HAYASA METALS INC.

Hayasa Metals Inc.

(formerly Fremont Gold Ltd.)
An Exploration Stage Company

CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED MARCH 31, 2026 AND 2025

MANAGEMENT’S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying consolidated financial statements of the Company were prepared by management in accordance with International Financial Reporting Standards, and within the framework of the significant accounting policies in the notes to these financial statements. Management is responsible for the preparation and presentation of the consolidated financial statements and Management Discussion and Analysis (“MD&A”).

A system of accounting and control is maintained in order to provide reasonable assurance that the assets are safeguarded and that transactions are properly recorded and executed in accordance with management’s authorization. The system includes established policies and procedures, the selection and training of qualified persons, and the appropriate delegation of authority and segregation of responsibilities for a corporation of the size of Hayasa Metals Inc.

The Board of Directors, based on recommendations from its Audit Committee, reviews and approves the consolidated financial statements and MD&A. The Audit Committee meets with management and the Company’s independent auditors to ensure that management is fulfilling its responsibility to maintain financial controls and systems and to make recommendations to the Board of Directors for approval of all financial information released to the public. The Audit Committee also meets with the independent auditors to discuss the scope and the results of the audit and the audit report prior to submitting the consolidated financial statements to the Board of Directors for approval.

The consolidated financial statements for the year ended March 31, 2026 have been audited on behalf of the shareholders by the Company’s independent auditors, MNP LLP, in accordance with Canadian generally accepted auditing standards. The auditor’s report outlines the scope of their audit and their opinion on these consolidated financial statements.

“Joel Sutherland”	*“Kristina Mishina”*
Joel Sutherland	Kristina Mishina
Chief Executive Officer	Chief Financial Officer

July 28, 2026

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

Independent Auditor's Report

To the Shareholders of Hayasa Metals Inc.:

Opinion

We have audited the consolidated financial statements of Hayasa Metals Inc. and its subsidiaries (the "Company"), which comprise the consolidated statements of financial position as at March 31, 2026, and the consolidated statements of loss and comprehensive loss, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at March 31, 2026, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board.

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 Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained 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 consolidated financial statements, which indicates that the Company incurred a net loss during the year and has an accumulated deficit as at March 31, 2026. As stated in Note 1, these events or conditions, 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 consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Except for the matter described in the Material Uncertainty Related to Going Concern section, we have determined that there are no key audit matters to communicate in our report.

Other Matter

The consolidated financial statement for the year ended March 31, 2025 were audited by another auditor who expressed an unmodified opinion on those statements on July 18, 2025.

Other Information

Management is responsible for the other information. The other information comprises Management's Discussion and Analysis.

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

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

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

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

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Company as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

Vancouver, British Columbia

MNP LLP

July 28, 2026

Chartered Professional Accountants

Hayasa Metals Inc.

Consolidated statements of financial position
(Expressed in Canadian Dollars)

	Notes		March 31, 2026		March 31, 2025
ASSETS					
Current assets					
Cash and cash equivalents		$	1,580,358	$	1,074,738
Taxes and other receivable			122,369		122,906
Prepaid expenses			99,700		48,566
Total current assets			**1,802,427**		**1,246,210**
Non-current assets					
Mineral properties	**5**		657,433		628,509
Fixed assets			19,813		4,766
Reclamation bonds	**6**		44,317		30,107
Total assets			**2,523,990**	**$**	**1,909,592**
LIABILITIES					
Current liabilities					
Accounts payable and accrued liabilities		$	319,753	$	101,109
Project cost advances received	**5**		505,123		-
Due to related parties	**9**		19,044		303,424
Reclamation provision	**10**		102,959		-
Total current liabilities			**946,879**		**404,533**
Long-term liabilities			-		31,309
			946,879		**435,842**
Shareholders' equity					
Share capital	**7**		22,941,524		21,213,260
Contributed surplus	**7**		2,564,131		2,269,414
Other reserves	**7**		79,780		-
Accumulated other comprehensive income			261,094		229,988
Accumulated deficit			(24,269,418)		(22,238,912)
Total shareholders' equity			**1,577,111**		**1,473,750**
Total liabilities and shareholders' equity		**$**	**2,523,990**	**$**	**1,909,592**

Nature of operations and going concern (Note 1)
Subsequent event (Note 15)

Approved by the Board of Directors on July 28, 2026

"Randall Chatwin"	*"Joel Sutherland"*
Randall Chatwin, Director	Joel Sutherland, Director

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

Hayasa Metals Inc.

Consolidated statements of loss and comprehensive loss
For the years ended March 31, 2026 and 2025
(Expressed in Canadian Dollars, except number of shares)

	Notes	Years ended March 31, 2026	2025
Expenses			
Exploration and evaluation	**8**	$ 3,197,482	$ 1,528,260
Earned project costs advanced	**8**	(2,262,212)	-
		935,270	1,528,260
Administrative expenses			
Management fees	**9**	411,038	358,677
Professional fees	**9**	305,366	131,734
Stock-based compensation	**7, 9**	183,064	163,706
Marketing		109,719	220,936
General and administration		66,684	45,985
Travel		50,643	70,418
Listing and transfer agent		16,183	42,413
Project development		14,198	19,775
Depreciation		4,349	1,540
		(1,161,244)	(1,055,184)
Other income and expenses			
Net proceeds on sale of NSR		-	1,353,257
Foreign exchange loss		(99,944)	(17,579)
Vardenis management fee	**5 a)**	149,172	-
Other income	**9**	1,564	-
Interest income		15,216	18,879
Loss on marketable securities		-	(1,595)
Net loss for the year		**$ (2,030,506)**	**$ (1,230,482)**
Other comprehensive income and loss			
Unrealized foreign currency translation income		31,106	51,306
Total comprehensive loss for the year		**$ (1,999,400)**	**$ (1,179,176)**
Loss per share, Basic and diluted		$ 0.03	$ 0.02
Weighted average shares outstanding, Basic and diluted		66,954,521	52,324,545

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

Hayasa Metals Inc.
Consolidated statements of changes in shareholders' equity
For the years ended March 31, 2026 and 2025
(Expressed in Canadian Dollars)

	Note	Shares Issued #	Share Capital $	Contributed Surplus $	Other Reserves $	AOCI(L)* $	Accumulated Deficit $	Total Shareholders' Equity $
Balance at March 31, 2024		**37,922,097**	**18,952,598**	**2,082,208**	**-**	**178,682**	**(21,008,430)**	**205,058**
Shares issued for cash:								
Private placement	**7**	20,150,000	2,015,000	-	-	-		2,015,000
Shares issued for mineral property		700,000	70,000	-	-	-	-	70,000
Shares issued to CEO	**7, 9**	232,000	20,880	-	-	-		20,880
Shares issued for management debt	**9**	2,097,760	209,776	-	-	-	-	209,776
Share issuance costs		-	(54,994)	-	-	-	-	(54,994)
Warrants issued (NSR)		-	-	23,500	-	-	-	23,500
Stock-based compensation		-	-	163,706	-	-	-	163,706
Net loss and other comprehensive income		-	-	-	-	51,306	(1,230,482)	(1,179,176)
Balance at March 31, 2025		**61,101,857**	**21,213,260**	**2,269,414**	**-**	**229,988**	**(22,238,912)**	**1,473,750**
Shares issued for cash:					-			
Private placement	**7**	11,165,282	1,786,445	111,653	-	-	-	1,898,098
Shares issued to CEO	**7**	232,000	24,940	-	-	-	-	24,940
Share issuance costs	**7**	-	(83,121)	-	-	-	-	(83,121)
Settlement of related-party debt	**9**	-	-	-	79,780	-	-	79,780
Stock-based compensation	**7**	-	-	183,064	-	-	-	183,064
Net loss and other comprehensive income		-	-	-		31,106	(2,030,506)	(1,999,400)
Balance at March 31, 2026		**72,499,139**	**22,941,524**	**2,564,131**	**79,780**	**261,094**	**(24,269,418)**	**1,577,111**

*Accumulated other comprehensive income (loss)

Hayasa Metals Inc.
Consolidated statements of cash flows
(Expressed in Canadian Dollars)
For the years ended March 31, 2026 and 2025

	Note		2026		2025
OPERATING ACTIVITIES					
Net loss for the year		$	(2,030,506)	$	(1,230,482)
Adjustments for items not involving cash:					
Project costs advanced and management fee received	**5**		(2,411,384)		-
Stock-based compensation	**7**		183,064		163,706
Warrant issuance (NSR)			-		23,500
Shares issued to CEO	**7**		24,940		20,880
Unrealized foreign exchange items			26,622		(6,646)
Depreciation			4,349		1,540
Change in reclamation provision	**10**		69,874		16,058
Realised loss on sale of marketable securities			-		1,595
			(4,133,041)		(1,009,849)
Net changes in non-cash working capital items:					
Accounts receivable and prepaid expenses			(50,597)		243,945
Accounts payable and accrued liabilities			218,644		(24,764)
Due to related parties			(141,836)		(117,301)
Cash used in operating activities			**(4,106,830)**		**(907,969)**
INVESTING ACTIVITIES					
Additions to mineral properties			(56,769)		(317,006)
Additions to fixed assets			(19,014)		(2,117)
Increase in reclamation bonds			(14,573)		(15,963)
Proceeds on sale of marketable securities			-		30,405
Cash used in investing activities			**(90,356)**		**(304,681)**
FINANCING ACTIVITIES					
Issuance of share capital	**7**		1,835,334		2,015,000
Share issuance costs	**7**		(83,121)		(54,994)
Project costs advances received	**5**		2,952,850		-
Cash provided by financing activities			**4,705,063**		**1,960,006**
Effect of change in exchange rate on cash			**(2,257)**		**28,788**
Net change in cash and cash equivalents			**505,620**		**776,144**
Cash and cash equivalents, beginning			1,074,738		298,594
Cash and cash equivalents, ending		**$**	**1,580,358**	**$**	**1,074,738**
Supplemental cash info					
Taxes paid		$	-	$	-
Interest received		$	15,216	$	15,359
Fair value of warrants issued in the private placement		$	111,653	$	-

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

1. NATURE OF OPERATIONS AND GOING CONCERN

In November 2024, the Company announced that it had changed its name from Fremont Gold Ltd. to Hayasa Metals Inc.

Hayasa Metals Inc. ("Hayasa" or the "Company") was incorporated under the laws of British Columbia, Canada, on June 6, 2007. The principal business activity of the Company is the acquisition and exploration of mineral properties located in the Tethyan belt of Armenia. The Company is listed on the TSX Venture Exchange ("TSXV") under the trading symbol 'HAY' and on the OTCQB Venture Market under the trading symbol 'HAYAF'. The head office and records office of the Company are located at Suite 1500 – 409 Granville Street, Vancouver, British Columbia, Canada, V6C 1T2. The Company's registered office is located at 1200 – 750 West Pender Street, Vancouver, British Columbia, Canada, V6C 2T8.

Going concern

The nature of the Company's operations results in significant expenditures for the acquisition and exploration of mineral properties. To date, the Company has not generated any revenue from mining or other operations and it is considered to be in the exploration stage.

These consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will be able to meet its obligations and continue its operations for the next twelve months. The Company had an accumulated deficit of $24,269,418 and incurred operating losses since inception, including $2,030,506 for the year ended March 31, 2026. As at March 31, 2026, the Company had a net working capital balance of $855,548 (March 31, 2025 - $841,677).

The Company's ability to continue as a going concern is dependent upon its ability to obtain additional funding from equity financings provided by the Company's existing shareholders and/or new shareholders or through other arrangements. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company. There is no assurance that the Company will be successful in this regard. These factors may cast significant doubt upon the Company's ability to continue as a going concern and, therefore, it may be unable to realize its assets and discharge its liabilities in the normal course of business. These consolidated financial statements do not reflect the adjustments to the carrying values of the assets and liabilities, the reported expenses and the statements of financial position classifications that would be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

2. BASIS OF PRESENTATION

The Company's consolidated financial statements have been prepared in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board ("IASB") and the International Financial Reporting Interpretations Committee ("IFRIC"), together "IFRS".

The preparation of consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. Unless otherwise stated, all dollar amounts are in Canadian dollars.

These consolidated financial statements were approved by the Board of Directors on July 28, 2026.

3. MATERIAL ACCOUNTING POLICY INFORMATION

(a) Basis of consolidation

These consolidated financial statements include the accounts of Hayasa Metals Inc. and its wholly owned subsidiary as follows as at March 31, 2026 and 2025:

	Location	Ownership	Functional currency
Hayasa Resources Corp. ("HRC")	Armenia	100%	AMD

HRC is a wholly owned subsidiary of Hayasa Metals Inc. incorporated under the laws of the Republic of Armenia. The subsidiary was established to facilitate the operations of the Company in Armenia.

Subsidiaries are all entities over which Hayasa Metals Inc. has control. The Company controls an entity when the Company is exposed to or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Subsidiaries are fully consolidated from the date on which control is obtained by Hayasa Metals Inc. and are deconsolidated from the date that control ceases.

Certain financial statement items presented in previous financial statements have been reclassified to conform with current presentation.

(b) Critical accounting judgements

The preparation of consolidated financial statements in accordance with IFRS requires the Company to make estimates and assumptions concerning the future. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

The following are critical judgments that management has made in the process of applying the Company's accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements.

Critical Judgments in Applying Accounting Policies

Going concern evaluation

As discussed in Note 1, these consolidated financial statements have been prepared under the assumptions applicable to a going concern. If the going concern assumption were not appropriate for these consolidated financial statements, then adjustments would be necessary to the carrying value of assets and liabilities, the reported expenses and the consolidated statement of financial position classifications used and such adjustments could be material.

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

Impairment of mineral properties

Mineral properties are considered for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable. Assessment of impairment indicators involves the application of a number of significant judgments over internal and external factors including reserve and resource estimation, future precious metal prices, estimated costs of future production, changes in government legislation and regulations, estimated deferred income taxes, the availability of financing and various other operational factors. If any such indication exists, an estimate of the recoverable amount is undertaken. If the asset's carrying amount exceeds its recoverable amount, an impairment loss is recognised in the statement of loss.

Title to mineral properties

Although the Company takes steps to verify title to exploration and evaluation assets in which it has an interest, these procedures do not fully guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title could be affected by undetected defects.

Accounting treatment of debt forgiveness

During the year ended March 31, 2026, the Company settled amounts owing to a former officer and an officer and a director of the Company. As part of the agreement, these parties forgave a portion of outstanding balances. Because both individuals are also shareholders of the Company, management concluded that the forgiveness represents a contribution from owners rather than income. Accordingly, the gain on forgiveness was recognized directly as a capital contribution in other reserves within equity.

Key Sources of Estimation Uncertainty

Estimation of reclamation provision

The Company estimates the cost of required reclamation activities on a quarterly basis based on the then present state of exploration activity. Estimating the reclamation provision for each of the

Company's mineral properties involves estimating future cash flows and assessing the uncertainty of such cash flows among other factors.

Share-based compensation

Management assesses the fair value of stock options granted in accordance with the accounting policy. The fair value of stock options granted is measured using the Black-Scholes option valuation model and is only an estimate of their potential value and requires the use of estimates and assumptions.

(c) Foreign currency translation

Functional currency

Items included in the financial statements of the Company's subsidiaries are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The functional currency of the Company is the Canadian Dollar while the functional currency of its Armenian subsidiary is the Armenia Dram. The functional currency determinations were conducted through an analysis of the consideration factors identified in International Accounting Standard ("IAS") 21, *The Effects of Changes in Foreign Exchange Rates*. The consolidated financial statements are presented in Canadian dollars, which is the Company's reporting currency.

Transactions and balances

Foreign currency transactions are translated into the relevant functional currency using the exchange rate prevailing at the date of the transaction. Foreign currency gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of loss.

Subsidiaries

The results and financial position of the Company's subsidiaries that have a functional currency different from the Company's presentation currency are translated into the presentation currency as follows:

- Assets and liabilities are translated at the closing rate at the reporting date
- Income and expenses are translated at average exchange rates for the period
- Equity is translated using historical rates
- All resulting exchange differences are recognised in other comprehensive income as cumulative translation adjustments.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities are taken to the foreign currency translation reserve (a component of other comprehensive income/loss). When a foreign operation is sold, such exchange differences are recognised in the statement of loss as part of the gain or loss on sale.

(d) Mineral properties and exploration expenditures

Costs relating to the acquisition and claim maintenance of mineral properties (including option payments and annual fees to maintain the property in good standing) are capitalised and deferred by property until the project to which they relate is sold, abandoned, impaired or placed into production.

The Company expenses all exploration and evaluation expenditures until management concludes that a future economic benefit is more likely than not to be realised. In evaluating if expenditures meet this criterion to be capitalised, management considers the following:

- The extent to which reserves or resources, as defined in National Instrument 43-101, have been identified in relation to the property in question
- The conclusions of National Instrument 43-101 compliant preliminary economic assessment studies, preliminary feasibility studies and/or feasibility studies regarding the property in question
- The status of environmental permits, and
- The status of mining leases or permits.

Once the Company considers that a future economic benefit is more likely than not to be realised, all subsequent costs directly relating to the advancement of the related area of interest are capitalised.

Capitalised mineral property costs are tested for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable. If an indicator is identified, the asset's recoverable amount is calculated and compared to the carrying amount. For the purpose of measuring recoverable amounts, assets are grouped into cash-generating units ("CGUs"). An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The net proceeds realised on the sale of royalties relating to the Company's mineral properties are recognised as an item within other income with gross proceeds being offset by direct expenses relating to the sale of the royalties.

(e) Fixed assets

Fixed assets are recorded at cost. Depreciation of all depreciable fixed assets is provided on a straight-line basis over their useful lives.

Fixed assets are tested for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable. If an indicator is identified, the asset's recoverable amount is calculated and compared to the carrying amount. For the purpose of measuring recoverable amounts, assets are grouped into CGUs. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use (being the present value of the expected future cash flows of the relevant asset or CGU, as determined by management). An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

The Company evaluates impairment losses for potential reversals when events or circumstances warrant such consideration.

(f) Reclamation and environmental obligations

The Company recognizes obligations for statutory, contractual, constructive or legal obligations associated with the retirement of long-term assets, when because of a past event, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision represents the best estimate of the amount required to settle the present obligation at the end of the reporting period. For obligations expected to occur after 12 months from the reporting date, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Increase in provision due to passage of time is recorded as accretion expense.

The estimated value of future reclamation cost estimates is charged to profit or loss and a corresponding increase in the reclamation provision is established in the period incurred.

The Company's estimates are reviewed annually for changes in regulatory requirements, discount rates (if applicable), effects of inflation and changes in estimates.

The estimated value of reclamation costs arising from subsequent site damage that is incurred on an ongoing basis during production is charged to profit or loss in the period incurred. The costs of restoration projects included in the provision are recorded against the provision as incurred.

(g) Income taxes

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in the consolidated statement of loss and comprehensive loss except to the extent that it relates to items recognized directly in equity.

Current income tax is the expected income tax payable on the taxable income for the year, using income tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred income tax is recognized using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred income tax is not recognized on the initial recognition of assets or liabilities in a transaction that is not a business combination. In addition, deferred income tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill.

Deferred income tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred income tax assets and liabilities are offset if there is a legally enforceable right to offset, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred income tax asset is recognized to the extent that it is probable that future taxable income will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

(h) Share capital

The proceeds from the issuance of units are allocated between common shares and share purchase warrants based on the residual value method; under this method, the proceeds are allocated first to share capital based on the fair value of the common shares at the time of issuance of the units and any residual value is allocated to the share purchase warrant reserve. Common shares issued for non-monetary consideration are valued based on the fair value of the common shares at the time of issuance.

Proceeds from the exercise of stock options and share purchase warrants are recorded as share capital in the amount for which the stock option or share purchase warrant enabled the holder to purchase a common share in the Company.

Costs directly attributable to the issuance of common shares, stock options and share purchase warrants are recognised as a deduction from equity, net of any related income tax effects.

(i) Stock-based compensation

The Company grants stock options to certain of its employees, directors and consultants. Each tranche in an award is considered a separate award with its own vesting period and grant date fair value. The fair value of each tranche is measured at the date of grant using the Black-Scholes option pricing model. Compensation expense is recognised over the tranche's vesting period based on the number of awards expected to vest. This number is reviewed annually, with any change in estimate recognised immediately in compensation expense with a corresponding adjustment to reserves.

Upon exercise of a stock option, consideration paid together with the stock-based compensation amount previously recognised in reserves is recorded as an increase to share capital.

The Company grants performance share units ("PSUs") to certain of its employees, directors and consultants. The fair value of PSUs is measured based on the closing price of the Company's common shares on the date of grant. The fair value of each tranche of PSUs is recognised as expense on a straight-line basis over its vesting period. The fair value of PSUs is charged to profit or loss with a corresponding increase in applicable reserves within equity. The amount recognized as an expense is based on the estimate of the number of awards expected to vest which is revised if subsequent information indicates that actual vested awards are likely to differ from the estimate. Upon vesting of equity settled PSUs, the related reserve associated with the PSU is reclassified into share capital.

(j) Loss per share

Basic loss per share is calculated by dividing the loss attributable to common shareholders by the weighted average number of common shares outstanding in the period. For all periods presented, the loss attributable to common shareholders equals the reported loss attributable to owners of the Company. Diluted loss per share is calculated by the treasury stock method pursuant to which the weighted average number of common shares outstanding for the calculation of diluted loss per share assumes that the proceeds to be received on the exercise of dilutive share options and warrants are used to repurchase common shares at the average market price during the period.

(k) Financial instruments

Management has assessed the classification and measurement of financial assets and financial liabilities under IFRS 9 as follows:

	IFRS 9
Financial Assets:	
Cash and cash equivalents	Amortised cost
Taxes and other receivable	Amortised cost
Long-term receivable	Amortised cost
Financial liabilities	
Accounts payable and accrued liabilities	Amortised cost
Amounts due to related parties	Amortised cost

The classification of financial assets is based on how the entity manages its financial instruments and contractual cash flow characteristics of the financial asset. Transactions costs with respect to financial instruments classified as fair value through profit or loss (“FVTPL”) are recognised in the statements of loss and comprehensive loss.

Regular purchases and sales of financial assets are recognized on the trade-date, being the date on which the Company commits to purchase the asset.

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

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

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

The fair value of marketable securities is measured using Level 1 inputs.

Impairment of financial assets

At each reporting date, the Company assesses whether there is objective evidence that a financial asset has been impaired. In the case of financial instruments measured at amortised cost, a significant and prolonged decline in the value of the instrument is considered to determine whether impairment has arisen.

4. RECENT ACCOUNTING PRONOUNCEMENTS

Adoption of New Accounting Standards

In August 2023, IASB issued amendments to IAS 21, *The Effects of Changes in Foreign Exchange Rates— Lack of Exchangeability*. The amendments clarify when a currency is exchangeable into another currency, specify how an entity determines the exchange rate to apply when exchangeability is lacking, and require additional disclosures for currencies that are not exchangeable. The Company adopted these amendments effective April 1, 2025. The adoption of these amendments did not have a material impact on the Company's consolidated financial statements.

Accounting Standards Issued But Not Yet Effective

In April 2024, the IASB issued IFRS 18 – *Presentation and Disclosure in Financial Statements* to replace IAS 1 – *Presentation of Financial Statements*. This standard focuses on updates to the statement of profit or loss, including: (a) the structure of the statement of profit or loss; (b) required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and (c) enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general. It will be effective for the Company for the annual period beginning April 1, 2027, and will be required to be applied retrospectively. The adoption of these amendments is not expected to have a material impact on the Company's consolidated financial statements.

In May 2024, the IASB issued amendments to IFRS 9 and IFRS 7, *Amendments to the Classification and Measurement of Financial Instruments*. These amendments updated classification and measurement requirements in IFRS 9, *Financial Instruments*, and related disclosure requirements in IFRS 7, *Financial Instruments: Disclosures*. The IASB clarified 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 ("ESG")-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 fiscal years beginning on or after April 1, 2026. The adoption of these amendments is not expected to have a material impact on the Company's consolidated financial statements.

(Expressed in Canadian Dollars)

5. MINERAL PROPERTIES

Continuity of additions to mineral properties for the year ended March 31, 2026:

	March 31, 2025	Additions	Teck Funding	Foreign exchange	March 31, 2026
Vardenis	$ 542,823	$ 30,938	$ (31,535)	$ 2,755	$ 544,981
Urasar	85,686	25,831	-	935	112,452
	$ 628,509	$ 56,769	$ (31,535)	$ 3,690	$ 657,433

Continuity of additions to mineral properties for the year ended March 31, 2025:

	March 31, 2024	Additions	Foreign exchange	March 31, 2025
Vardenis	$ 202,554	$ 320,632	$ 19,637	$ 542,823
Urasar	16,104	66,374	3,208	85,686
	$ 218,658	$ 387,006	$ 22,845	$ 628,509

The capitalised costs of mineral properties relate to the claim maintenance and acquisition costs associated with exploration and evaluation assets.

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee their titles. Property title may be subject to unregistered prior agreements or transfers and may be affected by undetected defects.

The recoverability of the carrying value of mineral properties and deferred expenditures is dependent upon a number of factors including the existence and discovery of economically recoverable reserves, and the ability of the Company to obtain financing to maintain properties in good standing and continue exploration. It is possible that economically recoverable reserves may not be discovered and accordingly a material portion of the carrying value of mineral properties could be written off in the future.

(a) Vardenis

Teck option agreement

In August 2025, the Company entered into an amended and restated option and joint venture agreement (the “Agreement”) which grants Teck Resources Limited (“Teck”) the sole and exclusive option to acquire up to an 80% interest in Mendia Resources LLC (“Mendia”, the “Optionor”), the company that owns the geological exploration license relating to the Vardenis copper-gold project located in east-central Armenia. The Agreement supersedes the option agreement previously entered into by the Company in June 2023 (as subsequently amended) to acquire up to a 100% interest in Mendia.

The Agreement provides for the following:

- The Company and the Optionor will grant Teck the sole and exclusive option to acquire a 70% interest in Mendia (the "Initial Option"), which may be exercised by Teck upon (i) incurring an aggregate of US$ 15 million in exploration expenditures on the Vardenis project by December 31, 2029, including fulfilling its firm commitment to complete 4,300 meters of diamond drilling on the Vardenis Project by October 31, 2026 (completed in October 2025), including 3,000 meters by December 31, 2025, and (ii) making any required payments to the Optionor.
- During the term of the Initial Option (which commenced May 3, 2025) and, if applicable, the Second Option, Teck will be solely responsible for funding all expenditures and costs relating to the Vardenis project, including costs related to maintaining the Vardenis project in good standing.
- If Teck exercises the Initial Option, it will have a further sole and exclusive option to acquire an additional 10% interest in Mendia, which would bring Teck's total interest in Mendia to 80% (the "Second Option"). Teck may exercise the Second Option by delivering to Hayasa and the Optionor a National Instrument 43-101 compliant pre-feasibility study in respect of the Vardenis project on or before the sixth anniversary of the exercise date of the Initial Option. Teck will receive the remaining 10% interest in Mendia held by the Optionor for a US$3.5 million payment.
- If Teck incurs a minimum of US$ 2.5 million in the 30-month period following the date of the Agreement but chooses not to exercise the Initial Option, the Agreement will terminate and Teck will be granted a 1.0% net smelter return royalty on the Vardenis property, payable by Mendia.
- If Teck exercises the Initial Option and elects not to pursue the Second Option, or if Teck exercises the Second Option, a corporate joint venture (the "Joint Venture") will be deemed to be formed between Teck and Hayasa (and if applicable, the Optionor) in accordance with the terms of the Agreement. Existing shareholder's interest in Mendia will be converted to a 1.0% net smelter return if its interest is diluted to below 10% or if it defaults on cash calls in certain circumstances.
- For a period of 18 months from the Joint Venture formation date (the "Deferral Period"), Hayasa may elect to defer the contribution of its proportionate share of the costs of approved programs, which costs will be contributed by Teck on behalf of Hayasa and will become repayable by Hayasa within 18 months from the end of the Deferral Period.

Pursuant to the Agreement, Hayasa will be the manager of the Vardenis project during the term of the Initial Option, with Teck having the right to replace Hayasa as the manager at any time. The manager of the project is entitled to receive a management fee based on a percentage of the expenditures incurred (5% to 10% depending on the nature of the expenditure). The management fee earned by the Company for the period from May 3, 2025 to March 31, 2026 was $149,172.

Funding provided by Teck in advance of the applicable spend is based on mutually agreed budgets. Any advances not spent at the end of the period are classified as a liability, which is amortized as exploration costs on Vardenis are incurred. As at March 31, 2026, the balance of project cost advances received was $505,123.

Pursuant to the agreement with Mendia, Hayasa maintains certain of its rights to acquire interests in the capital of Mendia as set out in the option agreement entered into in June 2023 (as subsequently amended by the Teck Agreement) as long as such rights do not derogate from Teck's rights under the

Agreement. This option to acquire interest in Mendia is held by Hayasa Metals Inc. (not HRC). Specifically:

- The Company shall be entitled to 51% of the issued and outstanding Mendia shares on a fully-diluted basis (inclusive of any Mendia shares held by Hayasa as of the date of the Agreement) upon the completion of an aggregate 2,500 metres of diamond drilling on the property on or before October 31, 2025 (completed).
- The Company shall be entitled to an additional 29% of the issued and outstanding Mendia shares on a fully-diluted basis (inclusive of any Mendia shares held by Hayasa as of the date of the Agreement) upon the completion of an additional 2,500 metres of diamond drilling on the property on or before October 31, 2026 (completed October 31, 2025).
- The Company shall be entitled to an additional 9% of the issued and outstanding Mendia shares on a fully-diluted basis (inclusive of any Mendia shares held by Hayasa as of the date of the Agreement) upon the payment to the Optionor of US$ 100,000 and the issuance to the Optionor of 1,000,000 Hayasa common shares on or before December 3, 2027.

As at March 31, 2026, the Company had fulfilled all requirements – including the diamond drilling requirements - to acquire a total of 80% of the issued and outstanding Mendia shares on a fully-diluted basis. However, the Company has not exercised the option to acquire shares of Mendia at the date of these consolidated financial statements.

Vardenis, data acquisition

The Vardenis copper-gold property was formerly held by Dundee Precious Metals Corp. ("DPMC") between 2015 and 2018. In June 2023, the Company entered into an agreement with DPMC to purchase its historic exploration data relating to Vardenis. The Company paid $30,000 to DPMC and will issue $20,000 worth of common shares if the Company elects to continue the Mendia option agreement.

(b) Urasar

In October 2023, the Company was granted an exploration permit by the Armenian government comprising 33.8 km2 over the Urasar mineral district in northern Armenia.

Sale of 1.25% NSR over Urasar Mineral District

In January 2025, the Company sold a 1.25% NSR royalty covering all minerals produced from the Urasar copper-gold property to Franco-Nevada Corporation ("Franco-Nevada") and EMX Royalty Corporation ("EMX") for total cash proceeds of US$ 1,000,000.

Each of Franco-Nevada and EMX retain a 0.625% NSR royalty interest.

In addition, each of Franco-Nevada and EMX were issued 250,000 share purchase warrants, which may be exercised on a one-for-one basis for common shares of the Company within 18 months following issuance at an exercise price of $0.22.

As part of the transaction, Franco-Nevada and EMX will have a right of first refusal in respect of any future royalty, stream or similar interest on Urasar.

6. RECLAMATION BONDS

Reclamation bonds provided to the Armenian state in connection with exploration work undertaken at Vardenis and Urasar amounted to the Armenian Dram ("AMD") equivalent of $21,460 and $22,857, respectively, as at March 31, 2026 (March 31, 2025: total of $30,107).

7. SHAREHOLDERS' EQUITY

(a) Share capital

The Company has authorized capital of an unlimited number of common voting shares without nominal or par value.

The Company has authorized capital of an unlimited number of preferred voting shares without nominal or par value.

September 2025 non-brokered private placement

On September 23, 2025, the Company closed a non-brokered private placement financing pursuant to which a total of 11,165,282 units were issued at a price of $0.17 per unit for gross proceeds of $1,898,098. Each unit was comprised of one common share of the Company and one-half of one common share purchase warrant. Each whole warrant entitles the holder to acquire one common share at a purchase price of $0.22 for the period of 18 months from September 23, 2025. The Company utilized residual value method to value the warrants issued in the private placement and allocated $111,653 to warrant reserve as the value of each whole warrant. The Company incurred cash issuance costs of $83,121.

Current directors and officers of the Company participated in the private placement subscribing for an aggregate of 738,400 common shares for gross proceeds of $125,528 (Note 9), an amount of $62,764 was applied to outstanding debts.

Common shares issued to the Chief Executive Officer

The Company appointed a new Chief Executive Officer ("CEO") in late August 2024. As part of his compensation package, the new CEO will receive an aggregate of 580,000 common shares of the Company to be issued as follows:

- 116,000 common shares upon TSXV approval (the "Initial Issuance", issued, valued at $12,760)
- 116,000 common shares on the six-month anniversary of the Initial Issuance (issued, valued at $8,120)
- 116,000 common shares on the 12-month anniversary of the Initial Issuance (issued, valued at $17,980)
- 116,000 common shares on the 18-month anniversary of the Initial Issuance, (issued, valued at $6,960) and
- 116,000 common shares on the 24-month anniversary of the Initial Issuance.

(Expressed in Canadian Dollars)

July 2024 non-brokered private placement

On July 23, 2024, the Company closed a non-brokered private placement financing pursuant to which a total of 20,150,000 units were issued at a price of $0.10 per common share for gross proceeds of $2,015,000.

Each unit was comprised of one common share of the Company and one half of a share purchase warrant. Each full warrant entitles the holder to acquire one common share at a purchase price of $0.17 for a period of 18 months following closing of the private placement. Current directors and officers of the Company participated in the private placement subscribing for an aggregate of 600,000 common shares for gross proceeds of $60,000.

Shares issued for mineral property

In December 2024, the Company issued 700,000 common shares in connection with the option to acquire the Vardenis copper-gold project in central Armenia (see Note 5(a)).

(b) Share purchase warrants

A continuity schedule of the Company's share purchase warrants is as follows:

	Number of warrants	Weighted average exercise price	Weighted average remaining life (years)
March 31, 2024	**5,776,500**	**0.17**	**1.58**
Issued			
July 2024 private placement	10,075,000	0.17	
January 2025 sale of NSR	500,000	0.22	
March 31, 2025	**16,351,500**	**0.17**	**0.75**
Issued			
September 2025 private placement	5,582,641	0.22	
Expired	(15,851,500)	(0.17)	
March 31, 2026	**6,082,641**	**0.22**	**0.92**

The Company had the following share purchase warrants outstanding as at March 31, 2026:

	Expiry date	Exercise price	Number of warrants
January 2025 sale of NSR*	July 21, 2026	0.22	500,000
September 2025 private placement	March 23, 2027	0.22	5,582,641
		0.22	**6,082,641**

* Subsequent to March 31, 2026, these warrants expired unexercised.

(Expressed in Canadian Dollars)

(c) Stock options

A continuity of the Company's stock options is as follows:

	Number of options	Weighted average exercise price	Weighted average remaining life (years)
March 31, 2024	**3,400,000**	**0.17**	**4.00**
Issued	1,350,000	0.12	
Forfeited	(40,000)	0.09	
March 31, 2025	**4,710,000**	**0.16**	**3.33**
Issued	2,300,000	0.11	
Expired	(1,360,000)	0.30	
March 31, 2026	**5,650,000**	**0.10**	**3.34**

The Company had the following stock options outstanding as at March 31, 2026:

Expiry date	Outstanding #	Exercisable #	Exercise price, $
December 31, 2026	650,000	650,000	0.09
April 23, 2028	850,000	850,000	0.09
December 20, 2028	500,000	500,000	0.09
July 5, 2029	150,000	120,000	0.10
August 21, 2029	600,000	480,000	0.095
November 8, 2029	550,000	360,000	0.15
June 24, 2030	600,000	272,800	0.12
September 23, 2030	600,000	240,000	0.17
January 12, 2031	1,150,000	379,500	0.07
	5,650,000	**3,852,300**	**0.10**

Stock-based compensation relating to stock options totalled $177,410 in the year ended March 31, 2026 (year ended March 31, 2025 - $153,039).

A total of 600,000 stock options were granted in June 2025. The stock options have an exercise price of $0.12 and a term of 5 years. These stock options vest as follows: 33% on June 25, 2025, and the remainder vests in four tranches of 16.7% every six months starting December 25, 2025.

A total of 600,000 stock options were granted in September 2025. The stock options have an exercise price of $0.17 and a term of 5 years. These stock options vest in five equal tranches of 20% every six months, starting September 24, 2025.

(Expressed in Canadian Dollars)

A total of 1,150,000 stock options were granted in January 2026. The stock options have an exercise price of $0.07 and a term of 5 years. These stock options vest as follows: 33% on January 12, 2026, and the remainder vests in four tranches of 16.7% every six months starting July 12, 2026.

The fair values of the stock options granted in the year ended March 31, 2026, were estimated as at the date of issuance using the Black-Scholes option-pricing model applying the following assumptions:

	June 25, 2025 ($0.12)	**Sept. 24, 2025 ($0.17)**	**Jan. 12, 2026 ($0.07)**
Expected dividends	–	–	–
Expected volatility	150%	122%	122%
Risk-free interest rate	2.93%	2.73%	2.93%
Expected life, years	5	5	5
Expected rate of forfeiture	5.0%	0.0%	5.0%

(d) Performance share units

The Company's omnibus equity compensation plan (the "Omnibus Plan") was approved by the Company's shareholders at its annual general meetings in October 2024 and November 2025. The Omnibus Plan includes the ability to issue stock options, restricted share units ("RSUs"), performance share units ("PSUs"), and deferred share units ("DSUs", and together with stock options, RSUs and PSUs, the "Awards"). The aggregate number of common shares reserved for issuance in respect of stock options may not exceed 10% of the total number of issued common shares (calculated on a non-diluted basis) at the time a stock option is granted. The aggregate number of common shares issuable in respect of RSUs, PSUs and DSUs may not exceed 5,818,809 common shares. The Omnibus Plan replaced the Company's previous 10% rolling stock option plan with any stock options issued and outstanding pursuant to the Company's previous stock option plan continuing to be exercisable but governed by the Omnibus Plan.

In January 2025, the Company granted a total of 4,800,000 PSUs pursuant to the Omnibus Plan to certain directors, officers, and employees. The PSUs will expire if certain performance criteria have not been met within three years following the grant date. If the performance conditions are met, each vested PSU entitles the holder to receive one common share of the Company, At the discretion of the board of directors of the Company, the obligation may be settled in cash. These PSUs are expected to be settled through issuance of common shares. As at March 31, 2026, 720,000 of the PSUs have forfeited, and 4,080,000 remain outstanding.

Stock-based compensation relating to PSUs for the year ended March 31, 2026 was $5,654 (2025 - $10,667).

(Expressed in Canadian Dollars)

8. EXPLORATION AND EVALUATION EXPENDITURES

Year ended March 31, 2026

	Vardenis	Urasar	Property investigation	Total
Assay	$ 79,335	$ 86,123	$ 5,766	$ 171,224
Drilling [(1)]	1,415,823	378,488	-	1,794,311
Third party services	67,288	47,916	830	116,034
Field activities and supplies	158,755	66,111	1,666	226,532
Geological	149,055	67,586	-	216,641
Labour	190,401	69,932	1,654	261,987
Travel	34,361	31,716	296	66,373
Local community	60,670	43,335	-	104,005
Reclamation and environmental	11,348	60,785	-	72,133
Administration	10,842	-	-	10,842
Property investigation/other	-	-	4,347	4,347
Armenia country manager	85,412	67,641	-	153,053
	2,263,290	919,633	14,559	3,197,482
Teck funding [(2)]	(2,262,212)	-	-	(2,262,212)
	$ 1,078	**$ 919,633**	**$ 14,559**	**$ 935,270**

(1) Net of Armenian VAT refund of $194,584 relating to the Urasar drill program undertaken in late 2024

(2) Teck is reimbursing the Company for Vardenis exploration and evaluation expenditures pursuant to the Agreement entered into in August 2025 (Note 5(a))

Year ended March 31, 2025

	Vardenis	Urasar	Logistical support	Total
Drilling[(1)]	$ (24,977)	$ 545,275	$ -	$ 520,298
Third party services	153,759	189,663	-	343,422
Labour	82,038	77,980	-	160,018
Field activity and supplies	36,941	59,884	-	96,825
Local community	79,963	39,804	-	119,767
Assay	1,575	101,960	-	103,535
Travel and freight	17,944	57,361	468	75,773
Road construction and maintenance	-	11,964	-	11,964
Reclamation	-	17,744	-	17,744
Country manager	12,962	47,950	18,002	78,914
	$ 360,205	**$ 1,149,585**	**$ 18,470**	**$ 1,528,260**

(1) Net of Armenian VAT refund of $28,599 relating to the Vardenis drill program.

(Expressed in Canadian Dollars)

9. RELATED PARTY TRANSACTIONS

Related party transactions

Key management includes the President, the Chief Executive Officer, the Chief Financial Officer and Directors.

The compensation paid or payable to key management for services during the year ended March 31, 2026 and 2025 is as follows:

	March 31, 2026	March 31, 2025
Management fees	$ 384,712	$ 357,605
Professional fees	27,228	-
Stock-based compensation	159,792	124,763
	$ 571,732	**$ 482,368**

Management debt settlement

In October 2024, the Company agreed to settle outstanding debts owing to two current and one former member of its management team totalling $499,333. The debt settlement agreements were subject to TSXV approval and provided for the following:

- Issuance by the Company to the debtors of a total of 2,097,760 common shares at a deemed price of $0.10 per share (being the unit price of the non-brokered private placement that closed in July 2024) having a total deemed value of $209,776
- Immediate payment of a total of $100,000
- Deferred payment of a total of $109,777 to take place following the closing of the Company's next equity financing, and
- The two current members of the management team agreed to forgive a total of $79,780 in debt (being 20% of the total amount owing to each).

In January 2025, the Company received TSXV approval to proceed with the execution of the debt settlement agreements at which time the 2,097,760 common shares were issued and the balance of the immediate payment of $100,000 was made. The common shares issued were subject to a four-month hold period in accordance with applicable securities laws.

The deferred payment amount of $109,777 was repaid in September 2025. Upon repayment of this amount, the remaining balance of $79,780 was forgiven by the two current members of management; this amount was treated as an additional capital contribution and was recognised within other reserves in the consolidated statement of changes in shareholder's equity.

All balances owing to members of management were unsecured and non-interest bearing.

(Expressed in Canadian Dollars)

Related party balances

The Company owed the following amounts to related parties including officers and directors and companies that are controlled by officers and directors of the Company:

	March 31, 2026	March 31, 2025
Amounts owing to directors and officers relating to deferred remuneration and expense reimbursement	$ 19,044	$ 203,424
Advance provided by the President	-	100,000
	$ 19,044	**$ 303,424**

In August 2023, the President loaned $200,000 to the Company of which $100,000 was repaid with the proceeds of the October 2023 private placement. The remaining balance was repaid in September 2025. The amounts owing to related parties are unsecured, non-interest bearing and are due under normal business terms.

10. RECLAMATION PROVISION

The Company as a legal obligation to reclaim and restore land disturbed by its mineral exploration activities in Armenia in connection with Vardenis and Urasar properties (Notes 5 and 6) in accordance with the terms of its approved Environmental Impact Assessments and applicable Armenian environmental legislation. The continuity of the reclamation provision is as follows:

	Vardenis	Urasar	Total
Balance, March 31, 2024	$ 13,816	$ -	$ 13,816
Additions	-	16,058	16,058
Foreign exchange	918	517	1,435
Balance, March 31, 2025	14,734	16,575	31,309
Additions	9,088	60,786	69,874
Foreign exchange	270	1,506	1,776
Balance, March 31, 2026	**$ 24,092**	**$ 78,867**	**$ 102,959**

The provision represents management's best estimate of the present value of the expenditures expected to be required to settle these obligations. Reclamation activities are expected to be conducted within 12 months. Estimates are reviewed at each reporting date and are subject to change as a result of revisions to the extent of disturbance, the timing and amount of expected cash flows, cost rates, foreign exchange and discount rates, and changes in regulatory requirements.

11. SEGMENTED INFORMATION

The Company operates in one reportable operating segment, being the acquisition, exploration and evaluation of mineral properties. The Company's assets are located in Canada and Armenia as follows:

	Canada	Armenia	Total
Non-current assets:			
March 31, 2026	$ 1,323	$ 720,240	$ 721,563
March 31, 2025	74,225	661,037	735,262

12. CAPITAL MANAGEMENT

The Company's objectives for the management of capital are to safeguard the Company's ability to continue as a going concern, including the preservation of capital, and to achieve reasonable returns on invested cash after satisfying the objective of preserving capital. The Company manages its capital structure, which consists of working capital and share capital, and makes adjustments to it depending on the funds available to the Company for acquisition, exploration and evaluation of mineral property assets. The Board of Directors does not establish quantitative return on capital criteria for management but rather relies on the expertise of the Company's management to sustain future development of the business.
The Company's policy is to maintain sufficient cash and deposit balances to cover operating and exploration costs over a reasonable future period. The Company accesses capital markets as necessary and may also acquire additional funds where advantageous circumstances arise.

The Company reviews its capital management approach on an on-going basis and believes that this approach, given the relatively small size of the Company, is reasonable. The Company is not subject to externally imposed capital requirements and there were no significant changes in its approach to capital management during the year ended March 31, 2026.

13. RISK MANAGEMENT

Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the Company's functional currency. The Company's exploration activity is situated entirely in Armenia and it is therefore exposed to foreign exchange risk arising from transactions and monetary balances denominated in United States dollars and Armenian drams. The Company does not use derivative instruments to reduce upward and downward risk associated with foreign currency fluctuations.

(Expressed in Canadian Dollars)

Cash balances held in the following currencies at March 31, 2026:

	Canadian Dollars	US Dollars	Armenian Dram
Cash	892,646	494,695	3,246

At March 31, 2026, with other variables unchanged, a 5% movement in the United States dollars and Armenian Drams against the Canadian dollar would change the Company's net loss and comprehensive loss by $34,479.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts. This risk is managed by using a major bank that is a high credit quality financial institution as determined by rating agencies. The Company's secondary exposure to risk is on its receivables. The risk is minimal as receivables consist primarily of refundable government taxes.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company's exposure to interest rate risk relates to its ability to earn interest income on cash balances at variable rates. The risk is considered minimal.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to assist in determining the funds required to support the Company's normal operating requirements on an ongoing basis. The Company attempts to ensure there is sufficient access to funds to meet ongoing business requirements, taking into account its current cash position and potential funding sources.

At March 31, 2026, the contractual maturities of the Company's obligations are as follows:

	Within one year $	Between one and five years $	More than five years $
Accounts payable and accrued liabilities	319,753	-	-
Project cost advances received	505,123	-	-

All of the exploration and evaluation assets in which the Company has interests are in the exploration stage. As such, the Company is dependent on external financing to fund its activities. In order to carry out its planned exploration and pay for ongoing general and administrative expenses, the

(Expressed in Canadian Dollars)

Company will use existing working capital and expects to raise additional funds through equity private placements as required in the future. The Company will continue to assess new exploration and evaluation assets and seeks to acquire additional interests if sufficient geologic or economic potential is established and adequate financial resources are available.

Additional information relating to the Company's ability to continue as a going concern is presented in Note 1.

14. INCOME TAXES

A reconciliation of income taxes at the statutory rate is as follows:

	March 31, 2026	March 31, 2025
Net loss	$ (2,030,506)	$ (1,230,482)
Statutory tax rate	23%	28.95%
Expected income tax recovery	(463,729)	(356,276)
Effect of non-deductible items for income tax purposes	50,936	36,162
Unrecognized benefit of non-capital losses	379,304	320,114
Other	33,489	-
Deferred income tax expense	**$ -**	**$ -**

The Company's deductible temporary differences and unused tax losses consist of the following amounts:

	March 31, 2026	March 31, 2025
Non-capital losses	$ 11,902,968	$ 10,194,521
Capital losses	3,061,869	3,061,869
Fixed assets	6,699	2,351
Mineral properties	(935)	-
Share issue costs	113,301	69,126
Prepaid NSR proceeds	(1,416,796)	(1,416,796)
Reclamation provision	103,770	-
	$ 13,770,876	**$ 11,911,071**

The Company has non-capital losses of approximately $9,759,000 in its Canadian operations for income tax purposes which are available to reduce future taxable income. The Company has non-capital losses of approximately $2,144,000 in its Armenian operations for income tax purposes which are available to reduce future taxable income. Such losses are available to be carried forward for a maximum of five years.

15. SUBSEQUENT EVENT

Stock Options

On April 1, 2026, the Company has granted 150,000 stock options to consultants of the Company. The options can be exercised at a price of $0.06 per common share and expire in 5 years from the date of grant.