

DESERT GOLD VENTURES INC.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

SIX MONTHS ENDED JUNE 30, 2026 AND 2025

(Unaudited - Expressed in US Dollars)

NOTICE TO READERS

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

The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management. The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by the entity's auditor

.

DESERT GOLD VENTURES INC.

Condensed Interim consolidated statements of financial position

(Unaudited - Expressed in US dollars)

	Note	June 30, 2026	December 31, 2025
		$	$
ASSETS			
Current assets			
Cash		2,571,588	445,077
Other receivables		9,454	10,121
Prepaid		19,227	4,566
		2,600,269	459,764
Non-current assets			
Mine and processing plant under construction	4	1,607,221	-
Equipment		11,500	14,438
Right-of-use assets	8	14,362	18,562
Deposit - long term	8	2,089	2,160
Total assets		**4,235,441**	**494,924**
LIABILITIES AND EQUITY			
Current liabilities			
Accounts payable and accrued liabilities	3	44,671	205,566
Lease liabilities - current	8	11,289	12,994
		55,960	218,560
Lease liabilities - non-current	8	4,140	8,174
		60,100	226,734
EQUITY			
Share capital	6	45,028,019	40,138,856
Accumulated other comprehensive income	6	82,292	238,584
Reserves	6	19,910,643	19,785,485
Deficit		(60,845,613)	(59,894,735)
		4,175,341	268,190
Total liabilities and shareholders' equity		**4,235,441**	**494,924**

NATURE OF OPERATIONS AND GOING CONCERN (Note 1)
SUBSEQUENT EVENTS (Note 11)

Approved for issuance by the board of directors on August 29, 2026

"Sonny Janda"	***"Jared Scarf"***
Director - Sonny Janda	**Director - Jared Scarf**

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

DESERT GOLD VENTURES INC.

Condensed interim consolidated statements of loss and comprehensive loss

(Unaudited - Expressed in US dollars)

Six months ended June 30,	**2026**	**2025**
	$	$
Amortization and accretion	7,437	-
Investors and shareholders relationship	84,918	7,844
Office, occupancy, travel, and administration	104,637	88,257
Professional and consulting fees	271,305	215,960
Prospecting rights and exploration (Note 5)	452,064	650,845
Share-based compensation	-	126,274
Transfer agent and listing fees	30,517	16,088
Loss before the following:	(950,878)	(1,105,268)
Gain from disposition of an exploration permit (Note 5)	-	115,500
Net loss	(950,878)	(989,768)
Other comprehensive loss:		
Foreign exchange translation gain (loss)	(156,293)	13,556
Total comprehensive loss	(1,107,171)	(976,212)
Weighted average number of outstanding shares, basic and diluted	340,669,349	247,005,315
Loss per share, basic and diluted	(0.00)	(0.01)

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

DESERT GOLD VENTURES INC.
Condensed interim consolidated statements of cash flows
(Unaudited - Expressed in US dollars)

Six months ended June 30,	2026	2025
	$	$
OPERATING ACTIVITIES		
Loss for the period	(950,878)	(989,768)
Adjustments for non-cash items:		
Amortization and accretion	7,437	-
Gain on sales of exploration permit	-	(115,500)
Share-based compensation	-	126,274
Changes in non-cash working capital items:		
Other receivables	667	1,781
Prepaid	(14,661)	(6,236)
Accounts payable and accrued liabilities	(160,895)	(8,044)
Cash used in operating activities	(1,118,330)	(991,493)
INVESTING ACTIVITIES		
Net proceeds from sales of exploration permit	-	115,500
Construction of mine and processing plant	(1,607,221)	-
Payment of office lease	(6,480)	-
Cash provided by (used in) investing activities	(1,613,701)	115,500
FINANCING ACTIVITIES		
Net proceeds from issuance of security units (Note 6)	5,014,321	-
Exercise of warrants into common shares	-	963,222
Cash provided by financing activities	5,014,321	963,222
Effect of foreign exchange rate on cash	(155,779)	(13,166)
Increase in cash	2,126,511	74,063
Cash, beginning of period	445,077	348,601
Cash, end of period	2,571,588	422,664

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

DESERT GOLD VENTURES INC.
Condensed interim consolidated statements of change in shareholders' equity
(Unaudited - Expressed in US dollars)

			Reserves					
	Number	Amount	Others	Warrants	Option	Accumulated other comprehensive income	Deficit	Total
		$	$	$	$	$		$
Balance, December 31, 2024	**240,644,100**	**38,426,977**	**13,755,601**	**1,806,464**	**4,048,432**	**251,721**	**(58,105,137)**	**184,058**
Exercise of warrants	16,970,000	963,222	-	-	-	-	-	963,222
Foreign currency translation adjustment	-	-	-	-	-	13,556	-	13,556
Share-based compensation	-	-	-	-	126,274	-	-	126,274
Loss for the period	-	-	-	-	-	-	(989,768)	(989,768)
Balance, June 30, 2025	**257,614,100**	**39,390,199**	**13,755,601**	**1,806,464**	**4,174,706**	**265,277**	**(59,094,905)**	**297,342**
Balance, December 31, 2025	**270,491,600**	**40,138,856**	**13,755,601**	**1,806,464**	**4,223,420**	**238,584**	**(59,894,735)**	**268,190**
Units issued for cash (Note 6)	90,147,500	4,889,163	-	125,158	-	-	-	5,014,321
Foreign currency translation adjustment	-	-	-	-	-	(156,292)	-	(156,292)
Loss for the period	-	-	-	-	-	-	(950,878)	(950,878)
Balance, June 30, 2026	**360,639,100**	**45,028,019**	**13,755,601**	**1,931,622**	**4,223,420**	**82,292**	**(60,845,613)**	**4,175,341**

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Desert Gold Ventures Inc. (the "Company" or "We" or "Desert Gold") is an exploration stage company and is engaged in the acquisition, exploration and development of mineral resource properties. The principal business of the Company is conducting mineral property exploration in Mali. The Company's shares are traded on the TSX Venture Exchange (the "TSX-V") under the symbol DAU.

The head office and principal address is located at 9648 128 Street, Suite 210, Surrey, British Columbia, Canada, V3T 2X9.

Change of Mali government

In August 2020 and May 2021, a coup was staged by Mali's military resulting in the dissolution of the Malian government. Mali is currently governed by a transitional government. The Company's exploration activities have not been disrupted.

The Company's exploration and evaluation properties and mining site under construction located in Mali (Note 5) may potentially expose the Company to risks and different considerations than in North America. The Company's ability to retain its exploration and evaluation properties, raise and deploy capital may be adversely affected by changes in governing regimes, policies, laws and regulations, all of which are beyond the Company's control.

New mining code of Mali

In August 2023, the Mali interim government adopted a new mining code and as part of their review of the mining sector, suspended the issuance and renewal of permits and exploration licenses. Following the approval of the implementation decree by the Council of Ministers and the President of Mali, the new mining code is now functioning. Subsequently a number of agreements have been publicly announced by the Mali government and operating mining companies. In addition, in March 2025, the suspension of permit renewal has been partially lifted.

The Company has resumed discussion aimed at reaching agreements with the authorities and the renewal of the Company's exploration and evaluation permits that expired during the suspension period.

The Company believes the renewal of the mineral permits are in good progress. Even though the Company has a history of renewing all the renewable mineral permits in the past, there is no guarantee that all the permits on hand can be renewed in the future.

Going concern

The business of exploration, development and mining of minerals involves a high degree of risk and there can be no assurance that future exploration activities will result in the discovery of economically recoverable mineral deposits. The success and continuation of the Company as a going concern is dependent upon the Company's ability to arrange financing, which, in part, depends on prevailing market conditions, acquiring or discovering economically viable mineral properties, exploration success, and securing title and beneficial interests in its properties.

The Company had recurring losses and has not had revenue since inception. As at June 30, 2026 and for the six-month period then ended, the Company had a comprehensive loss of $1.1 million and an accumulated deficit of $60,845,613. Further funds will be required for the Company to continue as a going concern, fulfil its obligations and fund its activities. The Company does not produce revenues from its exploration activities or have a regular source of cash flow. There can be no assurance that the Company will be able to obtain sufficient financing in the future at favorable terms, if at all.

These factors indicate the existence of material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

1. NATURE OF OPERATIONS AND GOING CONCERN (Continued)

These condensed interim consolidated financial statements are prepared on a going concern basis, which assumes that the Company will be able to meet its obligations and continue its operations for its next fiscal year. Realization values may be substantially different from the carrying values shown and these consolidated financial statements do not include adjustments that would be necessary if the going concern assumption is not appropriate.

2. MATERIAL ACCOUNTING POLICIES

Statement of compliance

These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standards - 34 Interim Financial Reporting and should be read in conjunction with the annual financial statements for the most recent year ended December 31, 2025, which have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board and Interpretations of the International Financial Reporting Interpretations Committee.

The condensed interim consolidated financial statements of the Company as at June 30, 2026 and for the six-month period then ended were reviewed by the Audit Committee and approved and authorized for issue by the Board of Directors on August 29, 2026.

These condensed interim consolidated financial statements include the accounts of the Company and its subsidiaries. All intercompany transactions and balances have been eliminated. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Subsidiaries of the Company are as follows:

Name	Country of incorporation	Ownership percentage	
		June 30, 2026	December 31, 2025
TransAfrika Belgique S.A. (dormant)	Belgium	100%	100%
Desert Gold Ltd. (dormant)	Rwanda	100%	100%
Desert Gold Côte d'Ivoire	Ivory Coast	100%	100%
TransAfrika Senegal S.A. (dormant)	Senegal	100%	100%
GoldBanks Nevada Ventures Inc. (dormant)	USA	100%	100%
Ashanti Gold Corp. (dormant)	Canada	100%	100%
Ashanti Gold Mali S.A.R.L.(dormant)	Mali	100%	100%
Desert Gold Mali S.A.R.L.	Mali	100%	100%
Legend Mali Holdings (BVI) Inc.(dormant)	BVI	100%	100%

New standards and interpretations issued

Following is a listing of the amendments, revisions and new IFRS Accounting Standards, issued but not effective until annual periods beginning after 1 January 2026.

IFRS 10 Consolidated Financial Statements - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28);

IAS 21 The Effects of Changes in Foreign Exchange Rates - Translation to a Hyperinflationary Presentation Currency (Amendments to IAS 21).

IAS 28 Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28).

The Company believes these amendments and updates do not have material impacts on the Company's financial statements.

3. ACCOUNTS PAYABLES AND ACCRUED LIABILITIES

The Company's accounts payable and accrued liabilities consisted of the following:

	June 30, 2026	December 31, 2025
Trade payable	$ 17,029	$ 67,444
Accrued liabilities	27,642	138,122
	$ 44,671	$ 205,566

4. MINE AND PROCESSING PLANT UNDER CONSTRUCTION

The Company's owns a small-scale mining license ("Petite License") issued in October 2018 for four years, which was renewed for another four years on December 15, 2022. The Company is currently construct the infrastructure, including a processing plant with equipment, for mining operations.

Cost
Mine site and processing plant (equipment inclusive) are stated at historical cost less accumulated depreciation and any identified impairment loss. The cost comprises the purchase price, together with any incidental expense of acquisition.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All repairs and maintenance expenses are charged to the statement of earnings or loss during the financial period in which they are incurred. Mine development costs include expenditure in respect of exploration and evaluation, previously accumulated and carried forward in relation to areas of interest in which development or construction is underway.

Depreciation and Amortization
Depreciation begins when an asset is available for its intended use and is spread over its useful lives so as to expense the cost of property, plant and equipment (other than properties under construction) using the straight-line method or unit of production ("UoP") based on ounces produced, as appropriate, not exceeding the life of the mine.

The Company has not recorded amortization during the six months ending June 30, 2026 as the mine and processing plant are still under construction.

	Mine under construction	Processing plant under construction including equipment being installed	Total
	$	$	$
Cost			
January 1, 2026	-	-	-
Addition	809,622	797,599	1,607,221
June 30, 2026	809,622	797,599	1,607,221

5. EXPLORATION AND EVALUATION PROPERTIES

The Company is an exploration stage Company that holds various mineral property interests.

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

During the year ended December 31, 2025, the Company entered into an option agreement (the "Flower Agreement") with Flower Holdings SARLU ("Flower") to acquire a 90% interest in the Tiegba Gold Project ("TGP") which covers an area of 297km^2 located in Ivory Coast, West Africa.

Following are key terms of the Flower Option Agreement:

- Desert Gold will pay Flower of total of $450,000 over the term of the Agreement, of which $150,000 was paid upon signing of the Flower Agreement with the remaining balance to be paid in two equal instalments on the first anniversary of the agreement and the final payment being made of the first permit renewal;
- Desert Gold will issue a total of 1,500,000 common shares to Flower in three equal instalments. The Company issued the first instalment of 500,000 common shares on July 7, 2025 (with the fair value of $32,194) and the two remaining installments of 500,000 common shares will be issued along with the cash payments;
- Upon completion of the cash and share payments to Flower, we will have satisfied the terms of the Agreement earning a 90% of Flower's interest in the TGP. Flower's 10% interest will be free carried through mine feasibility. Thereafter Flower will be subject to standard form pro-rata dilution clauses.
- Flower shall retain a one percent (1%) net smelter royalty on all ore mined from the TGP;
- Desert Gold will retain a right of first refusal of any sale of Flower's NSR and or 10% minority interest.
- During the option period, Desert Gold will be responsible for maintaining the Tiegba permit in good standing and satisfy any and all obligations required by Ivorian law and will take over operational control of the TGP on closing of the transaction with Flower.

As at June 30, 2026 and the date of this report, the application of the TGP's exploration permit is in progress.

Mali – SMSZ Projects

In Mali, the Company is operating the Senegal Mali Shear Zone Project ("SMSZ").

SMSZ: This project consists of i) Farabantourou Project; ii) 100% interest of the Farrimond Project (acquired in 2019 through the acquisition of Ashanti Gold Corp.); iii) an option agreement with Mineral Management Consulting ("MMC") ("MMC Option") to acquire certain concessions; iv) two-concession blocks (the "Sebessounkoto Sud" Project and "Djelimangara" Project, collectively, the "Altus Permits"); v) an option agreement ("SUD Option") for the acquisition of a 95% interest in Linguekoto Property; vi) an option agreement (the "Harmattan Option") for the acquisition of all rights of a research permit in the Sola West area; and vii) the Kolomba Exploration Permit that is contiguous to other permits of the SMSZ projects.

As disclosed in the Note 1, Mali suspended mineral permit renewal process since November 2022. This suspension was partially lifted in March 2025. This suspension does not stop existing mining activities in Mali and has not affect the right of the existing permit holders. The Company has restarted renewal applications since then. However, the renewal process is very slow as lots of permits expired during 2022 to 2025 that caused a heavy backlog. As of the date of this report, the Company believes the renewal process of all the permits expired are in good progress and is not aware of any negativity.

5. EXPLORATION AND EVALUATION PROPERTIES (Continued)

Mali – SMSZ Projects

i) **Farabantourou Project** – The Company's Farabantourou project consists of a Farabantourou exploration permit (the "Farabantourou Quest Permit") issued in November 2018 for an initial three-year term renewal for two additional two-year terms. The Company is required to incur minimum exploration expenditures of $138,000, $333,000 and $371,000 during the first, second and third years, respectively, for the maintenance of the Farabantourou Quest Permit.

On June 30, 2026 and the date of this report, the renewal of the Farabantourou Quest Permit is in progress.

ii) **Farikounda Permit** – The Company acquired this property in 2019 through the acquisition of Ashanti Gold Corp. ("Ashanti"). The Farikounda Permit in Mali was renewed in November 2019 for three years with the option to renew for two additional two-year terms. The Company is required to incur minimum exploration expenditures of $158,000, $419,000 and $347,000 during the first, second and third years, respectively.

On June 30, 2026 and the date of this report, the renewal of the Farikounda Permit is in progress.

iii) **MMC Option** – During the year ended December 31, 2019, the Company entered into an option agreement with MMC to acquire a 100% interest in certain properties (the "Keniebandi-Est Permit" and "Kousilli West Permit"). The Company has already fulfilled all the requirements and earned a 100% interest in these two permits.

The underlying exploration permit of this property was renewed in 2019 for three years with the option to renew for two additional two-year terms. The permit holder is required to incur minimum exploration expenditures of $125,000, $416,000 and $423,000 during the first, second and third years, respectively.

MMC shall retain a 2% net smelter return royalty ("NSR") on all ore mined from the properties.

On June 30, 2026 and the date of this report, the Company is awaiting approval for renewal of the Keniebandi-Est Permit and Kousilli West Permit.

iv) **Altus Permits** – In August 2019, the Company entered into an agreement with Altus Strategies PLC ("Altus") to acquire a 100% interest in Altus' Sebessounkoto Sud and Djelimangara projects (collectively, the Altus Permits"). Terms of the agreement are as follows:

Part 1: Consideration

Upon signing of the agreement, the Company will:

- Within 5 business days make a cash payment of $50,000 to Altus (paid in October 2019); and
- Within 14 business days and subject to any regulatory approval as may be required, issue 3,000,000 common shares to Altus (issued in October 2019).

5. EXPLORATION AND EVALUATION PROPERTIES (Continued)

Mali – SMSZ Projects (continued)

iv) **Altus Permits (continued)**

Part 2: Milestone payments

Upon the reception of a National Instrument ("NI") 43-101 *Standards of Disclosure for Mineral Projects* compliant independent resource over the project, which exceeds 500,000 ounces of gold, the Company will (in respect of the first 500,000 ounces only):

- Within 5 business days make a cash payment of $100,000 to Altus; and
- Within 14 business days and subject to any regulatory or shareholder approvals as may be required, issue 2,000,000 common shares to Altus.

Upon the reception of a NI 43-101 compliant independent resource over the project, which exceeds 1,000,000 ounces of gold, then the Company will (in respect of the second 500,000 ounces only):

- Within 5 business days make a cash payment of $100,000 to Altus; and
- Within 14 business days and subject to any regulatory or shareholder approvals as may be required, issue 3,000,000 shares to Altus.

Part 3: Project Royalties

Altus will retain a 2.5% NSR ("Altus NSR") royalty on the project.

The Company will have the right to purchase up to 1.5% of the Altus NSR. The amount payable by the Company to Altus will be calculated by reference to the NI 43-101 gold reserve figure reported in an independent definitive feasibility study on the project as follows:

- $6,000,000 if the reserve is greater than 1,000,000 ounces;
- $3,000,000 if the reserve is less than 1,000,000 ounces, but greater than 500,000 ounces;
- $1,000,000 if the reserve is less than 500,000 ounces, but greater than 250,000 ounces; and
- Furthermore, the Company will have a 60-day right of first refusal to acquire such portion of the balance of the Altus NSR that Altus may, from time to time, wish to sell.

Altus will provide the Company a 10-day written notice of any intention to sell any of its shares of the Company. During that 10-day period, the Company will have the right to find a third-party to acquire such shares of the Company directly from Altus.

The Sebessounkoto Sud project is comprised of an exploration permit renewed in July 2018 for three years with the option to renew for two additional two-year terms. The Company is required to incur minimum exploration expenditures of $108,000, $383,000 and $607,000 during the first, second and third years, respectively. On October 11, 2022, the Company received a renewed Sebessounkoto Sud Permit, which has a term of three years with the option to renew for one additional three-year term. The Company is required to incur minimum exploration expenditures of $220,000, $220,000 and $307,100 during the first, second and third years, respectively.

On June 30, 2026 and the date of this report, the renewal of the Sebessounkoto Sud Permit is in progress.

5. EXPLORATION AND EVALUATION PROPERTIES (Continued)

Mali – SMSZ Projects (continued)

iv) **Altus Permits** (continued)

The Djelimangara project is comprised of an exploration permit renewed in October 2019 for two years without a renewable option, which expired in 2021. A new permit (the "Kamana Permit") was granted on October 21, 2022 in approximately the same area. The Kamana Permit has a term of three years with the option to renew for two additional three-year terms. The Company is required to incur minimum exploration expenditures of $166,500, $370,600 and $531,800 during the first, second and third years, respectively.

On June 30, 2026 and the date of this report, the renewal of the Sebessounkoto Sud Permit and Kamana Permit are in progress.

v) **SUD Option** – In September 2019, the Company entered into an option agreement with SUD Mining SARL ("SUD") to secure the right to acquire a 95% interest in the Linguekoto property (the "Linguekoto Project"). The Company has already fulfilled all the requirements of this option agreement.

The underlying exploration permit of the SUD option was renewed in September 2019 for three years with the option to renew for two additional 2-year terms. The permit holder is required to incur minimum exploration expenditures of $112,000, $229,000 and $241,000 during the first, second and third years, respectively. SUD will retain a 5% carried interest, in the concession, before any interest retained by the government of Mali.

On June 30, 2026 and the date of this report, the Company is awaiting final approval for renewal of the permit for the Linguekoto Project.

vi) **Harmattan Option** – During the year ended December 31, 2020, the Company entered into an option agreement with Harmattan Consulting SARL (the "Optionor") to acquire a 95% interest in the rights of a research permit (the "Sola West Permit") of the Sola West Concession.

Terms of the option agreement are as follows:

- Cash payment of $20,548 (12 million Mali CFA) to the Optionor for the option fees and taxes in connection with the mineral interests (paid); and
- Issuance of 100,000 common shares of the Company to the Optionor (issued in March 2021 with a market value of $11,169).

At the completion of the above payments, the Company would have acquired:

- the rights to carry out operations on the Sola West Permit;
- the exclusive option to acquire a 95% interest in the Permit after payments of the following:
    - $33,183 (18 million Mali CFA) within 5 days at the publication of the Sola West Licensing Order (paid in February 2021);
    - $82,957 (45 million Mali CFA) that was paid in June 2021, and 100,000 common shares of the Company issued in March 2021 with a market value of $11,169; and
    - $54,846 (33 million Mali CFA) that was paid on June 7, 2022, and 50,000 common shares were issued on June 1, 2022 with a market value of $4,326.

The underlying exploration permit of the Harmattan Option was renewed in December 2020 for three years with the option to renew for two additional two-year terms. The permit holder is required to incur minimum exploration expenditures of $126,000, $287,000 and $160,000 during the first, second and third years, respectively.

After the Sola West Permit is transferred to the Company, the Company will pay $56,507 (33 million Mali CFA) within ten days after the transfer and issue 50,000 common shares of the Company to the Optionor.

5. EXPLORATION AND EVALUATION PROPERTIES (Continued)

Mali – SMSZ Projects (continued)

vi) **Harmattan Option (continued)**

Within 10 days after the Company informs the Optionor of the production decision of the Sola West Permit, the Company will pay:

- $250,000 in the event of mining operation based on a feasibility study that indicates proven and probable reserves of a maximum 500,000 ounces of gold; and
- $1 per ounce for the exploitation of a deposit based on a feasibility study that indicates proven and probable reserves between 500,000 to 1,000,000 ounces of gold.

In addition of the above, the Company will grant a 2% NSR in connection with the Sola West Permit. The Company has the right at any time to purchase 1% of the NSR for $1,000,000.

On June 30, 2026 and the date of this report, the Company is awaiting approval for renewal of the Sola West Permit.

vii) **Kolomba Permit** – In 2021, the Company was granted the Kolomba Exploration Permit with an initial three-year term from the date of issuance (November 1, 2021). The Company has the right to renew this permit for two additional two-year terms. The permit holder is required to incur minimum exploration expenditures of $158,000, $395,000 and $485,000 during the first, second and third years, respectively.

On June 30, 2026 and the date of this report, the Company is renewing the Kolomba Permit.

viii) **Disposition of Djimbala Permit**-During the six months ended June 30, 2025, the Company disposed of the Djimbala Permit, of which the Company ceased to work on in prior years, to an arm's length entity for $125,000. The Company paid a commission of $10,000 and recorded a gain of disposition of $115,000 accordingly. There was no similar gain of disposition during the six months ended June 30, 2026.

Summary of Exploration Expenditures

During the six months ended June 30, 2026 and 2025, exploration expenditures incurred for the SMSZ and TGP projects and are as follows:

	2026		2025	
	SMSZ	**TGP**	**SMSZ**	**TGP**
	$	$	$	$
Option payment	-	-	-	150,000
Permit renewal and maintenance	60,933	-	7,895	-
Geo-analysis	34,059	-	231,079	-
Camp supplies, exploration, and office	219,823	-	132,216	-
Labour and consulting	137,249	-	129,655	-
Total	452,064	-	500,845	150,000

6. SHARE CAPITAL

(a) Share capital

Authorized share capital

Unlimited number of common shares without par value; and 1,250,000 preferred shares issuable in series with rights and restrictions to be determined by the directors prior to any issuances.

Issued share capital

2026
During the six months ended June 30, 2026, the Company closed a private placement (the "Offering") and issued 90,147,500 units at a price of CAD$0.08 per unit for aggregate gross proceeds of CAD$7,211,800. Each unit consisted of one common share of the Company and one-half of one common share purchase warrant. Each whole warrant entitles the holder thereof to purchase one additional common share at a price of CAD$0.12 at any time on or before February 9, 2028.

In connection with the Offering, the Company paid an aggregate of CAD$265,986 in finder's fees and issued, in aggregate, 3,324,825 non-transferable finder's warrants, entitling the holder thereof to purchase one common share at a price of CAD$0.08 at any time on or before February 9, 2028. The fair value of each finder's warrant is CAD$0.052 which is estimated by using Black-Scholes Pricing model with the application of the following assumptions: risk-free interest rate of 2.54%; expected life of 2 years; annualized volatility of 135%; and dividend rate of 0.00 %.

The securities issued under the Offering are be subject to a four-month and one-day statutory hold period.

There are no preferred shares issued and outstanding since inception.

2025
During the year ended December 31, 2025, the Company issued the following common shares:

- 29,347,500 common shares on warrants exercised at CAD$0.08 per share for $1,679,685 (CAD$2,347,800).
- 500,000 common shares (with the fair value of $32,194) for the option payment of the TGP (Note 5).

(b) Stock options

2026
There were no options granted during the six months ended June 30, 2026.

2025
On March 28, 2025, and June 24, 2025, the Company granted 3,100,000 and 1,000,000 stock options respectively to directors, officers, and consultants. Each stock option is exercisable into one common share of the Company at an exercise price of CAD$0.08 until 5 years after issuance ranged from March 28, 2030 to June 24, 2030. All options granted were fully vested when granted.

6. SHARE CAPITAL (Continued)

(b) Stock options (continued)

Stock option continuity is as follows:

	Number of options	Weighted average exercise price (CAD$)
Balance, December 31, 2024	11,450,000	0.09
Expired	(3,150,000)	0.1-0.2
Issued	4,100,000	0.08
Balance, December 31, 2025	12,400,000	
Expired	(1,600,000)	0.15
Balance, June 30, 2026	10,800,000	

Stock options outstanding and exercisable as at June 30, 2026 are summarized as follows:

Exercise price (CAD$)	Number of options outstanding	Expiry date	Number of options exercisable
0.07	2,875,000	20-Mar-28	2,875,000
0.07	600,000	15-Jun-28	600,000
0.08	3,225,000	28-Jun-29	3,225,000
0.08	3,100,000	28-Mar-30	3,100,000
0.08	1,000,000	24-June-30	1,000,000
	10,800,000		10,800,000

As at June 30, 2026, the Company's options have a weighted average exercise price of CAD$0.08 (2025/12/31 - CAD$0.09) per share and remaining life of 2.91 (2025/12/31 - 2.97 years).

During the six months ended June 30, 2026 and 2025, the Company incurred $Nil (2025 - $126,274) in share-based compensation. The fair value of options has been estimated by using the Black-Scholes option pricing model with the application of the following assumptions:

	2026	**2025**
Risk-free interest rate	N/A	2.22%
Expected life of options	N/A	5 years
Annualized volatility	N/A	120%
Dividend rate	N/A	0.00%

6. SHARE CAPITAL (Continued)

(c) Warrants

2026
During the six months ended June 30, 2026, the Company issued the following warrants:

- 45,073,750 warrants with an exercise price of CAD$0.12 as part of the issuance of 90,147,500 security units at CAD$0.08.
- 3,324,825 warrants to finders with an exercise price of CAD$0.08.

All of the above warrants have an expiry date of February 9, 2028.

2025
29,347,500 warrants with an exercise price of CAD$0.08 per share were exercised during 2025.

As at June 30, 2026, the Company's warrants have a weighted average exercise price of CAD$0.08 (2025/12/31 - CAD$0.08) per share and remaining life of 1.42 years (2025/12/31 – 1.32 years). Continuity is as follows:

	Number of warrants	Weighted average exercise price (CAD$)
Balance, December 31, 2024	63,132,327	0.08
Expired	(17,954,613)	0.08
Exercised	(29,347,500)	0.08
Balance, December 31, 2025	15,830,214	0.08
Issued	45,073,750	0.08
Issued	3,324,825	0.12
Balance, June 30, 2026	64,228,789	

Warrants outstanding as at June 30, 2026 are summarized as follows:

Exercise price (CAD$)	Number of warrants outstanding	Expiry date
0.08	9,515,643	15-Mar-27
0.08	4,886,000	24-May-27
0.08	1,428,571	7-Nov-27
0.08	45,073,750	9-Feb-28
0.12	3,324,825	9-Feb-28
	64,228,789	

(d) Reserves

As at June 30, 2026, the Company's $19,910,643 reserve consisted of the following components:

(i) Others – these are reserves to account for the net effect of the corporate restructuring during the year ended December 31, 2011.

(ii) Warrants – these are the reserves to account for the issuance, net of exercise, of the Company's warrants.

(iii) Options – these are the reserves to account for vesting, net of exercise and cancellation, of the Company's options granted to various officers, directors and consultants.

7. RELATED PARTY TRANSACTIONS

(a) Transactions with key management personnel

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Board of Directors and corporate officers. The aggregate values of transactions relating to key management and companies related to key management are as follows:

Six months ended June 30,	2026	2025
	$	$
Consulting fees	199,493	130,560
Rent	9,078	8,514
Geo-analysis (i)	2,840	-
Share-based compensation	-	71,164

(i) A company related to a director provided geo-related consulting services to the Company during the six months ended June 30, 2026.

2025
During the six months ended June 30, 2025, the Company issued 1,250,000 common shares on warrant exercise to an entity related to a Company's director at CAD$0.08/share. The warrants were exercised in accordance with their original terms and conditions. The total proceeds received by the Company from the exercise amounted to CAD$100,000.

b) Balances due to related parties

Amounts due to related parties are unsecured, non-interest bearing and have no fixed terms of repayment. The Company's accounts payable and accrued liabilities (Note 4) included the following balances owing to related parties:

Due to related parties	Nature	June 30, 2026	December 31, 2025
Directors and officer	Consulting fees	$ Nil	$ 11,855

8. RIGHT OF USE ASSETS AND LEASE LIABILITIES

The Company recognizes an asset (right to use the leased item) and a financial liability to account for its rentals with terms of more than 12 months, unless the underlying asset is of low value. The lease liabilities are measured at the present value of the remaining lease payments, discounted using the Company's estimated incremental borrowing rate, which was 15.00%. As at June 30, 2026, the Company's recognized right-of-use assets and liabilities were mainly comprised of the present values of all future lease payments of a two-year lease of an office located in Ivory Coast.

This lease started on September 5, 2025 and will end on September 5, 2027. The Company paid $2,089 security deposit in connection with this lease. The Company was charged $6,480 of rent during the six months ended June 30, 2026 (2025- Nil).

8. RIGHT OF USE ASSETS AND LEASE LIABILITIES (CONTINUED)

The continuity of the assets arising from this office lease is as follows:

Balance, inception	$22,274
Amortization	(3,712)
Balance, December 31, 2025	$18,562
Amortization	(3,469)
Effect of change of foreign exchange	(731)
Balance, June 30, 2026	14,362

The continuity of the lease liabilities in connection with this office lease is as follows:

Balances, inception	$ 22,274
Accretion	1,053
Lease payments	(2,159)
Balances, December 31, 2025	**$21,168**
Accretion	1,250
Lease payments	(6,480)
Effect of change of foreign exchange	(509)
Balance, June 30, 2026	**15,429**
Current	$ 11,289
Non-current	4,140
Total	**$ 15,429**

Discounted lease payments are payable as follows:

	June 30, 2026	December 31, 2025
Not later than 1 year	$ 12,528	$ 15,120
Between 1-2 years	4,176	8,640
Future imputed interest	(1,275)	(2,592)
	$ 15,429	$ 21,168

9. FINANCIAL INSTRUMENTS

Classification of financial instruments

Financial instruments included in the consolidated statements of financial position are as follows:

		June 30, 2026	December 31, 2025
		$	$
Cash	Amortized cost	2,571,588	445,077
Accounts payable and accrued liabilities	Amortized cost	(44,671)	(205,526)

Fair value

The fair value hierarchy established by IFRS 13 *Fair Value Measurement* has three levels to classify the inputs to valuation techniques used to measure fair value described as follows:

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

At the respective reporting dates, all of the Company's financial instruments had maturities less than one year. As a result, the carrying amount of accounts payable and accrued liabilities approximated the fair values due to the short-term maturities.

Risk management

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyze the risks faced by the Company to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company has exposure to the following risks from its use of financial instruments:

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's approach to managing liquidity risk is to ensure as far as possible that it will always have sufficient cash on demand to meet its liabilities when they fall due under both normal and stressed conditions without incurring unacceptable losses or risking damage to the Company's reputation.

Historically, the Company's primary source of funding has been the issuance of equity securities for cash, primarily through private placements and loans from related and other parties. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding. The Company is subject to liquidity risk.

Interest rate risk
As at June 30, 2026, the Company did not have any significant exposure to the risk of changes in market interest rates, as the Company did not have any financial instruments that are exposed to changes in interest rates.

9 FINANCIAL INSTRUMENTS (CONTINUED)

Foreign currency risk
Foreign currency risk arises from holdings of financial assets and liabilities in currencies other than the functional currency to which they relate. The Company and its subsidiaries have minimal such holdings, consequently foreign currency risk is considered low.

As of June 30, 2026, a 10% change in the foreign exchange rate between the US and CAD dollars would have an impact of $227,000 (2025/12/31 - $30,000) to the Company's other comprehensive loss.

Credit risk
Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from optionees and investment securities.

The potential concentration of credit risk consists mainly of cash. The Company limits its counterparty exposures from its cash by only dealing with well-established financial institutions of a high quality credit standing. The maximum exposure to credit risk is represented by the carrying amount of each financial asset on the consolidated statement of financial position.

At the reporting date the majority of the Company's cash resources were deposited with reputable established financial institutions. As a result, management believes the Company is not exposed to significant credit risk due to the credit worthiness of these counterparties.

10. SEGMENTS

The Company operates primarily in one reportable business segment, which is the exploration and development of resource properties located in Mali and Ivory Coast, West Africa. The Company also maintains a head office in Surrey, British Columbia, Canada, to management the Company's administrative activities.

As of June 30, 2025, the Company held the following non-current assets and liabilities:

- mine and processing plant under construction of $1,607,221 (2025/12/31 - $Nil)
- equipment and machinery of $14,362 (2025/12/31 - $14,438)
- Right-of-use assets of $14,362 (2025/12/31 - $18,562)
- non-current lease liabilities of $4,140 (2025/12/31 - $8,174)

11. SUBSEQUENT EVENTS

On July 7, 2026, the Company grants 4,300,000 incentive stock options with an exercise price of CAD$0.14 to officers, directors, and consultants. These options vest immediately on issuance and have an expiry date of July 7, 2031.

On July 27, 2026, the Company issues 6,550,000 restricted share units ("RSUs") to officers, directors, and consultants with a term of three years. Each vested RSU shall be redeemed for (i) one common share or (ii) a cash payment or, (iii) a combination of common share and cash as determined by the board of directors in its discretion.