



Consolidated Financial Statements

For the year ended December 31, 2025

(Expressed in Canadian dollars)

DAVIDSON

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
North Shore Uranium Ltd.

Opinion

We have audited the accompanying consolidated financial statements of North Shore Uranium Ltd. (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2025 and 2024 and the consolidated statements of loss and comprehensive loss, changes in shareholders' equity, and cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information.

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

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 Company 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 in our audit is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the consolidated financial statements, which indicates that the Company had working capital of \$2,213,007 as of December 31, 2025. Management estimates that these funds may not provide the Company with sufficient financial resources to carry out currently planned operations and exploration through the next twelve months. As stated in Note 1, these events and conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. 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.

In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matter described below to be the key audit matter to be communicated in our auditor's report.

Assessment of Impairment Indicators of Exploration and Evaluation Assets (“E&E Assets”)

As described in Note 6 to the consolidated financial statements, the carrying amount of the Company’s E&E Assets was \$1,898,516 as of December 31, 2025. As more fully described in Note 3 to the consolidated financial statements, management assesses E&E Assets for indicators of impairment at each reporting date.

The principal considerations for our determination that the assessment of impairment indicators of the E&E Assets is a key audit matter is that there was judgment made by management when assessing whether there were indicators of impairment for the E&E Assets, specifically relating to the assets’ carrying amount which is impacted by the Company’s intent and ability to continue to explore and evaluate these assets. This in turn led to a high degree of auditor judgment, subjectivity, and effort in performing procedures to evaluate audit evidence relating to the judgments made by management in their assessment of indicators of impairment that could give rise to the requirement to prepare an estimate of the recoverable amount of the E&E Assets.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. Our audit procedures included, among others:

- Evaluating management’s assessment of impairment indicators.
- Evaluating the intent for the E&E Assets through discussion and communication with management.
- Assessing compliance with agreements and expenditure requirements including reviewing option agreements and vouching cash payments and share issuances.
- Assessing the Company’s rights to explore E&E Assets including sending confirmation requests to optionors to ensure good standing of agreements.
- Evaluating, on a test basis, confirmation of title to ensure mineral rights underlying the E&E Assets are in good standing.

Other Information

Management is responsible for the other information. The other information obtained at the date of this auditor’s report includes 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 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 Management’s Discussion and Analysis prior to the date of this auditor’s report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. 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, 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 Company’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 Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company’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 Company'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 Company'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 Company 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 activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance 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 year 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 Michael MacLaren.

Davidson & Company LLP

Chartered Professional Accountants

Vancouver, Canada

April 27, 2026

North Shore Uranium Ltd.

Consolidated Statements of Financial Position
(Expressed in Canadian dollars)

		December 31, 2025	December 31, 2024
	<i>Note</i>		
ASSETS			
Current assets			
Cash	4	\$ 2,223,740	\$ 137,313
Receivables		13,460	5,134
Prepaid expenses		29,116	21,106
		2,266,316	163,553
Deficiency deposits	5	60,887	49,791
Exploration and evaluation assets	6	1,898,516	700,000
		\$ 4,225,719	\$ 913,344
LIABILITIES			
Current liabilities			
Trade and other payables	7	\$ 53,309	\$ 94,618
		53,309	94,618
SHAREHOLDERS' EQUITY			
Share capital	9	9,134,276	6,879,631
Obligation to issue shares	15	1,886,576	-
Reserves	9	816,668	439,776
Deficit		(7,665,110)	(6,500,681)
		4,172,410	818,726
		\$ 4,225,719	\$ 913,344
Nature of operations and going concern	1		
Subsequent events	15		

These consolidated financial statements are approved for issue by the Board of Directors of the Company on April 27, 2026.

They are signed on the Company's behalf by:

"Brooke Clements", Director

"Doris Meyer", Director

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

North Shore Uranium Ltd.

Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian dollars)

		Year ended December 31,	
	Note	2025	2024
Expenses			
Consulting fees	10	\$ 462,400	\$ 405,500
Director fees	10	39,000	54,000
Exploration and evaluation expenditures	6 & 10	290,517	725,745
Financial advisory fees		-	125,000
Investor awareness		102,471	301,161
Office expenses		25,831	26,986
Professional fees		86,009	82,486
Share-based compensation	9 & 10	361,093	-
Transfer agent and filing fees		29,607	25,140
Travel		7,525	23,925
		(1,404,453)	(1,769,943)
Flow-through premium recovery	8	45,524	4,117
Forgiveness of trade and other payables	10	194,500	-
Loss and comprehensive loss for the year		\$ (1,164,429)	\$ (1,765,826)
Basic and diluted loss per common share		\$ (0.02)	\$ (0.05)
Weighted average number of common shares outstanding		52,102,491	37,273,310
- basic and diluted			

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

North Shore Uranium Ltd.Consolidated Statements of Cash Flows
(Expressed in Canadian dollars)

	Year ended December 31,	
	2025	2024
OPERATING ACTIVITIES		
Loss for the year	\$ (1,164,429)	\$ (1,765,826)
Items not affecting cash:		
Share-based compensation	361,093	-
Flow-through premium recovery	(45,524)	(4,117)
Forgiveness of trade and other payables	(194,500)	-
Deficiency deposit surrendered	49,791	8,767
Change in non-cash working capital items:		
Receivables	(8,326)	35,796
Prepaid expenses	(8,010)	326,888
Trade and other payables	153,191	22,677
Net cash used in operating activities	(856,714)	(1,375,815)
INVESTING ACTIVITIES		
Deficiency deposits paid	(60,887)	(51,769)
Deficiency deposits refunded	-	236,447
Exploration and evaluation assets	(230,556)	(100,000)
Net cash used in investing activities	(291,443)	84,678
FINANCING ACTIVITIES		
Proceeds from private placements	1,400,020	-
Share issue costs	(52,012)	-
Obligation to issue shares	1,886,576	-
Exercise of warrants	-	2,500
Net cash provided by financing activities	3,234,584	2,500
Change in cash for the year	2,086,427	(1,288,637)
Cash, beginning of year	137,313	1,425,950
Cash, end of year	\$ 2,223,740	\$ 137,313
Non-cash investing and financing activities		
Issuance of shares for exploration and evaluation assets	\$ 967,960	\$ 150,000
Broker warrants	15,799	-
Allocation of flow-through premium	45,524	-
Allocation on exercise of warrants	-	5,083
Supplementary information		
Interest paid	\$ -	\$ -
Income taxes paid	-	-

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

North Shore Uranium Ltd.

Consolidated Statements of Changes in Shareholders' Equity (Expressed in Canadian dollars)

	Number of Shares	Share Capital	Obligation to issue shares	Reserves	Deficit	Total Shareholders' Equity
Balance, December 31, 2024	39,830,959	\$ 6,879,631	\$ -	\$ 439,776	\$ (6,500,681)	\$ 818,726
Issuance of shares for exploration and evaluation assets	8,246,157	967,960	-	-	-	967,960
Private placement	27,089,922	1,400,020	-	-	-	1,400,020
Share issue costs - cash	-	(52,012)	-	-	-	(52,012)
Share issue costs - warrants	-	(15,799)	-	15,799	-	-
Flow-through premium	-	(45,524)	-	-	-	(45,524)
Obligation to issue shares	-	-	1,886,576	-	-	1,886,576
Share-based compensation	-	-	-	361,093	-	361,093
Comprehensive loss for the year	-	-	-	-	(1,164,429)	(1,164,429)
Balance, December 31, 2025	75,167,038	\$ 9,134,276	\$ 1,886,576	\$ 816,668	\$ (7,665,110)	\$ 4,172,410

	Number of Shares	Share Capital	Obligation to issue shares	Reserves	Deficit	Total Shareholders' Equity
Balance, December 31, 2023	36,805,960	\$ 6,722,048	\$ -	\$ 444,859	\$ (4,734,855)	\$ 2,432,052
Exercise of warrants	25,000	7,583	-	(5,083)	-	2,500
Issuance of shares for exploration and evaluation assets	2,999,999	150,000	-	-	-	150,000
Comprehensive loss for the year	-	-	-	-	(1,765,826)	(1,765,826)
Balance, December 31, 2024	39,830,959	\$ 6,879,631	\$ -	\$ 439,776	\$ (6,500,681)	\$ 818,726

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

North Shore Uranium Ltd.

Notes to the Consolidated Financial Statements

For the year ended December 31, 2025

(Expressed in Canadian dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

North Shore Uranium Ltd. (the “Company”) is a publicly traded company incorporated pursuant to the provisions of the Business Corporations Act (British Columbia) on November 23, 2021. The Company’s common shares are listed for trading on the TSX Venture Exchange (“TSX-V”) under the symbol NSU and on the OTCQB Venture Market in the United States under the symbol NSURF. The corporate office and registered and records office of the Company is located at Unit 1 – 15782 Marine Drive, White Rock, BC, Canada, V4B 1E6.

The Company is engaged in the exploration and, if warranted, development of uranium properties.

These consolidated financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business in the foreseeable future. As at December 31, 2025, the Company had working capital of \$2,213,007. Subsequent to December 31, 2025, the Company completed a non-brokered private placement gross for proceeds of \$3,232,500, of which \$1,886,576 was received during the year ended December 31, 2025 (Note 15). However, management estimates that these funds may not provide the Company with sufficient financial resources to carry out currently planned operations and exploration through the next twelve months. Additional financing may be required by the Company in order to complete its strategic objectives and continue as a going concern. While the Company has been successful in the past in obtaining financing, there is no assurance that the Company will be able to obtain adequate financing in the future or that such financing will be on terms acceptable to the Company. These material uncertainties may cast significant doubt upon the Company’s ability to continue as a going concern.

These consolidated financial statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate.

2. BASIS OF PRESENTATION

Statement of compliance

These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board. The policies applied in these consolidated financial statements are based on the IFRS Accounting Standards issued and outstanding as at the date the Board of Directors approved these consolidated financial statements for issue.

Basis of measurement

These consolidated financial statements have been prepared on the historical cost basis except for certain 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.

North Shore Uranium Ltd.

Notes to the Consolidated Financial Statements

For the year ended December 31, 2025

(Expressed in Canadian dollars)

2. BASIS OF PRESENTATION (continued)

Functional and presentation currency

These consolidated financial statements are presented in Canadian dollars, which is the parent Company's functional currency as well as being the functional currency of the Company's wholly-owned Canadian subsidiary, North Shore Energy Metals Ltd., and its wholly-owned US subsidiary, North Shore Uranium (US) Ltd.

Use of 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 the reported expenses during the period. Actual results could differ from these estimates.

Carrying value and recoverability of exploration and evaluation assets

Management has determined that exploration and evaluation costs incurred which were capitalized may have future economic benefits and may be economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefits, including geologic and other technical information, preliminary economic assessment, accessibility of facilities and existing permits.

Share-based compensation

The fair value of stock options issued are subject to the limitation of the Black-Scholes option pricing model which incorporates market data and which involves uncertainty and subjectivity in estimates used by management in the assumptions. Because the Black-Scholes option pricing model requires the input of highly subjective assumptions, including the volatility of share price, changes in the subjective input assumptions can materially affect the fair value estimate.

Going concern assumption

In the determination of the Company's ability to meet its ongoing obligations and future contractual commitments management relies on the Company's planning, budgeting and forecasting process to help determine the funds required to support the Company's normal operations for a period of one year. Changes in estimated cash use may alter the Company's ability to meet its ongoing obligations and future contractual commitments and could result in adjustments to the amounts and classifications of assets and liabilities should the Company be unable to continue as a going concern.

North Shore Uranium Ltd.

Notes to the Consolidated Financial Statements

For the year ended December 31, 2025

(Expressed in Canadian dollars)

3. MATERIAL ACCOUNTING POLICY INFORMATION

Principles of consolidation

These consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries, from the date control was acquired. Control exists when the Company possesses power over an investee, has exposure to variable returns from the investee and has the ability to use its power over the investee to affect its returns. All inter-company balances and transactions, and any income and expenses arising from inter-company transactions, are eliminated on consolidation.

Exploration and evaluation assets and expenditures

Upon acquiring the legal right to explore a property, all direct costs related to the acquisition of mineral property interests are capitalized as exploration and evaluation assets. Exploration and evaluation expenditures incurred prior to the determination of the feasibility of mining operations and a decision to proceed with development are charged to profit or loss as incurred.

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 upon reaching production. When there is little prospect of further work on a property being carried out by the Company, the remaining deferred costs associated with that property are charged to profit or loss during the period such determination is made.

The Company assesses exploration and evaluation assets for impairment when facts and circumstances suggest that the carrying amount may exceed its recoverable amount.

Restoration, rehabilitation and environmental obligations

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations, including those associated with the reclamation of exploration and evaluation assets and property, plant and equipment, when those obligations result from the acquisition, construction, development or normal operation of the assets. Initially, a liability for an asset retirement obligation is recognized at its fair value in the period in which it is incurred if a reasonable estimate of cost can be made. The Company records the present value of estimated future cash flows associated with reclamation as a liability when the liability is incurred and increases the carrying value of the related assets for that amount.

Subsequently, these capitalized asset retirement costs are amortized over the life of the related assets. At the end of each period, the liability is increased to reflect the passage of time (accretion expense) and changes in the estimated future cash flows underlying any initial estimates.

The Company recognizes its environmental liability on a site-by-site basis when it can be reliably estimated. Environmental expenditures related to existing conditions resulting from past or current operations and from which no current or future benefit is discernible are charged to profit or loss. The Company has no restoration, rehabilitation or environmental obligations.

North Shore Uranium Ltd.

Notes to the Consolidated Financial Statements

For the year ended December 31, 2025

(Expressed in Canadian dollars)

3. MATERIAL ACCOUNTING POLICIES (continued)

Impairment

The carrying amounts of the Company's non-financial assets, other than deferred income tax assets, if any, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit" or "CGU"). The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

The Company's corporate assets do not generate separate cash inflows. If there is an indication that a corporate asset may be impaired, then the recoverable amount is determined for the CGU to which the corporate asset belongs.

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. A reversal of an impairment loss is recognized immediately in profit or loss.

Financial instruments

Financial assets

On initial recognition, financial assets are recognized at fair value and are subsequently classified and measured at: (i) amortized cost; (ii) fair value through other comprehensive income ("FVTOCI"); or (iii) fair value through profit or loss ("FVTPL"). The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. A financial asset is measured at fair value net of transaction costs that are directly attributable to its acquisition except for financial assets at FVTPL where transaction costs are expensed. All financial assets not classified and measured at amortized cost or FVTOCI are classified as FVTPL. On initial recognition of an equity instrument that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income/loss.

North Shore Uranium Ltd.

Notes to the Consolidated Financial Statements

For the year ended December 31, 2025

(Expressed in Canadian dollars)

3. MATERIAL ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

The classification determines the method by which the financial assets are carried on the statement of financial position subsequent to inception and how changes in value are recorded. Cash and deficiency deposits are measured at amortized cost.

Impairment

An 'expected credit loss' impairment model applies which requires a loss allowance to be recognized based on expected credit losses. The estimated present value of future cash flows associated with the asset is determined and an impairment loss is recognized for the difference between this amount and the carrying amount as follows: the carrying amount of the asset is reduced to the estimated present value of the future cash flows associated with the asset, discounted at the financial asset's original effective interest rate, either directly or through the use of an allowance account and the resulting loss is recognized in profit or loss for the period.

In a subsequent period, if the amount of the impairment loss related to financial assets measured at amortized cost decreases, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

Financial liabilities

Financial liabilities are designated as either: (i) FVTPL; or (ii) amortized cost. All financial liabilities are classified and subsequently measured at amortized cost except for financial liabilities at FVTPL. The classification determines the method by which the financial liabilities are carried on the statement of financial position subsequent to inception and how changes in value are recorded. Trade and other payables are classified as other financial liabilities and carried on the statement of financial position at amortized cost. For the period presented, the Company does not have any derivative financial liabilities.

Share capital

The Company's common shares are classified as equity instruments. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Warrants

The Company accounts for warrants issued in unit offerings comprising a common share and warrant (or portion thereof) using the residual value method. Under this method, one component is measured first, and the residual amount is allocated to the remaining component. The warrant is recorded as share capital if and when the warrants are exercised.

North Shore Uranium Ltd.

Notes to the Consolidated Financial Statements

For the year ended December 31, 2025

(Expressed in Canadian dollars)

3. MATERIAL ACCOUNTING POLICIES (continued)

Flow-through shares

The Company may from time to time, issue flow-through common shares to finance its exploration program. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On issuance, the Company bifurcates the flow-through share into i) a flow-through share premium, equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognized as a liability, and ii) share capital. Upon expenditures being incurred, the Company derecognizes the liability on a pro-rata basis to the expenditures incurred. The reduction of the flow-through share premium previously recorded is recognized as other income.

Proceeds received from the issuance of flow-through shares are restricted to be used only for Canadian exploration expenses (as defined in the Tax Act).

The Company may also be subject to a Part XII.6 tax on flow-through proceeds renounced under the Lookback Rule, in accordance with the Tax Act. When applicable, this tax is accrued as a financial expense until paid.

Share-based compensation

Stock options

The Company has a shareholder approved stock option plan that allows Company directors, employees, and consultants to acquire shares of the Company. The fair value of stock options granted is recognized as a share-based compensation expense with a corresponding increase in equity. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee. Consideration paid on the exercise of stock options is credited to share capital and the fair value of the stock options is reclassified from share-based reserve to share capital.

The fair value is measured at grant date and each tranche is recognized over the period during which the stock options vest. The fair value of the stock options granted is measured using the Black-Scholes option pricing model taking into account the terms and conditions upon which the stock options were granted. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the number of stock options that are expected to vest.

Share-based payment arrangements in which the Company receives goods or services as consideration for its own equity instruments are accounted for as equity-settled share-based payment transactions.

North Shore Uranium Ltd.

Notes to the Consolidated Financial Statements

For the year ended December 31, 2025

(Expressed in Canadian dollars)

3. MATERIAL ACCOUNTING POLICIES (continued)

Share-based compensation (continued)

Restricted Share Units, Performance Share Units, and Deferred Share Units

The Company also has a shareholder approved equity incentive plan which governs the granting of any restricted share unit (“RSU”), performance share unit (“PSU”) or deferred share unit (“DSU”) to directors, officers, employees and consultants of the Company.

RSUs, PSUs, and DSUs are equity settled share-based payments. The Company can award performance and non-performance based RSUs. RSUs, PSUs, and DSUs are measured at their intrinsic fair value on the date of grant based on the closing price of the Company's shares on the date prior to the grant and is recognised as share-based compensation expense over the vesting period on one year minimum to three years maximum with the responding credit to reserves. The amount recognised for services as consideration for the RSUs, PSUs, and DSUs granted is based on the number of equity instruments that eventually vest. For performance based RSUs, an estimate is made of when the performance obligations are expected to be satisfied, and the expense is calculated over that period. Upon release of RSUs, PSUs and DSUs, the related share reserve is transferred to share capital.

Loss per share

The Company presents basic and diluted earnings (loss) per share (“EPS”) data for its common shares. Basic EPS is calculated by dividing the profit or loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted EPS is calculated by dividing the profit or loss by the weighted average number of common shares outstanding assuming that the proceeds to be received on the exercise of dilutive stock options and warrants are used to repurchase common shares at the average market price during the period. In the Company's case, diluted loss per share is the same as basic loss per share, as the effect of outstanding stock options and warrants on loss per share would be anti-dilutive.

North Shore Uranium Ltd.

Notes to the Consolidated Financial Statements

For the year ended December 31, 2025

(Expressed in Canadian dollars)

3. MATERIAL ACCOUNTING POLICIES (continued)

Income taxes

Current tax is the expected tax payable or receivable on the taxable income or loss for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous period.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets and liabilities, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, and there is the intention to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are adjusted to the extent that it is probable that the related tax benefit will be realized.

Related party transactions

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.

North Shore Uranium Ltd.

Notes to the Consolidated Financial Statements

For the year ended December 31, 2025

(Expressed in Canadian dollars)

3. MATERIAL ACCOUNTING POLICIES (continued)

New standards, interpretations and amendments not yet effective

A number of new standards, amendments to standards and interpretations are not yet effective as of December 31, 2025 and have not been applied in preparing these consolidated financial statements.

On April 9, 2024, the IASB issued IFRS 18 “Presentation and Disclosure in the Financial Statements” (“IFRS 18”) replacing IAS 1. IFRS 18 introduces categories and defined subtotals in the statement of profit or loss, disclosures on management-defined performance measures, and requirements to improve the aggregation and disaggregation of information in the financial statements. As a result of IFRS 18, amendments to IAS 7 were also issued to require that entities use the operating profit subtotal as the starting point for the indirect method of reporting cash flows from operating activities and also to remove presentation alternatives for interest and dividends paid and received. Similarly, amendments to IAS 33 “Earnings per Share” were issued to permit disclosure of additional earnings per share figures using any other component of the statement of profit or loss, provided the numerator is a total or subtotal defined under IFRS 18. IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027, and is to be applied retrospectively, with early adoption permitted. The Company is currently assessing the impact of the standard on its financial statements.

4. CASH

	December 31, 2025	December 31, 2024
Canadian dollar denominated deposits	\$ 2,164,686	\$ 137,313
US dollar denominated deposits	59,054	-
Total	\$ 2,223,740	\$ 137,313

North Shore Uranium Ltd.

Notes to the Consolidated Financial Statements

For the year ended December 31, 2025

(Expressed in Canadian dollars)

5. DEFICIENCY DEPOSITS

	December 31, 2025	December 31, 2024
Opening balance	\$ 49,791	\$ 243,236
Additions	60,887	51,769
Refunds	-	(236,447)
Surrendered	(49,791)	(8,767)
Ending balance	\$ 60,887	\$ 49,791
Falcon property	60,887	41,014
West Bear property	-	8,777
Ending balance	\$ 60,887	\$ 49,791

Pursuant to the Mineral Tenure Registry of Saskatchewan, if during any assessment work period a holder of a claim does not satisfy the expenditure requirements, the holder may pay a deficiency cash deposit to the Ministry of Energy and Resources equivalent to the deficiency. If the holder subsequently expends the amount required for the assessment work period that follows the assessment work period in which the deficiency was incurred in addition to an amount at least equal to the deficiency cash deposit, the deficiency cash deposit shall be refunded to the holder following registration of the expenditure. If the holder does not expend the full amount required, the net balance of the deficiency cash deposit is forfeited to the Ministry of Energy and Resources.

North Shore Uranium Ltd.

Notes to the Consolidated Financial Statements

For the year ended December 31, 2025

(Expressed in Canadian dollars)

6. EXPLORATION AND EVALUATION ASSETS

	New Mexico		Saskatchewan		
	Rio Puerco		Falcon	West Bear	Total
	Property		Property	Property	
As at December 31, 2023	\$ -	\$	300,000	\$ 150,000	\$ 450,000
Additions	-		183,333	66,667	250,000
As at December 31, 2024	-		483,333	216,667	700,000
Additions	1,076,268		72,248	50,000	1,198,516
As at December 31, 2025	\$ 1,076,268	\$	555,581	\$ 266,667	\$ 1,898,516

Rio Puerco uranium property, New Mexico, USA

On August 27, 2025, the Company entered into an option agreement (the “Rio Puerco Option Agreement”) with Resurrection Mining LLC (“Resurrection”) to acquire up to 87.5% of the Rio Puerco uranium property located in northwestern New Mexico. In consideration, the Company paid \$125,000 cash and issued 7,483,000 common shares of the Company valued at \$897,960 (Note 9). The Company incurred legal fees of \$12,790 in relation to the Rio Puerco Option Agreement.

The Rio Puerco Option Agreement has the following payment milestones:

- To earn a 40% interest: on or before February 27, 2027, a \$250,000 payment in cash or common shares, at the option of the Company, and \$750,000 in exploration expenditures.
- To earn an aggregate 65% interest: on or before August 27, 2028, a \$375,000 payment in cash or common shares, at the option of the Company, and \$1,000,000 in additional exploration expenditures.
- To earn an aggregate 87.5% interest: on or before August 27, 2030, a \$500,000 payment in cash or shares, at the option of the Company, and \$1,500,000 in additional exploration expenditures.

The Company may elect to not continue to sole-fund exploration expenditures at any time after earning a 40% interest at which time the parties will enter into a joint venture agreement to govern the funding of the property on a proportional basis.

Upon earning an 87.5% interest, the Company will provide Resurrection with a 12.5% free-carried interest in the property through completion of an NI 43-101-compliant preliminary economic assessment at which time Resurrection can elect to form a participating joint venture or convert their interest into a 1.0% net smelter returns (“NSR”) royalty. The Company will be granted a right of first refusal on Resurrection’s 12.5% interest.

Until February 27, 2032, the Company will pay Resurrection a \$100,000 bonus in cash or common shares, at the option of the Company, for each million lbs. of uranium estimated in current resources above 5 million and up to 20 million lbs. estimated by the Company in accordance with National Instrument 43-101 standards, if and when such resources are estimated.

In September and November 2025, the Company staked certain new claims at the Rio Puerco property for \$40,518 cash that are subject to the Rio Puerco Option Agreement.

North Shore Uranium Ltd.

Notes to the Consolidated Financial Statements

For the year ended December 31, 2025

(Expressed in Canadian dollars)

6. EXPLORATION AND EVALUATION ASSETS (continued)

Falcon uranium property, Saskatchewan, Canada

The Falcon uranium property consists of certain mineral claims in the Athabasca Basin region in northern Saskatchewan.

On April 14, 2022, the Company entered into an option agreement to acquire 100% of the Falcon property for \$100,000. The Company paid \$75,000 on signing and the final \$25,000 in April 2023 to complete the payments and exercise the option. The property is subject to a 2% NSR royalty, with the Company having the option to purchase one half of the royalty for \$1,000,000.

On May 29, 2023, the Company entered into an option agreement (the “Skyharbour Option Agreement”) with Skyharbour Resources Ltd. (“Skyharbour”), as amended August 28, 2023, November 1, 2024, and May 26, 2025, to acquire an 80% interest in certain mining claims adjacent to the Falcon property under the following terms:

- Cash
 - \$25,000 on signing (paid);
 - \$25,000 on or before October 31, 2023 (paid in November 2023);
 - \$100,000 on or before November 30, 2024 (paid \$50,000 in December 2024 and \$50,000 in August 2025);
 - \$150,000 on or before October 31, 2026; and
 - \$225,000 on or before October 31, 2027.
- Shares
 - 500,000 common shares on or before October 31, 2023 (issued in October 2023 at a value of \$150,000).
- Cash or shares at the option of the Company
 - \$200,000 on or before November 30, 2024 (issued 2,666,666 common shares at a value of \$133,333 in November 2024 (Note 9));
 - \$350,000 on or before October 31, 2026; and
 - \$525,000 on or before October 31, 2027.
- Exploration expenditures totalling \$3,550,000
 - \$250,000 on or before December 31, 2023 (incurred);
 - \$250,000 on or before October 31, 2024 (incurred);
 - \$1,300,000 on or before October 31, 2026; and
 - \$1,750,000 on or before October 31, 2027.

North Shore Uranium Ltd.

Notes to the Consolidated Financial Statements

For the year ended December 31, 2025

(Expressed in Canadian dollars)

6. EXPLORATION AND EVALUATION ASSETS (continued)

Falcon uranium property, Saskatchewan, Canada (continued)

As consideration for amending the Skyharbour Option Agreement in May 2025, the Company issued Skyharbour 500,000 common shares on June 5, 2025 valued at \$20,000 (Note 9).

Upon completion of the earn-in, the Company will have the right to acquire the remaining 20% of these claims for \$5,000,000 cash and the issuance of \$5,000,000 worth of common shares. Upon completion of the earn-in, the vendor will be granted a 1% NSR royalty on certain mineral claims. In addition, there is an underlying 2% NSR royalty on certain other mineral claims, of which the Company can buy back 1% for \$1,000,000.

In March 2025, the Company acquired one claim at the Falcon property for \$2,248 cash that is subject to the Skyharbour Option Agreement.

West Bear uranium property, Saskatchewan, Canada

The West Bear uranium property consists of certain mineral claims in the Athabasca Basin region in northern Saskatchewan.

On April 18, 2022, the Company entered into an option agreement, as amended, to acquire 75% of the West Bear property under the following terms:

- Cash
 - \$75,000 on signing (paid);
 - \$50,000 on or before April 11, 2023 (paid in April 2023);
 - \$50,000 on or before April 11, 2024 (paid in April 2024); and
- Cash or shares at the option of the Company
 - \$25,000 on or before April 11, 2023 (paid in cash in April 2023);
 - \$25,000 on or before November 30, 2024 (issued 333,333 common shares at a value of \$16,667 in November 2024 (Note 9)); and
 - \$50,000 on or before September 30, 2025 (issued 263,157 common shares at a value of \$50,000 in October 2025 (Note 9)).
- Exploration expenditures totalling \$270,655
 - \$135,327 on or before April 15, 2023 (incurred);
 - \$67,664 on or before April 11, 2024 (incurred); and
 - \$67,664 on or before April 11, 2025 (incurred).

In October 2025, the Company provided notice that it had earned a 75% interest in the West Bear property (the "Initial Interest Notice"). The Company has the right, for a period of 90 days following Initial Interest Notice, to acquire the remaining 25% of the West Bear property for \$200,000 cash and the issuance of \$200,000 worth of common shares. In January 2026, the Company provided notice that it does not intend to acquire the remaining 25% of the West Bear property.

North Shore Uranium Ltd.

Notes to the Consolidated Financial Statements

For the year ended December 31, 2025

(Expressed in Canadian dollars)

6. EXPLORATION AND EVALUATION ASSETS (continued)

West Bear uranium property, Saskatchewan, Canada (continued)

The vendor has a 2% NSR royalty, with the Company having the option to purchase one half of the royalty for \$1,000,000.

During the year ended December 31, 2025, the Company incurred the following exploration and evaluation expenditures.

	Rio Puerco Property	Falcon Property	West Bear Property	Total
Consulting fees	\$ 3,600	\$ 8,000	\$ -	\$ 11,600
Geophysics	-	535	-	535
Land administration	35,175	16,490	285	51,950
Prospecting and mapping	-	176,641	-	176,641
Deficiency deposit surrendered	-	41,014	8,777	49,791
Total	\$ 38,775	\$ 242,680	\$ 9,062	\$ 290,517

During the year ended December 31, 2024, the Company incurred the following exploration and evaluation expenditures.

	Falcon Property	West Bear Property	Total
Consulting fees	\$ 45,000	\$ 7,500	\$ 52,500
Drilling	665,849	-	665,849
Geophysics	29,126	-	29,126
Land administration	19,503	-	19,503
Deficiency deposit surrendered	-	8,767	8,767
Grants	(50,000)	-	(50,000)
Total	\$ 709,478	\$ 16,267	\$ 725,745

North Shore Uranium Ltd.

Notes to the Consolidated Financial Statements

For the year ended December 31, 2025

(Expressed in Canadian dollars)

7. TRADE AND OTHER PAYABLES

	December 31, 2025	December 31, 2024
Trade and other payables	\$ 50,373	\$ 52,417
Due to related parties (Note 10)	2,936	42,201
Total	\$ 53,309	\$ 94,618

8. FLOW-THROUGH PREMIUM LIABILITY

	December 31, 2025	December 31, 2024
Opening balance	\$ -	\$ 4,117
August 2025 flow-through private placement	45,524	-
Flow-through premium recovery	(45,524)	(4,117)
Ending balance	\$ -	\$ -

During the year ended December 31, 2025, the Company raised \$197,270 flow-through dollars (Note 9) and recorded a flow-through premium liability of \$45,524 on issuance of the flow-through shares. The Company spent all of the flow-through funds during the year ended December 31, 2025 and accordingly recorded a flow-through share premium recovery of \$45,524 on the statement of loss and comprehensive loss.

During the year ended December 31, 2023, the Company raised \$70,070 flow-through dollars and recorded a flow-through premium liability of \$10,010 on issuance of the flow-through shares. During the year ended December 31, 2023 the Company spent \$41,249 of the flow-through funds. During the year ended December 31, 2024, the Company spent the balance of \$28,821 flow-through funds and accordingly recorded a flow-through premium recovery of \$4,117 on the statement of loss and comprehensive loss.

North Shore Uranium Ltd.

Notes to the Consolidated Financial Statements

For the year ended December 31, 2025

(Expressed in Canadian dollars)

9. SHARE CAPITAL AND RESERVES

Authorized

The Company has an unlimited number of common shares without par value authorized for issue.

Issued and outstanding

During the year ended December 31, 2025, the Company completed the following:

- On June 5, 2025, the Company issued 500,000 common shares valued at \$20,000 as consideration for amending the Skyharbour Option Agreement (Note 6).
- On August 27, 2025, the Company issued 7,483,000 common shares valued at \$897,960 as consideration for the Rio Puerco property (Note 6). The Company paid share issue costs of \$15,996.
- On August 27, 2025, the Company completed a non-brokered private placement through the issuance of 24,055,000 non-flow-through units at a price of \$0.05 per unit for gross proceeds of \$1,202,750 and 3,034,922 flow-through units at a price of \$0.065 per unit for gross proceeds of \$197,270. Each non-flow-through unit consists of one non-flow-through common share and one-half of one share purchase warrant. Each flow-through unit consists of one flow-through common share and one-half of one share purchase warrant. Each whole warrant entitles the holder to purchase one non-flow-through common share at a price of \$0.10 until August 27, 2027.

The Company recorded a flow-through premium liability of \$45,524 on issuance of the flow-through Units.

The Company paid cash finder's fees of \$13,500 and issued 228,462 finder's warrants to certain arm's length finders. The finder's warrants are exercisable to acquire one common share at a price of \$0.10 until August 27, 2027. The finders' warrants were valued at \$15,799 using the Black-Scholes option pricing model with the following assumptions: a risk-free interest rate of 2.69%; an expected volatility of 100%; an expected life of 2 years; a forfeiture rate of zero; and an expected dividend of zero. The Company also paid other share issue costs of \$22,516.

- On October 22, 2025, the Company issued 263,157 common shares valued at \$50,000 as consideration for the West Bear property (Note 6).

North Shore Uranium Ltd.

Notes to the Consolidated Financial Statements

For the year ended December 31, 2025

(Expressed in Canadian dollars)

9. SHARE CAPITAL AND RESERVES (continued)

Issued and outstanding (continued)

During the year ended December 31, 2024, the Company completed the following:

- On November 7, 2024, the Company issued 2,666,666 common shares valued at \$133,333 as consideration for the Falcon property (Note 6).
- On November 7, 2024, the Company issued 333,333 common shares valued at \$16,667 as consideration for the West Bear property (Note 6).
- During the year ended December 31, 2024, the Company issued 25,000 common shares on the exercise of warrants for proceeds of \$2,500. The Company recorded an allocation on exercise of warrants of \$5,083 from reserves to share capital.

Warrants

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

Expiry date	Exercise price	Balance, December 31,			Balance, December 31,		
		2024	Granted	Exercised	Expired	2025	
October 26, 2025	\$ 0.30	210,014	-	-	(210,014)	-	
August 27, 2027	\$ 0.10	-	13,773,423	-	-	13,773,423	
		210,014	13,773,423	-	(210,014)	13,773,423	
Weighted average exercise price	\$ 0.30	\$ 0.10	\$ -	\$ 0.30	\$ 0.10		

As at December 31, 2025, the weighted average remaining contractual life of the warrants outstanding was 1.65 years.

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

Expiry date	Exercise price	Balance, December 31,			Balance, December 31,		
		2023	Granted	Exercised	Expired	2024	
March 22, 2024	\$ 0.10	465,000	-	(25,000)	(440,000)	-	
October 26, 2025	\$ 0.30	210,014	-	-	-	210,014	
		675,014	-	(25,000)	(440,000)	210,014	
Weighted average exercise price	\$ 0.16	\$ -	\$ 0.10	\$ 0.10	\$ 0.10	\$ 0.30	

North Shore Uranium Ltd.

Notes to the Consolidated Financial Statements

For the year ended December 31, 2025

(Expressed in Canadian dollars)

9. SHARE CAPITAL AND RESERVES (continued)

Stock Options

The Company has a 10% “rolling” stock option plan which governs the granting of stock options to directors, officers, employees and consultants of the Company for the purchase of up to 10% of the issued and outstanding common shares of the Company from time to time. The maximum term of stock options is ten years from the grant date. The exercise price and vesting terms are at the discretion of the directors.

In addition, the Company has a fixed equity incentive plan (the “Equity Plan”) which governs the granting of any restricted share unit (RSU), performance share unit (PSU) or deferred share unit (DSU) granted under the Equity Plan, to directors, officers, employees and consultants of the Company. The Company has reserved for issuance a fixed number of common shares of up to 3,683,096 common shares.

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

Expiry date	Exercise price	Balance, December 31, 2024	Granted	Exercised	Expired/Cancelled	Balance, December 31, 2025
May 26, 2027	\$ 0.10	174,375	-	-	-	174,375
September 10, 2030	\$ 0.175	-	2,075,000	-	-	2,075,000
July 15, 2031	\$ 0.10	145,000	-	-	-	145,000
		319,375	2,075,000	-	-	2,394,375
Weighted average exercise price	\$ 0.10	\$ 0.18	\$ -	\$ -	\$ -	\$ 0.16

As at December 31, 2025, all of the outstanding stock options were exercisable with a weighted average remaining contractual life of 4.51 years.

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

Expiry date	Exercise price	Balance, December 31, 2023	Granted	Exercised	Expired/Cancelled	Balance, December 31, 2024
October 31, 2024	\$ 0.10	865,625	-	-	(865,625)	-
May 26, 2027	\$ 0.10	174,375	-	-	-	174,375
July 15, 2031	\$ 0.10	145,000	-	-	-	145,000
		1,185,000	-	-	(865,625)	319,375
Weighted average exercise price	\$ 0.10	\$ -	\$ -	\$ -	\$ 0.10	\$ 0.10

North Shore Uranium Ltd.

Notes to the Consolidated Financial Statements

For the year ended December 31, 2025

(Expressed in Canadian dollars)

9. SHARE CAPITAL AND RESERVES (continued)

Stock Options (continued)

On September 10, 2025, the Company granted 2,075,000 stock options to certain officer, directors, and consultants of the Company at a fair value of \$273,833 or \$0.13 per option, all of which was recorded as share-based compensation for the year ended December 31, 2025. The fair value of the stock options granted was determined using the Black-Scholes option pricing model with the following assumptions: a risk-free interest rate of 2.75%; an expected volatility of 100%; an expected life of 5 years; a forfeiture rate of zero; and an expected dividend of zero.

Restricted Share Units ("RSUs")

Settlement date	Balance, December 31, 2024	Granted	Released	Expired/ Cancelled	Balance, December 31, 2025
September 10, 2026	-	1,625,000	-	-	1,625,000
	-	1,625,000	-	-	1,625,000

On September 10, 2025, the Company granted 1,625,000 RSUs to certain officer, directors, and consultants of the Company at a fair value of \$284,375, of which \$87,260 was recorded as share-based compensation for the year ended December 31, 2025. The RSUs fully vest on September 10, 2026.

North Shore Uranium Ltd.

Notes to the Consolidated Financial Statements

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(Expressed in Canadian dollars)

10. RELATED PARTY TRANSACTIONS

Compensation of key management personnel

Key management includes members of the Board of Directors, the Chief Executive Officer, the Chief Financial Officer, and the Corporate Secretary. The aggregate compensation paid or accrued to key management personnel during the years ended December 31, 2025 and 2024 were as follows:

	Year ended December 31,	
	2025	2024
Consulting fees		
JBC *	\$ 162,400	\$ 105,500
Golden Oak **	150,000	150,000
Director	12,500	-
	324,900	255,500
Director fees	39,000	54,000
Exploration and evaluation expenditures		
JBC *	11,600	68,500
	11,600	68,500
Share-based compensation	252,220	-
	\$ 627,720	\$ 378,000

* JBC Ventures Ltd. ("JBC") is a consulting company controlled by the Chief Executive Officer of the Company. JBC provides the services of a Chief Executive Officer and geologic support to the Company.

** Golden Oak Corporate Services Ltd. ("Golden Oak") is a consulting company controlled by the Chief Financial Officer and Corporate Secretary of the Company. Golden Oak provides the services of a Chief Financial Officer, Corporate Secretary, and accounting and administrative staff to the Company.

Related party balances

		December 31,	December 31,
		2025	2024
JBC	Fees	\$ -	\$ 15,225
Golden Oak	Fees	-	13,125
Golden Oak	Expenses	2,936	351
Directors	Director fees	-	13,500
		\$ 2,936	\$ 42,201

In August and September 2025, certain officers, directors, and consultants of the Company forgave certain outstanding fees payable. Accordingly, the Company recorded forgiveness of trade and other payables of \$194,500.

North Shore Uranium Ltd.

Notes to the Consolidated Financial Statements

For the year ended December 31, 2025

(Expressed in Canadian dollars)

11. SEGMENTED INFORMATION

Operating segments are identified on the basis of internal reports that are regularly reviewed by the chief operating decision-maker to allocate resources to the segments and to assess their performance. The chief operating decision-maker who is responsible for allocating resources and assessing performance of the operating segments, has been defined as the Chief Financial Officer.

The Company operates in a single segment, being mineral exploration and evaluation. All of the Company's assets are located in Canada and the USA.

12. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial instruments

Financial instruments are classified into one of the following categories: FVTPL; FVTOCI; or at amortized cost. The carrying values of the Company's financial instruments are classified into the following categories:

Financial Instruments	Category	December 31, 2025	December 31, 2024
Cash	Amortized cost	\$ 2,223,740	\$ 137,313
Receivables	Amortized cost	13,460	5,134
Deficiency deposits	Amortized cost	60,887	49,791
Trade and other payables	Amortized cost	53,309	94,618

The Company's financial instruments recorded at fair value require disclosure about how the fair value was determined based on significant levels of inputs described in the following hierarchy:

Level 1 – inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.

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

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

The carrying value of cash, receivables, deficiency deposits, and trade and other payables approximate their fair value due to their short-term nature.

North Shore Uranium Ltd.

Notes to the Consolidated Financial Statements

For the year ended December 31, 2025

(Expressed in Canadian dollars)

12. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

Risk management

The Company's risk exposures and the impact on the Company's financial instruments are summarized as follows:

Credit Risk

Credit risk is the risk of loss associated with a counter party's inability to fulfil its payment obligations. The Company's credit risk is primarily attributable to its cash balances. The Company manages its credit risk on bank deposits by holding deposits in high credit quality banking institutions in Canada. Management believes that the credit risk with respect to cash is low.

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's approach to managing liquidity risk is to closely monitor cash forecasts and manage resources to ensure that there is sufficient capital in order to meet short-term business requirements. All of the Company's financial liabilities are classified as current. The Company is exposed to liquidity risk (Note 1).

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity prices. These fluctuations may be significant.

- (a) Interest Rate Risk: The Company is exposed to interest rate risk to the extent that its cash balances bear variable rates of interest. The interest rate risk on cash is not considered significant.
- (b) Foreign Exchange Risk: The Company's functional and presentation currency is the Canadian dollar. Foreign currency risk arises from transactions denominated in currencies other than the Canadian dollar, as some costs are denominated in US dollars. As at December 31, 2025, the Company holds only 3% of its cash in US dollars. The effect of a 10% change in the foreign exchange rate on balances in US dollars at December 31, 2025 is nominal.
- (c) Commodity Price Risk: While the value of the Company's exploration and evaluation assets will be related to the price of uranium and the outlook for this mineral, the Company currently does not have any operating mines and hence does not have any hedging or other commodity based risks in respect to its operational activities. Historically, the price of uranium has fluctuated significantly and is affected by numerous factors outside of the Company's control, including but not limited to industrial and retail demand, central bank lending, forward sales by producers and speculators, levels of worldwide production, short-term changes in supply and demand because of speculative hedging activities, and certain other factors related specifically to uranium.

North Shore Uranium Ltd.

Notes to the Consolidated Financial Statements

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(Expressed in Canadian dollars)

13. MANAGEMENT OF CAPITAL

Capital is comprised of the Company's shareholders' equity. 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 development of its exploration and evaluation assets and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable level of risk. The Company is not subject to externally imposed capital requirements.

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, issue debt, acquire or dispose of assets, or adjust the amount of cash.

In order to facilitate the management of its capital requirements, the Company prepares expenditure forecasts that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions. In order to maximize ongoing exploration efforts, the Company does not pay out dividends.

The Company's investment policy is to keep its cash treasury on deposit in interest bearing Canadian chartered bank accounts. Management estimates that its working capital will not provide the Company with sufficient financial resources to carry out currently planned operations and exploration through the next twelve months. Additional financing will be required by the Company to complete its strategic objectives and continue as a going concern (Note 1).

There have been no changes to the Company's approach to capital management for the years presented.

North Shore Uranium Ltd.

Notes to the Consolidated Financial Statements

For the year ended December 31, 2025

(Expressed in Canadian dollars)

14. INCOME TAXES

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

	Year ended December 31,	
	2025	2024
Loss for the year	\$ (1,164,429)	\$ (1,765,826)
Expected income tax recovery	\$ (314,000)	\$ (477,000)
Change in statutory, foreign tax, foreign exchange rates and other	11,000	24,000
Permanent differences	85,000	(1,000)
Impact of flow-through shares	53,000	19,000
Share issue costs	(14,000)	(34,000)
Adjustment to prior years provision versus statutory tax returns	(25,000)	(17,000)
Change in unrecognized deductible temporary differences	204,000	486,000
Total	\$ -	\$ -

The significant components of the Company's unrecorded deferred tax assets are as follows:

	December 31,	December 31,
	2025	2024
Deferred tax assets		
Exploration and evaluation assets	\$ 354,000	\$ 317,000
Share issue costs	29,000	43,000
Non-capital losses available for future periods	715,000	534,000
Total unrecognized deferred tax assets	\$ 1,098,000	\$ 894,000

Deferred tax assets have not been recognized in these consolidated financial statements as it is not probable that they will be realized.

The significant components of the Company's unrecognized temporary differences and tax losses are as follows:

	December 31,	Expiry date range
	2025	
Temporary differences		
Exploration and evaluation assets	\$ 1,172,000	No expiry date
Share issue costs	109,000	2026 to 2029
Non-capital losses available for future periods	2,647,000	2041 to 2045

Tax attributes are subject to review and potential adjustment by tax authorities.

North Shore Uranium Ltd.

Notes to the Consolidated Financial Statements

For the year ended December 31, 2025

(Expressed in Canadian dollars)

15. SUBSEQUENT EVENTS

Subsequent to December 31, 2025, the Company completed the following:

- On January 16, 2026, the Company completed a non-brokered private placement through the issuance of 12,930,000 units at a price of \$0.25 per unit for gross proceeds of \$3,232,500. Each unit consists of one common share and one-half of one share purchase warrant. Each whole warrant entitles the holder to purchase one common share at a price of \$0.40 until January 16, 2028.

During the year ended December 31, 2025, the Company received gross proceeds of \$1,886,576 toward this private placement which amounts were recorded as an obligation to issue shares as at December 31, 2025.

The warrants are subject to an accelerated expiry provision such that, if the volume-weighted average price of the Company's common shares on the TSX-V equals or exceeds \$0.80 for ten consecutive trading days, then the warrants will expire 30 days following the date on which the Company either provides notice of acceleration to the holders of the warrants or issues a news release announcing the acceleration, in each case at the Company's election.

The Company paid cash finder's fees of \$18,500 and issued 74,000 finder's warrants to certain arm's length finders. The finder's warrants are exercisable to acquire one common share at a price of \$0.25 until January 16, 2028.

- In February 2026, the Company issued 357,692 common shares on the exercise of warrants for gross proceeds of \$35,769.