
Golden Arrow Resources Corporation

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED
DECEMBER 31, 2025 AND 2024

(Expressed in Canadian Dollars)

Independent Auditor's Report

To the Shareholders of Golden Arrow Resources Corp.

Opinion

We have audited the consolidated financial statements of Golden Arrow Resources Corp. (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 income (loss), changes in equity 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 year ended December 31, 2025. In addition to the matter described in the Material uncertainty related to going concern section, we have determined the matters described below to be a key audit matter to be communicated in our report. 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.

Recoverability of Mineral Property Interests

As disclosed in Note 4 to the consolidated financial statements, the carrying value of Mineral Property Interests represents a significant asset of the Group. Refer to Note 2 to the consolidated financial statements for a description of the accounting policy and significant judgments applied to Mineral Property Interests.

At each reporting period end, management applies judgment in assessing whether there are any indicators of impairment relating to Mineral Property Interests. If there are indicators of impairment, the recoverable amount of the related asset is estimated in order to determine the extent of any impairment. Indicators of impairment may include (i) the period during which the entity has the right to explore in the specific area has expired during the year or will expire in the near future and is not expected to be renewed; (ii) substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned; (iii) exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; and (iv) sufficient data exists to indicate that the carrying amount of the Mineral Property Interests is unlikely to be recovered in full from successful development or by sale. No impairment indicators were identified by management as at December 31, 2025.

Why the matter was determined to be a key audit matter

We considered this a key audit matter due to (i) the significance of the mining claims and Mineral Property Interests balance and (ii) the judgments made by management in its assessment of indicators of impairment related to Mineral Property Interests, which have resulted in a high degree of subjectivity in performing audit procedures related to these judgments applied by management.

How the matter was addressed in our audit

We have evaluated management's assessment of impairment indicators per IFRS 6 Exploration for and Evaluation of Mineral Resources, including but not limited to:

- Obtaining, by reference to government registries, evidence to support (i) the right to explore the area and (ii) claim expiration dates;
- Assessing compliance with option agreements by reviewing agreements;
- Enquiring with management and reviewing its future plans and other documentation as evidence that further exploration and evaluation activities in the area of interest will be continued in the future;
- Assessing whether any data exists to suggest that the carrying value of the Exploration and Evaluation assets is unlikely to be recovered through development or sale; and
- Assessing the adequacy of the related disclosures in Note 2, and Note 4 to the consolidated financial statements.

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 Pejman Mahlooji.

Crowe Mackay LLP

**Chartered Professional Accountants
Vancouver, Canada
April 23, 2026**

Golden Arrow Resources Corporation
Consolidated Statements of Financial Position

(Expressed in Canadian Dollars)

	Note	December 31, 2025 \$	December 31, 2024 \$
ASSETS			
Current assets			
Cash and cash equivalents		215,915	868,624
Amounts receivable	7	316,648	169,677
Prepaid expenses		156,493	205,114
Investments	5	2,711,137	-
Total current assets		3,400,193	1,243,415
Non-current assets			
Investments	5	-	1,040,000
Mineral property interests	4	4,637,817	4,435,698
Total non-current assets		4,637,817	5,475,698
Total Assets		8,038,010	6,719,113
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	7	929,907	1,249,921
Total liabilities		929,907	1,249,921
SHAREHOLDERS' EQUITY			
Share capital	6	40,163,330	39,876,724
Reserves	6	29,761,930	27,334,603
Obligation to issue shares	4a	-	6,795,815
Deficit		(64,459,919)	(68,537,950)
Total shareholders' equity		5,465,341	5,469,192
Non-controlling interest	4a, 8	1,642,762	-
Total equity		7,108,103	5,469,192
Total Shareholders' Equity and Liabilities		8,038,010	6,719,113

NATURE OF OPERATIONS AND GOING CONCERN (Note 1)

COMMITMENTS (Note 11)

CONTINGENCY (Note 12)

SUBSEQUENT EVENTS (Note 18)

These audited consolidated financial statements are authorized for issue by the Board of Directors on April 23, 2026. They are signed on the Company's behalf by:

"Nikolaos Cacos", Director

"David Terry", Director

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

Golden Arrow Resources Corporation
Consolidated Statements of Loss and Comprehensive Income (Loss)
(Expressed in Canadian Dollars)

		Year ended December 31,	
	Note	2025	2024
		\$	\$
Expenses			
Administration and management services	7	216,600	90,000
Corporate development and investor relations		253,284	262,045
Depreciation	3	-	22,907
Exploration	4	2,926,739	7,018,103
Office and sundry	7	165,620	72,561
Professional fees		178,243	241,485
Rent, parking and storage		30,363	36,027
Salaries and employee benefits	7	806,030	820,493
Transfer agent and regulatory fees		45,595	50,557
Travel and accommodation		53,100	11,899
Loss from operating activities		(4,675,574)	(8,626,077)
Other income (loss)			
Foreign exchange gain		25,077	57,982
Gain on sale of marketable securities	10	20,667	159,762
Option income	4b	3,225,222	-
Interest expense		-	(9,290)
Interest income		12,936	27,981
Gain on derecognition of right-of-use assets		-	23,189
Income from other items		3,283,902	259,624
Loss for the year		(1,391,672)	(8,366,453)
Other comprehensive income (loss)			
Items that will not be reclassified to profit or loss			
Realized gain on sale of investments	5	1,378,644	-
Unrealized gain (loss) on change in fair value of investments	5	885,289	(160,000)
Other comprehensive income (loss) for the year		2,263,933	(160,000)
Comprehensive income (loss) for the year		872,261	(8,526,453)
Loss attributable to:			
Shareholders of the Company		(1,156,756)	(8,366,453)
Non-controlling interest	8	(234,916)	-
Loss for the year		(1,391,672)	(8,366,453)
Other comprehensive income (loss) attributable to:			
Shareholders of the Company		2,263,933	(160,000)
Non-controlling interest		-	-
Other comprehensive income (loss) for the year		2,263,933	(160,000)
Basic and diluted loss per common share (\$)	9	(0.01)	(0.06)

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

Golden Arrow Resources Corporation
Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)

		Year ended December 31,	
		2025	2024
	Note	\$	\$
Cash flows from operating activities			
Loss for the year		(1,391,672)	(8,366,453)
Adjustments for:			
Depreciation	3	-	22,907
Gain on sale of marketable securities		(20,667)	(159,762)
Gain on derecognition of ROU assets		-	(23,189)
Interest expense		-	9,290
Option income	4b	(3,225,222)	-
Exploration services provided by Servicios Andinos SpA		64,006	4,054,354
		<u>(4,573,555)</u>	<u>(4,462,853)</u>
Change in non-cash working capital items:			
(Increase) decrease in amounts receivable		(146,971)	349,917
Decrease in prepaid expenses		48,621	37,313
(Decrease) increase in accounts payable and accrued liabilities		(320,014)	505,055
Net cash used in operating activities		(4,991,919)	(3,570,568)
Cash flows from investing activities			
Expenditures on mineral property interests	4	(202,119)	(177,871)
Option income	4b	550,000	-
Proceeds from sale of investments	5	3,268,018	-
Proceeds from sale of marketable securities	10	317,600	1,044,996
Purchase of marketable securities	10	(296,933)	(885,234)
Net cash received from (used in) investing activities		3,636,566	(18,109)
Cash flows from financing activities			
Contributions from non-controlling interest		252,644	-
Issuance of common shares and warrants	4b, 6	450,000	1,677,000
Share issue costs	6	-	(46,690)
Lease payments		-	(30,270)
Obligation to issue shares		-	2,741,461
Net cash received from financing activities		702,644	4,341,501
Net (decrease) increase in cash and cash equivalents		(652,709)	752,824
Cash and cash equivalents at beginning of year		868,624	115,800
Cash and cash equivalents at end of year		215,915	868,624

SUPPLEMENTARY CASH FLOW INFORMATION (Note 15)

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

Golden Arrow Resources Corporation
Consolidated Statements of Changes in Equity

(Expressed in Canadian Dollars)

	Share capital		Reserves					Obligation to issue shares	Deficit	Total shareholders' equity	Non-controlling interest	Total equity
	Number of shares	Amount \$	Contributed surplus \$	Equity settled share-based payments \$	Warrants \$	Accumulated other comprehensive income \$	Deficit \$					
Balance at December 31, 2023	126,876,596	38,757,656	18,752,375	634,411	1,289,678	6,306,897	-	(60,171,497)	5,569,520	-	5,569,520	
Private placement	33,540,000	1,187,982	-	-	489,018	-	-	-	1,677,000	-	1,677,000	
Share issue costs	-	(46,690)	-	-	-	-	-	-	(46,690)	-	(46,690)	
Agent warrants granted	-	(22,224)	-	-	22,224	-	-	-	-	-	-	
Warrants expired	-	-	1,163,347	-	(1,163,347)	-	-	-	-	-	-	
Obligation to issue shares	-	-	-	-	-	-	6,795,815	-	6,795,815	-	6,795,815	
Total comprehensive loss for the year	-	-	-	-	-	(160,000)	-	(8,366,453)	(8,526,453)	-	(8,526,453)	
Balance at December 31, 2024	160,416,596	39,876,724	19,915,722	634,411	637,573	6,146,897	6,795,815	(68,537,950)	5,469,192	-	5,469,192	
Private placement	9,000,000	286,606	-	-	163,394	-	-	-	450,000	-	450,000	
Obligation to issue shares	-	-	-	-	-	-	64,006	-	64,006	-	64,006	
Exercise of SSA option	-	-	-	-	-	-	(6,859,821)	5,234,787	(1,625,034)	1,625,034	-	
Contributions from non-controlling interest	-	-	-	-	-	-	-	-	-	252,644	252,644	
Total comprehensive income (loss) for the year	-	-	-	-	-	2,263,933	-	(1,156,756)	1,107,177	(234,916)	872,261	
Balance at December 31, 2025	169,416,596	40,163,330	19,915,722	634,411	800,967	8,410,830	-	(64,459,919)	5,465,341	1,642,762	7,108,103	

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

Golden Arrow Resources Corporation

Notes to the consolidated financial statements

For the years ended December 31, 2025 and 2024

(Expressed in Canadian Dollars Unless Otherwise Noted)

1. NATURE OF OPERATIONS AND GOING CONCERN

Golden Arrow Resources Corporation (the “Company”) was incorporated on September 22, 2015, under the Business Corporations Act in the province of British Columbia. The address of the Company’s registered office is Suite 411 – 837 West Hastings Street, Vancouver, BC, Canada V6C 3N6. The Company is listed on the TSX Venture Exchange (“TSX-V”), trading under the symbol “GRG”, the OTCQX, trading under the symbol “GARWF”, and the Frankfurt Stock Exchange, trading under the symbol “G6A”.

The Company is a natural resource company engaged in the acquisition, exploration and development of resource properties in South America. The Company’s mineral property interests presently have no proven or probable reserves and, on the basis of information to date, it has not yet determined whether these properties contain economically recoverable resources. The recoverability of amounts shown for mineral property interests are dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of those reserves, and upon future profitable production.

These audited consolidated financial statements have been prepared in accordance with IFRS Accounting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) applicable to audited consolidated financial statements and to a going concern, which assume that the Company will realize its assets and discharge its liabilities in the normal course of business for the foreseeable future.

The Company has experienced recurring operating losses and has an accumulated deficit of \$64,459,919, working capital of \$2,470,286 and shareholders’ equity of \$5,465,341 at December 31, 2025. In addition, the Company incurred negative cash flow from operating activities of \$4,991,919 for the year ended December 31, 2025. Working capital is defined as current assets less current liabilities and provides a measure of the Company’s ability to settle liabilities that are due within one year with assets that are also expected to be converted into cash within one year. The Company’s financial position indicates the existence of a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern. The Company’s continued operations are dependent upon its ability to raise additional funding to meet its obligations as they fall due. Management’s plan in this regard is to continue to sell its investments and raise equity financing as required. There are no assurances that the Company will be successful in achieving these goals.

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 global economic challenges such as the risk of higher inflation and energy crises, may create further uncertainty and risk with respect to the prospects of the Company’s business.

These audited consolidated financial statements do not include adjustments to the amounts and classifications of assets and liabilities and reported expenses that might be necessary should the Company be unable to continue as a going concern, which could be material.

2. MATERIAL ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below.

a) Statement of compliance

The Company’s audited consolidated financial statements, including comparatives, have been prepared in accordance with and using accounting policies in full compliance with IFRS issued by the IASB, effective for the Company’s reporting for the year ended December 31, 2025. These consolidated financial statements were approved by the Board of Directors of the Company on April 23, 2026.

Golden Arrow Resources Corporation

Notes to the consolidated financial statements

For the years ended December 31, 2025 and 2024

(Expressed in Canadian Dollars Unless Otherwise Noted)

2. MATERIAL ACCOUNTING POLICIES (continued)

b) Basis of presentation

These consolidated financial statements have been prepared on a historical cost basis except for marketable securities, which are carried at fair value.

c) Basis of consolidation

These consolidated financial statements include the accounts of the Company and its subsidiaries as follow:

	Place of Incorporation	Principal Activity	Ownership Interest	
			2025	2024
New Golden Explorations Inc.	BC, Canada	Holding company	100%	100%
New Golden Explorations Atlantida Ltd.	BC, Canada	Holding company	100%	100%
New Golden Explorations Indiana Ltd.	BC, Canada	Holding company	100%	100%
New Golden Explorations Indiana Chile SpA	Chile	Exploration company	100%	100%
New Golden Explorations Chile SpA	Chile	Exploration company	75%	100%
Desarrollo de Recursos S.A.	Argentina	Exploration company	100%	100%

Inter-company balances and transactions, including unrealized income and expenses arising from inter-company transactions, are eliminated in preparing the consolidated financial statements.

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

Non-controlling interest

A non-controlling interest (“NCI”) represents the equity in a subsidiary not attributable, directly or indirectly, to the Company. NCI is recognized at its proportionate share of the value of identifiable net assets acquired on initial recognition. Subsequently the NCI is adjusted for the proportionate share of net income (loss) and other comprehensive income (loss).

Foreign currencies

The presentation and functional currency of the Company and each of its subsidiaries is considered to be the Canadian dollar. Transactions in currencies other than the Canadian dollar are recorded at the rates of exchange prevailing on the dates of transactions. At the end of each reporting period, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange gains and losses are recognized in profit or loss.

Golden Arrow Resources Corporation

Notes to the consolidated financial statements

For the years ended December 31, 2025 and 2024

(Expressed in Canadian Dollars Unless Otherwise Noted)

2. MATERIAL ACCOUNTING POLICIES (continued)

Right-of-use asset and lease liabilities

The right-of-use asset is depreciated over the lease period. Depreciation of an asset begins once it is available for use. At inception of a contract, the Company assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. A lease liability is recognized at the commencement date of a lease.

Each lease payment is allocated between repayment of the lease principal and interest. Interest on the lease liability in each period during the lease term is allocated to produce a constant periodic rate of interest on the remaining balance of the lease liability. Except where the costs are included in the carrying amount of another asset, the Company recognized in profit or loss (a) interest on a lease liability and (b) variable lease payments not included in the measurement of a lease liability in the period in which the event or condition that triggers those payments occurs.

Exploration, Evaluation and Development Expenditures

Exploration and evaluation expenditures are expensed as incurred, until the property reaches the development stage. The development stage is considered to begin once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable. All direct costs related to the acquisition of resource property interests are capitalized. Mineral property acquisition costs include cash costs and the fair market value of common shares issued, based on the trading price of the shares issued for mineral property interests, pursuant to the terms of the related property agreements. Payments related to a property acquired under an option or joint venture agreement are made at the sole discretion of the Company, and are recorded as mineral property acquisition costs upon payment. Development expenditures incurred subsequent to a development decision, and to increase or to extend the life of existing production, are capitalized and will be amortized on the unit-of-production method based upon estimated proven and probable reserves.

Proceeds received for farm-out arrangements or recoveries of costs are credited against the cost of the related claims. The Company recognizes in income, costs recovered on mineral properties when amounts received or receivable are in excess of the carrying amount.

Cash and Cash Equivalents

Cash and cash equivalents include short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value. The Company places its deposits with financial institutions with high credit ratings.

Impairment

At the end of each reporting period the carrying amounts of the Company's long-lived assets are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs of disposal and value in use.

Fair value is determined as the amount that would be obtained by the sale of the asset in an arm's length transaction between knowledgeable and willing parties. Fair value of mineral assets is generally determined as the present value of the estimated cash flows expected to arise from the continued use of the asset, including expansion projects. Value in use is determined as the present value of the estimated future cash flows expected to arise from the continued use of the asset in its present form and from its ultimate disposal.

Golden Arrow Resources Corporation

Notes to the consolidated financial statements

For the years ended December 31, 2025 and 2024

(Expressed in Canadian Dollars Unless Otherwise Noted)

2. MATERIAL ACCOUNTING POLICIES (continued)

Impairment is assessed at the level of cash-generating units (“CGUs”), which are identified as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets.

Non-financial assets that have been impaired are tested for possible reversal of the impairment whenever events or changes in circumstances indicate that the impairment may have reversed. When a reversal of a previous impairment is recorded, the reversal amount is adjusted for depreciation that would have been recorded had the impairment not taken place. Management reviewed the non-current assets for the year ended December 31, 2025 and did not identify any impairment indicators or reversal previously booked.

Financial instruments

Financial assets are classified and measured either at amortized cost, fair value through other comprehensive income (“FVOCI”) or fair value through profit or loss (“FVTPL”) based on the business model in which they are held and the characteristics of their contractual cash flows.

Cash and cash equivalents, and amounts receivable are classified as measured at amortized cost. The Company has made an irrevocable election to classify its equity investment in Mogotes Metals Inc. at FVOCI. The Company may acquire and transfer other marketable securities from time to time, to facilitate intragroup funding transfers between the Canadian parent and its Argentine subsidiaries. As the marketable securities are acquired with the intention of a near term sale, they are considered financial instruments that are held for trading, all changes in the fair value of the instruments between acquisition and disposition are recognized through profit or loss.

Financial liabilities, including accounts payable and accrued liabilities, and lease liabilities, are classified and measured at amortized cost.

Valuation of equity units issued in private placements

The Company follows a pro rata allocation method with respect to the measurement of shares and warrants issued as private placement units. This values each component at fair value and allocates total proceeds received between shares and warrants based on the pro rata relative values of the components. The fair value of the common shares is based on the closing quoted bid price on the issue date and the fair value of the common share purchase warrants is determined at the issue date using the Black-Scholes pricing model. The fair value attributed to the warrants is recorded in warrants reserve. In the event of modification in warrants issued as private placement units, no re-measurement adjustment is recognized within equity.

Share-based Payment Transactions

Share-based payments to employees are measured at the fair value of the instruments issued 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 amount recognized as an expense is adjusted to reflect the number of awards expected to vest. The offset to the recorded cost is to equity settled share-based payments reserve.

Consideration received on the exercise of stock options is recorded as share capital and the related equity settled share-based payments reserve is transferred to share capital. Charges for stock options and warrants that have expired are transferred to contributed surplus. Charges for options that are forfeited before vesting are reversed from equity settled share-based payment reserve.

Golden Arrow Resources Corporation

Notes to the consolidated financial statements

For the years ended December 31, 2025 and 2024

(Expressed in Canadian Dollars Unless Otherwise Noted)

2. MATERIAL ACCOUNTING POLICIES (continued)

Earnings and Loss per Share

The Company presents basic and diluted earnings and loss per share data for its common shares, calculated by dividing the earnings attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted earnings or loss per share does not adjust the earnings or loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

Restoration, Rehabilitation, and Environmental Obligations

An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the exploration or development of a mineral property interest. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the asset, along with a corresponding liability as soon as the obligation to incur such costs arises. The timing of the actual rehabilitation expenditure is dependent on a number of factors such as the life and nature of the asset, the operating license conditions and, when applicable, the environment in which the mine operates. Discount rates using a pre-tax rate that reflects the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either the unit-of-production or the straight line method. The corresponding liability is progressively increased as the effect of discounting unwinds creating an expense recognized in profit or loss.

Decommissioning costs are also adjusted for changes in estimates. Those adjustments are accounted for as a change in the corresponding capitalized cost, except where a reduction in costs is greater than the unamortized capitalized cost of the related assets, in which case the capitalized cost is reduced to nil and the remaining adjustment is recognized in profit or loss. The operations of the Company have been, and may in the future be, affected from time to time in varying degree by changes in environmental regulations, including those for site restoration costs. Both the likelihood of new regulations and their overall effect upon the Company are not predictable. The Company has no material restoration, rehabilitation and environmental obligations as the disturbance to date are minimal.

Significant Accounting Estimates and Judgments

The preparation of these consolidated financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates.

These consolidated financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Golden Arrow Resources Corporation

Notes to the consolidated financial statements

For the years ended December 31, 2025 and 2024

(Expressed in Canadian Dollars Unless Otherwise Noted)

2. MATERIAL ACCOUNTING POLICIES (continued)

Critical accounting judgments

- i. Presentation of the consolidated financial statements which assumes that the Company will continue in operation for the foreseeable future, obtain additional financing as required, and will be able to realize its assets and discharge its liabilities in the normal course of operations as they come due.
- ii. The analysis of the functional currency for each entity of the Company involves significant judgment by management. In concluding that the Canadian dollar is the functional currency of the parent and its subsidiary companies, management considered the currency that mainly influences the cost of providing goods and services in each jurisdiction in which the Company operates. As no single currency was clearly dominant, the Company also considered secondary indicators including the currency in which funds from financing activities are denominated and the currency in which funds are retained.
- iii. The net carrying value of each mineral property is reviewed regularly for conditions that suggest impairment or a reversal of previously recorded impairment. This review requires significant judgment. Factors considered in the assessment of asset impairment include, but are not limited to, whether there has been a significant adverse change in the legal, regulatory, accessibility, title, environmental or political factors that could affect the property's value; whether there has been an accumulation of costs significantly in excess of the amounts originally expected for the property's acquisition, development or cost of holding; and whether exploration activities produced results that are not promising such that no more work is being planned in the foreseeable future. If impairment is determined to exist, a formal estimate of the recoverable amount is performed and an impairment loss is recognized to the extent that the carrying amount exceeds the recoverable amount.

Critical accounting estimates

- i. The Company is from time to time involved in pending or threatened litigation relating to claims arising in the ordinary course of its business. The nature and progression of litigation can make it difficult to predict the impact a particular lawsuit or claim will have on the Company.
- ii. The Company has determined the option value of the agreement entered into with Sociedad de Servicios Andino SpA ("SSA"), see note 4(a), to be nominal. There is significant estimate and judgement involved in the valuation and assessment of the option agreement. An increase in capital value, particularly of New Golden Exploration Chile SpA ("NGE") would have a material impact on the fair value of the embedded option derivative.

New and amended IFRS standards that are effective for the current period:

Amendments to IAS 21, Lack of Exchangeability (effective January 1, 2025) requires companies to provide more useful information in their financial statements when a currency cannot be exchanged into another currency. The amendments respond to stakeholder feedback and concerns about diversity in practice in accounting for a lack of exchangeability between currencies. The amendments will help companies and investors by addressing a matter not previously covered in the accounting requirements for the effects of changes in foreign exchange rates. These amendments will require companies to apply a consistent approach in assessing whether a currency can be exchanged into another currency and when it cannot, in determining the exchange rate to use and the disclosures to provide. This amendment did not have any impact on the Company's consolidated financial statements.

Golden Arrow Resources Corporation

Notes to the consolidated financial statements

For the years ended December 31, 2025 and 2024

(Expressed in Canadian Dollars Unless Otherwise Noted)

2. MATERIAL ACCOUNTING POLICIES (continued)

New Accounting Standards and Interpretations not yet effective

The following new standards, amendments and interpretations have been issued but are not effective for the fiscal year ended December 31, 2025 and accordingly, they have not been applied in preparing these consolidated financial statements.

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

- i. Three defined categories for income and expenses—operating, investing and financing—to improve the structure of the income statement, and require all companies to provide new defined subtotals, including operating profit.
- ii. Requirement for companies to disclose explanations of management-defined performance measures (MPMs) that are related to the income statement.
- iii. 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, and the Company is evaluating if this amendment will have any impact on the Company's consolidated financial statements.

3. RIGHT-OF-USE ASSET

The Company capitalized two office lease arrangements in accordance with IFRS 16 that were not renewed and terminated prior to the contractual end dates. During the year ended December 31, 2024, the Company terminated its office lease, and entered into an office lease agreement on a month-to-month basis. The continuity schedule of right-of-use assets for the year ended December 31, 2025 is as follows:

	Total \$
Cost	
Balance at December 31, 2023	414,632
Derecognition	(414,632)
Balance at December 31, 2024 and December 31, 2025	-
Accumulated Depreciation	
Balance at December 31, 2023	245,123
Depreciation	22,907
Derecognition	(268,030)
Balance at December 31, 2024 and December 31, 2025	-
Carrying Amount At December 31, 2024 and December 31, 2025	-

Golden Arrow Resources Corporation
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4. MINERAL PROPERTY INTERESTS

The schedules below summarize the carrying costs of acquisition costs and all exploration expenditures incurred to date for each mineral property interest as at December 31, 2025:

Acquisition Costs

	Chile		Argentina		Total \$
	San Pietro \$	Yanso \$	Other \$		
Balance – December 31, 2023	4,244,150	6,437	7,240		4,257,827
Additions					
Staking costs, land payments and acquisition costs	176,554	1,317	-		177,871
Balance – December 31, 2024	4,420,704	7,754	7,240		4,435,698
Additions					
Staking costs, land payments and acquisition costs	192,114	10,005	-		202,119
Balance – December 31, 2025	4,612,818	17,759	7,240		4,637,817

Exploration Expenditures

	Chile		Argentina		Total \$
	San Pietro \$	Yanso \$	Other \$		
Cumulative exploration expenses					
December 31, 2024	9,709,275	2,315,361	18,490,595		30,515,231
Expenditures during the year					
Assays	109,363	-	-		109,363
Drilling	92,221	-	-		92,221
Environmental	63,553	-	26,891		90,444
Geophysics	230,212	25,650	2,882		258,744
Office	36,152	258,200	16,312		310,664
Property maintenance payments	83,197	-	10,346		93,543
Salaries and contractors	820,632	769,499	24,295		1,614,426
Social and community	-	259	-		259
Supplies and equipment	54,987	72,436	-		127,423
Transportation	57,723	41,407	55		99,185
Value added taxes	78,378	48,634	3,455		130,467
	1,626,418	1,216,085	84,236		2,926,739
Cumulative exploration expenses					
December 31, 2025	11,335,693	3,531,446	18,574,831		33,441,970

Golden Arrow Resources Corporation

Notes to the consolidated financial statements

For the years ended December 31, 2025 and 2024

(Expressed in Canadian Dollars Unless Otherwise Noted)

4. MINERAL PROPERTY INTERESTS (continued)

The schedule below summarizes all exploration expenditures incurred to date for each mineral property interest that the Company was continuing to explore as at December 31, 2024:

	Chile		Argentina		Total \$
	San Pietro \$	Yanso \$	Other \$		
Cumulative exploration expenses					
December 31, 2023	3,627,064	1,611,662	18,258,402		23,497,128
Expenditures during the year					
Assays	202,268	-	-		202,268
Drilling	3,591,597	-	-		3,591,597
Environmental	-	80	3,784		3,864
Geophysics	15,382	15,690	15,124		46,196
Office	32,796	159,230	61,140		253,166
Property maintenance payments	36,517	-	1,662		38,179
Salaries and contractors	1,080,168	424,323	28,727		1,533,218
Supplies and equipment	295,627	30,943	86,082		412,652
Transportation	55,293	20,969	18,395		94,657
Value added taxes	772,563	52,464	17,279		842,306
	6,082,211	703,699	232,193		7,018,103
Cumulative exploration expenses					
December 31, 2024	9,709,275	2,315,361	18,490,595		30,515,231

(a) San Pietro Project, Atacama, Chile

On March 17, 2022, the Company purchased a 100% interest in the San Pietro Iron-oxide Copper Gold Project (the “San Pietro Project”) in Chile from Sumitomo Metal Mining Chile Ltda (“Sumitomo”) for cash consideration of \$4,238,085 (US\$3,350,000). Teck Resources Chile Limitada holds a 5% net profit interest of the minerals coming from the San Pietro Project subject to relevant terms and conditions from a 2021 agreement with Sumitomo.

On January 18, 2024, the Company’s subsidiary, NGE, entered into an option agreement with SSA. Under the option agreement, NGE has granted SSA the option to subscribe for 333 new shares in the capital of NGE equivalent to approximately 25% of the issued and outstanding shares in exchange for the contribution of US\$5,000,000 in the equivalent amount of Chilean pesos. This contribution includes US\$2,000,000 in cash through six bimonthly installments of US\$333,333 commencing on February 1, 2024, and SSA performing non-refundable drilling services, heavy machinery services, truck rental as well as any other goods or necessary services for the development of field activities on the San Pietro Project with an aggregate value of US\$3,000,000 by July 2025.

During the year ended December 31, 2024, the NGE received US\$2,000,000 in cash payments and US\$2,954,620 in exploration services from SSA. During the year ended December 31, 2025, NGE received the remaining US\$45,380 in exploration services from SSA. On April 30, 2025, SSA exercised its option to earn a 25% stake in NGE. 333 shares in the capital of NGE were issued to SSA, equivalent to 25% of the issued and outstanding common shares of NGE. The common shares are not convertible or otherwise exchangeable for common shares of the Company. See also Note 8.

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Notes to the consolidated financial statements

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(Expressed in Canadian Dollars Unless Otherwise Noted)

4. MINERAL PROPERTY INTERESTS (continued)

(b) Mogote Project, Argentina

On May 4, 2022, the Company optioned its Mogote Copper-Gold project (the “Mogote Project”) in San Juan Province, Argentina to Australian-based Syndicate Minerals Pty (“Syndicate”) which was assigned to Mogotes Metals Inc. (“MOG”) on September 19, 2022. The agreement gives Syndicate the option to earn an 85% interest in the Mogote Project. An initial 80% interest can be earned by spending \$5 million on exploration at the Mogote Project over five years and making cash payments of \$1.75 million over five years, including a payment on signing of \$150,000. After completion of the option earn-in, Syndicate can complete a feasibility study to earn a further 5% interest. After that, the parties have agreed to form a joint venture company to advance the Mogote Project on a pro rata basis, with provisions for dilution. On April 14, 2023, the Company amended its agreement to accept 4,000,000 common shares with a fair value of \$0.30 per share in MOG in lieu of staged cash payments of \$1,200,000. The fair value of the shares at inception was based on other equity transactions in Mogote. Under the terms of the agreement, in the event that MOG completed a going public transaction or issued its common shares at a lower share price, the Company was to receive additional shares such that the number received in April 2023 would still be the equivalent value of \$1,200,000. On February 13, 2024, the Company received an additional 4,000,000 common shares in MOG to prevent dilution and maintain its \$1,200,000 investment value (see also Note 5).

On February 10, 2025, the Company and MOG agreed to amend their agreement (the “Amending Agreement”). The Amending Agreement grants MOG an option to acquire a 100% interest in the Mogote Project (the “Amended Option”) in exchange for \$1 million in a combination of cash and a private placement into the Company, an increased equity interest in MOG and a 1.5% net smelter returns royalty (“NSR”) on the Mogote Project.

Under the terms of the Amending Agreement:

- The Company has received \$550,000 in cash and issued 9,000,000 units through a private placement on March 26, 2025 (“Initial Closing Date”), with each unit consisting of one common share in the capital of Company and one warrant of the Company for gross proceeds of \$450,000 (see also Note 6).
- MOG issued 10,714,285 common shares of MOG (each, an “Option Share”) to the Company on Initial Closing Date; and
- On October 17, 2025, the Final Closing Date, MOG exercised the option and the Company received 4,687,500 shares from MOG (the “Deferred Option Shares”). The Deferred Option Shares are subject to a TSX-V four-month holding period and the Lock-up (see also Note 5).

Pursuant to the Amending Agreement, the Company agrees not to transfer the Option Shares and Deferred Option Shares (the “Lock-up”), without the prior consent of MOG (such consent not to be unreasonably withheld) until such shares are released in accordance with the following schedule:

- on the date that is six months following the Final Closing Date, fifty percent (50%) of the Deferred Option Shares will be released from the Lock-up; and
- the remaining fifty percent (50%) of the Deferred Option Shares will be released from the Lock-up in equal monthly installments over the subsequent six-month period, such that all Option Shares will be fully released from the Lock-up on the 12-month anniversary of the Final Closing Date.

MOG granted the Company a 1.5% net smelter returns royalty in respect of the Project.

Golden Arrow Resources Corporation

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(Expressed in Canadian Dollars Unless Otherwise Noted)

4. MINERAL PROPERTY INTERESTS (continued)

(c) Caballos Project, Argentina

During 2021, the Company entered into a definitive agreement (the “Agreement”) to option its Caballos copper-gold project (the “Caballos Project”) to Hanaq Argentina S.A. (“Hanaq”). The Agreement gives Hanaq the opportunity to earn a 70% interest in the Caballos Project by spending a minimum of US\$0.5 million in exploration expenditures within two years, followed by US\$3.5 million in exploration expenditures within six years that comes into effect following the receipt of exploration permits in October 2024. On completion of the option earn-in, the parties have agreed to form a joint venture company will be incorporated and owned 70% Hanaq and 30% by the Company’s 100% owned Argentina subsidiary, Desarrollo de Recursos S.A., to advance the Caballos Project on a pro rata basis, with provisions for dilution.

(d) Huachi Project, Argentina

During 2025, the Company entered into a definitive agreement with Latin Metals Inc. (“Latin Metals”) to option its Huachi property, a copper-gold property located in San Juan, Argentina. Terms of the option agreement include the right for Latin Metals to acquire an initial 75% interest in Huachi by completing US\$1,000,000 in cash payments and US\$1,000,000 in exploration expenditures over a four-year period, commencing on the first anniversary of approval of the environmental permit (“Commencement Date”). As of and subsequent to December 31, 2025, the environment permit has not been approved. The Company has the right to terminate the option agreement, if Latin Minerals does not receive the environment permit on or before February 28, 2027. Upon earning 75% interest, Latin Metals has a Top-Up Right to acquire the remaining 25% interest for an additional US\$2,000,000 cash payment within 90 days. If the Top-Up Right is not exercised, then the Company will form a joint venture with Latin Metals to fund its pro-rata share of future expenditures. A party diluting below 15% will have its interest converted to a 1% net smelter return royalty.

Option Payment US\$	Exploration Commitment US\$	Anniversary following commencement date
100,000	100,000	First
150,000	150,000	Second
250,000	250,000	Third
500,000	500,000	Fourth
2,000,000	-	Top-Up Right
3,000,000	1,000,000	

(e) Yanso Project, Argentina

The Company owns a 100% interest in the Yanso gold project in eastern San Juan Province, Argentina.

Golden Arrow Resources Corporation

Notes to the consolidated financial statements

For the years ended December 31, 2025 and 2024

(Expressed in Canadian Dollars Unless Otherwise Noted)

5. INVESTMENTS

An analysis of investments including related gains and losses during the year is as follows:

	Year ended December 31,			
	2025		2024	
	#	\$	#	\$
Investments, beginning of year	8,000,000	1,040,000	4,000,000	1,200,000
Fair value of investments received from the option agreement	15,401,785	2,675,222	-	-
Sale of investments	(14,795,000)	(3,268,018)	-	-
Realized gain on sale of investments	-	1,378,644	-	-
Unrealized gain (loss) on change in fair value of investments	-	885,289	4,000,000	(160,000)
Investments, end of year	8,606,785	2,711,137	8,000,000	1,040,000

The Company held 8,606,785 common shares of MOG at December 31, 2025 with a fair value of \$2,711,137, or \$0.315 per common share (December 31, 2024 – 8,000,000 common shares with a fair value of \$1,040,000, or \$0.13 per common share). The Company realized a cumulative gain of \$1,378,644 in other comprehensive income (loss) on sale of investments for the year ended December 31, 2025 (December 31, 2024 – \$Nil). The unrealized gain on change in fair value of investments was \$885,289 for the year ended December 31, 2025 (December 31, 2024 – loss of \$160,000). As of December 31, 2025 these investments are being held to fund working capital, and as such have been classified as a current asset. See also Note 18.

6. CAPITAL AND RESERVES

Authorized Share Capital

At December 31, 2025, the authorized share capital comprised an unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.

Details of Issues of Common Shares in 2025

On March 26, 2025, the Company completed a non-brokered private placement consisting of 9,000,000 units at a price of \$0.05 per unit for gross proceeds of \$450,000 under the terms of the Amending Agreement with MOG (see Note 4 (b)). Each unit consists of one common share in the capital of the Company and one transferable common share purchase warrant. Each warrant will entitle the holder to purchase one additional common share at an exercise price of \$0.08 per warrant for a period of three years from the date of issue. No finder's fees were paid in cash or non-transferable warrants. Fair value of the warrants was calculated using the Black-Scholes pricing model and the following variables: risk-free interest rate – 2.61%; expected stock price volatility – 102.84%; dividend yield – 0%; and expected warrant life – 3 years.

Golden Arrow Resources Corporation

Notes to the consolidated financial statements

For the years ended December 31, 2025 and 2024

(Expressed in Canadian Dollars Unless Otherwise Noted)

6. CAPITAL AND RESERVES (continued)

Details of Issues of Common Shares in 2024

On December 24, 2024, the Company completed the third and final tranche of a non-brokered private placement announced on November 12, 2024, consisting of 5,000,000 units at a price of \$0.05 per unit for gross proceeds of \$250,000. Each unit consists of one common share in the capital of the Company and one transferable common share purchase warrant. Each warrant will entitle the holder to purchase one additional common share at an exercise price of \$0.08 per warrant for a period of three years from the date of issue. Finder's fees paid were \$14,700 in cash and 294,000 non-transferable warrants exercisable into common shares at \$0.05 per share for three years from the date of issue with a fair value of \$8,063. Fair value of the warrants was calculated using the Black-Scholes pricing model and the following variables: risk-free interest rate – 3.01%; expected stock price volatility – 99.79%; dividend yield – 0%; and expected warrant life – 3 years.

On December 2, 2024, the Company completed the second tranche of a non-brokered private placement announced on November 12, 2024, consisting of 1,800,000 units at a price of \$0.05 per unit for gross proceeds of \$90,000. Each unit consists of one common share in the capital of the Company and one transferable common share purchase warrant. Each warrant will entitle the holder to purchase one additional common share at an exercise price of \$0.08 per warrant for a period of three years from the date of issue. Finder's fees paid were \$6,650 in cash and 133,000 non-transferable warrants exercisable into common shares at \$0.05 per share for three years from the date of issue with a fair value of \$3,570. Fair value of the warrants was calculated using the Black-Scholes pricing model and the following variables: risk-free interest rate – 3.03%; expected stock price volatility – 97.10%; dividend yield – 0%; and expected warrant life – 3 years.

On November 22, 2024, the Company completed the first tranche of the non-brokered private placement announced on November 12, 2024, consisting of 8,850,000 units at a price of \$0.05 per unit for gross proceeds of \$442,500. Each unit consists of one common share in the capital of the Company and one transferable common share purchase warrant. Each warrant will entitle the holder to purchase one additional common share at an exercise price of \$0.08 per warrant for a period of three years from the date of issue. Finder's fees paid were \$1,400 in cash and 28,000 non-transferable warrants exercisable into common shares at \$0.05 per share for three years from the date of issue with a fair value of \$753. Fair value of the warrants was calculated using the Black-Scholes pricing model and the following variables: risk-free interest rate – 3.35%; expected stock price volatility – 96.87%; dividend yield – 0%; and expected warrant life – 3 years.

On March 15, 2024, the Company completed the second and final tranche of a non-brokered private placement announced on January 19, 2024, and subsequently increased on February 6, 2024. The Company issued 1,000,000 units in this tranche at a price of \$0.05 per unit for gross proceeds of \$50,000. Each unit consisted of one common share and one transferable common share purchase warrant. Each warrant entitles the holder thereof to purchase one additional common share in the capital of the Company at \$0.10 per share for three years from the date of issue. Fair value of the warrants was calculated using the Black-Scholes pricing model and the following variables: risk-free interest rate – 4.28%; expected stock price volatility – 75.20%; dividend yield – 0%; and expected warrant life – 3 years.

On February 6, 2024, the Company completed the first tranche of a non-brokered private placement announced on January 19, 2024, and subsequently increased on February 6, 2024. The Company issued 16,890,000 units in this tranche at a price of \$0.05 per unit for gross proceeds of \$844,500. Each unit consisted of one common share and one transferable common share purchase warrant. Each warrant entitles the holder thereof to purchase one additional common share in the capital of the Company at \$0.10 per share for three years from the date of issue. Finder's fees paid were \$23,940 cash and 478,800 non-transferable warrants exercisable into common shares at \$0.10 for three years from the date of issue with a fair value of \$9,838. Fair value of the warrants was calculated using the Black-Scholes pricing model and the following variables: risk-free interest rate – 4.21%; expected stock price volatility – 68.56%; dividend yield – 0%; and expected warrant life – 3 years.

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(Expressed in Canadian Dollars Unless Otherwise Noted)

6. CAPITAL AND RESERVES (continued)

Share Purchase Option Compensation Plan

The Company has a share purchase option plan (the “Plan”) approved by the Company’s shareholders that allows it to grant share purchase options, subject to regulatory terms and approval, to its officers, directors, employees and service providers for a maximum term of ten years. The Plan is based on the maximum number of eligible shares equaling a rolling percentage of 10% of the Company’s outstanding common shares, calculated from time to time. If outstanding share purchase options are exercised or expire, and/or the number of issued and outstanding common shares of the Company increases, then the share purchase options available to grant under the Plan increase proportionately.

The exercise price of each share purchase option is set by the Board of Directors at the time of grant but cannot be less than the market price less allowable discounts in accordance with the policies of the TSX-V. Share purchase options granted generally vest immediately, are subject to a four-month hold period and are generally exercisable for a period of ten years.

The continuity of share purchase options for the year ended December 31, 2025 is as follows:

Expiry date	Exercise Price	December 31, 2024	Granted	Cancelled/ Expired	December 31, 2025	Options exercisable
January 19, 2026 ⁽¹⁾	\$0.25	4,305,000	-	-	4,305,000	4,305,000
July 13, 2028	\$0.10	6,950,000	-	-	6,950,000	6,950,000
		11,255,000	-	-	11,255,000	11,255,000
Weighted average exercise price \$		0.16	-	-	0.16	0.16
Weighted average contractual remaining life (years)		2.59	-	-	1.59	1.59

(1) See Note 18 for further information.

The continuity of share purchase options for the year ended December 31, 2024 is as follows:

Expiry date	Exercise Price	December 31, 2023	Granted	Cancelled/ Expired	December 31, 2024	Options exercisable
January 19, 2026	\$0.25	4,305,000	-	-	4,305,000	4,305,000
July 13, 2028	\$0.10	6,950,000	-	-	6,950,000	6,950,000
		11,255,000	-	-	11,255,000	11,255,000
Weighted average exercise price \$		0.16	-	-	0.16	0.16
Weighted average contractual remaining life (years)		3.59	-	-	2.59	2.59

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6. CAPITAL AND RESERVES (continued)

Warrants

The continuity of warrants for the year ended December 31, 2025 is as follows:

Expiry date	Exercise Price	December 31, 2024	Granted	Expired	December 31, 2025
September 26, 2026	\$0.15	12,050,467	-	-	12,050,467
February 6, 2027	\$0.10	17,368,800	-	-	17,368,800
March 15, 2027	\$0.10	1,000,000	-	-	1,000,000
November 22, 2027	\$0.08	8,850,000	-	-	8,850,000
November 22, 2027	\$0.05	28,000	-	-	28,000
December 2, 2027	\$0.08	1,800,000	-	-	1,800,000
December 2, 2027	\$0.05	133,000	-	-	133,000
December 24, 2027	\$0.08	5,000,000	-	-	5,000,000
December 24, 2027	\$0.05	294,000	-	-	294,000
March 27, 2028	\$0.08	-	9,000,000	-	9,000,000
		46,524,267	9,000,000	-	55,524,267
Weighted average exercise price \$		0.11	0.08	-	0.10
Weighted average contractual remaining life (years)		2.29	-	-	1.45

The continuity of warrants for the year ended December 31, 2024 is as follows:

Expiry date	Exercise Price	December 31, 2023	Granted	Expired	December 31, 2024
February 25, 2024	\$0.40	11,051,611	-	(11,051,611)	-
March 5, 2024	\$0.40	1,290,367	-	(1,290,367)	-
March 21, 2024	\$0.40	3,462,034	-	(3,462,034)	-
June 19, 2024	\$0.30	4,062,500	-	(4,062,500)	-
June 20, 2024	\$0.30	1,950,000	-	(1,950,000)	-
September 26, 2026	\$0.15	12,050,467	-	-	12,050,467
February 6, 2027	\$0.10	-	17,368,800	-	17,368,800
March 15, 2027	\$0.10	-	1,000,000	-	1,000,000
November 22, 2027	\$0.08	-	8,850,000	-	8,850,000
November 22, 2027	\$0.05	-	28,000	-	28,000
December 2, 2027	\$0.08	-	1,800,000	-	1,800,000
December 2, 2027	\$0.05	-	133,000	-	133,000
December 24, 2027	\$0.08	-	5,000,000	-	5,000,000
December 24, 2027	\$0.05	-	294,000	-	294,000
		33,866,979	34,473,800	(21,816,512)	46,524,267
Weighted average exercise price \$		0.29	0.09	0.37	0.11
Weighted average contractual remaining life (years)		1.14	-	-	2.29

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7. RELATED PARTY BALANCES AND TRANSACTIONS

On June 1, 2017, the Company entered into a Management Services Agreement with Grosso Group to provide services and facilities to the Company. Grosso Group is a private company that is owned by Joseph Grosso, an officer and director of the Company and also has another director in common with the Company. Grosso Group provides its member companies with administrative and management services. The member companies pay monthly fees to Grosso Group on a cost recovery basis. The fee is based upon a pro-rating of Grosso Group's costs including its staff and overhead costs among the member companies. This fee is reviewed and adjusted quarterly based on the level of services required.

The Management Services Agreement contains termination and early termination fees in the event the services are terminated by the Company. The termination fee includes three months of compensation and any contractual obligations that Grosso Group undertook for the Company, up to a maximum of \$750,000. The early termination fees are the aggregate of the termination fee in addition to the lesser of the monthly fees calculated to the end of the term and the monthly fees calculated for eighteen months, up to a maximum of \$1,000,000. The agreement expired on December 31, 2025 and was automatically renewed for additional terms of two years.

Transactions	Year ended December 31,	
	2025	2024
	\$	\$
Services rendered:		
Grosso Group Management Ltd.		
Administration and management services	216,600	90,000
Office & sundry	17,700	10,800
Total for services rendered	234,300	100,800

Key management personnel compensation

Key management personnel of the Company are members of the Board of Directors, as well as the Executive Chairman, President and CEO, CFO, and Vice President of Corporate Development.

Transactions	Position	Year ended December 31,	
		2025	2024
		\$	\$
Salaries and employee benefits:			
Joseph Grosso	Director	331,546	323,775
Darren Urquhart	CFO	38,870	33,290
Nikolaos Cacos	Director/CEO/President	144,675	134,512
Brian McEwen ⁽¹⁾	VP Exploration	229,068	223,704
Pompeyo Gallardo	VP	24,000	12,000
David Terry	Director	88,000	88,000
John Gammon	Former Director	8,364	12,000
Total for services rendered		864,523	827,281

(1) During the year ended December 31, 2025, \$180,000 (2024 - \$108,000) of compensation for the VP exploration was classified as exploration expense.

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7. RELATED PARTY BALANCES AND TRANSACTIONS (continued)

As at December 31, 2025, \$236,589 (2024 – \$106,481) were owing from related corporations, Argentina Lithium and Energy Corp. and Blue Sky Uranium Corp., for shared services paid by the Company. These entities have common directors, namely Joseph Grosso, Nikolaos Cacos, and David Terry.

During the year ended December 31, 2025, the Company incurred \$154,163 (2024 - \$Nil) in share service fees received from Argentina Lithium and Energy Corp.

As at December 31, 2025, accounts payable and accrued liabilities of \$396,314 (2024 - \$564,317) were owing to related corporations Grosso Group Management Ltd. And Oxbow International Marketing Corp., which are owned by Joseph Grosso, as well as Argentina Lithium and Energy Corp.

8. NON-CONTROLLING INTEREST

During the year ended December 31, 2025, NGE recorded an NCI (see also Note 2, 4a) that is considered material to our audited consolidated financial statements. The NCI in the net assets of consolidated subsidiaries is identified separately from Company's equity. The NCI includes the amount of those interests at the date of the original transaction with SSA and the NCI's share of changes in equity since the date of the transaction.

The following is the summarized fair value financial information for NGE before intra-group eliminations used to compute the fair value of the NCI.

	December 31, 2025	April 30, 2025
Summarized statement of financial position	\$	\$
Current assets	203,132	113,027
Current liabilities	(143,556)	(54,740)
Current net assets	59,576	58,287
Non-current assets	4,612,819	4,420,704
Non-current liabilities	(11,873,617)	(10,979,128)
Non-current net liabilities	(7,260,798)	(6,558,424)
Net assets (liabilities)	(7,201,222)	(6,500,137)
Accumulated NCI	1,642,762	1,625,034
Summarized statement of loss and comprehensive loss	December 31, 2025	April 30, 2025
Total loss and comprehensive loss for the period	(1,414,665)	(475,001)
Loss allocated to non-controlling interest for the period	(234,916)	-

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8. NON-CONTROLLING INTEREST (continued)

As of April 30, 2025, NCI was calculated as follows:

Cash	\$	2,741,461
Drilling services		4,118,360
Total consideration		6,859,821
NGE net assets:		
Cash and cash equivalents		3,621
Prepays		84,435
Investments		24,971
Exploration and evaluation assets		4,420,704
Accounts payable		(54,740)
Intercompany payables		(10,979,128)
25% of total net assets allocated to NCI		1,625,034
Excess recognized in deficit	\$	5,234,787

9. BASIC AND DILUTED LOSS PER SHARE

The calculation of basic and diluted earnings (loss) per share for the year ended December 31, 2025 and 2024 was based on the following:

	Year ended December 31,	
	2025	2024
Loss attributable to common shareholders (\$)	(1,156,756)	(8,366,453)
Weighted average number of common shares outstanding	167,345,363	144,127,142

The Company incurred a loss attributable to common shareholders for the year ended December 31, 2025 and 2024, therefore the impact of dilutive securities is anti-dilutive.

10. MARKETABLE SECURITIES

From time to time, the Company may acquire and transfer marketable to facilitate intragroup funding transfers between the Canadian parent and its Argentine operating subsidiaries. The Company does not acquire marketable securities and engage in these transactions for speculative purposes. In this regard, under this strategy, the Company generally uses marketable securities of large and well-established companies with high trading volumes and low volatility. Nonetheless, as the process to acquire, transfer and ultimately sell the marketable securities occurs over several days, some fluctuations are unavoidable. As the marketable securities are acquired with the intention of a near term sale, they are considered financial instruments that are held for trading, all changes in the fair value of the instruments between acquisition and disposition are recognized through profit or loss. The subsequent disposition of these marketable securities in exchange for Argentine pesos gave rise to a gain as the amount received in Argentine peso exceeds the amount of Argentine peso the Company would have received from a direct foreign currency exchange.

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10. MARKETABLE SECURITIES (continued)

As a result of having utilized this mechanism for intragroup funding for the year ended December 31, 2025, the Company realized a gain of \$20,667 (December 31, 2024 – \$159,762) from the favorable foreign currency impact.

11. COMMITMENTS

Management Services Agreement

Grosso Group provides its member companies with administrative and management services. The member companies pay monthly fees to Grosso Group on a cost recovery basis. The fee is based upon a pro-rating of Grosso Group's costs including its staff and overhead costs among the member companies. The current fee is \$15,500 per month. This fee is reviewed and adjusted quarterly based on the level of services required.

The table below represents the Company's aggregate commitment to Grosso Group over the term of the Management Services Agreement.

	Year 1	Year 2	Year 3
	\$	\$	\$
Management Services Agreement	186,000	186,000	-

The Company has a consulting agreement with its Chairman of the Board, CEO and President (the "Chairman Agreement"). The termination provisions of the Chairman Agreement provide that a fee of 24 months' compensation be paid in the event of termination without cause. In the event of a change of control, or the sale of all or substantially all of the assets of the Company to a bona fide third party purchaser, the Chairman would receive an amount equal to 24 months' compensation. As of December 31, 2025, the Company would have to pay \$663,092 to the Chairman in the event of termination without cause or a change of control.

The Company has a consulting agreement with its CFO (the "CFO Agreement"). The termination provisions of the CFO Agreement provide that a fee of 24 months' compensation be paid in the event of termination without cause. In the event of a change of control, or the sale of all or substantially all of the assets of the Company to a bona fide third party purchaser, the CFO would receive an amount equal to 24 months' compensation. As of December 31, 2025, the Company would have to pay \$106,426 to the CFO in the event of termination without cause or a change of control.

The Company has a consulting agreement with its Director and Vice President, Corporate Development. The termination provisions of the agreement provide that a fee of 24 months' compensation be paid in the event of termination without cause. In the event of a change of control, or the sale of all or substantially all of the assets of the Company to a bona fide third party purchaser, the Director would receive an amount equal to 24 months' compensation. As of December 31, 2025, the Company would have to pay \$289,349 to the Director in the event of termination without cause or a change of control.

The Company has a consulting agreement with its Vice President, Exploration and Development. The termination provisions of the agreement provide that a fee of 12 months' compensation be paid in the event of termination without cause. In the event of a change of control, or the sale of all or substantially all of the assets of the Company to a bona fide third party purchaser, the VP, Exploration and Development would receive an amount equal to 12 months' compensation. As of December 31, 2025, the Company would have to pay \$229,068 to the VP, Exploration and Development in the event of termination without cause or a change of control.

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11. COMMITMENTS (continued)

The Company has a consulting agreement with its Corporate Secretary (the “Corporate Secretary Agreement”). The termination provisions of the Corporate Secretary Agreement provide that a fee of 24 months’ compensation be paid in the event of termination without cause. In the event of a change of control, or the sale of all or substantially all of the assets of the Company to a bona fide third party purchaser, the Corporate Secretary would receive an amount equal to 24 months’ compensation. As of December 31, 2025, the Company would have to pay \$127,711 to the Corporate Secretary in the event of termination without cause or a change of control.

The Company has a consulting agreement with its Controller (the “Controller Agreement”). The termination provisions of the Controller Agreement provide that a fee of 12 months’ compensation be paid in the event of termination without cause. In the event of a change of control, or the sale of all or substantially all of the assets of the Company to a bona fide third party purchaser, the Controller would receive an amount equal to 12 months’ compensation. As of December 31, 2025, the Company would have to pay \$51,069 to the Controller in the event of termination without cause or a change of control.

12. CONTINGENCY

A former employee and former consultant to the Company are claiming to be owed severance in Argentina. The former employee commenced legal action that has progressed from prejudicial to judicial status. The Company believes the amount of severance being claimed by the former employee and former consultant is excessive and is disputing the amount. The actual amount of severance is still being negotiated and may be material to the Company.

13. SEGMENTED INFORMATION

The Company’s operations are limited to a single reportable segment, being mineral exploration and development. The Company’s total non-current assets are segmented geographically as follows:

	December 31, 2025			
	Canada	Argentina	Chile	Total
	\$	\$	\$	\$
Mineral property interests	-	24,999	4,612,818	4,637,817
	-	24,999	4,612,818	4,637,817

	December 31, 2024			
	Canada	Argentina	Chile	Total
	\$	\$	\$	\$
Investments	1,040,000	-	-	1,040,000
Mineral property interests	-	14,994	4,420,704	4,435,698
	1,040,000	14,994	4,420,704	5,475,698

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14. INCOME TAXES

The provision for income taxes reported differs from the amounts computed by applying statutory Canadian federal and provincial tax rates to the loss before tax due to the following:

	2025	2024
Statutory tax rate	27.00%	27.00%
	<u>\$</u>	<u>\$</u>
Loss before income taxes	(1,391,672)	(8,366,453)
Income tax recovery at statutory rates	(375,751)	(2,258,942)
Permanent differences	1,745	(3,791)
Rate differential and other	139,333	(634,779)
Foreign exchange movement and true-up	(4,154,165)	116,782
Change in unrecognized tax benefits	4,388,838	2,780,730
Income tax recovery	<u>-</u>	<u>-</u>

Temporary Differences Not Recognized

The Company has unrecognized deductible temporary differences aggregating \$41,925,000 (2024 - \$48,011,000), noted below that are available to offset future taxable income. The potential benefit of these deductible temporary differences has not been recognized in these consolidated financial statements as it is not considered probable that sufficient future taxable profit will allow the temporary differences to be recovered.

	December 31, 2025	Expiry dates	December 31, 2024
Non-capital losses	\$33,399,000	2026 – 2045	\$39,067,000
Resource deductions	1,592,000	No expiry	1,592,000
Foreign exchange	6,896,000	No expiry	7,300,000
Financing costs	38,000	2026 – 2028	52,000
Total	\$41,925,000		\$48,011,000

At December 31, 2025, the Company has accumulated non-capital losses in Canada aggregating \$20,121,180 (2024 – \$20,982,257) which expire over the period between 2037 and 2045, available to offset future taxable income in Canada.

At December 31, 2025, the Company has accumulated non-capital losses in Argentina of approximately \$7,848,841 (2024 – \$5,564,665) which expire over the period between 2026 and 2030, available to offset future taxable income in Argentina.

At December 31, 2025, the Company has Chilean non-capital loss carryforwards of \$5,429,348 (2024 - \$12,520,108) available to offset future taxable income in Chile.

The summary of the Company's deferred tax assets and liabilities recognized as are following:

Deferred tax assets (liabilities)	December 31, 2025	December 31, 2024
Investments	\$ (284,031)	-
Non-capital losses	284,031	-
Net deferred tax assets (liabilities)	\$ -	-

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15. SUPPLEMENTARY CASH FLOW INFORMATION

	Year ended December 31,	
	2025	2024
	\$	\$
Non-cash investing and financing activities:		
Investments received from option agreement	2,675,222	-
Cash and cash equivalents		
Cash	105,940	396,798
Cash equivalents	109,975	471,826

16. FINANCIAL INSTRUMENTS

The Company examines the various financial instrument risks to which it is exposed and assesses the impact and likelihood of those risks. These risks may include credit risk, liquidity risk, currency risk, and interest rate risk. Where material, these risks are reviewed and monitored by the Board of Directors.

(a) Fair Values

The Company's financial assets and liabilities are measured and recognized according to a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets and liabilities and the lowest priority to unobservable inputs. The three levels of fair value hierarchy are as follows:

Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2 – Quoted prices in markets that are not active, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3 – Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

The Company's financial assets and liabilities consist of cash and cash equivalents, amounts receivable, investments, marketable securities, and accounts payable and accrued liabilities. The Company's investment in MOG (see also Notes 4(b) and 5) is carried at fair value using level 1 inputs at with any gains or losses recognized in other comprehensive income.

At December 31, 2025, the Company's financial instruments measured at fair value are as follows:

	\$ Carrying amount December 31, 2025	Level 1	Level 2	Level 3
		\$	\$	\$
		Fair value December 31, 2025		
Recurring measurements				
Financial Assets				
Investments	2,711,137	2,711,137	-	-

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16. FINANCIAL INSTRUMENTS (continued)

At December 31, 2024, the Company's financial instruments measured at fair value are as follows:

	\$	Level 1 \$	Level 2 \$	Level 3 \$
	Carrying amount December 31, 2024	Fair value December 31, 2024		
Recurring measurements				
Financial Assets				
Investments	1,040,000	1,040,000	-	-

(b) Financial Instrument Risk Exposure

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Financial instruments that potentially subject the Company to credit risk consist of cash and cash equivalents, and investments. The Company has reduced its credit risk by depositing its cash and cash equivalents, and investments with financial institutions that operate globally. Therefore, the Company is not exposed to significant credit risk and the Company's overall credit risk has not changed significantly from the prior year.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has in place a planning and budgeting process to help determine the funds required to ensure the Company has the appropriate liquidity to meet its operating and growth objectives. The Company has historically relied on issuance of shares and warrants, and sale of marketing securities to fund exploration programs and may require doing so again in the future.

As of December 31, 2025, the Company had a working capital of \$2,470,286 (December 31, 2024 – negative working capital of \$6,506). Working capital is defined as current assets less current liabilities and provides a measure of the Company's ability to settle liabilities that are due within one year with assets that are also expected to be converted into cash within one year. See also Note 1.

	1 Year \$	2 Years and more \$
Accounts payable and accrued liabilities	929,907	-

Market risk

(i) *Price risk*

Price risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in the market prices. Investments in marketable securities measured at fair value are exposed to changes in share prices that would result in gains or losses recognized in the Company's other comprehensive income. A 10% change in prices would change the Company's other comprehensive loss by \$270,000.

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16. FINANCIAL INSTRUMENTS (continued)

(ii) *Currency risk*

Financial instruments that impact the Company's net earnings due to currency fluctuations include: cash and cash equivalents, and accounts payable and accrued liabilities denominated in United States dollars, Chilean pesos, and Argentinean pesos. A 10% change in US dollar, Chilean Peso, and the Argentinean peso exchange rates relative to Canadian dollar would have insignificant impact on the Company's net loss:

- A 10% change in the US dollar exchange rate relative to the Canadian dollar would change the Company's net loss by \$5,000.
- A 10% change in the Argentinean peso exchange rate relative to the Canadian dollar would change the Company's net loss by \$3,000.
- A 10% change in the Chilean peso exchange rate relative to the Canadian dollar would change the Company's net loss by \$10,000.

(iii) *Interest rate risk*

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. Cash bears no interest and short-term investments are redeemable at any time without penalty, with interest paid from the date of purchase. The fair value of cash approximates their carrying values due to the immediate or short-term maturity of these financial instruments. Effect of the change in interest rate is not material.

17. CAPITAL MANAGEMENT

The Company's objectives when managing capital are:

- To safeguard our ability to continue as a going concern in order to develop and operate our current projects;
- Pursue strategic growth initiatives; and
- To maintain a flexible capital structure which lowers the cost of capital.

In assessing our capital structure, the Company include in our assessment the components of shareholders' equity and loans. In order to facilitate the management of capital requirements, the Company prepares annual expenditure budgets and continuously monitors and reviews actual and forecasted cash flows. The annual and updated budgets are monitored and approved by the Board of Directors. To maintain or adjust the capital structure, the Company may, from time to time, issue new shares, issue new debt, repay debt or dispose of non-core assets. The Company is dependent upon the ability to raise additional funding to meet its obligations and commitments. See also Note 1.

18. SUBSEQUENT EVENTS

Sale of Investments

The Company sold 3,919,285 common shares of MOG at an average price of \$0.42 per share for net proceeds of \$1,641,754 (see also Notes 4(b) and 5).

Stock Options

4,305,000 stock options at an exercise price of \$0.25 expired unexercised on January 19, 2026.

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18. SUBSEQUENT EVENTS (continued)

Resignation of Director

Subsequent to year end, a director of the Company resigned and entered into an agreement with the Company to receive \$5,000 per month for advisory services for a period of five years.