



## **Blue Star Gold Corp.**

### **Consolidated Financial Statements**

**For the years ended November 30, 2025 and 2024**

*(Expressed in Canadian Dollars)*

## INDEPENDENT AUDITOR'S REPORT

### TO THE SHAREHOLDERS OF BLUE STAR GOLD CORP.

#### *Opinion*

We have audited the consolidated financial statements of Blue Star Gold Corp. and its subsidiaries (the "Company"), which comprise:

- ♦ the consolidated statements of financial position as at November 30, 2025 and 2024;
- ♦ the consolidated statements of loss and comprehensive loss for the years then ended;
- ♦ the consolidated statements of changes in shareholders' equity for the years then ended;
- ♦ the consolidated statements of cash flows for the years then ended; and
- ♦ the 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 November 30, 2025 and 2024, and its consolidated financial performance and consolidated cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards").

#### *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 audit 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 in our audits is sufficient and appropriate to provide a basis for our opinion.

#### *Material Uncertainty Related to Going Concern*

We draw attention to Note 2 in the consolidated financial statements, which indicates that the Company incurred a net loss of \$4,289,772 during the year ended November 30, 2025 and, as of that date, had an accumulated deficit of \$55,094,095. As stated in Note 2, these events or conditions, along with other matters as set forth in Note 2, 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 for the year ended November 30, 2025. 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 auditor's report.

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### *Other Information*

Management is responsible for the other information. The other information comprises the information included in 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 audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit 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, 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, 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:

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- ◆ 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 group financial statements. We are responsible for the direction, supervision and review of the audit work performed for 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 audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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.

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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 Karen Ka Yee Cheng.

*Smythe LLP*

Chartered Professional Accountants

Vancouver, British Columbia

February 25, 2026

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**BLUE STAR GOLD CORP.**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
(Expressed in Canadian dollars)  
As at

|                                                   | Notes  | November 30,<br>2025 | November 30,<br>2024 |
|---------------------------------------------------|--------|----------------------|----------------------|
| <b>ASSETS</b>                                     |        |                      |                      |
| <b>Current</b>                                    |        |                      |                      |
| Cash                                              |        | \$ 2,199,582         | \$ 845,871           |
| Advances and deposits                             |        | 158,143              | 231,974              |
| Other receivables                                 |        | 62,885               | 50,595               |
| <b>Total current assets</b>                       |        | <b>2,420,610</b>     | <b>1,128,440</b>     |
| <b>Long-term deposits</b>                         | 6      | 2,629,377            | 2,629,377            |
| <b>Right-of-use assets</b>                        | 8      | 53,446               | 95,529               |
| <b>Equipment</b>                                  | 7      | 583,507              | 103,163              |
| <b>Exploration and evaluation assets</b>          | 9      | 1,489,715            | 1,489,715            |
| <b>Total assets</b>                               |        | <b>\$ 7,176,655</b>  | <b>\$ 5,446,224</b>  |
| <b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>       |        |                      |                      |
| <b>Current</b>                                    |        |                      |                      |
| Accounts payable and accrued liabilities          |        | \$ 109,344           | \$ 208,474           |
| Due to related parties                            | 10, 12 | 305,157              | 415,807              |
| Lease liabilities – short term                    | 8      | 53,446               | 113,084              |
| Loans payable – short term                        | 11     | 2,234,019            | -                    |
| Subscription received in advance                  | 12     | -                    | 1,000,000            |
| <b>Total current liabilities</b>                  |        | <b>2,701,966</b>     | <b>1,737,365</b>     |
| <b>Flow-through tax premium liability</b>         | 13     | 305,708              | -                    |
| <b>Loans payable – long term</b>                  | 11     | -                    | 1,915,558            |
| <b>Total liabilities</b>                          |        | <b>3,007,674</b>     | <b>3,652,923</b>     |
| <b>Shareholders' equity</b>                       |        |                      |                      |
| Share capital                                     | 12     | 54,694,638           | 48,594,474           |
| Obligation to issue shares                        | 11, 12 | -                    | 36,427               |
| Reserves – options                                | 12     | 3,958,420            | 3,398,670            |
| Reserves – warrants                               | 12     | 610,018              | 568,053              |
| Deficit                                           |        | (55,094,095)         | (50,804,323)         |
| <b>Total shareholders' equity</b>                 |        | <b>4,168,981</b>     | <b>1,793,301</b>     |
| <b>Total liabilities and shareholders' equity</b> |        | <b>\$ 7,176,655</b>  | <b>\$ 5,446,224</b>  |

Approved and authorized on behalf of the Board of Directors on February 25, 2026 by:

\_\_\_\_\_  
*“Kenneth R. Yurichuk”*  
Kenneth R. Yurichuk, Director

\_\_\_\_\_  
*“Robert Metcalfe”*  
Robert Metcalfe, Director

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

**BLUE STAR GOLD CORP.****CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS**

(Expressed in Canadian dollars)

For the years ended November 30,

|                                                                   | Notes   | 2025           | 2024           |
|-------------------------------------------------------------------|---------|----------------|----------------|
| <b>EXPENSES</b>                                                   |         |                |                |
| Accretion and interest                                            | 8, 11   | \$ 402,822     | \$ 364,917     |
| Amortization                                                      | 7       | 1,243          | 534            |
| Amortization – ROU assets                                         | 8       | 96,388         | 102,839        |
| Directors fee                                                     | 10      | 130,000        | 130,000        |
| Exploration expenditures                                          | 7, 8, 9 | 2,112,115      | 5,639,588      |
| Insurance                                                         |         | 70,376         | 78,470         |
| Investor and shareholder relations                                |         | 151,675        | 225,333        |
| Office and miscellaneous                                          | 8       | 153,842        | 144,848        |
| Professional fees                                                 |         | 144,041        | 425,315        |
| Regulatory and transfer agent fees                                |         | 36,720         | 41,263         |
| Share-based compensation                                          | 10, 12  | 559,750        | 366,842        |
| Salaries                                                          | 10      | 474,020        | 617,640        |
| Interest income                                                   |         | (10,928)       | -              |
| <b>Loss and comprehensive loss for the year before income tax</b> |         | (4,322,064)    | (8,137,589)    |
| Deferred income tax recovery                                      | 13, 16  | 32,292         | 393,844        |
| <b>Loss and comprehensive loss for the year</b>                   |         | \$ (4,289,772) | \$ (7,743,745) |
| <b>Basic and diluted loss per common share</b>                    |         | \$ (0.03)      | \$ (0.08)      |
| <b>Weighted average number of common shares</b>                   |         | 127,524,878    | 91,851,917     |

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

**BLUE STAR GOLD CORP.**  
**CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**  
(Expressed in Canadian dollars)

|                                    | Share Capital |              |                                  |                       |                        |                |              |
|------------------------------------|---------------|--------------|----------------------------------|-----------------------|------------------------|----------------|--------------|
|                                    | Number        | Amount       | Obligation<br>to issue<br>shares | Reserves -<br>options | Reserves -<br>warrants | Deficit        | Total        |
| <b>Balance, December 1, 2023</b>   | 80,764,552    | \$45,020,750 | \$ 72,854                        | \$ 3,031,828          | \$ 532,021             | \$(43,060,578) | \$ 5,596,875 |
| Shares issued in private placement | 20,443,750    | 3,377,406    | -                                | -                     | -                      | -              | 3,377,406    |
| Shares issued for properties       | 2,460,000     | 332,100      | -                                | -                     | -                      | -              | 332,100      |
| Shares issued for loan bonus       | 98,451        | 36,427       | (36,427)                         | -                     | -                      | -              | -            |
| Finders' warrants                  | -             | (36,032)     | -                                | -                     | 36,032                 | -              | -            |
| Share issuance costs               | -             | (136,177)    | -                                | -                     | -                      | -              | (136,177)    |
| Share-based compensation           | -             | -            | -                                | 366,842               | -                      | -              | 366,842      |
| Loss for the year                  | -             | -            | -                                | -                     | -                      | (7,743,745)    | (7,743,745)  |
| <b>Balance, November 30, 2024</b>  | 103,766,753   | 48,594,474   | 36,427                           | 3,398,670             | 568,053                | (50,804,323)   | 1,793,301    |
| Shares issued in private placement | 52,714,285    | 6,252,000    | -                                | -                     | -                      | -              | 6,252,000    |
| Shares issued for loan bonus       | 98,452        | 36,427       | (36,427)                         | -                     | -                      | -              | -            |
| Shares issued for warrant exercise | 150,000       | 32,280       | -                                | -                     | (8,280)                | -              | 24,000       |
| Finders' warrants                  | -             | (50,245)     | -                                | -                     | 50,245                 | -              | -            |
| Share issuance costs               | -             | (170,298)    | -                                | -                     | -                      | -              | (170,298)    |
| Share-based compensation           | -             | -            | -                                | 559,750               | -                      | -              | 559,750      |
| Loss for the year                  | -             | -            | -                                | -                     | -                      | (4,289,772)    | (4,289,772)  |
| <b>Balance, November 30, 2025</b>  | 156,729,490   | \$54,694,638 | \$ -                             | \$ 3,958,420          | \$ 610,018             | \$(55,094,095) | \$ 4,168,981 |

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

**BLUE STAR GOLD CORP.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(Expressed in Canadian dollars)  
For the years ended November 30,

|                                                 | 2025                | 2024               |
|-------------------------------------------------|---------------------|--------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>     |                     |                    |
| Net loss for the year                           | \$ (4,289,772)      | \$ (7,743,745)     |
| Items not affecting cash:                       |                     |                    |
| Accretion and interest                          | 402,822             | 364,915            |
| Amortization                                    | 161,189             | 187,673            |
| Amortization – ROU assets                       | 106,218             | 118,159            |
| Share-based compensation                        | 559,750             | 366,842            |
| Deferred income tax recovery                    | (32,292)            | (393,844)          |
| Changes in non-cash working capital items:      |                     |                    |
| Advances and deposits                           | 73,831              | 12,283             |
| Other receivables                               | (12,290)            | (29,870)           |
| Accounts payable and accrued liabilities        | (175,254)           | 127,692            |
| Due to related parties                          | (110,650)           | 86,706             |
| Net cash used in operating activities           | (3,316,448)         | (6,903,189)        |
| <b>CASH FLOWS FROM INVESTING ACTIVITY</b>       |                     |                    |
| Purchase of equipment                           | (641,533)           | -                  |
| Net cash used in provided by investing activity | (641,533)           | -                  |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>     |                     |                    |
| Proceeds from private placement                 | 5,553,573           | 3,542,500          |
| Proceeds from warrant exercise                  | 24,000              | -                  |
| Subscription received in advance                | -                   | 1,000,000          |
| Share issuance costs                            | (133,871)           | (136,177)          |
| Repayment of lease liabilities                  | (132,010)           | (144,766)          |
| Net cash provided by financing activities       | 5,311,692           | 4,261,557          |
| <b>Change in cash during the year</b>           | <b>1,353,711</b>    | <b>(2,641,632)</b> |
| <b>Cash, beginning of year</b>                  | <b>845,871</b>      | <b>3,487,503</b>   |
| <b>Cash, end of year</b>                        | <b>\$ 2,199,582</b> | <b>\$ 845,871</b>  |

**Supplemental disclosures with respect to cash flows (Note 14)**

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

## **1. Nature of Operations**

Blue Star Gold Corp. (“Blue Star” or the “Company”) was incorporated on April 13, 2007 pursuant to the *Business Corporations Act* of British Columbia. The Company’s principal business activity is the acquisition and exploration of mineral property interests. The Company is in the exploration stage and substantially all the Company’s efforts are devoted to financing and developing these property interests. There has been no determination whether the Company’s interests in unproven exploration and evaluation assets contain economically recoverable mineral resources.

The Company is listed for trading on the TSX Venture Exchange (“TSX-V”) under the symbol “BAU” and on OTCQB under the symbol “BAUFF” and its corporate head office is located at 507 - 700 West Pender Street, Vancouver, BC, Canada V6C 1G8.

## **2. Basis of Presentation**

### **a) Statement of compliance**

These consolidated financial statements, including comparatives, have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (“IFRS Accounting Standards”).

These consolidated financial statements were authorized by the Board of Directors on February 25, 2026.

### **b) Going concern**

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The recoverability of the carrying value of its resource properties and the Company’s continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, or the ability of the Company to raise alternative financing, if necessary, or alternatively, upon the Company’s ability to dispose of its interests on an advantageous basis. Changes in future conditions could require material write-downs of the carrying values.

These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards on a going concern basis, which contemplates that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. Accordingly, these consolidated financial statements do not include any adjustments to the amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

The Company incurred a loss of \$4,289,772 during the year ended November 30, 2025 (2024 - \$7,743,745) and had an accumulated deficit as at November 30, 2025 of \$55,094,095 (2024 - \$50,804,323). These circumstances may cast significant doubt as to the ability of the Company to meet its obligations as they come due, and accordingly, the appropriateness of the use of accounting principles applicable to a going concern. The outcome of these matters cannot be predicted at this time.

### **c) Consolidation**

These consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries, Ulu Mining Inc. and Inukshuk Exploration Incorporated (“Inukshuk”), both incorporated under the laws of British Columbia. All significant intercompany transactions have been eliminated upon consolidation. A subsidiary is an entity that the Company controls, either directly or indirectly. Control is based on whether an investor has power over the investee, exposure or rights to variable returns from its involvement with the investee, and the ability to use its power over the investee to affect the amount of returns.

## **2. Basis of Presentation (continued)**

### **d) Functional and presentation currency**

The Company and its wholly owned subsidiaries' reporting and functional currency is the Canadian dollar. Monetary assets and liabilities of the Company are translated into Canadian dollars at the exchange rate in effect on the consolidated statements of financial position date, while non-monetary assets and liabilities are translated at historical rates. Expenses are translated at the average rates over the reporting period. Gains and losses from these translations are included in profit or loss.

### **e) Basis of measurement**

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

### **f) Estimates and judgments**

The preparation of these consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These consolidated financial statements include estimates, which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised, and the revision affects both current and future periods.

Information about critical judgments and estimates in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements are as follows.

#### **Critical accounting estimates**

##### **i. Share-based compensation**

Estimating the fair value of granted stock options requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected rate of forfeitures, expected life, price volatility, interest rate, and dividend yield. Changes in the input assumptions can significantly affect the fair value estimate of the Company's earnings and reserves.

##### **ii. Interest rates**

The Company estimates a market interest rate in determining the fair value of the liability component of its loan payable and an incremental borrowing rate in determining the right-of-use asset. The determination of market interest rate is subjective and could significantly affect the fair value estimate.

#### **Critical accounting judgments**

##### **i. Impairment of exploration and evaluation assets**

Assets or cash-generating units are evaluated at each reporting date to determine whether there are any indications of impairment. The Company considers both internal and external sources of information when making such an assessment for the Company's exploration and evaluation assets.

**2. Basis of Presentation (continued)**

**f) Estimates and judgments (continued)**

**Critical accounting judgments (continued)**

ii. Going concern

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay its ongoing operating expenditures, meet its liabilities for the ensuing year, and to fund planned and contractual exploration programs, involves significant judgment based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

iii. Application of IFRS 16 *Leases*

The Company applies judgment in determining whether the contract contains an identified asset, whether the Company has the right to control the asset, and the lease term. Lease term reflects the period over which the lease payments are reasonably certain including renewal options that the Company is reasonably certain to exercise. The determination of lease terms involves significant judgment with respect to assumptions of whether lease extensions will be utilized. Management makes assumptions about long-term industry outlook which relate to future events and circumstances. Actual results could vary from these assumptions, and the differences could be material to the carrying value of the lease liabilities and right-of-use assets, for which the lease term is the basis for determining useful life.

iv. Flow-through expenditures

The Company is required to spend proceeds received from the issuance of flow-through shares on qualifying resource expenditures. Differences in judgment between management and regulatory authorities with respect to qualified expenditures may result in disallowed expenditures by the tax authorities. Any amount disallowed may result in the Company's required expenditures not being fulfilled.

**3. Material Accounting Policies**

**a) Exploration and evaluation assets**

Acquisition costs for exploration and evaluation assets are capitalized and include the cash consideration paid and the fair value of common shares issued on acquisition, at the earlier of the date the counterparty's performance is complete or the share issuance date. Exploration expenditures, net of recoveries, are charged to operations as incurred. After a property is determined by management to be commercially feasible, exploration and development expenditures on the property will be capitalized. On transfer to development properties, capitalized exploration and evaluation assets are assessed for impairment.

### **3. Material Accounting Policies (continued)**

#### **b) Impairment of non-financial assets**

At the end of each reporting period, the Company's non-financial assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, an impairment test is conducted, where the recoverable amount of the asset is estimated to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

#### **c) Loss per share**

The Company computes the dilutive effect of options, warrants and similar instruments on loss per common share from the use of the proceeds that could be obtained upon exercise of options, warrants and similar instruments. It assumes that the proceeds would be used to purchase common shares at the average market price during the period. For the years presented, this calculation proved to be anti-dilutive. Basic loss per share is calculated using the weighted average number of common shares outstanding during the year.

#### **d) Share-based compensation**

The Company grants stock options to acquire common shares of the Company to directors, officers, employees, and consultants. An individual is classified as an employee when the individual is an employee for legal or tax purposes or provides services similar to those performed by an employee. The fair value of stock options granted to employees is measured on the date of grant, using the Black-Scholes option pricing model, and is recognized over the vesting period. A corresponding increase in reserves is recorded when stock options vests. When stock options are exercised, share capital is increased by the sum of the consideration paid and the related portion of share-based compensation previously recorded in reserves.

Share-based compensation to non-employees is measured at the fair value of 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, and are recorded at the date the goods or services are received.

The fair value of awards is calculated using the Black-Scholes option pricing model, which considers the following factors:

- |                       |                                             |
|-----------------------|---------------------------------------------|
| • Exercise price      | • Current market price of underlying shares |
| • Expected life       | • Risk-free interest rate                   |
| • Expected volatility | • Dividend yield                            |
| • Forfeiture rate     |                                             |

### **3. Material Accounting Policies (continued)**

#### **e) Share capital**

##### **Equity units**

The proceeds received on the issuance of units, comprised of common shares and warrants, are allocated using the residual value method. Under the residual value method, proceeds are allocated first to share capital up to the fair value of the common shares at the time of issuance, determined by reference to the quoted market price of the common shares on the issuance date, with the residual amount of proceeds, if any, allocated to the reserve for warrants.

##### **Flow-through shares and units**

The Company will, from time to time, issue flow-through common shares to finance a significant portion of its exploration program. Pursuant to the terms of the flow-through share subscription agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On issuance of flow-through shares, proceeds are allocated first to share capital up to the fair value of the common shares at the time of issuance, determined by reference to the quoted market price of the common shares on the issuance date, secondly to the warrants based on the fair value determined by the Black-Scholes option pricing model, and finally, with the residual amount of proceeds, if any, allocated to a flow-through share premium. The flow-through share premium represents the estimated premium investors pay for the flow-through feature and is recognized as a liability. Upon expenses being incurred, the Company derecognizes a deferred tax liability for the amount of tax reduction renounced to the shareholders. The premium is recognized as other income and the related deferred tax is recognized as a tax provision.

Proceeds received from the issuance of flow-through shares are restricted to be used only for Canadian resource property exploration expenditures within a two-year period.

The Company may also be subject to a Part XII.6 tax on flow-through proceeds renounced under the “Look-back” Rule, in accordance with Government of Canada flow-through regulations. When applicable, this tax is accrued as a financial expense until paid.

#### **f) Financial instruments**

The following table shows the classification of the Company’s financial instruments:

| <b>Financial assets/liabilities</b>      | <b>Classification</b> |
|------------------------------------------|-----------------------|
| Cash                                     | FVTPL                 |
| Accounts payable and accrued liabilities | Amortized cost        |
| Due to related parties                   | Amortized cost        |
| Lease liabilities                        | Amortized cost        |
| Subscription received in advance         | Amortized cost        |
| Loans payable                            | Amortized cost        |

### **3. Material Accounting Policies (continued)**

#### **f) Financial instruments (continued)**

##### **i. Financial assets**

The Company recognizes a financial asset when it becomes a party to the contractual provisions of the instrument. The Company classifies financial assets at initial recognition as financial assets: measured at amortized cost, measured at fair value through other comprehensive income, or measured at fair value through profit or loss.

##### *Financial assets measured at amortized cost*

A financial asset that meets both of the following conditions is classified as a financial asset measured at amortized cost.

- The Company's business model for such financial assets is to hold the assets in order to collect contractual cash flows.
- The contractual term of the financial asset gives rise on specified dates to cash flows that are solely payments of principal and interest on the amount outstanding.

A financial asset measured at amortized cost is initially recognized at fair value plus transaction costs directly attributable to the asset. After initial recognition, the carrying amount of the financial asset measured at amortized cost is determined using the effective interest method, net of impairment loss, if necessary.

##### *Financial assets measured at fair value through other comprehensive income ("FVTOCI")*

A financial asset measured at fair value through other comprehensive income is recognized initially at fair value plus transaction costs directly attributable to the asset. After initial recognition, the asset is measured at fair value with changes in fair value included in other comprehensive income.

##### *Financial assets measured at fair value through profit or loss ("FVTPL")*

A financial asset measured at fair value through profit or loss is recognized initially at fair value with any associated transaction costs being recognized in profit or loss when incurred. Subsequently, the financial asset is remeasured at fair value, and a gain or loss is recognized in profit or loss in the reporting period in which it arises.

The Company derecognizes a financial asset if the contractual rights to the cash flows from the asset expire, or the Company transfers substantially all the risks and rewards of ownership of the financial asset. Any interests in transferred financial assets that are created or retained by the Company are recognized as a separate asset or liability. Gains and losses on derecognition are generally recognized in the consolidated statement of loss and comprehensive loss. However, gains and losses on derecognition of financial assets classified as FVTOCI remain within accumulated other comprehensive loss.

An 'expected credit loss' impairment model applies which requires a loss allowance to be recognized based on expected credit losses. The estimated present value of future cash flows associated with the asset is determined and an impairment loss is recognized for the difference between this amount and the carrying amount as follows: the carrying amount of the asset is reduced to estimated present value of the future cash flows associated with the asset, discounted at the financial asset's original effective interest rate, either directly or through the use of an allowance account and the resulting loss is recognized in profit or loss for the period. In a subsequent period, if the amount of the impairment loss related to financial assets measured at amortized cost decreases, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

**3. Material Accounting Policies (continued)**

**f) Financial instruments (continued)**

ii. Financial liabilities

The Company classified financial liabilities at initial recognition as financial liabilities: measured at amortized cost or measured at fair value through profit or loss.

*Financial liabilities at amortized cost*

Financial liabilities at amortized cost are initially recognized at fair value net of any transaction costs directly attributable to the issuance of the instrument and subsequently carried at amortized cost using the effective interest rate method.

*Financial liabilities at fair value through profit or loss*

Financial liabilities at fair value through profit or loss are initially measured at fair value with any associated transaction costs being recognized in profit or loss when incurred. Subsequently, the financial liability is re-measured at fair value, and a gain or loss is recognized in profit or loss in the reporting period in which it arises.

The Company derecognizes a financial liability when the financial liability is discharged, cancelled, or expired. Generally, the difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in the profit or loss.

Financial assets and liabilities are offset, and the net amount is presented in the consolidated statement of financial position only when the Company has a legally enforceable right to set off the recognized amounts and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

**g) Equipment**

Equipment is carried at cost less accumulated amortization and any impairment charges. The cost of an item of equipment includes the purchase price and related costs in bringing the item to the location and preparing the condition necessary for its intended use, as well the estimated costs of dismantling, removing the item, and restoring the site on which the item is installed.

Amortization expense of assets used in exploration are capitalized to exploration and evaluation assets. Amortization is recorded at rates designed to amortize the cost of capital assets over their estimated useful lives as follows:

|                          |           |
|--------------------------|-----------|
| Computer equipment       | 3 years   |
| Office equipment         | 2 years   |
| Camp and field equipment | 3-5 years |

### **3. Material Accounting Policies (continued)**

#### **h) Leases**

At the inception of a contract, the Company assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- The contract involves the use of an identified asset, either explicitly or implicitly, including consideration of supplier substitution rights;
- The Company has the right to obtain substantially all the economic benefits from the use of the asset throughout the period of use; and
- The Company has the right to direct the use of the asset.

The Company applies the exemption not to recognize right-of-use assets (“ROU”) and lease liabilities for leases relating to low-value assets. The ROU asset is initially measured based on the initial amount of the lease liability plus any initial direct costs incurred less any lease incentives received. The ROU asset is depreciated to the end-of-the-useful-life or the lease term, whichever comes earlier, using the straight-line method. The lease term includes periods covered by an option to extend if the Company is reasonably certain to exercise the option. The ROU asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. The lease liability is measured at amortized cost using the effective interest method and remeasured when there is a change in future lease payments.

The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payments made. It is remeasured when there is a change in future lease payments arising from a change in an index or a rate, a change in the estimate of the amount expected to be payable under a residual value guarantee, or as appropriate, changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

#### **i) New, amended and future accounting pronouncements**

The following standards are effective for future periods:

On April 9, 2024, the IASB issued a new standard – IFRS 18, “Presentation and Disclosure in Financial Statements” with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:

- The structure of the statement of profit or loss;
- Required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
- Enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

IFRS 18 will replace IAS 1 “Presentation of Financial Statements”; many of the other existing principles in IAS 1 are retained, with limited changes. IFRS 18 will apply for the Company's reporting periods beginning on December 1, 2027. Retrospective application is required and early application is permitted.

The Company is currently assessing the effect of this new standard on the consolidated financial statements.

#### **4. Capital Management**

Capital includes all the components of shareholders' equity as well as proceeds from loans. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the acquisition and exploration of its exploration and evaluation assets and to maintain a flexible capital structure for its projects for the benefit of its stakeholders. As the Company is in the exploration stage, its principal source of funds is from the issuance of common shares. Further information relating to liquidity risk is disclosed in note 5.

The Company manages the capital structure and adjusts it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may issue new shares, enter into joint venture property arrangements, acquire or dispose of assets, or adjust the amount of cash.

To facilitate the management of its capital requirements, the Company prepares budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions. The budgets are approved by the Board of Directors.

There were no changes in the Company's approach to capital management during year ended November 30, 2025. The Company is not subject to externally imposed capital requirements.

## 5. Management of Financial Risks

Fair value measurement disclosure includes classification of financial instrument fair values in a hierarchy comprising three levels reflecting the significance of the inputs used in making the measurements, described as follows:

Level 1: Valuations based on quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Valuations based on directly or indirectly observable inputs in active markets for similar assets or liabilities, other than Level 1 prices, such as quoted interest or currency exchange rates; and

Level 3: Valuations based on significant inputs that are not derived from observable market data, such as discounted cash flow methodologies based on internal cash flow forecasts.

The Company's financial instruments as at November 30, 2025 are as follows:

|                                                 | Level 1      | Level 2      | Level 3 |
|-------------------------------------------------|--------------|--------------|---------|
| <b>Financial assets at FVTPL</b>                |              |              |         |
| Cash                                            | \$ 2,199,582 | \$ -         | \$ -    |
| <b>Financial liabilities at amortized costs</b> |              |              |         |
| Accounts payable and accrued liabilities        | \$ 109,344   | \$ -         | \$ -    |
| Due to related parties                          | \$ 305,157   | \$ -         | \$ -    |
| Lease liabilities                               | \$ -         | \$ 53,446    | \$ -    |
| Loans payable                                   | \$ -         | \$ 2,234,019 | \$ -    |

The Company's financial instruments as at November 30, 2024 are as follows:

|                                                 | Level 1      | Level 2      | Level 3 |
|-------------------------------------------------|--------------|--------------|---------|
| <b>Financial assets at FVTPL</b>                |              |              |         |
| Cash                                            | \$ 845,871   | \$ -         | \$ -    |
| <b>Financial liabilities at amortized costs</b> |              |              |         |
| Accounts payable and accrued liabilities        | \$ 208,474   | \$ -         | \$ -    |
| Due to related parties                          | \$ 415,807   | \$ -         | \$ -    |
| Subscription received in advance                | \$ 1,000,000 | \$ -         | \$ -    |
| Lease liabilities                               | \$ -         | \$ 113,084   | \$ -    |
| Loans payable                                   | \$ -         | \$ 1,915,558 | \$ -    |

The Company's financial instruments are exposed to certain financial risks. The risk exposures and the impact on the Company's financial instruments are summarized below.

### a) Fair value

The carrying value of cash, accounts payable and accrued liabilities and amounts due to related parties approximated their fair value since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short-term nature. The lease liabilities and loans payable are classified as level 2 due as the fair value is determined based on indirectly observable market interest rates.

**5. Management of Financial Risks (continued)**

**b) Interest rate risk**

The Company has no significant exposure at November 30, 2025 and 2024 to interest rate risk through its financial instruments. The Company has a loan payable with fixed interest rate at 3% per annum.

**c) Currency risk**

As at November 30, 2025 and 2024, the majority of the Company's cash was held in Canadian dollars, the Company's functional and reporting currency. The majority of the Company's accounts payable and accrued liabilities are denominated in Canadian dollars. Loan payable and lease liabilities outstanding as at November 30, 2025 and 2024 are denominated in Canadian dollars. Currency risk is not significant.

**d) Credit risk**

Concentration of credit risk exists with respect to the Company's cash, as substantially all amounts are held at major financial institutions. The credit risk associated with cash is minimized by ensuring that these financial assets are placed with financial institutions with investment-grade ratings by a primary ratings agency.

**e) Liquidity risk**

The Company attempts to manage liquidity risk by maintaining sufficient cash balances. Liquidity requirements are managed based on expected cash flows to ensure that there is sufficient capital in order to meet short-term obligations. As at November 30, 2025, the Company had cash of \$2,199,582 (2024 - \$845,871) to settle current liabilities of \$2,701,966 (2024 - \$1,737,365).

The amounts listed below are the remaining undiscounted contractual maturities for financial liabilities held by the Company as at November 30, 2025 and 2024.

| Due Date                                 | November 30, 2025   |             | November 30, 2024   |                     |
|------------------------------------------|---------------------|-------------|---------------------|---------------------|
|                                          | 0 to 12 months      | >12 months  | 0 to 12 months      | >12 months          |
| Accounts payable and accrued liabilities | \$ 109,344          | \$ -        | \$ 208,474          | \$ -                |
| Due to related parties                   | 305,157             | -           | 415,807             | -                   |
| Subscription received in advance         | -                   | -           | 1,000,000           | -                   |
| Loan payable                             | 2,234,019           | -           | -                   | 2,537,434           |
| Lease liabilities                        | 53,446              | -           | 120,873             | -                   |
| <b>Total</b>                             | <b>\$ 2,701,966</b> | <b>\$ -</b> | <b>\$ 1,745,154</b> | <b>\$ 2,537,434</b> |

**6. Long-term deposits**

As at November 30, 2025 and 2024, the Company has the following long-term deposits:

- A deposit of \$943,835 held with the Kitikmeot Inuit Association pursuant to its Land Use License for the Ulu Gold Project; and
- A deposit of \$1,685,542 with Crown-Indigenous Relations and Northern Affairs Canada, in relation to the Ulu Water License issued by the Nunavut Water Board ("NWB") for the reclamation bond of the mining license.

**Blue Star Gold Corp.**  
**Notes to the Consolidated Financial Statements**  
**For the years ended November 30, 2025 and 2024**  
(Expressed in Canadian dollars)

**7. Equipment**

|                                            | Computer and<br>office equipment | Camp and field<br>equipment | Total        |
|--------------------------------------------|----------------------------------|-----------------------------|--------------|
| <b>Cost</b>                                |                                  |                             |              |
| <b>Balance, November 30, 2023 and 2024</b> | \$ 19,097                        | \$ 802,962                  | \$ 822,059   |
| Additions                                  | -                                | 641,533                     | 641,533      |
| <b>Balance, November 30, 2025</b>          | \$ 19,097                        | \$ 1,444,495                | \$ 1,463,592 |
| <b>Accumulated amortization</b>            |                                  |                             |              |
| <b>Balance, November 30, 2023</b>          | \$ 17,320                        | \$ 513,903                  | \$ 531,223   |
| Additions                                  | 534                              | 187,139                     | 187,673      |
| <b>Balance, November 30, 2024</b>          | 17,854                           | 701,042                     | 718,896      |
| Additions                                  | 1,243                            | 159,946                     | 161,189      |
| <b>Balance, November 30, 2025</b>          | \$ 19,097                        | \$ 860,988                  | \$ 880,085   |
| <b>Carrying amounts</b>                    |                                  |                             |              |
| <b>At November 30, 2024</b>                | \$ 1,243                         | \$ 101,920                  | \$ 103,163   |
| <b>At November 30, 2025</b>                | \$ -                             | \$ 583,507                  | \$ 583,507   |

During the year ended November 30, 2025, the amortization expense of camp and field equipment totaling \$159,946 (2024 - \$187,139) was included in the exploration expenditures.

On May 9, 2025, the Company entered into a Security Agreement with Kitikmeot Inuit Association (“KIA”), pursuant to which the Company provided its field equipment (not including camp) to KIA as reclamation security for its Advanced Exploration Lease of Ulu Property.

**8. Right-of-Use (“ROU”) Assets and Lease Liabilities**

**Office lease**

On May 5, 2022, the Company entered into an office lease agreement for a 36-month lease period from October 1, 2022 to September 30, 2025. On July 14, 2025, the Company entered into an office lease extension agreement for a 12-month period from October 1, 2025 to September 30, 2026, at a reduced lease area. In accordance with IFRS 16 *Leases*, the Company recorded right-of-use assets of \$64,135 and recognized lease liabilities of \$64,135 on commencement of the lease. As at October 1, 2025, the Company measured the present value of its lease liabilities using a discount rate of 15% as determined from its incremental borrowing rate.

**Equipment lease**

On December 21, 2022, the Company entered into an equipment rental/purchase agreement for a 31-month lease period starting December 21, 2022. In accordance with IFRS 16 *Leases*, the Company recorded right-of-use assets of \$39,578 and recognized lease liabilities of \$39,578 on commencement of the lease. On inception, the Company measured the present value of its lease liabilities using a discount rate of 0.2% as determined according to this agreement.

During the year ended November 30, 2025, the amortization expense of \$9,830 (2024 - \$15,320) was included in the exploration expenditure.

**8. Right-of-Use (“ROU”) Assets and Lease Liabilities (continued)**

a) *Right-of-use assets*

A reconciliation of the Company’s right-of-use assets for the years ended November 30, 2025 and 2024 is as follows:

|                                        | <b>Total</b> |
|----------------------------------------|--------------|
| Balance, November 30, 2023             | \$ 213,688   |
| Amortization of ROU of office lease    | (102,839)    |
| Amortization of ROU of equipment lease | (15,320)     |
| Balance, November 30, 2024             | 95,529       |
| Initial recognition of office lease    | 64,135       |
| Amortization of ROU of office lease    | (96,388)     |
| Amortization of ROU of equipment lease | (9,830)      |
| Balance, November 30, 2025             | \$ 53,446    |

b) *Lease liabilities*

A reconciliation of the Company’s lease liabilities for the years ended November 30, 2025 and 2024 is as follows:

|                                               | <b>Total</b> |
|-----------------------------------------------|--------------|
| Balance, November 30, 2023                    | \$ 232,166   |
| Accretion of interest                         | 25,685       |
| Lease payments - office                       | (130,687)    |
| Lease payments - equipment                    | (14,080)     |
| Balance, November 30, 2024                    | 113,084      |
| Initial recognition of office lease liability | 64,135       |
| Accretion of interest                         | 8,237        |
| Lease payments - office                       | (121,770)    |
| Lease payments - equipment                    | (10,240)     |
| Balance, November 30, 2025                    | \$ 53,446    |

|                                       | November 30,<br>2025 | November 30,<br>2024 |
|---------------------------------------|----------------------|----------------------|
| Short-term portion of lease liability | \$ 53,446            | \$ 113,084           |
| Long-term portion of lease liability  | \$ -                 | \$ -                 |

c) *Lease operating costs*

The Company pays about \$9,000 per month for its leased office operating costs from October 1, 2022 to September 30, 2025 and about \$4,760 per month starting October 1, 2025. The total operating costs, approximately \$99,520 (2024 - \$96,000), are recorded in office and miscellaneous expenses in the consolidated statements of loss and comprehensive loss for the year ended November 30, 2025.

**9. Exploration and Evaluation Assets**

|                                               | <i><b>Ulu<br/>Property<br/>(Nunavut)</b></i> | <i><b>Hood River<br/>Property<br/>(Nunavut)</b></i> | <i><b>Roma<br/>Property<br/>(Nunavut)</b></i> | <i><b>Total</b></i> |
|-----------------------------------------------|----------------------------------------------|-----------------------------------------------------|-----------------------------------------------|---------------------|
| Balance, November 30, 2023                    | \$ -                                         | \$ 1,060,000                                        | \$ 97,615                                     | \$ 1,157,615        |
| Shares issued for lease contract<br>(Note 12) | 332,100                                      | -                                                   | -                                             | 332,100             |
| Balance, November 30, 2024 and<br>2025        | \$ 332,100                                   | \$ 1,060,000                                        | \$ 97,615                                     | \$ 1,489,715        |

**a) Ulu Property**

The Ulu Property consists of a renewable 21-year lease with an area of approximately 947 hectares and an expiry date of November 18, 2038.

On January 8, 2018, the Company and Mandalay Resources Corporation (“Mandalay”) entered into an Ulu Property Option Agreement, which was further amended on July 19, 2019, pursuant to which the Company acquired 100% of Ulu Property on February 10, 2020.

On June 6, 2024, the Company entered into an Advanced Exploration Lease (“AEL”) with the Kitikmeot Inuit Association (“KIA”) which provides the Company exclusive surface rights and access to this area of Inuit Owned Lands for a period of 10 years. According to the AEL, the Company is required to pay annual rent of \$16,400 and water fees of \$1,000. On July 18, 2024, the Company also issued 2,460,000 common shares on to KIA with a fair value of \$332,100.

**b) Hood River Property**

The Company, through its subsidiary Inukshuk Exploration Inc. (“Inukshuk”), holds the Hood River Property in Nunavut through a 20-year renewable mineral exploration agreement (“MEA”) dated June 1, 2013, issued by Nunavut Tunngavik Incorporated (“NTI”).

On February 26, 2018, the Company signed a final Transaction Agreement (the “Definitive Agreement”) and Net Smelter Royalty Agreement (“Royalty Agreement”) to acquire 100% of the outstanding shares of Inukshuk, with an effective date as of September 18, 2014.

Under the terms of the Royalty Agreement in the Definitive Agreement, the Company will pay the following:

- i. Pay a 3% NSR royalty on the disposition of all minerals produced from the Hood River Property;
- ii. Make advance royalty payments totaling \$500,000 (paid);
- iii. Offer the vendor a right of conveyance if the Company abandons the Hood River Property; and
- iv. Maintain the Hood River Property in good standing during the conveyance period.

## **9. Exploration and Evaluation Assets (continued)**

### **b) Hood River Property (continued)**

Prior to the commencement of commercial production on the Hood River Property, the Company has the option to acquire up to 2% of the NSR for up to \$8,000,000 under the following terms:

- i. Purchase an initial 0.5% of the NSR for \$1,000,000;
- ii. Purchase an additional 0.5% of the NSR for an additional \$1,500,000;
- iii. Purchase an additional 0.5% of the NSR for an additional \$2,500,000; and
- iv. Purchase an additional 0.5% of the NSR for an additional \$3,000,000.

On January 25, 2022, the Company signed an amended Hood River MEA with NTI resulting in an expansion of the project area by approximately 40%. The project area now encompasses 11,203 hectares.

### **c) Roma Property**

On February 17, 2021, the Company entered into a Property Purchase Agreement to acquire 100% interest in nine mineral claims ("Roma") located in Nunavut. The Company issued 75,000 shares (fair valued at \$67,500) on February 22, 2021 and reimbursed all expenses (\$22,230) in connection with staking the claims.

In January 2022, the Company staked additional claims at a cost of \$7,885.

Also in January 2022, the Company entered into a 20-year renewable mineral exploration agreement ("MEA") with NTI for an exploration area of 4,119 hectares. On October 1, 2024, the Company entered into an amendment to the MEA agreement to increase increase the exploration area from 4,119 hectares to 5,706 hectares.

### **d) Government grant**

During the year ended November 30, 2025, the Company received government grants of \$125,000 (2024 - \$250,000) from the Government of Nunavut (the "GN") which is recorded as a reduction in exploration expense.

### **Title to resource properties**

Although the Company has taken steps to verify the title to exploration properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements or transfers and title may be affected by undetected defects.

### **Environmental**

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters. The Company may also be held liable should environmental problems be discovered that were caused by former owners and operators of its properties and properties in which it has previously had an interest. The Company conducts its mineral exploration activities in compliance with applicable environmental protection legislation. The Company is not aware of any existing environmental problems related to any of its current or former properties that may result in material liability to the Company. Environmental legislation is becoming increasingly stringent and costs and expenses of regulatory compliance are increasing. The impact of new and future environmental legislation on the Company's operations may cause additional expenses and restrictions. If the restrictions adversely affect the scope of exploration and development on the resource properties, the potential for production on the property may be diminished or negated.

**9. Exploration and Evaluation Assets (continued)**

**Exploration expenditures**

During the year ended November 30, 2025, the Company incurred exploration expenditure as follows:

|                                  | <b><i>Ulu<br/>Property<br/>(Nunavut)</i></b> | <b><i>Hood River<br/>Property<br/>(Nunavut)</i></b> | <b><i>Roma<br/>Property<br/>(Nunavut)</i></b> | <b><i>Total</i></b> |
|----------------------------------|----------------------------------------------|-----------------------------------------------------|-----------------------------------------------|---------------------|
| Amortization (Notes 8 and 9)     | \$ 84,888                                    | \$ 84,888                                           | \$ -                                          | \$ 169,776          |
| Camp and supplies                | 4,032,443                                    | -                                                   | -                                             | 4,032,443           |
| Claim maintenance and filing fee | 37,747                                       | 49,829                                              | 38,480                                        | 126,056             |
| Community support                | 29,258                                       | -                                                   | -                                             | 29,258              |
| Drilling                         | 680,283                                      | -                                                   | 5,500                                         | 685,783             |
| General exploration              | 800,174                                      | 39,098                                              | 134,444                                       | 973,716             |
| Geophysical                      | 53,300                                       | 6,630                                               | 77,879                                        | 137,809             |
| Geochemistry and assay           | 60,053                                       | 612                                                 | 10,748                                        | 71,413              |
| Project manager                  | 63,501                                       | 63,501                                              | 63,520                                        | 190,522             |
| Remediation                      | 433,367                                      | -                                                   | -                                             | 433,367             |
| Camp operation recovery          | (4,613,028)                                  | -                                                   | -                                             | (4,613,028)         |
| Government grant                 | (125,000)                                    | -                                                   | -                                             | (125,000)           |
| <b>Total</b>                     | <b>\$ 1,536,986</b>                          | <b>\$ 244,558</b>                                   | <b>\$ 330,571</b>                             | <b>\$ 2,112,115</b> |

During the year ended November 30, 2024, the Company incurred exploration expenditure as follows:

|                                  | <b><i>Ulu<br/>Property<br/>(Nunavut)</i></b> | <b><i>Hood River<br/>Property<br/>(Nunavut)</i></b> | <b><i>Roma<br/>Property<br/>(Nunavut)</i></b> | <b><i>Total</i></b> |
|----------------------------------|----------------------------------------------|-----------------------------------------------------|-----------------------------------------------|---------------------|
| Exploration                      |                                              |                                                     |                                               |                     |
| Amortization (Notes 8 and 9)     | \$ 101,230                                   | \$ 101,229                                          | \$ -                                          | \$ 202,459          |
| Camp and supplies                | 1,373,853                                    | -                                                   | -                                             | 1,373,853           |
| Claim maintenance and filing fee | 56,553                                       | 60,088                                              | 24,990                                        | 141,631             |
| Drilling                         | 772,223                                      | 397,425                                             | 830,451                                       | 2,000,099           |
| Consulting                       | 8,500                                        | -                                                   | -                                             | 8,500               |
| General exploration              | 464,630                                      | 138,958                                             | 276,188                                       | 879,776             |
| Geochemistry and assay           | 38,318                                       | 42,466                                              | 31,099                                        | 111,883             |
| Geophysical                      | 99,967                                       | 105,487                                             | 98,812                                        | 304,266             |
| Project manager                  | 63,096                                       | 63,096                                              | 63,115                                        | 189,307             |
| Remediation                      | 552,814                                      | -                                                   | -                                             | 552,814             |
| Government grant                 | (125,000)                                    | -                                                   | -                                             | (125,000)           |
| <b>Total</b>                     | <b>\$ 3,406,184</b>                          | <b>\$ 908,749</b>                                   | <b>\$ 1,324,655</b>                           | <b>\$ 5,639,588</b> |

## 10. Related Party Transactions and Key Management Compensation

Related party transactions are in the normal course of operations and measured at the exchange amount, which is the amount of consideration established and agreed by the related parties. Amounts due to or from related parties are non-interest bearing and unsecured.

As at November 30, 2025, \$305,157 (2024 - \$415,807) was due to directors and officers of the Company:

|             | November 30,<br>2025 | November 30,<br>2024 |
|-------------|----------------------|----------------------|
| CFO         | \$ 20,931            | \$ 12,705            |
| Former CEO* | -                    | 215,000              |
| Directors   | 284,226              | 188,102              |
|             | <u>\$ 305,157</u>    | <u>\$ 415,807</u>    |

\* The Company's CEO was terminated during the year ended November 30, 2020.

Key management consists of personnel having the authority and responsibility for planning, directing, and controlling the activities of the Company, which are the directors and executive officers of the Company.

During the years ended November 30, 2025 and 2024, the Company entered into the following transactions with related parties:

|                                                                                                                     | Year ended<br>November 30,<br>2025 | Year ended<br>November 30,<br>2024 |
|---------------------------------------------------------------------------------------------------------------------|------------------------------------|------------------------------------|
| Salary – CEO                                                                                                        | \$ 227,392                         | \$ 224,400                         |
| Salary – Spouse of CEO, Office and Human Resource Manager                                                           | 43,080                             | 88,860                             |
| Management fee – CFO                                                                                                | 147,136                            | 145,200                            |
| Directors fees                                                                                                      | 130,000                            | 130,000                            |
| Management fee – former CEO*                                                                                        | -                                  | 47,000                             |
| Share-based compensation (Note 12) – 1,950,000<br>(2024 - 1,550,000) options were granted to directors and officers | 341,098                            | 199,501                            |
|                                                                                                                     | <u>\$ 888,706</u>                  | <u>\$ 834,961</u>                  |

## **11. Loan Payable**

On November 21, 2019, the Company entered into a loan agreement with Dr. Georg Pollert. The loan principal amount is \$2,435,542.

On November 21, 2022, the loan principal of \$2,435,542 and unpaid interest balance of \$101,892, totaling \$2,537,434, was extended for one year interest free. On April 26, 2023, the maturity date was further extended to August 21, 2024.

On October 5, 2023, the Company entered into a new loan agreement with Dr. Georg Pollert to renew the above loan with the principal amount of \$2,537,434. The loan has a term of three years and bears interest at 3% per annum. In relation to the loan, the Company intends to issue up to 295,354 bonus shares with the first tranche of 98,541 bonus shares issued on October 25, 2023. In connection with the bonus shares described above, the Company initially recognized an obligation to issue shares of \$109,281. The Company also recorded a gain on extinguishment of the original loan of \$462,697 in deficit.

|                                                        | Liability<br>Component | Obligation to<br>issue shares |
|--------------------------------------------------------|------------------------|-------------------------------|
| Balance at November 30, 2023                           | \$ 1,652,450           | \$ 72,854                     |
| Accretion of interest                                  | 339,232                | -                             |
| Bonus shares issued                                    | -                      | (36,427)                      |
| Interest payable transferred to due to related parties | (76,124)               | -                             |
| Balance at November 30, 2024                           | 1,915,558              | 36,427                        |
| Accretion of interest                                  | 394,585                | -                             |
| Bonus shares issued                                    | -                      | (36,427)                      |
| Interest payable transferred to due to related parties | (76,124)               | -                             |
| Balance at November 30, 2025                           | \$ 2,234,019           | \$ -                          |

  

|                                 | November 30,<br>2025 | November 30,<br>2024 |
|---------------------------------|----------------------|----------------------|
| Short-term portion of liability | \$ 2,234,019         | \$ -                 |
| Long-term portion of liability  | \$ -                 | \$ 1,915,558         |

## **12. Share Capital and Reserves**

### **a) Authorized**

Unlimited number of common shares without par value.

### **b) Share issuances**

As at November 30, 2025, the Company had 156,729,490 (2024 - 103,766,753) common shares issued and outstanding.

During the year ended November 30, 2025:

i) On May 9, 2025, the Company closed a non-brokered private placement by issuing 35,000,000 non-flow-through shares at a price of \$0.10 per share for total gross proceeds of \$3,500,000. The Company issued 300,000 finder's warrants valued at \$12,312 and paid finder's fees of \$30,000 and legal and filing fees of \$20,180.

ii) On August 12, 2025, the Company closed a non-brokered private placement by issuing 10,714,285 non-flow-through share units (each a "NFT Unit") at \$0.14 per NFT Unit and 1,600,000 flow-through share units (each a "FT Unit") at a price of \$0.15 per FT Unit for total gross proceeds of \$1,740,000, of which \$16,000 is recorded as FT share premium liability. Each NFT Unit and each FT Unit consists of one common share or one flow-through share, and one-half of one transferable common share purchase warrant. Each whole warrant is exercisable at \$0.20 per share till August 12, 2026.

The Company issued 96,000 finder's warrants valued at \$8,193 and paid finder's fees of \$14,400 and legal and filing fees of \$14,693.

iii) On October 9, 2025, the Company issued 150,000 shares pursuant to the exercise of 150,000 warrants at \$0.16 per share for total proceeds of \$24,000. The Company transferred \$8,280 of fair value of the warrants exercised from contributed surplus to share capital.

iv) On October 24, 2025, the Company issued the final tranche of 98,452 bonus shares (fair valued at \$36,427) to Dr. Georg Pollert in relation to a loan of \$2,537,435 the Company renewed on October 5, 2023 (Note 11).

v) In November 2025, the Company closed a non-brokered private placement by issuing 5,400,000 flow-through shares (each a "FT Share") at a price of \$0.25 per FT Share for total gross proceeds of \$1,350,000, of which \$322,000 is recorded as FT share premium liability.

The Company issued 324,000 finder's warrants valued at \$29,740 and paid finder's fees of \$81,000 and legal and filing fees of \$9,971.

## **12. Share Capital and Reserves (continued)**

### **b) Share issuances (continued)**

During the year ended November 30, 2024:

i) On December 13, 2023, the Company closed the final tranche of a non-brokered private placement by issuing 1,131,250 flow-through share shares (each a "FT Share") at a price of \$0.40 per FT Share, raising total gross proceeds of \$452,500, of which \$16,969 is recorded as FT share premium liability. The Company issued 67,500 finder's warrants valued at \$11,636, and paid finder's fees of \$27,000 and legal and filing fees of \$24,566.

ii) In June 2024, the Company closed a non-brokered private placement by issuing 12,500,000 non-flow-through shares (each a "NFT Share") and 6,812,500 flow-through shares (each a "FT Share") at a price of \$0.16 per share for total gross proceeds of \$3,090,000, of which \$148,125 is recorded as FT share premium liability. The Company issued 397,500 finder's warrants valued at \$24,396 and paid finder's fees of \$63,600 and legal and filing fees of \$21,011.

iii) On June 6, 2024, the Company entered into an Advanced Exploration Lease ("AEL") with the Kitikmeot Inuit Association ("KIA") which provides the Company exclusive surface rights and access to this area of Inuit Owned Lands for a period of 10 years. According to the AEL, the Company issued 2,460,000 common shares (fair valued at \$332,100) to KIA on July 18, 2024.

iv) On October 25, 2024, the Company issued the second tranche of 98,451 bonus shares (fair valued at \$36,427) to Dr. Georg Pollert in relation to a loan of \$2,537,435 the Company renewed on October 5, 2023 (Note 11).

### **c) Stock options**

The Company has a stock option plan under which the aggregate number of common shares to be reserved for exercise of all options granted under the plan and any other share compensation arrangement shall not exceed 10% of the issued shares of the Company at the time of granting of options. The stock option plan provides for the granting of stock options to regular employees and persons providing investor relations or consulting services up to a limit of 5% and 2%, respectively, of the Company's total number of issued and outstanding shares per year. Options granted to consultants providing investor relations services shall vest at a minimum over a period of twelve months with no more than one-quarter of such options vesting in any three-month period.

On October 7, 2025, the Company granted to directors, officers and consultants 3,200,000 stock options, exercisable at \$0.25 per share for a term of five years. These options vested on the date of grant. The fair value of the stock options granted was \$559,750 (\$0.17 per option) and is recorded in the consolidated statements of loss and comprehensive loss.

On April 22, 2024, the Company granted to directors, officers and consultants 2,800,000 stock options, exercisable at \$0.245 per share for a term of five years. These options vested on the date of grant. The fair value of the stock options granted was \$360,390 (\$0.13 per option) and is recorded in the consolidated statements of loss and comprehensive loss.

## 12. Share Capital and Reserves (continued)

### c) Stock options (continued)

The fair value of the stock options granted was determined using the Black-Scholes option price model with the following weighted average assumptions:

| <b>Weighted average assumptions</b> | <b>Year ended<br/>November 30, 2025</b> | <b>Year ended<br/>November 30, 2024</b> |
|-------------------------------------|-----------------------------------------|-----------------------------------------|
| Risk free interest rate             | 2.69%                                   | 3.79%                                   |
| Volatility                          | 88.06%                                  | 99.52%                                  |
| Expected life of options            | 5 years                                 | 5 years                                 |
| Dividend rate                       | 0%                                      | 0%                                      |

Expected volatility is based on the historical volatility of the Company's market share price. The risk-free rate of return is the yield on a zero-coupon Canadian Treasury Bill of a term consistent with the assumed option life. The expected average option term is the average expected period to exercise, based on the historical activity patterns for each individually vesting tranche.

Stock option transactions are summarized as follows:

|                                   | <b>Number<br/>of Options</b> | <b>Weighted<br/>Average<br/>Exercise Price</b> |
|-----------------------------------|------------------------------|------------------------------------------------|
| Balance, November 30, 2023        | 4,870,000                    | \$ 0.64                                        |
| Granted                           | 2,800,000                    | 0.25                                           |
| Expired/forfeited                 | (1,480,000)                  | 1.05                                           |
| Balance, November 30, 2024        | 6,190,000                    | 0.37                                           |
| Granted                           | 3,200,000                    | 0.245                                          |
| Expired                           | (510,000)                    | 0.57                                           |
| Balance, November 30, 2025        | 8,880,000                    | \$ 0.32                                        |
| Exercisable, at November 30, 2025 | 8,880,000                    | \$ 0.32                                        |

At November 30, 2025, the Company has the following outstanding stock options outstanding:

| <b>Number<br/>of Options</b> | <b>Exercise<br/>Price</b> | <b>Expiry Date</b> |
|------------------------------|---------------------------|--------------------|
| 530,000                      | \$ 0.50                   | March 30, 2027     |
| 100,000                      | \$ 0.40                   | October 18, 2027   |
| 2,350,000                    | \$ 0.43                   | May 2, 2028        |
| 2,700,000                    | \$ 0.25                   | April 22, 2029     |
| 3,200,000                    | \$ 0.245                  | October 7, 2030    |

## 12. Share Capital and Reserves (continued)

### d) Warrants

On December 13, 2023, the Company issued 67,500 finder's warrants valued at \$11,636 (\$0.17 per warrant). The finders' warrants are exercisable at \$0.40 per share until December 13, 2025.

In June 2024, the Company issued 397,500 finder's warrants valued at \$24,396 (\$0.06 per warrant). The finders' warrants are exercisable at \$0.40 per share for a two-year period from the issuance date.

On May 9, 2025, the Company issued 300,000 finder's warrants valued at \$12,312 (\$0.04 per warrant). The finders' warrants are exercisable at \$0.10 per share for a one-year period from the issuance date.

On August 12, 2025, the Company closed a non-brokered private placement by issuing 10,714,285 non-flow-through share units (each a "NFT Unit") at \$0.14 per NFT Unit and 1,600,000 flow-through share units (each a "FT Unit") at a price of \$0.15 per FT Unit for total gross proceeds of \$1,740,000. Each NFT Unit and each FT Unit consists of one common share or one flow-through share, and one-half of one transferable common share purchase warrant. Each whole warrant is exercisable at \$0.20 per share till August 12, 2026.

On August 12, 2025, the Company issued 96,000 finder's warrants valued at \$8,193 (\$0.09 per warrant). The finders' warrants are exercisable at \$0.15 per share for a two-year period from the issuance date.

In November 2025, the Company issued 324,000 finder's warrants valued at \$29,741 (\$0.09 per warrant). The finders' warrants are exercisable at \$0.25 per share for a two-year period from the issuance date.

The fair value of the finders' warrants was determined using the Black-Scholes option price model with the following weighted average assumptions:

| <b>Weighted average assumptions</b> | <b>Year ended<br/>November 30, 2025</b> | <b>Year ended<br/>November 30, 2024</b> |
|-------------------------------------|-----------------------------------------|-----------------------------------------|
| Risk free interest rate             | 2.53%                                   | 4.05%                                   |
| Volatility                          | 106.93%                                 | 85.88%                                  |
| Expected life of options            | 1.58 years                              | 2 years                                 |
| Dividend rate                       | 0%                                      | 0%                                      |

Share purchase warrant transactions are summarized as follows:

|                                   | Number<br>of Warrants | Weighted<br>Average<br>Exercise Price |
|-----------------------------------|-----------------------|---------------------------------------|
| Balance, November 30, 2023        | 4,677,500             | \$ 0.49                               |
| Issued                            | 465,000               | 0.40                                  |
| Balance, November 30, 2024        | 5,142,500             | 0.46                                  |
| Issued                            | 6,877,142             | 0.20                                  |
| Exercised                         | (150,000)             | 0.16                                  |
| Expired                           | (4,677,500)           | 0.50                                  |
| Balance, November 30, 2025        | 7,192,142             | \$ 0.20                               |
| Exercisable, at November 30, 2025 | 7,192,142             | \$ 0.20                               |

**Blue Star Gold Corp.**  
**Notes to the Consolidated Financial Statements**  
**For the years ended November 30, 2025 and 2024**  
(Expressed in Canadian dollars)

**12. Share Capital and Reserves (continued)**

**d) Warrants (continued)**

As at November 30, 2025, the following share purchase warrants were outstanding:

| Number<br>of Warrants | Exercise<br>Price | Expiry Date                              |
|-----------------------|-------------------|------------------------------------------|
| 67,500                | \$ 0.40           | December 13, 2025 (expired subsequently) |
| 168,750               | \$ 0.16           | June 7, 2026                             |
| 78,750                | \$ 0.16           | June 26, 2026                            |
| 300,000               | \$ 0.10           | May 9, 2026 (expired subsequently)       |
| 6,157,142             | \$ 0.20           | August 12, 2026                          |
| 96,000                | \$ 0.15           | August 12, 2027                          |
| 300,000               | \$ 0.25           | November 4, 2027                         |
| 24,000                | \$ 0.25           | November 28, 2027                        |

**13. Flow-Through Share Premium Liabilities**

Flow-through share premium liabilities include the liability portion of the flow-through shares issued. The following is a continuity schedule of the liability portion of the flow-through shares issuances.

|                                                                     | Issued in<br>year ended<br>November<br>30, 2023 | Issued in<br>year ended<br>November<br>30, 2024 | Issued in<br>August,<br>2025 | Issued in<br>November,<br>2025 | Total      |
|---------------------------------------------------------------------|-------------------------------------------------|-------------------------------------------------|------------------------------|--------------------------------|------------|
| <b>Balance, November 30, 2023</b>                                   | \$ 228,750                                      | \$ -                                            | \$ -                         | \$ -                           | \$ 228,750 |
| Flow-through share premium on<br>issuance of shares                 | -                                               | 165,094                                         | -                            | -                              | 165,094    |
| Settlement of flow-through share<br>liability on incurring expenses | (228,750)                                       | (165,094)                                       | -                            | -                              | (393,844)  |
| <b>Balance, November 30, 2024</b>                                   | -                                               | -                                               | -                            | -                              | -          |
| Flow-through share premium on<br>issuance of shares                 | -                                               | -                                               | 16,000                       | 322,000                        | 338,000    |
| Settlement of flow-through share<br>liability on incurring expenses | -                                               | -                                               | (16,000)                     | (16,292)                       | (32,292)   |
| <b>Balance, November 30, 2025</b>                                   | \$ -                                            | \$ -                                            | \$ -                         | \$ 305,708                     | \$ 305,708 |

On satisfaction of the flow-through expenditure commitment, a deferred income tax recovery of \$32,292 (2024 - \$393,844) was recorded on the consolidated statements of loss and comprehensive loss.

**14. Supplement Disclosure with Respect to Cash Flows**

|                                                                           | November 30,<br>2025 | November 30,<br>2024 |
|---------------------------------------------------------------------------|----------------------|----------------------|
| Shares issued for exploration and evaluation assets                       | \$ -                 | \$ 332,100           |
| Shares issued for loan bonus                                              | \$ 36,427            | \$ 36,427            |
| Interest payable reclassified from loan payable to due to related parties | \$ 76,124            | \$ 76,124            |
| Fair value of warrants exercised                                          | \$ 8,280             | \$ -                 |
| Finders' fees in accounts payable and accrued liabilities                 | \$ 23,120            | \$ -                 |
| Finders' warrants in share issue costs                                    | \$ 50,245            | \$ 36,032            |
| Flow-through share premium liability                                      | \$ 338,000           | \$ 165,094           |
| Recognition of ROU assets and lease liability                             | \$ 64,135            | \$ -                 |
| Interest paid                                                             | \$ -                 | \$ -                 |
| Taxes paid                                                                | \$ -                 | \$ -                 |

**15. Segmented Information**

The Company has one reportable operating segment, being the acquisition and exploration of mineral properties. At November 30, 2025 and 2024, the Company's long-term deposits, right-of-use assets, equipment and exploration and evaluation assets are located in Canada.

**16. Income Taxes**

Income tax expense (recovery) differs from the amount that would be computed by applying the Canadian statutory income tax rate of 27.00% (2024 - 27.00%) to income before income taxes. A reconciliation of income taxes at statutory rates with reported taxes is as follows:

|                                                   | 2025           | 2024           |
|---------------------------------------------------|----------------|----------------|
| Net loss for the year                             | \$ (4,289,772) | \$ (7,743,745) |
| Statutory income tax rate                         | 27%            | 27%            |
| Income tax benefit computed at statutory tax rate | (1,158,238)    | (2,090,811)    |
| Items not deductible for income tax purposes      | 151,133        | 99,635         |
| (Under) over provided in prior years              | (158,507)      | 46,909         |
| Unused tax losses and tax offsets not recognized  | 1,184,674      | 598,740        |
| Origination and reversal of temporary differences | (19,062)       | 1,345,527      |
| <b>Deferred income tax expense (recovery)</b>     | <b>\$ -</b>    | <b>\$ -</b>    |

**16. Income Taxes (continued)**

**Deferred tax assets and liabilities**

The Company recognizes tax benefits on losses or other deductible amounts where it is probable the Company will generate sufficient taxable income to utilize its deferred tax assets. The tax effected items that give rise to significant portions of the deferred income tax liabilities at November 30, 2025 and 2024 are presented below:

|                                    | 2025        | 2024         |
|------------------------------------|-------------|--------------|
| Deferred tax liabilities:          |             |              |
| Loans payable                      | \$ (83,635) | \$ (149,066) |
| Deferred tax assets                |             |              |
| Non-capital losses carry-forwards  | 83,635      | 149,066      |
| <b>Deferred income tax expense</b> | <b>\$ -</b> | <b>\$ -</b>  |

Significant unrecognized tax benefits and unused tax losses for which no deferred tax asset is recognized as of November 30, 2025 and 2024 are as follows:

|                                                      | 2025                 | 2024                 |
|------------------------------------------------------|----------------------|----------------------|
| Non-capital losses carried forward                   | \$ 18,203,616        | \$ 15,837,007        |
| Exploration and evaluation assets                    | 18,342,887           | 16,541,696           |
| Equipment                                            | 939,314              | 768,293              |
| Investment tax credits                               | 79,102               | 79,102               |
| Share issue costs                                    | 520,677              | 603,369              |
| <b>Unrecognized deductible temporary differences</b> | <b>\$ 38,085,596</b> | <b>\$ 33,829,467</b> |

As at November 30, 2025, the Company had accumulated non-capital losses for tax purposes in Canada of approximately \$18,731,000 tax-effected that expire between years 2027 to 2045.

**17. Events subsequent to the reporting period**

i) In December 2025, the Company closed a non-brokered private placement by issuing 3,000,000 flow-through shares (each a "FT Share") at a price of \$0.20 per FT Share for total gross proceeds of \$600,000.

ii) On December 13, 2025, 67,500 warrant exercisable at \$0.40 per share expired without being exercised.

iii) On January 28, 2026, the Company issued 300,000 shares pursuant to the exercise of 300,000 warrants at \$0.10 per share for proceeds of \$30,000.