

GOLD ROAD INC. AND SUBSIDIARY CONSOLIDATED FINANCIAL STATEMENTS

For the period from April 24, 2025 to December 31, 2025

*Prepared in accordance with IFRS Accounting Standards as issued by the
International Accounting Standards Board*

GOLD ROAD INC. AND SUBSIDIARY

Consolidated Financial Statements

For the period from April 24, 2025 to December 31, 2025

Contents

Page(s)

Independent Auditor's Report	1- 2
Financial Statements:	
Consolidated Statement of Financial Postion	3
Consolidated Statement of Comprehensive Income	4
Consolidated Statement of Cash Flow	5
Consolidated Statement of Changes in Equity	6
Notes to Financial Statements	7 - 29

BURGER & COMER, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Directors and Stockholders of Gold Road Inc.

Opinion

We have audited the accompanying consolidated financial statements of Gold Road Inc. (an Alberta, Canada corporation) and Subsidiary, which comprise the consolidated statement of financial position as of December 31, 2025, and the related consolidated statement of comprehensive income (loss), statement of changes in equity, and statement of cash flows for the period from inception (April 24, 2025) to December 31, 2025, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Gold Road Inc. and Subsidiary as of December 31, 2025, and the results of their operations and their cash flows for the period from inception (April 24, 2025) to December 31, 2025 in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Gold Road Inc. and Subsidiary and to meet our other ethical responsibilities including the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation 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 Gold Road Inc. and Subsidiary's ability to continue as a going concern for at least twelve months from the end of the reporting period, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting, unless management either intends to liquidate Gold Road Inc. and Subsidiary or to cease operations or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the 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 absolute assurance and therefore is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. 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. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with International Standards on Auditing, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- 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 Gold Road Inc. and Subsidiary's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Gold Road Inc. and Subsidiary's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Bryce & Co., P.C.

Saipan, Commonwealth of the Northern Mariana Islands
May 10, 2026

GOLD ROAD INC. AND SUBSIDIARY

Consolidated Statement of Financial Position

As at December 31, 2025
(Expressed in United States dollars)

ASSETS

Current:

Cash and cash equivalents	\$ 1,513,866
Accounts receivable and other receivables	364,757
Prepaid expenses	222,570
Inventory	<u>2,415,559</u>
Total current assets	4,516,752

Non-current:

Property, plant and equipment	7,115,553
Mineral interests	2,669,895
Goodwill	<u>35,267</u>

Total Assets \$ 14,337,467

LIABILITIES AND EQUITY

Current liabilities:

Accounts payable and accrued liabilities	2,079,301
Obligation under option purchase agreement	2,669,895
Payable – purchase of subsidiary	<u>1,274,680</u>
Total current liabilities	6,023,876

Non-current liabilities:

Asset retirement obligation	<u>674,144</u>
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Total liabilities 6,698,020

Equity:

Common shares	12,864,123
Accumulated deficit	(5,286,501)
Accumulated other comprehensive income	<u>61,825</u>
Equity attributable to owners of the parent	<u>7,639,447</u>

Total Liabilities and Equity \$ 14,337,467

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

GOLD ROAD INC. AND SUBSIDIARY

Consolidated Statement of Comprehensive Income (Loss)

For the period from inception (April 24, 2025) to December 31, 2025
(Expressed in United States dollars)

Metal sales	\$ 1,557,333
Cost of sales	<u>(3,318,244)</u>
Gross profit (loss)	(1,760,911)
General and administrative expenses	<u>(3,479,173)</u>
Operating loss	(5,240,084)
Other income (expense):	
Other expense	(29,945)
Finance costs	<u>(16,472)</u>
Net other expense	<u>(46,417)</u>
Loss before income tax	(5,286,501)
Income tax expense (benefit)	<u>-</u>
Net loss for the period	(5,286,501)
Other comprehensive income:	
Items that may be reclassified subsequently to profit or loss:	
Foreign currency translation adjustment	<u>61,825</u>
Total comprehensive income (loss)	\$ <u>(5,224,676)</u>

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

GOLD ROAD INC. AND SUBSIDIARY

Consolidated Statement of Cash Flows

For the period from inception (April 24, 2025) to December 31, 2025
(Expressed in United States dollars)

Cash flows from operating activities:	
Net loss for the period	\$ (5,286,501)
Add (deduct) non-cash items:	
Share based compensation	2,432,116
Depreciation, depletion and amortization	755,592
ARO accretion expense	4,483
Changes in working capital:	
Decrease (increase) in accounts receivable and other receivables	(364,756)
Decrease (increase) in inventory	(2,040,413)
Increase (decrease) in accounts payable and accrued liabilities	<u>1,524,437</u>
Cash provided by (used in) operating activities	(2,975,042)
Cash flows from investing activities:	
Purchase of property, plant and equipment	(1,727,607)
Payments made for mineral interests	(270,000)
Acquisition of subsidiary, net of cash acquired	<u>(3,746,949)</u>
Cash provided by (used in) investing activities	(5,744,556)
Cash flows from financing activities:	
Net proceeds from issuance of shares	<u>10,432,007</u>
Cash provided by financing activities	<u>10,432,007</u>
Net increase in cash during the period:	1,712,409
Effect of foreign exchange rate changes in cash and cash equivalents	(198,543)
Cash and cash equivalents, beginning of period	<u>-</u>
Cash and cash equivalents, end of period	\$ <u>1,513,866</u>

Supplemental disclosure of noncash investing and financing activities:

During the period, the Company acquired mineral interests with the assumption of obligations under option purchase agreements, both shown at \$2,669,895 in the statement of financial position.

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

GOLD ROAD INC. AND SUBSIDIARY

Consolidated Statement of Changes in Equity

For the period from inception (April 24, 2025) to December 31, 2025

(Expressed in United States dollars)

	Share Capital	Accumulated Other Comprehensive Income (Loss)	Surplus	Deficit	Total Equity
Opening balance – April 24, 2025	\$ -	-	-	-	-
Income (loss) for the period	-	-	-	(5,286,501)	(5,286,501)
Other comprehensive income	-	61,825	-	-	61,825
Issuance of shares	10,432,007	-	-	-	10,432,007
Share-based compensation	<u>2,432,116</u>	-	-	-	<u>2,432,116</u>
Closing balance – December 31, 2025	\$ <u>12,864,123</u>	<u>61,825</u>	<u>-</u>	<u>(5,286,501)</u>	<u>7,639,447</u>

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

GOLD ROAD INC. AND SUBSIDIARY

Notes to the Financial Statements, continued

1. Organization and Nature of Operations

Gold Road Inc. (the “Company”) was incorporated under the Business Corporations Act (Alberta) on April 24, 2025. The Company’s principal business location is in Edmonton, Alberta, Canada. The Company is the ultimate parent of the group.

On May 27, 2025, the Company acquired 100% of the issued and outstanding shares of Z79 Resources, Inc. (“Z79”), a corporation incorporated in the State of Delaware, United States, pursuant to a Stock Purchase Agreement. Z79 holds 100% of the issued and outstanding shares of Gold Road Mining Corp. (“GRMC”) and Tr-ue Vein Exploration, Inc. (“TVE”).

GRMC owns and operates an underground gold mine located in the state of Arizona in the United States. The mine is a historically producing asset that recommenced operations during the year. Milling and processing optimization activities continue as the Company advances toward sustained operating performance. TVE owns mining claims rights for various claims included in the mining operations in Arizona.

The Company’s principal business activity is the production and sale of gold and associated metals from its mining operations in the United States. The cash flow and profitability of the Company’s operations are significantly affected by the market price of gold and silver. The prices of gold and silver are affected by numerous factors beyond the Company’s control.

2. Basis of Preparation

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board.

The consolidated financial statements were authorized for issuance by the Board of Directors on May 10, 2026.

The functional currency of the parent company is Canadian dollars (“CAD”). The functional currency of Z79, GRMC and TVE is United States dollars (“USD”). The consolidated financial statements are presented in USD, as the significant operating results are attributable to the subsidiary operating in the United States.

The financial statements have been prepared on a going concern basis and under the historical cost convention, except for assets and liabilities acquired in the business combination, which were measured at fair value at the acquisition date.

GOLD ROAD INC. AND SUBSIDIARY

Notes to the Financial Statements, continued

3. Significant Accounting Judgments, Estimates and Assumptions

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and the related disclosure of contingent assets and liabilities at the reporting date and the reported amounts of revenue and expenses during the reporting period. Estimates and assumptions are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Significant areas requiring judgment and estimation include mineral reserve estimates, depletion rates, asset retirement obligations, deferred taxes, and impairment assessments.

4. Significant Accounting Policies

(a) Basis of Consolidation

The consolidated financial statements include the accounts of the Company and its wholly owned subsidiary. All intercompany balances and transactions have been eliminated.

(b) Business Combination

The acquisition of GRMC was accounted for using the acquisition method under IFRS 3. Identifiable assets acquired and liabilities assumed were recognized at their acquisition-date fair values. Any excess of consideration transferred over the fair value of identifiable net assets acquired is recognized as goodwill. Goodwill represents the future economic benefits that are expected to arise from assets acquired in a business combination that are not individually identified and separately recognized. Goodwill of \$35,267 was recognized in the acquisition.

(c) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, cash in bank accounts and short term highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

(d) Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them.

With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

GOLD ROAD INC. AND SUBSIDIARY

Notes to the Financial Statements, continued

4. Significant Accounting Policies, continued

Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price as disclosed in section (1) *Revenue from contracts with customers*.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are ‘solely payments of principal and interest (SPPI)’ on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model. The Company’s business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. The Group’s financial assets at amortised cost includes trade receivables.

The Company does not have financial asset at fair value through OCI or financial assets at fair value through profit or loss at December 31, 2025.

GOLD ROAD INC. AND SUBSIDIARY

Notes to the Financial Statements, continued

4. Significant Accounting Policies, continued

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Company's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired

Or

- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate.

The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL).

For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL). For trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs.

GOLD ROAD INC. AND SUBSIDIARY

Notes to the Financial Statements, continued

4. Significant Accounting Policies, continued

Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. For debt instruments at fair value through OCI, the Company applies the low credit risk simplification.

At every reporting date, the Company evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Company reassesses the internal credit rating of the debt instrument. In addition, the Company considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Company does not have any debt instruments at fair value through OCI. It is the Company's policy to measure ECLs on such instruments on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

(e) Financial liabilities

Initial recognition, measurement and presentation

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables. The Company classifies financial liabilities that arise from supplier finance arrangements within Trade and other payables in the consolidated statement of financial position if they have a similar nature and function to trade payables. This is the case if the supplier finance arrangement is part of the working capital used in the Company's normal operating cycle, the level of security provided is similar to trade payables and the terms of the liabilities that are part of the supply chain finance arrangement are not substantially different from the terms of trade payables that are not part of the arrangement.

Cash flows related to liabilities arising from supplier finance arrangements that are classified in Trade and other payables in the consolidated statement of financial position are included in operating activities in the consolidated statement of cash flows.

GOLD ROAD INC. AND SUBSIDIARY

Notes to the Financial Statements, continued

4. Significant Accounting Policies, continued

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by IFRS 9.

Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the statement of profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. The Company has not designated any financial liability as at fair value through profit or loss.

Financial liabilities at amortised cost (loans and borrowings)

At December 31, 2025 the Company does not have loans or borrowings. Should future loans or borrowings be obtained, then after initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as 'Interest expenses on loans and borrowings' in the consolidated statement of comprehensive income. This category generally applies to interest-bearing loans and borrowings.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

GOLD ROAD INC. AND SUBSIDIARY

Notes to the Financial Statements, continued

4. Significant Accounting Policies, continued

(f) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(g) Current vs non-current classification

Assets and liabilities are classified as current or non-current based on their expected settlement or usage within 12 months of the reporting date. Current assets are those expected to be realized, sold, or consumed within 12 months of the reporting period, or held primarily for trading purposes, or cash or cash equivalents not restricted in use for at least 12 months. Current liabilities are obligations that the entity expects to settle within 12 months after the reporting period or for which it does not have a substantive right to defer settlement for at least 12 months.

(h) Mineral Interests and Mine Development Assets

Mineral interests consist primarily of patented and unpatented mining claims, millsite claims, and related mineral rights acquired through business combinations and purchase option agreements.

Costs incurred to acquire mineral interests are capitalized upon acquisition. Subsequent expenditures related to underground mine development, access improvements, rehabilitation of existing workings, and infrastructure construction are capitalized when management determines that the expenditures are expected to provide probable future economic benefit.

The Company recommenced mining and processing operations at the Gold Road Mine during the period ended December 31, 2025. Management concluded that the property had reached the stage where technical feasibility and commercial viability of extracting mineral resources could be supported based on:

- the existence of a historically producing mine,
- completion of mine rehabilitation activities,
- recommencement of ore extraction and processing activities,
- generation of revenue from dore production,
- availability of processing infrastructure,
- and management's expectation of continued economic benefit from ongoing mining operations.

Although the most recent NI 43-101 technical report does not identify proven and probable mineral reserves, management concluded that sufficient operational and economic evidence existed to support capitalization of mine development expenditures and mineral interests. Mine development assets are included within property, plant and equipment.

GOLD ROAD INC. AND SUBSIDIARY

Notes to the Financial Statements, continued

4. Significant Accounting Policies, continued

Mineral interests and mine development assets are amortized using either the units-of-production method or straight-line method over the estimated useful life of the related mining operations, depending on the nature of the asset and the pattern in which economic benefits are expected to be consumed.

(i) Exploration and Evaluation Expenditures

Exploration and evaluation expenditures incurred in connection with the identification of new mineral resources, expansion drilling programs, and evaluation of additional mineralized zones are capitalized as exploration and evaluation assets until technical feasibility and commercial viability are demonstrable.

Exploration and evaluation assets are assessed for impairment whenever facts and circumstances suggest that the carrying amount may exceed recoverable amount.

Once management determines that technical feasibility and commercial viability have been established for a mineral property, subsequent expenditures are classified as mine development assets or mineral interests, as appropriate.

(j) Receivables

The Company grants credit to its customers on an unsecured basis. The Company expects collection of receivables within 30 days of delivering its product to the customer. Payments are typically received within one week of delivering the product. Management has assessed expected credit losses on trade receivables at December 31, 2025 and determined that no allowance for credit losses is required.

(k) Property, Plant and Equipment

Property, plant and equipment are recorded at cost less accumulated depreciation and impairment. Depreciation is calculated on a straight-line basis over the shorter of the estimated useful lives of the assets or the expected operating period of the mine, except where units-of-production better reflects usage. Property, plant and equipment are recorded at cost less accumulated depreciation and impairment, if any. The cost of mineral properties includes the acquisition cost of mining interests, mine development costs, and the initial estimate of asset retirement obligations associated with the property. Items with an initial cost of \$1,000 or more are capitalized. Lesser amounts are charged to expense.

Depreciation of mineral properties and related mine assets is recognized over the estimated useful life of the asset or the life of the mine, as appropriate. The Company reviews the carrying value of property, plant and equipment for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

GOLD ROAD INC. AND SUBSIDIARY

Notes to the Financial Statements, continued

4. Significant Accounting Policies, continued

Upon disposal, the cost and accumulated depreciation are removed from the accounting records. The sales proceeds are compared the net book value of the items disposed, and the resulting gain or loss on disposal is recognized in the statement of comprehensive income.

(l) Revenue Recognition

The Company generates revenue by selling gold and silver produced from its mining operations. The majority of the Company's sales come from the sale of refined gold; however, the end product of the Company's gold operations is generally dore bars. Dore is an alloy consisting primarily of gold but also containing silver and other metals.

Dore is sent to refiners to produce bullion that meets the required market standard of 99.95% gold. Revenue is recognized at the point in time when control of the dore transfers to the refinery/offtake counterparty, which generally occurs upon delivery to the carrier designated by the customer. Revenue is measured at the transaction price net of refining charges and treatment costs. Production-based royalties are recognized as cost of sales.

(m) Inventory

Inventory consists of ore stockpiles, work-in-process, finished goods and consumables. In-process inventories represent material that is currently in the process of being converted to a saleable product. Inventory is measured at the lower of cost or net realizable value. Net realizable value represents the estimated selling price of an asset, less all costs necessary to complete the sale and bring the asset into a condition for its intended use. Cost includes direct mining and processing costs, site overhead and depletion. No depletion of inventory was recognized in 2025, as extraction began in December and the total was immaterial.

(n) Measurement of fair values

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation technique as follows:

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

If the inputs used to measure the fair value of an asset or liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company's financial instruments consist primarily of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities, and obligations under option purchase agreements.

GOLD ROAD INC. AND SUBSIDIARY

Notes to the Financial Statements, continued

4. Significant Accounting Policies, continued

The carrying values of cash and cash equivalents, accounts receivable, and accounts payable and accrued liabilities approximate their fair values due to the short-term nature of these instruments.

Cash and cash equivalents are classified within Level 1 of the fair value hierarchy. The asset retirement obligation is classified within Level 3 of the fair value hierarchy.

There were no transfers between levels during the period.

The Company's asset retirement obligation and certain acquisition-date fair value measurements associated with the business combination were classified as Level 3 measurements due to the use of significant unobservable inputs, including estimated reclamation cash flows, discount rates, long-term commodity price assumptions, and production estimates.

The Company did not have any Level 2 financial instruments as at December 31, 2025.

(o) Asset Retirement Obligations

An asset retirement obligation ("ARO") is recognized for estimated mine closure and reclamation costs. The obligation is measured at the present value of expected future cash flows and accreted over time. Changes in estimates are added to or deducted from the carrying amount of the related asset. The accretion of interest is recognized as a finance cost in the consolidated statement of comprehensive income.

(p) Foreign Currency Translation

Assets and liabilities of the CAD functional parent company are translated into USD at the closing exchange rate at the reporting date. Income and expenses are translated at average exchange rates for the period. The issuance of shares are translated at the historical rate at the date of payment received. Resulting translation differences are recognized in other comprehensive income.

(q) Income Taxes

Income tax expense comprises current and deferred tax. Deferred tax is recognized on temporary differences between carrying amounts of assets and liabilities and their tax bases, except where recognition is restricted under IFRS. Deferred tax assets are recognized only to the extent that it is probable that future taxable profits will be available. Deferred tax liabilities are recognized for future taxable amounts. Deferred tax assets and deferred tax liabilities are offset and presented net in the financial statements as a single balance.

(r) Impairment

Management assessed whether indicators of impairment existed at December 31, 2025 for the Gold Road Mine cash-generating unit ("CGU").

GOLD ROAD INC. AND SUBSIDIARY

Notes to the Financial Statements, continued

4. Significant Accounting Policies, continued

In performing the impairment assessment, management considered:

- the recommencement of mining and milling operations,
- ongoing production activities,
- operating results achieved subsequent to restart,
- current and forecast commodity prices,
- estimated future production levels,
- available mineralized material,
- and the Company's ability to continue as a going concern.

Although the Company incurred operating losses during the period and has not established proven and probable mineral reserves under NI 43-101, management concluded that the recoverable amount of the CGU exceeded its carrying amount at December 31, 2025 and therefore no impairment was recognized

(s) Stock-Based Compensation

The Company records stock-based compensation awards exchanged for employee services at fair value on the date of issuance. As the Company's shares are not yet listed on a public exchange, fair value is determined using an independent valuation. Awards with no vesting period are recognized as an expense immediately upon issuance. The Company recognizes forfeitures as they occur. The Company's estimates may be impacted by variables that include stock price volatility, employee retirement eligibility dates, and the Company's performance.

(t) Comprehensive Income (Loss)

In addition to Net income (loss), Comprehensive income (loss) includes all changes in equity during a period, such as foreign currency translation adjustments and cumulative unrecognized changes in fair value of marketable debt securities classified as available-for-sale, except those resulting from investment by and distributions to owners.

(u) Interest and Finance Costs

During the period ended December 31, 2025, the Company incurred interest and finance costs of \$16,472, which are included within operating activities in the statement of cash flows as part of net loss for the period. No dividends were declared or paid during the period. No interest income was received. The Company's policy is to classify interest paid as an operating activity.

(v) Recently Issued Accounting Pronouncements

Amendments to existing standards adopted by the Company that became effective January 1, 2025

Under International Accounting Standards (IAS) 21 *The Effects of Changes in Foreign Exchange Rates* a company uses a spot exchange rate when translating a foreign currency transaction. In August 2023 the International Accounting Standards Board (IASB) amended IAS 21 to clarify when a currency is exchangeable into another currency, and how a company estimates a spot rate when a currency lacks exchangeability.

GOLD ROAD INC. AND SUBSIDIARY

Notes to the Financial Statements, continued

4. Significant Accounting Policies, continued

The amendments apply for annual reporting periods beginning on or after 1 January 2025. Management does not believe the implementation of this amendment had a material effect on the financial statements.

Amendments to existing standards not yet effective and not yet early adopted by the Company

The IASB issued the following standards which will become effective 1 January 2026:

Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7. This amendment addresses questions on how to classify some financial assets with Environmental, Social, and Governance (ESG) linked features that may apply if an ESG target is met by the borrower.

Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7. This amendment addresses questions on whether a company that purchases electricity through PPAs can apply the own-use exemption for accounting purposes, and hedge accounting requirements for companies that hedge purchases or sales of electricity using PPAs.

Annual Improvements to IFRS Accounting Standards – Volume 11 This amendment makes changes to address a potential conflict between IFRS 9 and IFRS 15 *Revenue from Contracts with Customers* over the initial measurement of trade receivables; and how a lessee accounts for the derecognition of a lease liability under paragraph 23 of IFRS 9.

The IASB issued the following standards which will become effective 1 January 2027.

IFRS 18 *Presentation and Disclosure in Financial Statements* will change how entities will present results of operations, and will include a newly defined ‘operating profit’ subtotal and will require all income and expenses to be classified into three new distinct categories based on the Company’s main business activities. It will also require entities to disclose ‘non-GAAP’ information called management performance measures (MPMs).

MPMs are a subtotal of income and expenses that are used in public communications outside the financial statements and which communicate management’s view of financial performance.

IFRS 19 *Subsidiaries without Public Accountability: Disclosures* This standard allows eligible subsidiaries to adopt the reduced disclosure requirements of IFRS 19, provided they do not have public accountability and their parent produces consolidated financial statements under IFRS Accounting Standards.

Management is evaluating whether the above standards will have a material impact on the financial statements.

GOLD ROAD INC. AND SUBSIDIARY

Notes to the Financial Statements, continued

5. Business Combination and Purchase Price Allocation

On May 27, 2025, Gold Road Inc. (the “Company”) completed the acquisition of 100% of the issued and outstanding shares of Z79 Resources, Inc., which owns Gold Road Mining Corp. (“GRMC”) and Tr-ue Vein Exploration, Inc. GRMC owns and operates the Gold Road Mine located in Mohave County, Arizona, United States.

The acquisition provides the Company with ownership of the Gold Road Mine, associated mining claims, processing infrastructure, and related operating assets.

The acquisition has been accounted for as a business combination using the acquisition method of accounting in accordance with IFRS 3 – Business Combinations. The identifiable assets acquired and liabilities assumed were recorded at their estimated fair values at the acquisition date.

The purchase price was USD \$5,040,000, payable in installments under the terms of the Stock Purchase Agreement. The purchase price was to be paid with an initial payment of \$1,040,000 at closing, and three payments for the balance at 90 days, 180 days, and 270 days after closing.

The following table summarizes the recognized amounts of identifiable assets acquired and liabilities assumed at the acquisition date.

	<u>Book Value</u>	<u>Fair Value Adjustment</u>	<u>Fair value at Acquisition</u>
Cash and cash equivalents	\$ 18,371	-	18,371
Prepaid expenses and deposits	400,713	-	400,713
Inventory	105,146	-	105,146
Mineral properties/E&E assets	12,295,493	(12,295,493)	-
Property, plant and equipment	3,483,126	1,560,444	5,043,570
Restricted cash (State of Arizona)	<u>128,667</u>	-	<u>128,667</u>
Total assets	16,431,516	(10,735,049)	5,696,468
Accounts payable and accrued liabilities	(554,864)	-	(554,864)
Asset retirement obligation	<u>(136,871)</u>	-	<u>(136,871)</u>
Total liabilities	<u>(691,735)</u>	-	<u>(691,735)</u>
Net identifiable assets acquired	\$ 15,739,782	(10,735,049)	5,004,733
Purchase price			<u>5,040,000</u>
Goodwill			\$ <u>35,267</u>

Fair Value Measurement – Level 3

The mineral property was evaluated as part of the acquisition-date purchase price allocation using a discounted cash flow methodology consistent with IFRS 13.

At the acquisition date, the most recent technical report prepared in accordance with NI 43-101 and filed under NI 45-106 did not report any measured or indicated mineral reserves. As a result, management concluded that there was insufficient support to attribute a positive fair value to the mineral property based on reserve-based cash flow projections.

Accordingly, the mineral property was recorded at a fair value of \$nil at the acquisition date.

GOLD ROAD INC. AND SUBSIDIARY

Notes to the Financial Statements, continued

5. Business Combination and Purchase Price Allocation, continued

The valuation analysis incorporated significant unobservable inputs including long-term gold price assumptions, potential production scenarios, operating cost estimates and discount rates. However, due to the absence of proven and probable mineral reserves, the recoverable amount under a discounted cash flow model did not support recognition of a positive fair value.

Future technical studies and reserve delineation may affect future impairment assessments, depletion calculations, and the classification of mineral properties and mine development assets.

Acquisition-related costs associated with the transaction were not material and were expensed as incurred within general and administrative expenses in the consolidated statement of comprehensive income.

The goodwill recognized on the acquisition primarily reflects the expected future economic benefits arising from the acquired workforce, anticipated operational synergies, future exploration potential, and the ability to recommence production operations at the Gold Road Mine. The goodwill recognized is not expected to be deductible for income tax purposes.

From the acquisition date of May 27, 2025 to December 31, 2025, the acquired operations contributed revenues of approximately \$1,557,333 and net loss of approximately \$5,286,000 to the consolidated results of the Company.

The acquisition occurred near the beginning of the reporting period and, accordingly, management believes that pro forma revenue and earnings information as though the acquisition had occurred on April 24, 2025 would not differ materially from the amounts presented in these consolidated financial statements.

Management determined that the absence of proven and probable mineral reserves at the acquisition date significantly limited the ability to support a positive fair value for the mineral property under a discounted cash flow methodology. Although the property had historical production and exploration potential, the available technical information at the acquisition date did not support the recognition of a measurable fair value attributable to the mineral property under IFRS 13.

6. Mineral Interests

As part of the acquisition of Z79 (parent company of GRMC), the Company agreed to pay for patented and unpatented mining claims. Details of amounts payable after December 31, 2025 are included in Note 15 below. When final payment is made, the Company will obtain deeds to the parcels of real property in which the mining claims are situated.

Mineral interests at the beginning of the period	\$ -
Purchase price for mineral interests	<u>2,669,895</u>
Mineral interests at December 31, 2025	\$ <u>2,669,895</u>

GOLD ROAD INC. AND SUBSIDIARY

Notes to the Financial Statements, continued

7. Financial Risk and Capital Management

The Company is exposed to liquidity risk, foreign exchange risk, commodity price risk, and credit risk arising from its financial instruments.

Liquidity Risk

Liquidity risk is managed through ongoing cash flow forecasting. The Company's operating subsidiary has USD functional currency, while the consolidated financial statements are presented in USD. As stated in Note 2 above, Gold Road Inc.'s functional currency is the Canadian dollar. The Company is therefore exposed to translation risk. Also refer to the Going Concern note (note 16 below).

The following table summarizes the contractual maturities of the Company's financial liabilities as at December 31, 2025:

Liability	< 1 year	1-2 years	>2 years	Total
Accounts payable and accrued liabilities	\$ 2,079,301	-	-	2,079,301
Option purchase obligation	2,669,895	-	-	2,669,895
Payable-acquisition of subsidiary	1,274,680	-	-	1,274,680
Asset retirement obligation	-	-	674,144	674,144
Total	\$ <u>6,023,876</u>	<u>-</u>	<u>674,144</u>	<u>6,698,020</u>

The asset retirement obligation is expected to begin to be paid beginning approximately in 2036.

Foreign Currency Risk

As stated in Note 2 above, Gold Road, Inc.'s functional currency is the Canadian dollar and its financial statements are presented in United States dollars. The Company holds cash in multiple currencies through its Ebury multi-currency accounts and operates a United States dollar functional currency subsidiary. The Company does not use derivative instruments to manage foreign currency risk. The cumulative translation adjustment recognized in other comprehensive income for the period was \$61,825.

The Company is exposed to foreign currency risk primarily as a result of fluctuations between the Canadian dollar ("CAD") and the United States dollar ("USD"). Certain corporate expenditures and equity financing activities are denominated in CAD, while substantially all mining operations are conducted in USD.

At December 31, 2025, the Company held net monetary assets denominated in CAD of approximately CAD \$962,000.

A 10% strengthening or weakening of the USD relative to the CAD at December 31, 2025 would have resulted in an increase or decrease in net loss of approximately USD \$70,200, assuming all other variables remained constant.

GOLD ROAD INC. AND SUBSIDIARY

Notes to the Financial Statements, continued

7. Financial Risk and Capital Management, continued

Commodity Price Risk

The Company's revenue and profitability are dependent on prevailing prices for gold and silver. Commodity markets are volatile, and might fluctuate widely in the future. If there was a significant or extended decline in commodity prices, this could have a material adverse effect on the Company's financial position, results of operations, cash flows, and access to capital. The carrying value of the Company's inventories are particularly sensitive to the outlook for commodity prices. The Company had not entered into any commodity price hedging arrangements as at December 31, 2025.

Based on estimated production levels and sales volumes for the period ended December 31, 2025, a 10% increase or decrease in gold prices would have increased or decreased revenue by approximately \$156,000, assuming all other variables remained constant.

Credit Risk

Credit risk arises from cash and cash equivalents and accounts receivable. Cash is held with reputable financial institutions and counterparty risk is considered minimal. The maximum exposure to credit risk at December 31, 2025 is the carrying value of cash and cash equivalents of \$1,513,866 and accounts receivable of \$364,757.

The Company is exposed to concentration of credit risk with respect to its trade receivables, as substantially all revenues are derived from one refining customer.

At December 31, 2025, substantially all accounts receivable were due from one customer.

Management believes the credit risk associated with this customer is low due to the customer's financial strength and history of timely payment.

Capital Management

The Company's objective in managing capital is to maintain financial flexibility to support the continued development and operation of the Gold Road Mine, advance toward sustained commercial production, and position the Company for its planned listing on Euronext Growth Oslo.

Classification of Financial Instruments

The following table summarizes the classification and carrying values of the Company's financial instruments as at December 31, 2025:

Financial instrument	Classification Under IFRS 9	Carrying Value
Cash and cash equivalents	Amortised Cost	\$1,513,866
Accounts receivable	Amortised Cost	364,757
Accounts payable and accrued liabilities	Amortised Cost	(2,079,301)
Obligation under option purchase agreements	Amortised Cost	(2,669,895)
Payable – purchase of subsidiary	Amortised Cost	(1,274,680)

GOLD ROAD INC. AND SUBSIDIARY

Notes to the Financial Statements, continued

7. Financial Risk and Capital Management, continued

Due to the short-term nature of cash and cash equivalents, accounts receivable, and accounts payable and accrued liabilities, the carrying amounts approximate fair value.

The Company defines capital as shareholders' equity. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the business. To maintain or adjust the capital structure, the Company may issue new shares or obtain debt financing.

The Company is not subject to any externally imposed capital requirements.

As at December 31, 2025, the Company's capital consisted of total shareholders' equity of USD \$7,639,447.

The Company monitors capital on the basis of cash flow forecasting and working capital adequacy.

There were no changes to the Company's approach to capital management during the period.

8. Concentrations

The Company has a concentration in that sales come from gold and silver that are processed at its mine in the State of Arizona. The Company sells 100% of its product to one customer, Asahi Refining, which refines the Company's processed output.

9. Income Taxes

Income Tax Expense (Benefit):

The Company's income tax expense differs from the amount that would be expected by applying the combined U.S. federal and Arizona state statutory income tax rate to income before income taxes. The applicable combined statutory income tax rate for the Company's operating subsidiary, Gold Road Mining Corp., is approximately **25.9%**.

The reconciliation between the expected income tax recovery and the actual income tax expense is as follows:

Loss before income taxes	\$5,286,501
Statutory tax rate	25.9%
Expected income tax benefit	(1,369,204)
Change in unrecognized deferred tax asset	<u>1,369,204</u>
Income tax expense (benefit)	\$ <u> - </u>

The Company has non-capital losses available to reduce future taxable income. A deferred tax asset has not been recognized in respect of these losses as it is not considered probable that sufficient future taxable profit will be available to utilize the losses.

GOLD ROAD INC. AND SUBSIDIARY

Notes to the Financial Statements, continued

9. Income Taxes, continued

Deferred Tax Assets:

Deferred tax assets are recognized only to the extent that it is probable that sufficient future taxable profits will be available against which the deductible temporary differences and tax losses can be utilized.

As at December 31, 2025, the Company has not recognized deferred tax assets in respect of its tax losses and other deductible temporary differences, as it is not considered probable that sufficient future taxable profits will be available to utilize these amounts.

Tax Loss Carryforwards:

The Company's operating subsidiary has non-capital tax losses available to offset future taxable income. These losses may be carried forward to reduce taxable income in future periods, subject to applicable tax legislation.

No deferred tax asset has been recognized in respect of these losses.

10. Property, Plant and Equipment

During the year ended December 31, 2025, the Company recorded an increase in the carrying value of its mineral property related to a revision in the estimated asset retirement obligation associated with the property. The revision resulted from updated reclamation requirements under a revised operating permit issued by the State of Arizona. The adjustment was recorded in accordance with the Company's accounting policy for asset retirement obligations.

The following table summarizes the changes in Property, Plant and Equipment throughout the period:

Opening balance at April 24, 2025	\$ -
Assets acquired in business combination	5,043,570
Acquisitions subsequent to business combination	1,727,607
Increase in asset retirement obligation	532,789
Depreciation and amortization	<u>(188,413)</u>
Closing balance at December 31, 2025	\$ <u>7,115,553</u>

11. Asset Retirement Obligation

The Company has a legal obligation to reclaim and restore its mining properties upon cessation of operations in accordance with the applicable environmental and regulatory requirements. The asset retirement obligation represents the present value of estimated future costs required to reclaim the Company's mining properties.

During the period ended December 31, 2025, the Company received an updated operating permit from the State of Arizona which revised the reclamation requirements applicable to the property. As a result of the updated permit conditions, management reassessed the estimated future reclamation costs associated with the property.

GOLD ROAD INC. AND SUBSIDIARY

Notes to the Financial Statements, continued

11. Asset Retirement Obligation, continued

Based on this reassessment, the estimated undiscounted reclamation obligation increased to approximately \$870,000, resulting in a corresponding increase in the asset retirement obligation (ARO) liability.

The adjustment was recorded as an increase to the carrying value of the related mineral property in accordance with the Company's accounting policy for ARO. This liability is subsequently increased each reporting period to reflect the passage of time through the recognition of accretion expense.

The Arizona Department of Environmental Quality (ADEQ) required the Company to place on deposit with ADEQ the full present value of the estimated ARO liability. On April 26, 2026 the Company issued a cashier's check for \$614,032 to the ADEQ.

The rate used to discount the ARO to present value is the net of the risk-free rate of 4.72% based on the 20-year US Treasury Constant Maturity yield as at September 5, 2025 and the inflation rate of 2.48% based on the TIPS breakeven inflation rate September 2025 monthly average.

The following table presents the continuity of the Company's Asset Retirement Obligation for the year ended December 31, 2025:

Opening balance at April 24, 2025	\$ -
Liability assumed in business combination	136,871
Accretion expense recognised	4,484
Change in ARO estimate	<u>532,789</u>
Closing balance at December 31, 2025	\$ <u>674,144</u>

The asset retirement obligation was estimated using discounted future cash flows based on estimated reclamation costs and discount rates.

A 1% increase in the discount rate would decrease the recorded obligation by approximately \$70,000, while a 1% decrease would increase the obligation by approximately \$70,000.

12. Revenue from Contracts with Customers

The Company recognizes revenue from contracts with customers at a point in time, which is when the product is delivered to a refinery/offtake counterparty. The Company's performance obligation is satisfied when control transfers to the refinery/offtake counterparty, which generally occurs upon delivery to the carrier designated by the customer. The transaction price is set at the fair market values for gold and silver on the date the product is delivered to the carrier. There are no judgments that enter into the transaction price. There is no financing cost associated with earning revenue, as revenues are recognised at a point in time.

GOLD ROAD INC. AND SUBSIDIARY

Notes to the Financial Statements, continued

13. Common Stock and Earnings (Loss) per Share

The Company is authorized to issue an unlimited number of common shares with no par value. As of December 31, 2025 the Company had 36,138,504 common shares outstanding, of which 25,879,222 were fully paid and formally issued. The remaining 10,259,282 shares had been subscribed and fully paid prior to December 31, 2025 and were formally issued in January 2026.

Cash received for common shares was translated from CAD to USD using Bank of Canada Valet API daily average in accordance with IAS 21.

Common shares at beginning of period (April 24, 2025)	-
Shares issued for cash consideration	29,367,006
Shares issued for stock-based compensation	<u>6,771,498</u>
Common shares outstanding at December 31, 2025	<u>36,138,504</u>

Cash received for shares during the period \$ 10,432,007

Diluted loss per share is calculated using the treasury stock method. As the Company incurred a net loss during the period, all potentially dilutive securities were anti-dilutive and therefore excluded from the calculation of diluted loss per share.

The following table sets forth the computation of basic and diluted loss per share:

Net loss:	\$(5,286,501)
Weighted average shares outstanding:	15,818,433
Basic and diluted loss per share	\$(0.33)

14. Related Party Transactions

Total compensation of key management personnel for the period from inception (April 24, 2025) to December 31, 2025 was \$174,974.

Included in the 6,771,498 shares issued for stock-based compensation as shown in Note 13 above are 2,970,000 shares issued to Chancery Asset Management Pte Ltd for the Company's Directors (Jeremy Gray and Thomas Puppenthal), 1,485,000 shares issued to Charles Chebry (former President/Director), and 265,498 shares issued to Svein Harald Oygard (Executive Chairman).

The founders of the Company, Jeremy Gray, Thomas Puppenthal and Charles Chebry, received an aggregate of 3,000,000 founder Shares upon the Company's establishment. The three founders also each received a management fee of EUR 5,000 per month until January 2026. Upon the conclusion of their managerial roles, each founder received 100,000 Shares in the Company as a severance payment.

The Company has financed its acquisitions, investments and start-up costs through the issuance of equity. The Company has used no broker or investment bank in its capital raise process. In total 203,000 Shares were awarded to four individuals/entities, with no related party position, that provided marketing, advisory and/or consulting services in support of the capital raise.

GOLD ROAD INC. AND SUBSIDIARY

Notes to the Financial Statements, continued

14. Related Party Transactions, continued

In addition, Svein Harald Øygard, who facilitated the raise of the majority of the equity, was awarded 717,780 and 265,498 Shares, for such support.

As discussed in Note 17 below, subsequent to December 31, 2025 the Company obtained loans from the Executive Chairman for \$1.0 million and \$1.5 million from a shareholder. These loans bear interest at 6.5% per year and are not collateralized. There are no specific payments terms associated with these loans.

Also as discussed in Note 17 below, subsequent to December 31, 2025 the Company entered into a life-of-mine silver royalty agreement with Chancery Royalty Ltd. (CRL), entitling CRL to a royalty of ninety percent (90%) of silver sales revenues from the Gold Road mine in Arizona.

Total consideration received in 2026 was \$4,600,000, comprising cash of \$1,000,000 (of which \$300,000 was accrued at March 31, 2026 and received in April 2026) and 1,800,000 common shares of CRL valued at \$3,600,000 based on the most recent arm's length transaction price of \$2.00 per share at the date of issuance.

The CRL shares will be carried as a non-current equity investment at fair value under IFRS 9. The total consideration of \$4,600,000 has been recognized subsequent to December 31, 2025 as deferred revenue, representing the Company's obligation to deliver 90% of silver revenue over the life of the mine. Deferred revenue will be drawn down on a units-of-production basis as silver is produced and sold. One million (1,000,000) CRL shares have been pledged as security for the shareholder loans mentioned in this note above.

A director of the Company also serves as a director of Chancery Royalty Ltd. and holds a significant interest in each entity. Accordingly, CRL is a related party of the Company under IAS 24. The transaction was negotiated and concluded on arm's length commercial terms.

15. Commitments and Contingencies

Purchase Option and Sale Agreement Commitment

In connection with the purchase of Z79 (parent of GRMC), the Company has committed to pay for patented and unpatented lode mining and millsite claims under various Purchase Option and Sale agreements.

At December 31, 2025 the Company was obligated to make payments under these agreements by April 4, 2026 as follows:

	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>Total</u>
United Western to Telluride	\$ 50,000	50,000	50,000	1,439,495	1,589,495
Gold Road	-	-	-	125,000	125,000
Silver Creek	-	-	-	212,000	212,000
Gold Ore	-	-	-	260,000	260,000
United Western Extension	-	-	-	250,910	250,910
Blue Ridge	-	-	-	232,490	232,490
Totals	\$ <u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>2,519,895</u>	<u>2,669,895</u>

GOLD ROAD INC. AND SUBSIDIARY

Notes to the Financial Statements, continued

15. Commitments and Contingencies, continued

Except for United Western to Telluride (UWT), the agreements required the payment of an annual license fee of \$20,000 and a final payment on or before April 4, 2026.

At December 31, 2025, all obligations under the Purchase Option and Sale Agreements were contractually due on or before April 4, 2026 and therefore were classified as current liabilities. The obligations were classified as current because the amendments extending maturities were executed after the reporting date.

Subsequent to year-end, on April 1, 2026, the agreements were amended to extend the maturity dates of the obligations to dates ranging from January 4, 2027 through January 4, 2028 and to revise the required monthly payment amounts. Final payments under five of the agreements that will occur in 2027 total \$305,179. Monthly payments under UWT will be \$50,000 in 2027, and a final payment of \$442,228 will be due in January 2028. The total of payments that are due more than 12 months after the date of the financial statements are \$1,347,407.

For United Western to Telluride, the final payment was extended to January 4, 2028. Monthly payments remain at \$50,000, and the obligation bears interest at 5% per year. The final payment on January 4, 2028 is expected to be \$442,227.72.

For the Gold Road agreement, monthly payments of \$10,000 are to begin April 4, 2026 and final payment of \$37,713.26 is to be made January 4, 2027.

For the Silver Creek agreement, monthly payments of \$20,000 are to begin April 4, 2026 and final payment of \$36,141.24 is to be made January 4, 2027.

For the Gold Ore agreement, monthly payments of \$20,000 are to begin April 4, 2026 and final payment of \$85,764.76 is to be made January 4, 2027.

For the United Western Extension agreement, monthly payments of \$20,000 are to begin April 4, 2026 and final payment of \$76,367.31 is to be made January 4, 2027.

For the Blue Ridge agreement, the second amendment included the purchase of three additional patented mining claims for \$100,000. Monthly payments of \$30,000 are to begin April 4, 2026 and final payment of \$69,191.96 is to be made January 4, 2027.

The Company is not aware of any material contingencies as at December 31, 2025.

16. Going Concern

These consolidated financial statements have been prepared on a going concern basis, which assumes the Company will continue operations and realize its assets and discharge its liabilities in the normal course of business.

As at December 31, 2025, the Company had cash and cash equivalents of \$1,513,866. Working capital was a negative \$1,507,124. Although the mine has recommenced production, management continues to optimize milling and processing operations. As discussed in note 17 below, the Company obtained loans of \$2.5 million for working capital.

GOLD ROAD INC. AND SUBSIDIARY

Notes to the Financial Statements, continued

16. Going Concern, continued

Management has prepared cash flow forecasts for a period of at least twelve months from the reporting date. Based on these forecasts, management believes the Company has sufficient liquidity to meet its obligations as they fall due. Revenues for the month of April 2026 alone were roughly equivalent to the total revenues from April 24, 2025 to December 31, 2025.

The Gold Road Mine's cash generation is sensitive to the prevailing price of gold and silver, which can be volatile and is outside management's control. In addition, underground mining operations are subject to operational risks including unplanned equipment failures, ground conditions, and other factors that could result in temporary production interruptions.

A sustained decline in metal prices or a significant operational disruption could adversely affect the Company's ability to generate sufficient cash flows from operations.

These financial statements do not include any adjustments that would be necessary if the going concern assumption were not appropriate.

17. Events after the Reporting Date

On January 13, 2026, the Company granted 2,950,000 stock options to directors, officers, employees, and advisors, exercisable at the NOK equivalent of CAD \$1.00 per share. Options granted to the CEO, the top team in Arizona and 3 of 5 board members, vest in equal thirds at IPO, the first anniversary, and the second anniversary of the IPO date, and expire five years after completion of the IPO. All other options vest upon IPO completion and expire three years after completion of the IPO.

The fair value of the options at the grant date will be determined using the Black-Scholes option pricing model upon completion of the initial public offering.

As discussed in Note 14 above, in the first quarter of 2026 the Company entered into a life-of-mine silver royalty agreement with Chancery Royalty Ltd. (CRL), entitling CRL to a royalty of ninety percent (90%) of silver sales revenues from the Gold Road mine in Arizona.

The Company received loans totaling \$2,500,000 in the first quarter of 2026, comprising a loan of \$1,000,000 from a related party (the Executive Chairman) and a loan of \$1,500,000 from a significant shareholder. The loans bear interest at 6.5% per annum and were provided to support the Company's ongoing operations and planned listing on Euronext Growth Oslo. These loans were obtained prior to the issuance date of these financial statements. The loans are not collateralized.