



Delta Resources Limited

**(An exploration stage company)
Financial Statements**

December 31, 2025 and 2024

Delta Resources Limited

(An exploration stage company)

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For the years ended December 31, 2025 and 2024

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Independent Auditor's Report

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To the Shareholders of
Delta Resources Limited

Opinion

We have audited the financial statements of Delta Resources Limited (hereafter "the Company"), which comprise the statement of financial position as at December 31, 2025, and the statement of net loss and comprehensive loss, the statement of changes in equity (deficiency) and the statement of cash flows for the year then ended, and notes to financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (hereafter "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 is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 2 to the financial statements, which indicates the existence of a material uncertainty that may cast significant doubt about 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 period. 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. Except for the matter described in the "Material uncertainty related to going

concern" section, we have determined that there are no other key audit matters to communicate in our report.

Other matter – comparative information audited by a predecessor auditor

The financial statements of the Company for the year ended December 31, 2024 were audited by another auditor who expressed an unmodified opinion on those statements on April 9, 2025.

Information other than the financial statements and the auditor's report thereon

Management is responsible for the other information. The other information comprises the information included in 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 identified above 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 on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. 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 period and are, therefore, the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should

not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

Raymond Chabot Grant Thornton LLP¹

Montréal
March 18, 2026

¹ CPA auditor, public accountancy permit no. A127023

Delta Resources Limited
(An exploration stage company)
Statements of financial position
(In Canadian dollars)

	As at December 31, 2025 \$	As at December 31, 2024 \$
ASSETS		
Current assets:		
Cash	429,983	5,651,128
Restricted cash (Note 9)	-	150,000
Other receivables	-	9,446
Grants receivable	200,000	140,000
Sales tax receivable	245,327	112,385
Refundable tax credit on mining duties and refundable tax credit related to resources	7,513	23,311
Prepaid expenses	121,624	145,481
	1,004,447	6,231,751
Non-current assets:		
Property and equipment	8,701	12,271
	8,701	12,271
Total assets	1,013,148	6,244,022
LIABILITIES		
Current liabilities:		
Accounts payable and accrued liabilities (Notes 6 and 12)	1,101,553	422,209
Other liabilities related to flow-through shares (Note 7)	-	1,752,511
Total liabilities	1,101,553	2,174,720
EQUITY (Deficiency)		
Common shares and warrants (Note 8)	51,782,266	51,563,122
Contributed surplus	9,461,459	9,443,781
Deficit	(61,332,130)	(56,937,601)
Total equity (Deficiency)	(88,405)	4,069,302
Total liabilities and equity (Deficiency)	1,013,148	6,244,022
Going concern, related party transactions, commitments and subsequent events (Notes 2, 12, 13 and 17).		

These financial statements were approved and authorized for issuance by the Company's board of directors on March 18, 2026.

"Frank Candido"

"Sara Paquet"

Frank Candido, Director

Sara Paquet, Director

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

Delta Resources Limited
(An exploration stage company)
Statements of net loss and comprehensive loss
For the years ended December 31,
(In Canadian dollars)

	2025	2024
	\$	\$
Operating Expenses		
Exploration and evaluation expenditures (Note 9)	5,202,717	4,867,566
Shareholders' information	91,848	78,973
Legal, financial and other corporate expenses	548,805	639,986
Management fees (Note 12)	144,000	144,000
General and administrative expenses	184,314	280,336
Depreciation of property and equipment	4,819	6,919
Share-based compensation (Note 8)	17,678	446,074
Other	33,501	-
	6,227,682	6,463,854
Other Income		
Interest income	80,642	138,132
	80,642	138,132
Loss before income taxes	(6,147,040)	(6,325,722)
Income taxes recovery	1,752,511	237,674
Net loss and comprehensive loss for the year	(4,394,529)	(6,088,048)
Basic and fully diluted loss per common share (Note 15)	(0.033)	(0.057)
Weighted average number of shares outstanding (Note 15)	134,581,319	107,199,463

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

Delta Resources Limited
(An exploration stage company)
Statements of cash flows
For the years ended December 31,
(In Canadian dollars)

	2025	2024
	\$	\$
CASH RELATED TO:		
Operating activities:		
Net loss and comprehensive loss for the year	(4,394,529)	(6,088,048)
Items not involving cash:		
Share-based compensation	17,678	446,074
Share purchase warrants issued in consideration of exploration and evaluation expenditures	-	100,531
Depreciation of property and equipment	4,819	6,919
Share issuance in consideration of exploration and evaluation expenditures (Note 8)	219,667	832,666
Income taxes recovery	(1,752,511)	(237,674)
	(5,904,876)	(4,939,532)
Net change in non-cash operating working capital items (Note 11)	535,503	(304,503)
Cash flows related to operating activities	(5,369,373)	(5,244,035)
Investing activities:		
Acquisition of property and equipment	(1,249)	-
Deposit in restricted cash (Note 9)	150,000	(150,000)
Cash flows related to investing activities	148,751	(150,000)
Financing activities:		
Issuance of common shares and warrants	-	5,000,000
Proceeds from the exercise of stock options	-	11,000
Share issue costs	(523)	(63,849)
Cash flows related to financing activities	(523)	4,947,151
Decrease in cash	(5,221,145)	(446,884)
Cash, beginning of year	5,651,128	6,098,012
Cash, end of year	429,983	5,651,128

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

Delta Resources Limited
(An exploration stage company)
Statements of Changes in Equity (Deficiency)
For the years ended December 31,
(In Canadian dollars)

	Common shares (note 8)	Common shares and warrants \$ (note 8)	Contributed surplus \$ (note 8)	Deficit \$	Total \$
Balance, January 1, 2025	133,705,155	51,563,122	9,443,781	(56,937,601)	4,069,302
Common share issuance in consideration of exploration and evaluation expenditures	2,066,667	219,667	-	-	219,667
Stock options issued	-	-	17,678	-	17,678
Share issue costs	-	(523)	-	-	(523)
Net loss and comprehensive loss for the year	-	-	-	(4,394,529)	(4,394,529)
Balance, December 31, 2025	135,771,822	51,782,266	9,461,459	(61,332,130)	(88,405)
Balance, January 1, 2024	101,738,488	47,649,454	8,906,027	(50,849,553)	5,705,928
Common shares and warrants issuance	25,000,000	3,125,000	-	-	3,125,000
Common share issuance in consideration of exploration and evaluation expenditures	6,866,667	832,666	-	-	832,666
Stock options exercised	100,000	19,851	(8,851)	-	11,000
Share purchase warrants issued in consideration of exploration and evaluation expenditures	-	-	100,531	-	100,531
Stock options issued	-	-	446,074	-	446,074
Share issue costs	-	(63,849)	-	-	(63,849)
Net loss and comprehensive loss for the year	-	-	-	(6,088,048)	(6,088,048)
Balance, December 31, 2024	133,705,155	51,563,122	9,443,781	(56,937,601)	4,069,302

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

Delta Resources Limited

(An exploration stage company)

Notes to financial statements

For the years ended December 31, 2025 and 2024

(in Canadian dollars)

1. Statute of incorporation and nature of activities

Delta Resources Limited ("Delta" or "Company") is a corporation continued under the *Business Corporations Act* (Ontario) incorporated on January 19, 1946. The Company's principal operations are mining properties and exploration expenditures made on properties that are not in commercial production. The Company is exploring its mining properties and has not determined whether or not the properties contain economically recoverable resources. The address of the registered office is 36, Lombard street, Floor 4, Toronto, Ontario, Canada, M5C 2X3.

The Company's common shares are traded on the TSX Venture Exchange under the symbol DLTA, on the Over-The-Counter Bulletin Board (OTCBB) under the symbol DTARF and on the Frankfurt Stock Exchange under the symbol 6G01.

2. Going concern

The Company has not yet determined whether its mining properties contain mineral deposits that are economically recoverable. The recoverability of mining properties is dependent on the discovery of economically recoverable reserves and resources; securing and maintaining title and beneficial interest in the properties; and the ability to obtain the financing required to complete exploration, evaluation, development and construction or the proceeds from the sale of such assets.

The Company had recurring losses in the current and prior years, including a net loss of \$4,394,529 (2024 – \$6,088,048) for the year ended December 31, 2025, has an accumulated deficit of \$61,332,130 (2024 - \$56,937,601) since its inception, and expects to incur further losses in the development of its business. Further, the business of mining and exploration involves a high degree of risk and there can be no assurance that current exploration programs will result in the discovery of economically recoverable reserves and resources and/or profitable mining operations.

In addition to ongoing working capital requirements, the Company must secure sufficient funding for the exploration and evaluation programs and pay general and administrative costs. The Company's ability to continue as a going concern is dependent on being able to obtain the necessary financing to satisfy its liabilities as they become due. As at December 31, 2025, the Company has a negative working capital of \$97,106 (2024 - \$4,057,031). Management estimates that funds on hand will not be sufficient to meet the Company's obligations and commitments and to pursue and complete the development of its mining properties. If management is unable to obtain new funding, the Company may be unable to continue its operations, and amounts realized for assets may be less than amounts reflected in these financial statements. Subsequent to year-end, the Company has entered into an option agreement with Troilus Mining Corp., pursuant to which Troilus Mining Corp. may earn a 100% undivided interest in the Delta-2 property by making aggregate payments to the Company totaling \$8.25 million over an option period ending on December 15, 2028. Of this amount, \$1,750,000 is expected to be received within the next twelve months. See note 17 for further details.

The conditions and uncertainties described above indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. The Company's business plan is dependent on raising additional funds to finance operations within and beyond the next 12 months. Any funding shortfall may be met in the future in a number of ways, including, but not limited to, the issuance of new debt or equity instruments, reduction in expenditures and/or the introduction of joint venture partners and/or business combinations on terms which are acceptable to the Company. Although the Company has been successful in the past at raising funds, there can be no assurance the Company will be able to secure financing in the future or that these sources of funding will be available.

The accompanying financial statements have been prepared using assumptions applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they come due. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. These financial statements do not reflect the adjustment to the carrying values of assets and liabilities, expenses and financial position classifications that would be necessary were the going concern assumption not appropriate. These adjustments could be material.

3. Statement of compliance with IFRS Accounting standards

The financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting standards"). On March 18, 2026, the Board of Directors approved, for issuance, these financial statements.

4. Material Accounting Policy Information

Basis of measurement

These financial statements have been prepared on the historical cost basis except for share-based compensation transactions, which are measured at fair value at grant date pursuant to IFRS 2, *Share-Based payment*.

Refundable tax credit on mining duties and refundable tax credit related to resources

The Company is eligible for a refundable credit on mining duties under the Québec *Mining Tax Act*. This refundable credit on mining duties is equal to 16% applicable tax on 50% of the eligible expenses. The accounting treatment for refundable credits on mining duties depends on management's intention to either go into production in the future or to sell its mining properties to another mining producer once the technical feasibility and the economic viability of the properties have been demonstrated. This assessment is made at the level of each mining property.

In the first case, the credit on mining duties is recorded as an income tax recovery under IAS 12, *Income Taxes*, which generates a deferred tax liability and deferred tax expense since the exploration and evaluation assets have no tax basis following the Company's election to claim the refundable credit.

In the second case, it is expected that no mining duties will be paid in the future and, accordingly, the credit on mining duties is recorded against exploration and evaluation assets.

The Company is also eligible for a refundable tax credit related to resources for mining industry companies in relation to eligible expenses incurred. The refundable tax credit related to resources can represent up to 22.50% for eligible expenses incurred, thereafter is recorded as a government grant against exploration and evaluation assets.

The credits related to resources and credits for mining duties recognized against exploration and evaluation expenditures are initially recorded at fair value when there is reasonable assurance that they will be received and that the Company will comply with the conditions associated with the grant.

Leases

Short-term leases and leases of low-value assets

The Company has elected not to recognize right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including leases of IT equipment. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Government grant

Government grant is recognized when there is reasonable assurance of their recovery and recorded as a reduction of the related expense or cost of the asset acquired or as other income, as applicable.

Mining properties

Exploration and evaluation expenditure are costs incurred in the course of the initial search of mineral resources before the technical feasibility and commercial viability of extracting a mineral resource are demonstrated.

4. Material Accounting Policy Information – Cont'd

Mining properties – Cont'd

Costs related to exploration and evaluation of mineral properties, option and lease payments and costs of acquiring mineral rights are recognized in profit or loss as incurred. The cost of exploration and evaluation expenditures acquired in exchange of common shares of the Company are recognized at the closing market price of the common shares at the acquisition transaction date.

Any option payments or proceeds from the sale of royalty interests received by the Company are recorded as income in the period received.

Disposal of interest in connection with option agreement

On the disposal of interest in connection with the option agreement, the Company does not recognize expenses related to the exploration and evaluation performed on the project by the acquirer. In addition, the cash or the closing market price at the transaction date of the common shares consideration received directly from the acquirer is recognized as proceeds relating to the grant of options on mining projects in profit or loss.

Income taxes

Income tax expense represents current tax and deferred tax. The Company records current tax based on the taxable profits for the year, which is calculated using tax rates that have been enacted or substantively enacted at the date of the statement of financial position.

Deferred income taxes are accounted for using the liability method that requires that income taxes reflect the expected future tax consequences of temporary differences between the carrying amounts of assets and liabilities and their tax bases. Deferred income tax assets and liabilities are determined for each temporary difference based on currently enacted or substantially enacted tax rates that are expected to be in effect when the underlying items of income or expense are expected to be realized. The effect of a change in tax rates or tax legislation is recognized in the year of substantive enactment. Deferred tax assets, such as non-capital loss carry-forwards or deductible temporary difference, are recognized to the extent it is probable that taxable profit will be available against which the asset can be utilized. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit.

Deferred tax assets and liabilities are offset only when the Company has a right and intention of set off current tax assets and liabilities from the same taxation authority.

Changes in deferred tax assets or liabilities are recognized as deferred income tax expense in profit or loss, except where they are related to items that are recognized in other comprehensive loss or directly in equity, in which case the related deferred tax is also recognized in other comprehensive loss or equity, respectively.

Equity Instruments and share-based payments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. The Company applies a fair value-based method of accounting to all share-based payments.

Units that consist of common shares and common share purchase warrants issued by the Company for cash consideration are recorded under common shares and warrants caption at the proceeds received, net of direct issue costs. When those warrants are exercised, the consideration received is recorded in common shares and warrants caption.

4. Material Accounting Policy Information – Cont'd

Equity Instruments and share-based payments – Cont'd

Non-employee common shares, warrants and stock options payment transactions in which the Company acquires non-financial assets and services are recognized when the risks and rewards of the assets is transferred, or the services are rendered to the Company. If there are unidentifiable services, then they are measured at grant date. The Company measures the non-financial assets or services received, and the corresponding increase in equity, at the fair value of the non-financial assets or services received, unless that fair value cannot be estimated reliably. If the fair value of the non-financial assets received or services cannot be estimated reliably, the Company measures their value, and the corresponding increase in equity, indirectly, by reference to the fair value of the equity instruments granted. The fair value of the common shares issued is determined by using the closing price on the TSX Venture Exchange of the day preceding the issuance date. The fair value of warrants and stock options issued is determined using the Black-Scholes option-pricing model. The amount recorded in equity for common shares is recorded in common shares and warrants caption and amounts recorded for warrants and stock options are credited to contributed surplus. On the exercise of warrants and stock options, common shares and warrants caption is credited for the consideration received and the related fair value amounts previously credited to contributed surplus.

Transactions with shareholders such as extension of the exercise period of warrants, where shareholders are acting in their capacity as shareholders and the Company is not receiving a benefit from the shareholders, are recognized directly in equity. Increase of fair value resulting from the modification of the equity instrument at modification date and the corresponding debit amount associated with the distribution made to the shareholders are both recorded in contributed surplus.

Stock options issued to employees, management and directors are measured at their fair value of each tranche on the grant date and recognized in their respective vesting period. The Company also provides for an estimate of the forfeiture rates in determining the total stock-based compensation expense. The Company uses the Black-Scholes option-pricing model to estimate the fair value of stock options issued to employees, management and directors. The cost of stock options is presented as share-based compensation expense, with a corresponding credit to contributed surplus. On the exercise of stock options, common shares and warrants caption is credited for the consideration received and the related fair value amounts previously credited to contributed surplus.

Flow-through shares

The Federal and Provincial tax legislation permits an entity to issue securities to investors whereby the deductions for tax purposes relating to resource expenditures may be claimed by the investors and not by the entity. These securities are referred to as flow-through shares. The Company finances a portion of its exploration programs with flow-through shares.

At the time of the issuance of flow-through shares, the Company allocates the proceeds between share capital and an obligation to deliver the tax deductions, which is recorded as a liability related to flow-through shares. The Company estimates the fair value of the liabilities related to flow-through shares using the residual method, deducting the fair value of the common shares and warrants issued from the cash consideration received from the flow-through shares financing.

The liability related to flow through shares recorded is reversed on renouncement of the right to tax deductions to the investors or when the Company has the intention to renounce of tax deductions to the investors and when eligible expenses are incurred and recognized in profit or loss in reduction of deferred income taxes expense.

4. Material Accounting Policy Information – Cont'd

Segment information

The Company presents and discloses segment information based on the internal reports that are regularly reviewed by the Board of Directors in order to assess each segment's performance. In this regard, the Company conducts its business in a single operating segment, being the acquisition, exploration and development of exploration properties.

Loss per share

Basic loss per share is calculated by dividing the loss attributable to equity holders of the Company by the weighted average number of common shares outstanding during the year. The diluted net loss per share is equal to the basic net loss per share due to the anti-dilutive effect of the stock options and warrants.

Financial instruments

Financial assets and financial liabilities at amortized cost

Classification of assets

The Company classifies financial instruments in accordance with IFRS 9. The Company's cash, restricted cash, other receivable, accounts payable and accrued liabilities are classified and measured at amortized cost.

Under this method, financial assets and liabilities reflect the amounts required to be received or paid, discounted when appropriate, at the financial instrument's effective interest rate. The fair values of the Company's financial assets and liabilities classified in this category approximate their carrying amounts due to their short-term nature.

Recognition, derecognition and measurement

Regular purchases and sales of financial assets and financial liabilities are recognized at cost on the trade date – the date on which the Company commits to purchase or sell financial assets and financial liabilities. Financial assets are derecognized when the rights to receive cash flows have expired or the Company has transferred substantially all risks and rewards of ownership. Financial liabilities are derecognized when they are extinguished, discharged, cancelled or expired. Subsequent to initial recognition, all financial assets and financial liabilities are measured at amortized cost using the effective interest rate method. Any update to the measurement or carrying amount is recognized only if its impact is considered significant.

New accounting standards and interpretations issued but not yet effective

At the date of authorization of these financial statements, the Company has not yet adopted certain standards, interpretations to existing standards and amendments which have been issued but have an effective date of later than December 31, 2025. Other than the items detailed below, these updates are not expected to have a significant impact on the Company's financial statements and are therefore not discussed herein.

Presentation and Disclosure in Financial Statements (IFRS 18)

In April 2024, the IASB issued a new Accounting Standard, IFRS 18 *Presentation and Disclosure in Financial Statements*, which will replace IAS 1 *Presentation of Financial Statements*. IFRS 18 will introduce the following main changes from IAS 1:

4. Material Accounting Policy Information – Cont'd

New accounting standards and interpretations issued but not yet effective – Cont'd

Presentation and Disclosure in Financial Statements (IFRS 18) – Cont'd

- improved consistency and structure in the Statement of Earnings, including:
 - formally defined *Operating Profit* and *Profit or Loss before Financing and Income Tax* subtotals;
 - *Operating, Investing and Financing* income and expenses categories, based on a company's main business activities; and
 - an analysis of the *Operating* expenses by function or by nature, directly on the face of the Statement of Earnings, with details regarding their nature in the notes when expenses are presented by function in the Statement of Earnings.
- new guidance regarding Management-defined Performance Measures ("MPMs"); and
- new guidance regarding aggregation of items in the financial statements.

The new standard is effective for annual periods beginning on or after January 1, 2027, and applies retrospectively. Early adoption is permitted. The impact on the Company's financial statements is being assessed by Management.

Amendments to IFRS 9 and IFRS 7

The IASB has issued amendments to IFRS 9 and IFRS 7 in May 2024. One of these amendments related to classification of financial assets and accounting for settlement by electronic payments. Following the amendment to IFRS 9, companies that recognize or derecognize financial assets or financial liabilities on the payment initiation date could see a change to their accounting as a general requirement is added that reiterate the following requirements:

- financial instruments are recognized when an entity becomes a party to a contract;
- a financial asset is derecognized when rights to the cash flows expire, or the asset is transferred; and
- a financial liability is derecognized when it is settled, which is the date on which the liability is extinguished.

The amendment allow an exception that would apply only for financial liabilities. The exception would allow a company to derecognize a financial liability before the settlement date, when it uses an electronic payment system and, after initiating the payment, when:

- it has no practical ability to withdraw, stop or cancel the payment instruction;
- it has no practical ability to access the cash to be used for settlement as a result of the payment instruction; and
- the settlement risk associated with the electronic payment system is insignificant.

This amendment apply for annual reporting periods beginning on or after January 1, 2026. Earlier application is permitted. The impact for the Company is being assessed by management.

Other amendments are not expected to have significant impact on the Company's financial statements.

5. Significant accounting judgments, estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions based on currently available information that affect the reported amounts of assets, liabilities and contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Estimates and judgments are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual results could differ from those estimated. By their very nature, these estimates are subject to measurement uncertainty and the effect of any changes in estimates on the financial statements of future periods could be material.

In the process of applying the Company's accounting policies, management has made the following judgments which have the most significant effect on the amounts recognized in the financial statements.

Going concern

The assessment of the Company's ability to execute its strategy by funding future working capital requirements involves judgment. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. There is a material uncertainty regarding the Company's ability to continue as a going concern.

6. Accounts payable and accrued liabilities

	December 31, 2025	December 31, 2024
	\$	\$
Trade payables	895,200	389,391
Payables to related parties	-	5,700
Government remittance	33,501	-
Accruals	172,852	27,118
	1,101,553	422,209

7. Other liabilities related to flow-through shares

	December 31, 2025	December 31, 2024
	\$	\$
Balance, beginning of year	1,752,511	115,185
Increase in the year	-	1,875,000
Decrease related to the incurring of expenses	(1,752,511)	(237,674)
Balance, end of year	-	1,752,511

Other liabilities related to flow-through shares represents the renunciation of tax deductions to investors following flow-through shares financing.

During the year ended December 31, 2023, the Company committed to pay, before December 31, 2024, \$4,500,090 in eligible exploration and evaluation expenses, in accordance with the Income Tax Act of Canada. These tax deductions were transferred to investors in flow-through share investments in 2023. As at December 31, 2024, the Company has respected all of its regulatory requirements in relation with flow-through financing.

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7. Other liabilities related to flow-through shares – Cont'd

During the year ended December 31, 2024, the Company committed to pay, before December 31, 2025, \$5,000,000 in eligible exploration and evaluation expenses, in accordance with the *Income Tax Act* of Canada. These tax deductions were transferred to investors in flow-through share investments in 2024. As at December 31, 2025, the Company has respected all of its regulatory requirements in relation with flow-through financing.

The disallowance of certain expenses by tax authorities could have negative tax consequences for investors or the Company. In such an event, the Company would indemnify each flow-through share subscriber for the additional taxes payable by such subscriber as a result of the Company's failure to renounce the qualifying expenditures as agreed.

8. Common shares and warrants

Common shares

Authorized: An unlimited number of common shares, without par value:

Changes in Company's number of issued and outstanding common shares were as follows:

	December 31, 2025		December 31, 2024	
	Number of common shares	Amount \$	Number of common shares	Amount \$
Balance, beginning of year	133,705,155	51,563,122	101,738,488	47,649,454
Common shares issued pursuant to flow-through placement ⁽⁷⁾	-	-	25,000,000	3,125,000
Common share issuance in consideration of exploration and evaluation expenditures ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾⁽⁶⁾⁽⁸⁾⁽⁹⁾⁽¹¹⁾⁽¹²⁾⁽¹³⁾⁽¹⁴⁾⁽¹⁵⁾	2,066,667	219,667	6,866,667	832,666
Stock options exercised ⁽¹⁰⁾	-	-	100,000	19,851
Share issue costs	-	(523)	-	(63,849)
Balance, end of year	135,771,822	51,782,266	133,705,155	51,563,122

For the year ended December 31, 2025

- (1) On November 28, 2025, the Company issued 100,000 common shares under the Option Agreement pursuant to the third anniversary related to the Beaucage property. The total value of the common shares issued of \$15,000 was determined using the closing price on the TSX Venture Exchange as of November 27, 2025.
- (2) On August 8, 2025, the Company issued 1,100,000 common shares under the Option Agreement pursuant to the signature related to the Ternowesky property. The total value of the common shares issued of \$110,000 was determined using the closing price on the TSX Venture Exchange as at August 7, 2025.
- (3) On July 17, 2025, the Company issued 666,667 common shares under the Option Agreement pursuant to the first anniversary related to the Gold Creek property. The total value of the common shares issued of \$66,667 was determined using the closing price on the TSX Venture Exchange as at July 16, 2025.
- (4) On May 27, 2025, the Company issued 200,000 common shares under the Option Agreement pursuant to the signature related to the English property. The total fair value of the common shares issued of \$28,000 was determined using the closing price on the TSX Venture Exchange as at May 26, 2025.

8. Common shares and warrants – Cont'd

Common shares – Cont'd

For the year ended December 31, 2024

- (5) On December 23, 2024, the Company issued 1,250,000 common shares under the Property and Option Purchase Agreement with Metals Creek Resources Corp. related to the Metals Creek Property. The total fair value of the common shares issued of \$156,250 was determined using the closing price on the TSX Venture Exchange as at December 20, 2024.
- (6) On November 28, 2024, the Company issued 100,000 common shares under the Option Agreement pursuant to the third anniversary related to the Beaucage Property. The total fair value of the common shares issued of \$14,000 was determined using the closing price on the TSX Venture Exchange as at November 27, 2024.
- (7) On November 18, 2024, the Company issued 25,000,000 Charity Flow-Through Units for \$0.20 per Charity Flow-Through Unit, for aggregate gross proceeds of \$5,000,000. Each Charity Flow-Through Unit consists of one flow-through common share of the Company and one non-flow-through common share purchase warrant, with each Warrant being exercisable to acquire an additional non-flow-through common share of the Company at \$0.25 for 36 months from the date of issuance. An amount of \$3,125,000 was allocated to common shares and warrants, while an amount of \$1,875,000 was attributed to other liabilities related to flow-through shares (Note 7).
- (8) On November 11, 2024, the Company issued 500,000 common shares under the Property Acquisition Agreement with 2278481 Ontario Inc. and Orebot Inc. for the acquisition of the Orebot Property. The total fair value of the common shares issued of \$60,000 was determined using the closing price on the TSX Venture Exchange as at November 8, 2024 of the Company.
- (9) On September 25, 2024, the Company issued 2,000,000 common shares under the Option Termination related to the Laurie & Horne property. The total fair value of the common shares issued of \$230,000 was determined using the closing price on the TSX Venture Exchange as at September 24, 2024. The Company also issued 1,500,000 warrants of Delta, at a price of \$0.12, for a period of 24 months. The fair value of these warrants was \$100,531 based on the Black-Scholes option pricing model and based on the following assumptions: risk-free rate of 2.88%, life of 2 years, expected volatility of 105.8% and no expected dividends.
- (10) On July 4, 2024, the Company received \$11,000 following the exercise of 100,000 stock options at a price between \$0.11 each. An amount of \$8,851 has been recorded and transferred from contributed surplus.
- (11) On July 2, 2024, the Company issued 666,667 common shares under the Option Agreement pursuant to the signature related to the Gold Creek Property. The total fair value of the common shares issued of \$76,666 was determined using the closing price on the TSX Venture Exchange as at June 28, 2024.
- (12) On July 5, 2024, the Company issued 400,000 common shares under the Option Agreement pursuant to the signature related to the English property. The total fair value of the common shares issued of \$50,000 was determined using the closing price on the TSX Venture Exchange as at July 4, 2024.
- (13) On June 11, 2024, the Company issued 1,400,000 common shares following the acquisition of a 100% interest in the Laurie & Horne property. The total fair value of the common shares issued of \$182,000 was determined using the closing price on the TSX Venture Exchange as at June 10, 2024.
- (14) On May 24, 2024, the Company issued 200,000 common shares under the Option Agreement pursuant to the third anniversary related to the Dollier/Cartier property. The total fair value of the common shares issued of \$27,000 was determined using the closing price on the TSX Venture Exchange as at May 23, 2024.
- (15) On February 14, 2024, the Company issued 350,000 common shares following the acquisition of a 100% interest in 21 claims on the Dollier property. The total fair value of the common shares issued of \$36,750 was determined using the closing price on the TSX Venture Exchange as at February 13, 2024.

8. Common shares and warrants – Cont'd

Share purchase warrants

Changes in Company's number of share purchase warrants were as follows:

	December 31, 2025		December 31, 2024	
	Number of share purchase warrants	Weighted average exercise price	Number of share purchase warrants	Weighted average exercise price
Balance, beginning of year	50,557,768	\$0.30	27,380,187	\$0.35
Issued	-	-	26,500,000	0.24
Expired	(24,057,768)	0.37	(3,322,419)	0.25
Balance, end of year	26,500,000	\$0.24	50,557,768	\$0.30

At December 31, 2025, the following exercisable share purchase warrants were outstanding:

Share purchase warrants	Price	Expiry
1,500,000	\$0.12	September 24, 2026
25,000,000	\$0.25	November 18, 2027
26,500,000		

At December 31, 2024, the following exercisable share purchase warrants were outstanding:

Share purchase warrants	Price	Expiry
2,500,000	\$0.18	January 30, 2025
9,682,700	0.63	May 17, 2025
2,790,068	0.25	July 23, 2025 ⁽¹⁾
9,085,000	0.18	July 23, 2025 ⁽¹⁾
1,500,000	0.12	September 24, 2026
25,000,000	\$0.25	November 18, 2027
50,557,768		

⁽¹⁾ The Company extends the exercise period from December 22, 2024 to July 23, 2025 during the year ended December 31, 2024.

8. Common shares and warrants – Cont'd

Broker share purchase warrants

Changes in Company's number of broker share purchase warrants were as follows:

	December 31, 2025		December 31, 2024	
	Number of broker share purchase warrants	Weighted average exercise price	Number of broker share purchase warrants	Weighted average exercise price
Balance, beginning of year	1,130,256	\$0.44	1,996,163	\$0.38
Expired	(1,130,256)	\$0.44	(865,907)	0.25
Balance, end of year	-	-	1,130,256	\$0.44

At December 31, 2024, the following exercisable broker share purchase warrants were outstanding:

Broker share purchase warrants	Price	Expiry
35,000	0.25	January 30, 2025
1,095,256	0.45	May 17, 2025
1,130,256		

Share-based compensation

A summary of the status of the Company's Omnibus Equity Incentive Plan as of December 31, 2025 is as follows:

	December 31, 2025		December 31, 2024	
	Number of stock options	Weighted average exercise price	Number of stock options	Weighted average exercise price
Balance, beginning of year	12,523,000	\$0.21	8,998,000	\$0.21
Issued ⁽¹⁾⁽³⁾⁽⁴⁾⁽⁶⁾	200,000	0.20	4,350,000	0.19
Exercised ⁽⁵⁾	-	-	(100,000)	0.11
Forfeited ⁽²⁾	(200,000)	0.20	-	-
Expired unexercised	(1,480,000)	0.27	(725,000)	0.13
Balance, end of year	11,043,000	\$0.21	12,523,000	\$0.21
Exercisable	11,043,000	\$0.21	12,523,000	\$0.21

8. Common shares and warrants – Cont'd

Share-based compensation – Cont'd

For the year ended December 31, 2025

- (1) On January 27, 2025, the Company granted 200,000 stock options to an employee at an exercise price of \$0.20 per common share expiring January 27, 2027. The fair value of these stock options was \$19,012 based on the Black-Scholes option pricing model (100,000 options are vesting on July 27, 2025 and 100,000 options will vest on January 27, 2026) and based on the following assumptions: share price of \$0.185, strike price of \$0.20, risk-free rate of 2.86%, life of 2 years, expected volatility of 99.6% and no expected dividends. The underlying expected volatility was determined by reference to historical data of the Company's shares over the expected average life of the stock options.
- (2) During the year ended December 31, 2025, 200,000 stock options were forfeited upon the departure of an employee from the Company.

For the year ended December 31, 2024

- (3) On November 25, 2024, the Company granted 3,150,000 stock options to directors and key management personnel, 500,000 stock options to employees and 400,000 to consultants at an exercise price of \$0.20 per common share expiring November 25, 2027. The fair value of these stock options was \$299,434 based on the Black-Scholes option pricing model (all vesting immediately) and based on the following assumptions: risk-free rate of 3.22%, life of 3 years, expected volatility of 103.9% and no expected dividends.
- (4) On August 26, 2024, the Company granted 100,000 stock options to Apollo Shareholder Relations Ltd, investor relations services, at an exercise price of \$0.12 per common share expiring August 24, 2025. The fair value of these stock options was \$4,717 based on the Black-Scholes option pricing model (25% of the common shares will vest every 4 months from the date of issuance) and based on the following assumptions: risk-free rate of 3.37%, life of 1 year, expected volatility of 99.9% and no expected dividends.
- (5) On July 4, 2024, the Company received \$11,000 following the exercise of 100,000 stock options at a price at \$0.11 each.
- (6) On February 6, 2024, the Company granted 200,000 stock options to employees at an exercise price of \$0.105 per common share expiring February 6, 2029. The fair value of these stock options was \$16,904 based on the Black-Scholes option pricing model (all vesting immediately) and based on the following assumptions: risk-free rate of 3.52%, life of 5 years, expected volatility of 111.3% and no expected dividends.

At December 31, 2025, the following exercisable stock options were outstanding:

Stock options	Exercisable	Price	Expiry
1,700,000	1,700,000	0.25	January 7, 2027
4,050,000	4,050,000	0.20	November 25, 2027
2,530,000	2,530,000	0.10	February 14, 2028
550,000	550,000	0.41	April 4, 2028
150,000	150,000	0.32	July 6, 2028
1,863,000	1,863,000	0.265	August 21, 2028
200,000	200,000	0.105	February 6, 2029
11,043,000	11,043,000		

8. Common shares and warrants – Cont'd

Share-based compensation – Cont'd

At December 31, 2024, the following exercisable stock options were outstanding:

Stock options	Exercisable	Price	Expiry
1,180,000	1,180,000	0.26	July 10, 2025
200,000	200,000	0.40	August 24, 2025
100,000	25,000	0.12	August 26, 2025
1,700,000	1,700,000	0.25	January 7, 2027
2,530,000	2,530,000	0.10	February 14, 2028
550,000	550,000	0.41	April 4, 2028
150,000	150,000	0.32	July 6, 2028
1,863,000	1,863,000	0.265	August 21, 2028
200,000	200,000	0.105	February 6, 2029
4,050,000	4,050,000	0.20	November 25, 2027
12,523,000	12,448,000		

The weighted average fair value of stock options granted during the year ended December 31, 2025, was \$0.10 (2024 – \$0.07).

9. Exploration and evaluation activities

The Company incurred the following exploration and evaluation expenses during the year:

	December 31, 2025	December 31, 2024
	\$	\$
Exploration and evaluation expenditures acquired	422,276	692,964
Fees related to the grant of options on mining project	219,667	933,197
Drilling	3,144,115	2,065,370
Drill core assays	636,286	384,170
Ground Geophysical Survey	250,276	231,185
Interpretation of geochemical, geophysical, geological surveys, modeling	165,348	27,187
Till survey and assays	161,440	360,524
Prospection	137,979	5,049
3D modeling	70,338	30,900
General exploration expenses	45,755	98,246
Choice of area and review of previous data	40,423	220,148
Trenching	40,545	41,437
Environmental study	40,250	-
Airbone Survey	30,193	-
Community consultations	4,931	1,500
Preliminary economic evaluation	-	12,500
Other revenues	-	(10,500)
Refundable tax credit on mining duties and refundable tax credit related to resources	(7,105)	(26,495)
Ontario Junior Exploration Program grant	(200,000)	(200,000)
Evaluation of potential property	-	184
	5,202,717	4,867,566

Delta-1 / Eureka Property

The Company owns 100% of the Eureka Property which consist of 248 claims. The property is subject to the following NSR Royalties:

- 1) 1.75% NSR Royalty on 245 claims. Delta may buy back the first 0.75% at any time before October 2026 for \$500,000 and the remaining 1% Royalty at any time after the first 0.75% is purchased for \$4,000,000.

The agreement also includes advanced royalty payments starting upon the earlier of the completion by Delta of a NI 43-101 compliant resource estimate on the Property or in October 2026. Delta shall make the following payments to the vendor, such payments to be deducted from any NSR payments to made to the vendor, if any: \$20,000 from 2026 to 2029, \$40,000 from 2029 to 2039 and \$500,000 in 2040.

9. Exploration and evaluation activities - Cont'd

Delta-1 / Eureka Property- Cont'd

- 2) The Ontario Exploration Corporation ("OEC") currently owns between 0.25% and 0.50% NSR royalty on certain claims of the Eureka Property. More specifically, the OEC owns a 0.50% NSR on the claims covering the Eureka Gold prospect, Matawin and Kaspar gold occurrences and a 0.25% NSR on the claims surrounding the Kaspar occurrence.

Delta has the right to purchase the NSR at any time by paying the OEC \$50,000. Following the purchase, Delta will have purchased the entire NSR Royalty currently owned by the OEC on the Eureka Property.

In April 2022, April 2023, September 2024 and October 2024, the Company has been accepted to participate in the Ontario Junior Exploration Program Intake 2, 3, 4 and 5. Each Intake contribution was of \$200,000 towards the costs of the Delta-1 / Eureka project.

Delta-1 / Gravel Ridge Property

The property consists of 10 claims covering 609 hectares, contiguous or adjacent to the Delta-1 Property in Ontario. Delta owns a 100% interest in the Gravel Ridge claims subject to a 1.50% NSR Royalty. Delta has the right to buy back 0.50% NSR for the sum of \$400,000 and retains a first right of refusal on the purchase of the remaining 1% NSR.

Delta-1 / Bylund Property

The property now consists of one patent (surface and mining rights) covering 85 hectares contiguous to the Delta-1 Property in Ontario.

On August 6, 2022, the Company has entered into a five-year lease agreement on a property adjacent to its Delta-1 Property in Thunder Bay, Ontario. The 85-hectare Bylund property is contiguous with the Delta-1 Property, immediately east of the Eureka Gold.

During the five-year lease period, Delta will have the exclusive right to explore the property and to purchase a 100% interest in both the surface and mining rights to the property. Should Delta elect to purchase the land, it will pay land market value times 10. Delta already made a one-time cash payment of \$60,000 to the landowners. There are no work commitments nor were any common shares of the Company issued. Should Delta elect to purchase the property during the five-year period, the landowners will retain a 2% NSR Royalty of which Delta can elect to buy back 1% at any time for the sum of \$1,000,000.

Delta-1 / Beaucage Property

On November 1, 2022, the Company has entered into a five-year lease agreement on a property adjacent to its Delta-1 Property in Thunder Bay, Ontario. The 31-hectare Beaucage property is contiguous with the Delta-1 Property, immediately east of the Eureka Gold.

During the five-year lease period, Delta will have the exclusive right to explore the property and to purchase a 100% interest in both the surface and mining rights to the property. Should Delta elect to purchase the property, it will pay market value times 10. Delta already made a one-time cash payment of \$40,000 to the landowners and also issue 100,000 common shares per year of the Company per year for 5 years (issued in 2025, 2024, 2023 and 2022), starting upon the signing of the Agreement. Should Delta elect to purchase the property during the five-year lease period, the landowners will retain a 3% NSR Royalty of which Delta can elect to buy back an initial 1% at any time for the sum of \$1,000,000 and a second 1% for \$2,000,000. The landowners will retain a 1% NSR Royalty.

9. Exploration and evaluation activities - Cont'd

Delta-1 / Ojala Property

On November 15, 2022, the Company has entered into a five-year lease agreement on a property adjacent to its Delta-1 Property in Thunder Bay, Ontario. The 67-hectare property is contiguous with the Delta-1 Property, securing Delta's land position on strike with the Eureka Gold Prospect for a strike length of 4.2 kilometres.

During the five-year lease period, Delta will have the exclusive right to explore the property and to purchase a 100% interest in both the surface and mining rights to the property. Should Delta elect to purchase the property, it will pay market value times 10. Delta made a one-time cash payment of \$45,000 to the landowners to cover the five-year lease. There are no work commitments nor were any common shares of the Company issued. Should Delta elect to purchase the property during the five-year period, the landowners will retain a 2% NSR Royalty of which Delta can elect to buy back 1% at any time for the sum of \$1,000,000.

Delta-1 / Maxwell Property

On January 23, 2023, the Company has entered into a five-year lease agreement on two patents (surface and mining rights) covering 47.5 hectares contiguous to Delta-1 Property.

During the five-year lease period, Delta will have the exclusive right to explore the property and to purchase a 100% interest in both the surface and mining rights to the property. Should Delta elect to purchase the property, it will pay market value times 10. Delta already made a one-time cash payment of \$60,000 to the landowners to cover the five-year lease. There are no work commitments nor were any common shares of the Company issued. Should Delta elect to purchase the property during the five-year period, the landowners will retain a 2% NSR Royalty of which Delta can elect to buy back 1% at anytime for the sum of \$1,000,000.

Delta-1 / Tremblay Property

The Tremblay Property consists of 8 claims and covering 171 hectares adjacent to the Delta-1 Property. The claims are subject to a 2% NSR Royalty of which Delta can elect to buy back 1% at anytime for the sum of \$1,000,000.

Delta-1 / Impala Property

The Impala Property consists of 23 claims covering approximately 2,348.5 hectares, located immediately south of Delta-1 Property.

The claims are subject to a 2% NSR Royalty with a 0.5% buyback for \$1,000,000 and an additional 0.5% buyback for \$1,000,000, and the remaining 1% for \$4,000,000. There are no work commitments nor were any common shares of the Company issued.

Delta-1 / Schultz Property

On June 21, 2023, the Company has entered into a five-year lease agreement on a one patent (surface and mining rights) covering approximately 59 hectares located contiguous to Delta-1 Property and on strike to Eureka.

During the five-year lease period, Delta will have the exclusive right to explore the property and to purchase a 100% interest in both the surface and mining rights to the property. Should Delta elect to purchase the property, it will pay market value times 10. On June 21, 2023, Delta has made a one-time cash payment of \$90,000 to the landowners to cover the five-year lease. Should Delta elect to purchase the property during the five-year lease period, the landowners will retain a 2% NSR Royalty of which Delta can elect to buy back 1% at any time for the sum of \$1,000,000 and the remaining 1% for \$4,000,000. There are no work commitments nor were any common shares of the Company issued.

9. Exploration and evaluation activities - Cont'd

Delta-1 / Hackl Property

On June 8, 2023, the Company has entered into an option agreement whereby it can earn a 100% interest in 107 claims covering 1,995 hectares located south of Delta-1 Property.

In June 2025, Delta has paid \$75,000 and has paid \$50,000 per year in June 2024 and 2023. An amount of \$75,000 to be paid in June 2026 for a total of \$250,000. The Vendor retains a 2% NSR Royalty of which Delta can elect to buy back 1% at any time for \$1,000,000 and the remaining 1% for \$4,000,000. There are no work commitments nor were any common shares of the Company issued.

Delta-1 / Gold Cache Property

The Gold Cache property consists of 12 claims and covers 252 hectares continuous and south of the Delta-1 Property.

The claims are subject to a 2% NSR Royalty of which Delta can elect to buy back 1% at any time for \$1,000,000 and retain a first right of refusal on the remaining NSR up to \$4,000,000. There are no work commitments nor were any common shares of the Company issued.

Delta-1 / Pete's Backhoe Property

On February 15, 2024, the Company has entered into a five-year lease agreement on the Pete's Backhoe property, covering 33 hectares 750 metres west of the Eureka Gold Zone. Delta made a cash payment on signing of \$80,000 and a cash payment of \$25,000 in February 2025. The Company will pay \$25,000 per year for an additional 2 years for a total cash consideration of \$155,000. Delta may end the lease at any time. During the 5 years lease, Delta may purchase the property at any time by paying 5 times fair market value. If Delta exercises its right to purchase, the vendor will retain a 2% NSR Royalty. Delta may buy back 1% NSR Royalty for \$1,000,000 and retains a first right of refusal on the second 1% NSR. There are no work commitments nor were any common shares of the Company issued.

Delta-1 / Laurie and Horne Properties

On May 1, 2024, the Company acquired the exclusive rights to acquire a 100% interest in the Laurie and Horne properties, covering approximately 24 square kilometres. Delta will assume agreements with a previous vendor to acquire a 100% in both properties. Upon signing of the agreement, Delta issued 1,400,000 common shares (already issued) of the Company to Sky Gold Corp. and pay the sum of \$75,000. Sky Gold Corp. will retain a 1% NSR Royalty. Delta will have the option to buyback a 0.5% NSR at anytime for \$1,000,000 and will have a right of first refusal on the second 0.5% NSR. Delta will also pay the original vendor the sum of \$350,000 over a three-year period (\$50,000, \$100,000 and \$200,000 respectively in years 1, 2 and 3) and incur a total of \$1,000,000 in exploration expenditures over the same period. The terms are divided equally between both Laurie and Horne properties.

On August 22, 2024, the Company signed an Agreement with the original vendors of the Laurie and Horne properties in order to eliminate the future cash payments of \$350,000 and work commitments of \$1,000,000 over the next three years, included in the agreement signed in May 2024. Under the Agreement, Delta will acquire a 100% interest in both Laurie and Horne properties by issuing a total of 2,000,000 common shares (already issued) and issue 1,500,000 warrants (already issued) of Delta, at a price of \$0.12, for a period of 24 months. The original vendors will retain an NSR Royalty on the properties. The vendors retain a 1.75% NSR Royalty. Delta will have a right to buyback a 0.75% interest until October 2nd, 2026 for \$500,000 and the remaining 1% interest thereafter for the sum of \$4,000,000. Delta also retains a right of first refusal on any offer to buy any NSR interest by a third party after October 2nd, 2026.

9. Exploration and evaluation activities - Cont'd

Delta-1 / Band-Ore Property

On May 20, 2024, the Company entered into an agreement with Golden Share Resources Corporation acquiring the exclusive rights to earn a 100% interest in the Band-Ore property, covering approximately 2,115 hectares.

In June 2025, Delta elected to terminate its option agreement on the Band-Ore Property, which covered 2,115 hectares in Ontario. The decision to relinquish the property was made for strategic reasons, enabling the Company to concentrate its exploration efforts and financial resources on the more prospective sectors of the Delta-1 property package.

Delta-1 / Hackl-George Property

On May 8, 2024, the Company signed a mineral claims purchase agreement to acquire 100% interest in the Hackl-George property composed of 22 claims, covering approximately 458 hectares contiguous to its Delta-1 property in Duckworth Township, Thunder Bay, Ontario. Delta paid the sum of \$21,100 for 100% interest in the property.

Vendors will retain a 2% NSR Royalty. Delta will have the option to buyback a 1% NSR at anytime for \$1,000,000 and will have a right of first refusal on the second 1% NSR up to a maximum of \$4,000,000.

Delta-1 / Hackl-Bjorkman Property

On May 9, 2024, the Company signed a mineral claims purchase agreement to acquire 100% interest in the Hackl-Bjorkman property composed of 37 claims, covering approximately 790 hectares in Duckworth Township, Thunder Bay, Ontario. Delta paid the sum of \$31,850 for 100% interest in the property. Vendors will retain a 2% NSR Royalty. Delta will have the option to buyback a 1% NSR at anytime for \$1,000,000 and will have a right of first refusal on the second 1% NSR up to a maximum of \$4,000,000.

Delta-1 / Gold-Creek Property

On May 27, 2024, the Company signed an option agreement with Portofino Resources Corp. to earn the exclusive right to acquire 100% interest in 16 unpatented claims (214 claim units), covering approximately 4,337 hectares west of its Delta-1 property in Duckworth and Lampport Townships, Thunder Bay, Ontario.

The terms of the agreement are as follows:

Anniversary Date	Cash Payment	Common share Payment	Work Commitment
On signing	\$100,000 (already paid)	666,667 (already issued)	n.a.
12 months	\$100,000	666,667	n.a.
24 months	\$100,000	666,667	n.a.

One half of the common shares issued or to be issued by Delta will be locked-up for a period of 12 months after issuance.

Vendor will retain a 2% NSR. Delta will have the option to buyback a 1% NSR at anytime for \$1,000,000 and will have a right of first refusal on the second 1% NSR, to a maximum of \$4,000,000. Delta will assume the underlying agreements between Portofino and previous vendors on three different portions of the property, therefore retaining the right to buyback 0.75% NSR for \$500,000, 0.5% NSR for \$300,000 and 0.75% NSR for \$200,000.

Delta Resources Limited

(An exploration stage company)

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(in Canadian dollars)

9. Exploration evaluation and activities - Cont'd

Delta-1 / English Property

On May 27, 2024, the Company signed a mineral claims purchase agreement to acquire 100% interest in the English property composed in 41 unpatented claims (66 claim units), covering approximately 1,309 hectares west of its Delta-1 property in Duckworth and Lamport Townships, Thunder Bay, Ontario.

The terms of the agreement are as follows:

Anniversary Date	Cash Payment	Common share Payment	Work Commitment
On signing	\$12,000 (already paid)	400,000 (already issued)	n.a.
12 months	\$18,000 (already paid)	200,000 (already issued)	n.a.
24 months	\$24,000	n.a.	n.a.
36 months	\$30,000	n.a.	n.a.

One half of the common shares issued by Delta will be locked-up for a period of 6 months after issuance. Vendors will retain a 1.5% NSR. Delta will have the option to buyback a 0.5% NSR at anytime for \$600,000 and will have a right of first refusal on the second 1% NSR, to a maximum of \$4,000,000.

Delta-1 / Ternowesky Property

On August 6, 2024, the Company announced that it had entered into a purchase agreement to earn the exclusive right to acquire 100% interest in the Ternowesky Property consisting in 443 claim units spanning over seven townships and covering over 93 square kilometers, in Thunder Bay, Ontario.

Delta is committed to pay the sum of \$150,000 and issue 1,100,000 common shares of the Company to the vendors. The vendors will retain a 2% NSR Royalty. Delta will have the option to buy back a 1% NSR at any time for \$2,000,000 and will have a right of first refusal on the second 1% NSR to a maximum of \$4,000,000. Half of the shares issued by Delta will be subject to the regulatory hold of four months while the other half are subject to a voluntary hold of twelve months hold by the Vendors.

The claims held by Mr. Ternowesky, who passed away on April 5, 2024, and which had been placed on hold by the Ontario Land Tribunal, were released in July 2025. Also, in July 2025, the \$150,000 deposited in trust by the Company during 2024, and presented as restricted cash in the statements of financial position, was released to the vendors along with 1,100,000 common shares of the Company.

Delta-1 / Orebot Property

On October 10, 2024, the Company signed a Property Acquisition Agreement with 2278481 Ontario Inc. and Orebot Inc. for the acquisition of the Orebot property consisting of 39 claims. Delta will pay \$35,000 (already paid) and issue 500,000 common shares (already issued) of the Company. The Vendors will retain a 2% NSR Royalty. Delta will have the option to buy back a 1% NSR at any time for \$1,000,000 and will have a right of first refusal on the second 1% NSR to a maximum of \$4,000,000.

9. Exploration evaluation and activities - Cont'd

Delta-1 / Metals Creek Property

On October 28, 2024, the Company signed a Property and Option Purchase Agreement with Metals Creek Resources Corp. ("MEK") for the acquisition of a 100 % interest in 11 claims and the right to earn a 100% interest in an additional 8 claims held by Gold Cache Inc. Delta paid \$55,000 and issue 1,250,000 common shares of Delta on TSX approval of the agreement. Delta also paid \$20,000 in March 2025 and will have to pay \$20,000 in March 14, 2026.

MEK will retain a 2% NSR on the 11 MEK claims and a 1% NSR on the 8 Gold Cache Inc. claims. Delta will have the option to buyback a 50% of that NSR at anytime for \$1,500,000 and will have a right of first refusal on the second 50% NSR, to a maximum of \$4,000,000.

The 8 Gold Cache Inc. claims are also subject to a 2% NSR in favour of Gold Cache and Delta will have the right to purchase 1% at anytime for \$1,000,000. There are no remaining work commitments on the properties.

Delta-1 / Elwood Property

On November 18, 2024, the Company signed a Property Purchase Agreement with Golden Share Resources Corporation for the acquisition of the Elwood Property. Delta acquired a 100% interest by making a one-time cash payment of \$30,000. No royalty was granted to the vendor. There is a 2% NSR royalty on the patent from an underlying agreement whereby Delta can repurchase a 1% NSR for \$1,000,000.

Delta-2 / R-14 Property

On October 17, 2019, the Company announced the signing of an exclusive agreement to acquire a 100% interest in the Delta-2 / R-14 Property in the Chibougamau Mining District of Quebec. All the terms of the agreement were completed, and the Company owns 100% interest in the property.

- The vendor holds a 2% NSR Royalty on the exclusive exploration rights (except on the 41 legacy exclusive exploration rights listed below). Delta may buy back 1% at any time for \$1,000,000.
- 41 legacy exclusive exploration rights are subject to a 1.5% NSR Royalty. Delta has the option to purchase 0.75% of this NSR for \$500,000.

In February 2020, Delta has acquired 14 new exclusive exploration rights contiguous to the Delta-2 / R-14 Property, covering approximately 880 hectares. Delta also grants a 2% NSR to Multi-Resources Boreal with an option for Delta to buy back a 1% NSR at any time for \$1,000,000.

On May 20, 2020, Delta announced the addition, through staking, of an additional 30 exclusive exploration rights, covering 1,669 hectares.

The property consists of 365 contiguous mining exclusive exploration rights covering a total area of 19,288.50 hectares.

Dollier Property

In May 2021, the Company has optioned the Dollier Property in Chibougamau, Québec from Cartier Resources Inc. ("Cartier"). Delta shall have the sole and exclusive right to earn a 100% Interest.

The terms of the agreement were as follows:

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9. Exploration and evaluation activities - Cont'd

Dollier Property – Cont'd

Anniversary Date	Cash Payment	Common share Payment	Work Commitment
On signing	\$10,000 (already paid)	100,000 (already issued)	n.a.
12 months	n.a.	100,000 (already issued)	n.a.
24 months	n.a.	200,000 (already issued)	n.a.
36 months	n.a.	200,000 (already issued)	n.a.
48 months	n.a.	n.a.	\$1,000,000 (completed)

Delta completed his commitments and now owns 100% interest in the Dollier Property. Cartier granted a 2% NSR production royalty. Delta will have the exclusive right to purchase the first 1% NSR for \$2,000,000 and the second 1% NSR for \$15,000,000.

On January 19, 2024, the Company announced that it has acquired a 100% interest in twenty-one exclusive exploration rights covering 1,170 hectares at the heart of the Delta-2 property, located 35 kilometres southeast of the Town of Chibougamau, Quebec. To acquire a 100% interest in the exclusive exploration rights, Delta has paid the vendors the sum of \$5,000 (already paid) and issued 350,000 common shares (already issued) of the Company.

The vendors will retain a 2% NSR Royalty on the exclusive exploration rights. Delta retains the right to buy back a 1% NSR from the vendors for the sum of \$1,000,000 and retains a right of first refusal on the remaining 1% NSR.

10. Income taxes

a) Provision for income tax reconciliation

The recovery of income taxes attributable to the loss before taxes differs from the amounts computed by applying the combined federal and provincial tax rate of 26.5% as a result of the following:

	2025 \$	2024 \$
Loss before income taxes	(6,147,040)	(6,325,722)
Income tax recovery using the Company's domestic tax rate	(1,628,966)	(1,676,316)
Tax effect from:		
Share-based compensation	4,685	118,210
Other permanent differences	15,664	105,091
Deferred tax asset not recognized	907,613	1,404,019
Tax expense related to flow-through share deduction	(1,051,507)	(188,678)
Income tax recovery	(1,752,511)	(237,674)

10. Income taxes - Cont'd

The ability to realize the tax benefits is dependent upon a number of factors, including the future profitability of operations. Deferred tax assets are recognized only to the extent that it is probable that sufficient taxable profits will be available to allow the assets to be recovered. Accordingly, deferred tax assets in the amount of \$9,305,943 (2024 - \$8,488,899) have not been recognized.

b) Unrecognized deductible temporary differences consist of the following:

	2025	
	Federal \$	Provincial \$
Exploration and evaluation assets	15,746,376	26,071,897
Property and equipment	20,393	20,393
Non-capital losses carried forward	14,631,649	14,294,231
Share issuance and finance costs	383,887	383,887
	30,782,305	40,770,408
	2024	
	Federal \$	Provincial \$
Exploration and evaluation assets	15,874,717	20,922,154
Property and equipment	15,574	15,574
Non-capital losses carried forward	13,445,018	13,108,177
Share issuance and finance costs	654,051	654,051
	29,989,360	34,699,956

At December 31, 2025, the Company had non-capital loss carry forwards available to reduce future years' income for tax purposes. The non-capital losses will expire as follows:

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10. Income taxes - Cont'd

	Federal \$	Provincial \$
2027	679,921	679,921
2028	843,193	843,193
2029	868,387	701,458
2030	1,316,077	1,186,075
2031	1,180,423	1,169,772
2032	1,193,612	1,189,683
2033	707,448	706,030
2034	384,781	382,802
2035	279,164	275,566
2036	609,446	604,965
2037	472,109	469,443
2038	265,098	261,106
2039	293,151	288,322
2040	507,268	505,623
2041	579,381	577,310
2042	649,598	651,200
2043	1,315,049	1,314,796
2044	1,300,914	1,300,914
2045	1,186,629	1,186,052
	14,631,649	14,294,231

As at December 31, 2025, the Company has Pre-Production Mining income tax credits in the amount of \$22,973. These credits can be used against Canadian federal income taxes payable and expire from 2032 to 2037.

11. Complementary information related to cash flows

Net change in non-cash operating working capital items:

	2025 \$	2024 \$
Grants receivable	(60,000)	200,000
Sales tax receivable	(132,942)	142,269
Prepaid expenses	23,857	(50,180)
Other receivable	9,446	(2,660)
Refundable (receivable) tax credit on mining duties and refundable (receivable) tax credit related to resources	15,798	(23,311)
Accounts payable and accrued liabilities	679,344	(570,621)
	535,503	(304,503)

Items not affecting cash:

	2025 \$	2024 \$
Share purchase warrants issued in consideration of exploration and evaluation expenditures	-	100,531
Common share issuances in consideration of exploration and evaluation expenditures	219,667	832,666

12. Related party transactions

The following table reflects the remuneration of key management and directors of the Company:

	2025	2024
	\$	\$
Employee benefits, included in General and administrative expenses ⁽²⁾	65,923	128,730
Management fees ⁽³⁾	144,000	144,000
Professional fees ⁽⁴⁾	55,948	60,413
Directors' fees, included in General and administrative expenses ⁽⁵⁾	-	6,250
Exploration and evaluation expenditures ⁽²⁾	66,681	77,947
Share-based compensation	-	351,432
	332,552	768,722

(1) During the year ended December 31, 2025, an amount of \$22,350 (2024 - Nil) was payable as at December 31, 2025 (2024 - Nil) to Ronald Kopas, Chief Executive Officer Interim of the Company.

(2) During the year ended December 31, 2025, a total of \$132,604 (2024 - \$206,677) was paid to André C. Tessier, President and Chief Executive Officer of the Company until July 16, 2025. That total included (i) \$65,923 (2024 - \$128,730) as employee benefits, included in general and administrative expenses, (ii) \$66,681 (2024 - \$77,947) for exploration and evaluation expenditures of the Company. No amount was payable as at December 31, 2025 (2024 - \$2,579).

(3) During the year ended December 31, 2025, the Company incurred management fees in the amount of \$144,000 (2024 - \$144,000), with 9132-8757 Québec Inc., a company owned by Frank Candido, Chairman of the board of directors of the Company. In relation with these transactions, no amount was payable as at December 31, 2025 and 2024.

(4) During the year ended December 31, 2025, the Company incurred professional fees in the amount of \$55,948 (2024 - \$60,413), with Nathalie Laurin, the Chief Financial Officer of the Company. In relation with these transactions no amount was payable as at December 31, 2025 (2024 - \$2,854).

(5) During the year ended December 31, 2025, the Company didn't incur directors' fees (2024 - \$6,250), included in general and administrative expenses. In relation with these transactions, no amount was payable as at December 31, 2025 (2024 - \$6,250).

The transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

13. Commitments

The Company was committed under a lease contract for its Ontario office. The lease contract was renewed on August 1, 2025 for a one year period. Remaining minimum payments, totaling \$14,315 will be paid in 2026.

14. Capital management

The Company defines capital as equity (deficiency) amounting to (\$88,405) as at December 31, 2025 (\$4,069,302 as at December 31, 2024).

The Company's objectives when managing capital are to:

- ensure sufficient liquidity to support its financial obligations and execute its operating and strategic plans;
- maintain financial capacity and access to capital to support future development of the business while taking into consideration current and future industry, market and economic risks and conditions; and
- utilize short term funding sources to manage its working capital requirements.

The Company has no externally imposed restrictions on capital. There were no significant changes in the Company's approach to capital management during the year ended December 31, 2025.

15. Loss per share

Basic loss per share

Basic loss per share is computed by dividing net loss for a period by the weighted average number of common shares outstanding during that period.

Diluted loss per share

Diluted loss per share is computed by dividing net loss for a period by the diluted number of common shares. Diluted common shares includes the effects of instruments, such as share stock options and warrants, which could cause the number of common shares outstanding to increase.

The Company reported a net loss for the periods ended December 2025 and 2024; the Company has accordingly presented basic and diluted losses per share, which are the same, on a single line in the statements of loss and comprehensive loss. Diluted loss per share did not include the effect of share purchase stock options and warrants as they were anti-dilutive.

16. Financial instruments

Credit risk is the risk that another party to a financial instrument will cause a financial loss for the Company by failing to discharge an obligation. The Company is exposed to credit risk with respect to cash, restricted cash and other receivables. The carrying amount of these financial instruments represents the Company's maximum exposure to credit risk. Cash are composed of deposits with a Canadian financial institution.

Liquidity risk is the risk that the Company will not be able to meet its obligations as they become due. The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuances. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments.

	Carrying amount	Contractual cash flows	0 to 6 months
	\$	\$	\$
2025			
Accounts payable and accrued liabilities	1,068,052	1,068,052	1,068,052
2024			
Accounts payable and accrued liabilities	422,209	422,209	422,209

16. Financial instruments – Cont'd

The fair value of cash, restricted cash, other receivables, accounts payable and accrued liabilities approximates their carrying value due to their short-term nature.

17. Subsequent events

On January 29, 2026, the Company entered into an option agreement with Troilus Mining Corp. Under the terms of the Option Agreement, Troilus Mining Corp. may earn a 100% undivided interest in the Delta-2 property, located approximately 35 kilometres southeast of Chibougamau, Québec, by making aggregate payments of \$8.25 million to Company over an option period ending on December 15, 2028. Payments will be as follows:

Detailed Payment Schedule	Amount	Form of Payment
Within 2 Business Days of Effective Date	\$500,000	Cash only
Within 2 Business Days of Effective Date	\$500,000	Cash and/or common shares
On or before June 1, 2026	\$750,000	Cash and/or common shares
On or before December 15, 2026	\$750,000	Cash and/or common shares
On or before June 1, 2027	\$750,000	Cash and/or common shares
On or before December 15, 2027	\$1,000,000	Cash and/or common shares
On or before June 1, 2028	\$2,000,000	Cash and/or common shares
On or before December 15, 2028	\$2,000,000	Cash and/or common shares

Payments may be made in a combination of cash and common shares of Troilus Mining Corp., at the discretion of Troilus Mining Corp. Troilus Mining Corp. will act as operator of the Delta-2 property during the option period, funding all required exploration activities and claim maintenance expenditures, while the Company will retain ownership of the Delta-2 claims and until the option is fully exercised, at Troilus Mining Corp.'s discretion. If the option is exercised, the Company will retain a 1% NSR Royalty on the Delta-2 claims, 50% of which can be re-purchased for \$500,000.

In January 2026, the Company received \$70,000 following the exercise of 700,000 stock options at a price of \$0.10 each.