LUX METALS CORP.

(FORMERLY HUNTSMAN EXPLORATION INC.)

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

THREE AND NINE MONTHS ENDED MAY 31, 2026 AND 2025

(UNAUDITED – EXPRESSED IN CANADIAN DOLLARS)

NOTICE OF NO AUDITOR REVIEW OF CONDENSED CONSOLIDATED INTERIM 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 consolidated interim financial statements, they must be accompanied by a notice indicating that the condensed consolidated interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed consolidated interim 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 condensed consolidated interim financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of condensed consolidated interim financial statements by an entity's auditor.

July 17, 2026

LUX METALS CORP.

(FORMERLY HUNTSMAN EXPLORATION INC.)

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION

(EXPRESSED IN CANADIAN DOLLARS)

	MAY 31, 2026	AUGUST 31, 2025
	(Unaudited)	(Audited)
ASSETS	$	$
CURRENT ASSETS		
Cash	3,516,227	207,927
Marketable securities (Note 5)	-	17,600
GST receivable	18,498	6,317
Prepaid expenses	15,344	20,357
	3,550,069	252,201
Exploration and evaluation assets (Note 6)	4,007,846	155,609
TOTAL ASSETS	**7,557,915**	**407,810**
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	27,198	184,932
	27,198	184,932
EQUITY		
Share capital (Note 8)	38,283,812	30,305,967
Reserves (Note 8)	3,345,070	3,129,713
Deficit	(34,085,676)	(33,200,313)
Accumulated other comprehensive loss	(12,489)	(12,489)
TOTAL EQUITY	7,530,717	222,878
TOTAL LIABILITIES AND EQUITY	**7,557,915**	**407,810**

Authorized for issuance on behalf of the Board on July 17, 2026:

"Jean-Félix Lepage" Director

"Carl Ginn" Director

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

LUX METALS CORP.

(FORMERLY HUNTSMAN EXPLORATION INC.)

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF LOSS AND COMPRENSIVE LOSS

FOR THE THREE AND NINE MONTHS ENDED MAY 31, 2026 AND 2025

(EXPRESSED IN CANADIAN DOLLARS)

	THREE MONTHS ENDED MAY 31, 2026	THREE MONTHS ENDED MAY 31, 2025	NINE MONTHS ENDED MAY 31, 2026	NINE MONTHS ENDED MAY 31, 2025
	$	$	$	$
EXPENSES				
Consulting fees	19,000	69,936	155,700	107,287
Foreign exchange	-	5	326	5
General exploration	-	22,596	-	24,147
Management fees (Note 7)	26,250	15,000	71,250	45,000
Office and general	13,570	6,016	39,274	15,844
Professional fees	(334)	13,697	75,125	38,272
Rent (Note 7)	1,500	6,000	16,500	18,000
Shareholders communications and investor relations	68,295	645	133,182	2,635
Share-based payments	174,016	-	174,016	-
Transfer agent and filing fees	17,456	6,340	40,931	17,204
LOSS BEFORE OTHER ITEMS	319,753	140,235	706,304	268,394
OTHER ITEMS				
Interest income	-	389	-	389
Impairment of exploration and evaluation assets (Note 6)	164,769	-	164,769	
Loss (gain) on settlement of account payable	(7,910)	-	6,690	-
Change in fair value of marketable securities	-	8,000	7,600	11,200
NET LOSS FOR THE PERIOD	**476,612**	**131,845**	**885,363**	**256,339**
OTHER COMPREHENSIVE INCOME (LOSS)				
Item that may be reclassified subsequently to income or loss:				
Exchange differences on translating foreign operations	-	2,246	-	1,018
COMPREHENSIVE LOSS FOR THE PERIOD	**476,612**	**134,092**	**885,363**	**257,823**
LOSS PER SHARE – BASIC AND DILUTED	0.01	0.00	0.02	0.01
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING	76,748,694	32,359,667	55,728,286	22,197,255

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

LUX METALS CORP.
(FORMERLY HUNTSMAN EXPLORATION INC.)
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIT)
FOR THE NINE MONTHS ENDED MAY 31, 2026 AND 2025
(UNAUDITED – EXPRESSED IN CANADIAN DOLLARS, EXCEPT NUMBER OF SHARES)

	Share Capital					
	Number of Shares	Share Capital	Reserves	Deficit	Accumulated Other Comprehensive Loss	Total
		$	$	$	$	$
Balance, August 31, 2024	15,974,740	29,358,478	2,909,991	(32,345,267)	(227,840)	(304,638)
Net loss for the period	-	-	-	(256,805)	-	(256,805)
Private placements	21,586,666	885,200	-	-	-	885,200
Share issuance costs	-	(7,711)	-	-	-	(7,711)
Shares issued for exploration and evaluation assets	1,000,000	70,000	-	-	-	70,000
Warrants issued for exploration and evaluation assets	-	-	113,546	-	-	113,546
Exchange differences on translating foreign operations	-	-	-	-	(1,018)	(1,018)
Balance, May 31, 2025	**38,561,406**	**30,305,967**	**3,023,537**	**(32,602,072)**	**(228,858)**	**498,574**
Balance, August 31, 2025	38,561,406	30,305,967	3,129,713	(33,200,313)	(12,489)	222,878
Net loss for the period	-	-	-	(885,363)	-	(885,363)
Private placement (Note 8)	20,000,000	4,000,000	-	-	-	4,000,000
Share issuance costs	-	(331,160)	116,289	-	-	(214,871)
Shares issued for exploration and evaluation assets (Notes 6, 8)	15,125,477	3,932,624	-	-	-	3,932,624
Debt settlement	535,000	139,100	-	-	-	139,100
Warrants exercised	1,483,333	78,333	-	-	-	78,333
Stock options granted	-	-	174,016	-	-	174,016
Stock options exercised	1,200,000	158,948	(74,948)	-	-	84,000
Balance, May 31, 2026	**76,905,216**	**38,283,812**	**3,345,070**	**(34,085,676)**	**(12,489)**	**7,530,717**

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

LUX METALS CORP.

(FORMERLY HUNTSMAN EXPLORATION INC.)

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS

FOR THE NINE MONTHS ENDED MAY 31, 2026 AND 2025

(UNAUDITED – EXPRESSED IN CANADIAN DOLLARS)

	2026	2025
	$	$
OPERATING ACTIVITIES		
Net loss for the period	(885,363)	(256 805)
Items not involving cash		
Stock-based compensation	174,016	-
Impairment of exploration and evaluation assets	164,769	-
Foreign exchange	-	(745)
Change in fair value of marketable securities	7,600	(11,200)
Gain (loss) on settlement of accounts payable	6,690	-
Changes in non-cash working capital balances		
GST receivable	(12,181)	(3,090)
Prepaid expenses	5,013	(28,296)
Accounts payable and accrued liabilities	(24,987)	(199,338)
CASH USED IN OPERATING ACTIVITIES	(564,443)	(499,474)
INVESTING ACTIVITY		
Proceeds from sale of investments	10,000	18,272
Exploration and evaluation asset expenditures	(84,719)	(67,300)
CASH USED IN INVESTING ACTIVITY	(74,719)	(49,028)
FINANCING ACTIVITY		
Private placement	4,000,000	885,200
Warrants exercised	78,333	-
Stock options exercised	84,000	-
Share issuance costs	(214,871)	(7,711)
CASH PROVIDED BY FINANCING ACTIVITY	3,947,462	877,489
CHANGE IN CASH	3,308,300	328,987
EFFECT OF EXCHANGE RATES ON CASH	-	(273)
CASH, BEGINNING OF PERIOD	207,927	3,439
CASH, END OF PERIOD	3,516,227	332,153

SUPPLEMENTARY CASH FLOW INFORMATION

Shares issued to acquire exploration and evaluation assets	3,932,624	-
Acquisition of property and equipment not yet paid	907	-

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

1. NATURE OF OPERATIONS AND LIQUIDITY RISK

Lux Metals Corp. (the "Company") is an exploration stage company incorporated pursuant to the British Columbia *Business Corporations Act* on March 31, 2011. The principal business of the Company is the acquisition, exploration, and evaluation of mineral properties. The Company changed its name from Huntsman Exploration Inc. to Lux Metals Corp. on September 25, 2025. The Company's shares are listed for trading on the TSX Venture Exchange ("TSX-V") under the symbol "LXM" and quoted on the US OTC Markets under the symbol "BBBMF". The address of the Company's corporate office and its principal place of business is 1615 – 200 Burrard Street, Vancouver, British Columbia, Canada, V6C 3L6.

As at May 31, 2026, the working capital was $3,522,871, including cash of $3,516,227. The Company incurred a net loss of $885,363 for the nine months ended May 31, 2026, and had an accumulated deficit of $34,085,676. Management of the Company believes that it has sufficient funds to meet its obligations and planned expenditures for the ensuing twelve months as they fall due. In assessing whether the going concern assumption is appropriate, management considers all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. The Company's ability to continue its operations and to realize assets at their carrying values is dependent upon its ability to fund its existing acquisition and exploration commitments on its exploration and evaluation assets when they come due, which would cease to exist if the Company decides to terminate its commitments, and to cover its operating costs. The Company may be able to generate working capital to fund its operations by the sale of its exploration and evaluation assets or raising additional capital through equity markets. However, there is no assurance that it will be able to raise funds in the future.

2. BASIS OF PRESENTATION

STATEMENT OF COMPLIANCE

The condensed consolidated interim financial statements of the Company have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting.

The condensed consolidated interim financial statements of the Company should be read in conjunction with the Company's 2025 annual consolidated financial statements that have been prepared in accordance with IFRS Accounting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB").

These condensed consolidated interim financial statements were reviewed by the Audit Committee and approved and authorized for issue by the Board of Directors on July 17, 2026.

MEASUREMENT BASIS

These condensed consolidated interim financial statements have been prepared under the historical cost basis, except for certain financial instruments that have been measured at fair value. These condensed consolidated interim financial statements have been prepared under the accrual basis of accounting, except for cash flow information.

(UNAUDITED – EXPRESSED IN CANADIAN DOLLARS)

CONSOLIDATION

These condensed consolidated interim financial statements include all subsidiaries for the periods presented. Intercompany balances and transactions are eliminated. These subsidiaries are listed as follows:

SUBSIDIARY	**OWNERSHIP MAY 31, 2026**	**INCORPORATED**	**NATURE**
Huntsman Exploration USA Inc.	100%	USA	Mineral exploration
BlueBird Battery Metals Australia Pty. Ltd.	0%*	Australia	Mineral exploration
PieCo Metals Pty. Ltd.	0%*	Australia	Mineral exploration

*Dissolved on August 27, 2025

Control exists over an entity when the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the condensed consolidated interim financial statements from the date that control commences until the date that control ceases.

3. MATERIAL ACCOUNTING POLICIES

The condensed consolidated interim financial statements have been prepared, for all periods presented, following the same accounting policies and methods of computation as described in Note 4 to the audited consolidated financial statements for the year ended August 31, 2025, except for the following:

ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

AMENDMENTS TO IFRS 9 *FINANCIAL INSTRUMENTS* AND IFRS 7 *FINANCIAL INSTRUMENTS: DISCLOSURES*

In May 2024, the IASB issued Amendments to the Classification and Measurement of Financial Instruments. The amendments clarify that a financial liability is derecognized on the settlement date and introduce an accounting policy choice to derecognize a financial liability settled using an electronic payment system before the settlement date. Other clarifications include guidance on the classification of financial assets with ESG-linked features, non-recourse loans, and contractually linked instruments.

The amendments are effective for annual periods beginning on or after January 1, 2026. Early adoption is permitted, with an option to early adopt only the amendments to the classification of financial assets (for contingent features). The Company is currently in the process of assessing the impact of the amendments on the consolidated financial statements and notes to the consolidated financial statements

IFRS 18 *PRESENTATION AND DISCLOSURE IN FINANCIAL STATEMENTS*

In April 2024, the IASB issued IFRS 18. This standard aims to improve the consistency and clarity of financial statement presentation and disclosures by providing updated guidance on the structure and content of financial statements. Key changes include enhanced requirements for the presentation of financial performance, financial position, and cash flows, as well as additional disclosures to improve transparency and comparability.

(UNAUDITED – EXPRESSED IN CANADIAN DOLLARS)

IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027. The Company is currently assessing the impact that the adoption of IFRS 18 will have on its consolidated financial statements.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The Company makes estimates, judgments, and assumptions that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and judgments.

The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income (loss) in the year of the change if the change affects that year only, or in the year of the change and future years if the change affects both.

JUDGMENTS IN APPLYING ACCOUNTING POLICIES

Information about critical judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the condensed consolidated interim financial statements within the next financial year are discussed below.

IMPAIRMENT OF EXPLORATION AND EVALUATION ASSETS

The carrying values of capitalized exploration and evaluation assets are reviewed annually, or when indicators of impairment are present. In the case of undeveloped properties, there may be only inferred resources to allow management to form a basis for the impairment review. The review is based on the Company's intentions for the development of such a property. If a mineral property does not prove viable, all unrecoverable costs associated with the property are charged to profit or loss at the time the impairment determination is made.

5. MARKETABLE SECURITIES

	NINE MONTHS ENDED MAY 31, 2026	YEAR ENDED AUGUST 31, 2025
	$	$
Opening	17,600	11,200
Change in fair value of marketable securities	(7,600)	6,400
Disposal	(10,000)	-
Closing	-	17,600

(UNAUDITED – EXPRESSED IN CANADIAN DOLLARS)

6. EXPLORATION AND EVALUATION ASSETS

Total costs incurred on exploration and evaluation assets are summarized as follows:

	LA GRANDE PROJECT	LEGEAR PROPERTY	LUX LAKE PROPERTY	TOTAL
	$	$	$	$
ACQUISITION COSTS				
BALANCE, AUGUST 31, 2024	-	7,500	-	7,500
Acquisition and option payments	-	90,000	153,546	243,546
Staking	-	7,300	-	7,300
Impairment	-	(104,800)	-	(104,800)
BALANCE, AUGUST 31, 2025	-	-	153,546	153,546
Claim costs	13,937	-	-	13,937
Project acquisition	3,932,624	-	-	3,932,624
Impairment	-	-	(153,546)	(153,546)
BALANCE, MAY 31, 2026	**3,946,561**	**-**	**-**	**3,946,561**
EXPLORATION EXPENDITURES				
BALANCE, AUGUST 31, 2024	-	-	-	-
Additions	-	-	2,063	2,063
BALANCE, AUGUST 31, 2025	-	-	2,063	2,063
Additions	61,285	-	9,160	70,445
Impairment	-	-	(11,223)	(11,223)
BALANCE, MAY 31, 2026	**61,285**	**-**	**-**	**61,285**
TOTAL EXPLORATION AND EVALUATION ASSETS				
BALANCE, AUGUST 31, 2025	-	-	155,609	155,609
BALANCE, MAY 31, 2026	**4,007,846**	**-**	**-**	**4,007,846**

LUX LAKE PROPERTY

On February 25, 2025, and as amended on March 3, 2025, the Company entered into an asset purchase agreement to acquire the Lux Lake property, located in Saskatchewan. Under the terms of the agreement, the Company is required to make payments as follows:

- Cash payment of $40,000 (paid) and issuance of 1,750,000 warrants, exercisable at a price of $0.07 per share for a period of five years, upon approval by the TSX-V (issued on April 9, 2025, and fair valued at $113,546); and

- Cash payment of an additional $40,000 and issuance of an additional 1,750,000 warrants, exercisable at a price of $0.07 per share for a period of five years, on or before February 25, 2026.

During the quarter ended May 31, 2026, the Company decided to abandon the project, therefore it was fully impaired.

LA GRANDE PROJECT

On November 10, 2025, the Company entered into an option agreement to acquire the La Grande Project, located in Quebec. Under the terms of the agreement, the Company can acquire a 100% interest in the La Grande Project by first completing a private placement of at least $2,000,000 and then issuing the number of common shares of the Company equal to 19.9% of the then outstanding common shares to the vendor following such issuance.

The option agreement contains additional share issuances if the Company issues a technical report with certain ounces of gold equivalent mineralization. The property is subject to underlying NSR royalties of 4%. A director of the Company is an officer and director of the vendor.

In December 2025 and February 2026, the Company completed the requested private placement, therefore the Company issued 15,125,477 common shares, valued at $3,932,624 to the vendor and has now 100% of the La Grande Project.

All active exploration projects are located in Canada.

7. RELATED PARTY BALANCES AND TRANSACTIONS

A party is related to the Company if they have control or joint control over the Company, have significant influence over the Company or are a member of the Company's key management personnel. The Company has determined that the key management personnel include directors and officers of the Company, including the chief executive officer, president and chief financial officer. These amounts of key management compensation are included in the amounts shown in profit or loss for the nine months ended May 31, 2026, and 2025:

(UNAUDITED – EXPRESSED IN CANADIAN DOLLARS)

	NINE MONTHS ENDED MAY 31, 2026	NINE MONTHS ENDED MAY 31, 2025
	$	$
Consulting fees	29,500	9,000
Management fees	71,250	45,000
TOTAL	**100,750**	**54,000**

During the nine months ended May 31, 2026, the Company also paid or accrued $15,000 (2025 - $18,000) in rent to a company with a common officer.

As at May 31, 2026, included in accounts payable and accrued liabilities is $11,000 (August 31, 2025 - $76,560) due to companies controlled by officers and directors for outstanding fees. The amounts are unsecured, non-interest-bearing, and due on demand.

8. SHARE CAPITAL

AUTHORIZED

The Company is authorized to issue an unlimited number of common shares without par value.

ISSUED AND OUTSTANDING

PERIOD ENDED MAY 31, 2026

During the nine months ended May 31, 2026, the Company received $78,333 pursuant to the exercise of 1,483,333 warrants and $84,000 pursuant to the exercise of 1,200,000 stock options.

On December 10, 2025, the Company entered into debt settlement agreements with certain officers, directors and a consultant. The Company issued 535,000 common shares to settle accounts payable in the amount of $107,000.

In January and February 2026, the Company closed a two tranches non-brokered private placement of units, through the issuance of a total of 20,000,000 units at a price of $0.20 per unit, for total gross proceeds of $4,000,000. Each unit consists of one common share and one transferrable share purchase warrants; each warrant exercisable into one additional common share at a price of $0.40 per share. 18,750,000 warrants expire on January 28, 2028, and 1,250,000 expire on February 5, 2028. The Company also granted 599,200 finders warrants, each warrant exercisable into one additional common share at a price of $0.40 per share until January 28, 2026.

Also in February, the Company issued 15,125,477 common shares, valued at $3,932,624, for the acquisition of the La Grande property (Note 6).

YEAR ENDED AUGUST 31, 2025

On February 14, 2025, the Company completed a private placement for gross proceeds of $410,000. The Company issued 13,666,666 units at a price of $0.03 per unit. Each unit consisted of one common share of the Company and one share purchase warrant. Each warrant entitles the holder to acquire one common share of the Company at an exercise price of $0.05 for a period of two years; $nil value was assigned to warrants. The Company paid share issuance costs of $3,741.

(UNAUDITED – EXPRESSED IN CANADIAN DOLLARS)

On April 1, 2025, the Company issued 1,000,000 common shares (fair valued at $70,000) as payment on the Legear Property (Note 6(a)).

On May 7, 2025, the Company completed a private placement for gross proceeds of $475,200. The Company issued 7,920,000 units at a price of $0.06 per unit. Each unit consisted of one common share of the Company and one share purchase warrant. Each warrant entitles the holder to acquire one common share of the Company at an exercise price of $0.10 for a period of two years; $nil value was assigned to warrants. The Company paid share issuance costs of $3,970.

WARRANTS

Warrant transactions and the number of warrants outstanding for the nine months ended May 31, 2026, and year ended August 31, 2025, are summarized as follows:

	May 31, 2026		August 31, 2025	
	NUMBER OF WARRANTS	**WEIGHTED AVERAGE EXERCISE PRICE**	**NUMBER OF WARRANTS**	**WEIGHTED AVERAGE EXERCISE PRICE**
		$		$
Outstanding, beginning of period	23,336,666	0.07	-	-
Issued	20,000,000	0.40	23,336,666	0.07
Exercised	(1,483,333)	0.05	-	-
OUTSTANDING, END OF PERIOD	41,853,333	0.23	23,336,666	0.07

The following warrants were outstanding and exercisable at May 31, 2026:

EXPIRY DATE	**WEIGHTED AVERAGE REMAINING CONTRACTUAL LIFE IN YEARS**	**EXERCISE PRICE**	**WARRANTS**
		$	
February 14, 2027	0.74	0.05	12,266,666
May 7, 2027	0.93	0.10	7,836,667
January 26, 2028	1.66	0.40	18,750,000
February 5, 2028	1.68	0.40	1,250,000
April 9, 2030	3.86	0.07	1,750,000
	1.34		41,853,333

(UNAUDITED – EXPRESSED IN CANADIAN DOLLARS)

FINDERS WARRANTS

The following finders' warrants were outstanding and exercisable at May 31, 2026:

EXPIRY DATE	WEIGHTED AVERAGE REMAINING CONTRACTUAL LIFE IN YEARS	EXERCISE PRICE	WARRANTS
		$	
January 26, 2028	1.91	0.40	599,200

The Company applies the fair value method using the Black-Scholes option pricing model in accounting for the finders' warrants. During the nine months ended May 31, 2026, the Company granted 599,200 finders warrants. The fair value of each warrant issued for the nine months ended May 31, 2026 was calculated using the following weighted average assumptions:

	May 31, 2026
Expected life	2 years
Risk-free interest rate	2.57%
Expected annualized volatility	176.83%
Dividend yield	-
Stock price at grant date	$0.26
Exercise price	$0.40
Weighted average grant date fair value	$0.19

STOCK OPTIONS

The Company adopted in September 2025 a long-term incentive plan (the "Plan") to grant incentive stock options to directors, officers, employees and consultants. It also provides the Company to grant Deferred Share Units ("DSU"), Performance Share Units ("PSU") and Restricted Share Units ("RSU"). Under the Plan, the aggregate number of common shares that may be subject to options at any one time may not exceed 10% of the issued common shares of the Company as of that date, including options granted prior to the adoption of the Plan. Options granted may not exceed a term of 5 years, and the term will be reduced to one year following the date of death of the optionee. All options vest when granted unless they are otherwise specified by the Board of Directors or if they are granted for investor relations activities. Options granted for investor relations activities vest over a twelve-month period with no more than 25% of the options vesting in any three-month period.

(UNAUDITED – EXPRESSED IN CANADIAN DOLLARS)

Stock options transactions and the number of stock options outstanding for the nine months ended May 31, 2026, and year ended August 31, 2025, are summarized as follows:

	May 31, 2026		August 31, 2025	
	Number of stock options	Weighted Average Exercise Price	Number of stock options	Weighted Average Exercise Price
		$		$
Outstanding, beginning of period	1,700,000	0.07	150,000	0.70
Granted	900,000	0.24	1,700,000	0.07
Expired	-	-	(150,000)	0.70
Exercised	(1,200,000)	0.07	-	-
Outstanding, end of period	1,400,000	0.18	1,700,000	0.07

The following stock options were outstanding and exercisable at May 31, 2026:

Expiry Date	Weighted Average Remaining Contractual Life in Years	Exercise Price	Outstanding	Exercisable
		$		
July 25, 2028	2.15	0.07	500,000	500,000
May 26, 2031	4.99	0.24	900,000	900,000

The Company applies the fair value method using the Black-Scholes option pricing model in accounting for the stock option. During the nine months ended May 31, 2026, the Company granted 900,000 stock options. The fair value of each stock option issued for the nine months ended May 31, 2026 was calculated using the following weighted average assumptions:

	May 31, 2026
Expected life	5 years
Risk-free interest rate	3.12 %
Expected annualized volatility	112.03 %
Dividend yield	-
Stock price at grant date	$0.24
Exercise price	$0.24
Weighted average grant date fair value	$0.19

9. FINANCIAL INSTRUMENTS

The Company defines the fair value hierarchy under which its financial instruments are valued as follows: level 1 includes unadjusted quoted prices in active markets for identical assets or liabilities; level 2 includes inputs other than quoted prices in level 1 that are observable for assets or liabilities, either directly or indirectly; and level 3 includes inputs for the asset or liability that are not based on observable market data. There was no transfer of hierarchy level during the nine-month periods ended May 31, 2026, and 2025.

The carrying value of cash, receivables, prepaids, and accounts payable and accrued liabilities are considered to be a reasonable approximation of their fair value because of the short-term maturity and contractual terms of these instruments.