

Grit Metals Corp.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED FEBRUARY 28, 2026 AND 2025

(Unaudited - Expressed in Canadian dollars)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

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

The accompanying unaudited condensed consolidated interim financial statements of Grit Metals Corp. (the "Company") have been prepared by and are the responsibility of management.

These condensed consolidated interim financial statements for the nine months ended February 28, 2026, have not been reviewed or audited by the Company's independent auditors.

Grit Metals Corp. (formerly European Energy Metals Corp.)**Condensed Interim Consolidated Statements of Financial Position**

(Unaudited, Expressed in Canadian dollars)

As at	February 28, 2026	May 31, 2025
	\$	\$
ASSETS		
CURRENT		
Cash	1,272,832	1,086,317
Amounts receivable	32,897	30,226
Prepayments (Note 5)	149,079	31,560
	1,454,808	1,148,103
Exploration and evaluation assets (Notes 6)	4,004,676	3,646,163
TOTAL ASSETS	5,459,484	4,794,266
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities (Note 8)	93,804	77,006
	93,804	77,006
SHAREHOLDERS' EQUITY		
Share capital (Note 7)	9,939,314	8,801,696
Reserves (Note 7)	1,229,384	1,164,003
Deficit	(5,803,018)	(5,248,439)
	5,365,680	4,717,260
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	5,459,484	4,794,266

NATURE AND CONTINUANCE OF OPERATIONS (Note 1)

Approved and authorized for issue on behalf of the Board on April 29, 2026.

"Christos Doulis" Director"Jeremy Poirier" Director

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

Grit Metals Corp.
Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
(Unaudited, Expressed in Canadian dollars)

	Three Months ended February 28,		Nine Months ended February 28,	
	2026	2025	2026	2025
	\$	\$	\$	\$
EXPENSES				
Filing and transfer agent fees	29,783	8,993	42,149	69,015
Investor relations and communications	15,780	15,400	20,780	62,600
Marketing and advertising	83,563	2,520	86,863	10,422
Management fee (Note 8)	70,500	71,500	211,500	212,500
Office & accounting	9,425	22,731	31,380	75,369
Professional fees	30,248	39,773	60,036	117,955
Share-based payments (Note 7)	104,045	41,112	104,045	196,732
Travel	11,248	22,124	11,248	27,278
Operating loss	354,592	224,153	568,001	771,871
Other income				
Foreign exchange (gain) loss	1,810	(66,515)	(8,070)	17,371
Interest income	(153)	(5,962)	(5,352)	(14,430)
NET LOSS AND COMPREHENSIVE LOSS	356,249	151,676	554,579	774,812
Basic loss per share	(0.01)	(0.01)	(0.01)	(0.02)
Weighted average number of common shares outstanding:				
Basic and diluted	60,816,981	55,207,148	57,063,343	48,583,430

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

Grit Metals Corp.
Condensed Interim Consolidated Statements of Changes in Shareholders' Equity
For the nine months ended, February 28, 2026 and 2025.
(Unaudited, Expressed in Canadian dollars)

	Common Shares		Reserves	Deficit	Total
	Number of Shares	Amount			
		\$	\$	\$	\$
Balance, May 31, 2024	36,966,816	6,748,097	1,026,935	(3,237,200)	4,537,832
Shares issued for cash	17,622,000	2,202,750	-	-	2,202,750
Share issue cost	-	(277,296)	22,340	-	(254,956)
Shares issued from exercise of warrants (Note 7)	368,332	55,586	-	-	55,586
Restricted share units issued (Note 7)	-	-	15,364	-	15,364
Shares issued from conversion of restricted share units (Note 7)	250,000	68,500	(68,500)	-	-
Stock options granted (Note 7)	-	-	159,029	-	159,029
Net loss for the period	-	-	-	(774,812)	(774,812)
Balance, February 28, 2025	55,207,148	8,797,637	1,155,168	(4,012,012)	5,940,793
Shares issued for cash	-	(144,625)	-	-	(144,625)
Share issue cost	-	100,684	-	-	100,684
Shares issued from conversion of restricted share units (Note 7)	-	48,000	(48,000)	-	-
Stock options granted (Note 7)	-	-	56,835	-	56,835
Net loss for the period	-	-	-	(1,236,427)	(1,236,427)
Balance, May 31, 2025	55,207,148	8,801,696	1,164,003	(5,248,439)	4,717,260
Shares issued for cash (Note 7)	10,040,000	1,004,000	-	-	1,004,000
Shares issued for compensation (Note 7)	416,667	70,833	-	-	70,833
Share issue cost	-	(12,215)	-	-	(12,215)
Shares issued in settlement of debt (Note 7)	625,000	75,000	-	-	75,000
Stock options granted (Note 7)	-	-	65,381	-	65,381
Net loss for the period	-	-	-	(554,579)	(554,579)
Balance, February 28, 2026	66,288,815	9,939,314	1,229,384	(5,803,018)	5,365,680

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

Grit Metals Corp.
Condensed Interim Consolidated Statements of Cash Flows
(Unaudited, Expressed in Canadian dollars)

Nine months ended	February 28, 2026	February 28, 2025
Cash provided by (used in):	\$	\$
OPERATING ACTIVITIES		
Net loss	(554,579)	(774,812)
Non-cash items		
Share-based payments	136,214	196,732
Shares issued in settlement of debt	75,000	-
Net changes in non-cash working capital items:		
Amounts receivable	(2,671)	8,129
Prepayments	(117,519)	21,770
Accounts payable and accrued liabilities	16,798	(184,747)
Net cash provided (used) in operating activities	(446,757)	(732,928)
INVESTING ACTIVITY		
Additions to exploration and evaluation assets (Note 6)	(358,513)	(1,679,349)
Net cash used in investing activity	(358,513)	(1,679,349)
FINANCING ACTIVITY		
Shares issued for cash, net	1,004,000	2,202,750
Share issuance costs	(12,215)	(277,296)
Proceeds on exercise of warrants	-	55,586
Net cash provided by financing activity	991,785	1,981,040
Change in cash	186,515	(431,237)
Cash, beginning of year	1,086,317	1,742,720
Cash, end of year	1,272,832	1,311,483

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

Grit Metals Corp.

Notes to the Consolidated Interim Consolidated Financial Statements

For the nine months ended February 28, 2026 and 2025

(Unaudited, Expressed in Canadian dollars)

1. NATURE AND CONTINUANCE OF OPERATIONS

Grit Metals Corp. (the "Company") was incorporated on February 2, 2021, under the laws of British Columbia. The Company commenced trading on the TSX Venture Exchange on April 29, 2022 under the trading symbol "HILO.V". The address of the Company's corporate office and its principal place of business is 503 - 905 Pender Street, Vancouver, British Columbia, Canada, V6C 1L6. On April 25, 2023, the Company changed its name to European Energy Metals Corp. and updated its trading symbol to "FIN.V". On October 30, 2024 the Company changed its name to Grit Metals Corp. with no change to its trading symbol.

Grit Metals Corp. is a junior mining exploration company currently focused on the Lithium-Cesium-Tantalum Finnish Pegmatite Project in central Finland.

The Company's consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, which presumes that the Company will realize its assets and discharge its liabilities in the normal course of business for at least the next twelve months. Management recognizes that the Company will need to obtain additional financial resources in order to meet its planned business objectives. The Company has not generated cash flows from operations and has an accumulated deficit of \$5,803,018 as at February 28, 2026. The Company's ability to continue as a going concern and to realize the carrying value of its assets and discharge its liabilities when due is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs. There are no assurances that the Company will be able to obtain additional financial resources and/or achieve positive cash flows or profitability. These factors indicate the existence of material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

These condensed interim financial statements do not give effect to any adjustments that would be necessary should the Company be unable to continue as a going concern, and therefore, be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these financial statements.

2. MATERIAL ACCOUNTING POLICIES

a) Statement of compliance

These condensed interim consolidated financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards ("IFRS") and as issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). The condensed consolidated interim financial statements have been prepared in conformity with IAS 34 Interim Financial Reporting and do not include all the information required for full annual financial statements in accordance with IFRS and should be read in conjunction with the annual financials for the year ended May 31, 2025

These consolidated financial statements were authorized for issuance by the Board of Directors of the Company on April 29, 2026.

b) Basis of presentation

These condensed interim consolidated financial statements have been prepared on the historical cost basis, with the exception of financial instruments, which are measured at fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

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

Grit Metals Corp.

Notes to the Consolidated Interim Consolidated Financial Statements

For the nine months ended February 28, 2026 and 2025

(Unaudited, Expressed in Canadian dollars)

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

c) Basis of Consolidation

These condensed interim consolidated financial statements include the accounts of the Company, and its wholly-owned subsidiaries. All intercompany transactions and balances have been eliminated from the date of acquisition of control.

Subsidiaries are all entities over which the Company has control. The Company controls an entity when the Company 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 Company. They are deconsolidated from the date that control ceases.

The principal subsidiaries and their geographic locations at February 28, 2026, were as follows:

Name	Proportion of Ownership Interest	Country of Incorporation	Functional Currency	Principal Activity
BB Gold Inc.	100%	Canada	Canadian	Holding Company
Sisu Exploration Oy	100%	Finland	Canadian	Holds mineral interest in Finland
Grit Exploration Oy	100%	Finland	Canadian	Inactive

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

d) Foreign currency

Transactions and balances in currencies other than the Canadian dollar, the currency of the primary economic environment in which the Company operates (the “functional currency”), are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at exchange prevailing on the consolidated statement of financial position date are recognized in the statement of loss and comprehensive loss.

e) Significant accounting policies

These condensed interim consolidated financial statements have been prepared on the basis of accounting policies and methods of computation consistent with those applied in the Company's audited financial statements for the year ending May 31, 2025.

3. 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 consolidated financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These consolidated financial statements include estimates that, 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

Grit Metals Corp.

Notes to the Consolidated Interim Consolidated Financial Statements

For the nine months ended February 28, 2026 and 2025

(Unaudited, Expressed in Canadian dollars)

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS (CONTINUED)

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:

Critical accounting estimates

- i. The inputs used in valuing share-based payments.

The Company uses the fair-value method of accounting for share-based payments (related to incentive stock options and compensation warrants granted, modified or settled). Under this method compensation costs attributable to stock option awards granted are measured at fair value at the issue or grant date and are expensed over the vesting period. In determining the fair value for share-based payments, the Company uses option pricing models and makes estimates of the expected volatility of the stock, the expected life and risk-free rate. The expected volatility is based on historical volatility of the Company or comparable companies' stock over a period commensurate with the expected life of the option. Changes to these estimates could result in the fair value of share-based payments expense being less than or greater than the amount recorded.

Significant accounting judgments

- i. The evaluation of the Company's ability to continue as a going concern.

The Company's management has assessed the Company's ability to continue as a going concern. Factors considered by management are disclosed in Note 1.

- ii. Exploration and evaluation assets

At the end of each reporting period, management applies judgment in assessing whether there are any facts and circumstances that indicate that the carrying amount of exploration and evaluation assets may exceed its recoverable amount. If any such indication exists, the recoverable amount of the related asset is estimated in order to determine the extent of impairment, if any. Indicators of impairment may include (i) the period for which the Company 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 exploration and evaluation assets is unlikely to be recovered in full from successful development or by sale.

4. ACCOUNTING STANDARDS ISSUED BUT NOT YET IMPLEMENTED

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB or the International Financial Reporting Interpretations Committee ("IFRIC") that are mandatory for accounting periods beginning on or after June 1, 2025, or later periods. Some updates that are not applicable or are not consequential to the Company may have been excluded from the list below. The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective. The Company does not anticipate any material changes to the consolidated financial statements upon adoption of these new revised accounting pronouncements.

Grit Metals Corp.

Notes to the Consolidated Interim Consolidated Financial Statements
For the nine months ended February 28, 2026 and 2025
(Unaudited, Expressed in Canadian dollars)

4. ACCOUNTING STANDARDS ISSUED BUT NOT YET IMPLEMENTED (CONTINUED)

Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures were issued by the IASB in May 2024 and are effective for annual periods beginning on or after January 1, 2026. The Company has not early adopted these amendments. Based on a preliminary assessment, the Company does not expect the amendments to have a material impact on the measurement of its financial instruments; however, additional disclosures may be required.

IFRS 18 Presentation and Disclosure in Financial Statements was issued by the IASB in April 2024, with mandatory application of the standard in annual reporting periods beginning on or after January 1, 2027. Management is currently assessing the impact of these standards on the consolidated financial statements. No standards have been early adopted in the current period and expected to have a material impact on the Company's consolidated financial statements. There are no other IFRS or IFRIC Interpretations that are not yet effective that would be expected to have a material impact on the Company.

5. PREPAYMENTS

Prepayments consist of:

	February 28, 2026	May 31, 2025
	\$	\$
Administration and insurance	23,62	31,560
Marketing services	125,450	-
Total	149,079	31,560

6. EXPLORATION AND EVALUATION ASSETS

Expenditures related to the acquisition and exploration of mineral properties consisted of:

	Central Finland Property (Capella)	Northern Finland Property (BB Gold)	Champ Property	Total
	\$	\$	\$	\$
Acquisition Costs:				
Balance, May 31, 2024	676,500	631,411	-	1,307,911
Impairment	-	(631,411)	-	(631,411)
Balance, May 31, 2025 and February 28, 2026	676,500	-	-	676,500
Exploration Costs:				
Balance, May 31, 2024	1,652,244	-	-	1,652,244
Additions	1,317,419	436,680	-	1,754,099
Impairment	-	(436,680)	-	(436,680)
Balance, May 31, 2025	2,969,663	-	-	2,969,663
Additions	358,513	-	-	358,513
Balance February 28, 2026	3,328,176	-	-	3,328,176
Total, May 31, 2025	3,646,163	-	-	3,646,163
Total, February 28, 2026	4,004,676	-	-	4,004,676

The following table summarizes the accumulated expenditures of exploration and evaluation costs:

Grit Metals Corp.

Notes to the Consolidated Interim Consolidated Financial Statements

For the nine months ended February 28, 2026 and 2025

(Unaudited, Expressed in Canadian dollars)

6. EXPLORATION AND EVALUATION ASSETS (CONTINUED)

	Central Finland Property (Capella)	Northern Finland Property (BB Gold)	Total
As at February 28, 2026			
	\$	\$	\$
Acquisition costs	676,500	631,411	1,307,911
Field supplies	387,187	97,038	484,225
Geological and related	1,173,715	44,069	1,217,784
Geological consulting	1,478,256	269,351	1,747,607
Surveying	2,400	1,200	3,600
Travel	286,618	25,022	311,640
Impairment	-	(1,068,091)	(1,068,091)
Total	4,004,676	-	4,004,676

	Central Finland Property (Capella)	Northern Finland Property (BB Gold)	Total
As at May 31, 2025			
	\$	\$	\$
Acquisition costs	676,500	631,411	1,307,911
Field supplies	321,426	97,038	418,464
Geological and related	1,135,045	44,069	1,179,114
Geological consulting	1,246,164	269,351	1,515,515
Surveying	2,400	1,200	3,600
Travel	264,628	25,022	289,650
Impairment	-	(1,068,091)	(1,068,091)
Total	3,646,163	-	3,646,163

Capella Property

Pursuant to an initial earn-in agreement (the "Earn-In Agreement") dated April 6, 2023, with Capella Minerals Limited ("Capella"), the Company acquired the option to earn up to an 80% interest in a portfolio of reservations held by Capella in central Finland (the "Capella Property"). The Capella Property is subject to a 1% net smelter return royalty and the Company is the operator of the project.

On April 5, 2024, the Earn-In Agreement was amended with Capella to acquire a 100% interest in the Capella Property (the "Purchase Agreement"). Whereas the Capella Property was initially subject to the two stage 51/80% earn-in agreement, the Purchase Agreement replaced the Earn-In Agreement in its entirety, and, upon completion of the transaction, the Company acquired 100% interest in the Capella Property with no further commitments due to Capella. Under the terms of the Purchase Agreement, upon closing, the Company paid Capella \$250,000 in cash and issued 1,100,000 common shares of the Company at the fair value of \$242,000 (the "Consideration Shares"). Capella also received a 2% net smelter royalty on the Project, half of which may be repurchased by the Company at any time in exchange for the payment of 1,000,000 Euro.

BB Gold Property

On September 1, 2023, the Company completed an acquisition of seven mineral reservations located in northern and central Finland (Note 5). The Vendor was granted a 1% net smelter royal on six of the seven concessions.

During the year ended May 31, 2025, management decided not to proceed with filing exploration permit

Grit Metals Corp.

Notes to the Consolidated Interim Consolidated Financial Statements

For the nine months ended February 28, 2026 and 2025

(Unaudited, Expressed in Canadian dollars)

6. EXPLORATION AND EVALUATION ASSETS (CONTINUED)

applications. As a result, the Company no longer holds any active projects or mineral claims in the region.

Accordingly, the BB Gold Property was determined not to be capable of generating future economic benefits, and a non-cash impairment charge of \$1,068,091 was recorded, reducing its carrying value to \$Nil. No additional exploration or permitting activities occurred, and no further impairment or reversal was recognized during the six months ended November 30, 2025.

7. SHARE CAPITAL

a) Authorized

The Company's authorized capital consists of an unlimited number of common shares without par value.

b) Issued and outstanding

- On January 15, 2026, the Company issued 10,040,000 units at a price of \$0.10 per unit for total gross proceeds of \$1,004,000 pursuant to a private placement. Each unit consists of one common share and one-half of one common share purchase warrant. Each whole warrant is exercisable at \$0.25 per share until January 15, 2028.
- On January 29, 2026, the Company settled a \$50,000 signing bonus through the issuance of 416,667 unit. The shares issued are subject to a statutory hold period of four months and one day from the date of issuance.
- On December 9, 2025, the Company issued 625,000 in settlement of \$75,000 in outstanding payables.

Share capital transactions during the year ended May 31, 2025, are as follows:

- On November 4, 2024, 150,000 Restricted Share Units ("RSUs") were converted into common shares.
- On September 23, 2024, the Company issued 670,000 units at a price of \$0.125 per unit for total gross proceeds of \$83,750 pursuant to a private placement. Each unit comprised one common share and one-half of a share purchase warrant, with each whole warrant exercisable at \$0.20 until September 23, 2026. The Company paid a cash commission of \$1,313 and issued 10,500 non-transferable broker warrants at the same terms.
- On September 9, 2024, the Company issued 15,795,000 units at a price of \$0.125 per unit for total gross proceeds of \$1,974,375 pursuant to a private placement. Each unit comprised one common share and one-half of a share purchase warrant, with each whole warrant exercisable at \$0.20 until September 9, 2026. The Company paid a cash commission of \$131,119 and issued 1,157,000 common shares plus 239,050 non-transferable broker warrants at the same terms.
- On July 2, 2024, 100,000 RSUs were converted into common shares.
- In June 2024, 368,332 share purchase warrants were exercised for gross proceeds of \$55,586.

c) Restricted Share Units ("RSU")

The Company adopted a RSU plan during the year ended May 31, 2023, following shareholders approved a new rolling 10% restricted share unit plan. The RSU Plan was reapproved by shareholders at the Company's annual general meeting held on November 1, 2024.

The maximum number of common shares that may be issuable under the RSU Plan and any other "rolling up to 10%" plans adopted by the Company (including the Company's stock option plan) shall not exceed 10% of the total number of issued and outstanding common shares at the time of grant. The RSU Plan is an evergreen plan, meaning that any RSUs converted into common shares will, subject to the overall limit described above, replenish the number of RSUs available for future grant under the plan.

Grit Metals Corp.

Notes to the Consolidated Interim Consolidated Financial Statements
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(Unaudited, Expressed in Canadian dollars)

7. SHARE CAPITAL (CONTINUED) c) Restricted Share Units ("RSU")

A continuity schedule of the Company's outstanding restricted share units is as follows:

	Number outstanding	Weighted Average Fair Value (\$)
Balance, May 31, 2024	400,000	0.46
Exercised	(250,000)	0.48
Forfeited	(150,000)	0.48
Balance, May 31, 2025 and February 28, 2026	-	-

d) Stock Options

The Company maintains a stock option plan (the "Option Plan") that was adopted and approved by shareholders as a rolling 10% plan, consistent with Exchange Policy 4.4 – Security Based Compensation. The Option Plan was re-approved by shareholders at the Company's annual general meeting held on November 1, 2024.

Under the terms of the Option Plan, the aggregate number of common shares reserved for issuance upon the exercise of stock options granted under the plan and any other "rolling up to 10%" security-based compensation plans of the Company (including the Company's restricted share unit plan) shall not exceed 10% of the total number of issued and outstanding common shares at the time of grant.

The Option Plan is an evergreen plan, such that any options that expire, are cancelled, or are exercised will, subject to the overall 10% limit described above, again become available for future grant under the plan.

As of February 28, 2026 there were 3,355,000 stock options outstanding;

- On December 4, 2025, the Company granted 905,000 options at an exercise price of \$0.14 for a period of ten years from the date of grant. 25% of the options vest immediately and 25% vest every four months and will be fully vested by December 4, 2026.
- On December 4, 2025, the Company granted 1,300,000 options at an exercise price of \$0.14 for a period of ten years from the date of grant. 25% of the options vest immediately and 25% vest every six months and will be fully vested by June 4, 2027.
- On December 4, 2025, the Company granted 50,000 options at an exercise price of \$0.14 for a period of ten years from the date of grant. 100% of the grant vested immediately.

No stock option activity occurred during the year ended May 31, 2025.

The Company uses the Black-Scholes option pricing model to estimate the fair value for all share-based compensation. The assumptions used in this pricing model for the options granted on December 5, 2025, were as follows:

Grit Metals Corp.

Notes to the Consolidated Interim Consolidated Financial Statements
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(Unaudited, Expressed in Canadian dollars)

7. SHARE CAPITAL (CONTINUED)

	December 5, 2025
Exercise price	\$0.14
Risk-free interest rate	3.5%
Expected life of options (years)	10
Dividend rate	0.00%
Annualized volatility	103%

Stock option transactions and the number of stock options outstanding are summarized below:

	Number of Options	Weighted Average Exercise Price (\$)
Balance, May 31, 2024 and 2025	2,550,000	0.34
Issued	2,255,000	
Forfeited	(1,450,000)	
Balance, February 28, 2026	3,355,000	0.19

Additional information regarding stock options outstanding is as follows:

Expiry Date	Exercise Price (\$)	Number of Options
01-Feb-27	0.15	500,000
17-Jul-28	0.59	100,000
06-Sep-28	0.41	250,000
18-Sep-28	0.40	150,000
30-May-29	0.36	100,000
04-Dec-35	0.14	2,255,000
Balance, November 30, 2025		3,355,000

The weighted average remaining life of the stock options as of February 28, 2026 is 4.86 (May 31, 2025 3.36) years.

e) Share Purchase Warrants

As of February 28, 2026 there were 20,566,596 in warrants outstanding.

On January 15, 2026 the Company issued warrants in connection with a non-brokered private placement. Each warrant entitles the holder to acquire one half of one common share of the Company until January 15, 2028. Each warrant has an exercise price of \$0.25.

In connection with the private placement, the Company issued 714,000 finder's warrants. Each finder's warrant entitles the holder to acquire one half of one common share of the Company until January 15, 2028.

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Notes to the Consolidated Interim Consolidated Financial Statements
For the nine months ended February 28, 2026 and 2025
(Unaudited, Expressed in Canadian dollars)

7. SHARE CAPITAL (CONTINUED)

Each warrant has an exercise price of \$0.25.

Share purchase warrant activity during the nine months ended February 28, 2026 was as follows:

	Number of Warrants	Weighted Average Exercise Price (\$)
Balance, May 31, 2024	12,311,677	0.44
Exercised	(368,332)	0.15
Expired	(5,931,668)	0.15
Issued	8,232,500	0.20
Balance, May 31, 2025	14,244,177	0.22
Issued	5,020,000	0.25
Balance, February 28, 2026	19,264,177	0.23

The number of Share Purchase Warrants outstanding are as follows:

Expiry Date	Exercise Price (\$)	Issued and Exercisable
22-Jun-26	0.25	3,117,777
20-Oct-26	0.25	2,893,900
09-Sep-26	0.20	7,897,500
23-Sep-26	0.20	335,000
Balance, May 31, 2025		14,244,177
15-Jan-28	0.25	5,020,000
Balance, February 28, 2026		19,264,177

On November 22, 2024, 3,117,777 warrants granted June 22, 2023 and 2,893,900 warrants granted October 20, 2023 were repriced from \$0.75 to \$0.25.

The weighted average remaining life of the share purchase warrants as of February 28, 2026 is 0.86 (May 31, 2025 – 1.25) years.

f) **Broker Warrants & Compensation Warrants**

Broker Warrants and Compensation Warrants transactions and the number of warrants outstanding are summarized below:

Grit Metals Corp.

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For the nine months ended February 28, 2026 and 2025

(Unaudited, Expressed in Canadian dollars)

7. SHARE CAPITAL (CONTINUED)

	Number of Warrants	Weighted Average Exercise Price (\$)
Balance, May 31, 2024	1,257,668	0.31
Expired	(918,799)	0.15
Issued	249,550	0.20
Balance, May 31, 2025	588,419	0.52
Issued	714,000	0.37
Balance, February 28, 2026	1,302,419	0.37

The number of Broker and Compensation warrants outstanding are as follow:

Expiry Date	Exercise Price (\$)	Issued and Exercisable
22-Jun-26	0.75	324,869
20-Oct-26	0.75	14,000
09-Sep-26	0.20	249,550
Balance, May 31, 2025		588,419
15-Jan-28	0.25	714,000
Balance, February 28, 2026		1,302,419

The broker warrants were valued using the following Black-Scholes option pricing model using the following weighted average assumptions:

	2026	2025	2024
Risk-free interest rate	3.00%	3.02%	4.15-4.44%
Dividend yield	0%	0%	0%
Expected volatility	94%	117%	99-104%
Expected life (years)	2	2	3
Forfeiture rate	0%	0%	0%

The weighted average remaining life of the brokers' warrants as of February 28, 2026 is 1.22 (May 31, 2025 – 1.16) years.

8. RELATED PARTY TRANSACTIONS AND BALANCES

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

Grit Metals Corp.**Notes to the Consolidated Interim Consolidated Financial Statements**

For the nine months ended February 28, 2026 and 2025

(Unaudited, Expressed in Canadian dollars)

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

Nine-month period ended	February 28, 2026	February 28, 2025
	\$	\$
Management fees	211,500	212,500
Office -Rental Space	-	4,571
Share-based payments	9,243	90,194

The Company was in a month-to-month office sublease agreement from February 1, 2022, to February 28, 2025 with a director and officer of the Company at a rate of \$762 per month, which is recognized in office and accounting expense.

As at February 28, 2026, \$8,925 (2024 - \$8,925) of management fees due to related parties remained in accounts payable and accrued liabilities, which is non-interest bearing, unsecured and due on demand.

9. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the sourcing and exploration of resource properties. The Company does not have any externally imposed capital requirements to which it is subject.

The Company considers the aggregate of its share capital, reserves and deficit as capital. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares or dispose of assets or adjust the amount of cash.

10. FINANCIAL INSTRUMENTS AND FINANCIAL RISK*Fair value*

As at February 28, 2026, the Company's financial instruments consist of cash and accounts payable.

IFRS 13 *Fair Value Measurement* establishes a fair value hierarchy based on the level of independent, objective evidence surrounding the inputs used to measure fair value. A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. IFRS 13 prioritizes the inputs into three levels that may be used to measure fair value:

- Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical unrestricted assets or liabilities.
- Level 2 – Inputs that are observable, either directly or indirectly, but do not qualify as Level 1 inputs (i.e., quoted prices for similar assets or liabilities).
- Level 3 – Prices or valuation techniques that are not based on observable market data and require inputs that are both significant to the fair value measurement and unobservable.

The fair value of cash is based on Level 1 inputs. There are no Level 2 or Level 3 financial instruments.

The Company's financial instruments include cash and accounts payable. Cash is measured at fair value and account payable is measured at amortized cost.

Grit Metals Corp.

Notes to the Consolidated Interim Consolidated Financial Statements

For the nine months ended February 28, 2026 and 2025

(Unaudited, Expressed in Canadian dollars)

10. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (CONTINUED)*Credit risk*

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The financial instrument that potentially subjects the Company to concentrations of credit risk consists principally of cash. To minimize the credit risk, the Company places its cash with high quality financial institutions.

Liquidity risk

The Company manages liquidity risk through the management of its capital structure, as outlined in Note 10. The Company monitors its ability to meet its short-term exploration and administrative expenditure requirements by raising additional funds through share issuances when required.

Foreign exchange risk

Foreign exchange risk is the risk that the fair value or future cash flows will fluctuate due to changes in foreign exchange rates. The Company is exposed to foreign currency risk on fluctuations related to cash, accounts payable, and commitments that are denominated in a foreign currency. As at November 30, 2025,

a 10% fluctuation in the foreign exchange rate of the Euro against the Canadian dollar would affect the Company's cash, account payable, and commitments by approximately \$2,129.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company is not exposed to significant interest rate risk.