Quimbaya Gold Inc.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)
(Unaudited)

FOR THE THREE MONTHS ENDED MARCH 31, 2026 AND 2025

NOTICE OF NO AUDITOR REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

In accordance with National Instrument 51-102 Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of these condensed consolidated interim financial statements, they must be accompanied by a notice indicating that these condensed consolidated interim financial statements have not been reviewed by the Company’s auditors.

The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by and are the responsibility of the Company’s management.

QUIMBAYA GOLD INC.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
(Unaudited)
(Expressed in Canadian Dollars)
AS AT

	March 31, 2026	December 31, 2025
ASSETS		
Current		
Cash	$ 10,131,809	$ 12,443,437
Deposit on margin account (Note 11)	45,000	-
Accounts receivable	20,256	83,982
Prepaid expenses	690,277	571,135
Total current assets	10,887,342	13,098,554
Loan receivable (Note 9)	71,972	-
Property and equipment (Note 3)	268,743	239,942
Exploration and evaluation assets (Note 4)	5,405,605	5,390,724
Total assets	$ 16,633,662	$ 18,729,220
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable	$ 388,663	$ 544,017
Foreign exchange derivative (Note 11)	498,126	-
Total liabilities	886,859	544,017
Shareholders' equity		
Share capital (Note 7)	29,599,092	28,416,214
Obligation to issue shares	-	369,500
Reserves (Note 8)	5,253,463	5,682,393
Accumulated other comprehensive loss	(108,935)	(110,166)
Deficit	(18,996,817)	(16,172,738)
Total shareholders' equity	15,746,803	18,185,203
Total liabilities and shareholders' equity	$ 16,633,662	$ 18,729,220

Nature and Going Concern (Note 1)
Subsequent Events (Note 13)

Approved and authorized by the Board of Directors on June 1, 2026.

"Alexandre P. Boivin" Director *"Pietro JL Solari"* Director

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

QUIMBAYA GOLD INC.
CONDENSED CONSOLIDATED INTEIRM STATEMENTS OF LOSS AND OTHER COMPREHENSIVE LOSS
(Unaudited)
(Expressed in Canadian Dollars)
FOR THE THREE MONTHS ENDED MARCH 31,

	2026	2025
EXPENSES		
Consulting fees (Note 9)	$ 283,112	$ 299,444
Depreciation (Note 3)	27,025	-
Exploration expenditures (Note 4)	1,364,027	203,201
Filing fees and transfer agent	24,335	22,102
Finance expense (Note 10)	-	9,009
Foreign exchange	1,012	2,749
Investor relations and shareholder communications	155,153	300,642
Marketing	1,427	11,523
Office and administration	19,106	28,596
Professional fees	72,517	100,695
Share-based payments (Note 8)	376,448	505,584
Travel	63,889	73,481
	(2,388,051)	(1,557,026)
Fair value loss on foreign currency derivative (Note 11)	(498,196)	-
Interest income	62,168	-
	(436,028)	-
Net loss	(2,824,079)	(1,557,026)
Other comprehensive loss		
Exchange difference on translation of foreign operations	1,231	(4,408)
Net loss and other comprehensive loss for the period	$ (2,822,848)	$ (1,561,434)
Basic and diluted loss per common share	$ (0.03)	$ (0.03)
Weighted average number of common shares outstanding – basic and diluted	82,453,496	45,425,739

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

QUIMBAYA GOLD INC.
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS
(Unaudited)
(Expressed in Canadian Dollars)
FOR THE THREE MONTHS ENDED MARCH 31,

	2026	2025
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss for the period	$ (2,824,079)	$ (1,557,026)
Unrealized foreign exchange	(2,095)	2,749
Finance expense	-	8,356
Depreciation	27,025	-
Accrued interest income	(428)	-
Share-based payments (Note 8)	376,448	505,584
Fair value loss on foreign currency derivative (Note 11)	498,196	-
Changes in non-cash working capital items:		
Accounts receivable	63,860	852
Accounts payable	(163,681)	(87,360)
Deposit on margin account	(45,000)	-
Prepaid expenses	(112,012)	(23,692)
Net cash used in operating activities	(2,181,766)	(1,150,537)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment (Note 3)	(45,435)	-
Acquisition of mineral concessions (Note 4)	-	(202,342)
Net cash used in investing activities	(45,435)	(202,342)
CASH FLOWS FROM FINANCING ACTIVITIES		
Shares issued for cash	-	1,585,136
Share issuance costs (Note 7)	-	(79,560)
Stock options exercised (Note 7)	-	71,000
Warrants exercised (Note 8)	8,000	-
Loan provided to related party (Note 9)	(69,450)	-
Loan funds received (Note 5)	-	135,050
Loan funds repaid (Note 5)	-	(106,993)
Net cash provided by financing activities	(61,450)	1,604,633
Effect of foreign exchange on cash	(22,977)	(16,252)
Change in cash for the period	(2,311,628)	235,502
Cash, beginning of period	12,443,437	47,354
Cash, end of period	$ 10,131,809	$ 282,856
Supplemental cash flow information		
Broker warrants issued as share issuance costs	$ -	43,370
Issuance of shares upon the vesting of restricted share units	1,174,878	-
Units issued for prepaid services	-	1,279,480
Units issued for settlement of accounts payable	-	34,780
Units issued for settlement of loans payable	-	30,323

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

QUIMBAYA GOLD INC.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Unaudited)
(Expressed in Canadian Dollars)

	Common Shares Number	Common Shares Amounts	Obligation to issue shares	Reserves	Accumulated Other Comprehensive Loss	Deficit	Total
Balance, December 31, 2024	34,797,506	$ 9,642,385	$ 248,000	$ 714,412	$ (60,592)	$ (5,994,637)	$ 4,549,568
Units issued for prepaid services (Note 7)	4,264,934	1,279,480	-	-	-	-	1,279,480
Shares issued for stock options (Note 7)	177,500	108,386	-	(37,386)	-	-	71,000
Units issued for debt settlements (Note 7)	217,011	65,103	-	-	-	-	65,103
Units issued for cash (Note 7)	5,283,788	1,585,136	-	-	-	-	1,585,136
Share issue costs (Note 7)	-	(79,560)	-	-	-	-	(79,560)
Broker warrants (Notes 7, 8)	-	(43,370)	-	43,370	-	-	-
Issuance of shares for restricted share units (Note 7)	1,336,250	432,300	(248,000)	(184,300)	-	-	-
Vesting of restricted share units (Note 8)	-	-	36,000	(36,000)	-	-	-
Share-based payments (Note 8)	-	-	-	505,584	-	-	505,584
Comprehensive loss for the period	-	-	-	-	(4,408)	(1,557,026)	(1,561,434)
Balance, March 31, 2025	46,076,989	12,989,860	36,000	1,005,680	(65,000)	(7,551,663)	6,414,877
Units issued for prepaid services (Note 7)	-	-	-	-	-	-	-
Shares issued for stock options (Note 7)	535,000	319,624	-	(108,124)	-	-	211,500
Units issued for debt settlements (Note 7)	86,531	30,286	-	-	-	-	30,286
Units issued for cash (Note 7)	32,023,768	15,942,869	-	2,470,200	-	-	18,413,069
Share issue costs (Note 7)	-	(1,401,612)	-	-	-	-	(1,401,612)
Broker warrants (Notes 7, 8)	-	(459,920)	-	459,920	-	-	-
Warrants exercised (Notes 7, 8)	1,809,464	731,357	-	(571)	-	-	730,786
Issuance of shares for restricted share units (Note 8)	625,000	263,750	-	(263,750)	-	-	-
Vesting of restricted share units (Note 8)	-	-	333,500	(333,500)	-	-	-
Share-based payments (Note 8)	-	-	-	2,452,538	-	-	2,452,538
Comprehensive loss for the period	-	-	-	-	(45,166)	(8,621,075)	(8,666,241)
Balance, December 31, 2025	81,156,752	28,416,214	369,500	5,682,393	(110,166)	(16,172,738)	18,185,203
Warrants exercised (Notes 7, 8)	20,000	8,000	-	-	-	-	8,000
Issuance of shares for restricted share units (Note 7)	2,179,034	1,174,878	(369,500)	(805,378)	-	-	-
Share-based payments (Note 8)	-	-	-	376,448	-	-	376,448
Comprehensive loss for the period	-	-	-	-	1,231	(2,824,079)	(2,822,848)
Balance, March 31, 2026	83,355,786	$ 29,599,092	$ -	$ 5,253,463	$ (108,935)	$ (18,996,817)	$ 15,746,803

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

1. NATURE AND GOING CONCERN

Quimbaya Gold Inc. (the "Company") was incorporated in Canada under the Canada Business Corporations Act on May 27, 2020 and continued into British Columba under the Business Corporations Act on May 1, 2025. The Company is principally engaged in the acquisition and exploration and development of mineral properties in Colombia. The Company maintains its registered office at Suite 501 – 3292 Production Way, Burnaby, British Columbia, V5A 4R4. The Company is listed on the Canadian Securities Exchange under the symbol "QIM" and OTCQB under the symbol "QIMGF".

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") on a going concern basis, which contemplates that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. As at March 31, 2026, the Company had working capital of $10,000,483 and accumulated deficit of $18,996,817. The Company reported a net loss of $2,824,079 and negative cashflows from operations of $2,181,766 for the three months ended March 31, 2026. The Company's ability to continue as a going concern is dependent upon its ability to raise funds primarily through the issuance of shares or achieve profitable operations. The outcome of these matters cannot be predicted at this time. If the Company is unable to obtain additional financing, management may be required to curtail certain expenses. An inability to raise additional financing may impact the future assessment of the Company as a going concern. These events and conditions indicate a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.

World Events

Worldwide conflicts and the recent political tensions between the United States and many countries have contributed to significant volatility in financial and commodity markets. These ongoing events have impacted global commercial activity, including causing significant fluctuations in worldwide demand and prices for certain commodities. The duration and impact of the conflicts and political tensions and magnitude of the impact on the economy and financial effect on the Company is not known at this time.

2. BASIS OF PREPARATION

Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with IFRS applicable to the preparation of interim financial statement, including IAS 34, Interim Financial Reporting. Accordingly, these financial statements do not include all of the information and footnotes required by IFRS for complete financial statements for year-end reporting purposes.

These condensed consolidated interim financial statements should be read in conjunction with the Company's audited annual consolidated financial statements as at and for the year ended December 31, 2025, and the notes thereto. The financial statements have been prepared on the same basis as the material accounting policies for the year ended December 31, 2025 with the addition of newly adopted accounting policies:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by IFRS 9.

The Company uses derivative financial instruments, being forward currency contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. The Company has not designated any foreign currency hedges as qualifying for hedge accounting.

2. BASIS OF PREPARATION *(cont'd…)*

Basis of consolidation and presentation

The condensed consolidated interim financial statements have been prepared on a historical cost basis. In addition, these condensed consolidated interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information

These condensed consolidated interim financial statements include the accounts of the Company, and its subsidiaries as follows:

Company	Place of Incorporation	Effective Interest	Principal Activity	Functional currency
Golden Pacifico Exploration S.A.S. ("Golden Pacifico")	Colombia	100%	Mining exploration	Colombian peso
Explogold Ingenieria y Consultoria S.A.S. ("Explogold")	Colombia	100%	Mining exploration	Colombian peso
Minera Buey Aures S.A.S. ("Minera Buey")	Colombia	100%	Mining exploration	Colombian peso
Soluciones Ambientales Del Nordeste S.A.S. ("Nordeste")	Colombia	100%	Mining exploration	Colombian peso
Quimbaya Gold Colombia S.A.S.	Colombia	100%	Mining exploration	Colombian peso
Quimbaya Gold SA	Panama	100%	Mining exploration management	Canadian dollar
Tahamies Recursos Naturales S.A.S (formerly Minera Tahamies S.A.S.)	Colombia	100%	Mining exploration	Colombian peso
Inversiones Tahamies S.A.S.	Colombia	100%	Mining exploration	Colombian peso

Subsidiaries are entities over which the Company has exposure to variable returns from its involvement and has the ability to use power over the investee to affect its returns. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company until the date on which control ceases. The accounts of the subsidiary are prepared for the same reporting period as the parent company, using consistent accounting policies. Inter-company transactions, balances and unrealized gains or losses on transactions are eliminated upon consolidation.

Use of judgments and estimates

The preparation of these consolidated financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported expenses during the period. Actual results could differ from these estimates.

Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances, as the basis for its estimates and assumptions. Revisions to accounting estimates are recognized prospectively from the period in which the estimates are revised. Actual outcomes may differ from those estimates under different assumptions and conditions.

Foreign exchange derivatives

The valuation of open foreign exchange derivative positions at fair value at each reporting date using observable market inputs, including spot exchange rates, forward exchange rates, implied volatility, interest rate differentials, time to maturity, and the probability of the barrier conditions being triggered.

2. BASIS OF PREPARATION *(cont'd…)*

Use of judgments and estimates *(cont'd…)*

Deferred taxes

The calculations for current and deferred taxes require management's interpretation of tax regulations and legislation in the various tax jurisdictions in which the Company operates, which are subject to change. The measurement of deferred tax assets and liabilities requires estimates of the timing of the reversal of temporary differences identified and management's assessment of the Company's ability to utilize the underlying future tax deductions against future taxable income before they expire, which involves estimating future taxable income.

The Company is subject to assessments by various taxation authorities in the tax jurisdictions in which it operates, and these taxation authorities may interpret the tax legislation and regulations differently. In addition, the calculation of income taxes involves many complex factors. As such, income taxes are subject to measurement uncertainty and actual amounts of taxes may vary from the estimates made by management.

Share-based payments

The Company has applied estimates with respect to the valuation of shares issued for non-cash consideration. Shares are valued at the fair value of the equity instruments granted at the date the Company receives the goods or services for share-based payments made to those other than employees or others providing similar services.

The Company measures the cost of equity-settled transactions by reference to the fair value of the equity instruments at the date at which they are granted for share-based payments made to employees or others providing similar services. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the fair value of the underlying common shares, the expected life of the share option, volatility and dividend yield and making assumptions about them.

The key areas of judgment applied in the preparation of the consolidated financial statements that could result in a material adjustment to the carrying amounts of assets and liabilities are as follows:

- Provisions

  Management's determination of no material restoration, rehabilitation and environmental exposure is based on the facts and circumstances that existed during the year.

- Functional currency

  The functional currency of the Company and its subsidiary is the currency of their respective primary economic environment. Judgement is necessary in evaluating each entity's functional currency.

- Going concern

  The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay its ongoing operation expenditures and to 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 (Note 1).

2. BASIS OF PREPARATION *(cont'd…)*

Use of judgments and estimates *(cont'd…)*

- Mineral Properties

  The application of the Company's accounting policy for exploration and evaluation expenditures requires judgment in determining whether it is likely that future economic benefits are likely to arise from future exploitation or sale or where activities have not reached a stage which permits a reasonable assessment of the existence of reserves. The deferral policy requires management to make certain estimates and assumptions about future events or circumstances, in particular whether an economically viable extraction operation can be established. Estimates and assumptions made may change if new information becomes available. If, after the expenditure is capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in profit or loss in the period when the new information becomes available.

  Exploration and evaluation assets are reviewed for changes in facts and circumstances suggesting the carrying amount exceeds the recoverable amount at each consolidated statement of financial position date. This determination requires significant judgment. Factors which could trigger an impairment review include, but are not limited to, significant negative industry or economic trends and interruptions in exploration activities. The Company's review considers the following:

  - The period for which the Company has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed;
  - Substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned;
  - Exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources, and the entity has decided to discontinue such activities in the specific area; and
  - Sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

- Deferred tax

  The value of deferred tax assets is evaluated based on the probability of realization; the Company has assessed that it is improbable that such assets will be realized and has accordingly not recognized a value for deferred taxes.

- Exploration and evaluation assets

  Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain mineral titles as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral properties.

(Expressed in Canadian Dollars)

3. PROPERTY AND EQUIPMENT

	Computers equipment	Office equipment	Vehicles	Total
Cost				
Balance, December 31, 2024	$ -	$ -	$ -	$ -
Additions	33,866	47,596	168,075	249,537
Foreign exchange	1,723	2,422	8,553	12,698
Balance, December 31, 2025	$ 35,589	$ 50,018	$ 176,628	$ 262,235
Additions	20,169	15,026	10,240	45,435
Foreign exchange	1,932	2,417	7,574	11,923
Balance, March 31, 2026	$ 57,690	$ 67,461	$ 194,442	$ 319,593
Accumulated Depreciation				
Balance, December 31, 2024	$ -	$ -	$ -	$ -
Additions	4,233	2,975	14,006	21,214
Foreign exchange	215	151	713	1,079
Balance, December 31, 2025	$ 4,448	$ 3,126	$ 14,719	$ 22,293
Additions	7,053	4,124	15,848	27,025
Foreign exchange	341	223	968	1,532
Balance, March 31, 2026	$ 11,842	$ 7,473	$ 31,535	$ 50,850
Net Book Value				
December 31, 2025	$ 31,141	$ 46,892	$ 161,909	$ 239,942
March 31, 2026	$ 45,848	$ 59,988	$ 162,907	$ 268,743

4. EXPLORATION AND EVALUATION ASSETS

Berrio Project, Colombia

The Company holds the Concession Mining Contact No. 6822 in the Antioquia region of Colombia (the "Berrio Project") through Golden Pacifico. The Company paid total cash consideration of $185,579 for the concession and certain related historic drill core with respect to the Berrio Project.

Tahami Project, Colombia

The Tahami Project started with two titles in the northeast of Medellin in the Segovia-Remedios mining district of Antioquia. In the year ended December 31, 2025, the Company completed the acquisition of these titles for consideration of $217,345.

In the year ended December 31, 2024, the Company entered into two agreements to acquire additional claims in the Tahami Project:

The Company acquired one concession with the acquisition of Inversiones Tahamies S.A.S. for total consideration of US$205,000 of which the Company has paid US$125,000 and paid the balance of US$80,000 in the year ended December 31, 2025.

(Expressed in Canadian Dollars)

4. EXPLORATION AND EVALUATION ASSETS *(cont'd…)*

Tahami Project, Colombia *(cont'd…)*

The Company acquired four concessions with the acquisition of Tahamies Recursos Naturales S.A.S. for total consideration of US$400,000 of which the Company has paid US$100,000 and issued 274,000 common shares valued at US$100,000. The Company was due to pay US$100,000 on or before the six month anniversary (November 8, 2024) and the balance of US$100,000 on or before the first anniversary of the purchase agreement (May 10, 2025). In the year ended December 31, 2025, the Company renegotiated the payments to reduce the acquisition cost and made a one-time payment of US$135,000. As at December 31, 2025, the Company had no outstanding property purchase obligations.

Maitamac Project, Colombia

The Maitamac Project consists of 9 mining applications covering approximately 30,570 Ha and is located 45 km southwest of Medellín in the Abejorral and Sonson municipalities.

Exploration and evaluation assets

The Company's exploration and evaluation assets are summarized as follows:

	Berrio Project	Tahami Project	Maitamac Project	Total
Balance, December 31, 2024	$ 185,579	$ 4,568,489	$ 382,703	$ 5,136,771
Acquired	-	217,345	-	217,345
Foreign exchange translation	-	36,609	-	36,609
Balance, December 31, 2025	$ 185,579	$ 4,822,443	$ 382,703	$ 5,390,724
Foreign exchange translation	-	14,881	-	14,881
Balance, March 31, 2026	$ 185,579	$ 4,837,324	$ 382,703	$ 5,405,605

Management assessed the exploration and evaluation assets for indicators of impairment in accordance with IFRS 6, Exploration for and Evaluation of Mineral Resources, as at March 31, 2026 and December 31, 2025. Based on this assessment, management did not identify any facts or circumstances that would indicate that the carrying amounts of exploration and evaluation assets may exceed their recoverable amounts as at those dates.

(Expressed in Canadian Dollars)

4. EXPLORATION AND EVALUATION ASSETS *(cont'd…)*

Exploration Expenditures

The Company expended the following exploration and evaluation expenditures on the Tahami Project:

For the three months ended March 31, 2026	Tahami Project	Maitamac Project	Total
Consulting	$ 109,091	-	$ 109,091
Community	170,663	-	170,663
Field expenditures	108,697	-	108,697
Drilling	110,599	-	110,599
Geological	352,485	-	352,485
Input taxes	82,272	-	82,272
Insurance	4,230	-	4,230
Labour	302,468	-	302,468
Permitting	5,691	-	5,691
Professional fees	36,410	560	36,970
Travel and transport	80,861	-	80,861
Total expenditures for the period	$ 1,363,467	560	$ 1,364,027

For the three months ended March 31, 2025	Tahami Project
Consulting	$ 34,722
Database	24,951
Field expenditures	22,712
Geological	61,938
Labour	58,878
Total expenditures for the period	$ 203,201

5. LOANS PAYABLE

In the year ended December 31, 2025, the Company borrowed:

a) $75,050 from the CFO of the Company, accruing interest at a rate of 12% per annum. The Company repaid the balance and accrued interest in the amount of $76,628 in the year.
b) $60,000 from various third parties, accruing interest at a rate of 12% per annum. These balances were settled with equity in the year ended December 31, 2025 (Note 8).
c) $55,000 from various third parties, accruing interest at a rate of 12% per annum. The Company repaid the balance and accrued interest in the amount of $55,850 in the year.

(Expressed in Canadian Dollars)

5. LOANS PAYABLE *(cont'd…)*

A summary of the movements of the loans payable is as follows:

Loans payable		
Balance, December 31, 2024	$	14,889
Interest accrued		3,840
Funds repaid		(148,170)
Loans settled with common share units (Note 7)		(60,609)
Funds received as loans		190,050
Balance, December 31, 2025 and March 31, 2026	$	-

6. CONVERTIBLE DEBENTURES

The Company had convertible loan facility accruing interest at a rate of 12% per annum and were convertible into common shares, along with accrued interest, at the option of the holder at a conversion price of $0.50 per common share. The facility was fully settled in the year ended December 31, 2025.

A summary of the movements of the convertible debentures is as follows:

Convertible debentures		
Balance, December 31, 2024	$	124,565
Accretion expense		3,252
Interest accrued		16,490
Funds repaid		(144,307)
Balance, December 31, 2025 and March 31, 2026	$	-

7. SHARE CAPITAL

a) Authorized share capital

Unlimited number of common shares without par value.

b) Issued share capital

Three months March ended 31, 2026

In the three months ended March 31, 2026, the Company issued 8,000 shares pursuant to the exercise of 20,000 warrants and issued 2,179,034 shares on the exercise of restricted share units.

7. SHARE CAPITAL *(cont'd…)*

Year ended December 31, 2025

In the year ended December 31, 2025, the Company:

a) Completed a tranche private placement of 5,770,799 units of the Company ("Units"), at a price of $0.30 per Unit, for aggregate value of $1,731,240, inclusive of both traditional private placement funds and shares for debt/previous services.

   a. 5,283,788 Units were issued for cash for gross proceeds of $1,585,136;
   b. 217,011 Units were issued in settlement of debts (Note 5); and
   c. 270,000 Units were issued for prepaid services.

   Each Unit was composed of one common share of the Company and one share purchase warrant. Each warrant is exercisable to purchase one additional common share for a period of two years from the date of closing of the private placement at an exercise price of $0.40 per warrant.

   The Company paid a finders' fees of $63,800 and issued 212,666 finder's warrants, which have a two-year term from closing and an exercise price of $0.40. The finder's warrants were valued at $0.20 per warrant for a total value of $43,370. The Company incurred other share issue costs of $15,761.

b) Entered into a drilling agreement, agreeing to compensate contractors entirely in equity through the issuance of 3,994,934 Units at $0.30, each consisting of one common share and one warrant exercisable at $0.40 for two years. The drilling units are held in escrow with Olympia Trust Company. As at March 31, 2026, 1,198,480 Units had been released from escrow and the value of $253,207 is included in prepaid expenses.

c) Completed a non-brokered private placement of 11,438,768 units at a price of $0.35 per unit ("July Units") for gross proceeds of $4,003,569. Each unit is comprised of one common share and one warrant. Each warrant is exercisable at a price of $0.60 for a period of 3 years, expiring on July 4, 2028.

   The Company paid cash commissions of $16,800, incurred other share issuance costs of $12,421 and issued 48,000 broker warrants valued at $13,262 using the following Black-Scholes assumptions: risk-free interest rate of 2.69%, volatility of 119.8% and expected life of 3 years.

d) Issued 86,531 July Units at a value of $0.35 per unit valued at $30,286 in settlement of amounts outstanding.

e) On November 4, 2025, completed a "bought deal" private placement of 20,585,000 Listed Issuer Financing Exemption Units (the "LIFE Units") for gross proceeds of $14,409,500 at a price of $0.70 per Life Unit.

   Each Life Unit consisted of one common share and one half warrant. Each whole warrant is exercisable at a price of $1.00 for a period of 36 months following the closing date. The warrants were assigned a residual value of $0.12 per warrant for a total of $2,470,200.

   The Company paid a cash commission equal to $722,770, a finder fee of $59,976, and incurred other share issue costs of $589,644. The Company issued 1,118,208 broker warrants which are exercisable at a price of $0.70 until November 4, 2028. The broker warrants were valued at $446,658 using the following Black-Scholes assumptions: risk-free interest rate of 2.43%, volatility of 121.1% and expected life of 3 years.

(Expressed in Canadian Dollars)

8. RESERVES

Securities Based Compensation Arrangements

The Company has a long-term incentive plan ("LTIP") in place that allows for the issuance of (i) stock options up to 10% and (ii) restricted share units, deferred share units, performance share units and stock appreciation rights not to exceed 10% of the issued and outstanding common shares at each date of grant.

Stock Options

Stock option transactions are summarized as follows:

	Number of Options	Weighted Average Exercise Price
Balance outstanding, December 31, 2024	1,550,000	$ 0.40
Granted	3,805,000	0.56
Forfeit	(287,500)	0.58
Expired	(712,500)	0.40
Balance outstanding, December 31, 2025	4,355,000	$ 0.52
Granted	200,000	0.45
Forfeit	(250,000)	0.74
Balance outstanding, March 31, 2026	4,305,000	$ 0.51
Balance exercisable, March 31, 2026	4,105,000	$ 0.51

Stock options outstanding as at March 31, 2026:

	Number outstanding	Number exercisable	Exercise price	Expiry date
Options	400,000	400,000	$ 0.40	October 26, 2026
	300,000	300,000	0.40	November 18, 2026
	900,000	900,000	0.40	February 28, 2027
	1,655,000	1,655,000	0.50	July 4, 2028
	50,000	50,000	0.74	September 4,2027
	800,000	800,000	0.74	September 4,2028
	200,000	-	0.45	February 1, 2026
	4,305,000	4,105,000		

As at March 31, 2026, the outstanding stock options had a weighted average remaining life of 1.63 years (December 31, 2025 – 1.94) years.

(Expressed in Canadian Dollars)

8. RESERVES *(cont'd…)*

Restricted Share Units

	Number of RSUs		Weighted Average Grant Date Price
Balance outstanding, December 31,2024	1,550,000		0.32
Granted	3,091,250		0.48
Exercised	(1,961,250)		0.35
Forfeit	(250,000)		0.33
Balance outstanding, December 31,2025	3,044,034	$	0.51
Granted	150,000		0.37
Exercised	(2,179,034)		0.54
Balance outstanding, March 31, 2026	1,015,000	$	0.41
Balance vested, March 31, 2026	-	$	-

Share-based payments

During the three months ended March 31, 2026, the Company granted 150,000 (2025 – 900,000) stock options with a weighted average fair value of $0.26 (2025 - $0.24) per option. The Company recognized share-based payments expense of $12,420 (2025 - $289,555) for options granted and vesting during the three months ended March 31, 2026.

Share-based payments expense with respect to stock options is estimated using the following assumptions: The expected volatility assumption was determined through the comparison of historical share price volatility. The risk-free interest rate assumption is based on yield curves on Canadian government zero-coupon bonds with a remaining term equal to the stock options' expected life. The Company uses historical data to estimate option exercise, forfeiture and employee termination within the valuation model. The Company has not paid and does not anticipate paying dividends on its common shares.

The following weighted average assumptions were used for the Black-Scholes option-pricing model valuation of stock options vesting during the period:

		For the three months ended March 31, 2026		For the three months ended March 31, 2025
Share price	$	0.375	$	0.36
Risk-free interest rate		2.47%		2.57%
Expected life of options		3 years		2 years
Expected annualized volatility		121.4%		138.4%
Dividend rate		0%		0%
Forfeiture rate		-		-

(Expressed in Canadian Dollars)

8. RESERVES *(cont'd…)*

Share-based payments (cont'd…)

As the performance conditions of the RSU granted were not market-related, the fair value per RSU used to calculate compensation expense for the RSU granted is determined to be equal to the market price on the date of grant as determined by recent subscription prices for the Company's common shares paid by third parties. The Company recognized share-based payments expense with respect to RSUs granted and vesting of $364,029 (2025 - $287,590) in the three months ended March 31, 2026.

Warrants

	Number of Options	Weighted Average Exercise Price
Balance outstanding, December 31, 2023	5,169,624	0.51
Granted	32,962,406	0.67
	(43,680)	0.75
Cancelled	(1,809,464)	0.40
Balance outstanding, December 31, 2024	36,278,886	$ 0.66
Exercised	(20,000)	0.40
Balance outstanding, March 31, 2026	36,258,886	$ 0.66
Balance exercisable, March 31, 2026	33,462,432	$ 0.68

Warrants outstanding as at March 31, 2026:

	Number outstanding	Number exercisable	Exercise price	Expiry date
Warrants	1,221,070	1,221,070	$ 0.75	June 5, 2026
	348,274	348,274	0.75	November 1, 2026
	781,602	781,602	0.40	December 11, 2026
	1,888,332	1,888,332	0.40	December 20, 2026
	2,715,801	2,715,801	0.40	February 14, 2027
	209,866	209,866	0.40	February 14, 2027
	2,115,000	2,115,000	0.40	February 26, 2027
	3,994,934	1,198,480	0.40	March 14, 2027
	11,525,299	11,525,299	0.60	July 4,2028
	48,000	48,000	0.60	July 4,2028
	10,292,500	10,292,500	1.00	November 4, 2028
	1,118,208	1,118,208	0.70	November 4, 2028
	36,258,886	33,462,432		

As at March 31, 2026, the outstanding warrants had a weighted average remaining life of 1.83 years (December 31, 2025 – 2.08 years).

(Expressed in Canadian Dollars)

9. RELATED PARTY TRANSACTIONS

Key management personnel include the President, Chief Financial Officer, VP Exploration and Directors of the Company. The remuneration of the key management personnel is as follows:

Payments to key management personnel		For the three months ended March 31, 2026		For the three months ended March 31, 2025
Consulting fees	$	158,866	$	60,000
Geological fees		123,213		-
Accounting fees		30,000		15,000

The convertible debentures were due to a former director of the company and outstanding balances repaid in the year ended December 31, 2025 (Note 6).

As at March 31, 2026, accounts payable and accrued liabilities of $4,558 (December 31, 2025 - $82,127) was due to related parties.

In the three months ended March 31, 2026, the Company provided a loan of US$50,000 ($69,450) which accrues interest at rate of 4% per annum and matures on July 31, 2027. The loan is secured by 348,450 common shares of the Company.

10. FINANCE AND OTHER EXPENSE

Finance expense		For the three months ended March 31, 2026		For the three months ended March 31, 2025
Accretion of equity feature (Note 6)	$	-	$	2,240
Coupon interest on convertible debt (Note 6)		-		3,450
Interest on accounts payable		-		653
Coupon interest on loans (Note 5)		-		2,666
Total finance expense for the period	$	-	$	9,009

Other loss

During the year ended December 31, 2025, the Company recognized a loss of $187,988 arising from a business email compromise involving phishing by a third party. The matter remains under investigation and the Company is pursuing available recovery options. No recovery has been recognized as at March 31, 2026.

(Expressed in Canadian Dollars)

11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial instruments

Cash, accounts receivables, loan receivable, and accounts payable are carried at amortized cost. The Company considers that the carrying amount of cash, accounts receivable and accounts payable measured at amortized cost to approximate their fair value due to the short-term nature of the financial instruments. The loan receivable is carried at the recoverable amount. Foreign currency derivatives are measured at fair value using inputs from level 2 of the fair value hierarchy.

Financial risk factors

Credit risk

The Company is exposed to credit risk relative to the liquidity of cash, amounting to $10,131,809 at March 31, 2026 (December 31, 2025 – $12,443,437). As the Company's policy is to limit cash holdings to instruments issued by major Canadian banks, the credit risk is considered by management to be negligible. As at March 31, 2026, the Company had an immaterial amount of cash balances in Colombia.

Credit risk with respect to the loan receivable is mitigated by the securitization of the loan with shares of the Company (Note 9). However, the value of the Company's common shares are subject to change,

Liquidity risk

Liquidity risk is the risk that the Company will not be able to pay financial instrument liabilities as they come due. As at March 31, 2026, the Company had working capital of $10,000,483 (December 31, 2025 – $12,554,537). The Company's financial obligations include accounts payable and loans payable, which have contractual maturities of less than a year.

Interest rate risk

The Company's financial asset exposed to interest rate risk consists of cash. At March 31, 2026, the Company maintained all of its cash balance on deposit with a major Canadian bank with no expectation of interest rate returns or impact. Interest-bearing debts are at fixed rates with the financial impact known at the time of execution.

Foreign currency risk

The Company operates in Colombia and is therefore exposed to foreign exchange risk arising from transactions denominated in the Colombian peso ("COP$"). The Company's financial assets and liabilities are held in COP$ and are therefore subject to fluctuation against the Canadian dollar, its reporting currency.

In the period ended March 31, 2026, the Company's entered into a structured option portfolio over the Canadian dollar to Colombia Peso exchange rate which had a net fair value liability of $498,196. The hedge program was established to protect forecast Colombian Peso-denominated expenditures funded through Canadian Dollar cash flows and consists of a combination of purchased barrier put options and sold barrier call options with maturities as follows:

Maturity date		Contract Value (CAD)		Fair Value
August 18, 2026	$	2,500,000	$	(42,430)
November 18, 2026		2,500,000		(31,727)
February 18, 2027		7,200,000		(422,039)
		12,200,000	$	(498,196)

11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Foreign currency risk (cont'd…)

The structure for all maturity dates comprises:
• Purchased CAD put/COP call option at 2,540 with an American-style knock-out barrier at 3,050;
• Purchased CAD put/COP call option at 2,715 with an American-style knock-in barrier at 3,050; and
• Sold CAD call/COP put option with an American-style knock-in barrier at 3,050.

As of March 31, 2026, the CAD/COP spot exchange rate used in the valuation was 2,640, which remained above the primary protection level of 2,540 and below the American-style barrier level of 3,050. The 3,050 barrier had not been triggered as of the reporting date. As a result, the contingent knock-in and knock-out features embedded within the structure remained unactivated and the hedge continued to provide the intended economic protection against adverse foreign exchange movements.

While the portfolio reflects a negative mark-to-market valuation, this amount does not represent a realized foreign exchange loss nor does it indicate that the hedge has become ineffective. Rather, the fair value adjustment primarily reflects the market-implied probability of the CAD/COP exchange rate reaching the 3,050 barrier prior to maturity. As spot rates move closer to the barrier level, the risk premium associated with the contingent option features increases, resulting in a higher valuation of the sold barrier exposure and a corresponding negative mark-to-market adjustment. The Company was required to provide net deposits of $45,000 to a margin account under the structure as at March 31, 2026.

From an economic perspective, the Company continues to benefit from favorable market outcomes if the barrier remains untouched throughout the life of the transactions. Specifically, should the CAD/COP exchange rate appreciate above the protection levels of 2,540 and 2,715 while remaining below the 3,050 barrier until expiry, the Company would retain the ability to convert Canadian Dollars into Colombian Pesos at the prevailing market exchange rate, thereby benefiting from more favorable market levels than those guaranteed under the protection strikes. Consequently, the hedge preserves upside participation within the protected range while maintaining protection against adverse currency movements.

The current unrealized fair value liability therefore reflects the market's pricing of future barrier risk and option time value rather than the economic outcome of the hedging strategy. The ultimate realized value of the hedge program will depend on future movements in the CAD/COP exchange rate and whether the barrier conditions are triggered prior to the respective maturity dates.

Management believes the fair value adjustment is consistent with the non-linear characteristics of barrier option structures and remains aligned with the original risk management objective of protecting future Colombian Peso capital expenditures while preserving participation in favorable exchange rate movements within the barrier range.

12. CAPITAL MANAGEMENT

The Company's capital management objective is to maintain financial capacity that is strong to sustain the future development of the business.

The Company's capital structure includes shareholders' equity of $15,746,803 (December 31, 2025 – $18,185,203). The Company manages its capital structure to maximize its financial flexibility to adjust to changes in economic conditions. The Company is not subject to externally imposed capital requirements.

There were no changes to the Company's approach to capital management during the period ended March 31, 2026.

13. SUBSEQUENT EVENTS

Subsequent to March 31, 2026, the Company granted 100,000 stock options exercisable at a price of $0.40 for a period of 3 years and granted 875,000 RSUs which expire in two years.