

# **Seasif**

# **Exploration Inc.**

Consolidated Financial Statements  
For the years ended December 31, 2025 and 2024  
*(Expressed in Canadian dollars)*

## Independent Auditor's Report

To the Shareholders of Seasif Exploration Inc.

### Opinion

We have audited the consolidated financial statements of Seasif Exploration Inc. (the "Group"), which comprise the consolidated statements of financial position as at December 31, 2025 and December 31, 2024 and the consolidated statements of loss and comprehensive loss, changes in shareholders' deficiency and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2025 and December 31, 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Material Uncertainty Related to Going Concern

We draw attention to Note 1 to the consolidated financial statements which describes the material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Other than the matter described in the Material Uncertainty Related to Going Concern section, we have determined there are no key audit matters to be communicated in our report.

### Other Information

Management is responsible for the other information. The other information comprises:

- Management's Discussion and Analysis

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

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

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

### **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

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

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

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

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related

disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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

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

*Crowe Mackay LLP*

**Chartered Professional Accountants  
Vancouver, Canada  
April 30, 2026**

# SEASIF EXPLORATION INC.

## Consolidated Statements of Financial Position

(expressed in Canadian dollars)

|   | December 31, 2025 | December 31, 2024 |
|---|-------------------|-------------------|
| <b>ASSETS</b>   |                   |                   |
| <b>Current assets</b>                                 |                   |                   |
| Cash  | \$ 52,444         | \$ 67,375         |
| Prepaid expenses                                      | -                 | 11,986            |
| <b>Total assets</b>                                   | <b>\$ 52,444</b>  | <b>\$ 79,361</b>  |
| <b>LIABILITIES and SHAREHOLDERS' DEFICIENCY</b>       |                   |                   |
| <b>Current liabilities</b>                            |                   |                   |
| Accounts payable and accrued liabilities              | \$ 148,538        | \$ 147,014        |
| Accrued compensation (Note 7)                         | 614,344           | 541,563           |
| Loan Payable (Note 8)                                 | 128,574           | 125,193           |
|   | <b>891,456</b>    | <b>813,770</b>    |
| <b>Shareholders' deficiency</b>                       |                   |                   |
| Share capital (Note 6)                                | 9,980,716         | 9,860,716         |
| Equity reserves                                       | 806,041           | 806,041           |
| Deficit   | (11,625,769)      | (11,401,166)      |
|   | <b>(839,012)</b>  | <b>(734,409)</b>  |
| <b>Total liabilities and shareholders' deficiency</b> | <b>\$ 52,444</b>  | <b>\$ 79,361</b>  |

Nature of operations and going concern (Note 1)

These consolidated financial statements were approved for issue by the Board of Directors on April 30, 2026.

They are signed on the Company's behalf by:

*"Fabio Capponi"*

Director

*"Susan Rubin"*

Chief Financial Officer

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

# SEASIF EXPLORATION INC.

## Consolidated Statements of Loss and Comprehensive Loss

(expressed in Canadian dollars)

|   | Year ended<br>December 31, 2025 | Year ended<br>December 31, 2024 |
|---|---------------------------------|---------------------------------|
| <b>Operating expenses</b>                         |                                 |                                 |
| General and administrative expenses               | \$ 51,758                       | \$ 58,810                       |
| Accrued salaries and advisory services (Note 7)   | 84,200                          | 280,800                         |
| Employment benefits (Note 7)                      | 18,976                          | 21,183                          |
| Professional fees                                 | 29,440                          | 40,660                          |
| Impairment of exploration and evaluation (Note 4) | -                               | 4,951,179                       |
| Property investigation costs                      | 28,800                          | 1,611                           |
| Investor relations                                | 11,426                          | 1,860                           |
| Foreign exchange (gain) loss                      | 3                               | 31                              |
| <b>Loss and comprehensive loss for the year</b>   | <b>\$ 224,603</b>               | <b>\$ 5,356,134</b>             |
| <br>  |                                 |                                 |
| <b>Weighted Average Common Shares Outstanding</b> | 123,169,836                     | 121,407,919                     |
| <b>Loss per Common share - basic and diluted</b>  | <b>\$0.00</b>                   | <b>\$0.04</b>                   |

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

# SEASIF EXPLORATION INC.

## Consolidated Statements of Changes in Shareholders' Deficiency

(expressed in Canadian dollars)

|                                  | Total number<br>of shares issued | Total share<br>capital | Reserves   | Deficit         | Total<br>Shareholders'<br>Deficiency |
|----------------------------------|----------------------------------|------------------------|------------|-----------------|--------------------------------------|
| <b>Balance December 31, 2023</b> | 117,853,398                      | \$ 9,764,716           | \$ 872,041 | \$ (6,045,032)  | \$ 4,591,725                         |
| Net loss                         | -                                | -                      | -          | (5,356,134)     | (5,356,134)                          |
| Exercise of RSU's                | 3,300,000                        | 66,000                 | (66,000)   | -               | -                                    |
| Shares for debt                  | 2,000,000                        | 30,000                 | -          | -               | 30,000                               |
| <b>Balance December 31, 2024</b> | 123,153,398                      | \$ 9,860,716           | \$ 806,041 | \$ (11,401,166) | \$ (734,409)                         |
| Net loss                         | -                                | -                      | -          | (224,603)       | (224,603)                            |
| Shares issued for cash           | 6,000,000                        | 120,000                | -          | -               | 120,000                              |
| <b>Balance December 31, 2025</b> | 129,153,398                      | \$ 9,980,716           | \$ 806,041 | \$ (11,625,769) | \$ (839,012)                         |

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

# SEASIF EXPLORATION INC.

## Consolidated Statements of Cash Flows

(expressed in Canadian dollars)

|  | Year ended<br>December 31, 2025 | Year ended<br>December 31, 2024 |
|--|---------------------------------|---------------------------------|
| <b>Cash flows provided by(used in):</b>          |                                 |                                 |
| <b>Operating activities</b>                      |                                 |                                 |
| Net loss for the year                            | \$ (224,603)                    | \$ (5,356,134)                  |
| Adjustment for non-cash items:                   |                                 |                                 |
| Impairment of exploration and evaluation         | -                               | 4,951,179                       |
| Interest on loan payable                         | 3,381                           | 1,193                           |
| Changes in non-cash working capital items:       |                                 |                                 |
| Prepaid expenses                                 | 11,986                          | (1,866)                         |
| Accounts receivable                              | -                               | 1,521                           |
| Accounts payable and accrued liabilities         | 1,524                           | 1,243                           |
| Accrued compensation                             | 72,781                          | 277,004                         |
| <b>Net cash used by operating activities</b>     | <b>(134,931)</b>                | <b>(125,860)</b>                |
| <b>Investing activities</b>                      |                                 |                                 |
| Exploration and evaluation assets                | -                               | (6,421)                         |
| <b>Net cash used by investing activities</b>     | <b>-</b>                        | <b>(6,421)</b>                  |
| <b>Financing activities</b>                      |                                 |                                 |
| Shares issued for cash                           | 120,000                         | -                               |
| Loan payable proceeds                            | -                               | 154,000                         |
| <b>Net cash provided by financing activities</b> | <b>120,000</b>                  | <b>154,000</b>                  |
| <b>Net cash (decrease) increase for the year</b> | <b>(14,931)</b>                 | <b>21,719</b>                   |
| <b>Cash at beginning of year</b>                 | <b>67,375</b>                   | <b>45,656</b>                   |
| <b>Cash at end of year</b>                       | <b>\$ 52,444</b>                | <b>\$ 67,375</b>                |

Supplementary cash flow information (Note 5)

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

# SEASIF EXPLORATION INC.

Notes to the Consolidated Financial Statements  
For the years ended December 31, 2025 and 2024  
(expressed in Canadian dollars)

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## 1. Nature of operations and going concern

Seasif Exploration Inc. (the “Company”) is a company domiciled in Canada. The address of the Company’s registered office is Suite 2700, Park Place, 666 Burrard Street, Vancouver, BC, Canada V6C 2X8. The Company has one wholly owned subsidiary, Western Atlas Holding Corp., which in turn has one wholly owned subsidiary, 5530 Nunavut Inc., which is domiciled in Canada.

The consolidated financial statements of the Company for both periods presented comprises the Company and its subsidiaries (together referred to as the “Company” and individually as “Company entities”). The Company and its subsidiaries are primarily involved in the discovery, acquisition, and development of mineral deposits in premier mining jurisdictions.

These consolidated financial statements have been prepared on a basis which assumes that the Company will be able to continue its operation as a going concern for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. During the year ended December 31, 2025, the Company incurred a net loss of \$224,603 (2024 - \$5,356,134). At December 31, 2025, the Company had not achieved profitable operations, had an accumulated deficit of \$11,625,769 (2024 - \$11,401,166) and expects to incur further losses as it develops its business and explores its mineral property interests. The Company will be required to raise additional financing to maintain its operations; all of these factors indicate the existence of material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern.

The Company is in the process of exploring its exploration and evaluation assets and has not yet determined whether they contain resources that are economically recoverable. The recoverability of amounts shown for exploration and evaluation assets is dependent upon, among other things, the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary mining and environmental permits, and upon future profitable production or proceeds from disposition of the mineral property.

The ability of the Company to carry out its planned business objectives and continue as a going concern is dependent on its ability to raise adequate financing from lenders, shareholders, and other investors, and/or generate operating profitability and positive cash flow from its mineral property interests. There can be no assurances that the Company will be able to obtain the additional financial resources necessary and/or achieve profitability or positive cash flows from its future operations. If the Company is unable to obtain adequate additional financing, the Company would be required to curtail its planned operations and exploration and development activities which may impact the Company’s ability to maintain its mineral property interest.

The Company’s business may be affected by changes in political and market conditions, such as interest rates, availability of credit, inflation rates, changes in laws, tariffs, and national and international circumstances. Recent geopolitical events and potential economic global challenges such as the risk of higher inflation and energy crises, may also create further uncertainty and risk with respect to the Company’s business.

The consolidated financial statements do not include any adjustments relating to the recorded amounts and classification of assets and liabilities should the Company be unable to continue as a going concern. Such adjustments could be material.

# SEASIF EXPLORATION INC.

Notes to the Consolidated Financial Statements  
For the years ended December 31, 2025 and 2024  
(expressed in Canadian dollars)

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## 2. Basis of preparation

### (a) Statement of compliance

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

### (b) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments carried at fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

### (c) Functional and presentation currency

These consolidated financial statements are presented in Canadian dollars, which is the functional currency of the Company and its Canadian subsidiaries.

### (d) Use of estimates and judgments

The preparation of the consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

#### Estimates

Significant areas requiring the use of estimates and assumptions are as follows:

#### *Share-based compensation*

The fair value of share-based payments is subject to the limitations of the Black-Scholes option pricing model that incorporates market data and involves uncertainty in estimates used by management in the assumptions. Because the Black-Scholes option pricing model requires the input of highly subjective assumptions, including the volatility of share prices, changes in subjective input assumptions can materially affect the fair value estimate.

#### Judgments

Critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements are as follows:

#### *Going Concern*

The assessment of the Company’s ability to continue as a going concern and to raise sufficient funds to pay its ongoing operating expenses, meet its liabilities for the ensuing year, and to fund planned and contractual exploration programs, involves significant judgment based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

# SEASIF EXPLORATION INC.

Notes to the Consolidated Financial Statements  
For the years ended December 31, 2025 and 2024  
(expressed in Canadian dollars)

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## 2. Basis of preparation (continued)

### (d) Use of estimates and judgments (continued)

#### *Impairment of exploration and evaluation assets*

The Company's exploration and evaluation assets represent acquisition and exploration costs relating to the Company's exploration and evaluation assets. At the end of each reporting period, the Company assesses whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset, which is the greater of the asset's value in use and fair value less costs to sell. The Company considers both external and internal sources of information in assessing whether there are any indications that the Company's exploration and evaluation assets are impaired.

### (e) Basis of consolidation

#### (i) Subsidiaries

Subsidiaries are entities controlled by the Company. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Company.

Details of the Company's subsidiaries at December 31, 2025 and 2024 are as follows:

| <b>Name</b>                 | <b>Place of Incorporation</b> | <b>Interest</b> | <b>Principal Activity</b>          |
|-----------------------------|-------------------------------|-----------------|------------------------------------|
| Western Atlas Holding Corp. | British Columbia, Canada      | 100%            | Mineral exploration and evaluation |
| 5530 Nunavut Inc.           | Nunavut, Canada               | 100%            | Mineral exploration and evaluation |

#### (ii) Transactions eliminated on consolidation

Inter-company balances and transactions, and any unrealized income and expenses arising from inter-company transactions, are eliminated in preparing the consolidated financial statements. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

# SEASIF EXPLORATION INC.

Notes to the Consolidated Financial Statements  
For the years ended December 31, 2025 and 2024  
(expressed in Canadian dollars)

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## 3. Material accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements.

### (a) Financial instruments

The following is the Company's accounting policy for financial instruments under IFRS 9 Financial Instruments ("IFRS 9"):

| <u>Financial Instrument</u>              | <u>Classification</u>                       |
|--|---|
| Cash                                     | Fair value through profit or loss ("FVTPL") |
| Accounts payable and accrued liabilities | Amortized cost                              |
| Accrued compensation                     | Amortized cost                              |
| Loan payable                             | Amortized cost                              |

### (b) Share-based payments

The Company has a stock option plan, whereby share purchase options are granted in accordance with the policies of regulatory authorities. Share-based payments to employees are measured on the grant date using the Black-Scholes option pricing model and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of the goods or services received or the fair value of the equity instruments issued if it is determined the fair value of the goods or services cannot be reliably measured and are recorded at the date the goods or services are received. The offset to the recorded cost is to the reserve for share-based payments. Consideration received on the exercise of stock options is recorded as share capital and the related reserve for share-based payments is transferred to share capital.

Where a grant of options is cancelled or settled during the vesting period, excluding forfeitures when vesting conditions are not satisfied, the Company immediately accounts for the cancellation as an acceleration of vesting and recognizes the amount that otherwise would have been recognized for services received over the remainder of the vesting period. Any payment made to the employee on the cancellation is accounted for as the repurchase of an equity interest, except to the extent the payment exceeds the fair value of the equity instrument granted, measured at the repurchase date. Any such excess is recognized as an expense. On expiration of options, the previously recognized amount is left in reserves.

The Company also has a long-term incentive plan, whereby Restricted Share Units ("RSU's") and Deferred Share Units ("DSU's") are granted in accordance with the policies of regulatory authorities. The fair value of equity settled RSU's and DSU's is measured on the grant date at the closing trading price of the Company's common shares. Costs are recognized as an expense over the vesting term with a corresponding increase in equity reserves. When RSU's and DSU's are settled in shares, recorded fair value is transferred from reserves to share capital.

# SEASIF EXPLORATION INC.

Notes to the Consolidated Financial Statements  
For the years ended December 31, 2025 and 2024  
(expressed in Canadian dollars)

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## 3. Material accounting policies (continued)

### (c) Exploration and evaluation assets

Exploration and evaluation expenditures include the cost of acquiring licenses, costs associated with exploration and evaluation activities, and the fair value (at acquisition date) of exploration and evaluation assets acquired in a business combination. When shares are issued as consideration for exploration and evaluation asset costs, they are valued at the closing share price on the date of issuance. Exploration and evaluation expenditures are capitalized as incurred. Costs incurred before the Company has obtained the legal right to explore an area are recognized in profit or loss.

Exploration and evaluation assets are assessed for impairment if (i) sufficient data exists to determine technical feasibility and commercial viability, and (ii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, which management has determined to be indicated by a feasibility study, exploration and evaluation assets attributable to that area of interest are first tested for impairment and the balance is reclassified as a development asset in property, plant, and equipment.

Recoverability of the carrying amount of any exploration and evaluation asset is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest. It is management's judgment that none of the Company's exploration and evaluation assets have reached the development stage and as a result are all considered to be exploration and evaluation assets.

Although the Company has taken steps to verify title to mineral properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property may be subject to unregistered prior agreements and non-compliance with regulatory requirements. The Company is not aware of any disputed claims of title.

### (d) Provision for closure and reclamation

The Company recognizes statutory, contractual, or other obligations related to the retirement of its exploration and evaluation assets and its tangible long-lived assets when such obligations are incurred, if a reasonable estimate of fair value can be made. These obligations are measured initially at fair value and the resulting costs are capitalized to the carrying value of the related asset. In subsequent periods, the liability is adjusted for any changes in the amount or timing and for the discounting of the underlying future cash flows. The capitalized asset retirement cost is amortized to operations over the life of the asset. Management has determined that there was no provision for closure and reclamation as at December 31, 2025 and 2024.

# SEASIF EXPLORATION INC.

Notes to the Consolidated Financial Statements  
For the years ended December 31, 2025 and 2024  
(expressed in Canadian dollars)

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## 3. Material accounting policies (continued)

### (e) Impairment of non-financial assets

Impairment tests on non-financial assets, including exploration and evaluation assets, are performed whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period.

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the asset's cash-generating unit, which is the lowest group of assets in which the asset belongs for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets. Each of the Company's exploration and evaluation properties is considered to be a cash-generating unit for which impairment testing is performed.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior reporting periods. A reversal of an impairment loss is recognized immediately in profit or loss.

### (f) New accounting standards effective in future years

*IFRS 18 Presentation and Disclosure in Financial Statements* – IFRS 18 introduces three sets of new requirements to give investors more transparent and comparable information about companies' financial performance for better investment decisions.

1. Three defined categories for income and expenses – operating, investing or financing – to improve the structure of the income statements, and require all companies to provide new defined subtotals, including operating profit;
2. Requirement for companies to disclose explanations of management-defined performance measures (MPMs) that are related to the income statement; and
3. Enhanced guidance on how to organize information and whether to provide it in the primary financial statements or in the notes.

This new standard is effective for reporting periods beginning on or after January 1, 2027. The Company will be evaluating the impact of the above amendments on its consolidated financial statements.

# SEASIF EXPLORATION INC.

Notes to the Consolidated Financial Statements  
For the years ended December 31, 2025 and 2024  
(expressed in Canadian dollars)

## 4. Exploration and evaluation assets

In 2024, the Company recognized an impairment of \$4,951,179 related to the Meadowbank project. This accounting measure was triggered by the Company's inability to raise sufficient financing for continuation of the exploration at the Meadowbank project. As a result, the Company impaired the property to \$nil. Despite the property being in good standing, the Company does not have any plans to further explore the property at this time.

Title to exploration and evaluation 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 characteristics of many such assets. The Company has investigated title to all of its mineral properties, and to the best of its knowledge, title to all such assets is in good standing.

### Meadowbank Project

At December 31, 2025 and 2024, the Company holds the mineral rights to property in Nunavut, Canada, namely the Meadowbank Project.

At December 31, 2025, the following exploration and evaluation costs have been incurred:

|                             | Balance           | Year ended        | Balance           |
|-----------------------------|-------------------|-------------------|-------------------|
| Exploration Costs - Nunavut | December 31, 2024 | December 31, 2025 | December 31, 2025 |
| Acquisition costs           |                   |                   |                   |
| Recording and staking fees  | \$ 182,658        | \$ -              | \$ 182,658        |
| Exploration costs           |                   |                   |                   |
| 43-101 Technical Report     | 62,176            | -                 | 62,176            |
| Drilling                    | 700,855           | -                 | 700,855           |
| Field supplies and expenses | 1,235,242         | -                 | 1,235,242         |
| Geological services         | 1,212,706         | -                 | 1,212,706         |
| GeoPhysical surveys         | 637,988           | -                 | 637,988           |
| Laboratory analysis         | 269,199           | -                 | 269,199           |
| Logistics                   | 459,967           | -                 | 459,967           |
| Travel                      | 190,388           | -                 | 190,388           |
|                             | 4,768,521         | -                 | 4,768,521         |
| Total Exploration Costs     | 4,951,179         |                   | 4,951,179         |
| Impairment                  | (4,951,179)       |                   | (4,951,179)       |
| Total Exploration Costs     | \$ -              | \$ -              | \$ -              |

# SEASIF EXPLORATION INC.

Notes to the Consolidated Financial Statements  
For the years ended December 31, 2025 and 2024  
(expressed in Canadian dollars)

## 4. Exploration and evaluation assets (continued)

At December 31, 2024, the following exploration and evaluation costs have been incurred:

| <b>Exploration Costs - Nunavut</b> | <b>Balance<br/>December 31, 2023</b> | <b>Year ended<br/>December 31, 2024</b> | <b>Balance<br/>December 31, 2024</b> |
|------------------------------------|--------------------------------------|---|--------------------------------------|
| Acquisition costs                  |                                      |   |                                      |
| Recording and staking fees         | \$ 182,658                           | \$ -                                    | \$ 182,658                           |
| Exploration costs                  |                                      |   |                                      |
| 43-101 Technical Report            | 62,176                               | -                                       | 62,176                               |
| Drilling                           | 700,855                              | -                                       | 700,855                              |
| Field supplies and expenses        | 1,223,367                            | 11,875                                  | 1,235,242                            |
| Geological services                | 1,212,706                            | -                                       | 1,212,706                            |
| GeoPhysical surveys                | 637,988                              | -                                       | 637,988                              |
| Laboratory analysis                | 269,199                              | -                                       | 269,199                              |
| Logistics                          | 459,967                              | -                                       | 459,967                              |
| Travel                             | 190,388                              | -                                       | 190,388                              |
|                                    | 4,756,646                            | 11,875                                  | 4,768,521                            |
| Total Exploration Costs            | 4,939,304                            | 11,875                                  | 4,951,179                            |
| Impairment                         |                                      | (4,951,179)                             | (4,951,179)                          |
|                                    | \$ 4,939,304                         | \$ (4,939,304)                          | \$ -                                 |

## 5. Supplemental cash flow information

- The Company made no cash outlays in respect of interest or income taxes for the years ended December 31, 2025 and 2024.
- As at December 31, 2025 and 2024, the Company had \$13,139 in accounts payable and accrued liabilities, which were related to the exploration of the mineral properties.
- During the year ended December 31, 2024 the Company settled 3,300,000 of RSU's, with a fair value of \$0.02 per share, a total of \$66,000, that were granted in 2023.
- During the year ended December 31, 2024 the Company settled a \$30,000 loan payable with 2,000,000 common shares.

# SEASIF EXPLORATION INC.

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## 6. Share capital

### (a) Authorized

Unlimited number of common voting shares without par value.

### (b) Issued during the year ended December 31, 2025

On October 24, 2025, the Company received total proceeds of \$120,000 from two arm's-length private investors for the issuance of 6,000,000 common shares of the Company. The shares were issued on December 30, 2025.

### (c) Issued during the year ended December 31, 2024

On April 17, 2024 3,300,000 Restricted Share Units ("RSU's") were settled for a total of 3,300,000 common shares and \$66,000 was reallocated from reserves to share capital.

On May 22, 2024, 2,000,000 common shares were issued to settle a \$30,000 loan payable signed by the Company with its CEO (Note 8).

### (d) Stock options

The Company has a stock option plan that provides for the issuance of compensatory options to its directors, officers, employees, and consultants. The maximum number of outstanding options must be no more than 10% of the issued and outstanding shares at any point in time and for no less than \$0.05 a share. Options granted under the plan may have a maximum term of ten years. Terms of the vesting period over which the options are earned are determined by the Board of Directors.

No stock options were granted in the year ended December 31, 2025 or 2024.

The continuity of share purchase options at December 31, 2025 is as follows:

| Expiry Date | Exercise Price | December 31, 2024 | Granted | Exercised | Expired   | December 31, 2025 |
|-------------|----------------|-------------------|---------|-----------|-----------|-------------------|
| 02-May-25   | \$0.05         | 500,000           | -       | -         | (500,000) | -                 |
| 01-Sep-26   | \$0.32         | 232,500           | -       | -         | -         | 232,500           |
|             |                | 732,500           | -       | -         | (500,000) | 232,500           |

# SEASIF EXPLORATION INC.

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## 6. Share capital (continued)

The continuity of share purchase options at December 31, 2024 is as follows:

| Expiry Date | Exercise Price | December 31, 2023 | Granted | Exercised | Expired     | December 31, 2024 |
|-------------|----------------|-------------------|---------|-----------|-------------|-------------------|
| 28-Jan-24   | \$0.085        | 1,850,000         | -       | -         | (1,850,000) | -                 |
| 15-Dec-24   | \$0.05         | 1,875,000         | -       | -         | (1,875,000) | -                 |
| 02-May-25   | \$0.05         | 500,000           | -       | -         | -           | 500,000           |
| 01-Sep-26   | \$0.32         | 232,500           | -       | -         | -           | 232,500           |
|             |                | 4,457,500         | -       | -         | (3,725,000) | 732,500           |

As at December 31, 2025 there were 232,500 (2024 – 732,500) vested options with a weighted average exercise price of \$0.32 (2024 - \$0.14). The weighted average remaining contractual life of the vested options is 0.7 years (2024 - 0.8 years).

In estimating the fair value of options issued using the Black-Scholes option pricing model, the Company is required to make assumptions. The expected volatility assumption is based on the historical volatility of the Company's common share price on the TSX Venture Exchange. The risk-free interest rate assumption is based on yield curves on Canadian government zero-coupon bonds with a remaining term equal to the stock options' expected life. The Company uses historical data to estimate option exercise, forfeiture, and employee termination within the valuation model. The Company has historically not paid dividends on its common stock.

### (e) Warrants

No warrants were issued or outstanding during the year ended December 31, 2025 or 2024.

### (f) Long-Term Incentive Plan

On January 7, 2022 at the Company's Annual General and Special Meeting of Shareholders, the shareholders approved a 10% fixed Long-Term Incentive Plan ("LTIP"). The plan provides for the grant of Restricted Share Units and Deferred Share Units to eligible persons as described in the Plan. The LTIP had 11,607,840 shares reserved for distribution.

No RSU's were granted during the year ended December 31, 2025 or 2024. The RSU's available as at December 31, 2025 and 2024 were 6,607,840.

|                                   |                  |
|-----------------------------------|------------------|
| RSU's available December 31, 2022 | 10,207,840       |
| Granted during 2023               | (3,600,000)      |
| Granted during 2024               | -                |
| Granted during 2025               | -                |
| RSU's available December 31, 2025 | <u>6,607,840</u> |

# SEASIF EXPLORATION INC.

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## 7. Related party transactions

During the year ended December 31, 2025, the Company incurred \$84,200 (2024 - \$280,800) for management, general business and financial advisory services and salaries to an officer of the Company and to a company controlled by an officer of the Company.

No share based payments were made during 2025 or 2024 to related parties relating to the granting of stock options and RSUs.

The current economic downturn and unprecedented market conditions have adversely affected the ability of the Company to access the market capital to finance its operations. In order to reduce the cash outflow and limit layoffs, employees and contractors have voluntarily agreed to defer salaries and fees until the closing of a new financing or the monetization of the Company's assets. At December 31, 2025, \$611,124 (2024 - \$ 488,392) in deferred salaries and fees have been accrued to related parties.

As at December 31, 2025 \$43,468 (2024 - \$42,467) of expenses were due to related parties included in accounts payables.

All amounts due to related parties are unsecured, non-interest bearing, and have no specific repayment terms.

## 8. Loan payable

During the year ended December 31, 2024, the Company entered into three separate loan segments with the CEO.

Loan segment one is for \$30,000 at an interest rate of 2.3% per annum, payable in cash and a repayment date of December 27, 2024. On May 21, 2024, a convertible loan agreement was entered into which settled the outstanding principal plus interest by the issuance of 2,000,000 common shares at a fair value of \$0.015 (Note 6(c)).

Loan segment two is for \$84,000 at an interest rate of 2.3%, per annum, payable in cash and a repayment date of February 21, 2025. During 2025, an extension agreement was entered into which extended the maturity date of the loan to February 21, 2026.

Loan segment three is for \$40,000 at an interest rate of 3.62%, per annum, payable in cash and a repayment date of July 5, 2025. During 2025, an extension agreement was entered into which extended the maturity date of the loan to February 21, 2026.

## 9. Segmented information

The Company operates in one reportable operating segment in one country, being the exploration of mineral resource properties in Canada.

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## 10. Financial risk management

The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

The Board of Directors approves and monitors the risk management processes.

### 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. The Company's exposure to credit risk is on its cash. The Company manages credit risk in respect of cash by holding these at a major Canadian financial institution.

The carrying amounts of cash represents the maximum credit exposure.

### Liquidity risk

Liquidity risk is the risk that the Company will incur difficulties meeting its financial obligations as they are due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions without incurring unacceptable losses or risking harm to the Company's reputation. The Company does not currently have adequate liquidity to fund its accounts payable, accrued liabilities, loans payable and accrued compensation from existing resources. Accordingly, the Company will be reliant on equity and debt financing to meet its obligations as they come due.

The Company's accounts payable are due within 90 days of December 31, 2025. The accrued compensation is unsecured, non-interest bearing, and have no specific repayment terms.

### Market risk

Market risk consists of foreign exchange risk and interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable limits, while maximizing returns.

### Interest rate risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The balances are held with a major financial institution and market risk is not considered significant.

### Foreign exchange risk

Foreign exchange risk is the risk that the fair value of future cash flows will fluctuate as a result of changes in foreign exchange rates. The Company has an exposure to US dollars ("USD") that is subject

# SEASIF EXPLORATION INC.

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## 10. Financial risk management (continued)

to fluctuations as a result of exchange rate variations to the extent that transactions are made in this currency. The Company does not hedge its foreign exchange risk.

Sensitivity to a plus or minus 10% change in the foreign exchange rate of the US dollar to the Canadian dollar would affect the reported loss at December 31, 2025 by approximately \$2,730 (2024 - \$60).

### Valuation of financial instruments

All financial instruments measured at fair value are categorized into one of three hierarchy levels, described below, for disclosure purposes. Each level is based on the transparency of the inputs used to measure the fair values of assets and liabilities:

- Level 1 – Values based on unadjusted quoted prices in active markets that are accessible at the measurement date for identical assets or liabilities;
- Level 2 – Values based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the asset or liability; and
- Level 3 – Values based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement.

The carrying values of cash, accounts payable and accrued liabilities, accrued compensation and loan payable approximate their fair values because of the short period to maturity of these instruments.

## 11. Capital management

The Company manages its capital to ensure that there are adequate capital resources to safeguard the Company's ability to continue as a going concern through the optimization of its capital structure. The capital structure consists of shareholders' deficiency comprising of share capital, equity reserves and deficit. The basis for the Company's capital structure is dependent on the Company's expected business growth and changes in the business environment.

In order to facilitate the management of capital and the exploration of its mineral properties, the Company prepares annual expenditure budgets which are updated as necessary and are reviewed and periodically approved by the Company's Board of Directors. To maintain or adjust the capital structure, the Company may issue new equity, option its mineral properties for cash and/or expenditure commitments from optionees, enter into joint venture arrangements, or dispose of mineral properties.

The Company's investment policy is to hold excess cash in interest bearing bank accounts and money market funds. The Company is not subject to externally imposed capital requirements.

There have been no changes made to the capital management policy during the year.

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## 12. Income taxes

### a) Provision for income taxes

The Company's provision for income taxes for the years ended December 31, 2025 and 2024 differs from the amounts computed by applying the statutory income tax rates to the loss before income taxes as a result of the following:

|                                       | Year ended<br>December 31, 2025 | Year ended<br>December 31, 2024 |
|---------------------------------------|---------------------------------|---------------------------------|
| Statutory Canadian corporate tax rate | <b>27%</b>                      | 27%                             |
| Expected current income tax recovery  | \$ (61,000)                     | \$ (1,446,000)                  |
| Change in tax assets not recognized   | 61,000                          | 1,446,000                       |
| Deferred income tax expense           | \$ -                            | \$ -                            |

### b) Deferred income tax assets and liabilities

The Company has the following deductible temporary differences for which no deferred tax has been recognized:

|                                 | Year ended<br>December 31, 2025 |           | Year ended<br>December 31, 2024 |           |
|---------------------------------|---------------------------------|-----------|---------------------------------|-----------|
|                                 | Expiry                          | Expiry    | Expiry                          | Expiry    |
| Mineral properties              | \$ 3,396,000                    | none      | \$ 3,396,000                    | none      |
| Non-capital losses carryforward | 6,938,000                       | 2026-2045 | 6,714,000                       | 2026-2044 |
| Capital losses carryforward     | 40,000                          | none      | 40,000                          | none      |
| Capital assets                  | 133,000                         | none      | 133,000                         | none      |
|                                 | <b>\$ 10,507,000</b>            |           | <b>\$ 10,283,000</b>            |           |

# SEASIF EXPLORATION INC.

Notes to the Consolidated Financial Statements  
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## 13. Transfer to NEX

On May 8, 2025, the TSX Venture Exchange suspended trading in the Company's securities as a result of a Cease Trade Order issued by the British Columbia Securities Commission for failure to file its year ended December 31, 2024 audited financial statements and related continuous disclosure documents.

On September 23, 2025, the shares of the Company were transferred from the TSX Venture Exchange to the NEX, a separate board of the TSX Venture Exchange.

On November 20, 2025, the Company filed the 2024 filings on SEDAR+.

On December 22, 2025, the Cease Trade Order issued by the British Columbia Securities Commission was revoked.

## 14. Subsequent events

On January 26, 2026, the Company resumed trading on the NEX board of the TSX Venture Exchange.

On February 20, 2026, the Company completed the following debt settlements:

- The Company settled loans made to the Company by CEO Fabio Capponi in the amount of \$128,574, inclusive of accrued and unpaid interest by the issuance of 8,571,600 common shares of the Company at a price of \$0.015 per share.
- The Company owed accrued expenses to Mr. Capponi in the amount of \$38,507 which were settled by the issuance of 2,567,133 common shares of the Company at a price of \$0.015 per share.
- The Company settled \$130,000 owed to Mr. Capponi in respect of accrued but unpaid salary by the issuance of 2,600,000 common shares of the Company at a price of \$0.05 per share.
- The Company settled \$128,760 owed to CFO Susan Rubin in respect of accrued but unpaid salary by the issuance of 2,575,200 common shares of the Company at a price of \$0.05 per share.

All of the foregoing shares are subject to a four-month resale hold until June 21, 2026.