CONSOLIDATED FINANCIAL STATEMENTS

EMERGENT METALS CORP.

FOR THE YEARS ENDED 31 DECEMBER 2025 AND 2024

PRESENTED IN US DOLLARS

To the Shareholders of Emergent Metals Corp.:

Opinion

We have audited the consolidated financial statements of Emergent Metals Corp. and its subsidiaries (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2025 and December 31, 2024, and the consolidated statements of comprehensive income (loss), changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at December 31, 2025 and December 31, 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audits of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the consolidated financial statements, which indicates that the Company incurred a net loss during the year ended December 31, 2025 and, as of that date, the Company had a working capital deficiency and an accumulated deficit. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Except for the matter described in the Material Uncertainty Related to Going Concern section, we have determined that there are no other key audit matters to communicate in our report.

MNP LLP

Suite 2400, MNP Tower 609 Granville Street, PO Box 10203 LCD Pacific Centre, Vancouver BC,

V7Y 1E7 1.877.688.8408 T: 604.685.8408 F: 604.685.8594

Other Information

Management is responsible for the other information. The other information comprises Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audits of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audits or otherwise appears to be materially misstated. We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Company as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits and significant audit findings, including any significant deficiencies in internal control that we identify during our audits.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Jenny Lee.

MNP LLP

Vancouver, British Columbia
April 30, 2026

Chartered Professional Accountants

Management's Responsibility

To the Shareholders of Emergent Metals Corp.:

Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with International Financial Reporting Standards. This responsibility includes selecting appropriate accounting principles and methods and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded, and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Directors is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information presented. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and the external auditors.

The Audit Committee has the responsibility of meeting with management, and the external auditors to discuss the internal controls over the financial reporting process, auditing matters and financial reporting issues. The Board is also responsible for recommending the appointment of the Company's external auditors.

We draw attention to note (1) in the consolidated financial statements which indicates the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.

"David Watkinson"	*"Grant T. Smith"*
David Watkinson, CEO	Grant T. Smith, CFO

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at	
	31 Dec 2025	31 Dec 2024
Assets		
Current Assets		
Cash and cash equivalents	$ **245,048**	$ 52,366
Amounts receivable (note 7)	**42,346**	108,023
Prepaid amounts and deposits	**28,714**	34,906
Marketable securities (note 8)	**342,915**	-
	659,023	195,295
Non-current Assets		
Exploration and evaluation assets (“E&E”) (note 9)	**2,227,973**	2,511,498
Equipment (note 10)	**23,700**	29,704
	2,251,673	2,541,202
	$ **2,910,696**	$ 2,736,497
Liabilities		
Current Liabilities		
Accounts payable & accrued liabilities (note 11)	$ **645,705**	$ 1,306,229
Interest payable	**72,818**	-
Due to related parties (note 12)	**81,795**	491,873
Note payable (note 13)	**723,411**	-
Warrant liability (note 16)	**-**	517,739
	1,523,729	2,315,841
Equity		
Share capital (note 15)	**49,250,269**	49,019,229
Warrant reserve (note 16)	**1,589,337**	1,071,598
Option reserve (note 17)	**8,078,459**	8,078,459
Accumulated other comprehensive income	**(58,000)**	-
Deficit	**(57,473,098)**	(57,748,630)
Total Equity	**1,386,967**	420,656
	$ **2,910,696**	$ 2,736,497

Nature of operations and going concern (note 1)
Subsequent events (note 22)
Segmented Information (note 19)

These consolidated financial statements were approved and authorized for issuance on behalf of the Board of Directors on 30 April 2026.

“David Watkinson”
David Watkinson, Director

“Andrew MacRitchie”
Andrew MacRitchie, Director

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (LOSS)

For the years ended		31 Dec 2025		31 Dec 2024
Expenses				
Exploration and Evaluation (note 9)				
Expenditures	$	**230,296**	$	529,726
General and Administrative				
Management and consulting		**194,200**		253,838
Shareholder communications		**8,063**		90,517
Professional fees		**96,394**		128,201
Tax penalties		-		35,136
Bad debt		-		30,382
Travel		**18,715**		3,802
Listing and filing fees		**26,045**		29,027
Insurance		**18,588**		30,131
Amortization of tangible assets (note 10)		**6,004**		7,539
Office		**37,648**		13,078
Interest on notes payable		**72,642**		-
Share-based compensation (note 18)		-		27,653
Bank charges & interest		**655**		5,538
Rent		**4,027**		1,055
		482,981		655,897
(Loss) before other items		**(713,277)**		(1,185,623)
Other Items – Expense (Income)				
Fair value change for warrant liability (note 16)		**-**		(434,239)
Amortization of flow-through liability (note 14)		**-**		(85,609)
Lease liability accretion		**-**		966
(Gain) on sale of E&E assets (note 9c)		**(287,068)**		-
Fair value adjustment on marketable securities (note 8)		**(100,150)**		-
Gain on debt settlement (note 11)		**(596,368)**		-
Foreign exchange		**(5,223)**		(120,442)
		(988,809)		(639,324)
Net Income (Loss)	$	**275,532**	$	(546,299)
Currency translation – (parent entity)		**(58,000)**		-
Income (Loss) and Comprehensive Income (Loss)	$	**217,532**	$	(546,299)
Basic income (loss) per share		**0.01**		(0.02)
Diluted income (loss) per share		**0.00**		(0.02)
Weighted average shares – basic		**51,771,157**		34,505,449
Weighted average shares – diluted		**72,715,944**		75,661,044

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the years ended	31 Dec 2025	31 Dec 2024
Common share capital		
Share capital opening	$ 49,019,229	$ 49,111,305
Share issuance costs	-	(92,076)
Units to be issued	231,040	-
	49,250,269	49,019,229
Warrant Reserves		
Warrant reserve opening	1,071,598	1,026,749
Issuance costs	-	44,849
Reclassified from warrant liability (note 16)	517,739	-
	1,589,337	1,071,598
Option Reserves		
Option reserve opening	8,078,459	8,050,806
Share-based compensation (note 18)	-	27,653
	8,078,459	8,078,459
Accumulated other comprehensive income (loss)		
Accumulated other comprehensive income (loss)	(58,000)	-
Accumulated deficit		
Accumulated deficit opening	(57,748,630)	(57,202,331)
Net income (loss) for the year	275,532	(546,299)
Accumulated deficit closing (Statement 1)	(57,473,098)	(57,748,630)
Total Equity	$ 1,386,967	$ 420,656

CONSOLIDATED STATEMENT OF CASH FLOWS

For the years ended	31 Dec 2025	31 Dec 2024
Operating Activities		
Net income (loss) for the year	$ **275,532**	$ (546,299)
Items not affecting cash		
Amortization of equipment (note 10)	**6,004**	7,539
Amortization of flow-through premium	**-**	(85,609)
Stock-based compensation	**-**	27,653
Gain on sale of claims	**(287,068)**	-
Gain on settlement of debt	**(596,368)**	-
Interest on notes payable	**72,642**	-
Bad debt	**-**	30,382
Fair value adjustment to marketable securities	**(100,150)**	-
Unrealized foreign exchange impact	**-**	(2,177)
Lease liability accretion	**-**	966
Fair value change of warrant liability (note 16)	**-**	(434,239)
	(904,940)	(455,485)
Net change in non-cash working capital		
Amounts receivable	**65,677**	(50,651)
Prepaids amounts and other assets	**6,192**	10,112
Accounts payables & accrued liabilities	**60,844**	(180,488)
Due from related parties (note 12)	**-**	258,835
	132,713	37,808
	(496,695)	(963,976)
Investing Activities		
Property payments received (note 9)	**345,000**	330,000
Acquisition of exploration assets (note 9)	**(175,000)**	(168,908)
	170,000	161,092
Financing Activities		
Net proceeds from private placement	**-**	657,328
Cash from related party loan	**282,843**	-
Subscription received in advance	**231,040**	-
Short-term debt	**-**	(26,603)
	513,883	630,725
Exchange differences in cash	**5,494**	-
Net increase (decrease) in cash	**192,682**	(172,159)
Cash position – opening	**52,366**	224,525
Cash position – closing	$ **245,048**	$ 52,366

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1) NATURE OF OPERATIONS AND GOING CONCERN

Emergent Metals Corp. ("Emergent" or the "Company") was incorporated under the British Columbia Corporations Act on 17 March 1989. The Company's principal business office is located at c/o Capiche Legal LLP, 620 – 111 Melville Street, Vancouver, BC, V6E 3V9. The Company's shares trade on the TSX Venture Exchange under the symbol EMR, on the OTC Market as EGMCF, and on the Frankfurt and Berlin Stock Exchanges under the symbol EML.

Emergent is engaged in the acquisition, exploration, and divestiture of mineral property interests, with the objective of generating shareholder value. Transactions may include asset purchases or sales, joint ventures, options, royalties, or other structures appropriate to the specific asset.

These consolidated financial statements have been prepared on a going concern basis, which assumes the Company will continue operations for the foreseeable future and be able to realize its assets and discharge its liabilities in the normal course of business. The Company has incurred cumulative losses, has negative operating cash flows, and is unable to fully finance its planned operations for the 2026 fiscal year without additional funding. The Company's ability to continue as a going concern is dependent upon its capacity to raise additional financing, generate proceeds from asset transactions, or otherwise obtain sufficient working capital. There can be no assurance that such financing or transactions will be available in the future.

As a result, there is a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. If the going concern assumption were not appropriate, adjustments would be required to the carrying amounts of assets and liabilities, the reported expenses, and the classification of balances in the consolidated statement of financial position. Such adjustments could be material.

As at 31 December 2025 and 31 December 2024, the Company had the following negative indicators.

Table 1 Negative indicators

Rounded to 000's	**31 Dec 2025**	31 Dec 2024
Working capital (deficiency)	$ **(865,000)**	$ (2,121,000)
Accumulated deficit	$ **57,473,000**	$ 57,749,000

2) BASIS OF PREPARATION – STATEMENT OF COMPLIANCE

a) Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS® Accounting Standards) as issued by the International Accounting Standards Board (IASB). The consolidated financial statements were authorized for issue by the Board of Directors on 30 April 2026.

b) Basis of measurement

The consolidated financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit and loss, which are stated at their fair value. In addition, the consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

c) Basis of consolidation

These consolidated financial statements incorporate the financial statements of the Company and its wholly-owned subsidiaries:

- Golden Arrow Mining Corporation
- Emgold (US) Corporation

Subsidiaries are entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases. All significant intercompany transactions and balances have been eliminated.

d) Currency

Effective 1 January 2025, the functional currency of Emergent Metals Corp., the parent company, changed from United States dollars (“USD”) to Canadian dollars (“CAD”). The change reflects a shift in the primary economic environment in which the Company operates, including the currency in which financing activities are conducted and corporate and exploration expenditures are incurred (note 16). The Company's U.S. subsidiaries continue to have USD as their functional currency, as the primary economic environment in which those entities operate has not changed.

This change represents the application of IAS 21 The Effects of Changes in Foreign Exchange Rates to revised facts and circumstances and does not constitute a change in accounting policy under IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. Accordingly, prior period balances have not been restated.

The presentation currency for these consolidated financial statements remains USD.

3) SUMMARY OF MATERIAL ACCOUNTING POLICIES

a) Cash

Cash consists of cash on hand and deposits in banks.

b) Foreign Currencies

Transactions entered into by the Company in a currency other than the functional currency are recorded at the rates ruling when the transactions occur except depreciation and depletion which are translated at the rates of exchange applicable to the related assets, with any gains or losses recognized in the Consolidated Statements of Comprehensive Income (Loss).

Foreign currency monetary assets and liabilities are translated at current rates on the reporting date with the resulting gain or losses recognized in the Consolidated Statements of Comprehensive Income (Loss). Exchange differences arising on the retranslation of unsettled monetary assets and liabilities are recognized immediately in Consolidated Statements of Comprehensive Income (Loss). Non-monetary assets and liabilities are translated using historical exchange rates. Non-monetary assets and liabilities measured at fair value in a foreign currency are translated using the exchange rate at the date when the fair value is determined.

c) Equipment

All items of equipment are stated at historical cost, less any accumulated depreciation and any accumulated impairment losses. Historical cost includes all costs directly attributable to the acquisition. Amortization of other items of equipment is calculated on components that have homogeneous useful lives by using the straight-line method to amortize the initial cost as follows:

Field equipment	3-5 years
Office furniture	3-5 years
Computer hardware	1-2 years
Vehicles	2-4 years

Useful lives, residual values and amortization methods are reviewed at each year-end. Such a review takes into consideration the nature of the assets, their intended use and technological changes. The straight-line method applies from the month an asset is put into use. Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized in "Other items" in profit or loss.

d) Exploration and evaluation

Costs incurred to explore and evaluate mineral properties are expensed as incurred. These costs may include geological, geophysical and exploration activities undertaken to assess the economic potential of a mineral interest. Annual claim fees paid to governments to maintain mineral interests in good standing do not represent acquisition costs and are expensed as incurred.

The cost of acquiring mineral interests, whether through direct purchase, option payments, or business combinations, is capitalized as mineral property interests when the rights to the property are obtained and the costs are directly attributable to an area of interest. Development costs are capitalized once management determines that commercial development of a mineral property is probable.

From time to time, the Company may acquire or dispose of mineral interests under option agreements. As these options are exercisable at the optionee's discretion, amounts payable or receivable under such agreements are recognized only when payments are made or received.

Mineral property interests are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Impairment of non-financial assets

Indicators of impairment of exploration and evaluation assets are assessed at each reporting period. If an indicator of impairment exists to suggest that the technical feasibility and commercial viability of the project is in question, and facts and circumstances suggest the carrying amount exceeds the recoverable amount, the carrying value of the exploration and evaluation assets will be written down to the estimated recoverable amount.

e) Flow-through shares

Flow-through shares allow the Company to renounce certain qualifying Canadian exploration expenditures to investors in accordance with the Income Tax Act (Canada).

Proceeds from the issuance of flow-through shares are allocated between share capital and the flow-through premium. The flow-through premium represents the excess of the issue price over the market value of the shares at the date of issuance and is recorded as a liability.

The liability is reduced and recognized in income as the Company incurs and renounces the qualifying expenditures.

If the Company fails to incur the required expenditures within the prescribed time period, it may be subject to Part XII.6 tax, which is recognized in profit and loss.

f) Share-based payments

The Company grants stock options to buy common shares of the Company to directors, officers and employees. The Board of Directors grants such options for periods of up to five years, with immediate vesting upon grant. The exercise prices equal to or greater than the closing market price on the day preceding the date the options were granted.

The fair value of the options is measured at grant date, using the Black-Scholes option pricing model, and is recognized in the period that the options are earned. The fair value is recognized as an expense with a corresponding increase in equity. The amount recognized as expense is adjusted to reflect the number of share options expected to vest. When stock options are forfeited prior to vesting, the Company ceases recognizing stock-based compensation expense related to those options from the date of forfeiture onward. However, any expense previously recognized in respect of the forfeited options is not reversed. This approach is consistent with the Company's accounting policy under IFRS 2 – Share-based Payment.

Share-based payments to non-employees are measured at the fair value of the goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, are recorded at the date the goods or services are received.

The Company uses the Black-Scholes option pricing model to estimate the fair value of stock options granted, as required under IFRS 2. While the model is widely accepted for financial reporting purposes, it relies on several assumptions, which may not fully reflect the economic realities of junior issuers such as the Company. These include assumptions about expected volatility, risk-free rates, and the absence of dividends. In the context of a low trading volume, low share price, and an early-stage business model with no history of dividends and ongoing operating losses, these assumptions may introduce estimation uncertainty and result in values that are not directly observable or readily comparable to market-based pricing.

The Black-Scholes model is considered the most practical and supportable approach available under current accounting standards, and the Company applies it consistently in accordance with IFRS requirements.

g) Income taxes

Income tax expense comprises current and deferred tax and is recognized in the consolidated statement of loss and comprehensive loss, except to the extent it relates to items recognized directly in equity.

Current tax is the expected tax payable on taxable income for the year, based on tax rates and laws enacted or substantively enacted at the reporting date, and includes adjustments for prior periods.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and their tax bases. Deferred tax assets and liabilities are measured at the tax rates expected to apply when the assets are realized or the liabilities settled, based on rates enacted or substantively enacted at year-end.

A deferred tax asset is recognized only to the extent it is probable that future taxable income will be available to utilize the asset. Deferred tax assets are reduced to the extent that recovery is no longer probable.

Deferred tax assets and liabilities are offset when the Company has a legally enforceable right to offset current tax assets against liabilities, and the deferred taxes relate to the same taxation authority and entity intending net settlement.

h) Income (loss) per share

Basic loss per share is calculated by dividing the net loss attributable to common shareholders by the weighted average number of common shares outstanding during the reporting period.

Diluted loss per share is calculated by adjusting the weighted average number of shares outstanding to assume the exercise of all potentially dilutive instruments, including stock options and warrants, using the treasury stock method. However, under IAS 33, potential common shares are excluded from the calculation of diluted loss per share when their effect would be anti-dilutive. As such, in periods where the Company reports a loss, diluted loss per share is equal to basic loss per share.

i) Comprehensive loss

Comprehensive loss includes the Company’s net loss as well as other items that affect the value of shareholders’ equity but are not part of regular operations. These items include, for example, unrealized gains or losses on investments measured at fair value through other comprehensive income (FVTOCI), certain gains or losses on derivatives, and foreign exchange differences from translating the financial statements of self-sustaining foreign operations. Comprehensive loss is shown in both the Consolidated Statement of Comprehensive Loss and the Consolidated Statement of Changes in Equity.

j) Warrant classification

Warrants are classified as either equity instruments or derivative financial liabilities based on their contractual terms.

Warrants that entitle the holder to acquire a fixed number of the Company’s shares for a fixed exercise price denominated in the Company’s functional currency meet the “fixed-for-fixed” criterion under IAS 32, Financial Instruments: Presentation, and are classified as equity instruments. When warrants are issued as part of a unit financing, the proceeds are allocated between the shares and warrants using the residual method, whereby the fair value of the shares is determined first and the residual amount is attributed to the warrants. Equity-classified warrants are recorded in equity as a component of contributed surplus at the time of issuance and are not subsequently remeasured.

Warrants issued with exercise prices denominated in a currency other than the Company's functional currency do not meet the fixed-for-fixed criterion and are classified as derivative financial liabilities. These instruments are measured at fair value through profit or loss ("FVTPL") in accordance with IFRS 9, Financial Instruments, with fair value determined at issuance and remeasured at each reporting date using a recognized option pricing model.

Prior to 1 January 2025, certain warrants were classified as derivative financial liabilities because their exercise price was denominated in a currency other than the Company's functional currency. These warrants were measured at fair value using an option pricing model. Following the change in the Company's functional currency effective 1 January 2025 (see Note 1d), these warrants now meet the fixed-for-fixed criterion under IAS 32 and are classified as equity instruments. Accordingly, the Company now allocates proceeds from unit financings between shares and warrants using the residual method. This change reflects the change in classification of the warrants and does not represent a change in accounting policy under IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors.

k) Provisions for restoration and rehabilitation

The Company is engaged in mineral exploration activities and, as at 31 December 2025 and 31 December 2024, has determined that it does not have any material legal or constructive obligations requiring a provision for site restoration or environmental rehabilitation.

This assessment is based on the Company's current stage of operations, which consists solely of early-stage exploration activities such as mapping, sampling, and limited drilling. These activities do not involve significant ground disturbance or long-term environmental impact that would give rise to a present obligation under IAS 37, *Provisions, Contingent Liabilities and Contingent Assets*.

The Company will continue to monitor its activities and regulatory environment. A provision will be recognized when it becomes probable that restoration or rehabilitation costs will be incurred and a reliable estimate of those costs can be made.

l) Marketable securities

Marketable securities consist of equity instruments that are held for trading or are expected to be realized within the short term. These investments are classified as financial assets measured at fair value through profit or loss (“FVTPL”) in accordance with IFRS 9 Financial Instruments. Financial assets classified at FVTPL are initially recognized at fair value on the trade date. Transaction costs directly attributable to the acquisition are recognized immediately in profit or loss. Marketable securities may include shares received in connection with the sale or option of mineral properties. Such securities are recorded at their fair value on the date of receipt.

After initial recognition, marketable securities are measured at fair value at each reporting date. Changes in fair value are recognized in profit or loss in the period in which they arise and are presented as fair value gains or losses on marketable securities. Fair value is determined using quoted market prices in active markets when available. When quoted prices are available, these instruments are classified within Level 1 of the fair value hierarchy under IFRS 13 Fair Value Measurement.

n) New accounting standards

The following new standards, amendments to standards and interpretations have been issued but are not effective during year ended 31 December 2025.

The IASB's newly issued IFRS Accounting Standard, IFRS 18 Presentation and Disclosure in Financial Statements aims to improve the usefulness of information presented and disclosed in financial statements. IFRS 18 is effective for annual reporting periods beginning on or after 01 January 2027, with early application permitted. The Company has not adopted this standard and will plan implementation by the prescribed deadline.

The IASB’s newly issued narrow scope amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures provides clarification on financial liability derecognition and financial assets with ESG linked and “non-recourse features”. The amendments are effective for annual reporting periods beginning on or after 01 January 2026. Earlier application is permitted. The Company has not adopted this standard and will plan implementation by the prescribed deadline.

The Company is assessing the impact of the amendment or any other amendments to standards and interpretations applicable to the Company and not yet effective for year ended 31 December 2025 to have a significant effect on its consolidated financial statements.

4) CRITICAL ACCOUNTING JUDGMENT AND KEY SOURCES ESTIMATION UNCERTAINTY

In applying the Company's accounting policies, management is required to exercise judgment and make estimates and assumptions regarding the carrying amounts and classifications of assets and liabilities when objective evidence is not readily available; these estimates, which are based on historical experience and other relevant factors, may differ from actual outcomes. Management reviews these estimates on an ongoing basis and recognizes revisions in the period they occur (or in both the current and future periods when applicable). The following critical judgments and areas involving significant estimates have been identified by management as having the most substantial effect on the amounts recognized in the consolidated financial statements.

a) Going Concern Assessment

Management exercises significant judgment in determining whether this assumption remains appropriate, particularly in light of the Company's exploration-stage status, history of operating losses, and reliance on equity financings or asset transactions for funding.

In forming its judgment, management considers the Company's expected ability to generate cash inflows through sales of marketable securities, potential option or joint venture agreements, equity financings, or the divestiture of mineral property interests under its acquisition and divestiture (A&D) model. The timing and success of such transactions are inherently uncertain and influenced by external factors such as commodity prices, investor sentiment, and capital market conditions.

While the Company has a demonstrated history of raising capital and managing its liquidity proactively, the continued ability to access financing remains a key assumption underlying the going concern basis of preparation.

b) Impairment of Exploration and Evaluation Assets

Exploration and evaluation assets are assessed for impairment when facts or circumstances suggest that their carrying amount may exceed their recoverable amount. Management uses judgment in determining whether indicators of impairment exist, including changes in exploration results, rights of tenure, or the Company's plans for continued exploration. The absence of active development or a market for a property may also trigger a review.

c) Restoration and Rehabilitation Obligations

The Company evaluates whether its exploration activities create legal or constructive obligations for environmental restoration or site rehabilitation. At the current stage, management has judged that no such obligations exist, as the Company's activities to date are limited to early-stage exploration. This assessment is revisited periodically based on the nature and extent of site disturbance and evolving regulatory expectations.

d) Functional Currency Determination

In accordance with IAS 21, The Effects of Changes in Foreign Exchange Rates, management determined that the functional currency of the Company and its wholly owned subsidiaries is the US dollar. The assessment of the Company' s functional currency and the functional currency of its subsidiaries involves judgment regarding the primary economic environment the Company and its subsidiaries operate in.

5) KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of consolidated financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income, and expenses. These estimates are inherently uncertain and could result in outcomes that differ from those anticipated. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions are recognized in the period in which the estimates are revised and in future periods if applicable.

The following areas involve significant estimation uncertainty that could result in material adjustments to the carrying amounts of assets or liabilities within the next financial year.

a) Share-based compensation

The fair value of stock options granted is estimated using the Black-Scholes option pricing model. Assumptions used in the model, such as expected share price volatility, option life, forfeiture rates, and risk-free interest rates, are based on available information at grant. However, due to the Company's limited trading volume and development-stage status, these assumptions may not capture future behaviour. The Company uses Black-Scholes as the most practical and supportable valuation method available under IFRS, but recognizes the inherent estimation uncertainty involved.

b) Deferred taxes

The recognition of deferred tax assets depends on management's judgment regarding the likelihood of future taxable income against which deductible temporary differences and unused tax losses can be applied. The estimation of future taxable income involves assumptions about future profitability, timing of reversals, and potential tax planning strategies. As at 31 December 2025, no deferred tax asset has been recognized due to uncertainty regarding the timing and realization of taxable income. These estimates will continue to be reassessed as operating results evolve.

6) FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

a) Classification

The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

The following table shows the classifications:

Financial Assets	Classification
Cash and equivalents	Amortized cost
Amounts receivable (excludes goods and service tax)	Amortized cost
Marketable securities	FVTPL
Financial Liabilities	**Classification**
Accounts payable and accrued liabilities	Amortized cost
Due to related parties	Amortized cost
Interest payable	Amortized cost
Note payable	Amortized cost
Warrant liability	FVTPL

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the Consolidated Statements of Comprehensive Loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the Consolidated Statements of Comprehensive Loss in the period in which they arise.

Impairment of financial assets

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to twelve month expected credit losses. The Company shall recognize in the Consolidated Statements of Comprehensive Loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

b) Fair values

Financial instruments measured at fair value on the Consolidated Statements of Financial Position include marketable securities and warrant liabilities. The fair value of marketable securities is based on quoted prices in active markets and is classified as Level 1 under the fair value hierarchy. Warrant liabilities are valued using the Black-Scholes option pricing model and are classified as Level 2, as the model relies on observable market inputs such as share price, volatility, interest rates, and time to expiry.

While the Black-Scholes model is widely accepted under IFRS, it assumes market conditions (such as continuous trading and no early exercise) that may not fully reflect the characteristics of instruments issued by junior exploration companies. As a result, fair value estimates may not represent prices at which the instruments could be exchanged in an active market.

The Company had no Level 3 financial instruments at 31 December 2025 or 2024, and there were no transfers between levels during the reporting periods.

c) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or other financial assets.

The Company's liabilities at 31 December 2025 and 2024 as presented in the consolidate financial statements are due within 12 months of the respective reporting dates.

Rounded 000's		Carrying amount		Contractual obligation		Less than 12 months
31 Dec 2025						
Accounts payable & accrued liabilities	$	**646,000**		**646,000**		**646,000**
Due to related parties		**82,000**		**82,000**		**82,000**
Notes payable		**723,000**		**723,000**		**723,000**
Interest payable		**73,000**		**73,000**		**73,000**
	$	**1,524,000**		**1,524,000**		**1,524,000**
31 Dec 2024						
Accounts payable & accrued liabilities	$	1,306,000	$	1,306,000	$	1,306,000
Due to related parties		492,000		492,000		492,000
	$	1,798,000	$	1,798,000	$	1,798,000

d) Market risk

Market risk is the risk that changes in market prices will affect the Company's earnings or the value of its financial instruments. Market risk is comprised of commodity price risk and interest rate risk. The objective of market risk management is to manage and control exposures within acceptable limits, while maximizing returns.

e) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is its bank accounts. The Company's bank accounts are held with major banks in Canada and US; accordingly the Company believes it is not exposed to significant credit risk.

f) Interest rate risk

Interest rate risk is the risk of losses that arise as a result of changes in contracted interest rates. The Company is nominally exposed to interest rate risk.

g) Foreign exchange risk

For the year ended 31 December 2025, the functional currency of the parent is the Canadian dollar and the functional currency of its subsidiaries is the U.S. dollar. The Company's exposure to transactional foreign exchange risk was **not significant** during the reporting period, as the parent held only nominal U.S. dollar denominated monetary balances and the Company's U.S. dollar functional subsidiaries had no significant Canadian dollar denominated expenditures or monetary balances. Accordingly, management considers direct foreign exchange risk arising from financial instruments to be immaterial.

The Company does not use derivative financial instruments to hedge its exposure to currency risk. Instead, the Company manages this risk by maintaining only the minimum USD in the parent.

h) Commodity price risk

Commodity price risk is the risk that the fair value of future cash flows will fluctuate as a result of changes in commodity prices. Commodity prices for minerals are impacted by world economic events that dictate the levels of supply and demand as well as the relationship between the Canadian and United States dollar, as outlined above. As the Company has not yet developed commercial mineral interests, it is not exposed to commodity price risk at this time.

7) AMOUNTS RECEIVABLE

The Company's receivables are comprised of goods and services tax from government taxation authority, and other receivables as follows:

Table 2 Amounts receivable

	31 Dec 2025	31 Dec 2024
Goods & service tax	$ 40,000	$ 105,000
Other receivables	2,000	3,000
	$ 42,000	$ 108,000

8) MARKETABLE SECURITIES

During the year ended 31 December 2025, the Company received equity securities with a fair value of $240,770. The securities are measured at fair value at each reporting date, with changes in fair value recognized in profit or loss.

The continuity of marketable securities is as follows:

Table 3 Marketable securities

	31 Dec 2025	31 Dec 2024
Marketable securities received for the sale of York Property	$ 240,770	$ -
Fair value adjustment	100,150	-
Change in foreign exchange evaluation	1,995	-
	$ 342,915	$ -

9) EXPLORATION AND EVALUATION

Table 4 Acquisition costs

Mineral property acquisition costs	Opening 31 Dec 2024	Additions 31 Dec 2025	Reductions 31 Dec 2025	Currency Adjustment	Closing 31 Dec 2025
Golden Arrow	$ 837,870	$ 50,000	$ (250,000)	$ -	$ 637,870
New York Canyon	133,865	-	(9,000)	-	124,865
York Property	-	9,000	(9,000)	-	-
West Santa Fe	205,307	-	(25,000)	-	180,307
Buckskin Rawhide East	254,052	-	(10,000)	-	244,052
Buckskin Rawhide West	140,029	-	-	-	140,029
Koegel Rawhide,	140,030	-	-	-	140,030
Casa South	530,735	-	-	(19,090)	511,645
Trecesson	213,170	-	-	(18,716)	194,454
Troilus North	56,440	-	-	(1,719)	54,721
	$ 2,511,498	$ 59,000	$ (303,000)	$ (39,525)	$ 2,227,973

Mineral property acquisition costs	Opening 31 Dec 2023	Additions Closing 31 Dec 2024	Reductions Closing 31 Dec 2024	Currency Adjustment	Closing 31 Dec 2024
Golden Arrow	$ 687,870	$ 150,000	$ -	$ -	$ 837,870
New York Canyon	264,957	168,908	(300,000)	-	133,865
West Santa Fe	225,307	-	(20,000)	-	205,307
Buckskin Rawhide East	264,052	-	(10,000)	-	254,052
Buckskin Rawhide West	140,029	-	-	-	140,029
Koegel Rawhide,	140,030	-	-	-	140,030
Casa South	530,735	-	-	-	530,735
Trecesson	213,170	-	-	-	213,170
Troilus North	56,440	-	-	-	56,440
Total	2,522,590	318,908	(330,000)	-	2,511,498

Table 5 Schedule of Exploration and Evaluation expense

Exploration and evaluation expenses	31 Dec 2025	31 Dec 2024
Golden Arrow Property, Nevada	$ 1,965,307	$ 1,849,309
New York Canyon Property, Nevada	350,348	303,531
York Property, Nevada	4,877	-
West Santa Fe Property (Mindora), Nevada	404,136	366,701
Buckskin Rawhide East Property, Nevada	29,181	23,152
Buckskin Rawhide West Property, Nevada	34,234	33,866
Koegel Rawhide, Nevada	89,087	80,504
Casa South Property, Quebec	2,479,195	2,470,768
Trecesson Property, Quebec	1,253,129	1,251,367
Troilus North Royalty Interest, Quebec	339,249	339,249
	$ 6,948,743	**$ 6,718,447**

a) Golden Arrow Property, Nevada

Property Description

The Company has a 100% interest in the Golden Arrow Property ("Golden Arrow" or the "Property"), an advanced stage exploration property totalling about 10,000 acres in size, including:

- 494 unpatented lode mining claims, consisting of:
  - 185 unpatented leased mining claims;
  - 309 unpatented owned mining claims; and
- 17 patented lode owned mining claims.

The Property has the following underlying obligations:

- US$25,000 advance minimum royalty per year and 3% NSR on 6 unpatented claims (of which 2% can be purchased for US$200,000);
- US$25,000 advance minimum royalty per year and 3% NSR on 185 unpatented claims and area of influence (of which 1% can be purchased for US$1 million);
- 1% NSR on 17 patented claims.

On 29 September 2025, the Company announced that it has signed a Memorandum of Understanding dated 29 September 2025 (the "MOU") to sell Golden Arrow to Fairchild Gold (TSXV: FAIR) ("Fairchild"). Terms of the transaction (the "Transaction") include:

Cash Payments

- Upon signing the MOU, Fairchild will pay Emergent a non-refundable deposit of US$250,000 (paid).
- On approval of the Transaction by the Toronto Venture Exchange (the "Exchange"), Fairchild will pay Emergent US$350,000.

Common Shares

- On approval of the Transaction by the Exchange, Fairchild will issue 12,500,000 common shares (the "Fairchild Shares") of the company to Emergent. The deemed price of the Fairchild Shares shall be equal to the closing price on the Exchange on the last trading day immediately prior to the date of issuance, subject to applicable securities laws and Exchange policies.

Senior Secured Note

- On approval of the Transaction by the Exchange, Fairchild will issue a senior secured note (the "Note") in favor of Emergent. Terms of the note will include:
    - Principal Amount - US$3,500,000;
    - Term - Five years from the date of the Definitive Agreement;
    - Interest Rate - 8.5% per annum, payable semi-annually, in arrears, in cash;
    - Security - The Note shall be secured by the first-ranking security interest over the Property and related assets acquired pursuant to the acquisition (the "Security");
    - Principal Step Up - US$3,500,000 if redeemed prior to the third anniversary of the Definitive Agreement; US$4,000,000 if redeemed between the third and fourth anniversaries of the Definitive Agreement; and US$5,000,000 if redeemed between the fourth and fifth anniversaries of the Definitive Agreement.
    - No interest shall accrue on any step-up amount for any period prior to its effective date of that step-up; and
    - The Note Holder will have a security registered against the Golden Arrow Property. Fairchild will have the ability to repay or retire the Note in part or in full at its discretion at any time, including accrued interest, prior to the maturity mate.

Royalty

- Emergent shall retain a 0.5% net smelter return royalty (the "Royalty") on the Property. Fairchild shall have the option of acquiring the royalty by paying Emergent US$1,000,000 prior to the fourth anniversary of the Definitive Agreement. Fairchild shall have the option of acquiring the Royalty by paying Emergent US$1,500,000 if exercised between the fourth and seventh anniversaries of the Definitive Agreement. The buyout rights expire after the seventh anniversary of the Definitive Agreement.

Any advance minimum royalty payments due from Emergent to third parties prior to signing of the Definitive Agreement shall be put in escrow until payments are made to the third parties from the escrow account. Fairchild shall fund a US$40,000 reclamation bond payment upon execution of the Definitive Agreement and Exchange approval. Upon signing the Definitive Agreement, Fairchild shall become responsible for BLM and County claim maintenance fees, property taxes, royalty payments, and any other holding costs going forward from that date. Emergent and Fairchild contemplate completing the Definitive Agreement within 30 days of signing the MOU. The Transaction is subject to all necessary approvals, including regulatory approval. Fairchild is an arm's-length party, and no finder's fees are being paid as part of the Transaction. (Note 22)

b) New York Canyon Property, Nevada

Property Description

The Company has a 100% interest in the approximately 6,800-acre New York Canyon Property, the property includes:

- 21 patented mineral claims;
- 320 unpatented mining claims

The New York Canyon property has the following underlying obligations

- 1.75% NSR up to US$1.0 million for non-decorative stone production and US$0.50 per metric tonne royalty on decorative stone up to a maximum of US$500,000 on 18 patented claims;
- 2% NSR on certain unpatented claims of which 1% can be purchased at any time for US$1.0 million;
- 1% NSR on certain claims capped at US$100 million;
- 2% NSR on 6 unpatented claims capped at US$1,750,000.

On 1 March 2024, the Company entered into an option agreement with Ivanhoe Electric Inc. ("IE") pursuant to which IE was granted an option to acquire a 100% interest in the New York Canyon Property. IE paid the Company a non-refundable option payment of $300,000 upon execution of the agreement. In September 2024, the parties agreed to reduce the unpatented claim package at New York Canyon from 792 to 347 claims (with 21 patented claims unchanged) due to an increase in annual claim maintenance fees. IE terminated the option agreement effective 12 July 2025. As at 31 December 2025, the option was not exercised, and the Company retains its interest in the New York Canyon Property.

c) York Property, Nevada

Property Description

The York Property was originally part of Emergent's New York Canyon Property.

On 19 August 2025, the Company announced the execution of a Term Sheet for the sale of 27 unpatented mineral claims, the York Property, which form a portion of its New York Canyon Property, to Lahontan Gold Corporation. The Company has allocated a portion of the New York Property net acquisition costs to the York Property. The value was allocated based on the number of claims, and using a fair market value of $3,000,000, which was the agreed sale price in an earlier transaction.

The principal terms of the transaction are as follows:

- Upon execution of the Term Sheet, Lahontan will make a payment of US$10,000 (paid);
- Upon signing the Definitive Agreement, Lahontan will issue GAMC a promissory note in the amount of US$50,000, bearing interest at a rate of 1% per month, payable within six months of the Agreement's execution (paid);
- Lahontan will also issue 2,000,000 common shares of Lahontan Gold Corporation to GAMC or its designated recipient (Issued);
- Following receipt of the above-mentioned cash payment, share issuance, and promissory note, GAMC will facilitate the transfer of the York Claims to Lahontan or its nominee, with completion to occur within 30 days (completed).

As part of the transfer, Lahontan Gold Corporation granted GAMC a 1% Net Smelter Return (NSR) royalty (the "Royalty") on the York Claims. Lahontan retains the right to repurchase the Royalty for US$500,000 at any time prior to the third anniversary of the Agreement, and for US$1,000,000 at any time after the third but before the seventh anniversary.

d) West Santa Fe Property (Mindora), Nevada

Property Description

The Company has an 100% interest in the West Santa Fe Property, a 2,940-acre exploration property consisting of 147 unpatented claims.

The West Santa Fe Property has the following obligations:

- On the Mindora Extension Property there is a $20,000 Advance minimum royalty per year and a 2% net smelter royalty ("NSR"). AMR is due annually on or before 15 June (up to date). Any AMR paid shall be credited against the royalty.
- If Emergent does not exercise the first option described above, Emergent would still retain a second option to acquire half of the 2% NSR by making a payment of $500,000 after the 5th anniversary and before the 9th anniversary of the Closing Date.
- The Company retains a first option to acquire half of the 2% NSR by making a payment of $200,000 on or before the 5th anniversary of the Closing Date (23 December 2024).

On 20 July 2023 the Company completed an option to purchase agreement with Lahontan Gold Corp. ("Lahontan"). Lahontan, subject to certain terms and conditions. Lahontan will have the option to acquire a 100% interest in the West Santa Fe Property by paying $1,800,000 in cash and/or share payments (50% of the payments may be in shares at Lahontan 's election) and $1,400,000 in work expenditure on the property over a seven-year period. Lahontan can accelerate the payments by completing the purchase price at any time. Claim maintenance fees are paid by Lahontan.

Table 6 Commitments

Commitment		Cash or shares			Work expenditures	
On signing letter of intent	$	10,000	(paid)	$	-	
19 July 2024		20,000	(paid)		-	
By 31 December 2024		-			150,000	(done)
19 July 2025		25,000	(paid)		-	
By 31 December 2025		-			150,000	(done)
19 July 2026		25,000			-	
By 31 December 2026		-			200,000	
19 July 2027		30,000			-	
By 31 December 2027		-			200,000	
19 July 2028		30,000			-	
By 31 December 2028		-			200,000	
19 July 2029		40,000			-	
By 31 December 2029		-			250,000	
19 July 2030		1,620,000			250,000	
	$	1,800,000		$	1,400,000	

e) Buckskin Rawhide East Property, Nevada

Property Description

The Company has a 100% interest in:

- 48 unpatented mineral claims, totalling 960 acres, making up Buckskin Rawhide East Property.

The claims are inlying claims to Rawhide Mining LLC's ("RMC") operating Rawhide Mine. The Buckskin Rawhide Property is leased to RMC, owners of the Rawhide Mine, under the following terms:

- The Lease Term is 20 years (start date of 01 June 2013)
- Advance royalty payments will be $10,000 per year (paid), paid by RMC to Emergent, with the first payment due at signing and subsequent payments due on the anniversary of the Lease Agreement.
- During the Lease Term, RMC will make all underlying claim fees to keep the claims in good standing.
- RMC will conduct a minimum of $250,000 in exploration activities by the end of Year 1.
- RMC will conduct an additional minimum of $250,000 in exploration activities by the end of Year 3, for a total of $500,000 in exploration activities by the end of Year 3.
- RMC will have the option of earning a 100% interest in the property by bringing it into commercial production.

- Upon bringing the property into commercial production, RMC will make "Bonus Payments" to Emergent. Bonus Payments will be $15 per ounce of gold when the price of gold ranges between $1,200 per ounce and $1,799 per ounce. If the price of gold exceeds $1,800 per ounce, the Bonus Payment will increase to $20 per ounce.

After meeting its exploration requirements, should RMC elect to drop the property or decide not to advance it, the property will be returned to Emergent. Should Emergent subsequently advance the property into production, RMC shall then be entitled to the same type of bonus payments as contemplated above.

Under the terms of the lease agreement, RMC was to complete $500,000 in exploration related expenditures on the property by the third anniversary or 01 June 2016. However, as at 01 June 2016, RMC had completed only $325,000 in exploration activities on the property. On 01 June 2016, RMC and Emergent mutually agreed to amend the original Lease Agreement whereby RMC would pay Emergent $175,000, in seven quarterly payments of $25,000, starting 01 June 2016, to keep the Lease Agreement in good standing. These payments were in lieu of completing the $175,000 in exploration work required in the Lease Agreement.

f) Buckskin Rawhide West Property, Nevada

Property Description

The Company has a 100% interest in the Buckskin Rawhide West Property consisting of 21 unpatented claims totalling about 420 acres. The property is adjacent to and west of the Rawhide Mine property. The property is subject to a 2% Net Smelter Royalty, which can be purchased at any time for $1.0 million.

g) Koegel Rawhide, Nevada

Property Description

Emergent has a 100% interest in the Koegel Rawhide Property, which consists of:

- 19 unpatented lode mining claims (the RHT and GEL claims) totalling 380 acres, acquired from Jeremy C. Wire, located 4.0 miles south of Emergent's Buckskin Rawhide East Property
- 17 additional unpatented lode claims totalling 340 acres.

The property is subject to a 2% Net Smelter Royalty, which can be purchased at any time for $1.0 million.

h) Casa South Property, Quebec

Property Description

The Company has a 100% interest in the Casa South Property, an early-stage exploration property, adjacent to Hecla Mining Corporation's operating Casa Berardi Mine. It consists of 217 mineral claims totalling about 12,100 hectares, including:

- 185 mineral claims acquired from Greg Explorations Inc. et al.,
- 32 mineral claims staked by the Company.

The 185 claims are subject to a 1.5% NSR, of which 0.5% can be purchased by Emergent for CDN$500,000.

i) Trecesson Property, Quebec

Property Description

The Company has a 100% interest in the Trecesson Property, an early-stage exploration property near Amos, QC. The property consists of 85 mineral claims totalling about 2,700 hectares, including:

- 63 mineral claims initially acquired from the bankruptcy of Knick Exploration Inc.
- 22 claims subsequently staked by the Company.

Obligations related to the properties are:

- The property is partially subject to underlying royalties to Exploration Carat, Group Leblanc, and Robert-Audet, each a 2% NSR applicable to separate individual claims blocks.
- Emergent may buy back 1% of each NSR for CDN$1,000,000 million at any time.

j) Troilus North Royalty Interest, Quebec

Property Description

Emergent acquired a 1% royalty on the Troilus North Property from CAT Strategic Metals in 2020. The Troilus North Property is adjacent to Troilus Gold Corporation's Troilus Mine Property. Under the terms of the royalty:

- Troilus Gold retains first option to acquire this 0.5% of this royalty for a cash payment of CDN$500,000 and a second option to acquire the remaining 0.5% of this royalty for an additional cash payment of CDN$500,000.

k) East West Property Royalty, Quebec

Property Description

In 2022, Emergent sold the East-West property to O3 Mining Inc. ("O3") to O3 Mining Inc. The Company retains a 1% net smelter returns ("NSR") royalty over the East West Property. In 2025, 03 was acquired by Agnico Eagle Mines Ltd. Agnico may elect to buy back the Royalty for:

- CDN$500,000 if the Buy-Back Right is exercised within the first three years from the date of the Definitive Agreement (signed 03 May 2022)
- CDN$1,000,000 if the Buy-Back Right is exercised within the fourth and fifth years from the date of the Definitive Agreement, after which the Buy-Back Right expires.

10) EQUIPMENT

The following table presents the continuity of the Company's equipment for the periods presented, including additions, depreciation and the resulting net carrying amounts.

Table 7 Schedule of Equipment

	Equipment	Computer	Vehicle	Total
Cost				
Balance: 31 Dec 2025, 2024 & 2023	**$ 58,785**	**$ 51,802**	**$ 43,210**	**$ 153,797**
Accumulated Depreciation				
Balance: 31 Dec 2023	$ 42,354	$ 50,903	$ 23,298	$ 116,555
Depreciation for the year	3,286	270	3,982	7,538
Balance: 31 Dec 2024	45,640	51,173	27,280	124,093
Depreciation for the year	**2,629**	**189**	**3,186**	**6,004**
Balance: 31 Dec 2025	**$ 48,269**	**$ 51,362**	**$ 30,466**	**$ 130,097**
Carrying amounts				
31 Dec 2024	$ 13,145	$ 629	$ 15,930	$ 29,704
31 Dec 2025	**$ 10,516**	**$ 440**	**$ 12,744**	**$ 23,700**

11) ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

During the year ended 31 December 2025, the Company recognized a gain on settlement of accounts payable of $596,368 (2024 – nil). The gain arose from the derecognition of an outstanding trade payable owing to a single third-party supplier. The carrying amount of the obligation derecognized was $596,368 and the payable was settled for no consideration, resulting in a gain of $596,368 recognized in profit or loss. The supplier is not a related party of the Company.

12) RELATED PARTY TRANSACTIONS

Related party transactions and balances, not disclosed elsewhere in the consolidated financial statements, are as follows:

Table 8 Schedule of related party transactions

Principal Position	Year	Fees (i)	Benefits and allowances	Share-based awards	Amounts Payable
CEO, President – D. Watkinson*1	2024	$ 150,000	$ 48,000	$ 10,791	$ 440,568
	2025	150,000	48,000	-	57,850
CFO, Director – G. Smith*1	2024	61,801	-	-	51,305
	2025	61,287	-	-	23,945
Director – A MacRitchie	2024	-	-	4,047	-
	2025	-	-	-	-
Director – V. Garibaldi	2024	-	-	4,047	-
	2025	-	-	-	-
Director – J. Davy	2024	-	-	4,047	-
	2025	$ -	$ -	$ -	$ -

*1 Included in amounts payable are fees and certain payments made by the parties on behalf of the Company, these are in the normal course of business.

13) NOTE PAYABLE

Table 9 Schedule of notes payable

	31 Dec 2025	31 Dec 2024
Loan from David Watkinson (related party) bears simple interest at 1% per monthly, repayable on demand. Accrued interest at 31 Dec 2025 is $52,868	$ 440,568	$ -
Loan from David Watkinson (related party) bears simple interest at 1% per monthly, repayable on demand. Accrued interest at 31 Dec 2025 is $10,938	182,300	-
Loan from Grant T. Smith (related party) bears simple interest at 1% per monthly, repayable on demand. Accrued interest at 31 Dec 2025 is $6,397	53,304	-
Loan from Grant T. Smith (related party) bears simple interest at 1% per monthly, repayable on demand. Accrued interest at 31 Dec 2025 is $1,521	25,351	-
Loan from Isla Finance bears simple interest at 1% per monthly, repayable on demand. Accrued interest at 31 Dec 2025 is $1,094	21,888	-
	$ 723,411	$ -

14) FLOW-THROUGH SHARE PREMIUM LIABILITY

A summary of Emergent's flow-through share premium liability is as follows:

Table 10 Schedule of flow-through share premium liability

Flow-through share premium liability	31 Dec 2025	31 Dec 2024
Balance – beginning of year	**$ -**	$ 87,787
Issuance	**-**	-
Foreign exchange	**-**	(2,178)
Amortization of flow through premium from expenditures	**-**	(85,609)
Balance – end of year	**$ -**	$ -

15) SHARE CAPITAL

The authorized share capital of the Company is comprised of an unlimited number of common shares without par value. A summary of common share transactions for the years ended 31 December 2025 and 31 December 2024 is as follows:

Table 11: Share transactions

Years ended	31 Dec 2025		31 Dec 2024	
Common shares	# of shares	$	# of shares	$
Opening balance	**51,771,157**	**$ 49,019,229**	32,108,670	$ 49,111,305
Private placements	**-**	**-**	19,662,487	-
Shares issuance costs	**-**	**-**	-	(92,076)
Shares to be issued (note 22)	**-**	**231,040**	-	-
	51,771,157	**$ 49,250,269**	51,771,157	$ 49,019,229

During the year ended 31 December 2024

On 14 November 2024, Emergent closed the first of two tranches of a private placement:

- Units issued: 9,800,000
- Gross Proceeds: C$490,000
- Finder's fees C$16,800 in cash and 336,000 non-transferable finder's warrants, exercisable at C$0.10 until November 14, 2026

On 19 November 2024, Emergent closed the second of two tranches of a private placement:

- Units issued: 9,862,487
- Gross Proceeds: C$493,124
- Finder's fees C$25,865 in cash and 517,300 non-transferable finder's warrants, exercisable at C$0.10 until November 19, 2026

Each unit in both tranches consisted of one common share and one non-transferable common share purchase warrant. Each warrant entitles the holder to purchase one additional common share at an exercise price of C$0.10 for a period of 24 months from the date of issuance. The warrants are subject to an acceleration clause: if the Company's shares trade at or above C$0.15 for 10 consecutive trading days, Emergent may accelerate the expiry date by providing 30 days' notice. In accordance with policy, the gross proceeds from the unit offering were allocated first to the fair value of the warrants, with any residual allocated to share capital. As the fair value of the warrants approximated the gross proceeds, all of the consideration was attributed to the warrant liability, and no amount was allocated to share capital.

16) WARRANT RESERVE

Warrant activity is as follows:

Table 12 Schedule of warrant activity

	31 Dec 2025 Weighted average exercise price			31 Dec 2024 Weighted average exercise price		
	# of warrants		price	# of warrant		Price
Balance – beginning of year	**22,461,387**	$	**0.10**	13,983,158	$	**0.22**
Granted	**-**		**-**	20,515,787		**0.10**
Expired	**(1,945,600)**		**0.12**	(12,037,558)		**0.24**
Balance – end of year	**20,515,787**	$	**0.10**	22,461,387	$	**0.10**

The subscribers' warrants and finder warrants issued in fiscal year 2024 were valued using the Black-Scholes option pricing model, with the following assumptions: weighted average risk-free rate of 3.18% to 3.21%, volatility of 144% and an expected life of 2 years.

Details of warrants outstanding are as follows:

Table 13 Warrants Outstanding

Expiry Date		Exercise Price	31 Dec 2025 Outstanding	31 Dec 2024 Outstanding
23 Oct 2025	$	0.12	-	33,600
23 Oct 2025		0.12	-	1,680,000
20 Dec 2025		0.14	-	232,000
14 Nov 2026		0.10	336,000	336,000
14 Nov 2026		0.10	9,800,000	9,800,000
19 Nov 2026		0.10	517,300	517,300
19 Nov 2026		0.10	9,862,487	9,862,487
	$	0.10	20,515,787	22,461,387

Table 14 Warrant liability reconciliation

Warrant liability	31 Dec 2025 Number of Warrants		Fair Value	31 Dec 2024 Number of warrants		Fair Value
Balance – beginning of year	21,342,487	$	517,739	13,287,058	$	247,422
Issued	-		-	19,662,487		704,556
Expiration and fair value adjustment	(1,680,000)		-	(11,607,058)		(434,239)
Reclassification to equity	-		(517,739)			
Balance – end of year	19,662,487	$	-	21,342,487	$	517,739

As a result of the Company's change in functional currency effective 01 January 2025, certain warrants were reclassified to equity. Refer to Note 3(a) Change in Functional Currency for further details. Previously, the subscribed warrants granted during the year ended 31 December 2023 and prior years were subsequently re-valued on the Company's reporting dates using the Black-Scholes option pricing model, with the following assumptions: weighted average risk-free rate of 2.93% - 3.03%, volatility factors of 132% - 146%, forfeiture rate 0% and an expected life of 12 months - 23 months.

17) OPTION RESERVE

The Company has a rolling stock option plan for its directors and employees to acquire common shares of the Company at a price determined by the fair market value of the shares at the date of grant. The maximum aggregate number of common shares reserved for issuance pursuant to the plan is 10% of the issued and outstanding common shares.

Stock option activities are as follows:

Table 15 Schedule of stock option activity

Stock option activity	31 Dec 2025	Weighted avg exercise price	31 Dec 2024	Weighted avg exercise price
Balance – beginning of year	**1,582,500**	$ 0.48	2,297,500	$ 0.58
Granted	**3,075,000**	0.05	-	-
Cancelled or forfeit	**-**	-	(660,000)	0.71
Expired	**(557,500)**	0.90	(55,000)	2.00
Balance – end of year	**4,100,000**	$ 0.10	1,582,500	$ 0.48

Table 16 Schedule of outstanding options

Grant Date	Expiry Date	Exercise Price	31 Dec 2025 Outstanding	31 Dec 2024 Outstanding
30 Jan 2020	31 Jan 2025	**$ 0.90**	**-**	197,500
30 Nov 2020	30 Nov 2025	**$ 0.90**	**-**	360,000
04 Jan 2023	04 Jan 2028	**$ 0.25**	**1,025,000**	1,025,000
31 Dec 2025	31 Dec 2030	**$ 0.05**	**3,075,000**	-
			4,100,000	1,582,500

The outstanding options have a weighted average remaining life of 4.25 years (31 December 2024 – 2.34 years). All the outstanding options are exercisable (2024 - 154,000 not exercisable).

18) SHARE-BASED PAYMENTS

During the year ended 31 December 2025, the Company granted 3,075,000 (2024 – Nil) incentive stock options to consultants of the Company. Emergent recognized $Nil (2024 - $27,653) in share-based payments expense, from vesting of options previously granted.

The fair value of the stock-based compensation of options recognized in the accounts has been estimated using the Black-Scholes Model with the following weighted-average assumptions: weighted average risk-free rate of 2025 - 2.96% (2024 - 3.28%), volatility factors of 2025 – 115% (2024 - 156%) and an expected life of 2025 - 5 years (2024 - 5 years). Given the options were granted on 31 December 2025, no material share-based payments expense has been recorded.

19) SEGMENTED INFORMATION

Table 17 Segmented information

(Rounded to 000's)	Canada	United States	Total
31 Dec 2025			
Current Assets	**$ 641,000**	**$ 18,000**	**$ 659,000**
Non-Current Assets	**761,000**	**1,491,000**	**2,252,000**
	1,402,000	**1,509,000**	**2,911,000**
Current Liabilities	**$ 616,000**	**$ 908,000**	**$ 1,524,000**
31 Dec 2024			
Current Assets	$ 184,000	$ 11,000	$ 195,000
Non-Current Assets	801,000	1,741,000	2,542,000
	985,000	1,752,000	2,737,000
Current Liabilities	$ 1,639,000	$ 677,000	$ 2,316,000

20) CAPITAL MANAGEMENT

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition and exploration of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management but rather relies on the expertise of the Company's management to sustain future development of the business. The Company defines capital that it manages as share capital.

Management reviews its capital management approach on an on-going basis and believes that this approach is reasonable and appropriate relative to the size of the Company.

The Company is in the business of mineral exploration and has no source of operating revenue. Operations are financed through the issuance of capital stock or liability instruments, or through the sale of equipment. Capital raised is held in cash in an interest-bearing bank account until such time as it is required to pay operating expenses or resource property costs. The Company is not subject to any externally imposed capital restrictions. Its objectives in managing its capital are to safeguard its cash and its ability to continue as a going concern, and to utilize as much of its available capital as possible for exploration activities. The Company's objectives have not changed during the year ended 31 December 2025.

21) INCOME TAX

The following table reconciles the expected income tax (recovery) at the Canadian statutory income tax rates to the amounts recognized in the statements of comprehensive loss.

Table 18 Rate reconciliation

	31 Dec 2025	31 Dec 2024
Net income (loss) for the year	$ **276,000**	$ (546,000)
Statutory income tax rate	**27%**	27%
Expected income tax (recovery)	**75,000**	(147,000)
Non-deductible (non-taxable) items and others	**14,000**	(492,000)
Tax effect of flow-through shares	**-**	80,000
Foreign exchange and other	**-**	33,000
Change in deferred tax asset not recognized	**(61,000)**	526,000
Balance – end of year	$ **-**	$ -

Deferred taxes reflect the tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding values for tax purposes.

Deferred tax assets (liabilities) are comprised of the following:

Table 19 Deferred tax assets

	31 Dec 2025	31 Dec 2024
Non-capital loss carryforwards	$ **13,790**	$ -
Marketable securities	**(13,790)**	-
Net operating loss carryforwards	**-**	8,311
Equipment	**-**	(8,311)
	$ **-**	$ -

Unrecognized deductible temporary differences are as follows:

Table 20 Unrecognized temporary differences

	31 Dec 2025	31 Dec 2024
Canada		
Non-capital loss carry-forwards	$ **9,659,958**	$ 10,049,116
Exploration and evaluation assets	**7,846,266**	7,492,854
Capital losses	**149,473**	149,561
Equipment	**3,695**	8,351
Investment tax credit	**18,093**	18,093
Tax reserves	**143,776**	261,236
Financing costs	**100,772**	171,093
	$ **17,922,033**	$ 18,150,304

United States	31 Dec 2025	31 Dec 2024
Federal net operating loss carry forwards	**$ 25,042,393**	$ 25,131,117
California net operating loss carry forwards	**1,897,685**	1,986,409
Exploration and evaluation assets	**1,685,847**	1,798,833
	$ 28,625,925	$ 28,916,359

The Company has not recognized a deferred tax asset in respect of non-capital loss carry-forwards of $9,659,958, which may be carried forward to apply against future year taxable income for Canadian income tax purposes, subject to the final determination by taxation authorities. Carry forwards are expiring in the following years:

Year of expiry	Taxable loss
2027	$ 1,241,133
2028	849,467
2029	819,132
2030	528,532
2031-2045	6,221,694
Balance – end of year	$ 9,659,958

The Company has net operating loss carry forwards of $25,042,393 (2024 - $25,131,117) which may be carried forward to apply against future year income tax for US purposes as follows:

Year of expiry	Taxable loss
2025	$ 1,056,097
2026	1,063,847
2027	1,441,550
2028	1,999,239
2029	1,334,762
2030 – 2037	15,105,137
No expiry	3,041,761
Balance – end of year	$ 25,042,393

The Company has California net operating loss carry forwards of $1,897,685 (2024 - $18,969,555) which may be carried forward to apply against future year income tax for US purposes, as follows:

Year of expiry	Taxable loss
2041	$ 576,216
2042	656,574
2043	530,351
2044	134,544
Balance – end of year	$ 1,897,685

22) SUBSEQUENT EVENTS

On 15 January 2026, Emergent Metals Corp. completed a non-brokered private placement On closing, the Company issued 11,020,420 units at Cdn$0.05 per unit for gross proceeds of Cdn$551,021. Each unit comprises one common share and one transferable common share purchase warrant. Each warrant is exercisable for one common share at Cdn$0.10 per share until January 15, 2028.

Net proceeds were intended to be used for general working capital. No finder's fees will be paid on subscriptions from subscribers introduced to the offering. The securities issued are subject to a statutory hold period of four months and one day from the issuance date.

Subsequent to the year-end the Company issued 5,043,815 common shares on the exercise of 5,043,815 warrants at $0.10 per warrant, for gross proceeds of $504,382.

On 23 March 2026, Emergent Metals Corp. entered into a definitive asset purchase agreement with Fairchild Gold Corp. (an arm's length party) to sell the Company's Golden Arrow Property. Subject to required approvals and closing conditions (including TSX Venture Exchange approval), the agreed consideration includes:

- a non-refundable US$250,000 deposit previously received;
- an additional US$350,000 cash payment payable upon Exchange approval;
- issuance to Emergent of 12,500,000 common shares of Fairchild at a deemed price equal to the closing price on the Exchange on the last trading day prior to issuance;
- a senior secured promissory note in the principal amount of US$3,500,000, bearing interest at 8.5% per annum (payable semi-annually), maturing five years from the agreement date and secured by a first-ranking security interest over the property and related assets; and
- retention by Emergent of a 0.5% net smelter return royalty, which is subject to a buyout option by Fairchild for US$1,000,000 prior to the fourth anniversary of the agreement or US$1,500,000 if exercised between the fourth and seventh anniversaries (expiring thereafter).