



## **GFG Resources Inc.**

### **Condensed Interim Consolidated Financial Statements**

*(Unaudited)*

*For the three months ended September 30, 2025 and 2024*

*Expressed in Canadian Dollars*

**NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM  
CONSOLIDATED FINANCIAL STATEMENTS**

Under National Instruments 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that an auditor has not reviewed the financial statements.

The accompanying unaudited condensed interim consolidated financial statements of the Company for the three months ended September 30, 2025, have been prepared by and are the responsibility of the Company's management. The Company's independent auditor has not performed a review of these financial statements.

**GFG RESOURCES INC.**

## Condensed Interim Consolidated Statements of Financial Position

*(Unaudited - Expressed in Canadian Dollars)*

	September 30, 2025	June 30, 2025
	\$	\$
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents (note 3)	4,152,219	4,649,387
Receivables (note 4)	108,598	146,334
Reclamation bond (note 5)	-	298,782
Prepaid expenses	148,473	140,963
Investment (note 6)	484,393	384,957
Promissory note receivable (note 7)	972,484	939,607
	<b>5,866,167</b>	<b>6,560,030</b>
<b>Non-Current Assets</b>		
Deposits	12,316	12,800
Exploration and evaluation assets (notes 8, 14 and 15)	37,514,814	36,757,211
Property and equipment (note 9)	144,856	21,072
	<b>43,538,153</b>	<b>43,351,113</b>
<b>Liabilities and Shareholders' Equity</b>		
<b>Current Liabilities</b>		
Accounts payable and accrued liabilities (note 10)	655,693	322,895
Flow-through share premium liabilities (note 11)	438,631	619,073
Lease liability (note 12)	25,365	14,059
Advance (note 13)	20,881	20,464
	<b>1,140,570</b>	<b>976,491</b>
<b>Non-Current Liabilities</b>		
Lease liability (note 12)	115,961	-
Deferred tax liability	450,000	359,000
	<b>1,706,531</b>	<b>1,335,491</b>
<b>Shareholders' Equity</b>		
Share capital (note 14)	61,735,701	61,735,701
Reserves (note 14)	3,671,139	3,598,398
Accumulated other comprehensive loss	(678,440)	(678,440)
Deficit	(22,896,778)	(22,640,037)
	<b>41,831,622</b>	<b>42,015,622</b>
	<b>43,538,153</b>	<b>43,351,113</b>

Going concern (note 1)

Subsequent events (note 18)

"Patrick Downey"

Patrick Downey, Chair

"Arnold Klassen"

Arnold Klassen, Audit Chair

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

**GFG RESOURCES INC.**Condensed Interim Consolidated Statements of Net Income (Loss) and Comprehensive Income (Loss)  
(Unaudited - Expressed in Canadian Dollars)

	<b>Three Months Ended</b>	
	<b>September 30,</b>	<b>September 30,</b>
	<b>2025</b>	<b>2024</b>
	\$	\$
<b>Expenses</b>		
Bank charges and interest	494	716
Depreciation (note 9)	8,923	8,941
Directors' fees (note 15)	20,487	18,250
Insurance	14,647	11,941
Investor relations (note 15)	150,110	111,271
Memberships and dues	7,718	2,093
Professional fees	31,068	27,162
Office	11,148	15,352
Regulatory and filing fees	6,599	4,535
Rent	8,622	8,291
Salaries and benefits (note 15)	183,662	116,996
Share-based compensation (notes 14 and 15)	63,383	39,191
Travel	26	3,655
	<b>(506,887)</b>	<b>(368,394)</b>
<b>Other income (loss)</b>		
Interest and other expense	(5,436)	(3,379)
Recovery of premium on flow-through shares (note 11)	180,442	106,011
Foreign exchange gain	4,598	(7,309)
Gain on sale of the Rattlesnake property (note 8)	-	243,636
Change in fair value of investment (note 6)	99,436	-
Interest income	29,229	17,675
Other income	32,877	70,453
	<b>341,146</b>	<b>427,087</b>
<b>Net income (loss) before income taxes</b>	<b>(165,741)</b>	<b>58,693</b>
Income tax expense - deferred	(91,000)	(43,000)
<b>Net income (loss) and comprehensive income (loss)</b>	<b>(256,741)</b>	<b>15,693</b>
<b>Basic and diluted income (loss) per share</b>	<b>(0.00)</b>	<b>0.00</b>
<b>Weighted average number of common shares - basic and diluted</b>	<b>282,528,173</b>	<b>240,573,879</b>

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

**GFG RESOURCES INC.**

## Condensed Interim Consolidated Statements of Changes in Shareholders' Equity

For the Three Months Ended September 30, 2025 and 2024

*(Unaudited - Expressed in Canadian Dollars)*

	Number of	Share Capital	Reserves	Accumulated Other Comprehensive Loss	Deficit	Total
	Shares Issued	\$	\$	\$	\$	\$
Balance at June 30, 2025	282,528,173	61,735,701	3,598,398	(678,440)	(22,640,037)	42,015,622
Share-based compensation (note 14)	-	-	72,741	-	-	72,741
Net loss	-	-	-	-	(256,741)	(256,741)
<b>Balance at September 30, 2025</b>	<b>282,528,173</b>	<b>61,735,701</b>	<b>3,671,139</b>	<b>(678,440)</b>	<b>(22,896,778)</b>	<b>41,831,622</b>
Balance at June 30, 2024	240,573,879	55,008,932	3,558,454	(678,440)	(24,181,680)	33,707,266
Share-based compensation (note 14)	-	-	44,221	-	-	44,221
Net income	-	-	-	-	15,693	15,693
<b>Balance at September 30, 2024</b>	<b>240,573,879</b>	<b>55,008,932</b>	<b>3,602,675</b>	<b>(678,440)</b>	<b>(24,165,987)</b>	<b>33,767,180</b>

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

**GFG RESOURCES INC.**

## Condensed Interim Consolidated Statements of Cash Flows

*(Unaudited - Expressed in Canadian Dollars)*

	<b>Three Months Ended</b>	
	<b>September 30,</b>	<b>September 30,</b>
	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
<b>Operating activities</b>		
Net income (loss) before income taxes	<b>(165,741)</b>	58,693
Items not affecting cash:		
Accretion interest	-	3,362
Depreciation	<b>666</b>	1,130
Depreciation - right-of-use asset	<b>8,257</b>	7,811
Foreign exchange	<b>417</b>	4,117
Recovery of flow-through share premium	<b>(180,442)</b>	(106,011)
Share-based compensation	<b>63,383</b>	39,191
Interest expense	<b>5,436</b>	1,824
Accretion of promissory note	<b>(32,877)</b>	-
Change in fair value of investment	<b>(99,436)</b>	-
Gain on sale of the Rattlesnake property	-	(243,636)
Change in non-cash working capital items:		
Receivables	<b>37,736</b>	(13,984)
Prepaid expenses and deposits	<b>(7,026)</b>	(2,176)
Accounts payable and accrued liabilities	<b>91,877</b>	(70,872)
<b>Net cash used in operating activities</b>	<b>(277,750)</b>	(320,551)
<b>Investing activities</b>		
Exploration and evaluation assets, net of recoveries	<b>(507,324)</b>	(606,948)
Gain on sale of Rattlesnake property	-	243,636
Reclamation bond release	<b>298,782</b>	-
<b>Net cash used in investing activities</b>	<b>(208,542)</b>	(363,312)
<b>Financing activities</b>		
Lease payments	<b>(10,876)</b>	(10,196)
<b>Net cash provided by financing activities</b>	<b>(10,876)</b>	(10,196)
<b>Decrease in cash and cash equivalents</b>	<b>(497,168)</b>	(694,059)
<b>Cash and cash equivalents, beginning of period</b>	<b>4,649,387</b>	2,147,401
<b>Cash and cash equivalents, end of period</b>	<b>4,152,219</b>	1,453,342
<b>Non-cash transactions:</b>	<b>\$</b>	<b>\$</b>
Exploration and evaluation assets in accounts payable at period end	<b>240,921</b>	162,134
Share-based compensation pertaining to exploration and evaluation assets	<b>9,358</b>	5,030

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

## **GFG RESOURCES INC.**

### Notes to the Condensed Interim Consolidated Financial Statements

For the Three Months Ended September 30, 2025 and 2024

*(Unaudited - Expressed in Canadian Dollars)*

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#### **NOTE 1 - Nature and Continuance of Operations**

GFG Resources Inc. (“GFG” or the “Company”) was incorporated on January 24, 2012, under the laws of the Province of British Columbia, Canada. The principal business of the Company is to acquire, explore and develop interests in exploration and evaluation assets. The Company’s head office address is Suite 202 – 640 Broadway Avenue, Saskatoon, Saskatchewan, S7N 1A9. The Company’s common shares are listed under the symbol “GFG” on the TSX Venture Exchange (“TSX-V”) in Canada and on the OTCQB under the symbol “GFGSF” in the United States.

These consolidated financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. To date, the Company has not earned significant revenue and has an accumulated deficit of \$22,896,778. The Company’s ability to continue as a going concern is dependent upon its ability to obtain additional financing and or achieve profitable operations in the future. The Company’s ability to continue as a going concern is dependent upon its ability to raise additional funds, which is strongly influenced by exploration success and capital market conditions. These factors indicate the existence of a material uncertainty that may cast significant doubt on the Company’s ability to continue as a going concern. These financial statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate. Such adjustment could be material.

#### **NOTE 2 - Basis of Preparation and Statement of Compliance**

The condensed interim consolidated financial statements for the three months ended September 30, 2025, including comparatives, have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (“IFRS Accounting Standards”) and the interpretations issued by the IFRS Interpretations Committee (“IFRIC”). These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard (“IAS”) 34 – Interim Financial Reporting.

These condensed interim consolidated financial statements do not include all of the information required for full IFRS financial statements and therefore should be read in conjunction with the Company’s most recent audited consolidated financial statements for the year ended June 30, 2025, which were prepared in accordance with IFRS Accounting Standards.

The accounting policies and methods of application applied by the Company in these condensed interim consolidated financial statements are the same as those applied in the Company’s most recent audited consolidated financial statements for the year ended June 30, 2025.

The condensed interim consolidated financial statements were authorized for issuance by the Board of Directors on November 12, 2025.

#### **Basis of measurement**

These condensed interim consolidated financial statements have been prepared on the historical cost basis except if otherwise noted. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information. All figures are presented in Canadian dollars unless otherwise noted.

#### **Basis of consolidation**

These condensed interim consolidated financial statements incorporate the financial statements of GFG and its subsidiaries listed in the following table:

<b>Name of Subsidiary</b>	<b>Country of Incorporation</b>	<b>Ownership</b>	<b>Principle Activities</b>
GFG Resources (US) Inc.	USA	100%	Mineral exploration
JMO Exploration (US) Inc.	USA	100%	Mineral exploration

## **GFG RESOURCES INC.**

Notes to the Condensed Interim Consolidated Financial Statements  
For the Three Months Ended September 30, 2025 and 2024  
(Unaudited - Expressed in Canadian Dollars)

### **NOTE 2 - Basis of Preparation and Statement of Compliance (continued)**

Subsidiaries are those entities which GFG controls by having the power to govern their financial and operating policies. Subsidiaries are fully consolidated from the date on which control is obtained by GFG and are deconsolidated from the date that control ceases. All intercompany transactions, balances, income and expenses are eliminated upon consolidation.

#### **Critical judgements and estimates**

In the application of the Company's accounting policies management is required to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the condensed interim consolidated financial statements and reported amounts of expenses during the period. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual outcomes could materially differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affect.

The critical judgments and estimates that management have made in the process of applying the Company's accounting policies are disclosed in the Company's audited consolidated financial statements for the year ended June 30, 2025.

### **NOTE 3 - Cash and cash equivalents**

	September 30, 2025	June 30, 2025
	\$	\$
Cash on deposit at bank	549,074	446,688
Redeemable GIC	3,580,766	4,180,766
Cash held in trust account	22,379	21,933
	<b>4,152,219</b>	<b>4,649,387</b>

### **NOTE 4 - Receivables**

	September 30, 2025	June 30, 2025
	\$	\$
GST	62,945	63,281
Interest receivable	45,653	27,864
Other receivables <sup>1</sup>	-	55,189
	<b>108,598</b>	<b>146,334</b>

<sup>1</sup>As at June 30, 2025, other receivables included \$3,367 of reimbursable property holding costs at the Rattlesnake Property due to the Company pursuant to the terms of a definitive agreement (the "Rattlesnake Agreement") (see Note 8) and \$51,822 due from Group 11 Technologies Inc., both of which were received during the three months ended September 30, 2025.

### **NOTE 5 - Reclamation Bond**

At June 30, 2025, the Company had a reclamation bond relating to the Rattlesnake Property in the amount of \$298,782 (September 30, 2025 - \$nil). Pursuant to the terms of the Rattlesnake Agreement (see Note 8) the purchaser had assumed all reclamation obligations associated with the Rattlesnake Property and was to ensure the necessary steps were taken to obtain a full release of the Company's reclamation bond. The Company received the proceeds from the bond during the three months ended September 30, 2025.

## GFG RESOURCES INC.

Notes to the Condensed Interim Consolidated Financial Statements  
For the Three Months Ended September 30, 2025 and 2024  
(Unaudited - Expressed in Canadian Dollars)

### NOTE 6 - Investment

	September 30, 2025	June 30, 2025
	\$	\$
Balance, beginning of period	384,957	-
Fair value of common shares received	-	490,131
Change in fair value	99,436	(105,174)
<b>Balance, end of period</b>	<b>484,393</b>	<b>384,957</b>

Pursuant to the terms of the Rattlesnake Agreement (see Note 8), the Company received 3,061,224 shares of Axcap Ventures Inc. (the "Consideration shares"), a company listed on the Canadian Securities Exchange. The Consideration shares have an undiscounted value of \$581,633, or \$0.19 per share, and are subject to resale restrictions with one-sixth of the total shares being released from the resale restrictions every three months, beginning December 16, 2024.

The investment is classified as FVTPL. As a result of the resale restrictions, the Company determined the fair value of the restricted shares using a discount for lack of marketability ("DLOM") calculated using the Finnerty Model.

The fair value of the unrestricted Consideration shares was calculated based on the quoted market price of the shares. For the three months ended September 30, 2025, the Company recognized a mark to market gain of \$99,436 (year ended June 30, 2025 - \$(105,174)) on the Consideration shares and at September 30, 2025, reported a fair value of \$484,393 (June 30, 2025 - \$384,957).

### NOTE 7 - Promissory Note Receivable

The following table presents the reconciliation of the promissory note receivable:

	September 30, 2025	June 30, 2025
	\$	\$
Balance, beginning of period	939,607	-
Fair value of promissory note received	-	869,566
Unwinding of discount	32,877	70,041
<b>Balance, end of period</b>	<b>972,484</b>	<b>939,607</b>

Pursuant to the terms of the Rattlesnake Agreement (see Note 8), the purchaser issued a \$1,000,000 non-interest bearing promissory note. The note is secured by a mortgage, comprised of a lien against and security interest in all the mineral properties of the Rattlesnake Property and is due December 16, 2025. On initial recognition, the Company discounted the note to its net present value of \$869,566 at a rate of 15%.

For the three months ended September 30, 2025, the Company recognized accretion interest income of \$32,877 (year ended June 30, 2025 - \$70,041) on the unwinding of the discount on the promissory note receivable, reported as other income in the condensed interim consolidated Financial Statements, and at September 30, 2025, reported a fair value of \$972,484 (June 30, 2025 - \$939,607).

**GFG RESOURCES INC.**

Notes to the Condensed Interim Consolidated Financial Statements  
For the Three Months Ended September 30, 2025 and 2024  
(Unaudited - Expressed in Canadian Dollars)

**NOTE 8 - Exploration and Evaluation Assets**

The following is a continuity of the Company's exploration and evaluation expenditures:

	<b>Ontario Pen &amp; Dore</b>	<b>Ontario Goldarm</b>	<b>Total</b>
	\$	\$	\$
<b>Balance, June 30, 2024</b>	23,364,382	9,098,125	32,462,507
Additions:			
Acquisition and staking costs	4,500	253,604	258,104
Exploration expenses			
Claim maintenance fees	8,323	20,787	29,110
Consulting	870,293	525,182	1,395,475
Salaries and benefits	298,847	530,144	828,991
Drilling	558,603	402,115	960,718
Geophysics	308,318	-	308,318
General field expenses	361,974	352,014	713,988
	2,410,858	2,083,846	4,494,704
Ontario Junior Exploration Program Assistance	-	(200,000)	(200,000)
	2,410,858	1,883,846	4,294,704
<b>Balance, June 30, 2025</b>	<b>25,775,240</b>	<b>10,981,971</b>	<b>36,757,211</b>
Additions:			
Acquisition and staking costs	-	750	750
Exploration expenses			
Claim maintenance fees	-	500	500
Consulting	25,932	175,465	201,397
Salaries and benefits	32,006	176,833	208,839
Drilling	6,160	178,991	185,151
Geophysics	-	12,125	12,125
General field expenses	6,068	142,773	148,841
	70,166	687,437	757,603
<b>Balance at September 30, 2025</b>	<b>25,845,406</b>	<b>11,669,408</b>	<b>37,514,814</b>

**West Porcupine Property**

On December 21, 2017, the Company purchased 100% of Probe Metal Inc's ("Probe") interest in the West Porcupine property, a land package consisting of 198 claims located southwest of Timmins, Ontario. Several NSRs exist on certain claims within the West Porcupine property and are described below:

*West Porcupine*

The West Porcupine has 0.5%, 1.0% and 2.0% NSRs on certain mineral claims. The Company has the right to re-purchase these NSRs for \$250,000, \$1,000,000 and \$1,500,000, respectively.

*Ivanhoe*

There is a 4% NSR over certain mineral claims of the Ivanhoe property. The Company has the right to purchase 3% of the NSR for \$3,000,000. Also, the Company is to make a \$1,000,000 payment upon the filing of a National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101") compliant technical report which discloses a mineral reserve (proven and probable) totaling a minimum of 1,000,000 ounces of gold.

*Ross*

There is a 2% NSR over certain mineral claims of the Ross property. The Company has the right to purchase the NSR for \$3,000,000.

## **GFG RESOURCES INC.**

### Notes to the Condensed Interim Consolidated Financial Statements

For the Three Months Ended September 30, 2025 and 2024

(Unaudited - Expressed in Canadian Dollars)

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#### **NOTE 8 - Exploration and Evaluation Assets (continued)**

##### **Pen Gold Project**

###### *Kenogaming Township*

There is a 2% NSR over certain mineral claims of the Kenogaming Property. The Company has the right to purchase the NSR for \$3,000,000.

The Company has agreed to pay the Mattagami First Nation and Flying Post First Nation 1% of the eligible exploration costs incurred annually.

In addition to these properties, the West Porcupine Property acquisition also included claims staked by Probe for which there is no NSR.

##### **Rapier Gold Inc.**

On February 28, 2018, the Company completed the plan of arrangement with Rapier Gold Inc. ("Rapier") pursuant to which GFG acquired all of the outstanding shares of Rapier. Pursuant to the completion of the acquisition the Company acquired Rapier's Pen Gold Project, southwest of Timmins, Ontario. Further detail of the significant properties is provided below:

###### *Pen Gold East*

The Company owns a 100% interest in the Pen Gold East property, located adjacent to the northeastern corner of Pen Gold South in Kenogaming Township, Porcupine Mining District. Pursuant to an option agreement entered into on June 1, 2012, total payments of \$40,000 were required and paid, which payments are deductible against a potential \$200,000 future payment if greater than 200,000 ounces of gold are mined. The Company has the right to purchase one-half of a 2% NSR for \$2,000,000.

###### *Pen Gold South*

The Company has a 100% interest in the Pen Gold South property, located in the Kenogaming, Penhorwood and Keith Townships in Ontario, which is subject to a 2% NSR. The Company has the right to purchase 2% of the NSR for \$3,000,000.

###### *Pen Gold North*

The Company has a 100% interest in the Pen Gold North property which is subject to a 2% production royalty. If the Company files a NI 43-101 compliant measured and indicated gold resource on the property, a payment of \$5 per resource ounce is payable, up to a maximum of \$5,000,000. Further, an additional \$5 per resource ounce is due, subject to consumer price index adjustments, if the Company subsequently completes a positive feasibility study and arranges financing to construct a mine on the property.

###### *Porphyry Hill*

The Company has a 100% interest in the Porphyry Hill property, located in the Reeves township, which is subject to a 2% NSR. The Company has the right to purchase one-half of the 2% NSR for \$1,000,000, subject to certain cost of living adjustments.

###### *Reeves*

The Company has a 100% interest in the Reeves property, located in the Reeves Township, Porcupine Mining District, which is subject to a 2% NSR. The Company has the right to purchase one-half of the 2% NSR for \$1,000,000.

The Company pays 2% of all costs of the exploration program annually to the Flying Post and Mattagami First Nations.

###### *Sewell*

On June 25, 2018, the Company purchased, from a subsidiary of Alamos Gold Inc., 100% interest in the Sewell property, a land package consisting of one legacy claim and five patented claims covering approximately 3,000 hectares adjacent to the Company's Pen Gold Project.

The Sewell property is subject to a 1% NSR.

## **GFG RESOURCES INC.**

Notes to the Condensed Interim Consolidated Financial Statements  
For the Three Months Ended September 30, 2025 and 2024  
(Unaudited - Expressed in Canadian Dollars)

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### **NOTE 8 - Exploration and Evaluation Assets (continued)**

#### **Dore Gold Project**

##### **Swayze Property**

On December 21, 2017, the Company purchased, from Osisko Mining Inc. (“Osisko”), 100% of its interest in the Swayze property, a land package consisting of 56 claims southwest of the Pen Gold Project.

The Company is subject to a 1% NSR on the Swayze property. The Company has the right to purchase the NSR for \$1,000,000.

The Company pays 1% of all eligible costs of the exploration program annually to the Flying Post First Nation.

Subsequent to acquiring the Swayze Property, the Company acquired additional adjacent claims over several staking campaigns. The staked claims are held 100% by the Company and are not subject to any NSR. The Swayze Property and these additional staked claims constitute the Dore Gold Project.

#### **Ontario Goldarm Property**

##### **Aljo Gold Project**

On April 27, 2022, the Company announced that it had finalized the acquisition of a 100% interest in 14 unpatented mining claims (the Aljo Mine Claims), subject to a net smelter royalty return royalty of 2%. The Aljo Mine Claims are adjacent to and form part of, the Company’s newly consolidated Goldarm Property, which also includes the Montclerg Gold Project and the WWCC Property, east of the Timmins Gold District.

##### **WWCC Acquisition**

On April 13, 2022, the Company announced that it had completed its initial obligations under a definitive agreement (the “WWCC Agreement”) with International Explorers and Prospectors Inc. (“IEP”) to acquire a 100% interest in the 6,500-hectare WWCC property. Under the terms of the WWCC Agreement, GFG has the right to acquire 100% interest in the WWCC Property over a four-year period, subject to a net smelter return royalty of up to a maximum of 2% by:

- The issuance of an aggregate of 1,016,949 common shares of GFG (issued);
- The issuance of common shares of GFG following the anniversary date of the WWCC Agreement based on the VWAP for the five trading days immediately preceding the date of each anniversary date as follows:
  - 12 months following the Effective Date, valued at \$150,000 (issued)
  - 24 months following the Effective Date, valued at \$200,000 (issued)
  - 36 months following the Effective Date, valued at \$250,000 (issued)
  - 48 months following the Effective Date, valued at \$250,000
  - The total number of common shares issuable under the WWCC Agreement are subject to limitations determined by the TSX-V;
- Spending a minimum of \$2.0 million in exploration expenditures over four years on the WWCC Property following the close of the WWCC Agreement;
- GFG will transfer \$400,000 in assessment credits to IEP within 48 months following the Effective Date;
- Should GFG make a public announcement of a NI 43-101 compliant Mineral Resource of a minimum of 1,000,000 ounces of gold equivalent on certain claims comprising the WWCC Property, GFG shall make a one-time payment of \$1.0 million in cash or common shares; and
- Should GFG make a subsequent public announcement(s) of a further NI 43-101 compliant Mineral Resource of a minimum of 1,000,000 ounces of gold equivalent on certain claims comprising the WWCC Property and that reside outside a two-kilometer (“km”) radius from any previous announcement, GFG shall make a one-time payment in respect of each such subsequent announcement in the amount of \$1.0 million, in either cash or in common shares.

## GFG RESOURCES INC.

Notes to the Condensed Interim Consolidated Financial Statements  
For the Three Months Ended September 30, 2025 and 2024  
(Unaudited - Expressed in Canadian Dollars)

### **NOTE 8 - Exploration and Evaluation Assets (continued)**

#### **Montclerg Gold Project**

On October 24, 2023, the Company announced that it had completed the earn-in requirements to earn 100% of the Montclerg Gold Project, pursuant to a definitive agreement (the “Montclerg Agreement”) with IEP. The Project consists of five patented claims and 110 lease claims and is subject to NSRs of up to 1.5% on certain of the claims – each NSR has certain repurchase provisions.

Pursuant to an exploration agreement with Apitipi Anicinapek Nation (“AAN”), completed in March 2025 with an effective date of January 1, 2023, the Company has agreed to pay AAN 2% of the eligible exploration costs incurred annually on the Goldarm Property. The Goldarm Property is primarily comprised of the Montclerg Gold Project, the WWCC Project and the Aljo Gold Project.

#### **Wyoming Properties**

On December 16, 2024, the Company closed the sale of its 100% owned Rattlesnake Property to Patriot Gold Vault Ltd. (“Patriot”) for \$1,700,000 in cash, a \$1,000,000 non-interest bearing promissory note, due December 16, 2025, and 3,061,224 common shares (subject to resale restrictions) of Axcap Ventures Inc. (the parent company of Patriot) having an undiscounted value of \$581,633 (see Note 6). As part of the transaction, Patriot assumed the asset retirement obligation of \$288,095.

During the three months ended September 30, 2024, the Company recognized a gain on the sale of the Rattlesnake Property of \$243,636 (three months ended September 30, 2025 - \$nil).

The transaction had the following additional terms:

- Patriot would replace the USD \$219,000 cash deposit held with the Wyoming Department of Environmental Quality (see Note 5);
- If a NI 43-101 compliant resource estimate in the Rattlesnake Property reveals a mineral resource greater than 3,000,000 ounces of gold in a Measured and Indicated or Inferred category, Patriot will pay to GFG a further \$1 per total mineral resource ounce in cash or common shares of Patriot, at the election of Patriot. The Company has not recorded an amount receivable as the Company is not aware that Patriot has filed a NI 43-101 compliant resource and therefore has determined the likelihood of this occurrence is not determinable; and
- Patriot reimbursed GFG for all costs and expenses relating to the Rattlesnake Property incurred from the May 9, 2024 letter of intent to December 16, 2024. During the three months ended September 30, 2025, the Company received the final reimbursement of \$3,367(see Note 4).

### **NOTE 9 - Property and Equipment**

	<b>Right-of-use Asset</b>	<b>Computer Equipment</b>	<b>Equipment</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Cost</b>				
June 30, 2023	196,795	-	40,940	237,735
Additions	-	8,373	-	8,373
June 30, 2024	196,795	8,373	40,940	246,108
Disposition	-	-	(23,291)	(23,291)
June 30, 2025	196,795	8,373	17,649	222,817
Additions (see Note 12)	132,707	-	-	132,707
<b>September 30, 2025</b>	<b>329,502</b>	<b>8,373</b>	<b>17,649</b>	<b>355,524</b>
<b>Accumulated depreciation</b>				
<b>June 30, 2023</b>	123,890	-	26,830	150,720
Depreciation	31,245	837	2,822	34,904

**GFG RESOURCES INC.**

## Notes to the Condensed Interim Consolidated Financial Statements

For the Three Months Ended September 30, 2025 and 2024

*(Unaudited - Expressed in Canadian Dollars)*

June 30, 2024	155,135	837	29,652	185,624
Depreciation	31,245	2,261	1,573	35,079
Disposition	-	-	(18,958)	(18,958)
June 30, 2025	186,380	3,098	12,267	201,745
Depreciation	8,257	396	270	8,923
<b>September 30, 2025</b>	<b>194,637</b>	<b>3,494</b>	<b>12,537</b>	<b>210,668</b>
<b>Net book value</b>				
June 30, 2025	10,415	5,275	5,382	21,072
<b>September 30, 2025</b>	<b>134,865</b>	<b>4,879</b>	<b>5,112</b>	<b>144,856</b>

**NOTE 10 - Accounts Payable and Accrued Liabilities**

	September 30, 2025	June 30, 2025
	\$	\$
Accounts payable	502,298	205,343
Accrued liabilities	153,395	117,552
	<b>655,693</b>	<b>322,895</b>

**NOTE 11 - Flow-through Share Premium Liabilities**

	September 30, 2025	June 30, 2025
	\$	\$
Balance, beginning of period	619,073	355,007
Premium liabilities recognized on flow-through shares issued	-	736,474
Recovery of premium on flow-through shares:		
April 2024 issuance	-	(355,007)
May 2025 issuance	(180,442)	(117,401)
<b>Balance, end of period</b>	<b>438,631</b>	<b>619,073</b>

In May 2025, the Company issued 11,041,590 flow-through shares for gross proceeds of \$3,000,000. These flow-through shares issued in a non-brokered private placement were issued at a premium to the market price in recognition of the tax benefits accruing to subscribers. The flow-through premium liability was calculated to be \$736,474. The flow-through premium is derecognized through income as the qualifying expenditures are incurred. During the three months ended September 30, 2025 and year ended June 30, 2025, the Company satisfied \$297,843 of the commitment by incurring qualifying expenditures of \$1,213,254. As of September 30, 2025, the Company is committed to incur \$1,786,746 of qualifying expenditures by December 31, 2026.

In April 2024, the Company issued 15,844,059 flow-through shares for gross proceeds of \$1,717,182. These flow-through shares issued in a non-brokered private placement were issued at a premium to the market price in recognition of the tax benefits accruing to subscribers. The flow-through premium liability was calculated to be \$370,437. The flow-through premium is derecognized through income as the qualifying expenditures are incurred. As of June 30, 2025, the Company had incurred all required expenditures.

**NOTE 12 - Lease Liability**

In July 2025, the Company renewed its head office lease and recorded an increase to the right-of-use asset and the corresponding lease liability on the effective date of the renewal.

**GFG RESOURCES INC.**

## Notes to the Condensed Interim Consolidated Financial Statements

For the Three Months Ended September 30, 2025 and 2024

*(Unaudited - Expressed in Canadian Dollars)***NOTE 12 - Lease Liability (continued)**

A continuity of the lease liability for the three months ended September 30, 2025 and year ended June 30, 2025, is as follows:

	September 30, 2025	June 30, 2025
	\$	\$
Lease liability, beginning of period	14,059	51,400
Additions	132,707	-
	146,766	51,400
Lease payments	(10,876)	(42,598)
Interest expense	5,436	5,257
<b>Total lease liability</b>	<b>141,326</b>	<b>14,059</b>
Less: current portion	(25,365)	(14,059)
<b>Total non-current lease liability</b>	<b>115,961</b>	<b>-</b>

The maturity analysis of the undiscounted contractual balances of the lease liability is as follows:

	\$
Less than one year	44,875
Two to three years	93,400
More than three years	52,550
<b>Total undiscounted lease liability at September 30, 2025</b>	<b>190,825</b>

Total undiscounted lease payments exclude leases that are classified as short-term and leases for low-value assets, which are not recognized as lease liabilities. During the three months ended September 30, 2025, the Company recognized an expense of \$11,194 (three months ended September 30, 2024 - \$10,628) on short-term and low-value leases.

**NOTE 13 - Advance**

As at September 30, 2025, the Company has a balance of \$20,881 (June 30, 2025 - \$20,464) payable to Evolving Gold. The advance is unsecured, non-interest bearing and due on demand.

**NOTE 14 - Share Capital****Authorized share capital**

Unlimited number of common shares without par value.

**Issued share capital**

- a) At September 30, 2025 and June 30, 2025, the Company had 282,528,173 common shares issued and outstanding.
- b) Common shares issued

As at September 30, 2025 and June 30, 2025, the issued share capital amounted to \$61,735,701. There were no changes to issued share capital during the three months ended September 30, 2025:

	Number of common shares	Amount
<b>Balance, June 30, 2024</b>	<b>240,573,879</b>	<b>55,008,932</b>
Warrants exercised, net of issue costs (i)	28,557,907	3,711,029
Value of warrants exercised (i)	-	285,579

## GFG RESOURCES INC.

### Notes to the Condensed Interim Consolidated Financial Statements

For the Three Months Ended September 30, 2025 and 2024

(Unaudited - Expressed in Canadian Dollars)

Exercise of stock options (ii)	908,929	139,997
Value of stock options exercised (ii)	-	87,260
Shares issued for exploration and evaluation assets (iii)	1,334,757	253,604
Shares issued for cash (iv)	11,041,590	3,000,000
Share issue costs	-	(34,226)
Flow-through share premium liabilities (note 12 and (iv))	-	(736,474)
Shares issued for exploration agreement (v)	111,111	20,000
<b>Balance, June 30, 2025 and September 30, 2025</b>	<b>282,528,173</b>	<b>61,735,701</b>

- i) During fiscal 2025, pursuant to warrant exercises, the Company issued 28,557,907 common shares for proceeds, net of issue costs, of \$3,711,029. These warrants had a fair value of \$285,579.
- ii) During fiscal 2025, 908,929 stock options were exercised pursuant to the Company's stock option plan with a weighted-average grant price of \$0.15 per common share for net proceeds of \$139,997. These options had a fair value of \$87,260.
- iii) On April 11, 2025, the Company issued shares pursuant to the WWCC Property option agreement with IEP (see Note 8); GFG issued a total of 1,334,757 common shares of the Company to IEP at a fair value of \$253,604.
- iv) On May 2, 2025, the Company closed a non-brokered private placement financing (the "Offering"). Pursuant to the Offering, the Company issued 11,041,590 premium flow-through units (each a "Premium Unit") at a price of \$0.2717 per Premium Unit for gross proceeds of \$3,000,000. Each Premium Unit consists of one common share of the Company and one share purchase warrant (a "Warrant") entitling the holder thereof to acquire one additional common share of the Company at an exercise price of \$0.28 for a period of 24 months from the date of issuance. Each of the common shares and Warrants comprising the Premium Units qualify as a "flow-through share" for the purposes of the *Income Tax Act* (Canada). A total of 11,041,590 share purchase warrants were issued.
- v) On May 2, 2025, the Company issued shares pursuant to an exploration agreement with AAN; GFG issued a total of 111,111 common shares of the Company to AAN at a fair value of \$20,000 (see Note 8).

#### Stock options

The Company has established a stock option plan under which common share purchase options may be granted to directors, officers, employees and consultants. The maximum number of shares available for options issuable under the stock option plan is 10% of the Company's common shares outstanding. Options granted have an exercise price of the Company's prior day closing price quoted on the TSX-V for the common shares of the Company.

A summary of stock options activities are as follows:

	Three Months Ended September 30, 2025		Year Ended June 30, 2025	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Outstanding, beginning of period	15,287,573	\$ 0.15	12,393,962	\$ 0.14
Granted	-	-	4,387,000	0.19
Exercised	-	-	(908,929)	0.15
Forfeited/Expired	-	-	(584,460)	0.18
<b>Outstanding, end of period</b>	<b>15,287,573</b>	<b>0.15</b>	<b>15,287,573</b>	<b>0.15</b>

In March 2025, the Company granted 4,187,000 stock options to directors, employees and consultants exercisable at a price of \$0.195 per share for five years. The fair value of \$0.12 per stock option was assigned using the Black-Scholes Option Pricing Model with the following assumptions: an expected life of five years; risk-free interest rate of 2.70%; a dividend yield of 0%;

## GFG RESOURCES INC.

### Notes to the Condensed Interim Consolidated Financial Statements

For the Three Months Ended September 30, 2025 and 2024

(Unaudited - Expressed in Canadian Dollars)

#### **NOTE 14 - Share Capital (continued)**

##### **Stock Options (continued)**

and volatility of 78.11%. 375,000 of these stock options vest immediately, 3,400,000 vest equally over two years with the initial vest occurring on the date of the grant and 412,000 vest over four quarters with the final vest to occur on December 31, 2025.

In January 2025, the Company granted 150,000 stock options to an employee exercisable at a price of \$0.18 per share for five years. The fair value of \$0.12 per stock option was assigned using the Black-Scholes Option Pricing Model with the following assumptions: an expected life of five years; risk-free interest rate of 3.10%; a forfeiture rate of 0%; dividend yield of 0%; and volatility of 83.26%. The options vest immediately.

In November 2024, the Company granted 50,000 stock options to an employee exercisable at a price of \$0.15 per share for five years. The fair value of \$0.11 per stock option was assigned using the Black-Scholes Option Pricing Model with the following assumptions: an expected life of five years; risk-free interest rate of 3.14%; a forfeiture rate of 0%; dividend yield of 0%; and volatility of 84.16%. The options vest immediately.

During fiscal 2025, the Company issued 908,929 common shares from the exercise of 908,929 common share stock options having a weighted-average exercise price of \$0.15. The weighted-average common share price at date of exercise was \$0.22. The Company received net cash proceeds of \$139,997 and the value of \$87,260 was transferred from reserves to share capital.

A summary of the stock options outstanding and exercisable at September 30, 2025 is as follows:

<b>Exercise Price</b>	<b>Number Outstanding</b>	<b>Number Exercisable</b>	<b>Expiry Date</b>
\$0.165	1,591,240	1,591,240	February 12, 2026
\$0.14	230,215	230,215	April 6, 2026
\$0.17	2,134,118	2,134,118	February 11, 2027
\$0.15	2,830,000	2,830,000	February 14, 2028
\$0.11	600,000	600,000	May 16, 2028
\$0.09	3,515,000	2,576,667	February 15, 2029
\$0.15	50,000	50,000	November 14, 2029
\$0.18	150,000	150,000	January 14, 2030
\$0.195	4,187,000	1,817,333	March 18, 2030
	<b>15,287,573</b>	<b>11,979,573</b>	

##### **Share-based compensation**

	<b>Three Months Ended September 30, 2025</b>	<b>Three Months Ended September 30, 2024</b>
	<b>\$</b>	<b>\$</b>
Stock options	<b>63,383</b>	39,191
Capitalized to exploration and evaluation assets	<b>9,358</b>	5,030
<b>Total share-based compensation</b>	<b>72,741</b>	<b>44,221</b>

##### **Warrants**

A summary of warrant activities are as follows:

	<b>Three Months Ended September 30, 2025</b>	<b>Year Ended June 30, 2025</b>
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**GFG RESOURCES INC.**

## Notes to the Condensed Interim Consolidated Financial Statements

For the Three Months Ended September 30, 2025 and 2024

*(Unaudited - Expressed in Canadian Dollars)*

	Number of warrants	Weighted average exercise price	Number of warrants	Weighted average exercise price
		\$		\$
Outstanding, beginning of period	11,041,590	0.28	30,632,859	0.16 <sup>1</sup>
Issued	-	-	11,041,590	0.28
Exercised	-	-	(28,557,907)	0.13
Expired	-	-	(2,074,952)	0.13
<b>Outstanding, end of period</b>	<b>11,041,590</b>	<b>0.28</b>	<b>11,041,590</b>	<b>0.28</b>

A summary of the warrants outstanding as at September 30, 2025 is as follows:

Warrants Outstanding	Exercise Price	Expiry Date
	\$	
11,041,590	0.28	May 2, 2027

<sup>1</sup>During the year ended June 30, 2025, the Company completed the modification of the terms for its warrants issued on October 6, 2022 and March 21, 2023, as follows:

Date of Issuance	Original Exercise Price	Amended Exercise Price	Original Expiry Date	Amended Expiry Date
October 6, 2022	\$0.17	\$0.13	October 6, 2024 <sup>2</sup>	April 19, 2027
March 21, 2023	\$0.18	\$0.13	March 21, 2026 <sup>2</sup>	April 19, 2027

<sup>2</sup> Subject to acceleration.

On November 7, 2024, the Company announced that it had elected to accelerate the expiry of the outstanding common share purchase warrants ("Warrants") originally issued on October 6, 2022, March 21, 2023 and April 19, 2024. This represented all the Company's 30,632,859 outstanding share purchase warrants. Pursuant to the terms of the Warrants, the Company could accelerate the expiry date of the Warrants if the closing price of the Company's common shares at that time on the TSX-V equaled or exceeded \$0.18 for 10 consecutive trading days (the "Acceleration Period"), to the date which is 30 days following the dissemination of the news release announcing the acceleration. The Company provided notice of the Acceleration Period and exercised its right to accelerate the expiry of the Warrants to 5:00 p.m. (Toronto Time) on December 9, 2024 (the "Accelerated Expiry Date"). Any Warrants remaining unexercised after the Accelerated Expiry Date expired.

During the year ended June 30, 2025, 28,557,907 warrants were exercised, with a value of \$285,579, for proceeds, net of issue costs, of \$3,711,029.

**Reserves**

Reserves are increased when recognizing the compensation costs related to share-based compensation and decreased where stock options are exercised:

	Three Months Ended September 30, 2025	Year Ended June 30, 2025
	\$	\$
Reserves, beginning of period	3,598,398	3,558,454
Share-based compensation	72,741	412,783
Transfer to share capital on stock option exercises	-	(87,260)
Value of warrants exercised	-	(285,579)

## GFG RESOURCES INC.

Notes to the Condensed Interim Consolidated Financial Statements  
For the Three Months Ended September 30, 2025 and 2024  
(Unaudited - Expressed in Canadian Dollars)

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Reserves, end of period	3,671,139	3,598,398
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### **NOTE 15 - Related Party Transactions**

#### **Summary of key management personnel compensation:**

Key management personnel include those persons having authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Company's Board of Directors and corporate officers.

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	Three Months Ended	
	September 30, 2025	September 30, 2024
	\$	\$
Salaries and benefits capitalized to exploration and evaluation assets expenditures	82,688	44,977
Salaries and benefits <sup>(1)</sup>	230,430	136,921
Director fees	20,487	18,250
Share-based compensation	63,383	39,191
Share-based compensation capitalized to exploration and evaluation and assets expenditures	9,358	5,030
	<b>406,346</b>	<b>244,369</b>

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(1) Includes salaries and benefits reported within Investor relations.

Compensation of the Company's key management personnel includes salaries, non-cash benefits and board retainers. Executive officers and members of the Board of Directors may also participate in the stock option program.

### **NOTE 16 - Capital Disclosure and Management**

The Company manages its capital to ensure that there are adequate capital resources to safeguard the Company's ability to continue as a going concern through the optimization of its capital structure. The capital structure consists of shareholders' equity. The basis for the Company's capital structure is dependent on the Company's expected business growth and changes in business environment. To maintain or adjust the capital structure, the Company may issue new shares through private placement, incur debt or return capital to shareholders.

To maximize ongoing exploration efforts, the Company does not pay out dividends. The Company's investment policy is to invest its excess cash in highly liquid short-term interest-bearing investments with short-term maturities matching timing of expenditures.

The Company's capital management approach has remained unchanged during the three months ended September 30, 2025. The Company is not subject to externally-imposed capital requirements.

### **NOTE 17 - Financial Instruments and Risk Management**

The Company has exposure to the following risks from its use of financial instruments.

a. Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its obligations. The Company's exposure to credit risk is on its cash held with Bank of Montreal and the Royal Bank of Canada. The carrying amounts represents the maximum credit exposure.

## **GFG RESOURCES INC.**

### Notes to the Condensed Interim Consolidated Financial Statements

For the Three Months Ended September 30, 2025 and 2024

*(Unaudited - Expressed in Canadian Dollars)*

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#### **NOTE 17 - Financial Instruments and Risk Management (continued)**

b. Liquidity Risk

Liquidity risk is the risk that the Company will incur difficulties meeting its financial obligations as they are due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions without incurring unacceptable losses or risking harm to the Company's reputation. At September 30, 2025, the Company has current assets in excess of current liabilities of \$4,725,597 which will be sufficient to fund 2025 Goldarm Property and Pen and Dore Gold Project exploration programs and general and administrative costs.

c. Interest Rate Risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Company has determined there is no material exposure related to interest rate risk.

d. Foreign Exchange Risk

Foreign exchange risk is the risk that fair value of future cash flows will fluctuate due to changes in foreign exchange rates. The Company classifies its fair value measurements in accordance with the three-level fair value hierarchy as follows:

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

The carrying value of the Company's financial assets and liabilities as at September 30, 2025 and 2024 are approximate to their fair values due to their short-term nature.

The carrying value of lease obligations where interest is charged at a fixed rate is not significantly different from the fair value.

#### **NOTE 18 - Subsequent Events**

- i) On November 3, 2025, the Company closed the first tranche of its private placement with the issuance of 11,411,438 premium flow-through units of the Company (each, a "Premium Unit") at a price of \$0.2224 per Premium Unit for gross proceeds of \$2,537,907. Each Premium Unit consists of one common share of the Company and one-half of one share purchase warrant (each whole such share purchase warrant, a "Warrant"), with each Warrant entitling the holder to acquire one additional common share of the Company at an exercise price of \$0.24 for a period of 24 months from the date of issuance.
- ii) On November 7, 2025, the Company closed the second and final tranche of its private placement with the issuance of 8,550,128 flow-through common shares of the Company at a price of \$0.185 per common share for gross proceeds of \$1,581,773.