

**DRYDEN GOLD CORP.**  
(An Exploration Stage Company)

**FINANCIAL STATEMENTS**

FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

(Expressed in Canadian Dollars)

# DAVIDSON

## INDEPENDENT AUDITOR'S REPORT

To the Shareholders of  
Dryden Gold Corp.

### Opinion

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

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2025 and 2024, and its financial performance and its 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 audit 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 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 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 audit is sufficient and appropriate to provide a basis for our opinion.

### Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the financial statements, which indicates 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 financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matter described below to be the key audit matter to be communicated in our auditor's report.

### *Assessment of Impairment Indicators of Mineral Properties*

As described in Note 10 to the financial statements, the carrying amount of the Company's Mineral Properties was \$8,251,548 as of December 31, 2025. As more fully described in Note 4 to the financial statements, management reviews the Mineral Properties for indicators of impairment when facts and circumstances suggest that the carrying amount may exceed its recoverable amount.

The principal considerations for our determination that the assessment of impairment indicators of the Mineral Properties is a key audit matter are that there was judgment made by management when assessing whether there were indicators of impairment for the Mineral Properties, specifically relating to the Mineral Properties' carrying amount which is impacted by the Company's intent and ability to continue to explore and evaluate these Mineral Properties. This in turn led to a high degree of auditor judgment, subjectivity, and effort in performing procedures to evaluate audit evidence relating to the judgments made by management in their assessment of indicators of impairment that could give rise to the requirement to prepare an estimate of the recoverable amount of the Mineral Properties.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the financial statements. Our audit procedures included, among others:

- Evaluating management's assessment of impairment indicators.
- Evaluating the intent for the Mineral Properties through discussion and communication with management.
- Reviewing the Company's recent expenditure activity and expenditure budgets for future periods.
- Assessing compliance with agreements and expenditure requirements including reviewing option agreements and vouching cash payments and share issuances.
- Obtaining, on a test basis through government websites, confirmation of title to ensure mineral rights underlying the Mineral Properties are in good standing.

### **Other Information**

Management is responsible for the other information. The other information obtained at the date of this auditor's report includes Management's Discussion and Analysis.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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 Financial Statements**

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

In preparing the 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 Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

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

- Identify and assess the risks of material misstatement of the 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current year 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 Peter Maloff.

*Davidson & Company LLP*

Chartered Professional Accountants

Vancouver, Canada

April 30, 2026

**DRYDEN GOLD CORP.**  
**STATEMENTS OF FINANCIAL POSITION**  
(Expressed in Canadian Dollars)

As at	Notes	December 31, 2025	December 31, 2024
<b>ASSETS</b>			
<b>Current</b>			
Cash and cash equivalents		\$ 9,313,098	\$ 7,447,318
GST Receivable	6	1,073,269	114,261
Prepaid expenses		371,887	251,688
		10,758,254	7,813,267
<b>Non-Current</b>			
Equipment and right-of-use asset	7	625,174	64,373
Mineral properties	10	8,251,548	6,190,733
		\$ 19,634,976	\$ 14,068,373
<b>LIABILITIES</b>			
<b>Current</b>			
Accounts payable and accrued liabilities	9	\$ 104,802	\$ 280,286
Lease liability	8	75,424	12,572
Flow-through share premium	11	957,088	1,362,461
		1,137,314	1,655,319
<b>Long-term</b>			
Deferred compensation	12	587,500	337,500
Lease liability	8	271,963	34,312
		859,463	371,812
		1,996,777	2,027,131
<b>EQUITY</b>			
Share capital	11	32,820,123	18,797,906
Subscriptions received	11	3,065	127,500
Contributed surplus		924,354	904,840
Deficit		(16,109,343)	(7,789,004)
		17,638,199	12,041,242
		\$ 19,634,976	\$ 14,068,373

Nature of and continuance of operations – Note 1  
Events after the reporting period – Note 17

Approved and authorized by the Board:

<u>“Trey Wasser”</u> Trey Wasser	Director	<u>“Scott Kelly”</u> Scott Kelly	Director
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The accompanying notes are an integral part of these financial statements.

**DRYDEN GOLD CORP.**  
**STATEMENTS OF LOSS AND COMPREHENSIVE LOSS**  
**FOR THE YEARS ENDED DECEMBER 31,**  
(Expressed in Canadian Dollars)

	Notes	2025	2024
<b>EXPENSES</b>			
Amortization	7	\$ 32,483	\$ 4,806
Consulting and salaries	12	976,515	565,022
Exploration expenses	10	7,331,049	2,472,031
Investor relations expenses		1,414,664	813,952
Office and administration		80,848	40,875
Professional fees		146,146	196,640
Share-based payments	11 & 12	462,330	315,231
Transfer agent and filing fees		66,821	80,264
		(10,510,856)	(4,488,821)
<b>OTHER INCOME (EXPENSE)</b>			
Interest income		121,083	84,456
Interest expense	8	(11,726)	(8,899)
Recovery on settlement of flow through	11	1,881,160	478,402
Exploration grant	10	200,000	200,000
		2,190,517	753,959
<b>Loss for the year</b>		<b>\$ (8,320,339)</b>	<b>\$ (3,734,862)</b>
<b>Basic and diluted loss per share</b>		<b>\$ (0.05)</b>	<b>\$ (0.04)</b>
<b>Weighted average number of common shares outstanding - basic and diluted</b>		<b>171,233,608</b>	<b>101,801,861</b>

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

**DRYDEN GOLD CORP.**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31,**  
**(Expressed in Canadian Dollars)**

	<b>2025</b>	<b>2024</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss for the year	\$ (8,320,339)	\$ (3,734,862)
Items not affecting cash:		
Amortization	127,206	4,806
Share-based payments	462,330	315,231
Recovery on settlement of flow through	(1,881,160)	(478,402)
Deferred compensation	250,000	227,500
Lease interest	25,975	622
Changes in non-cash working capital items:		
GST Receivable	(959,008)	19,046
Prepaid expenses	(120,199)	(55,815)
Accounts payable and accrued liabilities	(175,484)	(263,848)
Net cash used in operating activities	(10,590,679)	(3,965,722)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payments for acquisition of mineral properties	(1,070,950)	(1,164,800)
Equipment	(6,575)	(19,880)
Net cash used in investing activities	(1,077,525)	(1,184,680)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Shares issued for cash, net of issuance costs	7,794,822	8,134,653
Proceeds on exercise of stock options	42,900	-
Proceeds on exercise of warrants	6,100,101	-
Subscriptions received	3,065	127,500
Lease payments	(406,904)	(3,037)
Net cash provided by financing activities	13,533,984	8,259,116
Change in cash and cash equivalents for the year	1,865,780	3,108,714
Cash and cash equivalents, beginning of year	7,447,318	4,338,604
Cash and cash equivalents, end of year	\$ 9,313,098	\$ 7,447,318

**Supplemental disclosure with respect to cash flows (Note 13)**

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

**DRYDEN GOLD CORP.**  
**STATEMENTS OF CHANGES IN EQUITY**  
(Expressed in Canadian Dollars)

	Note	Number of shares	Share capital	Subscriptions Received	Contributed surplus	Deficit	Total
Balance, December 31, 2023		82,845,041	\$ 10,514,090	\$ -	\$ 481,935	\$ (4,054,142)	6,941,883
Private placement, net of issuance costs	11	55,570,569	6,669,400	-	-	-	6,669,400
Shares issued for mineral properties	10 & 11	11,042,420	1,722,090	-	-	-	1,722,090
Finders warrants issued	11	-	(107,674)	-	107,674	-	-
Proceeds on exercise of warrants	11	-	-	127,500	-	-	127,500
Stock options vesting		-	-	-	315,231	-	315,231
Loss for the year		-	-	-	-	(3,734,862)	(3,734,862)
Balance, December 31, 2024		149,458,030	18,797,906	127,500	904,840	(7,789,004)	12,041,242
Private placement, net of issuance costs	11	32,808,962	6,319,035	-	-	-	6,319,035
Shares issued for mineral properties	10 & 11	8,947,194	989,865	-	-	-	989,865
Exercise of stock options	11	320,000	42,900	-	-	-	42,900
Allocation to share capital on option exercise		-	32,315	-	(32,315)	-	-
Stock options vesting		-	-	-	462,330	-	462,330
Exercise of warrants	11	21,600,404	6,227,601	(127,500)	-	-	6,100,101
Allocation to share capital on warrant exercise		-	15,444	-	(15,444)	-	-
Proceeds on exercise of warrants	11	-	-	3,065	-	-	3,065
Expired warrants		-	395,057	-	(395,057)	-	-
Loss for the year		-	-	-	-	(8,320,339)	(8,320,339)
Balance, December 31, 2025		213,134,590	\$ 32,820,123	\$ 3,065	\$ 924,354	\$ (16,109,343)	17,638,199

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

## **1. NATURE OF AND CONTINUANCE OF OPERATIONS**

Dryden Gold Corp. (the “Company” or “Dryden”) was incorporated under the *Business Corporations Act* (British Columbia) on November 19, 2021. The Company’s registered office is located at 25<sup>th</sup> floor, 700 West Georgia Street, Vancouver, BC V7Y 1K8. The Company is an exploration and development stage natural resource company engaged in the evaluation, acquisition and exploration of natural resource projects. The Company is currently focused on gold projects near Dryden, Ontario, Canada.

The Company is listed on the TSX Venture Exchange and trades under the symbol “DRY.V”.

The recovery of the amounts comprising mineral properties is dependent upon the confirmation of economically recoverable reserves, the ability of the Company to obtain necessary financing to successfully complete their exploration and development, upon future profitable production, or disposition of its mineral interests.

These financial statements have been prepared by management on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. For the year ended December 31, 2025, the Company incurred a loss of \$8,320,339 (2024 - \$3,734,862). As at December 31, 2025, the Company has working capital of \$9,620,940 (2024 - \$6,157,948). The continuing operations of the Company are dependent upon its ability to continue to raise adequate equity financing in the future and repay its liabilities arising from normal business operations as they become due. These material uncertainties may cast significant doubt about the Company’s ability to continue as a going concern.

These financial statements were approved by the Board of Directors for issue on April 30, 2026.

## **2. STATEMENT OF COMPLIANCE**

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

## **3. BASIS OF PREPARATION**

The 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. The financial statements are presented in Canadian dollars, which is also the Company’s functional currency. In addition, the financial statements have been prepared using the accrual basis of accounting except for cash flow information. The preparation of financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgement in applying the Company’s accounting policies. The areas involving a higher degree of judgement of complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

#### **4. MATERIAL ACCOUNTING POLICY INFORMATION**

##### **(a) Income taxes**

Income tax is recognized in profit or loss except to the extent that it relates to items recognized in other comprehensive income or loss or directly in equity, in which case it is recognized in other comprehensive income or loss or equity.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at year end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period applicable to the period of expected realization or settlement.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same tax authority and the group intends to settle its current tax assets and liabilities on a net basis.

##### **(b) Share capital**

Common shares are classified as share capital. Transaction costs directly attributable to the issue of common shares and share purchase options are recognized as a deduction from equity, net of any tax effects.

The proceeds from the issue of units are allocated between common shares and common share purchase warrants based on the residual value method. Under this method, the proceeds are allocated to share capital based on the fair value of the common shares and any residual value is allocated to common share purchase warrants. In the event common share purchase warrants expire unexercised, the original fair value is allocated from contributed surplus to share capital.

##### **(c) Basic and diluted loss per share**

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the year. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

Contingently issuable common shares are not considered outstanding common shares and consequently are not included in basic and diluted loss per share calculations.

#### **4. MATERIAL ACCOUNTING POLICY INFORMATION (cont'd...)**

##### **(d) Cash and cash equivalents**

Cash and cash equivalents include cash on hand and cashable guaranteed investment certificates that may be redeemed at any time with insignificant change in value. As at December 31, 2025, the Company has a cash balance of \$3,477,788 (2024 - \$3,701,400) and cash equivalents of \$5,835,310 (2024 - \$3,745,918).

##### **(e) Share-based payments**

The Company has a share purchase option plan and accounts for share-based payments using a fair value-based method with respect to all share-based payments to directors, officers, employees, and service providers. Share-based payments to employees are measured at the fair value of the instruments issued and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of the goods or services received or if such fair value is not reliably measurable, at the fair value of the equity instruments issued. The fair value is recognized as an expense with a corresponding increase in contributed surplus. This includes a forfeiture estimate, which is revised for actual forfeitures in subsequent periods.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the statement of profit or loss over the remaining vesting period.

Upon the exercise of the share purchase option, the consideration received, and the related amount transferred from contributed surplus are recorded as share capital. In the event share purchase options expire unexercised, the related contributed surplus is reversed to deficit.

##### **(f) Mineral interests**

###### *Mineral properties*

Pre-exploration costs are expensed as incurred.

Acquisition costs to obtain the legal right to explore a property are capitalized. Costs related to the exploration and evaluation of mineral properties, including general administrative overhead costs, are expensed in the period in which they occur.

If it is determined that capitalized acquisition costs are not recoverable, or the property is abandoned or management has determined an impairment in value, the property is written down to its recoverable amount. Mineral properties are reviewed for impairment when facts and circumstances suggest that the carrying amount may exceed its recoverable amount.

When the technical and commercial viability of a mineral resource has been demonstrated and a development decision has been made, the capitalized costs of the related property are transferred to mining assets and depreciated using the unit-of-production method on commencement of commercial production. Mineral properties are also tested for impairment before the assets are transferred as development properties.

#### **4. MATERIAL ACCOUNTING POLICY INFORMATION (cont'd...)**

##### **(g) Equipment**

Equipment is carried at cost, less accumulated amortization.

Where an item of equipment comprises major components with different useful lives, the components are accounted for as separate items of equipment. Expenditures incurred to replace a component of an item of equipment that is accounted for separately, including major inspection and overhaul expenditures, are capitalized.

Material residual value estimates and estimates of useful life are updated annually.

An item of equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal of the asset, determined as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in the statements of loss and comprehensive loss.

The Company compares the carrying value of equipment to estimated net recoverable amounts, based on estimated future cash flows, to determine whether there is any indication of impairment whenever events or circumstances warrant.

Amortization on equipment is recorded on a declining basis at an annual rate of 20%.

##### **(h) Leases**

At the inception of a contract, we assess whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. We assess whether the contract involves the use of an identified asset, whether we have the right to obtain substantially all of the economic benefits from use of the asset during the term of the arrangement and if we have the right to direct the use of the asset.

As a lessee, we recognize a right-of-use asset and a lease liability at the commencement date of a lease. The right-of-use asset is initially measured at cost, which is comprised of the initial amount of the lease liability adjusted for any payments made at or before the commencement date, plus any decommissioning and restoration costs, less any lease incentives received. The right-of-use asset is subsequently amortized from the commencement date to the earlier of the end of the lease term or the end of the useful life of the asset on a straight-line basis. In addition, the right-of-use asset may be reduced due to impairment losses, if any, and adjusted for certain measurements of the lease liability.

#### **4. MATERIAL ACCOUNTING POLICY INFORMATION (cont'd...)**

##### **(h) Leases (cont'd...)**

A lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by the interest rate implicit in the lease, or if that rate cannot be readily determined, the incremental borrowing rate. Lease payments included in the measurement of the lease liability are comprised of:

- fixed payments, including in-substance fixed payments, less any lease incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee;
- exercise prices of purchase options if we are reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease liability is measured at amortized cost using the effective interest method. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, or if there is a change in our estimate or assessment of the expected amount payable under a residual value guarantee, purchase, extension or termination option. Variable lease payments not included in the initial measurement of the lease liability are charged directly to profit or loss.

As part of the initial application of IFRS 16, we have elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases are charged directly to profit on a straight-line basis over the lease term.

#### **4. MATERIAL ACCOUNTING POLICY INFORMATION (cont'd...)**

##### **(i) Financial instrument measurement and valuation**

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- |         |  |
|---------|--|
| Level 1 | Unadjusted quoted prices in active markets for identical assets or liabilities;                                    |
| Level 2 | Inputs other than quoted prices that are observable for the assets or liability either directly or indirectly; and |
| Level 3 | Inputs that are not based on observable market data.   |

The measurement of the Company's financial instruments is disclosed in Note 16 to these financial statements. Any financial instrument that is valued using level 2 or 3 inputs will involve estimation uncertainty.

##### **Financial assets**

The Company classifies its financial assets in the following categories: at fair value through profit or loss ("FVTPL"), at fair value through other comprehensive income ("FVTOCI") or at amortized cost. The determination of the classification of financial assets is made at initial recognition. Equity instruments that are held for trading (including all equity derivative instruments) are classified as FVTPL; for other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI.

The Company's accounting policy for each of the categories is as follows:

**Financial assets at FVTPL:** Financial assets carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statement of profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets held at FVTPL are included in the statement of profit or loss in the period.

**Financial assets at FVTOCI:** Investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses arising from changes in fair value recognized in other comprehensive income (loss) in which they arise.

**Financial assets at amortized cost:** A financial asset is measured at amortized cost if the objective of the business model is to hold the financial asset for the collection of contractual cash flows, and the asset's contractual cash flows are comprised solely of payments of principal and interest. They are classified as current assets or non-current assets based on their maturity date and are initially recognized at fair value and subsequently carried at amortized cost less any impairment.

#### **4. MATERIAL ACCOUNTING POLICY INFORMATION (cont'd...)**

##### **(i) Financial instrument measurement and valuation (cont'd...)**

**Impairment of financial assets at amortized cost:** The Company assesses all information available, including on a forward-looking basis, the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the asset as the reporting date, with the risk of default as at the date of initial recognition, based on all information available, and reasonable and supportive forward-looking information.

**Financial liabilities and equity:** Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued are recorded at the proceeds received, net of direct issue costs.

The Company classifies its financial liabilities into one of two categories as follows:

Fair value through profit or loss (FVTPL) – This category comprises derivatives and financial liabilities incurred principally for the purpose of selling or repurchasing in the near term. They are carried at fair value with changes in fair value recognized in profit or loss.

Amortized cost – This category consists of liabilities carried at amortized cost using the effective interest method. Accounts payable and accrued liabilities are included in this category. The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled or expire.

##### **(j) Critical accounting estimates and judgements**

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, and expenses. Estimates and associated assumptions applied in determining asset or liability values are based on historical experience and various other factors including other sources that are believed to be reasonable under the circumstances but are not necessarily readily apparent or recognizable at the time such estimate or assumption is made. Actual results may differ from these estimates.

Estimates and underlying assumptions used in determining asset and liability values are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Information about critical accounting estimates and judgements in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the financial statements are discussed below:

#### **4. MATERIAL ACCOUNTING POLICY INFORMATION (cont'd...)**

##### **(j) Critical accounting estimates and judgements (cont'd...)**

###### *Judgements*

###### **Going Concern**

The Company's management has made an assessment of the Company's ability to continue as a going concern and is satisfied that the Company has the resources to continue in business for the foreseeable future. The factors considered by management are disclosed in Note 1.

###### **Impairment of mineral properties**

The carrying value and recoverability of mineral properties requires management to make certain estimates, judgements and assumptions about each project. Management considers the economics of the project, including the latest resource prices and the long-term forecasts, and the overall economic viability of the project. If any indication of impairment exists, a formal estimate of recoverable amount is performed, and an impairment loss is recognized to the extent that the carrying amount exceeds recoverable amount. The recoverable amount is measured at the higher of fair value less cost to sell and value in use.

###### *Estimates*

###### **Deferred tax assets and liabilities**

The estimation of income taxes includes evaluating the recoverability of deferred tax assets based on an assessment of the Company's ability to utilize the underlying future tax deductions against future taxable income prior to expiry of those deductions. Management assesses whether it is probable that some or all the deferred income tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income. To the extent that management's assessment of the Company's ability to utilize future tax deductions changes, the Company would be required to recognize more or fewer deferred tax assets, and future income tax provisions or recoveries could be affected.

###### **Share-based compensation**

The Company measures the cost of share-based compensation by reference to the fair value of the equity instruments granted. Estimating fair value for share-based compensation requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant.

#### **4. MATERIAL ACCOUNTING POLICY INFORMATION (cont'd...)**

##### **(k) Foreign currency translation**

Transactions in foreign currencies are translated into the entity's functional currency at the exchange rates at the date of the transactions. Monetary assets and liabilities of the Company's operations denominated in a currency other than the functional currency are translated using the exchange rates prevailing at the date of the statement of financial position. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates in effect at the date of the underlying transaction, except for depreciation related to non-monetary assets, which is translated at historical exchange rates. Exchange differences are recognized in profit or loss in the year in which they occur.

##### **(l) Provision for environmental rehabilitation**

The Company recognizes liabilities for legal or constructive obligations associated with the retirement of mineral properties. The net present value of future rehabilitation costs is capitalized to the related asset along with a corresponding increase in the rehabilitation provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value.

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to the related assets with a corresponding entry to the rehabilitation provision.

##### **(m) New and upcoming standards**

Presentation and Disclosure in Financial Statements (IFRS 18) - IFRS 18 will replace IAS 1, Presentation of Financial Statements which aims to improve how companies communicate in their financial statements, with a focus on information about financial performance in the statement of profit or loss, in particular additional defined subtotals, disclosures about management-defined performance measures and new principles for aggregation and disaggregation of information. IFRS 18 is accompanied by limited amendments to the requirements in IAS 7 Statement of Cash Flows. IFRS 18 is effective from January 1, 2027. Companies are permitted to apply IFRS 18 before that date. The Company is not yet able to determine the impact to the financial statements from the adoption of this standard.

Certain pronouncements were issued by the IASB but are not yet effective as at December 31, 2025. The Company intends to adopt these standards when they become effective but does not expect these amendments to have a material effect on its financial statements.

## **5. MANAGEMENT OF CAPITAL**

The Company is an exploration stage company and this involves a high degree of risk. The Company has not determined whether its mineral properties contain economically recoverable reserves of ore. The Company's primary source of funds comes from the issuance of share capital. The Company does not use other sources of financing that require fixed payments of interest and principal due to lack of cash flow from current operations and is not subject to any externally imposed capital requirements.

The Company defines its capital as equity. Capital requirements are driven by the Company's exploration activities on its mineral properties. To effectively manage the Company's capital requirements, the Company has a planning and budgeting process in place to ensure that adequate funds are available to meet its strategic goals. The Company monitors actual expenses to budget on all exploration projects and overhead to manage costs, commitments, and exploration activities.

There have been no changes to the Company's approach to capital management during the year ended December 31, 2025.

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**6. GST RECEIVABLE**

The Company's entire receivable balance is receivable from the government of Canada. The receivable balance is as follows:

	December 31, 2025	December 31, 2024
GST receivable	\$ 1,073,269	\$ 114,261
	\$ 1,073,269	\$ 114,261

**7. EQUIPMENT AND RIGHT-OF-USE ASSET**

	Equipment	ROU Asset	Total
<b>Cost</b>			
Balance, December 31, 2023	\$ -	\$ -	\$ -
Additions	19,880	49,299	69,179
Balance, December 31, 2024	19,880	49,299	69,179
Additions	6,575	681,432	688,007
Balance, December 31, 2025	26,455	730,731	757,186
<b>Accumulated amortization</b>			
Balance, December 31, 2023	-	-	-
Amortization	1,988	2,818	4,806
Balance, December 31, 2024	1,988	2,818	4,806
Amortization	4,634	122,572	127,206
Balance, December 31, 2025	\$ 6,622	\$ 125,390	\$ 132,012
<b>Net book value</b>			
December 31, 2025	\$ 19,833	\$ 605,341	\$ 625,174
December 31, 2024	\$ 17,892	\$ 46,481	\$ 64,373

## 8. LEASE LIABILITY

On January 1, 2025, the Company entered into a lease agreement for office and core shack facilities, which resulted in the lease liability of \$309,129 (discount rate used is 10.0%). This liability represents the monthly lease payment from January 1, 2025 to June 30, 2029, the end of the lease term.

On July 9, 2025, the Company entered into a vehicle lease agreement, which resulted in the lease liability of \$55,614 (discount rate used is 7.9%). This liability represents the monthly lease payment from July 9, 2025 to July 9, 2029, the end of the lease term.

On September 10, 2025, the Company entered into an equipment lease agreement, which resulted in the lease liability of \$45,233 (discount rate used is 15.12%). This liability represents the monthly lease payment from September 10, 2025 to September 10, 2028, the end of the lease term.

On September 27, 2024, the Company entered into a vehicle lease agreement, which resulted in the lease liability of \$49,299 (discount rate used is 7.9%). This liability represents the monthly lease payment from September 27, 2024 to September 1, 2027, the end of the lease term.

A summary of changes in lease liabilities for the year ended December 31, 2025, is as follows:

Balance at December 31, 2024	\$	46,884
Lease liability from new lease agreement		409,976
Lease payment on principal portion		(135,449)
Lease liability accretion expense		25,976
Balance at December 31, 2025	\$	347,387
Current portion	\$	75,424
Long term portion	\$	271,963

A summary of changes in lease liabilities for the year ended December 31, 2024, is as follows:

Balance at December 31, 2023	\$	-
Lease liability from new lease agreement		49,299
Lease payment on principal portion		(3,037)
Lease liability accretion expense		622
Balance at December 31, 2024	\$	46,884
Current portion	\$	12,572
Long term portion	\$	34,312

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**9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

Accounts payable and accrued liabilities comprise the following:

	December 31, 2025	December 31, 2024
Trade payables	\$ 96,802	\$ 246,286
Accrued liabilities	8,000	34,000
<b>Total</b>	<b>\$ 104,802</b>	<b>\$ 280,286</b>

**10. MINERAL PROPERTIES**

	Tremblay Property (a)	Manitou Property (b)	Total
Balance, December 31, 2023	\$ 251,143	\$ 3,052,700	\$ 3,303,843
Acquisition costs	86,319	2,800,571	2,886,890
Balance, December 31, 2024	337,462	5,853,271	6,190,733
Acquisition costs	97,277	1,963,538	2,060,815
<b>Balance, December 31, 2025</b>	<b>\$ 434,739</b>	<b>\$ 7,816,809</b>	<b>\$ 8,251,548</b>

During the years ended December 31, 2025 and 2024, the Company incurred exploration costs as follows:

	December 31, 2025	December 31, 2024
Exploration and evaluation costs		
Geological consulting	\$ 966,315	\$ 479,165
Geology	1,381,551	260,122
Drilling/assays	4,325,432	1,219,321
Geophysics	-	168,005
Field expense	280,998	186,809
Claim maintenance	113,306	83,744
Travel and camp costs	263,447	74,865
	<b>\$ 7,331,049</b>	<b>\$ 2,472,031</b>

## 10. MINERAL PROPERTIES (cont'd...)

### (a) Tremblay Property

On February 8, 2022, the Company entered into a definitive option agreement with the Tremblay partners, as amended on February 16, 2022, whereby the Company can acquire a 100% interest in the Tremblay property by making \$625,000 in aggregate payments to the Tremblay partners and fund a minimum of \$1,200,000 in exploration expenditures within five years of the execution date of the option agreement, as follows:

#### *Annual Payments:*

- On effective date – \$75,000 cash payment (paid) and the issuance of 800,000 common shares (issued with a fair value of \$40,000).
- On first anniversary – \$100,000 payable at a minimum of 50% in shares with the remaining balance paid in cash. During the year ended December 31, 2023, the Company paid \$37,500 cash and issued 625,000 shares with a fair value of \$62,500.
- On second anniversary – \$100,000 payable at a minimum of 50% in shares with the remaining balance paid in cash. During the year ended December 31, 2024, the Company paid \$50,000 cash and issued 208,074 common shares with a fair value of \$24,969.
- On third anniversary – \$100,000 payable at a minimum of 50% in shares with the remaining balance paid in cash. During the year ended December 31, 2025, the Company paid \$50,000 cash and issued 378,214 common shares with a fair value of \$47,277.
- On fourth anniversary – \$250,000 payable at a minimum of 50% in shares with the remaining balance paid in cash. Subsequent to December 31, 2025, the Company paid \$62,500 cash and issued 514,685 common shares with a fair value of \$193,000.

#### *Minimum exploration expenditures:*

- \$200,000 prior to the first anniversary (Expended)
- \$200,000 prior to the second anniversary (Expended)
- \$800,000 prior to the fourth anniversary (Expended)

#### *Royalty:*

- Upon earning the 100% in the Tremblay property, the Tremblay partners will retain a 2% net smelter royalty (“NSR”), of which 1% can be purchased by the Company for \$1,000,000.

During the year ended December 31, 2025, the Company staked additional claims for \$Nil (2024 - \$11,350).

## 10. MINERAL PROPERTIES (cont'd...)

### (b) Manitou Property

On April 20, 2022, the Company entered into a definitive option agreement with Manitou Gold Inc. (now, Alamos Gold Inc. “Alamos”), as amended on May 17, 2022, January 19, 2023 and November 21, 2023, whereby the Company can acquire a 100% interest in the Manitou property by making \$7,000,000 in aggregate payments to Alamos, issuing 4,000,000 shares and funding a minimum of \$1,400,000 in exploration expenditures within three years of the execution date of the option agreement, as follows:

#### *Aggregate Payments:*

- On effective date – \$1,000,000 cash (paid)
- On effective date – 4,000,000 shares (issued)
- On or prior to January 31, 2023 – \$500,000 cash (paid)
- On or prior to December 31, 2023 – \$1,500,000 payable as \$500,000 cash (paid) and \$1,000,000 in shares if the Company completes an initial public offering (“IPO”) before the due date. On February 7, 2024, the Company issued 4,056,795 shares with a fair value of \$851,927.
- On second anniversary – \$2,000,000 payable as 50% cash and 50% shares if the Company completes an IPO before the due date. During the year ended December 31, 2024, the Company paid \$1,000,000 in cash and issued 6,377,551 shares with a fair value of \$797,194.
- On third anniversary – \$2,000,000 payable as 50% cash and 50% shares if the Company completes an IPO before the due date. During the year ended December 31, 2025, the Company paid \$1,000,000 cash and issued 8,568,980 common shares with a fair value of \$942,588.

Shares issuances are contingent of the Company completing an IPO and shall be priced at the volume weighted average price (“VWAP”) of the Company’s shares on the principle stock exchange upon which the Company will trade for the 20 trading days immediately preceding the respective payment date.

#### *Minimum exploration expenditures:*

- On or prior to December 31, 2023                      \$600,000 (Expended)
- On or prior to the second anniversary              \$400,000 (Expended)
- On or prior to the third anniversary                \$400,000 (Expended)

Upon exercising the option on the Manitou property, Alamos will retain a 1% net smelter return royalty (“NSR”), one-half of which may be purchased, aside from certain claims, for a cash payment of \$500,000.

The property is subject to net smelter return royalties in amounts ranging from 0.125% to 2.5% on certain mining claims and a one-time payment of \$2,000,000 in the event a National Instrument 43-101 technical report indicates a measured and indicated mineral resource of or exceeding 2,000,000 gold ounces or gold equivalent ounces on certain mining claims comprising the Manitou property.

During the year ended December 31, 2025, the Company acquired a 100% interest in the Manitou property by making the third anniversary payment of \$1,000,000 cash and issuing 8,568,980 common shares with a fair value of \$942,588.

## 10. MINERAL PROPERTIES (cont'd...)

### (b) Manitou Property (cont'd...)

On October 16, 2024, the Company entered into a purchase and sale agreement with Shear Gold Exploration Corp. to acquire a 100% interest in certain mining claims in the Gold Rock Mining District of Ontario, Canada. The Company acquired its 100% interest by paying \$80,000 in cash.

On May 16, 2024, the Company entered into a purchase and sale agreement with private individuals to acquire a 100% interest in certain mining claims in the Gold Rock Mining District of Ontario, Canada. The Company acquired its 100% interest by paying \$18,000 in cash.

On June 1, 2023, the Company entered into a purchase and sale agreement with a private individual to acquire a 100% interest in certain mining claims in the Gold Rock Mining District of Ontario, Canada. The Company acquired its 100% interest by paying \$4,500 in cash.

On October 13, 2023, the Company entered into a purchase and sale agreement with the Gold Cliff Partners to acquire a 100% interest in certain mining claims in the Gold Rock Mining District of Ontario, Canada. The Company acquired its 100% interest by paying \$40,000 cash (paid) and by issuing 50,000 shares (issued with a fair value of \$5,000) to the Gold Cliff Partners.

On October 18, 2023, the Company entered into a purchase agreement with Cross River Ventures Corp. (“Cross River”), as amended on November 21, 2023, whereby the Company can acquire a 100% interest in certain mining claims contiguous to the Manitou Project (the “Cross River Claims”) by making \$175,000 in aggregate cash payments and issuing 400,000 shares to Cross River as follows:

*Cash payments:*

- On closing – \$175,000 cash payment (paid),

*Share payment:*

- At the time of transferring the claims to the Company – 400,000 shares.

*Royalty:*

- Applicable to certain claims within the Cross River claims, a 1.5% NSR was assumed (“Manitou Fault Royalty”), of which 50% can be purchased for a cash payment of \$500,000.
- Applicable to certain claims within the Cross River claims, a 1.5% NSR was assumed (“Lower Manitou Royalty”), of which 50% can be purchased for a cash payment of \$500,000.

**10. MINERAL PROPERTIES (cont'd...)**

(b) Manitou Property (cont'd...)

Per the agreement, if during the TSXV listing process, the Exchange determines the acquisition of the Cross River Claims constitutes the acquisition of a business, for which audited financial statements are required under Exchange policies, the purchase agreement will be terminated. During the TSXV listing process the Exchange determined the acquisition of the Cross River Claims to be an acquisition of a business and as such the agreement was terminated and the cash payment of \$175,000 was written off in the statement of operations during the year ended December 31, 2023.

On February 2, 2024, the Company entered into a second mineral claim purchase agreement with Cross River to acquire the Cross River Claims by issuing 400,000 common shares on closing of the transfer of the Cross River Claims to the Company. On February 22, 2024, the Company entered into a Closing Agreement with Cross River whereby the Cross River Claims were transferred to the Company and the Company issued 400,000 common shares with a fair value of \$48,000.

During the year ended December 31, 2025, the Company staked additional claims for \$950 (2024 - \$5,450) and cancelled a royalty on the Sherridon claims for \$20,000.

During the year ended December 31, 2025, the Company received a non-refundable grant of \$200,000 (2024 - \$200,000) from the Ontario Junior Explorers Program, the proceeds of which were used for exploration work on the Company's Manitou project.

## 11. SHARE CAPITAL

(a) Authorized share capital

Unlimited number of common and preferred shares without par value.

(b) Issued and outstanding

As at December 31, 2025, the issued share capital was comprised of 213,134,590 (December 31, 2024 – 149,458,030) common shares.

During the year ended December 31, 2025, the Company issued common shares as follows:

- During the year ended December 31, 2025, 21,600,404 warrants were exercised for total gross proceeds to the Company of \$6,227,601. Upon exercise, \$15,444 in contributed surplus was allocated to share capital.
- During the year ended December 31, 2025, 320,000 stock options were exercised for total proceeds to the Company of \$42,900. Upon exercise, \$32,315 in contributed surplus was allocated to share capital.
- On August 15, 2025, the Company completed a private placement financing and issued 9,325,000 common shares at a price of \$0.20 per share for gross proceeds of \$1,865,000. The Company incurred shares issuance costs of \$120,783.
- On August 15, 2025, the Company completed a charity flow-through private placement financing and issued 13,180,000 charity flow-through shares at a price of \$0.284 per share for gross proceeds of \$3,743,120. The Company recognized a flow-through premium liability of \$1,107,120 on issuance. The residual value of the private placement of \$2,636,000 was allocated to share capital. The Company paid finders fees of \$27,300.
- On August 15, 2025, the Company completed a flow-through private placement financing and issued 9,216,667 flow-through shares at \$0.24 per share for gross proceeds of \$2,212,000. The Company recognized a flow-through premium liability of \$368,667 on issuance. The residual value of the private placement of \$1,843,333 was allocated to share capital. The Company paid finders fees of \$24,000.
- On May 1, 2025, the Company completed a private placement financing and issued 1,087,295 common shares of the Company at a price of \$0.135 per share for total proceeds of \$146,785.
- On March 18, 2025, the Company issued 8,568,980 shares with a fair value of \$942,588 in relation to the 100% acquisition of the Company's interest in the Manitou property (Note 10(b)).

## 11. SHARE CAPITAL (cont'd...)

### (b) Issued and outstanding (cont'd...)

- On February 12, 2025, the Company issued 378,214 shares with a fair value of \$47,277 in relation to the acquisition of the Company's interest in the Tremblay property (Note 10(a)).

During the year ended December 31, 2024, the Company issued common shares as follows:

- On December 17, 2024, the Company completed a private placement financing and issued 2,941,176 common shares of the Company at a price of \$0.17 per share for total proceeds of \$500,000. The Company incurred shares issuance costs of \$5,000.
- On December 17, 2024, the Company completed a charity flow-through private placement financing and issued 11,988,824 common shares of the Company at a price of \$0.24 per share for total gross proceeds of \$2,877,318. The Company recognized a flow-through premium liability of \$839,218 on issuance. The residual value of the private placement of \$2,038,100 was allocated to share capital. The Company incurred shares issuance costs of \$48,089.
- On October 2, 2024, the Company completed a private placement financing and issued 17,611,548 hard dollar units (each a "HD Unit") at \$0.11 per HD Unit for gross proceeds of \$1,937,269. Each HD Unit was comprised of one common share of the Company and one-half share purchase warrant. Each full warrant entitles the holder to purchase one additional common share of the Company at an exercise price of \$0.18 for a period of two years. The Company paid finders fees of \$93,813 and issued 615,682 finders warrants with a fair value of \$54,858. Each finder warrant entitling the holder to purchase one additional common share of the Company at an exercise price of \$0.18 for a period of two years.
- On October 2, 2024, the Company completed a charity flow-through private placement financing and issued 8,272,727 units (each a "CFT Unit") at \$0.15 per CFT Unit for gross proceeds of \$1,240,909. Each CFT Unit was comprised of one common share of the Company and one-half non-flow-through share purchase warrant. Each full warrant entitles the holder to purchase one additional common share of the Company at an exercise price of \$0.18 for a period of two years. The Company paid finders fees of \$97,266 and issued 27,273 finders warrants with a fair value of \$2,430. Each finder warrant entitling the holder to purchase one additional common share of the Company at an exercise price of \$0.18 for a period of two years. The Company recognized a flow-through premium liability of \$330,909 on issuance. The residual value of the private placement of \$910,000 was allocated to share capital.

## **11. SHARE CAPITAL (cont'd...)**

### (b) Issued and outstanding (cont'd...)

- On October 2, 2024, the Company completed a flow-through private placement financing and issued 14,756,294 common shares at \$0.13 per common share for gross proceeds of \$1,918,318. The Company paid finders fees of \$94,993 and issued 565,499 finders warrants with a fair value of \$50,386. Each finder warrant entitles the holder to purchase one additional common share of the Company at an exercise price of \$0.18 for a period of two years. The Company recognized a flow-through premium liability of \$295,126 on issuance. The residual value of the private placement of \$1,623,192 was allocated to share capital.
- On May 1, 2024, the Company issued 6,377,551 shares with a fair value of \$797,194 in relation to the acquisition of the Company's interest in the Manitou property (Note 10(b)).
- On March 12, 2024, the Company issued 208,074 shares with a fair value of \$24,969 in relation to the acquisition of the Company's interest in the Tremblay property (Note 10(a)).
- On February 26, 2024, the Company issued 400,000 shares with a fair value of \$48,000 in relation to the acquisition of the Company's interest in the Cross River claims (Note 10(b)).
- On February 7, 2024, the Company issued 4,056,795 shares with a fair value of \$851,927 in relation to the acquisition of the Company's interest in the Manitou property (Note 10(b)).

## 11. SHARE CAPITAL (cont'd...)

### (c) Stock options

On April 4, 2023, the Company's board of directors adopted a stock option plan (the "Stock Option Plan") whereby it can grant incentive stock options to directors, officers, employees, and technical consultants of the Company. The maximum numbers of shares that may be reserved for issuance under the Stock Option Plan is limited to 10% of the issued common shares of the Company at any time. The vesting period for all options is at the discretion of the Board of Directors. The exercise price will be set by the Board of Directors at the time of grant and cannot be less than the discounted market price of the Company's common shares.

The Stock Option Plan provides that the number of common shares that may be reserved for the issuance to any one individual upon exercise of all stock options held by such an individual may not exceed 5% of the issued common shares, if the individual is a director or officer, or 2% of the issued common shares, if the individual is a consultant or engaged in providing investor relations services, on a yearly basis. All options granted under the Stock Option Plan will expire not later than the date that is ten years from the date that such options are granted. Options terminate earlier as follows: (i) immediately in the event of dismissal with cause; (ii) 90 days from date of termination other than for cause; or (iii) one year from the date of death or disability. Options granted under the Stock Option Plan are not transferable or assignable other than by will or other testamentary instrument or pursuant to the laws of succession.

During the years ended December 31, 2025 and 2024, the Company had the following changes in stock options outstanding:

	December 31, 2025	Weighted Average Exercise Price	December 31, 2024	Weighted Average Exercise Price
Opening balance	5,900,000	\$ 0.15	3,100,000	\$ 0.15
Granted	3,900,000	\$ 0.15	2,800,000	\$ 0.15
Exercised	(320,000)	\$ 0.135	-	-
Expired	(80,000)	\$ 0.12	-	-
Ending balance	9,400,000	\$ 0.15	5,900,000	\$ 0.15

As at December 31, 2025, 6,687,500 (2024 – 3,022,500) stock options were exercisable.

- On October 23, 2025, the Company granted 100,000 stock options to a consultant. The stock options are exercisable at \$0.31 for a period of five years. The stock options vest over a 12-month period: 25% every three months after the date of grant.
- On September 16, 2025, the Company granted 200,000 stock options to a consultant. The stock options are exercisable at \$0.355 for a period of five years. The stock options vest over a 12-month period: 25% every three months after the date of grant.

**11. SHARE CAPITAL (cont'd...)**

(c) Stock options (cont'd...)

- On August 28, 2025, the Company granted 700,000 stock options to consultants and employees. The stock options are exercisable at \$0.25 for a period of ten years. The stock options vest over a 24-month period: 25% every six months after the date of grant.
- On March 7, 2025, the Company granted 2,900,000 stock options to directors, officers and consultants. The stock options are exercisable at \$0.12 for a period of ten years. 1,850,000 stock options vest over a 24-month period: 20% on the date of grant and 20% every six months after the date of grant. 1,050,000 stock options vest over a 12-month period: 25% every three months after the date of grant.
- On September 12, 2024, the Company granted 300,000 incentive stock options to a consultant with an exercise price of \$0.135 that are exercisable for five years from the date of grant. The stock options vest over a 12-month period: 25% every three months after the date of grant.
- On June 26, 2024, the Company granted 2,250,000 incentive stock options to directors, officers and consultants with an exercise price of \$0.14 that are exercisable for ten years from the date of grant. The stock options vest over a 24-month period: 20% on the date of grant and 20% every six months after the date of grant.
- On February 5, 2024, the Company granted 250,000 incentive stock options to a consultant with an exercise price of \$0.22 that are exercisable for five years from the date of grant. The stock options vest over a 12-month period: 25% every three months after the date of grant.

As at December 31, 2025 and 2024, the following stock options were outstanding:

Expiry Date	Exercise price	December 31, 2025		December 31, 2024	
		Options	Weighted Average Expected life (years)	Options	Weighted Average Expected life (years)
October 21, 2028	\$0.15	3,100,000	2.81	3,100,000	3.81
February 5, 2029	\$0.22	250,000	3.10	250,000	4.10
June 26, 2034	\$0.14	2,250,000	8.49	2,250,000	9.49
September 12, 2029	\$0.135	-	-	300,000	4.70
March 7, 2035	\$0.12	2,800,000	9.19	-	-
August 28, 2035	\$0.25	700,000	9.66	-	-
September 16, 2030	\$0.355	200,000	4.71	-	-
October 23, 2030	\$0.31	100,000	4.81	-	-
		9,400,000	6.65	5,900,000	6.03

**11. SHARE CAPITAL (cont'd...)**

(c) Stock options (cont'd...)

During the year ended December 31, 2025, the Company recorded \$462,330 (2024 - \$315,231) in share-based compensation expense relating to the granting and vesting of incentive stock options. The fair value of stock options was calculated using the Black-Scholes Option Pricing Model using the following weighted average assumptions:

	December 31, 2025	December 31, 2024
Risk-free interest rate	3.10%	3.40%
Expected dividend yield	-	-
Expected stock price volatility	102.99%	128.53%
Expected option life in years	9.62	9.02
Forfeiture rate	0%	0%
Fair value on grant date	\$0.14	\$0.11

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**11. SHARE CAPITAL (cont'd...)**

(d) Warrants

During the years ended December 31, 2025 and 2024, the Company had the following changes in warrants outstanding:

	December 31, 2025	Weighted Average Exercise Price	December 31, 2024	Weighted Average Exercise Price
Opening balance	54,274,986	\$ 0.29	42,024,395	\$ 0.29
Granted	-	\$ -	14,150,591	\$ 0.18
Exercised	(21,600,404)	\$ 0.29	(850,000)	\$ 0.15
Expired	(19,565,826)	\$ 0.29	(1,050,000)	\$ 0.15
Ending balance	13,108,756	\$ 0.18	54,274,986	\$ 0.29

As at December 31, 2025 and 2024, the following share purchase warrants were outstanding:

Expiry Date	Exercise price	December 31, 2025		December 31, 2024	
		Warrants	Weighted Average Expected life (years)	Warrants	Weighted Average Expected life (years)
* April 1, 2025	\$0.15	-	-	1,575,000	0.25
** December 28, 2025	\$0.30	-	-	38,549,395	0.99
*** October 2, 2026	\$0.18	13,108,756	0.75	14,150,591	1.75
		13,108,756	0.75	54,274,986	1.17

\* On December 30, 2024, 850,000 warrants were exercised for total gross proceeds of \$127,500, which was received and included in subscriptions receivable as at December 31, 2024. During the year ended December 31, 2025, the Company issued the 850,000 common shares. On April 1, 2025, 725,000 warrants expired unexercised.

\*\*During the year ended December 31, 2025, 19,708,569 warrants were exercised for total gross proceeds to the Company of \$5,912,571.

\*\*\* During the year ended December 31, 2025, 1,041,835 were exercised for total gross proceeds to the Company of \$187,530. During the year ended December 31, 2025, the Company received \$3,065 in relation to the exercise of 17,028 warrants, which is included in subscriptions receivable as at year end. Subsequent to the year ended December 31, 2025, the Company issued 17,028 common shares.

**11. SHARE CAPITAL (cont'd...)**

(d) Warrants (cont'd...)

During the year ended December 31, 2025, the Company recorded \$Nil (2024 - \$107,674) in share issuance costs relating to the issuance of Nil (2024 - 1,208,454) finders warrants. The fair value of finders' warrants were calculated using the Black-Scholes Option Pricing Model using the following weighted average assumptions:

	December 31, 2025	December 31, 2024
Risk-free interest rate	3.10%	3.40%
Expected dividend yield	-	-
Expected stock price volatility	102.99%	128.53%
Expected option life in years	9.62	9.02
Forfeiture rate	0%	0%
Fair value on grant date	\$0.14	\$0.11

## 12. RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

Key management personnel include persons having the authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has identified its directors and officers as its key management personnel and the compensation costs for key management personnel and companies related to them are recorded at their exchange amounts as agreed upon by the transacting parties.

Remuneration for key management personnel of the Company was as follows:

	December 31, 2025	December 31, 2024
Consulting fees*	\$ 363,750	\$ 475,500
Salaries	317,000	207,210
Share-based compensation	217,659	190,272
	<u>\$ 898,409</u>	<u>\$ 872,982</u>

\* Included in consulting fees is \$250,000 (2024 - \$227,500) in deferred compensation that is due to the Company's CEO for deferred consulting fees. The deferred compensation balance becomes due on January 1, 2027 and may be deferred in continuous three-month intervals at the election of the Company's CEO. Deferred compensation is carried on the statements of financial position as a long-term liability.

As at December 31, 2025, \$587,500 (2024 - \$337,500) was due to a related party for deferred compensation.

As at December 31, 2025, \$Nil (2024 - \$68,802) was due to related parties and is included in accounts payable.

**DRYDEN GOLD CORP.**  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024  
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**13. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS**

For the year ended December 31,	2025	2024
Significant non-cash investing and financing activities consisted of:		
Right-of-use asset and lease (Note 7 & 8)	\$ 409,976	\$ 49,299
Reclass of warrants exercised/expired	\$ 395,057	\$ -
Finders' warrants	\$ -	\$ 107,674
Common shares issued for mineral properties (Note 11)	\$ 989,865	\$ 1,722,090

**14. SEGMENT INFORMATION**

The Company has one reportable operating segment, the acquisition and exploration of mineral properties in one geographic location: Canada.

**15. INCOME TAXES**

The following table reconciles the amount of income tax recoverable on application of the combined statutory Canadian federal and provincial income tax rates:

For the year ended December 31,	2025	2024
Loss before income taxes	\$ 8,320,339	\$ 3,734,862
Expected income tax recovery at statutory rates	(2,246,000)	(1,008,000)
Change in statutory, foreign tax, foreign exchange rates and other	30,000	-
Permanent differences	(380,000)	(42,000)
Impact of flow through share	1,977,000	532,000
Adjustment to prior years provision versus statutory tax returns and expiry of non-capital losses	(92,000)	150,000
Expiry of non-capital losses	-	19,000
Share issue costs	-	-
Change in unrecognized deferred tax assets	711,000	349,000
Income tax expense (recovery)	\$ -	\$ -

Significant components of the Company's deferred income tax assets (liabilities) not recognized are shown below:

	2025	2024	Expiry date range
Temporary Differences:			
Mineral properties	\$ 1,287,000	\$ 1,287,000	No expiry date
Property and equipment	15,000	23,000	No expiry date
Share issuance costs	951,000	926,000	2043 to 2049
Non-capital losses available for future periods	5,002,000	2,384,000	2040 to 2048

Tax attributes are subject to review, and potential adjustment, by tax authorities.

## **16. FINANCIAL INSTRUMENTS**

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes. The type of risk exposure and the way in which such exposure is managed is provided as follows:

### **Market Risk**

Market risk is the risk that the fair value or future cash flows from a financial instrument will fluctuate because of changes in market prices or prevailing conditions. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk and are disclosed as follows:

#### **(i) Currency risk**

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company holds no financial instruments that are denominated in a currency other than Canadian dollars. As at December 31, 2025 and 2024, the Company is not exposed to currency risk.

#### **(ii) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in market risk. The Company's sensitivity to interest rates relative to its cash balances is currently immaterial. The Company also has no long-term debt with variable interest rates, so it has no negative exposure to changes in the market interest rate.

#### **(iii) Price rate risk**

Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. The Company is listed on the TSX-V and is subject to price rate risk as it applies the publicly traded companies and future equity financings.

### **Credit Risk**

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash. The Company limits the exposure to credit risk by only investing its cash with high-credit quality financial institutions. Management believes that the credit risk related to its cash is negligible.

## **16. FINANCIAL INSTRUMENTS (cont'd...)**

### **Liquidity Risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. At December 31, 2025, the Company has no sources of revenue but has a cash and cash equivalents balance of \$9,313,098 (2024 - \$7,447,318) to settle current accounts payable and accrued liabilities of \$104,802 (2024 - \$280,286). As such, management feels the Company has sufficient cash to fund corporate overhead costs and the repayment of the Company's debt obligations for the next year. The Company's exposure to liquidity risk is currently negligible, however, the Company has no source of revenue and will require additional equity financings in the future.

### **Fair Value Measurements**

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly, and
- Level 3 – Inputs that are not based on observable market data.

As at December 31, 2025 and 2024 the Company's financial instruments consist of cash and cash equivalents and accounts payable and accrued liabilities and leases. Cash and cash equivalents and accounts payable and accrued liabilities are classified as amortized cost. The fair value of cash and cash equivalents and accounts payable and accrued liabilities approximates their carrying value because of the short-term nature of the instruments.

## **17. EVENTS AFTER THE REPORTING PERIOD**

- On April 28, 2026, the Company completed a private placement financing and issued 440,000 common shares of the Company at a price of \$0.32 per share for total gross proceeds of \$140,800.
- On March 3, 2026, 280,000 stock options were exercised for total gross proceeds to the Company of \$37,600.
- On February 20, 2026, the Company paid \$62,500 cash and issued 514,685 common shares with a fair value of \$187,500, to complete the 100% acquisition of the Company's interest in the Tremblay property (Note 10(a)).
- On February 9, 2026, the Company granted 2,900,000 stock options with an exercise price of \$0.40 for a period of ten years from the date of grant.
- On January 30, 2026, the Company completed a charity flow-through private placement financing and issued 4,350,000 common shares of the Company at a price of \$0.425 per share for total gross proceeds of \$1,848,750.
- Subsequent to December 31, 2025, 1,598,574 warrants were exercised for total gross proceeds to the Company of \$287,743.