

**KORE MINING LTD.**

**Condensed Interim Consolidated Financial Statements**

**March 31, 2026 and 2025**



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

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

The accompanying unaudited condensed interim consolidated financial statements of Kore Mining Ltd. (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 the standards established by the Chartered Professional Accountants of Canada for a review of condensed interim consolidated financial statements by an entity's auditor.

**KORE MINING LTD.**  
**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

(Expressed in Canadian Dollars)

As at,	Notes	March 31, 2026 Unaudited \$	December 31, 2025 Audited \$
<b>Assets</b>			
<b>Current assets</b>			
Cash		1,366,398	800,407
Tax receivable		61,293	57,845
Prepaid expenses		281,866	296,612
<b>Current assets</b>		<b>1,709,557</b>	<b>1,154,864</b>
Equipment	5	4,830	7,123
Mineral properties	6	1,932,144	1,900,373
<b>Total assets</b>		<b>3,646,531</b>	<b>3,062,360</b>
<b>Liabilities and Shareholders' Equity</b>			
<b>Current liabilities</b>			
Accounts payable and accrued liabilities	9	810,160	1,723,134
Promissory note	7	391,046	376,906
<b>Total liabilities</b>		<b>1,201,206</b>	<b>2,100,040</b>
<b>Shareholders' Equity</b>			
Share capital	8	24,466,204	22,478,853
Warrants		1,477,505	1,477,505
Reserves		3,345,138	3,345,138
Accumulated other comprehensive income		61,622	25,306
Accumulated deficit		(26,905,144)	(26,364,482)
<b>Total shareholders' equity</b>		<b>2,445,325</b>	<b>962,320</b>
<b>Total liabilities and shareholders' equity</b>		<b>3,646,531</b>	<b>3,062,360</b>

Approved by the Board of Directors:

“James Hynes”  
 Director

“Kevin Cornish”  
 Director

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

**KORE MINING LTD.**  
**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2026 AND 2025**  
(Expressed in Canadian Dollars)

	Notes	Three-month period ended	
		March 31, 2026	March 31, 2025
		\$	\$
<b>Expenses</b>			
Depreciation	5	2,376	2,486
Exploration and evaluation expenses	6	577,152	104,124
General and administration		60,489	20,502
Management fees and wages	9	90,000	50,000
Marketing and professional fees		52,667	45,709
Share-based payments, net of forfeitures	8	-	8,219
<b>Total expenses</b>		<b>(782,684)</b>	<b>(231,040)</b>
<b>Other Items (expenses)</b>			
Foreign exchange gain		6,449	389
Interest expense	7	(34,520)	(24,320)
Gain on settlement of accounts payable	10	194,873	-
Gain on write-off of accounts payable	10	75,220	-
<b>Total other items</b>		<b>242,022</b>	<b>(23,931)</b>
<b>Net loss for the period</b>		<b>(540,662)</b>	<b>(254,971)</b>
<b>Items that may be subsequently reclassified to net income</b>			
Cumulative translation adjustment		36,316	(2,506)
<b>Comprehensive loss for the period</b>		<b>(504,346)</b>	<b>(257,477)</b>
Basic and diluted loss per share for the period		(0.01)	(0.01)
Weighted average number of common shares outstanding		71,411,194	40,485,268

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

**KORE MINING LTD.**  
**CONDENSED INTERIM CONSOLIDATED STATEMENTS STATEMENTS OF CASH FLOWS**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2026 AND 2025**

(Expressed in Canadian dollars)

	<b>March 31, 2026</b>	<b>March 31, 2025</b>
<b>Cash provided by (used in):</b>	\$	\$
<b>OPERATING ACTIVITIES</b>		
Net loss for the period	(540,662)	(254,971)
Items not affecting operating cash:		
Depreciation	2,293	2,486
Interest expense	7,610	24,291
Share-based payments, net of forfeitures	-	8,219
Gain on write-off of accounts payable	(75,220)	-
Gain on settlement of debt	(194,873)	-
Unrealized foreign exchange loss (gain)	(25,241)	1,478
	<b>(826,093)</b>	<b>(218,497)</b>
<b>Net changes in non-cash working capital:</b>		
Amounts receivable	(3,448)	(3,677)
Prepaid expenses	14,746	71,110
Accounts payable and accrued liabilities	(642,881)	149,389
<b>Cash used in operating activities</b>	<b>(1,457,676)</b>	<b>(1,675)</b>
<b>FINANCING ACTIVITIES</b>		
Proceeds from private placement, net of share issuance cost	1,987,351	-
<b>Cash received from financing activities</b>	<b>1,987,351</b>	<b>-</b>
Change in cash	529,675	(1,675)
Effect of foreign exchange on cash	36,316	(2,506)
Cash, beginning of the period	800,407	4,740
<b>Cash, end of the period</b>	<b>1,366,398</b>	<b>559</b>

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

**KORE MINING LTD.**  
**CONDENSED INTERIM CONSOLIDATED STATEMENTS STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2026 AND 2025**  
(Expressed in Canadian dollars)

	Number of shares #	Share Capital \$	Obligation to issue shares \$	Warrants \$	Reserves \$	Accumulated deficit \$	Accumulated other comprehensive income (loss) \$	Total Shareholders' Equity \$
<b>Balance, December 31, 2024</b>	40,485,271	19,478,853	140,000	1,477,505	3,326,782	(24,555,377)	136,228	3,991
Share-based payments	-	-	-	-	8,219	-	-	8,219
Net loss and comprehensive loss for the period	-	-	-	-	-	(254,971)	-	(254,971)
Other comprehensive loss	-	-	-	-	-	-	(2,506)	(2,506)
<b>Balance, March 31, 2025</b>	40,485,271	19,478,853	140,000	1,477,505	3,335,001	(24,810,348)	136,228	(245,267)
<b>Balance, December 31, 2025</b>	65,485,268	22,478,853	-	1,477,505	3,345,138	(26,364,482)	25,306	962,320
Private placement, net of share issuance cost	16,666,666	1,987,351	-	-	-	-	-	1,987,351
Net loss and comprehensive loss for the period	-	-	-	-	-	(540,662)	-	(540,662)
Other comprehensive income	-	-	-	-	-	-	36,316	36,316
<b>Balance, March 31, 2026</b>	<b>82,151,934</b>	<b>24,466,204</b>	<b>-</b>	<b>1,477,505</b>	<b>3,345,138</b>	<b>(26,905,144)</b>	<b>61,622</b>	<b>2,445,325</b>

On September 29, 2025, the Company consolidated all of its issued and outstanding common shares on the basis of one new common share for every five old common shares. Unless otherwise noted, all share, option, loss per share and warrant information have been adjusted to reflect this consolidation.

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

**KORE MINING LTD.**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2026 AND 2025**

(Expressed in Canadian Dollars unless otherwise stated)

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**1. NATURE OF OPERATIONS**

KORE Mining Ltd. (“KORE” or the “Company”) is an exploration stage company that trades on the TSX Venture Exchange (“TSXV”) under the symbol ‘KORE’. The Company is focused on the exploration of its California gold projects, Imperial and Long Valley. The Company’s registered office is located at Suite 2500, 700 West Georgia Street, Vancouver BC V6C 3E8.

The Company is in the process of exploring and evaluating its mineral resource properties and has not yet determined whether these properties contain economically recoverable mineral reserves. The recoverability of the amounts capitalized to mineral properties is ultimately dependent upon the existence of economically recoverable ore reserves and resources, securing and maintaining title and/or beneficial interest in the properties, obtaining necessary financing to continue to explore, evaluate and develop the properties, and upon future profitable production or proceeds from disposition of such properties. The amounts shown as mineral properties represent costs incurred in acquiring the properties, and do not necessarily represent current or future fair values.

**2. GOING CONCERN**

These condensed interim consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations as they come due. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period.

As at March 31, 2026, the Company had a working capital of \$508,351 (current assets less current liabilities) and has incurred net losses since inception of \$26,905,144. For the period ended March 31, 2026, the Company used cash flows in operations of \$1,457,676 (March 31, 2025 – \$1,675).

The Company’s ability to continue to carry out its planned exploration activities for at least the next twelve months is uncertain and dependent upon the continued financial support of its shareholders and on securing additional financing. Although the Company continues to work towards financing its operations, there is no assurance that any such initiatives will be sufficient and, as a result, this material uncertainty may give rise to significant doubt regarding the going concern assumption and, accordingly, the ultimate appropriateness of the use of accounting principles applicable to a going concern. These condensed interim consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations for the foreseeable future. These adjustments could be material.

**3. BASIS OF PRESENTATION**

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS Accounting Standards”) as issued by the International Accounting Standards Board (“IASB”). The summary of material accounting policies set out below have been applied consistently to all periods presented in these condensed interim consolidated financial statements. These condensed interim consolidated financial statements have been authorized for issue by the Board of Directors of the Company on April 30, 2026.

**KORE MINING LTD.**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2026 AND 2025**

(Expressed in Canadian Dollars unless otherwise stated)

**3. BASIS OF PRESENTATION (Continued)**

**Principles of Consolidation**

These condensed interim consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries as listed below. Control is defined as the exposure, or rights, to variable returns from involvement with an investee and the ability to affect those returns through power over the investee. Power over an investee exists when there are existing rights that give the Company the ability to direct the activities that significantly affect the investee’s returns. The results and financial position of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

These consolidated financial statements incorporate the accounts of the Company and the following subsidiaries:

Name of Subsidiary	Incorporation Jurisdiction	Percentage Ownership	Principal Activity
Imperial USA Corp.	Nevada, USA	100%	Mineral Property Exploration
Imperial Gold Corporation	Nevada, USA	100%	Holding Company
Kore USA Ltd.	Nevada, USA	100%	Mineral Property Exploration
1184938 BC Ltd.	BC, Canada	100%	Holding Company

All intercompany balances and transactions have been eliminated on consolidation.

**Basis of Measurement**

These condensed interim consolidated financial statements have been prepared on a historical cost basis, except for financial instruments classified as fair value through profit or loss, which are stated at their fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information. The statements are presented in Canadian dollars unless otherwise noted.

**Material Judgments, Estimates and Assumptions**

The preparation of the Company’s condensed interim consolidated financial statements in conformity with IFRS Accounting Standards requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the condensed interim consolidated financial statements and the reported amounts of income and expenses during the reporting period. Estimates and assumptions are regularly 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. Actual results could differ from these estimates.

*Critical Judgments*

The preparation of these condensed interim consolidated financial statements requires the Company to make judgments regarding the going concern of the Company as discussed in Note 2.

The Company is also required to make material judgments on the ongoing feasibility of capitalized mineral properties, and whether there are indicators that the right to explore the specific area has expired or will be allowed to expire, that further exploration and evaluation plans have changed, or whether development of a specific area is unlikely to recover existing costs. If any of these indicators are present, management would need to assess whether the mineral properties are impaired.

**KORE MINING LTD.**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2026 AND 2025**

(Expressed in Canadian Dollars unless otherwise stated)

**3. BASIS OF PRESENTATION (Continued)**

*material Estimates*

Share-based payments

The determination of the fair value of stock options or compensatory warrants using the Black-Scholes Option Pricing model requires the input of highly subjective assumptions, including expected future price volatility. Changes in the subjective input assumptions could materially affect the fair value estimate. The Company also uses judgment to estimate probability of achieving vesting conditions of restricted stock units (“RSUs”) and deferred share units (DSUs).

**4. MATERIAL ACCOUNTING POLICIES**

In preparing these condensed interim consolidated financial statements, the significant accounting policies and the significant judgments made by management in applying the Company’s significant accounting policies and key sources of estimation uncertainty were the same as those that applied to the Company’s audited financial statements for the year ended December 31, 2025.

The preparation of condensed interim financial statements requires that the Company’s management make judgments and estimates of effects of uncertain future events on the carrying amounts of the Company’s assets and liabilities at the end of the reporting period. Actual future outcomes could differ from present estimates and judgments, potentially having material future effects on the Company’s condensed interim financial statements. Estimates are reviewed on an ongoing basis and are based on historical experience and other facts and circumstances. Revisions to estimates and the resulting effects on the carrying amounts of the Company’s assets and liabilities are accounted for prospectively.

**5. EQUIPMENT**

	Equipment	Vehicles	Right of use- office lease	Total
<b>Cost</b>	\$	\$	\$	\$
Balance, December 31, 2024	74,880	49,853	346,550	471,283
Foreign exchange	(3,226)	(2,366)	(7,428)	(13,020)
Balance, December 31, 2025	71,654	47,487	339,122	458,263
Foreign exchange	(5,830)	(1,609)	2,533	(4,906)
<b>Balance, March 31, 2026</b>	<b>65,824</b>	<b>45,878</b>	<b>341,655</b>	<b>453,357</b>
<b>Accumulated depreciation</b>				
Balance, December 31, 2024	74,880	32,405	346,550	453,835
Additions	-	9,686	-	9,686
Foreign exchange	(3,226)	(1,727)	(7,428)	(12,381)
Balance, December 31, 2025	71,654	40,364	339,122	451,140
Additions	-	2,376	-	2,376
Foreign exchange	(5,830)	(1,692)	2,533	(4,989)
<b>Balance, March 31, 2026</b>	<b>65,824</b>	<b>41,048</b>	<b>341,655</b>	<b>448,527</b>
Net book value:				
Balance, December 31, 2024	-	17,448	-	17,448
Balance, December 31, 2025	-	7,123	-	7,123
<b>Balance, March 31, 2026</b>	<b>-</b>	<b>4,830</b>	<b>-</b>	<b>4,830</b>

**KORE MINING LTD.**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2026 AND 2025**

(Expressed in Canadian Dollars unless otherwise stated)

**6. MINERAL PROPERTIES**

The balance and summary of the changes to mineral properties are as follows:

	Long Valley USA	Imperial USA	
	\$	\$	Total
Balance, December 31, 2024	523,088	1,470,415	1,993,503
Foreign exchange adjustment	(24,830)	(68,300)	(93,130)
Balance, December 31, 2025	498,258	1,402,115	1,900,373
Foreign exchange adjustment	8,471	23,300	31,771
<b>Balance, March 31, 2026</b>	<b>506,729</b>	<b>1,425,415</b>	<b>1,932,144</b>

**Imperial Project**

In March 2017, the Company purchased Imperial USA Corp. which owns the Imperial project located in California. In settlement of the purchase price, the Company paid US\$150,000. The Company issued a 1% net smelter return royalty (“NSR”) on the property in connection with this acquisition.

The agreement includes additional payments of US\$1,000,000 payable upon the announcement of a revised Preliminary Economic Assessment or similar report (milestone achieved and payment made during the year ended December 31, 2020) and a further US\$1,000,000 payable 30 days after the first gold is poured from ore mined from the related properties, which remained outstanding as at March 31, 2026.

In addition, the vendor has the option to receive shares in the Company in settlement of this remaining payment of US\$1,000,000 up to achieving a maximum 4.9% ownership interest in the Company. Any additional shares beyond this threshold would be issued at the Company’s discretion.

In May 2019, the Company received an investment from Macquarie Bank Ltd and its affiliates (collectively, “Macquarie”) of \$4,000,000. As part of the investment by Macquarie, Macquarie subscribed for 6,000,000 common shares and acquired a 1% NSR royalty on the Imperial Project for a total cost of \$4,000,000. The agreement provides for certain rights to Macquarie to provide project development financing and royalty issuances, to have rights of refusal and requires the proceeds to be used primarily to advance permitting of the Imperial Project. Macquarie sold its NSR royalty during the prior year and no longer holds any rights under the agreement. Accordingly, Macquarie does not retain any contractual rights in respect of the royalty. The royalty interest is now held by an unrelated third party.

**Long Valley Project**

In March 2017, the Company purchased certain mining claims in the Long Valley area of California with an initial payment of US\$350,000 to the vendor. The remaining payments under the agreement comprise of US\$500,000 due 30 days after commencement of commercial production and US\$500,000 payable on the 12-month anniversary of the commencement of commercial production. A US\$25,000 deposit was paid to the vendor prior to execution of the purchase agreement, which will be applied to the final payment, unless forfeited in the event that the agreement is terminated. The vendor has the option to receive shares in the Company in settlement of the remaining payments.

The vendor retained an NSR that provides for a royalty of 0.5% when the price of gold is under US\$1,400/oz, 1.0% when the price of gold is between US\$1,401 to US\$1,600/oz and 2.0% when the price of gold is above US\$1,600/oz. The Company has the option to purchase back 1% of the royalty when the price of gold is above US\$1,600/oz for US\$2,000,000 if purchased prior to the announcement of a feasibility study or for US\$4,000,000 if repurchased prior to commencement of commercial production. In addition, there is a further 1% NSR payable to a third party.

**KORE MINING LTD.**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2026 AND 2025**

(Expressed in Canadian Dollars unless otherwise stated)

**6. MINERAL PROPERTIES (Continued)**

**Exploration and Evaluation Expenses**

Details of the exploration and evaluation expenses incurred were as follows:

	<b>March 31, 2026</b>	<b>March 31, 2025</b>
	<b>\$</b>	<b>\$</b>
Claim holding and taxes	94,650	97,666
Contractors, professional fees and wages	476,329	-
Project administration and support	6,173	6,458
	<b>577,152</b>	<b>104,124</b>

**7. PROMISSORY NOTE**

On August 23, 2023, the Company entered into a promissory note with Karus Mining Inc. (formerly known as Karus Gold Corp.), for total proceeds of \$306,450 (US \$225,000) ("Karus Loan"). The Karus Loan did not bear interest, matured on October 12, 2023, and is personally guaranteed by a member of management. In the event the Karus Loan was not repaid by October 12, 2023, interest will be charged at 10% per annum. During the year ended December 31, 2024, Karus made a demand for repayment of the Karus Loan.

	Amount
	\$
Balance, December 31, 2024	363,312
Interest	31,450
Foreign exchange	(17,856)
Balance, December 31, 2025	376,906
Interest	7,610
Foreign exchange	6,530
Balance, March 31, 2026	391,046

**8. SHARE CAPITAL**

**Authorized**

Unlimited number of common shares with no par value.

On September 29, 2025, the Company consolidated all of its issued and outstanding common shares on the basis of one new common share for every five old common shares. Unless otherwise noted, all share, option, loss per share and warrant information have been adjusted to reflect this consolidation.

**Issued and outstanding**

On February 27, 2026, the Company closed a non-brokered private placement with the CEO of the Company and issued 16,666,666 units at a price of \$0.12 per unit for aggregate gross proceeds of \$2,000,000. Each unit consisted of one common share and one common share purchase warrant. Of the total proceeds of \$2,000,000, \$Nil was allocated to the warrants using the residual method.

**KORE MINING LTD.**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2026 AND 2025**

(Expressed in Canadian Dollars unless otherwise stated)

**8. SHARE CAPITAL (Continued)**

**Stock Options**

Pursuant to a rolling stock option plan (the “Plan”) for directors, officers, employees and consultants, the Company may reserve a maximum of 10% of the issued and outstanding listed common shares, with the exercise price to be determined on the date of issuance of the options. The term of options granted under the plan may not exceed five years and such options vest at terms to be determined by the board of directors at the time of the grant, but the exercise price shall not be less than the price determined by the policies of the stock exchange on which the Company’s common shares are then listed. During the period ended March 31, 2026, the Company approved the adoption of a new 20% fixed omnibus long-term incentive plan to replace the existing stock option and long-term incentive plans.

**Share-Based Compensation**

During the period ended March 31, 2026, the Company did not recognize any share-based payments. During the period ended March 31, 2025, the Company recognized \$8,219 (March 31, 2024 - \$47,062) as share-based payments, which included share-based payments of \$8,219 (March 31, 2024 - \$47,062) related to the vesting of previously granted stock options, DSUs, and RSUs due to the graded vesting of these instruments.

A summary of stock option activity was as follows:

	<b>Number of Options Outstanding</b>	<b>Weighted Average Exercise Price \$</b>
Balance, December 31, 2024	650,000	0.94
Expired	(20,000)	(7.50)
Cancelled	(150,000)	(2.27)
Balance, December 31, 2025 and March 31, 2026	480,000	0.25

As at March 31, 2026, the following stock options were outstanding:

<b>Number of Options - Issued</b>	<b>Number of Options - Exercisable</b>	<b>Weighted Average Life</b>	<b>Expiry Date</b>	<b>Exercise Price \$</b>
80,000	80,000	0.385	July 21, 2028	0.25
300,000	300,000	1.894	April 10, 2029	0.25
100,000	100,000	0.711	August 28, 2029	0.25
480,000	480,000	2.99		

**KORE MINING LTD.**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2026 AND 2025**

(Expressed in Canadian Dollars unless otherwise stated)

**8. SHARE CAPITAL (Continued)**

**Warrants**

A summary of warrants activity was as follows:

	Number of Warrants	Weighted Average Exercise Price \$
Balance, December 31, 2024	2,231,587	0.53
Additions	25,000,000	0.16
Balance, December 31, 2025	27,231,587	31.66
Additions	16,666,666	0.16
Balance, March 31, 2026	43,898,253	0.18

As at March 31, 2026, the following warrants were outstanding:

Number of Warrants	Number of Warrants Exercisable	Weighted Average Life	Expiry Date	Exercise Price \$
2,231,587	2,231,587	0.08	November 16, 2027	0.53
25,000,000	25,000,000	1.53	December 4, 2028	0.16
43,898,253	43,898,253	2.72		

**Restricted Share Units (“RSUs”) and Deferred Share Units (“DSUs”)**

During the period ended March 31, 2026, the Company approved the adoption of a new 20% fixed omnibus long-term incentive plan to replace the existing stock option and long-term incentive plans.

A summary of restricted share unit activity was as follows:

	Number of RSUs
Balance, December 31, 2024	47,027
Expired	(47,027)
Balance, March 31, 2026 and December 31, 2025	-

A summary of deferred share unit activity was as follows:

	Number of DSUs	Weighted Average Exercise Price \$
Balance, March 31, 2026 and December 31, 2025 and 2024	800,000	0.25

As at March 31, 2026, the following DSUs were outstanding:

Number of DSUs Outstanding	Number of DSUs Exercisable	Weighted Average Life	Expiry Date	Exercise Price \$
800,000	800,000	2.30	July 19, 2028	0.25
800,000	800,000	2.30		

**KORE MINING LTD.**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2026 AND 2025**

(Expressed in Canadian Dollars unless otherwise stated)

**9. RELATED PARTY TRANSACTIONS AND BALANCES**

**Related Party Transactions**

Karus Mining Inc. (“Karus”) was incorporated under the Business Corporations Act (British Columbia) on November 20, 2020, under the name 1275702 B.C. Ltd and subsequently changed its name to Karus Gold Corp. on December 11, 2020, and to Karus Mining Inc. on February 14, 2024. Karus was incorporated as the target company for certain assets and liabilities spun out from the Company.

On January 25, 2021, the Company completed a Plan of Arrangement pursuant to which the Company transferred to Karus all of the Company’s Canadian exploration properties, which included the FG Gold and Gold Creek projects in the South Cariboo property and related equipment and exploration deposits, in exchange for 53,112,455 shares of Karus, which were distributed to the Company’s shareholders on the basis of one common share of Karus for every two of the Company’s shares held.

In August, 2023, Karus provided a USD\$225,000 (\$306,450) loan to the Company, which is recorded as Promissory Note. In the event that the loan is not repaid in full by October 12, 2023, the outstanding balance will bear interest at a rate of 10% per annum until repaid in full. The loan remains outstanding as of the date of approval of these consolidated financial statements. During the year ended December 31, 2024, Karus demanded repayment. The Company is in the process of negotiating a settlement with Karus. As at March 31, 2026, the outstanding loan balance was \$391,046 (Note 7).

**Key Management Compensation**

Key management are those personnel having the authority and responsibility for planning, directing and controlling the Company and include the Executive Chairman & Chief Executive Officer, Chief Financial Officer and Directors.

The key management compensation was as follows:

	<b>March 31, 2026</b>	<b>March 31, 2025</b>
	<b>\$</b>	<b>\$</b>
Management fees, consulting fees and wages	93,000	53,000
Share-based compensation	-	8,219
	<b>93,000</b>	<b>61,219</b>

As at March 31, 2026, a total of \$93,150 (December 31, 2025 – \$94,066) was payable to key management personnel.

On February 27, 2026, the Company closed a non-brokered private placement with the CEO of the Company and issued 16,666,666 units at a price of \$0.12 per unit for aggregate gross proceeds of \$2,000,000. Each unit consisted of one common share and one common share purchase warrant. Of the total proceeds of \$2,000,000, \$Nil was allocated to the warrants using the residual method.

**10. MANAGEMENT OF CAPITAL**

The Company considers items within shareholders’ equity as capital.

The Company’s objective when managing capital is to maintain corporate and administrative functions necessary to support the Company’s operations; to perform mineral exploration activities on the Company’s exploration projects; and to seek out and acquire new projects of merit.

The Company manages its capital structure in a manner that is intended to provide sufficient funding for operational and capital expenditure activities. When necessary, the Company may seek to secure funds, through debt funding or equity capital raised. There can be no assurances that the Company will be able to obtain debt or equity capital in the future (Note 2).

The Company does not pay dividends and has no long-term debt or bank credit facility. The Company is not subject to any externally imposed capital requirements. There were no changes to the Company’s capital management policy during the period ended March 31, 2026.

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**11. RISK MANAGEMENT**

**Financial Risk Management**

The Company may be exposed to risks of varying degrees of significance which could affect its ability to achieve its strategic objectives. The main objectives of the Company's risk management processes are to ensure that risks are properly identified and that the capital base is adequate in relation to those risks. The principal risks to which the Company is exposed are described below.

***Credit Risk***

Credit risk is the risk of potential loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its cash. The Company has assessed its exposure to credit risk on its cash and has determined that such risk is minimal. The majority of the Company's cash is held with reputable financial institutions in Canada.

***Liquidity Risk***

Liquidity risk is the risk that the Company is not able to meet its financial obligations as they fall due. As at March 31, 2026, the Company had a working capital of \$508,351 but does not have any long-term monetary liabilities. The Company will seek additional financing through debt or equity offerings, but there can be no assurance that such financing will be available on terms acceptable to the Company or at all. The Company's approach to managing liquidity risk is to endeavor to ensure that it will have sufficient liquidity to meet liabilities when they fall due. As at March 31, 2026, the Company had cash of \$1,366,398 to settle current liabilities of \$1,201,206. The Company's financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms.

During the period ended March 31, 2026, the Company determined historical payable balances were statute-barred and recorded a gain on write-off of accounts payable in the amount of \$75,220.

During the period ended March 31, 2026, the Company negotiated with certain vendors and settled certain accounts payables. The Company recorded a gain on settlement of accounts payables of \$194,873.

***Interest Rate Risk***

Interest rate risk is the risk arising from the effect of changes in prevailing interest rates on the Company's financial instruments. The Company holds its cash on which it earns variable rates of interest and may therefore be subject to a certain amount of risk, though this risk is immaterial.

***Foreign Currency Risk***

Foreign currency risk is the risk that the fair value of, or future cash flows from, the Company's financial instruments will fluctuate because of changes in foreign exchange rates. The Company maintains its cash reserves in Canadian and United States dollars. The portion of the Company's funds held in US dollars are subject to fluctuations in foreign exchange rates.

As at March 31, 2026, the Company has certain monetary items denominated in United States dollars. Based on these net exposures, a 10% appreciation or depreciation of the Canadian dollar against the United States dollar would result in a decrease or increase of \$38,625 (December 31, 2025 - \$37,696) in the Company's net loss.

**Fair Values**

As at March 31, 2026, the Company's financial instruments consist of cash, accounts receivables, accounts payable and accrued liabilities and promissory note.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

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**11. RISK MANAGEMENT (Continued)**

Level 1 – inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.  
 Level 2 – inputs to valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.

Level 3 – inputs to the valuation methodology are unobservable and significant to the fair value measurement.

As at March 31, 2026, cash, accounts receivables, accounts payable and accrued liabilities and promissory note are assessed to be Level 1 instruments.

The carrying values of cash, deposits, accounts receivables, accounts payable and accrued liabilities and promissory note approximate fair values due to their short-term to maturity nature.

**11. SEGMENTED INFORMATION**

The Company operates in one reportable operating segment, being the acquisition and exploration of mineral properties in the United States. The following table shows the geographic breakdown of the Company’s non-current assets:

	<b>March 31, 2026</b>		
	Canada	USA	Total
Mineral properties	\$ -	\$ 1,932,144	\$ 1,932,144
Equipment	-	4,830	4,830
<b>Total</b>	<b>-</b>	<b>1,936,974</b>	<b>1,936,974</b>

  

	<b>December 31, 2025</b>		
	Canada	USA	Total
Mineral properties	\$ -	\$ 1,900,373	\$ 1,900,373
Equipment	-	7,123	7,123
<b>Total</b>	<b>-</b>	<b>1,907,496</b>	<b>1,907,496</b>

**12. LEGAL CLAIM**

During the year ended December 31, 2025, a claim was commenced against the Company by Hawthorn Avenue Ventures II, LLC (“Hawthorn”) (the “Plaintiff”). The claim was brought against the Company’s subsidiary, Imperial USA Corporation (“IUC”) for damages and injunctive and declaratory relief in California Superior Court for the County of Imperial. Hawthorn is the royalty holder under that certain Net Smelter Returns Royalty Agreement, dated as of May 6, 2019, that provides for a royalty equal to 1.0% of the Net Smelter Returns from certain unpatented mining claims associated with KORE’s Imperial Project. Hawthorn’s complaint sought, among other things, a court order compelling IUC to pay its annual mining claim maintenance fees prior to the September 1, 2025, deadline. IUC timely paid its annual mining claim maintenance fees on or about August 20, 2025. IUC transferred the litigation to the United States District Court for the Southern District of California on August 1, 2025, and filed a motion to dismiss Hawthorn’s complaint on August 8, 2025.

On August 29, 2025, after receiving evidence that the fees had been timely paid, Hawthorn filed an amended complaint asserting claims for implied breach of the covenant of good faith and fair dealing, claims for breach of contract, and claims for declaratory relief. On September 12, 2025, the Company filed a motion to dismiss Hawthorn’s amended complaint.

On March 19, 2026, the United States District Court for the Southern District of California granted the Company's and IUC's motions to dismiss with prejudice, dismissing all of Hawthorn's claims in their entirety. The Court ordered the case closed, and as the dismissal was granted with prejudice, Hawthorn is precluded from refileing the same claims.

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**13. SUBSEQUENT EVENTS (Continued)**

**RSU and Option Grants**

On April 29, 2026, the Company granted 50,000 stock options to a consultant of the Company at an exercise price of \$0.27 and expire on April 29, 2036. The options vest 50% on April 29, 2026 and 50% on October 29, 2026.

On April 29, 2026, the Company granted 4,307,596 RSUs to officers and directors of the Company. The RSUs vest 50% on April 29, 2026 and 50% on October 26, 2026.