$**
`Balance, December 31, 2024	**-**	**-**	4,517
Debt proceeds	**-**	**24,966**	-
Transaction costs	**-**	**(670)**	-
Interest and accretion	**-**	**976**	1,211
Effect of foreign exchange	**-**	**33**	(647)
Repayment	**-**	**-**	(5,081)
Balance, December 31, 2025	**-**	**25,305**	-
Repayment of gold pre-pay	**-**	**(26,314)**	-
Issuance of credit facility	**45,000**	**-**	-
Interest and accretion	**-**	**1,669**	-
Effect of foreign exchange	**-**	**(660)**	-
Balance, June 30, 2026	**45,000**	**-**	-
Current portion of debt	**-**	**-**	-
Long term portion of debt	**45,000**	**-**	-

a) Revolving Credit facility

On May 26, 2026, the Company closed on a $75 million revolving credit facility ("Revolver") with the Bank of Nova Scotia and the National Bank of Canada. The facility is for a term of three years, with an interest rate of SOFR plus a margin spread of between 3.25% and 4.25% based on the Company's Total Net Debt / EBITDA ratio. The Revolver has senior security over the Company's material assets and is subject to certain customary financial covenants. On May 26, 2026, an initial drawdown of $45 million was completed.

(Expressed in thousands of United States Dollars, except share and per share amounts and otherwise noted)

17) DEBT (CONTINUED)

b) Gold prepay (Nevada assets)

On October 1, 2025, the Company entered into a gold prepay loan agreement with Auramet International, Inc. for gross proceeds of $25,000. The facility was secured by the Nevada assets and repayable through the delivery of approximately 7,830 ounces of gold over an 18-month period following a six-month grace period commencing on April 30, 2026. The Company has assessed that the agreement qualifies as revenue arrangement based on the own-use exemption and, as such revenue has been deferred and is recognized upon delivery of the gold ounces. The facility was measured at amortized cost and accrued interest at a rate of 15% per annum. The agreement was accounted for in accordance with IFRS 15 - "Revenue from Contracts with Customers". As of May 26, 2026, the loan agreement was repaid in full in the amount of $35,861.

c) Loan Facility

On October 30, 2023, the Company executed the documentation on a funding package for the Cerro de Oro project with Auramet International Inc. and Auramet Capital Partners LP (“Auramet”). The funding package was comprised of a loan facility for up to $15,000 and a $10,000 royalty facility for a 2.75% Net Smelter Royalty (“NSR”). Upon the execution of the documentation the Company completed a drawdown of an initial $5,000 under the loan facility. The outstanding principal amount drawn under the loan facility accrued interest and was payable monthly at a rate of 15% per annum calculated in arrears. On October 30, 2024 and November 29, 2024, the Company and Auramet amended the loan facility to extend the term of the maturity date from May 29, 2025 with the Company committing to paying Auramet an extension fee of $400. In January 2025, the extension amount of $400 was settled with the issuance of 190,165 common shares of the Company, which as at December 31, 2024 was included in accounts payable and accrued liabilities. As at December 31, 2024, the balance of the debt was $4,517. The Company did not execute on the remainder of the funding package and, subsequent to the receipt of the funds from the gold prepay loan agreement on October 1, 2025, repaid the outstanding balance of the debt of $5,081.

d) Deferred revenue on Stream Arrangement

The Company recorded a deferred revenue long term liability upon the acquisition of Sabre which had entered into a Gold Purchase Sale Agreement with Star Royalties (“the GPSA”) in November 2020. On October 31, 2023, the GPSA was amended to fix the gold entitlement at a net 3%, after price adjustment, of the payable gold ounces produced for the life of mine. On February 6, 2025, the GPSA was restated and amended to reflect the acquisition by the Company. The Company granted to Star security over the Sabre shares issued by it in addition to the security interests held currently over substantially all of Sabre’s assets which is now subordinated to the security granted under the issuance of the Revolver Management expects that the GPSA will be settled through future production and, as such, it meets the own-use exception and falls outside the scope of IFRS 9 - "Financial Instruments". As a result, this Stream liability has been accounted for in accordance with IFRS 15 - "Revenue from Contracts with Customers".

The movements in the Company’s deferred revenue are presented below:

	$
Balance, February 6, 2025 on acquisition of Sabre	6,135
Accretion	587
Change in estimate and foreign exchange	(157)
Balance, December 31, 2025	6,566
Accretion	**512**
Change in estimate and foreign exchange	**(20)**
Balance, June 30, 2026	**7,058**

(Expressed in thousands of United States Dollars, except share and per share amounts and otherwise noted)

18) SHARE CAPITAL

Authorized and Issued Share Capital

On June 30, 2026 and December 31, 2025, the Company had common shares issued and outstanding of 109,949,298 shares and 108,044,074 shares, respectively. The authorized share capital consists of an unlimited number of common shares without par value.

On January 5, 2026, the Company completed a consolidation of its common shares on the basis of ten (10) pre-consolidation shares for one (1) post-consolidation share.

During the six months ended June 30, 2026, the Company issued a total of 1,905,572 common shares, consisting of 1,000,000 common shares pursuant to an exercise of outstanding warrants, 895,572 common shares pursuant to a buyback of a portion of a royalty and 10,000 common shares pursuant to the exercise of outstanding stock options.

During the year ended December 31, 2025, the Company completed a bought-deal financing for gross proceeds of CDN$135,000 and issued 38,028,254 common shares at a price of CDN$3.55 per common share and issued common share purchase warrants of 38,028,254 at a an exercise price of CDN$7.05 and a private placement for gross proceeds of CDN$3,500 and issued 875,000 common shares at a price of CDN$4.00 per common share and issued common share purchase warrants of 875,000 at a price of $7.05 per common share purchase warrant.

During the year ended December 31, 2024, the Company completed a bought deal private placement for gross proceeds of CDN$8,500 and issued 2,833,300 common shares at a price of $3.00 and the Company issued 500,000 common shares in relation to the Cerro de Oro Project acquisition agreement with a fair value of CDN$147,500.

19) WARRANTS

A summary of the Company’s warrant activities for the six months ended June 30, 2026 and the year ended December 31, 2025 is presented below:

	2025	
Description	Number	Weighted Average Exercise Price CDN
Outstanding, December 31, 2024	-	-
Warrants issued on equity financings	38,903,254	$7.05
Issued on settlement of debt	1,000,000	$4.40
Outstanding, December 31, 2025	39,903,254	$6.98
Warrants exercised	(1,000,000)	$4.40
Outstanding, June 30, 2026	38,903,254	$7.05

Issue Date	Number	Weighted Average Exercise Price CDN	Expiration Date
September 17, 2025	38,028,254	$7,05	September 17, 2028
December 8, 2025	875,000	$7.05	December 8, 2028
Outstanding as at June 30, 2026	38,903,254	$7.05	

(Expressed in thousands of United States Dollars, except share and per share amounts and otherwise noted)

20) SHARE-BASED PAYMENTS – STOCK OPTION PLAN

a) Stock option plan

The Company maintains a stock option plan (the "Plan") for directors, officers, employees, and consultants. The Plan was most recently approved and amended by shareholders on July 16, 2025.

Under the Plan, the maximum number of common shares reserved for issuance is limited to 10% of the Company's issued and outstanding common shares at the time of grant.

Options are granted at an exercise price not less than the market price of the Company's common shares on the date of grant and generally vest over defined service or performance periods.

Share-based compensation expense

During the six months ended June 30, 2026, the Company recognized share-based compensation expense of $2,700 (December 31, 2025 – $3,568).

Outstanding stock options

The following table summarizes stock options outstanding as at June 30, 2026:

Grant Date	Number of Stock Options		Weighted Average Exercise Price CDN	Expiration	Remaining Years	Number Exercisable Stock Options (thousands)
2021-07-28*	50,000	$	7.20	28-Jul-26	0.08	-
23-Feb-23	225,000	$	5.10	23-Feb-28	1.65	225,000
23-Feb-23	600,000	$	4.50	23-Feb-28	1.65	600,000
06-Feb-25	3,465	$	14.40	01-May-27	3.61	3,465
06-Feb-25	13,860	$	2.60	03-Apr-28	3.61	13,860
06-Feb-25	555,000	$	3.30	06-Feb-30	3.61	620,000
06-Feb-25	80,000	$	6.00	06-Feb-30	3.61	80,000
28-Nov-25**	4,830,000	$	4.25	28-Nov-28	1.65	1,610,000
29-May-26**	1,000,000	$	6.93	29-May-29	2.92	333,333
	7,357,325	$	4.63			3,485,658

* Performance-based vesting: one quarter of the granted options vest upon achievement of each incremental 50,000 ounces of gold production. Subsequent to June 30, 2026, these options expired unexercised.

** Vesting terms on the grant of options are as follows: 1/3 upon grant; 1/3 on the first anniversary of the grant and the remaining 1/3 on the second anniversary of the grant.

(Expressed in thousands of United States Dollars, except share and per share amounts and otherwise noted)

20) SHARE BASED PAYMENTS – STOCK OPTION PLAN (CONTINUED)

a) Stock option plan (continued)

Stock option activity

The following table summarizes stock option activity during the six months ended June 30, 2026 and year ended December 31, 2025:

	June 30, 2026		December 31, 2025	
Description	Number (thousands)	Avg. price CDN	Number (thousands)	Avg. price CDN
Outstanding, beginning of period	7,182,325	$4.60	1,820,000	$5.80
Granted	1,000,000	$6.93	5,530,000	$4.20
Issued on acquisition	-	-	254,678	$1.90
Forfeited	(90,000)	$4.50	(55,000)	$7.50
Expired	(725,000)	$6.93	(20,000)	$7.50
Exercised	(10,000)	$6.93	-	-
Outstanding, end of period	7,357,325	$4.63	7,182,325	$4.60

Fair value measurement

The Company issued replacement stock options with the acquisition of Sabre of 254,678 at a strike price ranging between CDN$2.60 and CDN$20.20 per common share. The fair value of stock options granted is estimated as at the issue date using the Black-Scholes option pricing model including a risk-free rate of 2.63%; expected volatility of 58% - 64% with an expected life of 0.25 years and dividend yield of 0%.

On February 6, 2025, the Company granted 700,000 stock options at a strike price ranging between CDN$3.30 and CDN$6.00 per common share. The fair value of stock options granted is estimated as at the issue date using the Black-Scholes option pricing model including a risk-free rate of 2.43%; expected volatility of 64% with an expected life of 5 years and dividend yield of 0%.

On November 28, 2025, the Company granted 4,830,000 stock options at a strike price of CDN$4.20 per common share. The fair value of stock options granted is estimated as at the issue date using the Black-Scholes option pricing model including a risk-free rate of 2.63%; expected volatility of 59.58% with an expected life of 3 years and dividend yield of 0%.

On May 29, 2026, the Company granted 1,000,000 stock options at a strike price of CDN$4.63 per common share.

Share-based compensation expense is recognized over the vesting period and adjusted for forfeitures as they occur.

Options exercised during the period resulted in proceeds of $7.

(Expressed in thousands of United States Dollars, except share and per share amounts and otherwise noted)

20) SHARE BASED PAYMENTS – STOCK OPTION PLAN (CONTINUED)

b) Restricted Stock Units (“RSU”)

On October 23, 2025, 702,582 RSU’s were granted to an officer and director at a grant price of CDN$4.27.

The RSU’s shall vest one year after the date of grant and are settleable in cash or common shares of the Company, at the option of the holder, once vested.

A summary of the vesting schedule of the RSUs currently outstanding is outlined in the table below:

	Number of RSU’s
Granted as at June 30, 2026	702,582

21) PROVISIONS FOR ASSET RETIREMENT OBLIGATION

The Company recognizes provisions for asset retirement obligations (“ARO”) in respect of legal and constructive obligations associated with the future decommissioning, reclamation, and closure of its mining operations and related infrastructure.

ARO liabilities are initially measured at the present value of estimated future cash flows required to settle the obligation and are capitalized as part of the related asset’s carrying amount. The liabilities are subsequently increased for the accretion of interest and adjusted for changes in estimates, discount rates, and foreign exchange, in accordance with the Company’s accounting policies.

Movement in asset retirement obligations

The following table summarizes the movement in the ARO provisions during the six month period ended June 30, 2026 and the year December 31, 2025:

Description	June 30, 2026	December 31, 2025
	$	$
Balance, beginning of period	18,333	489
Provision assumed on acquisition of Sabre	-	1,849
Provision assumed on acquisition of Calibre	-	15,436
Accretion expense	352	215
Changes in estimates and foreign exchange	49	343
Balance, end of period	18,734	18,333

Accretion expense is recognized in finance costs in profit or loss.

Nature of obligations

The provision for site reclamation and closure includes estimated costs associated with:

- dismantling and removal of mining and processing facilities;
- remediation and rehabilitation of disturbed land;
- environmental restoration; and
- closure of waste and leach facilities.

The Company’s ARO obligations relate to the Pan Mine, Gold Rock project, Copperstone project and the Santana project.

21) PROVISIONS FOR ASSET RETIREMENT OBLIGATION (CONTINUED)

Measurement and key assumptions

The ARO provision represents management's best estimate of the present value of future reclamation and closure costs as at the reporting date.

As at June 30, 2026, the estimated present value of the future rehabilitation liability relating to reclamation and closure activities was $18,734 (December 31, 2025 – $18,333).

The Company's restoration provisions at June 30, 2026 for the US projects were calculated as the present value of the expected future cash flows estimated using inflation rates from 1.94% to 2.29% and discount rates of 3.73% to 3.79% depending on the property in which the costs will be incurred and the Mexican project restoration provision were calculated using inflation rate of 5% and discount rate of 7% (2025 – 5.0% and 7%, respectively).

22) FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks, including credit risk, liquidity risk, market risk, and foreign exchange risk.

The Company's risk management policies are established to identify, analyze, and manage risks arising from its operations and financing activities. Management monitors these risks and seeks to minimize potential adverse effects on the Company's financial performance and cash flows.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

a) Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty fails to meet its contractual obligations.

The Company's credit risk exposure arises primarily from:

- cash and cash equivalents held with financial institutions;
- trade and other receivables; and
- recoverable indirect taxes.

The Company holds its cash and cash equivalents with high-credit-quality financial institutions and does not have significant concentrations of credit risk.

Management considers the Company's exposure to credit risk to be low. The maximum exposure to credit risk at the reporting date is the carrying amount of the Company's financial assets.

b) Liquidity risk

Liquidity risk is the risk that the Company will be unable to meet its financial obligations as they fall due.

The Company manages liquidity risk by maintaining adequate cash balances, forecasting cash flows, and monitoring operating and capital expenditure requirements.

The Company may seek additional financing through equity issuances, debt arrangements, or strategic transactions. There can be no assurance that such financing will be available on acceptable terms.

As at June 30, 2026, the Company had cash and cash equivalents of $43,451 and other current assets of $84,447 (December 31, 2025 – $43,962 and $86,097 respectively) to settle current liabilities of $22,254 (December 31, 2025 – $48,347).

(Expressed in thousands of United States Dollars, except share and per share amounts and otherwise noted)

22) FINANCIAL RISK MANAGEMENT (CONTINUED)

b) Liquidity risk (Continued)

Contractual maturity analysis

The following table summarizes the Company's contractual undiscounted cash flows for financial liabilities as at June 30, 2026:

Description	Contractual cash flows	Less than 1 year	1–3 years	4–5 years	After 5 years
Accounts payable and accrued liabilities	13,690	13,690	–	–	–
Lease liabilities	32	32	-	–	–
Deferred revenue	8,532	8,532	-	-	-
Debt	45,000	-	45,000	-	–
Total	67,254	22,254	45,000	-	**–**

c) Market risk

Market risk is the risk that changes in market prices will affect the Company's financial performance and cash flows. Market risk includes commodity price risk and foreign exchange risk.

(i) Commodity price risk

The Company is exposed to commodity price risk primarily through fluctuations in the market price of gold.

Gold prices directly affect revenue, operating margins, and cash flows.

The Company does not currently use derivative instruments to hedge commodity price risk.

Sensitivity analysis

A 10% increase or decrease in the gold price during the six month period ended June 30, 2026 would have resulted in a change in revenue of approximately $7,100 (December 31, 2025 – $478), assuming all other variables remained constant.

(ii) Foreign exchange risk

The Company is exposed to foreign exchange risk as it incurs expenditures and holds certain assets and liabilities and expenditures denominated in Canadian dollars and Mexican pesos.

The functional currency of the Company's Canadian parent company is the Canadian dollar. The functional currencies of the Company's foreign subsidiaries are primarily the United States dollar ("USD") and the Mexican peso ("MXN"), reflecting the primary economic environments in which they operate.

As at June 30, 2026 and December 31, 2025, the Company has not used derivative instruments to hedge foreign exchange risk.

d) Fair value of financial instruments

The Company's financial assets and liabilities include:

- cash and cash equivalents;
- restricted cash;
- accounts receivable;
- accounts payable and accrued liabilities;
- lease liabilities; and
- debt.

(Expressed in thousands of United States Dollars, except share and per share amounts and otherwise noted)

22) FINANCIAL RISK MANAGEMENT (CONTINUED)

d) Fair value of financial instruments (Continued)

Due to their short-term nature, the carrying amounts of cash, receivables, and payables approximate their fair values. Debt and lease liabilities are measured at amortized cost and their carrying amounts approximate fair value based on prevailing market conditions.

Fair value hierarchy

IFRS 13 Fair Value Measurement establishes a fair value hierarchy as follows:

- Level 1 – quoted prices in active markets for identical assets or liabilities;
- Level 2 – observable inputs other than quoted prices;
- Level 3 – unobservable inputs.

As at June 30, 2026 and December 31, 2025, the Company did not have any financial instruments measured at fair value on a recurring basis that required classification within the fair value hierarchy

23) SEGMENT REPORTING

The Company's operating segments are identified based on internal reports that are regularly reviewed by the Chief Operating Decision Maker ("CODM") for the purposes of allocating resources and assessing performance, in accordance with IFRS 8 – Operating Segments. The CODM has been identified as the Company's Chief Executive Officer.

The Company's operations are organized and managed by geographic jurisdiction, reflecting the differing regulatory, operating, and economic environments in which the Company operates. For the six months ended June 30, 2026, the Company has identified the following reportable operating segments:

- **United States** – producing and development assets located in Nevada and Arizona;
- **Mexico** – producing and development assets located in Sonora, Zacatecas, and Durango; and
- **Corporate** – corporate administration, financing activities, and strategic oversight conducted primarily in Canada.

The CODM reviews financial information on a consolidated basis and by jurisdiction. Operating segments have been aggregated where they exhibit similar economic characteristics and meet the aggregation criteria under IFRS 8.

Segment performance

Segment performance is evaluated based on operating results before finance costs, income taxes, and non-recurring items. Accounting policies of the operating segments are consistent with those applied in the consolidated financial statements.

The following table summarizes financial information by reportable segment for the six month period ended June 30, 2026:

	United States $	Mexico	Corporate $	Total $
Revenue	71,543	297	–	71,840
Cost of sales	(37,895)	(1,288)	–	(39,183)
Income (loss) from mine operations	33,648	(991)	–	32,657
Exploration and evaluation (expense)	(3,114)	(5,262)	–	(8,376)
Total assets	221,719	27,621	7,664	257,005
Capital expenditures	10,046	-	–	10,046

23) SEGMENT REPORTING (CONTINUED)

Corporate segment amounts primarily include corporate personnel costs, professional fees, investor relations, share-based compensation, and financing-related expenditures that are not directly attributable to an operating segment.

24) CAPITAL RISK MANAGEMENT

The Company’s objectives when managing capital are to:

- safeguard the Company’s ability to continue as a going concern;
- support the development, operation, and expansion of its mineral assets;
- fund exploration, evaluation, and sustaining and growth capital expenditures; and
- maximize long-term shareholder value.

The Company defines capital as equity attributable to shareholders, together with debt and lease liabilities, net of cash and cash equivalents.

Capital structure and monitoring

The Company manages its capital structure and makes adjustments in response to changes in economic conditions, operational performance, and strategic opportunities.

In managing capital, the Company may:

- issue new equity instruments;
- refinance or repay existing borrowings;
- adjust capital expenditure programs;
- enter into strategic financing arrangements; and
- dispose of non-core assets.

Management monitors capital on the basis of net debt, working capital, and forecasted cash flows and reviews capital structure regularly in conjunction with the Board of Directors.

Capital requirements and compliance

Neither the Company nor its subsidiaries are subject to externally imposed capital requirements, other than those of the TSX (“TSX”).

As at June 30, 2026 and December 31, 2025, management believes that the Company was in compliance with these requirements.

Financing strategy

The Company’s capital requirements are driven primarily by:

- operating and sustaining capital at producing assets;
- development and expansion activities;
- exploration and evaluation programs; and
- debt servicing and lease obligations.

The Company funds its capital requirements through a combination of operating cash flows, equity financings, debt arrangements, and strategic transactions, including royalty, streaming, and prepayment facilities.

25) COMMITMENTS AND CONTINGENCIES

The Company is committed to certain obligations under normal course of operations including capital expenditure commitments and contractual commitments.

The Company is subject to certain contractual commitments and contingent liabilities arising in the ordinary course of business.

a) Precious metals purchase and sale agreement

On October 3, 2025, the Company entered into a Master Purchase and Sale Agreement with Auramet International ("Auramet"). Under this agreement, the Company agreed to sell precious metals produced by its subsidiaries, to Auramet on a spot, forward, in-process, or prepayment basis for a three year period or until delivery obligations have been met.

The agreement remains in effect in accordance with its contractual terms.

b) Call option agreement

On September 29, 2025, the Company converted the previous call option agreement, with Auramet into a gold forward sales agreement to sell a total of 7,000 ounces of gold at a strike price of up to US$2,175 until November 30, 2026. This agreement replaced the previous agreement entered into in October 2023. As of December 31, 2025, the commitment was to deliver 6,000 ounces of gold outstanding against the agreement. As of May 25, 2026, the commitment has been fully settled.

c) Royalty agreements

The Company is subject to certain royalty obligations and annual lease payments on its projects.

The Company is required to make certain advanced royalty payments for the Pan and Gold Rock projects. The advanced royalty is recorded within other current assets based on expected production from the property over the next twelve months and the remaining amount is recorded within other long-term assets. The advanced royalties balance will be expensed through production costs based on actual gold or equivalent production from the projects.

Pan Mine

On or before January 5th of each year, the Company must pay an advance minimum royalty to Osisko Mining (USA) Inc. of the greater of $0.06 million or the dollar equivalent of 174 ounces of gold valued by the average of the London afternoon fixing price for the third calendar quarter preceding January 1st of the year in which the payment is due. The minimum advance royalties are creditable against the sliding scale production royalty at Pan of between 2.5% and 4%. At June 30, 2026 the Pan Project advance royalty balance is $0.

25) COMMITMENTS AND CONTINGENCIES (CONTINUED)

c) Royalty agreements (Continued)

Copperstone Project

The Company is party to a Gold Purchase Sale Agreement with Star Royalties ("the GPSA") which has a fixed gold entitlement at 4% of the payable gold ounces produced. The Company is also subject to a gross royalty of 1.5% of the gold ounces produced and a requirement to pay an annual lease payment of $40.

Mexico Projects

The Company is also party to royalty agreements in respect of certain mineral properties. In particular, Osisko Gold Royalties holds a 3% net smelter return royalty on the Santana property. Royalties are recognized as cost of sales when the related production is sold. The Company is also party to a royalty agreement with Auramet International which holds a 0.25% net smelter return royalty on the Cerro de Oro project.

d) Management agreements

As at June 30, 2026, the Company is party to employment and management agreements with certain key management personnel. These agreements do not include minimum service commitments but contain clauses requiring additional payments of approximately $3,659 upon the occurrence of certain events, including a change of control or termination. As no triggering event had occurred as at June 30, 2026, no provision has been recognized in respect of these arrangements.

e) Legal and regulatory matters

The Company is subject to various claims, lawsuits and other complaints arising in the ordinary course of business. The Company records provisions for losses when claims become probable and the amounts are estimable. Although the outcome of such matters cannot be determined, it is the opinion of management that the final resolution of these matters will not have a material adverse effect on the Company's financial condition, operations or liquidity. During the year ended December 31, 2023, the Company's Mexican subsidiary Corex Global S de RL de SV received a notice for an imposed fine of 8,299 MXN (approximately $475 at June 30, 2026) from the Ministry of Labour and Social Welfare on the basis of misunderstood terms of the employment relationship between its subcontractor and the Company. The Company believes this is a frivolous fine and has submitted the claim against the Federal Court of Administrative Justice to be resolved. As such, no amounts were accrued. In April 2025, the Company deposited a cash guarantee of the imposed fine plus inflation of 632 MXN (approximately $36) with the Ministry of Finance of Sonora State which would be returned with the dismissal of the fine.

f) Lease commitment

The Company is subject to a lease for office space for a five year period commencing on December 1, 2026 to November 30, 2031. The total commitment for the base rent is approximately $956,000.

(Expressed in thousands of United States Dollars, except share and per share amounts and otherwise noted)

26) RELATED PARTY TRANSACTIONS AND BALANCES

Related parties include members of the Board of Directors, executive officers, close family members of such individuals, and entities controlled or significantly influenced by these individuals.

Key management personnel include directors and senior executives who have authority and responsibility for planning, directing, and controlling the activities of the Company.

a) Key Management compensation

The remuneration of directors and key management personnel for the six months ended June 30, 2026 was as follows:

Description	2026 $	2025 $
Aggregate compensation	788	239
Share-based compensation	3,349	630
Total compensation	**4,137**	869

Short-term employee benefits include salaries, bonuses, and directors' fees. Share-based compensation is recognized in accordance with the Company's share-based payment policy.

b) Related party balances

Included in accounts payable and accrued liabilities at June 30, 2026 was an amount of $0 (December 31, 2025 – $824) payable to key management personnel in respect of outstanding compensation and reimbursable expenses. These amounts were unsecured, non-interest bearing, and due on demand.

Included in accounts receivable at June 30, 2026 was an amount of $0 (December 31, 2025 – $64) due from key management personnel. These amounts were unsecured, non-interest bearing, and due on demand.

27) CHANGE IN PRESENTATION CURRENCY

For comparative purposes, the consolidated statements of financial position as at January 1, 2025 and December 31, 2025, consolidated statements of loss and comprehensive loss and consolidated statements of cash flows include adjustments to reflect the change in the accounting policy resulting from the change in presentation currency to the USD.

The amounts previously reported in CAD as shown below have been translated into USD at January 1, 2025 and December 31, 2025 exchange rates. The effect of the translation is as follows:

Consolidated Statement of Financial Position
As at January 1, 2025

	Previously reported (CAD $)	Translated (USD $)
Current assets	26,654	19,457
Total assets	47,432	34,625
Current liabilities	11,143	8,134
Total liabilities	14,006	10,224

(Expressed in thousands of United States Dollars, except share and per share amounts and otherwise noted)

27) CHANGE IN PRESENTATION CURRENCY (CONTINUED)

Consolidated Statement of Financial Position
As at December 31, 2025

	Previously reported (CAD $)	Translated (USD $)
Current assets	178,259	130,059
Total assets	335,278	244,622
Current liabilities	66,262	48,347
Total liabilities	140,462	102,483

Statement of Operations and Comprehensive Loss
Year ended December 31, 2025

	Previously reported (CAD $)	Translated (USD $)
Net loss	(42,633)	(30,585)
Currency translation adjustment	(7,982)	(5,726)
Comprehensive loss	(50,615)	(36,311)

Consolidated Statement of Cash Flows
Year ended December 31, 2025

	Previously reported (CAD $)	Translated (USD $)
Used in operating activities	(4,601)	(3,301)
Effect of currency translation	260	186
Cash, end of year	60,255	43,962

28) SUBSEQUENT EVENTS

On July 9, 2026, 106,000 RSU's were granted to employees of the company. The RSU's willl vest on December 31, 2027 and are settleable in common shares of the Company, once vested.

On July 28, 2026, 50,000 stock options, at an exercise price of $7.20 per option, to acquire common shares expired unexercised.

On August 6, 2026, the Company issued 25,000 common shares from the exercise of stock options at $3.30 per option for value of $82,500.