

# **Azimut Exploration Inc.**

Unaudited Condensed Interim Financial Statements  
**February 28, 2026**

# Azimut Exploration Inc.

Statements of Financial Position  
(in Canadian dollars)

	As at February 28, 2026 Unaudited \$	As at August 31, 2025 Audited \$
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents (Note 3)	4,100,809	13,639,750
Amounts receivable (Note 4)	1,835,961	364,134
Prepaid expenses	97,633	137,927
Tax credits and mining rights receivable	3,699,596	3,699,596
Asset available for sale (Note 6)	-	1,550,000
	<u>9,733,999</u>	<u>19,391,407</u>
<b>Non-current assets</b>		
Tax credits and mining rights receivable (Note 9)	2,356,400	-
Investments (Note 7)	15,562,022	725,155
Property and equipment (Note 5)	1,123,371	1,151,630
Intangible assets	49,662	30,773
Right-of-use assets (Note 8)	879,112	316,785
Exploration and evaluation assets (Note 9)	45,358,283	44,271,194
	<u>65,328,850</u>	<u>46,495,537</u>
<b>Total assets</b>	<u>75,062,849</u>	<u>65,886,944</u>
<b>Liabilities and Equity</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	2,550,492	3,120,995
Advances received for exploration work	784,191	3,044,929
Lease liabilities (Note 11)	238,099	66,386
	<u>3,572,782</u>	<u>6,232,310</u>
<b>Non-current liabilities</b>		
Lease liabilities (Note 11)	226,046	253,941
Asset retirement obligations (Note 10)	2,082,410	2,033,120
Deferred income tax liabilities	860,249	860,249
	<u>3,168,705</u>	<u>3,147,310</u>
<b>Total liabilities</b>	<u>6,741,487</u>	<u>9,379,620</u>
<b>Equity</b>		
Share capital (Note 12)	74,162,181	73,933,931
Stock options (Note 13)	5,403,190	4,926,650
Contributed surplus	5,391,837	5,190,098
Deficit	(16,635,846)	(27,543,355)
	<u>68,321,362</u>	<u>56,507,324</u>
<b>Total equity</b>	<u>68,321,362</u>	<u>56,507,324</u>
<b>Total liabilities and equity</b>	<u>75,062,849</u>	<u>65,886,944</u>

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

Approved by the Board of Directors

(s) Vanessa Laplante Director

(s) Jean-Marc Lulin Director

# Azimut Exploration Inc.

Statements of Net Earnings (Loss) and Comprehensive Income (Loss)  
For the three and six-month periods ended February 28, 2026 and 2025  
(in Canadian dollars, except number of common shares)

	Three-month period ended		Six-month period ended	
	February 28,	February 28,	February 28,	February 28,
	2026	2025	2026	2025
	\$	\$	\$	\$
<b>Revenues</b>				
Operator income (Note 9)	(42,615)	47,243	79,951	112,078
<b>Expenses</b>				
General and administrative (Note 14)	1,093,799	862,955	1,427,231	1,219,062
General exploration (Note 14)	14,148	(10,133)	20,975	1,267
Impairment of exploration and evaluation assets	-	-	-	-
<b>Operating expenses</b>	1,107,947	852,822	1,448,206	1,220,329
<b>Financing cost (income), net</b>				
Interest income	(29,321)	(69,268)	(104,354)	(169,027)
Interest, bank charges and other	62,391	(43,984)	82,165	(29,616)
Unwinding of discount on asset retirement obligations	12,988	13,549	26,087	29,627
	46,058	(99,703)	3,898	(169,016)
<b>Other losses (gains)</b>				
Change in fair value – Investments	(914,240)	155,009	(1,674,097)	448,534
Gain on option payments on exploration and evaluation assets	(49,882)	(101,571)	(93,540)	(120,595)
Gain on sale of assets	(10,531,495)	-	(10,512,025)	-
	(11,465,617)	53,438	(12,279,662)	327,939
<b>Profit (loss) before income taxes</b>	10,298,997	(759,315)	10,907,509	(1,267,174)
Deferred income tax recovery (expense)	-	15,064	-	442,314
<b>Net earnings (loss) and comprehensive income (loss) for the period</b>	10,298,997	(744,250)	10,907,509	(824,860)
<b>Basic net earnings (loss) per share</b>	0.102	(0.009)	0.108	(0.010)
<b>Diluted net earnings (loss) per share</b>	0.101	(0.009)	0.108	(0.010)
<b>Weighted average number of shares outstanding</b>	100,675,977	85,678,422	100,627,238	85,635,799

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

# Azimut Exploration Inc.

## Statements of Changes in Equity

For the six-month periods ended February 28, 2026 and 2025

(in Canadian dollars, except number of common shares)

	<u>Share capital</u>		<u>Underwriters' options</u>	<u>Stock options</u>	<u>Contributed surplus</u>	<u>Deficit</u>	<u>Total</u>
	<u>Number</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
<b>Balance as at September 1, 2025</b>	100,554,310	73,933,931	-	4,926,650	5,190,098	(27,543,355)	56,507,324
Net earning and comprehensive income for the period	-	-	-	-	-	10,907,509	10,907,509
Stock options expired (Note 13)	-	-	-	(201,739)	201,739	-	-
Stock options exercised (Note 13)	225,000	228,250	-	(104,250)	-	-	124,000
Stock-based compensation (Note 13)	-	-	-	782,529	-	-	782,529
<b>Balance as at February 28, 2026</b>	<u>100,779,310</u>	<u>74,162,181</u>	<u>-</u>	<u>5,403,190</u>	<u>5,391,837</u>	<u>(16,635,846)</u>	<u>68,321,362</u>
<b>Balance as at September 1, 2024</b>	85,593,644	65,200,783	52,464	4,533,469	5,039,601	(25,064,483)	49,761,834
Net loss and comprehensive loss for the period	-	-	-	-	-	(824,860)	(824,860)
Stock options expired	-	-	-	(98,033)	98,033	-	-
Stock options exercised	130,000	48,100	-	(22,100)	-	-	26,000
Stock-based compensation	-	-	-	507,417	-	-	507,417
<b>Balance as at February 28, 2025</b>	<u>85,723,644</u>	<u>65,248,883</u>	<u>52,464</u>	<u>4,920,753</u>	<u>5,137,634</u>	<u>(25,889,343)</u>	<u>49,470,391</u>

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

# Azimut Exploration Inc.

## Statements of Cash Flows

For the six-month periods ended February 28, 2026 and 2025

(in Canadian dollars)

	2026	2025
	\$	\$
<b>Cash flows (used in) from operating activities</b>		
Net earnings (loss) for the period	10,907,509	(824,860)
Items not affecting cash		
Depreciation of property and equipment (Note 5)	18,526	21,314
Amortization of intangible assets	-	1,729
Depreciation of right-of-use assets	26,061	30,303
Change in fair value, investments (Note 7)	(1,674,097)	448,534
Gain on option payments on exploration and evaluation assets (Note 9)	(93,540)	(120,595)
Loss (gain) on sale of exploration property (Notes 6, 9)	(10,512,025)	-
Stock-based compensation cost (Note 13)	683,022	404,302
Unwinding of discount on asset retirement obligations (Note 10)	26,087	29,627
Recovery of deferred income taxes	-	(442,314)
	<u>(618,457)</u>	<u>(451,960)</u>
Changes in non-cash working capital items		
Amounts receivable	(1,928,527)	(12,664)
Prepaid expenses	40,294	10,606
Accounts payable and accrued liabilities	29,418	234,737
Advances received for exploration work	(2,260,738)	(257,102)
	<u>(4,119,553)</u>	<u>(24,423)</u>
	<u>(4,738,010)</u>	<u>(476,383)</u>
<b>Cash flows from financing activities</b>		
Stock options exercised (Note 13)	124,000	26,000
Repayment of lease liabilities (Note 11)	(558,813)	(29,802)
	<u>(434,813)</u>	<u>(3,802)</u>
<b>Cash flows from (used in) investing activities</b>		
Additions to property and equipment (Note 5)	(57,217)	(3,659)
Additions to intangible assets	(18,889)	(4,963)
Proceeds from sales of investments	312,230	-
Additions to exploration and evaluation assets	(4,702,242)	(5,531,151)
Option payments on E&E assets (Note 9)	100,000	100,000
	<u>(4,366,118)</u>	<u>(5,439,773)</u>
<b>Net change in cash and cash equivalents</b>	(9,538,941)	(5,919,958)
<b>Cash and cash equivalents – Beginning of the period</b>	<u>13,639,750</u>	<u>11,766,113</u>
<b>Cash and cash equivalents – End of the period</b>	<u>4,100,809</u>	<u>5,846,155</u>
<b>Additional information</b>		
Interest received	104,354	169,027
Interest paid	(39,804)	(2,293)
<b>Additional cash flow information</b> (Note 17)		

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

# Azimut Exploration Inc.

Notes to Financial Statements

For the three and six-month period ended February 28, 2026

(in Canadian dollars)

## 1 Nature of operations and general information

Azimut Exploration Inc. (“Azimut” or the “Company”), governed by the *Business Corporations Act (Quebec)*, is in the business of acquiring and exploring mineral properties. The Company’s registered office is at 110 De La Barre Street, Suite 224, Longueuil, Quebec, Canada. The mining and mineral exploration business involves a high degree of risk, and there can be no assurance that planned exploration and development programs will result in profitable mining operations. The Company’s shares are listed on the TSX Venture Exchange (“TSXV”) under the symbol AZM and on the OTCQX Market (“OTCQX”) under the symbol AZMTF.

Until it is determined that a property contains mineral reserves or resources that can be economically mined, it is classified as an exploration and evaluation asset (“E&E asset”). It has not yet been determined whether the Company’s properties contain economically recoverable ore reserves. The recoverability of the amounts shown for E&E assets depends on the existence of economically recoverable reserves, the Company’s ability to obtain necessary financing to complete the exploration and evaluation of its properties, and the profitable sale of the E&E assets.

Although management has taken steps to verify the titles to mineral properties in which the Company has an interest, in accordance with industry standards for the current stage of exploration and evaluation of the properties, these procedures do not guarantee the Company’s title. Property titles may be subject to unregistered prior agreements and may not comply with regulatory requirements.

## 2 Summary of material accounting policies

The material accounting policies used in preparing these financial statements are described below.

### Basis of preparation

These unaudited condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board (“IFRS Accounting Standards”). The accounting policies applied to these unaudited condensed interim financial statements are consistent with those applied in previous fiscal years unless otherwise stated. The Company’s Board of Directors approved these financial statements for issue on April 20, 2026.

## 3 Cash and cash equivalents

As at February 28, 2026, the Company’s cash and cash equivalents of \$4,100,809 (\$13,639,750 – August 31, 2025) included \$2.6 million of high-interest savings accounts bearing interest at 2.69% (\$9.1 million bearing interest at 3.48% – August 31, 2025), cashable at any time without penalty.

## 4 Amounts receivable

	As at February 28 2026	As at August 31, 2025
	\$	\$
Commodity taxes	263,904	338,230
Amounts receivable	1,572,057	25,904
Amounts receivable - Current	<u>1,835,961</u>	<u>364,134</u>

# Azimut Exploration Inc.

Notes to Financial Statements

For the three and six-month period ended February 28, 2026

(in Canadian dollars)

## 5 Property and equipment

	Office furniture \$	Office equipment \$	Computer equipment \$	Specialized equipment \$	Camp <sup>(1)</sup> \$	Vehicles <sup>(1)</sup> \$	Total \$
<b>Period ended February 28, 2026</b>							
Opening net book amount	-	-	31,098	122,330	998,202	-	1,151,630
Additions	-	-	6,596	50,621	-	-	57,217
Change in estimate	-	-	-	-	23,203	-	23,203
Depreciation for the period <sup>(1)</sup>	-	-	(4,737)	(19,272)	(84,670)	-	(108,679)
<b>Closing net book amount</b>	-	-	32,957	153,679	936,735	-	1,123,371
<b>As at February 28, 2026</b>							
Cost	23,363	29,914	136,563	294,298	2,658,267	3,702	3,146,107
Accumulated depreciation	(23,363)	(29,914)	(103,606)	(140,620)	(1,721,531)	(3,702)	(2,022,736)
<b>Net book amount</b>	-	-	32,957	153,679	936,735	-	1,123,371
<b>Year ended August 31, 2025</b>							
Opening net book amount	596	-	30,238	164,205	1,312,035	-	1,507,074
Additions	-	-	9,839	2,201	-	-	12,040
Change in estimate	-	-	-	-	(2,339)	-	(2,339)
Depreciation for the year <sup>(1)</sup>	(596)	-	(8,979)	(44,076)	(311,494)	-	(365,145)
<b>Closing net book amount</b>	-	-	31,098	122,330	998,202	-	1,151,630
<b>As at August 31, 2025</b>							
Cost	23,363	29,914	129,967	243,677	2,635,065	3,702	3,065,688
Accumulated depreciation	(23,363)	(29,914)	(98,869)	(121,347)	(1,636,863)	(3,702)	(1,914,058)
<b>Net book amount</b>	-	-	31,098	122,330	998,202	-	1,151,630

(1) Depreciation of property and equipment included in E&E assets in the amount of \$90,153 for the period ended February 28, 2026 (\$325,399 – August 31, 2025)

## 6 Asset available for sale

On November 12, 2025, Azimut and SOQUEM Inc. (“SOQUEM”) entered into an agreement with PMET Resources Inc. (“PMET”) for the sale of Azimut’s 50% participating interest in the Pikwa joint venture (“Pikwa”) to PMET. In consideration for the sale of its interest in Pikwa, Azimut received 420,958 of PMET’s common shares, representing gross proceeds of \$1,550,000. The transaction closed on November 28, 2025.

### Participating interest in Pikwa

Carrying value of the property – August 31, 2025	2,517,132
Impairment of exploration and evaluation assets <sup>(1)</sup>	(967,132)
Ending balance – August 31, 2025	<u>1,550,000</u>

<sup>(1)</sup> As at August 31, 2025, Azimut had classified its 50% participating interest in Pikwa as an available-for-sale asset under current assets at the lower of the carrying amount and the fair value less costs to sell.

\$

# Azimut Exploration Inc.

Notes to Financial Statements

For the three and six-month period ended February 28, 2026

(in Canadian dollars)

## 7 Investments

	<u>February 28, 2026</u>	<u>August 31, 2025</u>
	\$	\$
<b>Fair value through profit or loss investments</b>		
Opening balance	725,155	931,242
Shares received for property option	25,000	85,000
Received from disposal of assets (Notes 6, 9)	13,450,000	-
Disposal	(312,230)	(69,285)
Change in fair value	1,674,097	(221,802)
Ending balance	<u>15,562,022</u>	<u>725,155</u>

The investments are mainly held in common shares of Canadian publicly traded companies. The fair value of each investment in common shares is based on the quoted market prices of those shares on a recognized stock exchange at the end of each reporting period.

## 8 Right-of-use assets

			<b>Exploration</b>	<b>2026</b>
	<b>Office</b>	<b>Vehicle</b>	<b>Camp</b>	<b>Total</b>
	\$	\$	\$	\$
Opening net book amount	251,953	64,850	-	316,785
Additions	-	-	1,029,510	1,029,510
Depreciation for the period	(26,061)	(12,159)	(428,963)	(467,183)
<b>Closing net book amount</b>	<u>225,874</u>	<u>52,691</u>	<u>600,547</u>	<u>879,112</u>

In June 2025, the Company extended the lease of the office space until June 2030. Also, the Company leased a vehicle for 36 months with a residual value of \$1,500. During the six-month period ended February 28, 2026, the Company leased the Wabamisk camp for 12 months, including upfront mobilization payments of \$745,015.

# Azimut Exploration Inc.

Notes to Financial Statements

For the three and six-month period ended February 28, 2026

(in Canadian dollars)

## 9 Exploration and evaluation assets

All mineral properties are in the Province of Quebec.

### Change in E&E assets in 2026

Mineral property	Undivided interest	Cost as at August 31, 2025	Additions	Option payments	Disposal	Tax credit	Cost as at February 28, 2026	Accumulated impairment as at August 31, 2025	Impairment	Accumulated impairment as at February 28, 2026	Net book value as at February 28, 2026
	%	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>James Bay – Gold</b>											
Elmer (Patwon Zone)	(i)	100									
Acquisition costs		503,023	2,808	-	-	-	505,831	-	-	-	505,831
Exploration costs		31,791,872	430,943	-	-	(81,200)	32,141,615	-	-	-	32,141,615
		<u>32,294,895</u>	<u>433,751</u>	<u>-</u>	<u>-</u>	<u>(81,200)</u>	<u>32,647,446</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>32,647,446</u>
SOQUEM – JB Alliance	(a)	50									
Acquisition costs		37,894	-	-	-	-	37,894	-	-	-	37,894
Exploration costs		299,702	585	-	-	-	300,287	-	-	-	300,287
		<u>337,596</u>	<u>585</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>338,181</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>338,181</u>
Opinaca	(c)	25 - 50									
Acquisition costs		169,739	-	-	-	-	169,739	(166,159)	-	(166,159)	3,580
Exploration costs		288,508	-	-	-	-	288,508	(286,580)	-	(286,580)	1,928
		<u>458,247</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>458,247</u>	<u>(452,739)</u>	<u>-</u>	<u>(452,739)</u>	<u>5,508</u>
Wabamisk (Rosa Zone)	(d)	100									
Acquisition costs		95,042	43,563	-	-	-	138,605	-	-	-	138,605
Exploration costs		468,020	2,371,589	-	-	(854,700)	1,984,909	-	-	-	1,984,909
		<u>563,062</u>	<u>2,415,152</u>	<u>-</u>	<u>-</u>	<u>(854,700)</u>	<u>2,123,514</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,123,514</u>
Other		100									
Acquisition costs		56,000	-	-	-	-	56,000	(56,000)	-	(56,000)	-
Exploration costs		43,839	168	-	-	-	44,007	(43,839)	-	(43,839)	168
		<u>99,839</u>	<u>168</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>100,007</u>	<u>(99,839)</u>	<u>-</u>	<u>(99,839)</u>	<u>168</u>
<b>Total James Bay – Gold</b>		<b><u>33,753,639</u></b>	<b><u>2,849,656</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>(935,900)</u></b>	<b><u>35,667,395</u></b>	<b><u>(552,578)</u></b>	<b><u>-</u></b>	<b><u>(552,578)</u></b>	<b><u>35,114,817</u></b>
<b>James Bay – CSM</b>											
Mercator		100									
Acquisition costs		177,255	-	-	-	-	177,255	(88,628)	-	(88,628)	88,627
Exploration costs		302,212	4,558	-	-	(2,200)	304,570	(150,873)	-	(150,873)	153,697
		<u>479,467</u>	<u>4,558</u>	<u>-</u>	<u>-</u>	<u>(2,200)</u>	<u>481,825</u>	<u>(239,501)</u>	<u>-</u>	<u>(239,501)</u>	<u>242,324</u>
Corne		100									
Acquisition costs		56,817	-	-	-	-	56,817	(28,408)	-	(28,408)	28,409
Exploration costs		94,384	-	-	-	-	94,384	(47,092)	-	(47,092)	47,292
		<u>151,201</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>151,201</u>	<u>(75,500)</u>	<u>-</u>	<u>(75,500)</u>	<u>75,701</u>
JBN		100									
Acquisition costs		716,902	273,426	-	-	-	990,328	(98,808)	-	(98,808)	891,520
Exploration costs		1,158,092	8,419	-	-	(4,100)	1,162,411	(18,164)	-	(18,164)	1,144,247
		<u>1,874,994</u>	<u>281,845</u>	<u>-</u>	<u>-</u>	<u>(4,100)</u>	<u>2,152,739</u>	<u>(116,972)</u>	<u>-</u>	<u>(116,972)</u>	<u>2,035,767</u>

# Azimut Exploration Inc.

Notes to Financial Statements

For the three and six-month period ended February 28, 2026

(in Canadian dollars)

## 9 Exploration and evaluation assets (cont'd)

### Change in E&E assets in 2026 (cont'd)

Mineral property	Undivided interest	Cost as at August 31, 2025	Additions	Option payments	Disposal	Tax credit	Cost as at February 28, 2026	Accumulated impairment as at August 31, 2025	Impairment	Accumulated impairment as at February 28, 2026	Net book value as at February 28, 2026
	%	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>James Bay – CSM (cont'd)</b>											
JBL	100										
Acquisition costs		76,618	77,444	-	-	-	154,062	(60,086)	-	(60,086)	93,976
Exploration costs		1,076,579	76,262	-	-	(37,600)	1,115,241	(372,814)	-	(372,814)	742,427
		<u>1,153,197</u>	<u>153,706</u>	<u>-</u>	<u>-</u>	<u>(37,600)</u>	<u>1,269,303</u>	<u>(432,900)</u>	<u>-</u>	<u>(432,900)</u>	<u>836,403</u>
Wapatik	100										
Acquisition costs		40,480	-	-	-	-	40,480	-	-	-	40,480
Exploration costs		20,169	2,519	-	-	(1,200)	21,488	-	-	-	21,488
		<u>60,649</u>	<u>2,519</u>	<u>-</u>	<u>-</u>	<u>(1,200)</u>	<u>61,968</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>61,968</u>
Wabamisk CSM (Fortin Zone)	100										
Acquisition costs		108,787	-	-	-	-	108,787	(32,929)	-	(32,929)	75,858
Exploration costs		4,057,646	2,787,896	-	-	(1,288,700)	5,556,842	(916,580)	-	(916,580)	4,640,262
		<u>4,166,433</u>	<u>2,787,896</u>	<u>-</u>	<u>-</u>	<u>(1,288,700)</u>	<u>5,665,629</u>	<u>(949,509)</u>	<u>-</u>	<u>(949,509)</u>	<u>4,716,120</u>
Dalmas & Galinée	(b)	50									
Acquisition costs		122,678	14,066	-	(114,549)	-	22,195	-	-	-	22,195
Exploration costs		2,794,114	48,824	-	(2,753,956)	(3,500)	85,482	-	-	-	85,482
		<u>2,916,792</u>	<u>62,890</u>	<u>-</u>	<u>(2,868,505)</u>	<u>(3,500)</u>	<u>107,677</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>107,677</u>
SOQUEM CSM	(a)	50									
Acquisition costs		114,431	4,968	-	-	-	119,399	-	-	-	119,399
Exploration costs		1,320,670	3,845	-	-	(1,700)	1,322,815	(967,132)	-	(967,132)	355,683
		<u>1,435,101</u>	<u>8,813</u>	<u>-</u>	<u>-</u>	<u>(1,700)</u>	<u>1,442,214</u>	<u>(967,132)</u>	<u>-</u>	<u>(967,132)</u>	<u>475,082</u>
Kukamas	(e)	50									
Acquisition costs		-	-	-	-	-	-	-	-	-	-
Exploration costs		26,607	4,735	(31,342)	-	-	-	-	-	-	-
		<u>26,607</u>	<u>4,735</u>	<u>(31,342)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Corvet	(g)	100									
Acquisition costs		-	19,552	-	-	-	19,552	-	-	-	19,552
Exploration costs		158	1,900	-	-	(900)	1,158	-	-	-	1,158
		<u>158</u>	<u>21,452</u>	<u>-</u>	<u>-</u>	<u>(900)</u>	<u>20,710</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,710</u>
Kaanaayaa	(g)	50									
Acquisition costs		-	-	-	-	-	-	-	-	-	-
Exploration costs		157	628	-	-	-	785	-	-	-	785
		<u>157</u>	<u>628</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>785</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>785</u>
Wabamisk East	(g)	100									
Acquisition costs		-	-	-	-	-	-	-	-	-	-
Exploration costs		-	108,617	-	-	(41,100)	67,517	-	-	-	67,517
		<u>-</u>	<u>108,617</u>	<u>-</u>	<u>-</u>	<u>(41,100)</u>	<u>67,517</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>67,517</u>
Pilipas	(h)	50									
Acquisition costs		-	-	-	-	-	-	-	-	-	-
Exploration costs		118	-	(118)	-	-	-	-	-	-	-
		<u>118</u>	<u>-</u>	<u>(118)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

# Azimut Exploration Inc.

Notes to Financial Statements

For the three and six-month period ended February 28, 2026

(in Canadian dollars)

## 9 Exploration and evaluation assets (cont'd)

### Change in E&E assets in 2026 (cont'd)

Mineral property	Undivided interest	Cost as at August 31, 2025	Additions	Option payments	Disposal	Tax credit	Cost as at February 28, 2026	Accumulated impairment as at August 31, 2025	Impairment	Accumulated impairment as at February 28, 2026	Net book value as at February 28, 2026
	%	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>James Bay – CSM - (cont'd)</b>											
Other CSM	100										
Acquisition costs		54,888	13,249	-	-	-	68,137	(42,688)	-	(42,688)	25,449
Exploration costs		28,684	4,201	-	-	-	32,885	(21,919)	-	(21,919)	10,966
		83,572	17,450	-	-	-	101,022	(64,607)	-	(64,607)	36,415
<b>Total James Bay – CSM</b>		<b>12,348,446</b>	<b>3,455,109</b>	<b>(31,460)</b>	<b>(2,868,505)</b>	<b>(1,381,000)</b>	<b>11,522,590</b>	<b>(2,846,121)</b>	<b>-</b>	<b>(2,846,121)</b>	<b>8,676,469</b>
<b>Total James Bay</b>		<b>46,102,085</b>	<b>6,304,765</b>	<b>(31,460)</b>	<b>(2,868,505)</b>	<b>(2,316,900)</b>	<b>47,189,985</b>	<b>(3,398,699)</b>	<b>-</b>	<b>(3,398,699)</b>	<b>43,791,286</b>
<b>Nunavik – CSM</b>											
Rex-Duquet	(f) 100										
Acquisition costs		1,445,562	34,108	-	-	-	1,479,670	(1,292,778)	-	(1,292,778)	186,892
Exploration costs		4,331,145	32,684	-	-	(11,000)	4,352,829	(3,855,358)	-	(3,855,358)	497,471
		5,776,707	66,792	-	-	(11,000)	5,832,499	(5,148,136)	-	(5,148,136)	684,363
Rex South	100										
Acquisition costs		583,513	16,498	-	-	-	600,011	(405,165)	-	(405,165)	194,846
Exploration costs		893,649	39,337	-	-	(8,100)	924,886	(440,251)	-	(440,251)	484,635
		1,477,162	55,835	-	-	(8,100)	1,524,897	(845,416)	-	(845,416)	679,481
Nantais	100										
Acquisition costs		185,487	-	-	-	-	185,487	(185,487)	-	(185,487)	-
Exploration costs		326,155	500	-	-	-	326,655	(326,155)	-	(326,155)	500
		511,642	500	-	-	-	512,142	(511,642)	-	(511,642)	500
Doran	100										
Acquisition costs		126,004	-	-	-	-	126,004	-	-	-	126,004
Exploration costs		50,190	-	-	-	-	50,190	-	-	-	50,190
		176,194	-	-	-	-	176,194	-	-	-	176,194
<b>Total Nunavik – CSM</b>		<b>7,941,705</b>	<b>123,127</b>	<b>-</b>	<b>-</b>	<b>(19,100)</b>	<b>8,045,732</b>	<b>(6,505,194)</b>	<b>-</b>	<b>(6,505,194)</b>	<b>1,540,538</b>
<b>Nunavik – Gold</b>											
Other	100										
Acquisition costs		738,409	-	-	-	-	738,409	(738,409)	-	(738,409)	-
Exploration costs		982,241	-	-	-	-	982,241	(982,241)	-	(982,241)	-
<b>Total Nunavik – Gold</b>		<b>1,720,650</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,720,650</b>	<b>(1,720,650)</b>	<b>-</b>	<b>(1,720,650)</b>	<b>-</b>

# Azimut Exploration Inc.

Notes to Financial Statements

For the three and six-month period ended February 28, 2026

(in Canadian dollars)

## 9 Exploration and evaluation assets (cont'd)

### Change in E&E assets in 2026 (cont'd)

Mineral property	Undivided interest	Cost as at August 31, 2025	Additions	Option payments	Disposal	Tax credit	Cost as at February 28, 2026	Accumulated impairment as at August 31, 2025	Impairment	Accumulated impairment as at February 28, 2026	Net book value as at February 28, 2026
	%	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Nunavik – Uranium</b>											
North Rae *	100										
Acquisition costs		485,129	165	-	-	-	485,294	(485,129)	-	(485,129)	165
Exploration costs		709,305	-	-	-	-	709,305	(709,305)	-	(709,305)	-
<b>Total Nunavik – Uranium</b>		<b>1,194,434</b>	<b>165</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,194,599</b>	<b>(1,194,434)</b>	<b>-</b>	<b>(1,194,434)</b>	<b>165</b>
<b>Total Nunavik</b>		<b>10,856,789</b>	<b>123,292</b>	<b>-</b>	<b>-</b>	<b>(19,100)</b>	<b>10,960,981</b>	<b>(9,420,278)</b>	<b>-</b>	<b>(9,420,278)</b>	<b>1,540,703</b>
<b>Total E&amp;E assets</b>		<b>56,958,874</b>	<b>6,428,057</b>	<b>(31,460)</b>	<b>(2,868,505)</b>	<b>(2,336,000)</b>	<b>58,150,966</b>	<b>(12,818,977)</b>	<b>-</b>	<b>(12,818,977)</b>	<b>45,331,989</b>

\* Fully impaired properties for which the Company still holds mining claims.

\*\* CSM = critical and strategic minerals

Note that commodities reflect the main target of the exploration work performed during the period. This classification may change over time.

	February 28, 2026	August 31, 2025
	\$	\$
Acquisition and exploration – Net book value	45,331,989	44,139,897
Prepaid exploration expenses	26,294	131,297
	<u>45,358,283</u>	<u>44,271,194</u>

# Azimut Exploration Inc.

Notes to Financial Statements

For the three and six-month period ended February 28, 2026

(in Canadian dollars)

## 9 Exploration and evaluation assets (cont'd)

- a) The James Bay Strategic Alliance (the “JB Alliance”) was formed between Azimut and SOQUEM on September 22, 2016, to identify, acquire and explore gold targets in the James Bay region. The properties are held as 50/50 joint venture (“JV”) projects, each property subject to a JV agreement between Azimut and SOQUEM. Azimut remains the operator of Munischiwan, Pontois and Desceliers. SOQUEM is the operator of Pikwa. On November 28, 2025, Azimut and SOQUEM concluded the sale of the Pikwa Property to PMET Resources Inc.
- b) The Dalmas and Galinée properties are subject to a JV agreement between Azimut and SOQUEM. On April 25, 2019, SOQUEM acquired a 50% interest in the properties. Azimut remains the operator. On February 18, 2026, the Company and SOQUEM sold the Galinée project, under which Azimut sold its 50% interest in the project to LiFT Power Ltd in exchange 2,000,000 shares of LiFT and a cash payment of \$1,500,000 or in common shares of LiFT at the earlier of 18 months or the public disclosure of a technical report with respect to the property that includes an economic analysis of one or more development scenarios. The Company retained a 1.4% NSR royalty on the property.

### Participating interest in Galinée

Consideration received – 2,000,000 common shares of LiFT	11,900,000
Consideration receivable	1,500,000
Carrying value of the property – February 18, 2026	2,868,505
Gain on disposition of the participating interest in Galinée	<u>10,531,495</u>

- c) The Opinaca A and B properties are subject to a JV agreement with the following parties:
- Opinaca A is a 50/50 JV project with Everton Resources Inc.
  - Opinaca B is a 25/50/25 JV project with Hecla Quebec Inc. and Everton Resources Inc.
- d) The Wabamisk Property is 100% owned by Azimut and comprises 544 mining claims. Eight (8) of the property’s claims are subject to a 2.1% net smelter return (“NSR”) royalty with a buy-back of 1.05% for \$350,000.
- e) On November 30, 2022, the Company granted KGHM International Ltd (“KGHM”) the option to earn an initial 50% interest (the “first option”) in the Kukamas Property. Under the terms of the agreement, KGHM acquired its 50% interest in the Property by making cash payments to Azimut aggregating \$250,000, funding a minimum of \$5 million in work expenditures and performing a minimum of 5,000 metres of diamond drilling. Azimut acts as the operator during the first option phase. On February 8, 2026, KGHM has elected to earn an additional 20% interest for a total interest of 70% (the “second option”) by making an additional cash payment of \$225,000 and incurring an additional \$4.2 million in work expenditures over three (3) years from the election date, and by delivering a preliminary economic assessment under National Instrument 43-101 on or before the third anniversary of the election notice. The second option period may be extended by up to three (3) years by incurring work expenditures of \$1,700,000 per extension year and making cash payments to Azimut of \$100,000 per extension year. Azimut is the operator during the first two years of the second option.
- f) The Duquet Property was transferred to Azimut on September 30, 2015, in consideration of an aggregate 2.25% NSR royalty on the property. The Duquet Property was combined with the Rex Property to form a single entity, known as the Rex-Duquet Property, and became subject to the Nunavik Alliance (see *h*).
- g) On July 7, 2023, the Company signed JV option agreements with Rio Tinto Exploration Canada Inc (“Rio Tinto”) for its wholly owned Corvet and Kaanaayaa lithium properties. The Company amended the agreement with Rio Tinto on July 23, 2025, to include a third property, Wabamisk East.

Under the revised agreements, Rio Tinto can acquire a 50% interest in each property over four (4) years by funding \$25 million in exploration expenditures before December 31, 2028, and by making cash payments totalling \$1,700,000, including \$500,000 upon signing the initial agreement. The Company is the operator during this first option phase. Rio Tinto can earn an additional 20% interest over five (5) years with further work expenditures of \$60 million. Rio Tinto will act as the operator during this second option phase. Rio Tinto terminated the option agreements on December 31, 2025.

# Azimut Exploration Inc.

Notes to Financial Statements

For the three and six-month period ended February 28, 2026

(in Canadian dollars)

## 9 Exploration and evaluation assets (cont'd)

- h) On December 8, 2023, the Company signed an Option to Joint Venture agreement with Ophir Gold Corp. (now Ophir Metals Corp.; "Ophir") for its wholly owned Pilipas Property. Under the agreement, Ophir acquired its 50% interest in the property by funding the minimum \$2 million in exploration expenditures, making cash payments totalling \$70,000, and issuing 4 million shares of Ophir. On March 16, 2026, Ophir decided not to exercise the second option to earn an additional 20% interest in the property. Azimut will be the operator of the joint venture.
- i) On July 7, 2025, the Company acquired a 100% interest in 103 claims forming the K2 Property adjacent to the Elmer Property from Dios Exploration Inc. ("Dios") for a cash payment of \$120,000 and the issuance of 200,000 common shares of the Company. Dios will retain a 2.0% NSR royalty on the K2 claims, subject to a 1.0% NSR buydown for \$3,000,000.

## 10 Asset retirement obligations

The following tables summarize the Company's asset retirement obligations as at February 28, 2026 and August 31, 2025:

	February 28, 2026			August 31, 2025		
	Rex-Duquet, Rex South \$	Elmer \$	Total \$	Rex-Duquet, Rex South \$	Elmer \$	Total \$
Opening balance	1,268,556	764,564	2,033,120	1,229,011	748,538	1,977,549
Change in estimate	7,313	15,890	23,203	4,129	(6,468)	(2,339)
Unwinding of discount on asset retirement obligations	14,428	11,659	26,087	35,416	22,494	57,910
<b>Ending balance</b>	<b>1,290,297</b>	<b>792,113</b>	<b>2,082,410</b>	<b>1,268,556</b>	<b>764,564</b>	<b>2,033,120</b>

The following are the assumptions used to estimate the provisions for asset retirement obligations:

	Rex-Duquet, Rex South	Elmer	Total
Estimated undiscounted cash flows to settle obligations	\$1,094,929	\$758,316	\$1,853,245
Weighed average discount rate	2.26%	2.91%	
Estimated number of years before disbursements to settle obligations	1.00 year	7.00 years	

## 11 Leases liabilities

The Company leases office space, warehouse facilities, a vehicle, an exploration camp, and exploration equipment. The office lease is for five (5) years until June 30, 2030. The vehicle lease is for 36 months with a buy-out option. During the six-month period ended February 28, 2026, the Company leased an exploration camp for the Wabamisk project. The lease is for 12 months with a buy-out option at the end. The warehouses and exploration equipment are covered by monthly leases and represent low-value items. The Company has elected not to recognize right-of-use assets or lease liabilities for these leases.

	Six-month period ended February 28, 2026 \$
Opening balance	320,327
Addition	1,029,510
Principal repayment for the year	(885,692)
<b>Ending balance</b>	<b>464,145</b>
Less: Current lease liability	238,099
<b>Non-current lease liability</b>	<b>226,046</b>

# Azimut Exploration Inc.

Notes to Financial Statements

For the three and six-month period ended February 28, 2026

(in Canadian dollars)

## 12 Share capital

An unlimited number of common shares are authorized, without par value, voting and participating.

## 13 Stock option plan

The number of shares reserved for issuance under the stock option plan was approximately 9.99% of the Company's common shares issued and outstanding. On November 25, 2025, the Company filed for an increase in the number of reserved common shares by 1,862,000 for future issuance under the stock option plan for a total of 10,052,000, or approximately 9.99% of the Company's 100,629,310 issued and outstanding common shares as at November 11, 2025. The increase in the number of shares reserved under the stock option plan was approved on December 16, 2025. The exercise price of the options is set at the closing price of the Company's shares on the TSXV the day before the grant date. The options have a maximum term of ten (10) years following the grant date. If a blackout period should be in effect at the end of the term, the expiry date will be extended by ten (10) business days following the end of the blackout period. The options vest immediately unless otherwise approved and disclosed by the Board of Directors.

The following tables summarize the information about stock options outstanding as at February 28, 2026 and August 31, 2025:

	February 28, 2026		August 31, 2025	
	Number	Weighted average exercise price \$	Number	Weighted average exercise price \$
Outstanding – Beginning of the period	6,565,000	0.87	5,683,000	0.88
Granted	1,165,000	0.79	855,000	0.61
Exercised	(225,000)	0.55	(240,000)	0.20
Expired	(215,000)	1.11	(85,000)	1.39
Outstanding – End of the period	<u>7,290,000</u>	<u>0.86</u>	<u>6,565,000</u>	<u>0.87</u>
Vested – End of the period	<u>7,162,000</u>		<u>6,407,000</u>	

  

Exercise price \$	Weighted average remaining contractual life (years)	As at	As at
		February 28, 2026	August 31, 2025
Between 0.19 and 0.50	2.07	445,000	570,000
Between 0.51 and 1.00	6.89	5,627,000	4,702,000
Between 1.01 and 1.50	4.79	1,210,000	1,285,000
Between 1.51 and 2.00	4.43	8,000	8,000
	<u>6.24</u>	<u>7,290,000</u>	<u>6,565,000</u>

During the six months ended February 28, 2026, the Company granted a total of 1,165,000 stock options to management, directors and employees. These options are exercisable for a 10-year period, and 1,145,000 vest immediately; 10,000 vest 50% immediately and 50% after one year; and 20,000 vest 25% immediately, 25% after one year, and 50% after two years.

During the 2025 fiscal year, 855,000 stock options were granted to board members, management, employees and consultants. Of this number, 740,000 were granted to its directors and officers and 115,000 to its employees and consultants. These options are exercisable for a 10-year period and vest immediately.

# Azimut Exploration Inc.

Notes to Financial Statements

For the three and six-month period ended February 28, 2026

(in Canadian dollars)

## 14 Expenses by nature

	Three-month periods ended		Six-month periods ended	
	February 28, 2026	February 28, 2025	February 28, 2026	February 28, 2025
	\$	\$	\$	\$
Salaries and fringe benefits	245,971	311,686	408,556	507,249
Stock-based compensation	676,769	394,552	683,023	404,302
Professional and maintenance fees	24,885	30,346	48,569	55,211
Administration and office	46,669	41,711	56,837	71,957
Business development and administration fees	32,958	21,635	57,418	24,738
Advertising	746	363	1,184	363
Rent	1,977	1,019	3,502	6,021
Insurance	20,600	18,248	41,846	36,615
Conferences and meetings	20,877	17,067	81,709	59,260
Depreciation of property and equipment	9,317	10,026	18,526	21,314
Amortization of intangible assets	-	1,150	-	1,729
Depreciation on right-of-use asset	13,030	15,152	26,061	30,303
<b>General and administrative expenses</b>	<b>1,093,799</b>	<b>862,955</b>	<b>1,427,231</b>	<b>1,219,062</b>
Salaries for project generation	25,245	(10,322)	25,410	-
Other exploration expenses	2,643	189	15,965	1,267
Credit on duties refundable for loss and refundable tax credit for resources	(13,740)	-	(20,400)	-
<b>General exploration</b>	<b>14,148</b>	<b>(10,133)</b>	<b>20,975</b>	<b>1,267</b>

## 15 Related party transactions

### Compensation of key management

Key management consists of the directors, the President and Chief Executive Officer (“CEO”), the Chief Financial Officer (“CFO”), the Vice-President of Corporate Development (starting May 16, 2022) (“VPD”) and the Vice-President of Exploration (starting April 13, 2023) (“VPE”). The compensation paid or payable for services provided by key management was as follows:

	Six-month period ended	
	February 28,	
	2026	2025
	\$	\$
Salaries	630,108	588,667
Director fees	85,000	74,917
Stock-based compensation	690,018	429,091
	<b>1,405,125</b>	<b>1,092,675</b>

The amounts of \$306,377 for salaries (\$287,500 in 2025) and \$47,721 for stock-based compensation (\$189,850 in 2025) were capitalized to E&E assets.

As at February 28, 2026, accounts payable and accrued liabilities include \$164,290 (\$129,191 as at August 31, 2025) owed to key management.

Some key management employees are subject to employment agreements that provide for payments on termination of employment without serious reason or following a change of control, providing for payments equivalent up to once or, as applicable, twice an individual’s base salary. The indemnity paid must not represent more than 10% of the Company’s cash and cash equivalents at such time. As at February 28, 2026, the entitled indemnity amounted to a minimum of \$825,923 and a maximum of \$1,613,667.

# Azimut Exploration Inc.

Notes to Financial Statements

For the three and six-month period ended February 28, 2026

(in Canadian dollars)

## 16 Net earnings (loss) per share

For the six-month period ended February 28, 2025, the diluted loss per share was the same as the basic loss per share since the potential dilutive instruments had an anti-dilutive effect.

For the three and six-month periods ended February 28, 2026, the diluted net earnings per share were calculated using the basic weighted average number of shares outstanding of 100,627,238 adjusted by the potential dilutive instruments of each stock option where the exercise price was lower than the average market price of the Company's share. During the three-month period ended February 28, 2026, a total of 829,298 stock options had exercise prices lower than the average market price of the Company's shares, and 691,934 during the six-month period ended February 28, 2026. As a result, the diluted weighted-average number of shares of 101,319,172 was used to calculate diluted net earnings per share for the six-month period ended February 28, 2026.

## 17 Additional cash flow information

	Six-month period ended	
	February 28,	
	2026	2025
	\$	\$
Acquisition of E&E assets included in accounts payable and accrued liabilities	1,796,338	1,232,881
Depreciation of property & equipment included in E&E assets	90,153	159,713
Refundable duties credit for losses and refundable tax credit for resources presented as a reduction in E&E assets, net	2,336,000	1,354,867
Option payment as a reduction in E&E assets	31,460	-
Stock-based compensation included in E&E assets	99,507	103,115

In the year ended August 31, 2025, the Company changed the presentation of the cash flow statement to present advances received for exploration work on a net basis within cash flows from operating activities, as this better reflects the nature of the operations. The comparatives for the 2025 quarters were adjusted accordingly.

## 18 Financial instruments, financial risks and capital management

The Company's financial instruments as at February 28, 2026, consist of cash and cash equivalents, amounts receivable, investments, accounts payable and accrued liabilities, and advances received for exploration work. The fair value of these financial instruments is either equal to their fair value (investments) or approximates their carrying value due to their short-term maturity or the fact that they bear interest at current market rates.

The Company defines the fair value hierarchy under which its financial instruments are valued as follows: Level 1 includes unadjusted quoted prices in active markets for identical assets or liabilities; Level 2 includes inputs other than quoted prices in Level 1 that are observable for assets or liabilities, either directly or indirectly; and Level 3 includes inputs for assets or liabilities that are not based on observable market data. There was no transfer of hierarchy level during the period ended February 28, 2026.