



P M E T
R E S O U R C E S

PMET RESOURCES INC.
(FORMERLY PATRIOT BATTERY METALS INC.)

Consolidated Financial Statements
As at and for the years ended March 31, 2026 and 2025
(Expressed in Canadian dollars)

Management's Responsibility for Financial Reporting

The accompanying consolidated financial statements of PMET Resources Inc. (formerly Patriot Battery Metals Inc, the "Company" or "PMET") were prepared by management in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB"). Management is responsible for ensuring that these consolidated financial statements, which include amounts based upon estimates and judgments, are consistent with other information and operating data contained in the annual financial review and reflect the Company's business transactions and financial position.

Management is also responsible for the information disclosed in the Company's management's discussion and analysis including responsibility for the existence of appropriate information systems, procedures, and controls to ensure that the information used internally by management and disclosed externally is complete and reliable in all material respects. In addition, management is responsible for establishing and maintaining an adequate system of internal control over financial reporting. The internal control system includes a code of conduct and ethics, which is communicated to all levels in the organization and requires all employees to maintain high standards in their conduct of the Company's affairs. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable, and accurate and that the Company's assets are appropriately accounted for and adequately safeguarded.

The Board of Directors is responsible for reviewing and approving the consolidated financial statements and for ensuring that management fulfills its financial reporting responsibilities. The Board of Directors meets with management as well as with the independent auditors to discuss the internal controls over the financial reporting process, the consolidated financial statements and the auditor's report. An Audit and Risks Committee of the Board of Directors (the "Audit Committee") assists the Board of Directors in fulfilling this responsibility. The Audit Committee, composed of Directors who are neither management nor employees of the Company, meets with management to review the internal controls over the financial reporting process, the consolidated financial statements and the auditor's report. The Audit Committee also reviews the Company's management's discussion and analysis to ensure that the financial information reported therein is consistent with the information presented in the consolidated financial statements. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the consolidated financial statements for issuance to the shareholders. Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

The consolidated financial statements have been audited.

"Ken Brinsden"

President, Chief Executive Officer and Managing Director

"Natacha Garoute"

Chief Financial Officer



Independent auditor's report

To the Shareholders of PMET Resources Inc.

Our opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of PMET Resources Inc. and its subsidiaries (together, the Company) as at March 31, 2026 and 2025, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

What we have audited

The Company's consolidated financial statements comprise:

- the consolidated statements of financial position as at March 31, 2026 and 2025;
- the consolidated statements of loss and comprehensive loss for the years then ended;
- the consolidated statements of changes in equity for the years then ended;
- the consolidated statements of cash flows for the years then ended; and
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

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"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended March 31, 2026. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<p>Assessment of impairment indicators of exploration and evaluation assets</p> <p>Refer to note 3 – Material accounting policies, note 5 – Critical accounting judgments, estimates and assumptions and note 8 – Exploration and evaluation assets to the consolidated financial statements.</p> <p>The net book value of exploration and evaluation assets amounted to \$249,063,000 as at March 31, 2026. Non-financial assets are reviewed for an indication of impairment at each consolidated statement of financial position date or when a triggering event is identified.</p> <p>Assessment of impairment of non-financial assets requires the use of management judgments when assessing whether there are any indicators that could give rise to the requirement to conduct a formal impairment test.</p>	<p>Our approach to addressing the matter included the following procedures, among others:</p> <ul style="list-style-type: none">• Evaluated the reasonableness of management's assessment of impairment indicators related to exploration and evaluation assets, which included the following:<ul style="list-style-type: none">– Obtained for all claims, by reference to government registries, evidence to support (i) the right to explore the area and (ii) the claims' expiration dates.– Read Board minutes and obtained the approved budget to: (i) evidence continued and planned substantive exploration and evaluation expenditures; (ii) consider which claims are not expected to be renewed; and (iii) assess whether exploration for and evaluation of mineral resources in a specific area have not led to the discovery of commercially viable quantities of mineral resources and whether management has decided to discontinue such activities in the specific area.

Key audit matter**How our audit addressed the key audit matter**

Indicators which could trigger an impairment review include, but are not limited to: an expiry of the right to explore in the specific area during the period or will expire in the near future, and is not expected to be renewed; substantive exploration and evaluation expenditures in a specific area is neither budgeted nor planned; and exploration for and evaluation of mineral resources in a specific area have not led to the discovery of commercially viable quantities of mineral resources and management has decided to discontinue such activities in the specific area.

No indicators were identified for the year ended March 31, 2026.

We considered this a key audit matter due to (i) the significance of the exploration and evaluation assets and (ii) the judgment made by management in assessing whether any impairment indicators exist, which resulted in a high degree of auditor subjectivity in performing procedures to evaluate management's assessment.

Other information

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the consolidated financial statements

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

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

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

Auditor's responsibilities for the audit of the consolidated financial statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Company as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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

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

/s/PricewaterhouseCoopers LLP¹

Montréal, Quebec

June 19, 2026

¹ CPA auditor, public accountancy permit No. A128042



PMET RESOURCES INC.
Consolidated Statements of Financial Position
(Expressed in Canadian dollars)

	Notes	March 31, 2026	March 31, 2025
		\$	\$
ASSETS			
Current assets			
Cash and cash equivalents	6	174,227,000	101,173,000
Receivables	7	16,691,000	7,349,000
Prepaid expenses and deposits		1,374,000	1,665,000
		192,292,000	110,187,000
Non-current assets			
Exploration and evaluation assets	8	249,063,000	186,865,000
Property and equipment	9	48,160,000	68,728,000
Listed shares		2,070,000	503,000
Deposits		346,000	346,000
Total assets		491,931,000	366,629,000
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		11,863,000	13,369,000
Current portion of lease liabilities		134,000	134,000
Flow-through premium liability	10	26,791,000	10,748,000
		38,788,000	24,251,000
Non-current liabilities			
Asset retirement obligation	11	4,150,000	4,180,000
Lease liabilities		133,000	241,000
Deferred income taxes	17	23,491,000	21,870,000
Total liabilities		66,562,000	50,542,000
EQUITY			
Share capital	12	431,556,000	319,981,000
Reserves	12	31,457,000	22,675,000
Accumulated other comprehensive (loss) income		(11,000)	7,000
Deficit		(37,633,000)	(26,576,000)
Total equity		425,369,000	316,087,000
Total liabilities and equity		491,931,000	366,629,000

Events after the Reporting Period (Note 19)

APPROVED ON BEHALF OF THE BOARD on June 19, 2026:

"Ken Brinsden"

Director

"Brian Jennings"

Director

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



PMET RESOURCES INC.
Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian dollars)

	Notes	Year ended	
		March 31, 2026	March 31, 2025
		\$	\$
General and Administrative Expenses			
Share-based compensation	12.3, 15	8,117,000	7,661,000
Salaries, benefits and management fees	15	5,779,000	4,581,000
Professional and consulting fees		4,072,000	2,435,000
Business support expenses		1,958,000	2,118,000
Investor relations and business development		1,063,000	1,032,000
Travel		930,000	1,581,000
Transfer agent and filing fees		402,000	432,000
Total general and administrative expenses		(22,321,000)	(19,840,000)
Other Income (Expenses)			
Flow-through premium income	10	11,182,000	22,154,000
Interest income		2,548,000	3,423,000
Change in fair value of listed shares		1,567,000	(330,000)
Gain on disposal of E&E assets	8	–	152,000
Other finance expenses		(727,000)	(339,000)
(Loss) Income before income taxes		(7,751,000)	5,220,000
Income taxes			
Deferred income tax expense	17	(3,306,000)	(11,517,000)
Loss for the period		(11,057,000)	(6,297,000)
Other comprehensive (loss) income			
Foreign currency translation adjustment		(18,000)	6,000
Comprehensive loss for the period		(11,075,000)	(6,291,000)
Loss per share			
Basic and diluted	13	(0.07)	(0.04)

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



PMET RESOURCES INC.

Consolidated Statements of Changes in Equity

(Expressed in Canadian dollars, except for number of shares)

	Number of shares	Share capital	Reserves	Accumulated Other Comprehensive (Loss) Income	Deficit	Total
		\$	\$	\$	\$	\$
Balances, March 31, 2024	135,646,627	207,770,000	15,723,000	1,000	(20,279,000)	203,215,000
Shares issued for:						
Cash	20,717,459	143,904,000	–	–	–	143,904,000
Less flow-through liability related to the premium on flow-through shares	–	(34,082,000)	–	–	–	(34,082,000)
Mineral properties	150,000	1,304,000	–	–	–	1,304,000
Warrants exercised	5,080,000	3,810,000	–	–	–	3,810,000
Options exercised	656,149	1,039,000	(709,000)	–	–	330,000
Share issuance costs ¹	–	(3,764,000)	–	–	–	(3,764,000)
Share-based compensation	–	–	7,661,000	–	–	7,661,000
Net loss and comprehensive loss for the period	–	–	–	6,000	(6,297,000)	(6,291,000)
Balances, March 31, 2025	162,250,235	319,981,000	22,675,000	7,000	(26,576,000)	316,087,000
Shares issued for:						
Cash	19,931,110	138,088,000	–	–	–	138,088,000
Less flow-through liability related to the premium on flow-through shares	–	(28,291,000)	–	–	–	(28,291,000)
In lieu of compensation	83,634	313,000	–	–	–	313,000
Mineral properties	841,916	3,098,000	–	–	–	3,098,000
Options exercised	520,000	2,228,000	(903,000)	–	–	1,325,000
Performance share units settlement	87,990	420,000	(420,000)	–	–	–
Restricted share units settlement	87,990	420,000	(420,000)	–	–	–
Share issuance costs ¹	–	(4,701,000)	–	–	–	(4,701,000)
Share-based compensation	–	–	10,525,000	–	–	10,525,000
Net loss and comprehensive loss for the period	–	–	–	(18,000)	(11,057,000)	(11,075,000)
Balances, March 31, 2026	183,802,875	431,556,000	31,457,000	(11,000)	(37,633,000)	425,369,000

¹ Share issuance costs are presented net of a deferred tax recovery in the amount of \$1,685,000 (March 31, 2025 - \$1,357,000), which relates to deductible temporary differences in relation to share issuance costs incurred during the year (Note 17).

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



PMET RESOURCES INC.
Consolidated Statements of Cash Flows
(Expressed in Canadian dollars)

	Notes	Year ended	
		March 31, 2026	March 31, 2025
		\$	\$
OPERATING ACTIVITIES			
Net Loss for the period		(11,057,000)	(6,297,000)
Adjustments for non-cash items:			
Flow-through premium income	10	(11,182,000)	(22,154,000)
Share-based compensation	12.3, 15	8,117,000	7,661,000
Deferred income tax expense	17	3,306,000	11,517,000
Change on fair value of listed shares		(1,567,000)	330,000
Gain on disposal of E&E assets	8	–	(152,000)
Other		(117,000)	96,000
Changes in non-cash working capital items:			
Decrease in receivables		2,928,000	2,610,000
Decrease (Increase) in prepaid expenses and deposits		291,000	(590,000)
Increase in accounts payable and accrued liabilities		1,741,000	365,000
Cash used in operating activities		(7,540,000)	(6,614,000)
INVESTING ACTIVITIES			
Exploration and evaluation expenditures	8	(51,838,000)	(74,772,000)
Acquisition of property and equipment	9	(592,000)	(32,260,000)
Cash used in investing activities		(52,430,000)	(107,032,000)
FINANCING ACTIVITIES			
Proceeds from issuance of common shares	12	138,088,000	143,904,000
Proceeds from exercise of options	12.3.1	1,325,000	330,000
Proceeds from exercise of warrants	12.2	–	3,810,000
Principal payment of lease liabilities		(134,000)	(255,000)
Share issuance costs	12	(6,279,000)	(5,986,000)
Cash provided by financing activities		133,000,000	141,803,000
Increase in cash and cash equivalents		73,030,000	28,157,000
Effect of exchange rate on cash		24,000	12,000
Cash and cash equivalents, beginning of period		101,173,000	73,004,000
Cash and cash equivalents, end of period		174,227,000	101,173,000

Supplemental cash flow information (Note 16)

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

1. CORPORATE INFORMATION

PMET Resources Inc. (formerly Patriot Battery Metals Inc.) was incorporated on May 10, 2007, under *the Business Corporations Act* (British Columbia). The Company is domiciled in Canada and is a reporting issuer in all provinces of Canada.

The Company is a critical-mineral exploration and development company, focused on advancing its district-scale 100% owned Shaakichiuwaanaan Property in the Eeyou Istchee James Bay region of Québec, Canada, and proximal to regional road and powerline infrastructure.

The address of its head office is 1801, McGill College Avenue, Suite 900, Montréal, Québec H3A 1Z4 and the address of its registered and records office is 510 West Georgia Street, Suite 1800, Vancouver, British Columbia, V6B 0M3. The Company principally operates from its head office. The Company's mineral properties are located in the provinces of Québec and in the State of Idaho (USA).

On September 15, 2025, the Company changed its name from Patriot Battery Metals Inc. to PMET Resources Inc., with no change to its trading symbols.

The shares of the Company are traded under the symbol "PMET" on the Toronto Stock Exchange ("TSX") and under the symbol "PMT" on the Australian Securities Exchange ("ASX"). Each share traded on the ASX settles in the form of CHESS Depository Interests ("CDIs") at a ratio of 10 CDIs to 1 common share.

2. BASIS OF PREPARATION

2.1. Statement of compliance

These consolidated financial statements (the "Financial Statements") have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standard"). These Financial Statements were approved and authorized for issue in accordance with a resolution of the Board of Directors adopted on June 19, 2026.

2.2. Basis of presentation

Basis of Presentation

These Financial Statements include the accounts of the Company and the following significant subsidiaries, all of which are wholly owned: Innova Lithium Inc. and 14352891 Canada Inc., both incorporated in Canada.

Basis of Measurement

The Company's Financial Statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value, as explained in Note 14 and are presented in Canadian dollars except where otherwise indicated. In addition, these Financial Statements have been prepared using the accrual basis of accounting except for cash flow information.

Functional and Presentation Currency

These Financial Statements are presented in Canadian dollars, which is the Company's functional currency. Assets and liabilities of subsidiaries with a functional currency other than Canadian dollars are translated at the rate of exchange prevailing at the reporting date and their income and expense items are translated at average exchange rates for the period. Exchange differences arising on the translation are recognized in other comprehensive income.

3. MATERIAL ACCOUNTING POLICIES

3.1 Cash and cash equivalents

Cash and cash equivalents consist of cash and liquid investments, which are readily convertible into cash with maturities of twelve months or less when purchased. The Company's cash and cash equivalents are invested with major financial institutions and are not invested in any asset-backed deposits or investments.

3.2 Exploration and evaluation assets

Exploration and evaluation ("E&E") assets for each separate area of interest are capitalized and include costs to acquire the mineral property and costs associated with prospecting, sampling, trenching, drilling and other work involved in searching for ore like topographical, geological, geochemical and geophysical studies.

They also reflect costs related to establishing the technical and commercial viability of extracting a mineral resource identified through exploration or acquired through a business combination or asset acquisition.

E&E assets also include the cost of:

- determining the optimal methods of extraction and metallurgical and treatment processes;
- studies related to surveying, transportation and infrastructure requirements;
- permitting activities; and
- early economic evaluations to determine whether development of the mineralized material is commercially justified, including scoping studies. E&E assets include overhead expenses directly attributable to the related activities.

E&E assets are capitalized until technical feasibility and commercial viability has been reached. When a mineral property moves into the development stage, the E&E costs are tested for impairment prior to the reclassification to mineral properties under development.

The recoverability of E&E assets and exploration and development costs is dependent on the existence of economically recoverable reserves, the ability to obtain the necessary financing to complete the development of the reserves, and the profitability of future operations. The Company has not yet determined whether or not any of its future E&E assets contain economically recoverable reserves. Amounts capitalized to E&E assets as exploration and development costs do not necessarily reflect present or future values.

3.3 Property and equipment

Property and equipment is carried at cost less accumulated depreciation. The cost of an item of equipment consists of the purchase price, the finance expense attributable to the acquisition of the asset, and all other costs directly attributable to bringing the asset to the location and condition necessary for its intended use. Where parts of an item of equipment have a different useful life, they are accounted for as separate items of equipment.

Depreciation is recognized on a straight-line basis using the cost of an item of equipment, less its estimated residual value, over its estimated useful life, as follows:

Software	Straight-line over 3 years
Exploration camp	Straight-line over 6 years
Asset retirement obligation	Straight-line over 6 years
Exploration road	Straight-line over 10 years
Machinery and equipment	Straight-line over 5 to 20 years

3.3 Property and equipment (continued)

Each asset's residual value, useful life and depreciation method are reassessed, and adjusted if appropriate, at the reporting date.

The carrying amount of an item within Property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use. The gain or loss arising from the derecognition is included in profit or loss when the item is derecognized.

Assets under construction in progress are carried at cost and are not subject to depreciation. The cost consists of their purchase price and any costs directly attributable to bringing them into working condition for their intended use. Assets under construction in progress are classified to the appropriate category of property, plant and equipment and the depreciation of these assets commences when the assets are ready for their intended use.

3.4 Refundable tax credits for mining exploration and evaluation assets

The Company is entitled to a refundable tax credit on qualified exploration expenditures incurred and refundable credit on duties for losses under the *Mining Tax Act* (Québec), (collectively the "refundable tax credits", "tax credits" or "credits"). These credits are recognized either as a reduction of E&E assets incurred or as a reduction of property, plant and equipment, based on management's estimates, depending on where the exploration expenditures were initially recorded. The Company records these credits when there is reasonable assurance with regards to collections and assessments and that the Company will comply with the conditions associated with them.

3.5 Asset retirement obligation

A legal or constructive obligation to incur restoration, rehabilitation and environmental costs may arise when environmental disturbance is caused by the exploration, evaluation, development, or ongoing production at an exploration and evaluation asset. Such costs arising from the decommissioning of a plant and other site preparation work, discounted to their net present value, are provided for, and capitalized at the start of each project to the carrying amount of the asset, as soon as the obligation to incur such costs arises. The discount rate used is based on a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability, excluding the risks for which future cash flow estimates have already been adjusted. The related liability is adjusted each period for the unwinding of the discount rate, and if required, for changes to the current market-based discount rate, amount and timing of the underlying cash flows needed to settle the obligation. The Company also records a corresponding asset amount which is amortized over the remaining service life of the asset.

3.6 Income taxes

Income tax on the profit or loss for the periods presented comprises current and deferred taxes. Income tax is recognized in the Consolidated Statement of Income (Loss) and Comprehensive Income (Loss) except to the extent that it relates to items recognized directly in equity, in which case it is recognized in the Consolidated Statement of Changes in equity.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at year-end, adjusted for amendments to tax payable with regard to previous years.

Deferred tax is provided using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the financial position reporting date applicable to the period of expected realization or settlement.

3.6 Income taxes (continued)

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

3.7 Share-based payments

The Company offers a stock option plan for eligible directors and employees. The fair value of stock options for each vesting period is determined using the Black-Scholes option pricing model and is recorded over the vesting period as an increase to stock-based payments and contributed surplus. A forfeiture rate is estimated on the grant date and is adjusted to reflect the actual number of options that vest.

The fair value of stock options payments is recognized as an expense with a corresponding increase in share-based payments reserve. The amount recognized as an expense is adjusted to reflect the number of share options expected to vest. Consideration received on the exercise of stock options is recorded in share capital and the related share-based payment in share-based payments reserve is transferred to share capital. Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

As part of the remuneration plan, the Company also offers performance share unit ("PSU") awards, restricted share unit ("RSU") awards and deferred share unit ("DSU") awards. PSUs, RSUs and DSUs are measured at fair value. The expense for PSUs, DSUs, and RSUs, to be redeemed in shares, is recognized over the vesting period, or using management's best estimate when contractual provisions restrict vesting until completion of certain performance conditions, with a corresponding charge as an expense.

3.8 Share issuance costs

Professional, consulting and regulatory fees and other costs that are directly attributable to the issuance of shares are charged to share capital when the related shares are issued, net of any tax effects.

3.9 Flow-through shares

The Company finances some exploration and evaluation expenses through the issuance of flow-through shares. The resource expenditure deductions for income tax purposes are renounced to investors in accordance with the appropriate income tax legislation.

The difference ("premium") between the amounts recognized in common shares and the amount the investors pay for the shares is recognized as a flow-through premium liability which is reversed into the Consolidated Statement of Income (Loss) and Comprehensive Income (Loss) as other income when the eligible expenditures are incurred. The amount recognized as a flow-through share liability represents the difference between the quoted price of the common shares and the amount the investor pays for the flow-through shares, net of allocated issue costs.

3.10 Financial assets

At initial recognition, the Company's financial assets are classified as subsequently measured at amortized cost or fair value through profit or loss ("FVTPL"). Financial assets are recognized initially at fair value.

3.10 Financial assets (continued)

The subsequent measurement of financial assets depends on their classification based on both the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets as follows:

Amortized Cost

The financial asset is subsequently measured at amortized cost if both the financial asset is held within a business model whose objective is to hold the financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Such assets are carried at amortized cost using the effective interest method. Gains and losses are recognized in profit or loss when the financial assets are derecognized or impaired, as well as through the amortization process. Transaction costs are included in the initial carrying amount of the asset. Cash and cash equivalents are included in this category of financial assets.

Fair Value Through Profit of Loss

Financial assets measured at FVTPL are assets that do not meet the criteria for classification at amortized cost. Marketable securities are classified as FVTPL. These financial assets are measured at fair value with any changes in fair value recognized in profit or loss. Listed shares are included in this category of financial assets.

3.11 Financial liabilities

At initial recognition, the Company's financial liabilities are classified as financial liabilities measured at amortized cost. Financial liabilities are recognized initially at fair value. Transaction costs directly attributable to the issue of a financial liability are included in the initial carrying value of financial liabilities. The subsequent measurement of financial liabilities is as follows:

Amortized Cost

Financial liabilities are initially recognized at fair value, net of transaction costs. After initial recognition, financial liabilities are subsequently measured at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any issue costs, and any discount or premium on settlement. Accounts payables are included in this category of financial liabilities.

3.12 Impairment of non-financial assets

At the end of each reporting period, the Company assesses each cash-generating unit to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discounted rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period.

3.12 Impairment of non-financial assets (continued)

For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs. When impairment subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate and its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

4. NEW ACCOUNTING STANDARDS AND AMENDMENTS

4.1 Accounting standards issued but not yet effective

Certain new accounting standards, amendments to accounting standards and interpretations have been published but are not mandatory for the current reporting period and have not been early adopted by the Company. These standards, amendments or interpretations, except noted below, are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

IFRS 18 – Presentation and Disclosure in Financial Statements

On April 9, 2024, the IASB issued IFRS 18 to improve reporting of financial performance. The new standard replaces IAS 1 Presentation of Financial Statements. It carries forward many requirements from IAS 1 unchanged. IFRS 18 applies for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The new Accounting Standard introduces significant changes to the structure of income statements and introduces new principles for aggregation and disaggregation of information. The impact of adoption of the amendments has not yet been determined by the Company.

Amendments – IFRS 9 Financial Instruments and IFRS 7 Financial Instrument Disclosures

In May 2024, the IASB issued targeted amendments to IFRS 9 and IFRS 7 to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for industrial and commercial businesses. Among other amendments, the IASB clarified the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system.

The amendments to IFRS 9 and IFRS 7 are effective for annual reporting beginning on or after January 1, 2026, with earlier application permitted. The Company is currently assessing the potential impact of these amendments.

Management anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement. New standards, amendments and interpretations not adopted in the current period have not been disclosed as they are not expected to have a material impact on the Company's Financial Statements.

5. CRITICAL ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of these Financial Statements requires management to make judgments, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income, and expenses.

5. CRITICAL ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS (CONTINUED)

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed by management on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future year if the revision affects both current and future year.

The areas that require management to make critical judgments in applying the Company's accounting policies in determining carrying values include:

5.1 Impairment of non-financial assets

Non-financial assets are reviewed for an indication of impairment at each consolidated statement of financial position date or when a triggering event is identified. Indicators which could trigger an impairment review include, but are not limited to, an expiry of the right to explore in the specific area during the period or will expire in the near future, and is not expected to be renewed; substantive exploration and evaluation expenditures in a specific area is neither budgeted nor planned; exploration for and evaluation of mineral resources in a specific area have not led to the discovery of commercially viable quantities of mineral resources and management has decided to discontinue such activities in the specific area; sufficient data exists to indicate that, although a development in a specific area is likely to proceed, the carrying amount of the assets is unlikely to be recovered in full from successful development or by sale; significant negative industry or economic trends; interruptions in exploration and evaluation activities; and a significant drop in current or forecast commodity prices.

Assessment of impairment of non-financial assets requires the use of judgments when assessing whether there are any indicators that could give rise to the requirement to conduct a formal impairment test on the Company's non-financial assets and in determining the recoverable amounts of certain properties for which management identified indicators of impairment.

No indicators were identified for the years ended March 31, 2026 and March 31, 2025.

5.2 Income taxes and refundable tax credits

The Company is subject to income and mining taxes. Significant judgment is required in determining the total provision for income taxes. Refundable tax credits for the current and prior periods are measured at the amount expected to be recovered, based on management's best estimate and judgment, from the tax authorities as at the statement of financial position date. Uncertainties exist with respect to the interpretation of tax regulations, including refundable tax credits and the amount and timing of collection. The determination of whether expenditures qualify for refundable tax credits requires significant judgment involving complex technical matters which makes the ultimate tax collection uncertain. As a result, there can be a material difference between the actual refundable tax credits received following final resolution of these uncertain interpretation matters with the relevant tax authority and the recorded amount of tax credits. This difference would necessitate an adjustment to refundable tax credits in future periods. The resolution of issues with the relevant tax authority can be lengthy. As a result, there can be a significant delay in collecting refundable tax credits. Refundable tax credits that are expected to be recovered beyond one year are classified as non-current assets. The amounts recognized in the Financial Statements are derived from management's best estimation and judgment as described above. However, the inherent uncertainty regarding the ultimate approval by the relevant tax authority means that the ultimate amount collected in tax credits and timing thereof could differ materially from the accounting estimates and therefore impact the Company's Consolidated Statements of Financial Position and Cash Flows.

5.3 Asset retirement obligation

The asset retirement obligation is based on management’s best estimate of the expenditures required to settle the present obligation at the end of the reporting period, including but not limited to dismantling and removing infrastructure and operating facilities. The estimate of the expenditure required to settle the present obligation is the amount that the Company would rationally pay to settle the obligation at the end of the reporting period or to transfer it to a third party. Assumptions based on the current economic environment have been made, which management believes are a reasonable basis upon which to estimate the future liability. These estimates are reviewed at each reporting period to take into account any material changes to the assumptions, including regulatory changes and cost increases.

6. CASH AND CASH EQUIVALENTS

As at March 31, 2026, cash and cash equivalents include \$20,000,000 (nil as at March 31, 2025) held in a guaranteed investment certificate (GIC) with a one-year maturity, earning an annual interest rate of 2.44%. The GIC is redeemable after 30 days without penalty.

7. RECEIVABLES

The Company’s receivables arise from Goods and Services Tax (“GST”) and Quebec Sales Tax (“QST”) due from the government taxation authorities and refundable tax credits.

	March 31, 2026	March 31, 2025
	\$	\$
Sales taxes recoverable	953,000	1,880,000
Refundable tax credits and other	15,738,000	5,469,000
Total	16,691,000	7,349,000

On May 1, 2026, the Company received \$9.5 million from refundable tax credit related to eligible exploration expenditures incurred during the year ended March 31, 2024.

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8. EXPLORATION AND EVALUATION ASSETS

The Company's exploration and evaluation ("E&E") assets expenditures for the year ended March 31, 2026 are as follows:

	Shaakichiu-waanaan Property <i>Quebec, Canada</i>	Quebec Properties <i>Quebec, Canada</i>	US Property <i>Idaho, USA</i>	Total
	\$	\$	\$	\$
Acquisition Costs				
Balance, March 31, 2025	7,750,000	3,780,000	898,000	12,428,000
Additions	11,000	3,098,000	–	3,109,000
Balance, March 31, 2026	7,761,000	6,878,000	898,000	15,537,000
Exploration and Evaluation Costs				
Balance, March 31, 2025	172,672,000	758,000	1,007,000	174,437,000
Additions				
Studies	16,286,000	–	–	16,286,000
Transportation and accommodation	13,999,000	47,000	–	14,046,000
Depreciation	11,142,000	–	–	11,142,000
Drilling expenditures	7,924,000	–	–	7,924,000
Geology services and expenditures	6,064,000	119,000	34,000	6,217,000
Other geological projects and other	5,052,000	4,000	–	5,056,000
Assays and testing	775,000	15,000	–	790,000
Total additions	61,242,000	185,000	34,000	61,461,000
Refundable tax credits	(2,372,000)	–	–	(2,372,000)
Balance, March 31, 2026	231,542,000	943,000	1,041,000	233,526,000
Total, March 31, 2026	239,303,000	7,821,000	1,939,000	249,063,000

8. EXPLORATION AND EVALUATION ASSETS (CONTINUED)

The Company's exploration and evaluation assets expenditures for the year ended March 31, 2025 are as follows:

	Shaakichiu-waanaan Property <i>Quebec, Canada</i>	Quebec Properties <i>Quebec, Canada</i>	US Property <i>Idaho, USA</i>	Northwest Territories Property <i>NW Territories, Canada</i>	Total
	\$	\$	\$	\$	\$
Acquisition Costs					
Balance, March 31, 2024	5,871,000	3,768,000	880,000	177,000	10,696,000
Additions	1,879,000	12,000	18,000	–	1,909,000
Disposals	–	–	–	(177,000)	(177,000)
Balance, March 31, 2025	7,750,000	3,780,000	898,000	–	12,428,000
Exploration and Evaluation Costs					
Balance, March 31, 2024	99,255,000	475,000	998,000	503,000	101,231,000
Additions					
Drilling expenditures	22,183,000	–	–	–	22,183,000
Transportation & accommodation	22,013,000	–	–	–	22,013,000
Studies	16,867,000	–	–	–	16,867,000
Geology salaries and expenditures	8,295,000	213,000	5,000	–	8,513,000
Depreciation	6,038,000	–	–	–	6,038,000
Assays and testing	1,834,000	26,000	–	–	1,860,000
Other geological projects and other	1,687,000	44,000	4,000	–	1,735,000
Deposits	(1,711,000)	–	–	–	(1,711,000)
Total additions	77,206,000	283,000	9,000	–	77,498,000
Disposals	–	–	–	(503,000)	(503,000)
Refundable tax credits	(3,789,000)	–	–	–	(3,789,000)
Balance, March 31, 2025	172,672,000	758,000	1,007,000	–	174,437,000
Total, March 31, 2025	180,422,000	4,538,000	1,905,000	–	186,865,000

8.1 Shaakichiuwaanaan Property - Quebec, Canada - Lithium

The Shaakichiuwaanaan Property consists of 463 Exclusive Exploration Rights ("EERs"), previously known as map designated mineral claims ("CDC"), that cover an area of approximately 23,710 hectares. The Company holds 100% interest in the Shaakichiuwaanaan Property. Innova Lithium Inc., a wholly owned subsidiary of the Company, is the recorded registered title holder of the 463 EERs.

Of the 463 EERs that comprise the Shaakichiuwaanaan Property, 276 are subject to various Net Smelter Return ("NSR") royalties, which vary from 0.5% to 3.5%.

On May 2, 2024, the Company increased its land position at its Shaakichiuwaanaan property through the acquisition of a 100% interest in a proximal block of 39 EERs, which are subject to a 2% NSR. Further information on this acquisition is presented in Note 12.

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8.2 Québec Properties - Québec, Canada

Quebec Properties consist of all Quebec properties other than the Shaakichiuwaanaan Property (namely the Pontois, Pontax, Lac du Beryl, Eastmain Properties and Pikwa), which are all located in the James Bay Region, Québec, Canada. 14352891 Canada inc., a wholly owned subsidiary of the Company, is the recorded registered title holder of all EERs other than Pikwa. The transfer of the registered title to the Pikwa Property to 14352891 Canada inc. is currently in progress.

8.2.1 Pontois Property - Lithium and Gold

The Pontois property consists of 31 EERs and is subject to a 2% NSR which has a 50% buyback option by the Company for \$1,000,000.

8.2.2 Pontax Property - Lithium and Gold

The Company owns 100% interest in the Pontax lithium-gold property, which is located near Eastmain (Cree Nation), Québec. The property consists of 80 EERs and is subject to a 3% NSR.

8.2.3 Lac du Beryl Property - Lithium and Gold

The Company owns a 100% interest in the Lac du Beryl property, which consists of 18 EERs and is subject to a 2% NSR.

8.2.4 Eastmain Property - Lithium

The Eastmain property consists of 86 EERs. Only 13 EERs of the Eastmain Property are subject to a 2% NSR.

8.2.5 Pikwa - Lithium

On November 28, 2025, the Company completed the acquisition of a 100% interest in the Pikwa Property, located in the James Bay region of Québec. The Pikwa Property consists of 509 EERs west of the Company's Shaakichiuwaanaan Property. The claim block is subject to a 2% NSR. Further information on this acquisition is provided in Note 12.

8.3 US Property - Idaho, USA - Gold

The Company's US subsidiary, Metals Nevada Corp., holds title to the property consisting of 106 claims.

In the event that a gold equivalent resource of more than 1 million ounces is outlined within a NI 43-101 Resource Estimate on the property, the Company shall pay \$1,000,000, in shares or cash or a combination of both, at the Company's discretion. In the case of a share issuance, the shares shall be issued at a price using the average market price of the previous 30 trading days preceding the share issuance.

The vendors shall retain a 2.5% NSR on the property, of which Metals Nevada Corp. shall have the right at any time to purchase half (1.25%) for \$1,500,000.

8.4 Northwest Territories Property - Northwest Territories, Canada - Lithium

On December 12, 2024, the Company sold its remaining 40% interest in 5 EERs located in the Northwest Territories (the "Interest") to Loyal Metals Ltd (the "Purchaser"). In consideration for the Interest, the Purchaser issued 8,000,000 fully paid ordinary shares to the Company for an amount of \$833,000. Pursuant to this transaction, the Company derecognized its exploration and evaluation assets related to its Northwest Territories Property and recorded a gain on disposal exploration and evaluation assets of \$152,000 in the Consolidated Statement of Income (Loss) and Comprehensive Income (Loss).

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9. PROPERTY AND EQUIPMENT

As at March 31, 2026, the Company had property and equipment as follows:

	Exploration Camp	Temporary All-Season Exploration Road	Machinery and equipment	Other	Total
Cost	\$	\$	\$	\$	\$
Balance, March 31, 2025	38,841,000	33,469,000	2,671,000	701,000	75,682,000
Additions	15,000	–	–	246,000	261,000
Refundable tax credits	–	(9,460,000)	–	–	(9,460,000)
Balance, March 31, 2026	38,856,000	24,009,000	2,671,000	947,000	66,483,000
Accumulated Depreciation					
Balance, March 31, 2025	3,795,000	2,499,000	624,000	36,000	6,954,000
Depreciation	7,378,000	3,348,000	416,000	227,000	11,369,000
Balance, March 31, 2026	11,173,000	5,847,000	1,040,000	263,000	18,323,000
Net book value					
At March 31, 2025	35,046,000	30,970,000	2,047,000	665,000	68,728,000
At March 31, 2026	27,683,000	18,162,000	1,631,000	684,000	48,160,000

As at March 31, 2025, the Company had property and equipment as follows:

	Construction in progress	Exploration Camp	Temporary All-Season Exploration Road	Machinery and equipment	Other	Total
Cost	\$	\$	\$	\$	\$	\$
Balance, March 31, 2024	32,199,000	18,216,000	–	2,439,000	370,000	53,224,000
Additions	21,660,000	–	235,000	232,000	331,000	22,458,000
Transfers	(53,859,000)	20,625,000	33,234,000	–	–	–
Balance, March 31, 2025	–	38,841,000	33,469,000	2,671,000	701,000	75,682,000
Accumulated Depreciation						
Balance, March 31, 2024	–	667,000	–	213,000	17,000	897,000
Depreciation	–	3,128,000	2,499,000	411,000	19,000	6,057,000
Balance, March 31, 2025	–	3,795,000	2,499,000	624,000	36,000	6,954,000
Net book value						
At March 31, 2024	32,199,000	17,549,000	–	2,226,000	353,000	52,327,000
At March 31, 2025	–	35,046,000	30,970,000	2,047,000	665,000	68,728,000

10. FLOW-THROUGH PREMIUM LIABILITY

On May 30, 2024, the Company closed a private placement for 5,159,959 flow-through common shares at \$14.54 per common share for aggregate gross proceeds of \$75,000,000 ("FT#24 Offering"). The trading share price at the date of issuance of the common shares was \$7.93 per common share, resulting in the recognition of a flow-through premium liability of \$6.61 per common share for a total balance of \$34,082,000. This balance was reduced by issuance costs related to the private placement allocated to the flow-through premium liability (\$1,180,000), resulting in the recognition of a net balance of \$32,902,000.

As at March 31, 2026, the Company incurred \$75,000,000 in flow-through eligible expenditures related to the FT#24 Offering and fulfilled all related spending commitments.

On February 19, 2026, the Company closed a private placement for 6,992,255 flow-through common shares at \$9.30 per common share for aggregate gross proceeds of \$65,000,000 ("FT#26 Offering"). The trading share price at the date of issuance of the common shares was \$5.25 per common share, resulting in the recognition of a flow-through premium liability of \$4.05 per common share for a total balance of \$28,291,000.

Total share issuance costs related to the FT#26 offering amounted to \$2,449,000 for the year ended March 31, 2026, of which \$1,383,000 was allocated to share capital and \$1,066,000 to flow-through premium liability. This resulted in the recognition of a net flow through premium liability of \$27,225,000.

As at March 31, 2026, the Company also incurred \$1,037,000 in flow-through eligible expenditures related to the FT#26 Offering, reducing the flow-through premium liability to \$26,791,000.

	March 31, 2026	March 31, 2025
	\$	\$
Opening Balance	10,748,000	–
Flow-through share premium issuance:		
FT#24 Offering	–	32,902,000
FT#26 Offering	27,225,000	–
Flow-through premium income	(11,182,000)	(22,154,000)
Ending Balance	26,791,000	10,748,000

11. ASSET RETIREMENT OBLIGATION

The asset retirement obligations arise from the Company's obligation to undertake camp reclamation and remediation in connection with its property and equipment. The obligation is estimated based on the Company's restoration plan and the estimated timing of the reclamation. The following table summarizes the Company's asset retirement obligation:

	March 31, 2026	March 31, 2025
	\$	\$
Opening Balance	4,180,000	2,218,000
Addition	–	1,861,000
Accretion	110,000	51,000
Change in estimate	(140,000)	50,000
Ending Balance	4,150,000	4,180,000

11. ASSET RETIREMENT OBLIGATION (CONTINUED)

The assumptions used for the calculation were:

	March 31, 2026	March 31, 2025
Total undiscounted value of payments (\$)	4,645,000	4,809,000
Discount rate (%)	3.03%	2.61%
Expected timing of disbursements (years)	3.76	4.76
Inflation rate (%)	3.31%	3.02%

12. SHARE CAPITAL

The Company has authorized an unlimited number of common shares with no par value.

12.1. Common Shares

During the year ended March 31, 2026:

On February 19, 2026, the Company closed a flow-through private placement and public offering of common shares for gross proceeds of \$138 million.

- The first portion consisted of a public offering for 12,849,730 common shares at \$5.66 per common share for aggregate gross proceeds of \$72.7 million.
- The second portion consisted of a private placement for 6,992,255 flow-through common shares at \$9.30 per common share for aggregate gross proceeds of \$65 million.

Total share issuance costs related to the above financings amounted to \$7,452,000 for the year ended March 31, 2026, of which \$4,701,000 was allocated to share capital (net of deferred tax recovery of \$1,685,000) and \$1,066,000 was allocated to flow-through premium liability as presented in Note 10.

On September 16, 2025, the Company's shareholders approved the settlement of a portion of the CEO's salary and bonus remuneration, net of applicable income taxes, through the issuance of common shares of the Company. Accordingly, on November 17, 2025, the Company issued 81,519 common shares in settlement of such remuneration at a price of \$3.69 per common share. In addition, on January 9, 2026, the Company issued 2,115 common shares at a price of \$5.82 per common share in settlement of such remuneration.

On November 28, 2025, the Company increased its land position immediately west of the Shaakichiuwaanaan Property through the acquisition of a 100% ownership interest in the Pikwa Property, located in the James Bay region. The Company issued 841,916 common shares in the capital of the Company at a price of \$3.68 per common share, for total consideration of \$3.1 million.

On December 18, 2025, following the issuance of shares as part of the Pikwa transaction, the Company issued an additional 89,125 common shares at a price of \$4.03 per common share to Volkswagen Finance Luxemburg S.A. ("Volkswagen"), a subsidiary of Volkswagen AG, pursuant to the Investor Rights Agreement with the Company, for gross proceeds of \$359,000.

On March 4, 2026 a total of 175,980 common shares were issued upon the settlement of accelerated vested RSUs and PSUs. These equity awards were settled in shares in accordance with the terms of the Company's share-based compensation plans.

12.1. Common Shares (continued)

During the year ended March 31, 2025:

On May 2, 2024, the Company increased its land position at its Shaakichiuwaanaan property through the acquisition of a 100% interest in a proximal claim block. The Company paid an aggregate \$500,000 in cash and issued 150,000 common shares in the capital of the Company at a price of \$8.69 per common share.

On May 30, 2024, the Company closed the FT#24 Offering as further described in Note 10.

On January 21, 2025, the Company completed a strategic private placement with Volkswagen, of 15,557,500 common shares representing 9.9% of the Company's issue and outstanding common share for aggregate gross proceeds of approximately \$69 million. As part of the strategic private placement, the Company entered into a binding offtake term sheet with Volkswagen's wholly-owned and vertically integrated battery manufacturer, PowerCo SE ("PowerCo"), for the Company to supply 100,000 tons of spodumene concentrate (SC 5.5 target) per year over a 10-year term.

Total share issuance costs related to the above financing amounted to \$4,944,000 for the year ended March 31, 2025, of which \$3,764,000 was allocated to share capital (net of deferred tax recovery of \$1,357,000) and \$1,180,000 was allocated to flow-through premium liability as presented in Note 10.

12.2. Share purchase warrants

As at March 31, 2026 and March 31, 2025, the Company had no warrants outstanding. All previously issued warrants were exercised or expired during prior periods.

During the year ended March 31, 2025, the Company issued a total of 5,080,000 shares for warrants exercised for total proceeds of \$3,810,000, at a weighted average share price of \$0.75 per warrant exercised. The weighted average share price at the exercise dates was \$3.10. During the same period, a total of 71,530 warrants expired.

12.3. Share-based payments

The current Omnibus Incentive Plan (the "Omnibus Plan") was approved on September 19, 2023. During the year ended March 31, 2026, the Company granted stock options, restricted share units ("RSUs"), performance share units ("PSUs"), and deferred share units ("DSUs") in accordance with its Omnibus Plan.

The following table summarizes the share-based compensation expense for the year ended March 31, 2026 and 2025:

	Year ended	
	March 31, 2026	March 31, 2025
	\$	\$
Stock options	5,413,000	6,007,000
RSUs	2,640,000	615,000
PSUs	2,033,000	615,000
DSUs	439,000	424,000
Total share-based compensation expense	10,525,000	7,661,000

For the year ended March 31, 2026, \$2,408,000 of share-based compensation was capitalized to E&E assets (nil for the year ended March 31, 2025). The remaining share-based compensation expense of \$8,117,000 for the year ended March 31, 2026 was recognized in the Consolidated Statements of Loss and Comprehensive Loss.

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12.3.1. Stock Options

A summary of changes in the Company's stock options outstanding as at March 31, 2026 and 2025 is as follows:

	March 31, 2026		March 31, 2025	
	Number of stock options	Weighted average exercise price (\$)	Number of stock options	Weighted average exercise price (\$)
Outstanding, beginning of period	5,268,016	8.21	5,973,016	7.13
Granted	4,090,000	4.28	400,000	4.60
Exercised	(520,000)	2.55	(905,000)	1.17
Expired	(750,000)	12.50	(200,000)	0.53
Forfeited	(60,000)	4.67	—	—
Outstanding, end of period	8,028,016	6.20	5,268,016	8.21

During the year ended March 31, 2026, 4,090,000 options were granted to executives, employees and consultants, with vesting periods ranging from two to three years.

During the year ended March 31, 2026, 520,000 stock options were exercised for net proceeds of \$1,325,000. The weighted average share price at the exercise dates was \$4.07.

The grant date fair value of the options granted during the year ended March 31, 2026 was estimated at \$3.02 (March 31, 2025 - \$3.16) per option using the Black-Scholes Option Pricing Model. Expected volatility is based on the historical share price volatility.

The weighted average assumptions used for the calculation were:

	Year ended March 31, 2026	Year ended March 31, 2025
Share price at grant date	4.42	4.24
Risk free interest rate	2.80%	3.12%
Expected life (years)	4.09	4.00
Expected volatility	96%	113%
Fair value of the option on grant date	3.02	3.16

The following table summarizes information regarding the Company's outstanding and exercisable stock options as at March 31, 2026:

Range of exercise price per share (\$)	Options outstanding			Options exercisable		
	Weighted-average remaining years of contractual life	Number of stocks options outstanding	Weighted average exercise price (\$)	Weighted-average remaining years of contractual life	Number of stocks options exercisable	Weighted average exercise price (\$)
1.93 to 3.69	3.24	750,000	2.52	0	—	—
4.60 to 4.67	4.26	3,680,000	4.66	1.41	200,000	4.60
7.00 to 9.78	1.31	3,598,016	8.54	1.09	3,148,678	8.46
1.93 to 9.78	2.84	8,028,016	6.20	1.11	3,348,678	8.23

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12.3.2. RSUs and PSUs

A summary of changes in the Company's RSUs outstanding as at March 31, 2026 and 2025 is as follows:

	March 31, 2026		March 31, 2025	
	Number of RSUs	Weighted average exercise price (\$)	Number of RSUs	Weighted average exercise price (\$)
Outstanding, beginning of period	535,283	4.65	54,641	16.10
Granted	931,714	4.12	485,534	3.48
Settled	(87,990)	4.77	–	–
Forfeited	(15,455)	3.48	(4,892)	16.10
Outstanding, end of period	1,363,552	4.29	535,283	4.65

A summary of changes in the Company's PSUs outstanding as at March 31, 2026 and 2025 is as follows:

	March 31, 2026		March 31, 2025	
	Number of PSUs	Weighted average exercise price (\$)	Number of PSUs	Weighted average exercise price (\$)
Outstanding, beginning of period	535,283	4.65	54,641	16.10
Granted	931,714	4.12	485,534	3.48
Settled	(87,990)	4.77	–	–
Forfeited	(15,455)	3.48	(4,892)	16.10
Outstanding, end of period	1,363,552	4.29	535,283	4.65

During the year ended March 31, 2026, 931,714 RSUs and 931,714 PSUs were granted to certain employees and officers of the Company. The RSUs vest over three periods or on March 31, 2028, and all PSUs vest on March 31, 2028.

12.3.3. DSUs

A summary of changes in the Company's DSUs outstanding as at March 31, 2026 and 2025 is as follows:

	March 31, 2026		March 31, 2025	
	Number of DSUs	Weighted average exercise price (\$)	Number of DSUs	Weighted average exercise price (\$)
Outstanding, beginning of period	106,374	5.86	20,085	16.10
Granted	221,592	3.72	86,289	3.48
Outstanding, end of period	327,966	4.41	106,374	5.86

On November 17, 2025, the Company granted an aggregate of 218,112 DSUs to directors of the Company as part of the annual equity grant to non-executive directors. These DSUs grant was approved by shareholders during the September 16, 2025 AGM and will vest on November 17, 2026.

On January 9, 2026, the Company granted an aggregate of 3,480 DSUs to one director of the Company. These DSUs will vest on January 9, 2027.

13. LOSS PER SHARE

The calculation of basic and diluted loss per share is based on the following data:

	Year ended	
	March 31, 2026 \$	March 31, 2025 \$
Net loss for the period	(11,075,000)	(6,291,000)
Weighted average number of shares - basic and diluted	165,109,110	143,681,566
Loss per share, basic and diluted	(0.07)	(0.04)

The basic loss per share is computed by dividing the net loss by the weighted average number of common shares outstanding during the period. The diluted loss per share reflects the potential dilution of common share equivalents, such as outstanding stock options, in the weighted average number of common shares outstanding during the period, if dilutive. All of the stock options, PSUs, RSUs and DSUs were anti-dilutive for the year ended March 31, 2026 and 2025 as the Company incurred losses during these periods.

14. FINANCIAL INSTRUMENTS

14.1. Categories of financial instruments

	March 31, 2026 \$	March 31, 2025 \$
Financial assets		
At amortized cost		
Cash and cash equivalents	174,227,000	101,173,000
Interest receivables	633,000	–
At fair value through profit or loss		
Listed shares (Level 1)	2,070,000	503,000
Total financial assets	176,930,000	101,676,000
Financial liabilities		
At amortized cost		
Accounts payable and accrued liabilities	11,863,000	13,189,000
Total financial liabilities	11,863,000	13,189,000

14.2. Fair value

The Company considers that the carrying amount of all its financial assets and financial liabilities measured at amortized cost in the Financial Statements approximates their fair value due to the demand nature or short-term maturity of these instruments.

The Company classifies its financial instruments measured at fair value at one of three levels according to the relative reliability of the inputs used to estimate the fair value in the fair value hierarchy.

- Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2: Valuation techniques using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly;
- Level 3: Unobservable inputs that are not based on observable market data.

14.3. Management of capital and financial risks

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the sourcing and exploration of mineral properties. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue common shares or dispose of assets.

The realization of the Company's long-range strategic objectives is dependent on its ability to raise financing from shareholders or lenders. Management continues to regularly review and consider financing alternatives to fund the Company's future operations and development activities.

The Company considers the components of shareholders' equity to be its capital. The Company is not subject to any externally imposed capital requirements.

The Company's existing business involve the identification, evaluation and acquisition of exploration and evaluation assets, as well as exploration of those properties once acquired, which exposes the Company to a variety of financial instrument related risks. These risks include credit risk, liquidity risk, foreign currency risk, interest risk and other risks. The Company's board of directors provides oversight for the Company's risk management processes.

Credit risk

The Company's credit risk is primarily attributable to cash and cash equivalents and receivables. The Company has no significant concentration of credit risk arising from its operations. Cash and cash equivalent consists of chequing accounts and term deposits at reputable financial institutions, from which management believes the risk of loss to be remote. As at March 31, 2026, management considers the Company's exposure to credit risk is minimal.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure and financial leverage as outlined above.

The Company monitors its ability to meet its short-term exploration and administrative expenditures by raising additional funds through share issuance when required. As at March 31, 2026, all of the Company's accounts payable of \$4,222,000 (March 31, 2025 – \$6,443,000) have contractual maturities of 30 to 90 days and are subject to normal trade terms. The Company believes it has sufficient funds to meet its obligations and existing commitments for at least the next 12 months.

Foreign currency and interest risks

The Company is exposed to currency risk due to business transactions in foreign countries. The Company mainly transacts in Canadian dollars, U.S. dollars and Australian dollars. Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company is subject to normal risks including fluctuations in foreign exchange rates and interest rates. While the Company manages its operations in order to minimize exposure to these risks, it has not entered into any derivatives or contracts to hedge or otherwise mitigate this exposure. As at March 31, 2026 and March 31, 2025, the Company was not exposed to significant foreign currency and interest rate risk.

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15. RELATED PARTY TRANSACTIONS

The Company's related parties include its subsidiaries and key management personnel. Key management personnel are considered to be the persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly. Key management includes executives and directors of the Company as at March 31, 2026 and 2025.

Related party transactions to key management personnel are as follows:

	March 31, 2026	March 31, 2025
	\$	\$
Salaries, benefits and management fees	3,019,000	2,856,000
Salaries, benefits, management and consulting fees included in E&E assets	1,683,000	726,000
Share-based compensation	6,341,000	6,878,000
Share-based compensation included in E&E assets	812,000	–
Total key management compensation	11,855,000	10,460,000

16. SUPPLEMENTAL CASH FLOW INFORMATION

The Company incurred the following non-cash operating, financing and investing transactions during the years ended March 31, 2026 and 2025.

	Year ended	
	March 31, 2026	March 31, 2025
	\$	\$
Non-cash operating activities:		
Depreciation of Property and Equipment recorded as an expense	227,000	19,000
Non-cash investing activities:		
Shares issued for E&E assets	3,098,000	1,304,000
Depreciation of Property and Equipment capitalized in E&E assets	11,142,000	6,038,000
Share-based compensation capitalized in E&E assets	2,408,000	–
Disposal of E&E assets in exchange of Listed shares	–	680,000
Asset retirement obligation within Property and Equipment	(140,000)	1,911,000
Right-of-use assets within Property and Equipment	–	232,000
Flow-through interest	–	(180,000)
Non-cash financing activities:		
Value of options exercised from reserves	903,000	709,000
Value of PSU settled	420,000	–
Value of RSU settled	420,000	–
Value of shares issued in lieu of compensation	313,000	–
Included in Accounts payable and accrued liabilities:		
Share issuance costs	1,488,000	315,000
Additions to E&E assets	4,207,000	8,123,000
Additions to Property and Equipment	–	191,000

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17. INCOME TAXES

17.1. Provision for income taxes

The reconciliation of the effective tax expense to the expected tax recovery using the statutory tax rate is as follows:

	Year ended	
	March 31, 2026	March 31, 2025
	\$	\$
Income (Loss) before tax	(7,751,000)	5,220,000
Statutory tax rate	26.5%	26.5%
Expected tax income	(2,054,000)	1,383,000
Change in statutory, foreign tax, foreign exchange rates and other	(8,000)	(1,000)
Permanent differences and other	(1,239,000)	(3,871,000)
Impact of flow-through shares	6,767,000	13,383,000
Adjustment to prior years provision versus statutory tax returns and expiry of non-capital losses	(98,000)	576,000
Change in unrecognized deductible temporary differences	(62,000)	47,000
Total income tax expense	3,306,000	11,517,000

17.2. Deferred tax balances

The tax effects of temporary differences between amounts recorded in the Company's accounts and the corresponding amounts as computed for income tax purposes gives rise to the following deferred tax assets and liabilities:

	Year ended	
	March 31, 2026	March 31, 2025
	\$	\$
Deferred tax assets (liabilities)		
Tax loss carry forwards	17,145,000	7,999,000
Share issue costs	2,800,000	1,869,000
Net capital loss carry-forwards	43,000	43,000
Asset retirement obligation	1,100,000	1,108,000
Accounts receivable	1,325,000	–
Listed shares	(164,000)	44,000
Property and equipment	(4,335,000)	(2,402,000)
Lease liabilities	71,000	99,000
Right-of use assets	(79,000)	(116,000)
E&E assets	(41,371,000)	(30,422,000)
Deferred tax assets not recognized	(26,000)	(92,000)
Net deferred tax liabilities	(23,491,000)	(21,870,000)

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17.2. Deferred tax balances (continued)

The movement in temporary differences for the year ended March 31, 2026 is as follows:

	March 31, 2025	Recognized in Income Tax Expense	Recognized in Shareholders Equity	March 31, 2026
	\$	\$	\$	\$
Deferred tax assets:				
Tax loss carry forwards	7,994,000	9,125,000	–	17,119,000
Share issue costs	1,869,000	(754,000)	1,685,000	2,800,000
Capital losses	–	43,000	–	43,000
Asset retirement obligation	1,108,000	(8,000)	–	1,100,000
Lease liabilities	99,000	(28,000)	–	71,000
Accounts receivable	–	1,325,000	–	1,325,000
Deferred tax liabilities:				
E&E assets	(30,422,000)	(10,949,000)	–	(41,371,000)
Property and equipment	(2,402,000)	(1,933,000)	–	(4,335,000)
Right-of-use assets	(116,000)	37,000	–	(79,000)
Listed shares	–	(164,000)	–	(164,000)
	(21,870,000)	(3,306,000)	1,685,000	(23,491,000)

18. SEGMENTED INFORMATION

The Company operates in one business segment, being the exploration and development of mineral properties. The Company's E&E assets are all located in Quebec, Canada, except for \$1,939,000 located in the United States (March 31, 2025 - \$1,905,000).

All of the Company's Property and Equipment is located in Canada.

19. EVENTS AFTER THE REPORTING PERIOD

On May 21, 2026, following the issuance of shares as part of the flow-through private placement and public offering described in Note 12, the Company issued an additional 2,095,745 common shares at a price of \$5.66 per common share to Volkswagen, pursuant to the Investor Rights Agreement with the Company, for gross proceeds of approximately \$11,862,000.