



HM Exploration Corp.
Financial Statements
April 30, 2026
(Expressed in Canadian Dollars)

Independent Auditor's Report

To the Shareholders of HM Exploration Corp.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of HM Exploration Corp. (the "Company"), which comprise the statements of financial position as at April 30, 2026 and 2025, and the statements of changes in shareholders' equity, and the statements of loss and comprehensive loss, and cash flows for the years then ended, and notes to the financial statements, including a summary of 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 April 30, 2026 and 2025, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards (IFRS).

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 ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial statements, which indicates that the Company's ability to continue as a going concern is dependent upon its ability to raise adequate financing to develop its exploration and evaluation assets. These matters, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the 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.

We have determined that there is the following key audit matter to communicate in our auditor's report:

Key audit matter:	How our audit addressed the key audit matter:
Assessment of impairment indicators of Exploration and evaluation assets.	Our approach to addressing the matter included the following procedures, among others:
<i>Refer to Note 2 – Use of estimates and judgments; Note 2 – Material accounting policies: Exploration and evaluation assets; and Note 5 – Exploration and evaluation assets</i>	Evaluated the reasonableness of management's assessment of impairment indicators, which included the following:
Management assesses at each reporting period whether there is an indication that the carrying value of exploration and evaluation assets may not be recoverable. Management applies significant judgment in assessing whether indicators of impairment exist that necessitate impairment testing. Internal and external factors, such as (i) a significant decline in the market value of the Company's share price; (ii) changes in the Company's assessment of whether commercially viable quantities of	- Assessed the Company's market capitalization in comparison to the Company's net assets, which may be an indication of impairment. - Assessed the completeness of the factors that could be considered indicators of impairment, including consideration of evidence obtained in other areas of the audit.

mineral resources exist within the property; and (iii) changes in metal prices, capital and operating costs, are evaluated by management in determining whether there are any indicators of impairment.

We considered this a key audit matter due to (i) the significance of the exploration and evaluation asset balance and (ii) the significant audit effort and subjectivity in applying audit procedures to assess the factors evaluated by management in its assessment of impairment indicators, which required significant management judgment.

- Confirmed that the Company's right to explore the property has not expired.
 - Obtained management's written representations regarding the Company's future plans for the exploration and evaluation assets.
 - Assessed the reasonability of the Company's financial statement disclosure regarding their exploration and evaluation assets.
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Other Information

Management is responsible for the other information. The other information comprises the information included in "Management's Discussion and Analysis", but does not include the financial statements and our auditor's report thereon.

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

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

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, 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.

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

A handwritten signature in black ink that reads "De Visser Gray LLP". The signature is written in a cursive, flowing style.

CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, BC, Canada

August 26, 2026

HM Exploration Corp.
Statements of Financial Position
(Expressed in Canadian Dollars)

As at April 30, 2026 and April 30, 2025

	Note	April 30, 2026 \$	April 30, 2025 \$
Assets			
Current assets			
Cash and cash equivalents	3	2,454,964	213,679
Receivables and prepayments	4	198,341	19,163
		2,653,305	232,842
Non-current assets			
Exploration and evaluation assets	5	917,371	235,982
Total assets		3,570,676	468,824
Liabilities and shareholders' equity			
Current liabilities			
Accounts payable and accrued liabilities		288,525	71,290
Accounts payable to related parties	7	3,212	-
Flow-through premium liability	9	406,404	-
Total liabilities		698,141	71,290
Shareholders' equity			
Share capital	6	3,638,882	692,695
Reserves	6	173,061	-
Deficit		(939,408)	(295,161)
Total shareholders' equity		2,872,535	397,534
Total liabilities and shareholders' equity		3,570,676	468,824
Nature of operations and going concern	1		
Commitments	9		

Approved on behalf of the Board of Directors on August 26, 2026:

"Nicholas Rodway"

Director

"Joshua Vann"

Director

HM Exploration Corp.
Statements of Changes in Shareholders' Equity
(Expressed in Canadian Dollars)

For the years ended April 30, 2026 and April 30, 2025

	Number of shares #	Share capital \$	Reserves \$	Deficit \$	Total shareholders' equity \$
April 30, 2024	11,110,000	450,863	62,947	(98,445)	415,365
Additional contribution	-	31,500	-	-	31,500
Private placement shares issued	1,400,000	140,000	-	-	140,000
Share issue costs	-	(2,615)	-	-	(2,615)
Shares issued for exploration and evaluation assets	100,000	10,000	-	-	10,000
Shares issued on conversion of special warrants	626,227	62,947	(62,947)	-	-
Loss and comprehensive loss for the year	-	-	-	(196,716)	(196,716)
April 30, 2025	13,236,227	692,695	-	(295,161)	397,534
April 30, 2025	13,236,227	692,695	-	(295,161)	397,534
Private placement units/shares issued	15,370,635	3,098,980	-	-	3,098,980
Flow-through premium liability	-	(406,404)	-	-	(406,404)
Share issue costs	-	(64,389)	-	-	(64,389)
Shares issued for exploration and evaluation assets	1,000,000	318,000	-	-	318,000
Share-based payments	-	-	173,061	-	173,061
Loss and comprehensive loss for the year	-	-	-	(644,247)	(644,247)
April 30, 2026	29,606,862	3,638,882	173,061	(939,408)	2,872,535

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

HM Exploration Corp.
Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)

For the years ended April 30, 2026 and April 30, 2025

	Note	April 30, 2026	April 30,
		\$	2025
			\$
Expenses			
Consulting fees	7	206,428	24,600
Filing and transfer agent fees		8,722	-
General and administration expense		30,688	12,503
Marketing expense		33,000	19,500
Professional fees		199,527	149,491
Share-based payments	6,7	173,061	-
Loss from operating expenses		(651,426)	(206,094)
Interest income		7,179	9,378
Loss and comprehensive loss for the year		(644,247)	(196,716)
Loss per share			
Weighted average number of common shares outstanding			
- Basic #		18,439,905	11,802,934
- Diluted #		18,439,905	11,802,934
Basic loss per share \$		(0.03)	(0.02)
Diluted loss per share \$		(0.03)	(0.02)

HM Exploration Corp.
Statements of Cash Flows
(Expressed in Canadian Dollars)

For the years ended April 30, 2026 and April 30, 2025

	Note	April 30, 2026 \$	April 30, 2025 \$
Operating activities			
Loss for the year		(644,247)	(196,716)
Items not involving cash:			
Share-based payments		173,061	-
Interest income		(2,360)	-
Adjustments for:			
Receivables and prepayments		(179,178)	(10,942)
Accounts payable and accrued liabilities		67,191	(40,359)
		(585,533)	(248,017)
Financing activities			
Proceeds from issuance of units/shares	6	3,098,980	171,500
Share issue costs		(19,300)	(2,615)
		3,079,680	168,885
Investing activities			
Interest received		2,360	-
Exploration and evaluation acquisition costs		(9,040)	(59,740)
Deferred exploration and evaluation expenditures		(246,182)	27,521
		(252,862)	(32,219)
Change in cash		2,241,285	(111,351)
Cash, beginning of year		213,679	325,030
Cash, end of year		2,454,964	213,679

Supplemental cash flow information

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HM Exploration Corp.
Notes to the Financial Statements
(Expressed in Canadian Dollars)

For the years ended April 30, 2026 and April 30, 2025

1. Nature of operations and going concern

HM Exploration Corp. (the "Company") was incorporated in the Province of British Columbia on April 22, 2022. The Company's registered and records office is located at 6/F, 905 West Pender Street, Vancouver, BC and head office is located at Suite 400 – 570 Granville Street, Vancouver, BC.

On October 29, 2024, the Company received a final receipt from the British Columbia Securities Commission for its Long Form Prospectus dated October 28, 2024.

On November 1, 2024, 626,227 issued and outstanding special warrants were exercised and converted into one unit of the Company. Each unit consists of one common share of the Company and one share purchase warrant exercisable at an exercise price of \$0.30 for two years from the date the Company's shares commence trading on an exchange.

On December 6, 2024, the Company's shares were listed for trading on the Canadian Securities Exchange under the symbol "HM".

The Company's principal business activity is the acquisition and exploration of mineral property interests in Canada. The Company is in the exploration stage and substantially all the Company's efforts are devoted to financing and exploring these property interests. There has been no determination whether the Company's interests in unproven exploration and evaluation assets contain economically recoverable mineral resources. The Company's continuing operations and the underlying value and recoverability of the amounts shown for exploration and evaluation assets are entirely dependent on the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, and the ability of the Company to raise additional financing, or dispose of its interests to recover the carrying values of its exploration and evaluation assets. Changes in future conditions could require material impairments of the carrying values. Such adjustments could be material.

These financial statements are prepared on the basis that the Company will continue as a going concern, which assumes that the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of operations. As an exploration stage company, the Company does not have traditional sources of revenue, and historically has relied on loans and share capital financing to cover its operating expenses.

As at April 30, 2026, the Company has working capital of \$1,955,164 (April 30, 2025 - \$161,552).

Management estimates that additional funding will be required to continue current operations and further advance its existing exploration and evaluation asset interests in the upcoming year. If the Company is unable to raise additional private placement funds or obtain other sources of financing, management expects that the Company will need to curtail operations, seek additional capital on less favorable terms, and/or pursue other remedial measures, or cease operations. In making its assessment, management is aware that a material uncertainty exists related to conditions that may cast significant doubt upon the Company's ability to continue as a going concern. If the going concern assumption were not appropriate for these financial statements, it could be necessary to remeasure the Company's assets and liabilities on a liquidation basis, and such remeasurements could be material.

2. Material accounting policies

Basis of presentation

These financial statements are prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

These financial statements have been prepared on a historical cost basis, except for financial instruments measured at fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information. All amounts on the financial statements are presented in Canadian dollars which is the functional currency of the Company.

Cash and cash equivalents

Cash and cash equivalents consist of cash on deposit with the bank and highly liquid interest-bearing investments with a term to maturity of one year or less at the date of purchase, which are subject to an insignificant risk of changes in value.

HM Exploration Corp.
Notes to the Financial Statements
(Expressed in Canadian Dollars)

For the years ended April 30, 2026 and April 30, 2025

2. Material accounting policies (continued)

Exploration and evaluation assets

Once the legal right to explore a property has been acquired, all costs related to the acquisition, exploration and evaluation of mineral properties are capitalized by property. These direct expenditures include such costs as materials used, surveying costs, drilling costs, payments made to contractor and depreciation on plant and equipment during the exploration phase. Costs not directly attributable to exploration and evaluation activities, including general administrative overhead costs, are expensed in the period in which they occur.

When a project is deemed to no longer have commercially viable prospects to the Company, exploration and evaluation expenditures in respect of that project are deemed to be impaired. As a result, those exploration and evaluation expenditure costs, in excess of estimated recoveries, are written off to profit or loss.

The Company assesses exploration and evaluation assets for impairment when facts and circumstances suggest that the carrying amount of an asset may exceed its recoverable amount. Once the technical feasibility and commercial viability of extracting the mineral resource has been determined, the property is considered to be a mine under development and is classified as "mines under construction." Exploration and evaluation assets are tested for impairment before the assets are transferred to development properties.

As the Company currently has no operational income, any incidental revenues earned in connection with exploration activities are applied as a reduction to capitalized exploration costs.

Impairment of non-current assets

Exploration and evaluation assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount, which is the higher of value in use and fair value less costs to sell, the asset is written down accordingly. An impairment loss is charged to profit or loss.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash flows (cash-generating units). As a result, some assets may be tested individually for impairment, and some may be tested at a cash-generating unit level.

Impairment reviews for exploration and evaluation stage mineral properties are carried out on a property-by-property basis, with each property representing a single cash generating unit. An impairment review is undertaken when indicators of impairment arise, but typically when one of the following circumstances apply:

- The right to explore the area has expired or will expire in the near future with no expectation of renewal;
- Substantive expenditure on further exploration for and evaluation of mineral resources in the area is neither planned nor budgeted;
- No commercially viable deposits have been discovered, and the decision had been made to discontinue exploration in the area; and
- Sufficient work has been performed to indicate that the carrying amount of the expenditure carried as an asset will not be fully recovered.

Related party transactions

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

Share capital

Common shares are classified as shareholders' equity. Transaction costs directly attributable to the issue of common shares are recognized as a deduction from equity, net of any tax effects. Common shares issued for consideration other than cash, are measured based on their fair value at the date the shares are issued.

HM Exploration Corp.
Notes to the Financial Statements
(Expressed in Canadian Dollars)

For the years ended April 30, 2026 and April 30, 2025

2. Material accounting policies (continued)

Share capital (continued)

The Company applies the residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the more reliably measurable component based on fair value and then the residual value, if any, to the less reliably measurable component. The Company considers the fair value of common shares issued in a unit private placement to be the more reliably measurable component. The balance, if any, is allocated to the attached warrants. Any value attributed to the warrants is recorded as reserves.

As an incentive to complete private placements, the Company may issue units which include common shares and common share purchase warrants. Warrants issued on a compensatory basis (finders' warrants) are valued using the Black-Scholes option pricing model. When warrants are exercised the consideration received is recorded as share capital and the related fair value originally recorded as reserves is transferred to share capital. When a warrant is cancelled or expires, the initial recorded value is reversed from reserves and credited to share capital or deficit, depending on the accounting on issuance.

Reserves are comprised of the accumulated fair value of stock options recognized as share-based payments, the value of previously forfeited common shares, the fair value of finders' warrants issued on private placements, and the residual value of warrants attached to private placement units, if any. Reserves are increased by the fair value of these items on vesting and/or issuance and are reduced by corresponding amounts when the options or warrants expire or are exercised or cancelled.

Share-based payment transactions

The Company uses the fair value method of accounting for share-based payments on stock option grants. Under this method, the cost of stock options is recorded based on the estimated fair value at the grant date, including an estimate of the forfeiture rate, and charged either to operations over the vesting period, with a corresponding increase to reserves.

Share-based payment transactions for employees and others providing similar services are determined using the Black-Scholes option pricing model on the grant date. Share-based payment for non-employees is determined based on the fair value of the goods or services received or option granted measured at the date on which the Company obtains such goods or services.

Each tranche in an option award is considered a separate award with its own vesting period. Share-based payment expense is recognized over each tranche's vesting period, in earnings or capitalized as appropriate, based on the number of awards expected to vest. Where awards are forfeited, the expense previously recognized is proportionately reversed in the period the forfeiture occurs. If stock options are ultimately exercised, the applicable amounts of reserves are transferred to share capital. When options are cancelled or expire unexercised, share-based compensation previously recognized in reserves is transferred to deficit.

Flow-through shares

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

Proceeds received from the issuance of flow-through shares are restricted to be used only for Canadian resource property exploration expenditures within a two-year period. The portion of the proceeds received but not yet expended at the end of the Company's fiscal period is disclosed separately as flow-through share commitment.

The flow-through share program requires the Company to spend an amount equivalent to the proceeds of the issued flow-through common shares on Canadian qualifying exploration expenditures within the timeline specified by the Government of Canada flow-through regulations.

HM Exploration Corp.
Notes to the Financial Statements
(Expressed in Canadian Dollars)

For the years ended April 30, 2026 and April 30, 2025

2. Material accounting policies (continued)

Flow-through shares (continued)

If this deadline has passed, the Company would need to amend the tax forms for any unspent exploration expenditures renounced and the related flow-through premium will be reversed to share capital. The Company may be required to indemnify the flow-through shareholders for any tax and other costs payable by them if the required exploration expenditures are not incurred before the deadline. The Company may also be subject to a Part XII.6 tax on flow-through proceeds renounced under the Government of Canada flow-through regulations. The related interest and penalties for the Part XII.6 tax and any potential costs to indemnify the shareholders is recorded into flow-through tax, interest and penalty on the statements of income (loss) and comprehensive income (loss).

Earnings (loss) per share

The Company presents basic and diluted earnings (loss) per share ("EPS") data for its common shares. Basic EPS is calculated by dividing the profit or loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the year, adjusted for own shares held. Diluted EPS is determined by dividing the profit attributable to common shareholders by the weighted average number of common shares outstanding, adjusted for own shares held, and for the effects of all potential dilutive common shares related to outstanding stock options and warrants issued by the Company for the years presented, except if their inclusion proves to be anti-dilutive. Diluted loss per share is equivalent to basic loss per share, as the potential dilutive instruments would be anti-dilutive.

Income taxes

Income taxes comprise current and deferred tax. Current tax is the expected tax payable or receivable on the taxable income or loss for the year using enacted tax rates at the reporting date. Deferred tax is calculated using the liability method on temporary differences between the carrying values of assets and liabilities and their respective income tax bases, except for temporary differences in assets and liabilities arising in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences, transactions relating to investments in jointly controlled entities to the extent that they will not reverse in the foreseeable future, and transactions arising on the initial recognition of goodwill.

Deferred tax assets and liabilities are measured at the enacted tax rates that are expected to apply when the assets are recovered and the liabilities settled. Deferred tax assets are recognized for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable income will be available against which they can be used.

Financial instruments

All financial instruments are recognized initially at fair value on the date at which the Company becomes a party to the contractual provisions of the instrument. Financial instruments measured at fair value through profit or loss ("FVTPL") are subsequently measured at fair value. Financial instruments at amortized cost are subsequently measured at amortized cost using the effective interest method. The classification of the Company's financial assets and financial liabilities are detailed in Note 10.

Use of estimates and critical judgments

The preparation of financial statements requires management to make estimates and judgments that affect the reported amounts of assets and liabilities and disclosures as at the date of the financial statements, and the reported amounts of income and expenses during the year. Actual results could differ from those estimates and judgments. Those areas requiring the use of management estimates and judgments which could result in material differences of the carrying amounts in the Company's financial position include:

The key judgments and estimates that affect the financial statements are:

Impairment of exploration and evaluation assets

The carrying amount of mineral property interests is the aggregate of the historical costs incurred less any impairments recognized and is not representative of a valuation or any other measurement. It is reasonably possible, based on existing knowledge, that a change in future conditions could result in material differences between the recorded costs and the present or future values of the properties. Management is required, at each reporting date, to review its mineral property interests for signs of impairment. This is a highly subjective process taking into consideration exploration and evaluation results, metal prices, economics, financing prospects, and sale or option prospects.

HM Exploration Corp.
Notes to the Financial Statements
(Expressed in Canadian Dollars)

For the years ended April 30, 2026 and April 30, 2025

2. Material accounting policies (continued)

Use of estimates and critical judgments (continued)

Management makes these judgments based on information available, but there is no certainty that a property is or is not impaired. Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

Going concern

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

New accounting policies

Certain pronouncements have been issued by the IASB or IFRIC that are effective for the Company's accounting period beginning on May 1, 2025. The adoption of these standards has not had a material impact on disclosures or amounts reported in these financial statements.

Recently issued but not yet effective accounting standards

The Company has not yet adopted certain new standards, amendments and interpretations to existing standards as outlined below, which have been published but are only effective for future accounting periods.

IFRS 18, *Presentation and Disclosure in Financial Statements* ("IFRS 18"), which will replace IAS 1 *Presentation of Financial Statements* aims to improve how companies communicate in their financial statements, with a focus on information about financial performance in the statement of profit or loss, in particular additional defined subtotals, disclosures about management-defined performance measures and new principles for aggregation and disaggregation of information. IFRS 18 is accompanied by limited amendments to the requirements in IAS 7 *Statement of Cash Flows*. IFRS 18 is effective for reporting periods beginning on or after January 1, 2027. Companies are permitted to apply IFRS 18 before that date.

IFRS 9, *Financial Instruments* ("IFRS 9") and IFRS 7, *Financial Instruments: Disclosures*, clarifies the recognition and derecognition date of certain financial assets and liabilities, and amended the requirements related to settling financial liabilities using an electronic payment system. It also clarified how to assess the contractual cash flow characteristics of financial assets in determining whether they meet the solely payments of principal and interest criterion, including financial assets that have environmental, social and corporate governance-linked features and other similar contingent features. The IASB added disclosure requirements for financial instruments with contingent features that do not relate directly to basic lending risks and costs and amended disclosures relating to equity instruments designated at fair value through other comprehensive income. The amendments are effective for reporting periods beginning on or after January 1, 2026.

Management is currently assessing the impact of these amendments on its financial statements.

HM Exploration Corp.
Notes to the Financial Statements
(Expressed in Canadian Dollars)

For the years ended April 30, 2026 and April 30, 2025

3. Cash and cash equivalents

Cash and cash equivalents consist of the following:

	April 30, 2026	April 30, 2025
	\$	\$
Bank balances	1,653,506	213,679
Cashable investment certificates	801,458	-
	2,454,964	213,679

4. Receivables and prepayments

Receivables and prepayments consist of the following:

	April 30, 2026	April 30, 2025
	\$	\$
Accrued interest receivable	4,817	-
Prepayments	114,840	-
Sales tax recoverable	78,684	19,163
	198,341	19,163

HM Exploration Corp.
Notes to the Financial Statements
(Expressed in Canadian Dollars)

For the years ended April 30, 2026 and April 30, 2025

5. Exploration and evaluation assets

The Company's mineral property interests consist of exploration stage mineral properties located in British Columbia and Newfoundland, Canada. Changes in the project carrying amounts for the years ended April 30, 2026 and April 30, 2025, are summarized as follows:

	April 30, 2025 \$	Acquisition costs \$	Exploration and evaluation \$	April 30, 2026 \$
DD project (British Columbia)	235,982	-	-	235,982
Pilley's Island project (Newfoundland)	-	228,040	324,349	552,389
Lewis Copper VMS Tenure (Newfoundland)	-	129,000	-	129,000
	235,982	357,040	324,349	917,371

	April 30, 2024 \$	Acquisition costs \$	Exploration and evaluation \$	April 30, 2025 \$
DD project (British Columbia)	129,218	10,000	96,764	235,982
	129,218	10,000	96,764	235,982

Exploration and evaluation expenditures on the projects consisted of the following:

Pilley's Island project (Newfoundland)	
Year ended April 30, 2026	\$
Drilling	94,382
Equipment rental and other	62,050
Geological services	167,917
	324,349

DD project (British Columbia)	
Year ended April 30, 2025	\$
Geological services	29,415
Equipment rental and other	13,020
Surveys	81,850
	124,285
Less: BCMETC	(27,521)
	96,764

DD Project – Port Alberni

Pursuant to the Option Agreement, the Company acquired a 100% interest by:

- Making \$20,000 in cash payments; and
- Issuing 200,000 common shares; and
- Incurring \$200,000 in exploration costs

The DD Project is also subject to a 2% Net Smelter Returns Royalty ("NSR") on the claims comprising the property. The Company may repurchase up to 1% of the NSR within three years of commercial production for \$1,000,000.

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5. Exploration and evaluation assets (continued)

Newfoundland Projects

During the year ended April 30, 2026, the Company entered into property option agreements to acquire 100% interests in two copper projects located in Newfoundland, Canada, being the Pilley's Island Copper Project and the Lewis Copper VMS Tenure.

Pilley's Island Copper Project

Under the Pilley's Island option agreement, the Company may acquire a 100% interest in the project by issuing an aggregate of 6,300,000 common shares and incurring aggregate exploration expenditures of \$3,500,000, as follows:

Share issuances:

- 700,000 common shares on or before the date that is ten business days after approval of the agreement by the Canadian Securities Exchange — completed;
- 1,050,000 common shares on or before September 23, 2026;
- 1,050,000 common shares on or before September 23, 2027;
- 1,050,000 common shares on or before September 23, 2028;
- 1,050,000 common shares on or before September 23, 2029; and
- 1,400,000 common shares on or before September 23, 2030.

Exploration expenditures:

- \$2,100,000 on or before September 15, 2028; and
- \$1,400,000 on or before September 15, 2030.

The Pilley's Island Copper Project is subject to an existing 3% NSR, of which the Company may repurchase 2% for \$1,000,000. The Company has also agreed to grant an additional 1% NSR to Great Atlantic Resources Corp.

During the year ended April 30, 2026, the Company paid \$30,000 to settle the remaining minimum annual advance royalty obligation assumed under an option agreement previously entered into by Great Atlantic Resources Corp. As a result, no further minimum annual advance royalty payments are required.

Lewis Copper VMS Tenure

Under the Lewis Copper VMS option agreement, the Company may acquire a 100% interest in the tenure by issuing an aggregate of 2,700,000 common shares and incurring aggregate exploration expenditures of \$1,500,000. The agreement requires the share issuances to be split 50/50 between Unity Resources Inc. and Stephen Stockley Agriculture and Fabrication Inc. (the "Optionors").

Share issuances:

- 300,000 common shares within ten business days following March 9, 2026 — completed;
- 450,000 common shares on or before March 9, 2027;
- 450,000 common shares on or before March 9, 2028;
- 450,000 common shares on or before March 9, 2029;
- 450,000 common shares on or before March 9, 2030; and
- 600,000 common shares on or before March 9, 2031.

Exploration expenditures:

- \$900,000 on or before March 9, 2028; and
- \$600,000 on or before March 9, 2030.

The Lewis Copper VMS Tenure is subject to a 3% NSR payable to the Optionors. The Company may repurchase 1.5% of the NSR for \$2,000,000. In addition, the Company is required to make a milestone payment of \$5,000,000 to the Optionors if cumulative mineral resources and mineral reserves of at least 2 million gold equivalent ounces are established, as determined in accordance with National Instrument 43-101, with a net present value of not less than \$1.0 billion.

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6. Share Capital

The authorized share capital of the Company consists of unlimited common shares without par value. As at April 30, 2026, 3,555,000 shares were held in escrow.

Transactions for the issue of share capital during the year ended April 30, 2026:

- On October 8, 2025, the company issued 700,000 common shares with a fair value of \$189,000 as part of the acquisition of the Pilley's Island Copper Project (Note 5).
- On November 26, 2025, the Company closed a private placement comprising 9,081,635 units at a price of \$0.11 per unit for gross proceeds of \$998,980. Each unit is comprised of one common share and one-half of one share purchase warrant with each warrant exercisable into one common share at a price of \$0.16 until November 26, 2028. There was no value attributable to the warrant component of the units sold.
- On January 20, 2026, the Company closed a private placement comprising 3,333,334 units at a price of \$0.18 per unit for gross proceeds of \$600,000. Each unit is comprised of one common share and one-half of one share purchase warrant with each warrant exercisable into one common share at a price of \$0.25 until January 20, 2029. There was no value attributable to the warrant component of the units sold.
- On March 19, 2026 the company issued 300,000 common shares with a fair value of \$129,000 as part of the acquisition of the Lewis Copper VMS Tenure (Note 5).
- On April 29, 2026 the Company closed a private placement comprising 2,955,666 flow-through units at a price of \$0.5075 per unit for gross proceeds of \$1,500,000. Each unit is comprised of one flow-through common share and one share purchase warrant with each warrant exercisable into one common share at a price of \$0.75 until April 29, 2028. There was no value attributable to the warrant component of the units sold.

The flow-through units were issued at a premium to the market value of the Company's common shares, which was a reflection of the value of the qualifying Canadian Exploration Expenses within the meaning of the Tax Act that the Company will renounce to the flow-through shareholders. The premium was determined to be \$406,404 and was recorded as a reduction of share capital. An equivalent flow-through share premium liability was recorded, which is being reversed pro-rata as the required exploration expenditures are incurred (Note 9).

- Legal and filing fees in respect to unit offerings during the year amounted to \$64,389 and were recorded as share issue costs..

Transactions for the issue of share capital during the year ended April 30, 2025:

- On July 24, 2024, the Company passed a resolution to increase the cost base price of 2,100,000 common shares from \$0.005 per share to \$0.02 per share, resulting in gross proceeds of \$31,500.
- On November 1, 2024, 626,227 issued and outstanding special warrants were exercised and converted into one unit of the Company. Each unit consists of one common share of the Company and one share purchase warrant exercisable at an exercise price of \$0.30 for two years from the date the Company's shares commenced trading on an exchange.
- On December 9, 2024, the company issued a total of 100,000 common shares with a fair value of \$10,000 for the property acquisition (Note 5).
- On January 30, 2025, the company issued 1,400,000 flow-through shares at \$0.10 per share for gross proceeds of \$140,000.

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For the years ended April 30, 2026 and April 30, 2025

6. Share Capital (continued)

Stock options

The Company has a stock option plan, which reserves an aggregate number of securities for issuance up to 10% of the number of the outstanding common shares. Under the stock option plan, stock options can be granted for a maximum term of ten years. Further, the exercise price shall not be less than the price of the Company's common shares on the date of grant.

A summary of the Company's stock options as at April 30, 2026 and April 30, 2025, and changes during the years then ended is as follows:

	Year ended April 30, 2026		Year ended April 30, 2025	
	Options #	Weighted average exercise price \$	Options #	Weighted average exercise price \$
Options outstanding, beginning of year	-	-	-	-
Granted	2,600,000	0.24	-	-
Options outstanding, end of year	2,600,000	0.24	-	-

As at April 30, 2026, the Company has stock options outstanding and exercisable as follows:

Options outstanding #	Options exercisable #	Exercise price \$	Expiry date	Weighted average remaining life (years)
1,300,000	-	0.23	July 29, 2035	9.25
1,300,000	-	0.25	January 20, 2031	4.73
2,600,000	-	0.24		6.99

On July 29, 2025, the Company granted 1,300,000 options to director, officers, and consultants. The options vest one-quarter annually over four years from July 29, 2025, to July 29, 2029, and are exercisable at \$0.23 until July 29, 2035. The Company has recorded the fair value of all options granted using the Black-Scholes option pricing model. Share-based payments expense was calculated using the following assumptions: expected life of options - ten years, expected stock price volatility - 143.52%, no dividend yield, and a risk-free interest rate yield - 3.15%. Using the above assumptions, the fair value of options was \$0.23 per option, for a total of \$293,074.

On January 20, 2026, the Company granted 1,300,000 options to director, officers, and consultants. The options vest one-half annually over two years from January 20, 2026, to January 20, 2028, and are exercisable at \$0.25 until January 20, 2031. The Company has recorded the fair value of all options granted using the Black-Scholes option pricing model. Share-based payments expense was calculated using the following assumptions: expected life of options - five years, expected stock price volatility - 170.54%, no dividend yield, and a risk-free interest rate yield - 2.94%. Using the above assumptions, the fair value of options was \$0.22 per option, for a total of \$282,600.

The total share-based payments expense for the year ended April 30, 2026 was \$173,061 for options that vested during the year.

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6. Share Capital (continued)

Warrants

A summary of the status of the Company's warrants as at April 30, 2026 and April 30, 2025, and changes during the years then ended is as follows:

	Year ended April 30, 2026		Year ended April 30, 2025	
	Warrants	Weighted average exercise price	Warrants	Weighted average exercise price
	#	\$	#	\$
Warrants outstanding, beginning of year	626,227	0.30	626,227	0.30
Issued	9,163,151	0.37	-	-
Warrants outstanding, end of year	9,789,378	0.36	626,227	0.30

The following warrants were outstanding and exercisable as at April 30, 2026:

Warrants outstanding and exercisable	Exercise price	Expiry date	Weighted average remaining life (years)
#	\$		
626,227	0.30	December 6, 2026	0.60
4,540,818	0.16	November 26, 2028	2.58
1,666,667	0.25	January 20, 2029	2.73
2,955,666	0.75	April 29, 2028	2.00
9,789,378	0.36		2.30

HM Exploration Corp.
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For the years ended April 30, 2026 and April 30, 2025

7. Related party transactions

The Company's related parties include key management personnel and their management entities. Key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

During the year ended April 30, 2026, 2,225,000 stock options were granted to directors and officers (Note 6). Accordingly, share-based payments expense includes \$151,576 related to these grants.

The Company transacted with the following related parties:

- a) Nicholas Rodway is the Chief Executive Officer and a director of the Company. A private company controlled by Mr. Rodway provides the Company with exploration related services.
- b) Joshua Vann is the Chief Financial Officer and a director of the Company. Mr. Vann provides the Company with consulting related services.

The transactions and outstanding balances with related parties are as follows:

	Transactions year ended April 30, 2026 \$	Transactions year ended April 30, 2025 \$	Balances outstanding April 30, 2026 \$	Balances outstanding April 30, 2025 \$
Nicholas Rodway	48,000	10,000	3,212	-
Joshua Vann	119,500	24,600	-	-
	167,500	34,600	3,212	-

8. Supplemental cash flow information

The Company incurred non-cash investing activities during the years ended April 30, 2026 and April 30, 2025, as follows:

	April 30, 2026 \$	April 30, 2025 \$
Non-cash financing activities:		
Flow-through premium liability	406,404	-
Share issue costs included in accounts payables	45,089	-
	451,493	-
Non-cash investing activities:		
Exploration and evaluation expenditures in accounts payable	(142,712)	-
Exploration and evaluation asset acquisition costs in accounts payable	(30,000)	-
Shares issued for the acquisition of exploration and evaluation assets	(318,000)	(10,000)
	(490,712)	(10,000)

HM Exploration Corp.
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9. Commitments

On April 29, 2026, the Company completed a private placement of flow-through units for gross proceeds of \$1,500,000. The Company will renounce the expenditures and available income tax benefits to the flow-through shareholders effective December 31, 2026. As at April 30, 2026, the funds had not been spent.

The flow-through units were issued at a premium to the market value of the Company's common shares, which reflected the value of the qualifying Canadian Exploration Expenditures within the meaning of the Tax Act that the Company will renounce to the flow-through shareholders. The premium was determined to be \$406,404 and was recorded as a reduction of share capital. An equivalent flow-through share premium liability was recorded, which is being reversed pro-rata as the required exploration expenditures are incurred.

A summary of the Company's flow-through premium liability as at April 30, 2026 and April 30, 2025 and changes during the years then ended is as follows:

	April 30, 2026	April 30, 2025
	\$	\$
Balance, beginning of year	-	-
Addition	406,404	-
Balance, end of year	406,404	-

During the year ended April 30, 2026, the Company entered into a marketing service agreement as part of a cooperative marketing program. In consideration, the Company is committed to making monthly payments of \$12,500 over a 12-month period.

10. Financial risk management

Capital Management

Capital is comprised of the Company's shareholders' equity and any debt it may issue. As at April 30, 2026, the Company's shareholders' equity was \$2,872,535 (April 30, 2025 - \$397,534). The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and to maintain a flexible capital structure which will allow it to pursue the exploration of its mineral properties. Therefore, the Company monitors the level of risk incurred in its mineral property expenditures relative to its capital structure which is comprised of working capital and shareholders' equity.

The Company monitors its capital structure and makes adjustments in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to facilitate the management of capital and the exploration of its mineral properties, the Company prepares annual expenditure budgets which are updated as necessary and are reviewed and periodically approved by the Company's Board of Directors. To maintain or adjust the capital structure, the Company may issue new equity if available on favorable terms, option its mineral properties for cash and/or expenditure commitments from optionees, enter into joint venture arrangements, or dispose of mineral properties. The Company is not subject to any externally imposed capital requirements and there were no changes in the Company's approach to capital management during the year.

Financial instruments – classification

Financial assets:	Classification and measurement:
Cash and cash equivalents	Amortized cost
Receivables (excluding sales tax receivable)	Amortized cost
Financial liabilities:	Classification and measurement:
Accounts payable and accrued liabilities	Amortized cost
Accounts payable to related parties	Amortized cost

The Company's financial instruments measured at amortized cost approximate their fair values.

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10. Financial risk management (continued)

Financial instrument - fair value

Fair value measurements are classified using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 - valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3 - valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
April 30, 2026				
Cash and cash equivalents	2,454,964	-	-	2,454,964
	2,454,964	-	-	2,454,964
April 30, 2025				
Cash	213,679	-	-	213,679
	213,679	-	-	213,679

Financial instruments – risk

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company is exposed to credit risk by holding cash. Management believes the exposure to credit risk with respect to the concentration of these instruments in a single financial institution is not significant. The Company's maximum exposure to credit risk is equal to the carrying value of these instruments. The Company's exposure to and management of credit risk has not changed materially from the prior year.

Liquidity risk

Liquidity risk is the risk that the Company will incur difficulties meeting its financial obligations as they are due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions without incurring unacceptable losses or risking harm to the Company's reputation.

As at April 30, 2026, the Company had a total \$2,454,964 (April 30, 2025 - \$213,679) in cash and cash equivalents to settle current liabilities of \$698,141 (April 30, 2025 - \$71,290) and, as such, assessed liquidity risk as low.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as foreign currency exchange, interest rates and other price risk.

(i) Currency risk

Foreign currency exchange rate risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in foreign exchange rates. Although the Company is in the exploration stage and has not yet developed commercial mineral interests, the underlying commodity price for minerals is impacted by changes in the exchange rate between the Canadian and United States dollar. As all of the Company's transactions are denominated in Canadian dollars, the Company is not significantly exposed to foreign currency exchange risk at this time.

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10. Financial risk management (continued)

Financial instruments – risk

Market risk

(ii) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to significant interest rate risk as it does not have any liabilities with variable rates.

(iii) Commodity Price risk

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

11. Income taxes

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

	April 30, 2026	April 30, 2025
	\$	\$
Loss for the year before income taxes	(644,247)	(196,716)
Statutory Canadian corporate tax rate	27.00%	27.00%
Anticipated tax recovery	(173,947)	(53,113)
Change in tax resulting from:		
Permanent differences	47,289	-
Change in unrecognized deductible temporary differences and other	116,591	53,113
Other items	10,067	-
Total income tax recovery	-	-

The Company's unused temporary differences, and unused tax losses that have not been included on the statements of financial position as at April 30, 2026 and April 30, 2025, are as follows:

	April 30, 2026	Expiry Date Range	April 30, 2025	Expiry Date Range
	\$		\$	
Exploration and evaluation assets	44,000	No expiry date	(6,400)	No expiry date
Non-capital losses	820,000	2043 to 2046	330,000	2043 to 2045
Share issue costs	66,000	2027 to 2030	24,000	2043 to 2045

Deferred tax benefits which may arise as a result of the tax assets arising from components within the table above have not been recognized in these financial statements as it is not probable that they will be realized. Tax attributes are subject to review, and potential adjustment, by tax authorities.