



UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

THREE AND SIX MONTHS ENDED

MARCH 31, 2026

(in thousands of United States Dollars unless stated otherwise)



SILVER & GOLD

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Unaudited – in thousands of United States dollars)

	<u>March 31</u> <u>2026</u>	<u>September 30</u> <u>2025</u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 262,161	\$ 141,112
Trade receivables	19,572	8,412
Input tax recoverable	8,648	11,239
Prepaid expenses	627	2,369
Inventories (Note 3)	<u>6,502</u>	<u>9,139</u>
	297,510	172,271
Non-current assets:		
Input tax recoverable	4,249	5,767
Inventories (Note 3)	73,407	66,597
Property, plant and equipment (Note 4)	40,403	42,046
Exploration and evaluation assets (Note 5)	<u>117,912</u>	<u>111,009</u>
Total assets	<u>\$ 533,481</u>	<u>\$ 397,690</u>
LIABILITIES		
Current liabilities:		
Trade and other payables	\$ 7,385	\$ 8,531
Stock based awards (Note 6)	900	3,249
Current portion of long-term obligations	53	88
Current portion of onerous contract provision	525	534
Income taxes (Note 7)	<u>23,159</u>	<u>10,188</u>
	32,022	22,590
Non-current liabilities:		
Long-term obligations	903	784
Stock based awards (Note 6)	7,233	-
Onerous contract provision	3,286	3,400
Derivative liability (Note 10(b))	1,634	1,705
Provision for site restoration	2,131	2,007
Deferred tax liability (Note 7)	<u>5,701</u>	<u>6,938</u>
Total liabilities	<u>52,910</u>	<u>37,424</u>
EQUITY		
Share capital (Note 6)	461,820	369,869
Contributed surplus	17,435	14,697
Accumulated other comprehensive loss	(8,601)	(8,815)
Retained earnings (deficit)	<u>9,917</u>	<u>(15,485)</u>
Total equity	<u>480,571</u>	<u>360,266</u>
Total liabilities and equity	<u>\$ 533,481</u>	<u>\$ 397,690</u>

See accompanying notes to the unaudited condensed consolidated interim financial statements.



SILVER & GOLD

CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME

(Unaudited – in thousands of United States dollars, except per share amounts)

	Three months ended		Six months ended	
	March 31 2026	March 31 2025	March 31 2026	March 31 2025
Revenue from mining operations	<u>\$ 30,329</u>	<u>\$ 17,602</u>	<u>\$ 61,434</u>	<u>\$ 36,700</u>
Cost of sales:				
Production costs, except amortization and depletion	<u>(9,369)</u>	<u>(9,918)</u>	<u>(19,813)</u>	<u>(22,020)</u>
Amortization and depletion	<u>(1,067)</u>	<u>(1,149)</u>	<u>(2,296)</u>	<u>(2,565)</u>
	<u>(10,436)</u>	<u>(11,067)</u>	<u>(22,109)</u>	<u>(24,585)</u>
General and administrative	<u>(3,694)</u>	<u>(2,379)</u>	<u>(6,640)</u>	<u>(4,464)</u>
Fair value adjustment on stock based awards	<u>2,192</u>	<u>(376)</u>	<u>1,915</u>	<u>(202)</u>
Gain (loss) on derivative liability	<u>113</u>	<u>(284)</u>	<u>71</u>	<u>(138)</u>
Operating income	<u>18,504</u>	<u>3,496</u>	<u>34,671</u>	<u>7,311</u>
Finance costs	<u>(127)</u>	<u>(135)</u>	<u>(259)</u>	<u>(273)</u>
Foreign exchange (loss) gain	<u>(55)</u>	<u>107</u>	<u>541</u>	<u>(672)</u>
Interest income	<u>4,332</u>	<u>1,189</u>	<u>6,527</u>	<u>2,171</u>
	<u>4,150</u>	<u>1,161</u>	<u>6,809</u>	<u>1,226</u>
Net income before income taxes	<u>22,654</u>	<u>4,657</u>	<u>41,480</u>	<u>8,537</u>
Current income tax expense (Note 7)	<u>(6,277)</u>	<u>(1,739)</u>	<u>(12,971)</u>	<u>(2,806)</u>
Deferred income tax recovery (expense) (Note 7)	<u>60</u>	<u>439</u>	<u>1,237</u>	<u>(2,511)</u>
	<u>(6,217)</u>	<u>(1,300)</u>	<u>(11,734)</u>	<u>(5,317)</u>
Net income	<u>16,437</u>	<u>3,357</u>	<u>29,746</u>	<u>3,220</u>
Other comprehensive (loss) income:				
Foreign currency translation differences which may subsequently be cycled through net income	<u>106</u>	<u>(12)</u>	<u>214</u>	<u>(295)</u>
Comprehensive income	<u>\$ 16,543</u>	<u>\$ 3,345</u>	<u>\$ 29,960</u>	<u>\$ 2,925</u>
Net income per share (Note 6 (h))				
Basic	<u>\$ 0.038</u>	<u>\$ 0.010</u>	<u>\$ 0.071</u>	<u>\$ 0.010</u>
Diluted	<u>\$ 0.038</u>	<u>\$ 0.010</u>	<u>\$ 0.071</u>	<u>\$ 0.010</u>

See accompanying notes to the unaudited condensed consolidated interim financial statements.



CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited – in thousands of United States dollars)

	Three months ended		Six months ended	
	March 31	March 31	March 31	March 31
	2026	2025	2026	2025
Cash provided by (used in) the following activities:				
Operating activities				
Net income for the period	\$ 16,437	\$ 3,357	\$ 29,746	\$ 3,220
Items not involving cash:				
Amortization and depletion	1,067	1,149	2,296	2,565
Deferred income taxes	(60)	(439)	(1,237)	2,511
Finance costs	121	135	253	273
Interest paid	-	(8)	-	(14)
Foreign exchange loss (gain)	55	(107)	(540)	672
(Gain) loss on derivative liability	(113)	284	(71)	138
Fair value adjustment stock based awards	(2,192)	376	(1,915)	202
Settlement of onerous contract provision by sale of Off-Take Ounces	(123)	(122)	(260)	(273)
Stock based compensation	885	492	1,721	1,027
	<u>16,077</u>	<u>5,117</u>	<u>29,993</u>	<u>10,321</u>
Change in non-cash operating working capital (Note 8)	<u>5,140</u>	<u>28</u>	<u>887</u>	<u>2,691</u>
Net cash provided by operating activities	<u>21,217</u>	<u>5,145</u>	<u>30,880</u>	<u>13,012</u>
Investing activities				
Exploration and evaluation expenditures (Note 5)	(3,747)	(2,968)	(6,264)	(6,326)
Purchase of property, plant and equipment (Note 4)	(684)	(61)	(840)	(69)
Net cash used in investing activities	<u>(4,431)</u>	<u>(3,029)</u>	<u>(7,104)</u>	<u>(6,395)</u>
Financing activities				
Net proceeds on equity issuances (Note 6)	-	-	96,756	-
Proceeds on stock option exercises (Note 6)	80	-	537	254
Payments of leases	(9)	(9)	(22)	(19)
Payments of long-term obligations	-	(70)	(75)	(193)
Net cash provided by (used in) financing activities	<u>71</u>	<u>(79)</u>	<u>97,196</u>	<u>42</u>
Effect of exchange rate changes on cash	<u>(304)</u>	<u>(33)</u>	<u>77</u>	<u>(371)</u>
Net increase in cash and cash equivalents	16,553	2,004	121,049	6,288
Cash and cash equivalents, beginning of period	<u>245,608</u>	<u>76,314</u>	<u>141,112</u>	<u>72,030</u>
Cash and cash equivalents, end of period	<u>\$ 262,161</u>	<u>\$ 78,318</u>	<u>\$ 262,161</u>	<u>\$ 78,318</u>

See accompanying notes to the unaudited condensed consolidated interim financial statements.



SILVER & GOLD

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(Unaudited – in thousands of United States dollars)

	Number of shares	Share capital	Contributed surplus	Accumulated other comprehensive loss	Retained Earnings (Deficit)	Total equity
Balance at September 30, 2024	329,527,261	\$ 311,556	\$ 14,358	\$ (8,593)	\$ (32,816)	\$ 284,505
Net (loss) income	-	-	-	-	3,220	3,220
Other comprehensive loss	-	-	-	(295)	-	(295)
Options exercised (Note 6)	1,446,200	856	(602)	-	-	254
Stock based compensation (Note 6)	-	-	517	-	-	517
Balance at March 31, 2025	330,973,461	\$ 312,412	\$ 14,273	\$ (8,888)	\$ (29,596)	\$ 288,201
Balance at September 30, 2025	378,443,923	369,869	14,697	(8,815)	(15,485)	360,266
Net (loss) income	-	-	-	-	29,746	29,746
Other comprehensive income	-	-	-	214	-	214
Options exercised (Note 6)	761,538	1,692	(1,155)	-	-	537
Reclassification of stock based awards (Note 6)	-	-	(3,100)	-	(4,344)	(7,444)
Stock based compensation (Note 6)	-	-	496	-	-	496
Equity issued, net of issuance costs (Note 6)	54,245,500	90,259	6,497	-	-	96,756
Balance at March 31, 2026	433,450,961	\$ 461,820	\$ 17,435	\$ (8,601)	\$ 9,917	\$ 480,571

See accompanying notes to the unaudited condensed consolidated interim financial statements.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended March 31, 2026

(Unaudited – in thousands of United States dollars unless otherwise stated)

1. NATURE OF OPERATIONS

GoGold Resources Inc. (the “Corporation”) is a company domiciled in Canada. The address of the Corporation’s registered office is #1301-2000 Barrington Street, Cogswell Tower, Halifax, Nova Scotia, B3J 3K1. The Corporation’s common shares are listed on the Toronto Stock Exchange trading under the symbol GGD and the OTCQX market in the United States under the symbol GLGDF. The consolidated financial statements of the Corporation comprise the Corporation and its subsidiaries. The principal business of the Corporation is the exploration, development, and production of silver, gold and copper primarily in Mexico.

2. BASIS OF PREPARATION

These consolidated interim financial statements are prepared in accordance with IAS 34, Interim Financial Reporting (“IAS 34”).

These unaudited consolidated interim financial statements do not include all disclosures required by IFRS Accounting Standards for annual consolidated financial statements and accordingly should be read in conjunction with the Corporation’s audited consolidated financial statements for the year ended September 30, 2025 prepared in accordance with IFRS Accounting Standards.

These consolidated interim financial statements were approved by the directors of the Corporation on May 5, 2026.

These unaudited consolidated interim financial statements were prepared using the same accounting policies and methods of computation and are subject to the same use of estimates and judgments, as the Corporation’s consolidated annual financial statements for the year ended September 30, 2025.

Certain comparative balances at September 30, 2025 were adjusted to conform with current period classifications.

3. INVENTORIES

	<u>March 31, 2026</u>	<u>September 30, 2025</u>
Current:		
Supplies inventory	\$ 1,382	\$ 1,317
In process inventory	4,468	6,027
Finished goods inventory	652	1,795
	<u>6,502</u>	<u>9,139</u>
Long term:		
In process inventory	73,407	66,597
	<u>\$ 79,909</u>	<u>\$ 75,736</u>

The amount of inventory included in cost of sales for the three and six months ended March 31, 2026, was \$10,436 and \$22,109 (2025 – \$11,067 and \$24,585).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended March 31, 2026

(Unaudited – in thousands of United States dollars unless otherwise stated)

4. PROPERTY, PLANT AND EQUIPMENT

Cost	<u>Plant & Equipment</u>	<u>Mining Properties</u>	<u>Total</u>
At September 30, 2025	\$ 52,487	\$ 59,219	\$ 111,706
Additions	969	18	987
Disposals	(107)	-	(107)
Reclamation obligation adjustments	-	3	3
At March 31, 2026	\$ 53,349	\$ 59,240	\$ 112,589

Accumulated Amortization and Impairment	<u>Plant & Equipment</u>	<u>Mining Properties</u>	<u>Total</u>
At September 30, 2025	\$ 35,561	\$ 34,099	\$ 69,660
Amortization and depletion	1,095	1,538	2,633
Disposals	(107)	-	(107)
At March 31, 2026	\$ 36,549	\$ 35,637	\$ 72,186

Net Carrying Value	<u>Plant & Equipment</u>	<u>Mining Properties</u>	<u>Total</u>
At September 30, 2025	\$ 16,926	\$ 25,120	\$ 42,046
At March 31, 2026	\$ 16,800	\$ 23,603	\$ 40,403

For the three and six months ended March 31, 2026, amortization and depletion of \$160 and \$337 (2025 - \$216 and \$252) was capitalized to in process inventory. Disclosures related to right of use assets, which are included in the table above, are shown in the following table:

Right of Use Assets	<u>Plant & Equipment</u>	<u>Mining Properties</u>	<u>Total</u>
Net Carrying Value – September 30, 2025	\$ 20	\$ 859	\$ 879
Net Carrying Value – March 31, 2026	-	792	792
Amortization and depletion expensed – 2025	18	68	86
Amortization and depletion expensed – 2026	20	67	87

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended March 31, 2026

(Unaudited – in thousands of United States dollars unless otherwise stated)

5. EXPLORATION AND EVALUATION ASSETS

The Corporation's exploration and evaluation assets consist of the Los Ricos property which consists of two projects, the Los Ricos South project and the Los Ricos North project.

A summary of the additions to the Los Ricos projects for the six months ended March 31, 2026 are as follows:

	LOS RICOS NORTH			LOS RICOS SOUTH			TOTAL		
	Cash Settled	Share Settled	Total	Cash Settled	Share Settled	Total	Cash Settled	Share Settled	Total
At September 30, 2025	\$ 48,621	\$ 3,491	\$ 52,112	\$ 49,718	\$ 9,179	\$ 58,897	\$ 98,339	\$ 12,670	\$ 111,009
Concession requirements	197	-	197	229	-	229	426	-	426
Consulting, infrastructure, exploration	616	52	668	5,776	33	5,809	6,392	85	6,477
At March 31, 2026	\$49,434	\$3,543	\$52,977	\$55,723	\$9,212	\$64,935	\$105,157	\$12,755	\$117,912

Cash-settled consideration includes amounts capitalized to exploration and evaluation assets which have been or will be settled in cash, while share-settled consideration includes amounts which are settled by the issuance of common shares of the Corporation. Cash-settled consideration includes \$745 (September 30, 2025 – \$157) in trade and other payables at March 31, 2026.

6. SHARE CAPITAL

(a) Authorized

An unlimited number of common shares, without nominal or par value.

(b) Issued

The following table summarizes the changes in issued common shares of the Corporation:

	Shares	Value
Balance September 30, 2024	329,527,261	\$ 311,556
Shares issued on exercise of options	1,446,200	856
Balance March 31, 2025	330,973,461	\$ 312,412
Balance September 30, 2025	378,443,923	\$ 369,869
Shares issued, net of issuance costs	54,245,500	90,259
Shares issued on exercise of options	761,538	1,692
Balance March 31, 2026	433,450,961	\$ 461,820

On November 27, 2025, the Corporation closed a bought deal whereby a syndicate of underwriters purchased 54,245,500 units, including the exercised over-allotment, at a price of \$2.65 CAD per unit, with each unit consisting of one common share of the Corporation and one half-warrant. The warrants are exercisable at \$3.50 CAD per unit and expire on November 27, 2028. The net proceeds of the equity financing were \$96,756, after share issuance costs of \$5,597, of which \$90,259 was attributed to the common shares and \$6,497 was attributed to the warrants. Details of the warrant valuation are provided in section h) below.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended March 31, 2026

(Unaudited – in thousands of United States dollars unless otherwise stated)

(c) Omnibus equity incentive plan (“Omnibus Plan”)

The Corporation has a shareholder approved Omnibus Plan which provides the Corporation with a share-related mechanism to attract, retain and motivate qualified directors, employees and consultants of the Corporation. Share-related mechanisms include incentive stock options, deferred share units (“DSUs”), restricted share units (“RSUs”), and performance share units (“PSUs”). In 2022, the Omnibus Plan replaced legacy plans including a rolling 10% incentive stock option plan, DSU plan, and RSU plan (the “Legacy Plans”). Awards granted under these legacy plans remain in place under the terms of their initial issuance.

The Omnibus Plan is a fixed plan which provides that the aggregate number of common shares that may be issued upon the exercise or settlement of awards granted, together with awards outstanding under the Legacy Plans, shall not exceed 27,500,000 common shares. Sections (d), (e), and (f) below provide details on the outstanding awards under the Omnibus Plan and Legacy Plans.

(d) Incentive stock options

The Corporation has options granted under the Omnibus and Legacy Plans. For both, the terms and conditions of each grant of options were determined by the Board of Directors. Options were granted at a price no lower than the market price of the common shares as defined in the Plans which was the five day weighted average of the Corporation’s common shares prior to the date of grant rounded up to the nearest cent. Options granted under the plans typically vested over a three year period, although the vesting period is at the Board of Directors’ discretion. Options granted under the Omnibus Plan can be settled by the issuance of common shares, cash equal to the market value of the common shares at settlement, or a combination thereof, at the discretion of the Corporation.

The changes in incentive stock options during the six months ended March 31, 2026 and 2025 were as follows:

	Plan	March 31, 2026		March 31, 2025	
		Number of incentive options	Weighted average exercise price	Number of incentive options	Weighted average exercise price
Opening balance		8,333,417	CAD \$ 1.83	9,330,583	CAD \$ 1.60
Granted	Omnibus	1,083,000	3.00	1,623,667	1.17
Exercised – net settled	Legacy	(1,034,412)	2.00	(1,925,000)	0.70
Exercised	Legacy	(410,000)	2.00	(825,000)	0.70
Exercised – cash settled	Omnibus	(83,999)	1.27	-	-
Exercised	Omnibus	(83,332)	1.28	-	-
Closing balance		<u>7,804,674</u>	<u>CAD \$ 1.97</u>	<u>8,204,250</u>	<u>CAD \$ 1.82</u>
Exercisable		<u>4,525,706</u>	<u>CAD \$ 2.03</u>	<u>4,411,836</u>	<u>CAD \$ 2.20</u>

During the six months ended March 31, 2026, a total of 268,206 (2025 – 621,200) shares were issued to option holders who exercised 1,034,412 options on a net settled basis (2025 – 1,925,000). During the same period, 83,999 options were settled in cash which did not result in any shares being issued. The average market price per common share on the days of exercise during the six months ended March 31, 2026 was CAD \$2.86 (2025 - \$1.09).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended March 31, 2026

(Unaudited – in thousands of United States dollars unless otherwise stated)

The compensation cost for the incentive stock options granted during the six months ended March 31, 2026 and 2025 were determined based on the fair value of the options at the date of grant using the Black-Scholes option pricing model with the following assumptions:

	<u>Average for the six months ended Mar. 31, 2026</u>	<u>Average for the six months ended Mar. 31, 2025</u>
Exercise price	CAD \$ 3.00	CAD \$ 1.17
Risk-free rate	2.98%	2.96%
Expected volatility of share price	61%	64%
Expected dividend yield	0.00%	0.00%
Expected life of each option	5 years	5 years
Weighted average grant date fair value	CAD \$ 1.57	CAD \$ 0.61

The expected volatility was determined based on the historical share price volatility from the date of the grant over a period of time equal to the expected life of the option. The above options were granted through the Omnibus Plan, which allows settlement of the option either by the issuance of common shares, cash, or a combination thereof, at the election of the Corporation.

During the period, the Corporation modified the Omnibus incentive stock option awards previously classified as equity-settled such that they are now classified as cash-settled. The modification resulted from a change in the Corporation's settlement practices and did not modify the vesting conditions or the benefits granted to employees. The awards were reclassified as cash-settled share-based payment arrangements, and a liability was recognized at the fair value of the awards at the modification date. Any difference between the fair value of the cash-settled awards and the carrying amount of the equity-settled awards immediately prior to the modification was recognized directly within equity. No amount was recognized in profit or loss as a result of the modification, as the change in classification did not result in an increase in the fair value of the services received. Following the modification, the share-based payment liability is remeasured at fair value at each reporting date, with subsequent changes in fair value recognized in net income or loss until settlement.

The fair value of the awards was determined at the date of modification, and subsequently revalued at March 31, 2026, using the Black-Scholes option pricing model with the following assumptions:

	<u>Revaluation date</u>	<u>March 31, 2026</u>
Average exercise price	CAD \$ 1.62	CAD \$ 1.64
Risk-free rate	2.70%	2.71%
Expected volatility of share price	61%	61%
Expected dividend yield	0.00%	0.00%
Expected life of each option	2.8 years	2.8 years
Weighted average grant date fair value	CAD \$ 2.04	CAD \$ 1.50

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended March 31, 2026

(Unaudited – in thousands of United States dollars unless otherwise stated)

The following table summarizes information concerning outstanding and exercisable incentive stock options at March 31, 2026:

Expiry date	Plan	Outstanding				Exercisable		
		Number of options	Exercise price (CAD\$)	Years until expiry	Non-current liability (USD\$)	Number of options	Exercise price (CAD\$)	Years until expiry
December 30, 2026	Legacy	1,005,500	\$ 3.25	0.75	-	1,005,500	\$ 3.25	0.75
December 27, 2027	Omnibus	1,450,100	2.25	1.74	\$ 1,083	1,450,100	2.25	1.74
December 21, 2028	Omnibus	2,362,239	1.30	2.73	2,510	1,555,382	1.30	2.73
May 7, 2029	Omnibus	85,000	1.45	3.10	84	28,333	1.45	3.10
December 23, 2029	Omnibus	1,488,835	1.15	3.73	1,333	459,724	1.15	3.73
February 13, 2030	Omnibus	80,000	1.65	3.88	61	26,667	1.65	3.88
June 5, 2030	Omnibus	200,000	2.35	4.18	104	-	-	-
August 5, 2030	Omnibus	50,000	2.20	4.35	22	-	-	-
December 15, 2030	Omnibus	1,083,000	3.00	4.71	183	-	-	-
		<u>7,804,674</u>	<u>C\$ 1.97</u>	<u>2.82</u>	<u>\$ 5,379</u>	<u>4,525,706</u>	<u>C\$ 2.03</u>	<u>2.08</u>

(e) Deferred share units

The Corporation's Omnibus Plan allows, and DSU Legacy Plan allowed, DSU awards which entitle the participant to receive one common share of the Corporation issued from treasury upon redemption. DSUs typically vest over a 3-year period from grant date, although the vesting period is at the Board of Directors' discretion. DSUs issued under the Omnibus Plan allow settlement of the DSU by the issuance of common shares, cash equal to the market value of the common shares at settlement, or a combination thereof, at the election of the Corporation, while Legacy Plan DSUs are only settled through common shares. As the Corporation does not have a stated intent of which settlement method will be used, the Omnibus DSUs granted in the table below were accounted for as cash settled based on past practice, as all have been settled by cash to date.

The changes in DSUs for the six months ended March 31, 2026 and 2025 were as follows:

	Plan	March 31, 2026	March 31, 2025
Opening balance		5,290,500	4,997,500
Granted	Omnibus	184,729	293,000
Closing balance		<u>5,475,229</u>	<u>5,290,500</u>
Exercisable		<u>4,942,562</u>	<u>4,634,167</u>

Following is a summary of the DSUs outstanding at March 31, 2026 which are accounted for as equity settled:

Grant date	Plan	Number of DSUs	Market price at grant date	Compensation cost over 3-year vesting term
March 27, 2018	Legacy	425,000	CAD \$ 0.425	\$ 134
December 28, 2018	Legacy	1,250,000	0.215	204
June 21, 2019	Legacy	100,000	0.395	30
August 27, 2019	Legacy	25,000	0.620	12
December 23, 2019	Legacy	1,675,000	0.630	801
December 28, 2020	Legacy	817,500	1.950	1,247
December 30, 2021	Legacy	120,000	3.030	273
		<u>4,412,500</u>	<u>CAD \$ 0.797</u>	<u>\$ 2,701</u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended March 31, 2026

(Unaudited – in thousands of United States dollars unless otherwise stated)

Following is a summary of the DSUs outstanding at March 31, 2026 which are accounted for as cash settled:

Grant date	Plan	Number of DSUs	Market price at grant date	Non-current liability (USD)
December 27, 2022	Omnibus	185,000	CAD \$ 2.11	352
December 21, 2023	Omnibus	295,000	1.23	541
May 7, 2024	Omnibus	105,000	1.37	172
December 23, 2024	Omnibus	198,000	1.10	259
February 13, 2025	Omnibus	95,000	1.56	117
December 15, 2025	Omnibus	169,000	2.94	58
December 20, 2025	Omnibus	7,796	2.79	15
March 31, 2026	Omnibus	7,933	2.52	15
		<u>1,062,729</u>	<u>CAD \$ 1.69</u>	<u>\$ 1,529</u>

(f) Restricted share units (“RSUs”)

The Omnibus Plan allows for, and the RSU Legacy Plan allowed for, the award of RSUs as an alternative form of compensation for employees, officers, and directors of the Corporation. Each RSU entitles the participant to receive a cash payment equal to the value of one common share of the Corporation on the vesting date, which is to be made within 30 days of vesting of each RSU. RSUs under the Legacy Plan are required to be settled in cash, while RSUs under the Omnibus Plan can be settled by the issuance of common shares, cash, or a combination thereof, at the election of the Corporation. As the Corporation does not have a stated intent of which settlement method will be used, the RSUs issued through the Omnibus Plan were accounted for based on past practice, whereby all RSUs have been settled by cash. RSUs typically vest and become exercisable over a 3-year period from the grant date, with one-third vesting on each of the first, second and third anniversaries of the grant date.

The changes in RSUs for the six months ended March 31, 2026 and 2025 were as follows:

	March 31, 2026	March 31, 2025
Opening balance	1,648,410	1,477,796
Granted	493,000	793,000
Exercised	(779,579)	(622,386)
Closing balance	<u>1,361,831</u>	<u>1,648,410</u>
Exercisable	<u>-</u>	<u>-</u>

Following is a summary of the RSUs and the associated liability outstanding, which is included in stock based awards, based on the market closing price of \$2.66 CAD per common share at March 31, 2026:

Grant date	Plan	Number of RSUs	Market price at grant date	Current liability (USD)	Non-current liability (USD)
December 21, 2023	Omnibus	340,164	1.23	487	-
December 23, 2024	Omnibus	528,667	1.10	321	249
December 15, 2025	Omnibus	493,000	2.94	92	76
		<u>1,361,831</u>	<u>CAD \$ 1.80</u>	<u>\$ 900</u>	<u>\$ 325</u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended March 31, 2026

(Unaudited – in thousands of United States dollars unless otherwise stated)

(g) Stock based compensation

The Corporation has recorded total stock based compensation during the three and six months ended March 31, 2026 and 2025 categorized as follows:

	Three months ended		Six months ended	
	March 31 2026	March 31 2025	March 31 2026	March 31 2025
Cash-settled, through general and administrative expense	\$ 707	\$ 306	\$ 1,292	\$ 570
Equity-settled, through general and administrative expense	178	186	429	457
Equity-settled, additions to exploration and evaluation assets	34	28	67	60
Fair value adjustment on stock based awards	<u>(2,192)</u>	376	<u>(1,915)</u>	202
	<u>\$ (1,273)</u>	<u>\$ 896</u>	<u>\$ (127)</u>	<u>\$ 1,289</u>

(h) Earnings (loss) per share

Basic net income per share is calculated based on the weighted average number of shares and vested DSUs which are expected to be settled in shares outstanding during the year. Diluted net income per share is based on the assumption that stock options have been exercised on the later of the beginning of the period and the date granted, with cash settled awards excluded. Following is a reconciliation from the weighted average number of shares outstanding to the diluted weighted average number of shares outstanding:

	Three Months Ended		Six Months Ended	
	March 31 2026	March 31 2025	March 31 2026	March 31 2025
Weighted average number of shares outstanding	437,829,989	330,973,461	420,248,199	330,357,412
Dilutive effect of in-the-money options outstanding	-	821,141	-	582,716
Diluted weighted average number of shares outstanding	<u>437,829,989</u>	<u>331,794,602</u>	<u>420,248,199</u>	<u>330,940,128</u>
Anti-dilutive options excluded	1,005,500	4,080,012	1,005,500	4,080,012
Anti-dilutive warrants excluded	27,122,750	-	27,122,750	-

(i) Warrants

In connection with the bought deal which closed on November 27, 2025 discussed in section (b) above, the Corporation issued 27,122,750 warrants which entitled the holder to acquire one common share of the Corporation at a price of CAD\$3.50 and expire on November 27, 2028. Warrants issued under the bought deal trade on the TSX under the GGD.WT symbol.

The amount of proceeds from the bought deal allocated to the warrants and recorded in contributed surplus was \$6,497 based on an estimate of fair value using a Black-Scholes model. The fair value of the warrants at the date of grant was calculated using the following assumptions:

Warrant grant date	Nov 27, 2025
Warrants granted	27,122,750
Exercise price	CAD \$ 3.50
Expected volatility of share price	35%
Expected dividend yield	0.00%
Expected life of each warrant	3 years
Weighted average grant date fair value	CAD \$ 0.34

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended March 31, 2026

(Unaudited – in thousands of United States dollars unless otherwise stated)

7. INCOME TAXES

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and (liabilities) are presented below:

	<u>March 31, 2026</u>	<u>September 30, 2025</u>
Resource properties	\$ (5,206)	\$ (4,464)
Non-capital loss carryforwards	2,186	8,519
Inventory	90	(11,348)
Trade payables and other accruals	(2,771)	362
Unrealized foreign exchange gains	-	(7)
	<u>\$ (5,701)</u>	<u>\$ (6,938)</u>

The deferred tax benefits related to non-capital losses totaling \$4,551 (2025 – \$6,207) and share issuance costs of \$8,686 (2025 – \$4,409) have not been recognized in the consolidated financial statements. The non-capital losses expire from 2041 to 2046. Of the unrecognized non-capital losses, \$2,636 (2025 – \$3,585) relate to Canada, while \$1,915 (2025 – \$2,622) relate to Mexico.

Income taxes vary from the amount that would be computed by applying the basic Federal and Provincial tax rate of 29% (2025 – 29%) to income before taxes as follows:

	Three months ended		Six months ended	
	<u>March 31 2026</u>	March 31 2025	<u>March 31 2026</u>	March 31 2025
Net income before income taxes	\$ 22,654	\$ 4,657	\$ 41,480	\$ 8,537
Computed income tax expense	\$ 6,570	\$ 1,351	\$ 12,029	\$ 2,476
Foreign tax rate differential	207	64	474	117
Permanent differences	686	364	(567)	981
Effect of foreign exchange	(221)	(31)	(1,011)	1,983
Change in unrecognized temporary differences	<u>(1,025)</u>	<u>(448)</u>	<u>809</u>	<u>(240)</u>
Recorded income tax expense	<u>\$ 6,217</u>	<u>\$ 1,300</u>	<u>\$ 11,734</u>	<u>\$ 5,317</u>

8. SUPPLEMENTAL CASH FLOW INFORMATION

	Three months ended		Six months ended	
	<u>March 31 2026</u>	March 31 2025	<u>March 31 2026</u>	March 31 2025
Change in non-cash operating working capital:				
Trade receivables	\$ (825)	\$ (1,077)	\$ (11,160)	\$ (1,337)
Input tax recoverable	3,432	1,878	4,362	1,810
Prepaid expenses	1,923	(13)	1,919	(233)
Inventories	(1,443)	(207)	(3,835)	820
Trade and other payables	(2,561)	(2,384)	(1,604)	(1,474)
Stock based awards	(1,663)	92	(1,766)	299
Income taxes payable	6,277	1,739	12,971	2,806
	<u>\$ 5,140</u>	<u>\$ 28</u>	<u>\$ 887</u>	<u>\$ 2,691</u>

Exploration and evaluation expenditures for the three and six months ended March 31, 2026 are presented net of an increase of \$294 and \$571 (2025 – increase of \$123 and decrease of \$387) of amounts included in trade and other payables.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended March 31, 2026

(Unaudited – in thousands of United States dollars unless otherwise stated)

9. SEGMENTED INFORMATION

The Corporation's reportable segments are consistent with the mining projects which the Corporation operates. In determining the segment structure, the Corporation considered the basis on which management reviews the financial and operational performance and whether any of the Corporation's mining operations share similar economic, operational and regulatory characteristics. The Corporation considers the Parral project and the Los Ricos projects as separate segments, which are both located in Mexico, and the Corporation's corporate offices as a reconciling item to the note disclosure. The following table presents information about reportable segments, which include restated segments for 2025 based on the 2026 operating segments:

	Los Ricos	Parral	Corporate	Total
For the three months ended March 31, 2025:				
Revenue	\$ -	\$ 17,602	\$ -	\$ 17,602
Amortization and depletion	-	1,140	9	1,149
Interest income	-	363	826	1,189
Finance costs	-	55	80	135
Segment net income (loss) before income tax	(54)	5,712	(1,001)	4,657
Expenditures on exploration and evaluation assets	2,968	-	-	2,968
Expenditures on property, plant, and equipment	-	61	-	61
For the three months ended March 31, 2026:				
Revenue	\$ -	\$ 30,329	\$ -	\$ 30,329
Amortization and depletion	-	1,067	-	1,067
Interest income	-	1,682	2,650	4,332
Finance costs	(1)	203	(75)	127
Segment net income (loss) before income tax	65	19,533	3,056	22,654
Expenditures on exploration and evaluation assets	3,747	-	-	3,747
Expenditures on property, plant, and equipment	-	684	-	684
For the six months ended March 31, 2025:				
Revenue	\$ -	\$ 36,700	\$ -	\$ 36,700
Amortization and depletion	-	2,547	18	2,565
Interest income	-	437	1,734	2,171
Finance costs	1	110	162	273
Segment net income (loss) before income tax	274	9,692	(1,429)	8,537
Expenditures on exploration and evaluation assets	6,326	-	-	6,326
Expenditures on property, plant, and equipment	-	69	-	69
For the six months ended March 31, 2026:				
Revenue	\$ -	\$ 61,434	\$ -	\$ 61,434
Amortization and depletion	-	2,276	20	2,296
Interest income	-	1,967	4,560	6,527
Finance costs	(1)	259	1	259
Segment net (loss) income before income tax	(91)	38,759	2,812	41,480
Expenditures on exploration and evaluation assets	6,264	-	-	6,264
Expenditures on property, plant, and equipment	-	840	-	840

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	Los Ricos	Parral	Corporate	Total
Reportable segment assets (September 30, 2025)	\$ 111,266	\$ 147,039	\$ 139,385	\$ 397,690
Reportable segment liabilities (September 30, 2025)	1,139	31,297	4,988	37,424
Reportable segment assets (March 31, 2026)	\$ 118,126	\$ 161,082	\$ 254,273	\$ 533,481
Reportable segment liabilities (March 31, 2026)	1,746	41,813	9,351	52,910

10. FINANCIAL INSTRUMENTS

(a) Fair value of financial instruments:

Long-term obligations are valued based on the discounted present value of the future cash flows.

Derivative liabilities are valued at fair value through profit or loss on a recurring basis. The Corporation performs valuations internally and calculates a debt valuation adjustment or a credit valuation adjustment by considering the risk of non-performance by the counterparties and the Corporation's own credit risk. Valuations are based on forward rates considering the market price, rate of interest and volatility, and take into account the credit risk of the financial instrument, and are therefore classified within Level 2 of the fair value hierarchy.

Financial instruments measured at amortized cost approximate their fair value.

b) Derivatives:

The Corporation, through its subsidiary Coanzamex, has an agreement with the Municipality of Parral, Mexico ("Town") to mine and process tailings material for precious metal recovery. The Corporation makes payments of \$48 per month to the Town which increases based on the average market silver price, with payments continuing until tailings are completely mined. As the monthly royalty payment increases based on the average market silver price, from a minimum of \$48 per month to a maximum of \$88 per month, the variable payment portion of the obligation is accounted for as an embedded derivative liability. The fair value of the liability has been accounted for using a Monte Carlo simulation based on the spot price of silver at March 31, 2026 of \$72.69 (September 30, 2025 - \$46.18), as well as the historical volatility of silver market prices. The fair value of the derivative liability under this method at March 31, 2026 was \$1,634 (September 30, 2025 - \$1,705).